



**MSUNDUZI LOCAL MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## General Information

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<b>Legal form of entity</b>	Category B Municipality in terms of section 12 of the Local Government : Municipal Structures Act, 1998 (Act 117 of 1998) read with section 155(1) of the Constitution of the Republic of South Africa ( Act 108 of 1996) and Municipal Finance Management Act No. 56 of 2003.
<b>Nature of business and principal activities</b>	The primary function of Msunduzi Local Municipality is to provide basic services i.e. water, electricity, sanitation and refuse to the Msunduzi jurisdiction. Msunduzi Local Municipality is controlled by a Mayor, Deputy Mayor, Speaker, Chief Whip, ten Executive Committee members, the Accounting Officer and five General Managers who contribute to day-to-day management.
<b>Legislation governing the municipality's operations</b>	Municipal Finance Management Act (Act 56 of 2003) The Constitution of the Republic of South Africa ( Act 108 of 1996) Municipal Structures Act ( Act 117 of 1998) Municipal Systems Act ( Act 32 of 2000) Municipal Property Rates Act (Act 6 of 2004) Division of Revenue Act (Act 1 of 2007) Municipal Demarcation Act (Act 27 of 1998)
<b>Executive Committee</b>	Mayor - Mzimkhulu Thebolla Deputy Mayor - Mxolisi Mkhize Bongani Dumsani Mbona Bongumusa Nhlabathi Ntombizethu Precious Sokhela Phumelele Phahla Prudence Nokuthula Msimang Ross Strachan Thinasonke Dennis Ntombela Zanele Ngcobo
<b>Councillors</b>	Speaker - Nomagugu Eunice Majola Chief Whip - Sandile Dlamini Municipal Public Accounts Committee Chairperson - Zwelinjani Magubane Aurina Nomathemba Phungula Ayanda Brenda Ngcobo Beatrice Nombuyiselo Mkize Bhekukwenza Mkhize Bukelani Ephraim Zuma Busani Edward Zuma Dorcas Mkhize Douglas Leslie Roberts Dumisani Bernard Phungula Edith Elliott Garth F.W. Middleton Gladness Mncwango Godman Dlamini Hamilton Zondi Haroon Kemp Jabulisile Joyce Ngubo Khulekani Msomi

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## General Information

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Kwazikwakhe Madonda  
Lungile Ruth Mgaga  
Mbongeni Jetro Shezi  
Mbusiswa Hencefort Mkhize  
Mduduzi Caswell Mshengu  
Michael Bhekabantu Zuma  
Mphilisi Instance Ndlovu  
Msawakhe Bhengu  
Mshushisi Ngubane  
Mthetho Ephraim Mpulo  
Nkosinathi Masoeu  
Nkosinathi Mbanjwa  
Nomalady Dlela  
Nomfundo Ndlovu  
Nomusa Wendy Mncube  
Philisiwe Sithole  
Pretty Nelisiwe Maphanga  
Rachel Soobiah  
Randall John Adams  
Regina Zinhle Ngubo  
Reginald Xolani Khanyile  
Renisha Singh  
Rienus Niemand  
Rooksana Ahmed  
Roy Ram  
Sandile Gcabashe  
Sandra Patricia Lyne  
Sanele Protas Mpulo  
Sanele Russel Zuma  
Sbongumusa Zuma  
Siboniso Sithole  
Sibusiso Chonco  
Sibusiso Alfred Mkhize  
Sibusiso Richard Ntuli  
Simpfiwe Buthelezi  
Sinenhlanhla Love-Joy Ndlovu  
Sinothi Jerome Nkabini  
Siphamandla Madlala  
Siphiwe Phungula  
Skhanyiso Makhaye  
Stanley Ntuthuko Mncwabe  
Suraya Reddy  
Thandanani Ntombela  
Thandiwe Mkhize  
Themba Cyril Ngubane  
Thembile Precious Mzila  
Thembinkosi Zondi  
Tholakele Cele  
Tholakele Igetia Dlamini  
Victoria Mavie Phungula

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## General Information

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	Vusi Percival Ngwenya
<b>Grading of local authority</b>	Category - B
<b>Accounting Officer(Acting)</b>	Sabelo N. Hlela
<b>Chief Finance Officer (CFO)</b>	Nelisiwe Margaret Ngcobo
<b>Registered office</b>	The City Hall 260 Church Street Pietermaritzburg 3201
<b>Business address</b>	The City Hall 260 Church Street Pietermaritzburg 3201
<b>Postal address</b>	The City Hall Private Bag X321 Pietermaritzburg 3200
<b>Controlling entity</b>	Msunduzi Local Municipality
<b>Economic entity</b>	Safe City Msunduzi NPC
<b>Bankers</b>	First National Bank
<b>Auditors</b>	The Auditor General of South Africa
<b>Telephone</b>	(033) 392 2002
<b>Facsimile</b>	(033) 392 2208

**Msunduzi Local Municipality**  
Annual Financial Statements for the year ended 30 June 2024

**Index**

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	<b>Page</b>
Accounting Officer's Responsibilities and Approval	5
Statement of Financial Position	6
Statement of Financial Performance	7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparison of Budget and Actual Amounts	10 - 14
Accounting Policies	15 - 46
Notes to the Annual Financial Statements	47 - 198
<b>Appendixes:</b>	
Appendix A: Analysis of Property, Plant & Equipment	199 - 202
Appendix B: Segmental Analysis of Property, Plant & Equipment	203
Appendix C: Actual versus Budget(Acquisition of all Non-Current Assets)	204
Appendix D: Details of Unspent Conditional Grants Transfers to Revenue	205
<b>Abbreviations</b>	
ASB	Accounting Standards Board
COID	Compensation for Occupational Injuries and Diseases
CPI	Consumer Price Index
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
FNB	First National Bank
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
KZN	Kwazulu Natal
ME's	Municipal Entities
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
NATIS	National Traffic Information System
NJMPPF	Natal Joint Municipal Pension Fund
NPA	Natal Provincial Administration
PAYE	Pay As You Earn
UIF	Unemployment Insurance Fund
VAT	Value Added Taxation

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## **Accounting Officer's Responsibilities and Approval**

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The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2025 and in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

Although the accounting officer is primarily responsible for the financial affairs of the municipality, he is supported by the municipality's audit committee, internal and external auditors.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's internal auditors.

I certify that the salaries, allowances and benefits of councillors as disclosed in note 53 of these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution, read with Remuneration of Public Officer Bearer Act and the Minister of Provincial and Local Governments determination in accordance with this Act.

The annual financial statements set out on page 6-205 which have been prepared on the going concern basis, were approved by the accounting officer on 30 August 2024 and were signed on its behalf by:



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**Sabelo N. Hlela**  
**Accounting Officer(Acting)**

**Pietermaritzburg**  
**Friday, 30 August 2024**

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Financial Position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	3	498 280 564	420 123 352
Other financial assets	4	23 584 673	23 254 864
Other debtors	5	8 402 938	88 778 962
Receivables from non - exchange	6	-	1 283 214
Statutory receivables	7	277 804 751	341 385 933
VAT receivable	24	488 561 056	361 767 859
Consumer debtors	8	728 825 462	1 251 679 954
Cash and cash equivalents	9	490 954 799	511 402 009
		<b>2 516 414 243</b>	<b>2 999 676 147</b>
<b>Non-Current Assets</b>			
Agricultural assets	11	82 700 000	76 120 000
Living resources	10	534 407	575 890
Heritage assets	12	323 519 929	326 039 684
Intangible assets	13	24 753 127	23 913 257
Investment property	14	922 391 726	952 772 121
Property, plant and equipment	15	7 250 531 075	6 931 540 813
		<b>8 604 430 264</b>	<b>8 310 961 765</b>
<b>Total Assets</b>		<b>11 120 844 507</b>	<b>11 310 637 912</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Consumer deposits	16	152 248 286	142 078 762
Other financial liabilities	17	50 311 361	74 270 955
Taxes and transfers payable (non-exchange)	18	12 566 995	15 568 203
Payables from exchange transactions	19	2 278 120 596	2 514 844 689
Provisions	20	6 108 374	8 979 751
Employee benefit obligation	21	47 035 001	49 265 001
Unspent conditional grants and receipts	22	189 531 603	177 156 084
		<b>2 735 922 216</b>	<b>2 982 163 445</b>
<b>Non-Current Liabilities</b>			
Other financial liabilities	17	116 274 950	50 310 656
Provisions	20	44 650 093	62 175 173
Employee benefit obligation	21	572 205 000	545 988 000
Payables from exchange transactions	23	925 331 133	-
		<b>1 658 461 176</b>	<b>658 473 829</b>
<b>Total Liabilities</b>		<b>4 394 383 392</b>	<b>3 640 637 274</b>
<b>Net Assets</b>		<b>6 726 461 115</b>	<b>7 670 000 638</b>
Accumulated surplus	25	6 500 935 644	7 450 261 206
Capital replacement reserve	26	5 017 454	4 605 111
Housing development fund	27	115 932 148	110 558 452
Revaluation reserve	28	104 575 869	104 575 869
<b>Total Net Assets</b>		<b>6 726 461 115</b>	<b>7 670 000 638</b>

\* See Note 75 & 74 & 76

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Agency services	29	2 666 696	2 598 950
Interest - consumer debtors and receivables	30	325 984 044	159 080 907
Interest received - bank, call and investment accounts	31	44 117 781	16 957 185
Licences and permits	32	2 021 123	2 415 456
Operational revenue	33	53 620 001	42 602 853
Rental of facilities and equipment	34	33 590 329	21 257 830
Rendering of services	35	13 974 941	10 544 479
Sale of goods	36	972 081	431 344
Service charges	37	3 674 490 389	3 908 940 334
<b>Total revenue from exchange transactions</b>		<b>4 151 437 385</b>	<b>4 164 829 338</b>
<b>Revenue from non-exchange transactions</b>			
<b>Taxation revenue</b>			
Property rates	38	1 359 086 727	1 375 938 065
Interest from non-exchange receivables	39	106 873 226	63 180 751
<b>Transfer revenue</b>			
Government grants & subsidies	41	1 252 467 979	1 124 480 145
Fines, Penalties and Forfeits	40	55 857 217	54 758 134
Other transfers	42	335 625	1 284 814
<b>Total revenue from non-exchange transactions</b>		<b>2 774 620 774</b>	<b>2 619 641 909</b>
<b>Total revenue</b>		<b>6 926 058 159</b>	<b>6 784 471 247</b>
<b>Expenditure</b>			
Bad debts written off	43	(22 523 583)	(26 721 381)
Bulk purchases	44	(2 714 396 462)	(2 350 400 905)
Debt impairment	45	(1 024 491 908)	(518 556 486)
Depreciation and amortisation	46	(359 059 558)	(337 452 386)
Employee related costs	47	(1 643 328 321)	(1 566 307 057)
Finance costs	48	(77 071 736)	(150 915 245)
General expenses	49	(901 607 159)	(850 092 103)
Inventory consumed	50	(877 662 945)	(739 335 421)
Operational costs	51	(168 154 293)	(152 343 849)
Operating leases	52	(35 868 334)	(32 927 765)
Remuneration of councillors	53	(57 142 150)	(58 217 370)
Transfers and Subsidies	54	(25 237 273)	(32 774 485)
<b>Total expenditure</b>		<b>(7 906 543 722)</b>	<b>(6 816 044 453)</b>
<b>Operating deficit</b>		<b>(980 485 563)</b>	<b>(31 573 206)</b>
Gains/(losses) on disposal of assets		(13 584 185)	500 085
Fair value adjustments on investment property	57	196 900	28 124 701
Remeasurements - employee benefits obligation	56	16 692 958	83 941 891
Fair value on agricultural assets	58	11 198 051	(4 080 000)
Impairment loss	59	(2 788 217)	(13 231 516)
Excess in provision liability	20	29 430 504	-
Inventories losses	60	(2 534 098)	(2 457 117)
		<b>38 611 913</b>	<b>92 798 044</b>
<b>(Deficit) surplus for the year</b>		<b>(941 873 650)</b>	<b>61 224 838</b>

\* See Note 75 & 74 & 76

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Housing development fund	Capital replacement fund	Total reserves	Accumulated surplus / deficit	Total net assets
<b>Balance at 01 July 2022</b>	<b>95 350 900</b>	<b>105 694 250</b>	<b>785 902</b>	<b>201 831 052</b>	<b>7 812 639 379</b>	<b>8 014 470 431</b>
Changes in net assets						
Prior year adjustments	-	-	-	-	(414 919 600)	(414 919 600)
Revaluation of heritage assets	9 224 969	-	-	9 224 969	-	9 224 969
Transfer to CRR	-	-	3 692 592	3 692 592	(3 692 592)	-
Net income (losses) recognised directly in net assets	9 224 969	-	3 692 592	12 917 561	(418 612 192)	(405 694 631)
Surplus for the year	-	-	-	-	61 224 838	61 224 838
Total recognised income and expenses for the 12 months	9 224 969	-	3 692 592	12 917 561	(357 387 354)	(344 469 793)
Interest earned on investment	-	4 864 202	126 617	4 990 819	(4 990 819)	-
Total changes	9 224 969	4 864 202	3 819 209	17 908 380	(362 378 173)	(344 469 793)
<b>Restated* Balance at 01 July 2023</b>	<b>104 575 869</b>	<b>110 558 452</b>	<b>4 605 111</b>	<b>219 739 432</b>	<b>7 450 261 206</b>	<b>7 670 000 638</b>
Changes in net assets						
Transfer to CRR	-	-	23 439	23 439	-	23 439
Transfer from HDF	-	(1 689 312)	-	(1 689 312)	-	(1 689 312)
Net income (losses) recognised directly in net assets	-	(1 689 312)	23 439	(1 665 873)	-	(1 665 873)
Deficit for the year	-	-	-	-	(941 873 650)	(941 873 650)
Total recognised income and expenses for the year	-	(1 689 312)	23 439	(1 665 873)	(941 873 650)	(943 539 523)
Interest earned on investment	-	7 063 008	388 904	7 451 912	(7 451 912)	-
Total changes	-	5 373 696	412 343	5 786 039	(949 325 562)	(943 539 523)
<b>Balance at 30 June 2024</b>	<b>104 575 869</b>	<b>115 932 148</b>	<b>5 017 454</b>	<b>225 525 471</b>	<b>6 500 935 644</b>	<b>6 726 461 115</b>
Note(s)	28	27	26		25	

\* See Note 75 & 74 & 76

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Sale of goods and services		3 888 606 604	3 474 508 778
Property rates and fines		1 351 613 165	1 390 668 357
Interest income		44 100 427	16 708 461
Interest received - consumer debtors		20 197 016	26 310 741
Government grants		1 263 177 628	1 164 959 399
		<u>6 567 694 840</u>	<u>6 073 155 736</u>
<b>Payments</b>			
Employee costs		(1 604 335 576)	(1 570 145 146)
Suppliers		(4 334 769 174)	(3 731 324 232)
Finance costs		(16 638 068)	(18 815 098)
		<u>(5 955 742 818)</u>	<u>(5 320 284 476)</u>
<b>Net cash flows from operating activities</b>	61	<b>611 952 022</b>	<b>752 871 260</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	15	(668 423 713)	(451 735 088)
Proceeds from sale of property, plant and equipment	15	556 000	3 343 357
Purchase of investment property	14	(50 396)	(4 366 559)
Purchase of intangible assets	13	(6 092 439)	(8 116 044)
Purchase of heritage assets	12	(63 575)	-
(Increase)/decrease in other financial assets		(329 809)	9 415 144
<b>Net cash flows from investing activities</b>		<b>(674 403 932)</b>	<b>(451 459 190)</b>
<b>Cash flows from financing activities</b>			
Proceeds of other financial liabilities		116 274 950	-
Repayment of other financial liabilities		(74 270 250)	(79 162 901)
<b>Net cash flows from financing activities</b>		<b>42 004 700</b>	<b>(79 162 901)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(20 447 210)</b>	<b>222 249 169</b>
Cash and cash equivalents at the beginning of the year		511 402 009	289 152 840
<b>Cash and cash equivalents at the end of the year</b>	9	<b>490 954 799</b>	<b>511 402 009</b>

\* See Note 75 & 74 & 76

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Exchange revenue</b>						
Service charges - electricity	3 892 818 096	(219 463 339)	<b>3 673 354 757</b>	2 630 640 541	<b>(1 042 714 216)</b>	Refer to Note 84 for variance analysis comparison
Service charges - water	901 571 502	-	<b>901 571 502</b>	740 741 111	<b>(160 830 391)</b>	
Service charges - waste water management	202 499 872	-	<b>202 499 872</b>	198 015 165	<b>(4 484 707)</b>	
Service charges - waste management	138 741 765	-	<b>138 741 765</b>	126 703 639	<b>(12 038 126)</b>	
Rental from fixed assets	104 823 532	-	<b>104 823 532</b>	33 590 328	<b>(71 233 204)</b>	
Interest earned from current and non current assets	18 052 025	-	<b>18 052 025</b>	44 117 781	<b>26 065 756</b>	
Interest received from receivables	198 174 144	-	<b>198 174 144</b>	325 984 045	<b>127 809 901</b>	
Licences and permits	2 451 744	-	<b>2 451 744</b>	2 021 123	<b>(430 621)</b>	
Agency services	714 790	-	<b>714 790</b>	2 666 696	<b>1 951 906</b>	
Other gains	-	-	-	68 513 555	<b>68 513 555</b>	
Operational revenue	230 407 182	-	<b>230 407 182</b>	53 620 000	<b>(176 787 182)</b>	
Sale of goods and rendering of services	-	-	-	14 947 022	<b>14 947 022</b>	
	<b>5 690 254 652</b>	<b>(219 463 339)</b>	<b>5 470 791 313</b>	<b>4 241 561 006</b>	<b>(1 229 230 307)</b>	
<b>Non -exchange revenue</b>						
<b>Taxation revenue</b>						
Property rates	1 526 985 082	-	<b>1 526 985 082</b>	1 359 086 727	<b>(167 898 355)</b>	
Interest	50 691 327	-	<b>50 691 327</b>	106 873 225	<b>56 181 898</b>	
<b>Transfer revenue</b>						
Transfers and subsidies - operational	838 135 150	9 143 488	<b>847 278 638</b>	824 544 819	<b>(22 733 819)</b>	
Fines, penalties and forfeits	14 659 914	-	<b>14 659 914</b>	34 260 863	<b>19 600 949</b>	
<b>Total revenue from non-exchange transactions</b>	<b>2 430 471 473</b>	<b>9 143 488</b>	<b>2 439 614 961</b>	<b>2 324 765 634</b>	<b>(114 849 327)</b>	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>8 120 726 125</b>	<b>(210 319 851)</b>	<b>7 910 406 274</b>	<b>6 566 326 640</b>	<b>(1 344 079 634)</b>	
<b>Expenditure</b>						
Employee related costs	(1 781 210 508)	136 634 271	<b>(1 644 576 237)</b>	(1 610 843 551)	<b>33 732 686</b>	
Remuneration of councillors	(62 699 935)	(2 000 000)	<b>(64 699 935)</b>	(57 142 148)	<b>7 557 787</b>	
Debt Impairment	(600 000 000)	(550 000 000)	<b>(1 150 000 000)</b>	(1 024 491 908)	<b>125 508 092</b>	
Depreciation and amortisation	(460 781 797)	59 165 806	<b>(401 615 991)</b>	(361 847 777)	<b>39 768 214</b>	
Interest	(40 400 880)	(63 611 036)	<b>(104 011 916)</b>	(77 071 736)	<b>26 940 180</b>	
Bulk purchases - electricity	(2 514 000 000)	(212 893 075)	<b>(2 726 893 075)</b>	(2 714 396 462)	<b>12 496 613</b>	
Inventory consumed	(970 629 036)	36 021 366	<b>(934 607 670)</b>	(877 662 945)	<b>56 944 725</b>	
Contracted services	(994 210 937)	25 217 464	<b>(968 993 473)</b>	(904 133 947)	<b>64 859 526</b>	
Transfers and subsidies	(65 884 469)	33 211 216	<b>(32 673 253)</b>	(25 237 273)	<b>7 435 980</b>	
Irrecoverable debts written off	-	(29 000 000)	<b>(29 000 000)</b>	(22 523 583)	<b>6 476 417</b>	
Losses on disposal of assets	-	(13 275 867)	<b>(13 275 867)</b>	(14 049 185)	<b>(773 318)</b>	
Other losses	-	(31 723 100)	<b>(31 723 100)</b>	(29 757 198)	<b>1 965 902</b>	
Operational costs	(215 382 233)	(41 596 901)	<b>(256 979 134)</b>	(217 287 650)	<b>39 691 484</b>	
<b>Total expenditure</b>	<b>(7 705 199 795)</b>	<b>(653 849 856)</b>	<b>(8 359 049 651)</b>	<b>(7 936 445 363)</b>	<b>422 604 288</b>	
<b>Operating deficit</b>	<b>415 526 330</b>	<b>(864 169 707)</b>	<b>(448 643 377)</b>	<b>(1 370 118 723)</b>	<b>(921 475 346)</b>	

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Transfers and subsidies - capital (monetary allocations)	448 700 055	138 636 503	<b>587 336 558</b>	427 923 159	<b>(159 413 399)</b>	
Transfers and subsidies - capital (in-kind - all)	-	-	-	321 914	<b>321 914</b>	
	<b>448 700 055</b>	<b>138 636 503</b>	<b>587 336 558</b>	<b>428 245 073</b>	<b>(159 091 485)</b>	
<b>Deficit before taxation</b>	<b>864 226 385</b>	<b>(725 533 204)</b>	<b>138 693 181</b>	<b>(941 873 650)</b>	<b>(1 080 566 831)</b>	
<b>Surplus/(Deficit) for the year</b>	<b>864 226 385</b>	<b>(725 533 204)</b>	<b>138 693 181</b>	<b>(941 873 650)</b>	<b>(1 080 566 831)</b>	
<b>Reconciliation</b>						

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Position</b>						
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	602 410 696	(59 219 242)	<b>543 191 454</b>	490 954 799	<b>(52 236 655)</b>	Refer to Note 84 for variance analysis comparison
Trade and other receivables from exchange transactions	1 296 255 145	1 203 048 590	<b>2 499 303 735</b>	737 228 401	<b>(1 762 075 334)</b>	
Receivables from non-exchange transactions	664 796 410	96 798 284	<b>761 594 694</b>	277 804 751	<b>(483 789 943)</b>	
Other current assets	-	44 265 425	<b>44 265 425</b>	23 584 673	<b>(20 680 752)</b>	
Inventory	359 494 469	36 021 366	<b>395 515 835</b>	498 280 564	<b>102 764 729</b>	
Current portion of non - current receivables	-	93 046	<b>93 046</b>	-	<b>(93 046)</b>	
VAT	-	246 824 035	<b>246 824 035</b>	488 561 056	<b>241 737 021</b>	
	<b>2 922 956 720</b>	<b>1 567 831 504</b>	<b>4 490 788 224</b>	<b>2 516 414 244</b>	<b>(1 974 373 980)</b>	
<b>Non-Current Assets</b>						
Investment property	974 255 981	(49 450 797)	<b>924 805 184</b>	922 391 726	<b>(2 413 458)</b>	
Property, plant and equipment	7 923 582 911	(498 889 534)	<b>7 424 693 377</b>	7 250 531 076	<b>(174 162 301)</b>	
Biological	84 450 600	(8 074 710)	<b>76 375 890</b>	82 700 000	<b>6 324 110</b>	
Intangible	20 954 448	3 258 809	<b>24 213 257</b>	24 753 127	<b>539 870</b>	
Living and non-living resources	733 076	(733 076)	<b>-</b>	534 407	<b>534 407</b>	
Heritage assets	287 700 639	(12 918 070)	<b>274 782 569</b>	323 519 929	<b>48 737 360</b>	
	<b>9 291 677 655</b>	<b>(566 807 378)</b>	<b>8 724 870 277</b>	<b>8 604 430 265</b>	<b>(120 440 012)</b>	
<b>Total Assets</b>	<b>12 214 634 375</b>	<b>1 001 024 126</b>	<b>13 215 658 501</b>	<b>11 120 844 509</b>	<b>(2 094 813 992)</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Financial liabilities	83 358 534	(9 087 579)	<b>74 270 955</b>	50 311 361	<b>(23 959 594)</b>	
Consumer deposits	140 009 384	2 178 520	<b>142 187 904</b>	152 248 286	<b>10 060 382</b>	
Trade and other payables from exchange	1 186 050 665	430 249 391	<b>1 616 300 056</b>	2 278 120 596	<b>661 820 540</b>	
Trade and other payables from non - exchange	-	-	<b>-</b>	202 098 600	<b>202 098 600</b>	
Provisions	49 000 000	8 093 514	<b>57 093 514</b>	6 108 374	<b>(50 985 140)</b>	
VAT	187 551 752	244 284 883	<b>431 836 635</b>	-	<b>(431 836 635)</b>	
Other current liabilities	-	-	<b>-</b>	47 035 001	<b>47 035 001</b>	
	<b>1 645 970 335</b>	<b>675 718 729</b>	<b>2 321 689 064</b>	<b>2 735 922 218</b>	<b>414 233 154</b>	
<b>Non-Current Liabilities</b>						
Financial liabilities	131 184 437	(80 873 782)	<b>50 310 655</b>	116 274 950	<b>65 964 295</b>	
Provisions	75 576 255	54 671 918	<b>130 248 173</b>	44 650 093	<b>(85 598 080)</b>	
Other non current liabilities	648 252 000	(170 337 000)	<b>477 915 000</b>	572 205 000	<b>94 290 000</b>	
Long term portion of trade payables	-	-	<b>-</b>	925 331 133	<b>925 331 133</b>	
	<b>855 012 692</b>	<b>(196 538 864)</b>	<b>658 473 828</b>	<b>1 658 461 176</b>	<b>999 987 348</b>	
<b>Total Liabilities</b>	<b>2 500 983 027</b>	<b>479 179 865</b>	<b>2 980 162 892</b>	<b>4 394 383 394</b>	<b>1 414 220 502</b>	
<b>Net Assets</b>	<b>9 713 651 348</b>	<b>521 844 261</b>	<b>10 235 495 609</b>	<b>6 726 461 115</b>	<b>(3 509 034 494)</b>	

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Net Assets</b>						
<b>Net Assets Attributable to Owners of Controlling Entity</b>						
<b>Reserves</b>						
Accumulated surplus/(deficit)	9 501 123 250	363 665 040	<b>9 864 788 290</b>	6 500 935 644	<b>(3 363 852 646)</b>	
Reserves and funds	212 528 098	158 179 221	<b>370 707 319</b>	225 525 471	<b>(145 181 848)</b>	
<b>Total Net Assets</b>	<b>9 713 651 348</b>	<b>521 844 261</b>	<b>10 235 495 609</b>	<b>6 726 461 115</b>	<b>(3 509 034 494)</b>	

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Cash Flow Statement</b>						
<b>Cash flows from operating activities</b>						
<b>Receipts</b>						
Property rates	1 435 365 977	-	<b>1 435 365 977</b>	1 311 261 708	<b>(124 104 269)</b>	Refer to Note 84 for variance analysis comparison
Service charges	4 467 999 174	(219 463 339)	<b>4 248 535 835</b>	3 723 491 933	<b>(525 043 902)</b>	
Other revenue	1 106 865 000	-	<b>1 106 865 000</b>	205 466 125	<b>(901 398 875)</b>	
Transfers and subsidies - operational	834 106 196	9 143 488	<b>843 249 684</b>	819 354 854	<b>(23 894 830)</b>	
Transfers and subsidies - capital	452 578 009	161 697 202	<b>614 275 211</b>	443 822 774	<b>(170 452 437)</b>	
Interest	18 052 025	-	<b>18 052 025</b>	64 297 443	<b>46 245 418</b>	
	<b>8 314 966 381</b>	<b>(48 622 649)</b>	<b>8 266 343 732</b>	<b>6 567 694 837</b>	<b>(1 698 648 895)</b>	
<b>Payments</b>						
Suppliers and employees	(7 277 163 805)	21 864 403	<b>(7 255 299 402)</b>	(5 921 273 302)	<b>1 334 026 100</b>	
Finance charges	(40 400 878)	(63 611 036)	<b>(104 011 914)</b>	(16 638 068)	<b>87 373 846</b>	
Transfers and grants	(51 023 536)	17 812 320	<b>(33 211 216)</b>	(17 831 448)	<b>15 379 768</b>	
	<b>(7 368 588 219)</b>	<b>(23 934 313)</b>	<b>(7 392 522 532)</b>	<b>(5 955 742 818)</b>	<b>1 436 779 714</b>	
<b>Net cash flows from operating activities</b>	<b>946 378 162</b>	<b>(72 556 962)</b>	<b>873 821 200</b>	<b>611 952 019</b>	<b>(261 869 181)</b>	
<b>Cash flows from investing activities</b>						
Proceeds on disposal of PPE	-	-	-	556 000	<b>556 000</b>	
(increase)/decrease in short term investment	-	-	-	(329 809)	<b>(329 809)</b>	
Capital assets	(768 501 055)	(273 530 699)	<b>(1 042 031 754)</b>	(674 630 120)	<b>367 401 634</b>	
<b>Net cash flows from investing activities</b>	<b>(768 501 055)</b>	<b>(273 530 699)</b>	<b>(1 042 031 754)</b>	<b>(674 403 929)</b>	<b>367 627 825</b>	
<b>Cash flows from financing activities</b>						
Borrowing long term/refinancing	200 000 000	-	<b>200 000 000</b>	116 274 950	<b>(83 725 050)</b>	
Repayment of borrowing	(23 000 000)	23 000 000	-	(74 270 250)	<b>(74 270 250)</b>	
<b>Net cash flows from financing activities</b>	<b>177 000 000</b>	<b>23 000 000</b>	<b>200 000 000</b>	<b>42 004 700</b>	<b>(157 995 300)</b>	
Net increase/(decrease) in cash and cash equivalents	354 877 107	(323 087 661)	<b>31 789 446</b>	(20 447 210)	<b>(52 236 656)</b>	
Cash and cash equivalents at the beginning of the year	412 002 857	99 399 152	<b>511 402 009</b>	511 402 009	-	
<b>Cash and cash equivalents at the end of the year</b>	<b>766 879 964</b>	<b>(223 688 509)</b>	<b>543 191 455</b>	<b>490 954 799</b>	<b>(52 236 656)</b>	

The latest audited information is used as a basis to project the figures in the Statement of Financial Position, the original budget figures were based on the 2023 audited figures.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

Figures in Rand	Note(s)	2024	2023
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### 1. Presentation of Annual Financial Statements

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

#### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

#### 1.3 Significant judgments and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

##### Allowance for slow moving, damaged and obsolete inventories

An allowance for inventories to write inventories down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the inventory losses note 60.

##### Fair value estimation investment property

The fair value of investment property reflect market conditions at the end of the reporting period.

The fair value of investment property reflects, among other things, rental revenue from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental revenue from future leases in the light of current conditions

##### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors.

##### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 20 - Provisions.

##### Useful lives of property, plant and equipment

The municipality's management determines the estimated useful lives and related depreciation charges for all assets. These estimates are based on the National Treasury Guideline and patterns of the use of assets. The review of useful lives is performed annually at each reporting date. This estimate is based on the industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.3 Significant judgments and sources of estimation uncertainty (continued)

#### Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 21 - Employee benefits obligations.

#### Effective interest rate

The rate used to discount future cash flows will be effective interest as at inception, therefore the available prime interest rate as at reporting date will be utilized to discount the receivables.

#### Debt Impairment

On consumer debtors and statutory receivables impairment loss is recognised in surplus and deficit when there is an objective evidence that debtors are impaired. The impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition unless if the effect of discounting is immaterial.

The following key assumption and other sources were considered by management when performing the debt impairment calculation:

#### Discount rate.

The rate used to discount future cash flows will be effective interest as at inception, therefore the available prime interest rate as at reporting date will be utilized to discount the receivables.

#### Recovery rate

- For High, the recovery rate is calculated using the formula:  $\text{Payments received during the year} / \text{Revenue billed to customer during the year} \times 100$ .
- For Medium Risk Receivables, the recovery rate is determined using the municipality's debtors' collection rate as per the prior year audited financial statements. The collection rate will be calculated the following formula as prescribed by National Treasury circular 71:  $\text{Gross Debtors Opening Balance} + \text{Billed Revenue} - \text{Gross Debtors Closing Balance} - \text{Bad Debts Written Off} / \text{Billed Revenue} \times 100$ .
- For Low Risk the recovery rate is 100%.
- For Indigent Receivables with balance 60 days and below the recovery rate is 100%, Indigent Receivables with balance exceeding 60 days the formula:  $\text{Payments received during the year} / \text{Revenue billed to customer during the year} \times 100$ , is used to calculate the recovery rate.

#### Collection period

The expected collection period to be used to discount the expected future cash flows will be based on the average debtors' collection period as per the latest audited financial statements. If the average collection period is less than 12 months, then the future cash flows will be discounted over a 12-month period.

#### Categorisation of debtors

##### \* High risk receivables

- Accounts with outstanding balances exceeding 120 days.
- Indigent Debtor Accounts that are outstanding for more than 60 days.

##### \* Medium risk receivables

- Accounts with outstanding balances between 61 and 120 days
- Government Debtors with outstanding balance exceeding 365 days (12 months)

##### \* Low risk

- Accounts with balances not exceeding 60 days
- Government Debtors with outstanding debt less than 365 days (12 months)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.4 Agricultural assets

The Municipality recognises agricultural assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Agricultural assets are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of agricultural assets or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of agricultural assets is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

The plantation harvested is derecognised at its fair value less costs to sell at the point of harvest.

### 1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services, or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

#### Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the municipality determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on property, plant and equipment) until disposal of the investment property.

Once the municipality becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on property, plant and equipment.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

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Item	Depreciation method	Average useful life
Land		Infinite
Buildings	Straight line	5-50 years
Roads	Straight line	10-80 years
Plant and machinery	Straight line	5-25 years
Furniture and fixtures	Straight line	7-10 years
Motor vehicles	Straight line	5-30 years
System security	Straight line	5-20 years
Storm water drainage	Straight line	25-100 years
Airport Infrastructure	Straight line	20-50 years
Solid waste infrastructure	Straight line	10-50 years

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# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.6 Property, plant and equipment (continued)

Water and sanitation	Straight line	10-100 years
Major substations : buildings	Straight line	5-55 years
Transformers and related equipment	Straight line	5-55 years
Mains	Straight line	5-55 years
Street lighting	Straight line	50 years
Recreational facilities	Straight line	5-100 years
Fresh produce and other markets	Straight line	5-50 years
Fire engines	Straight line	20-25 years
Landfill site	Straight line	5-50 years
Transport facilities	Straight line	5-50 years
Fencing	Straight line	10 years
Heavy and mobile plant	Straight line	10-25 years
Bins and containers	Straight line	5-25 years
Office equipment	Straight line	5 - 10 years
Emergency equipment	Straight line	5 - 15 years
Electricity	Straight line	5 - 50 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 15).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 15).

### 1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.7 Intangible assets (continued)

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

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Item	Depreciation method	Average useful life
Computer software	Straight line	3-5 years
Servitudes		Indefinite

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Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

### 1.8 Heritage assets

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses except for Artworks and jewellery.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.8 Heritage assets (continued)

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that a municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 12).

#### Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

#### Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

#### Subsequent measurement

After recognition as an asset, all classes of heritage assets are carried at its cost less any accumulated impairment losses except for artworks and jewellery.

The Municipality measures artworks and jewellery using revaluation model.

After recognition as an asset, artworks and jewellery, whose fair value can be measured reliably, are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If artworks carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If artworks and jewellery carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

#### Impairment

The municipality assesses at each reporting date whether there is an indication that heritage assets may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.8 Heritage assets (continued)

#### Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised .

### 1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

At each reporting date conditions for impairment are conducted.

#### Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

<b>Class</b>	<b>Financial assets</b>
Other debtors	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Consumer debtors	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

<b>Class</b>	<b>Financial liabilities</b>
Payable from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost
Other financial liabilities	Financial liability measured at amortised cost

#### Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

#### Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.9 Financial instruments (continued)

#### Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the financial instruments at amortised cost.

All financial assets measured at amortised cost, are subject to an impairment review.

#### Derecognition

##### Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

##### Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.10 Statutory receivables

#### Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

#### Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on 1.18 - Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on 1.19 - Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

#### Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

#### Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

#### Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.10 Statutory receivables (continued)

#### Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

#### Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables is reduced through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

#### Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

### 1.11 Income Tax

The Municipality is exempted from income tax in terms of section 10(1)(a) of the Income Tax Act.

### 1.12 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

#### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in statement of financial performance.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.13 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at lower of cost and net realisable value except for land which is carried at current replacement cost.

Inventories are measured at the lower of cost and net realisable value where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Inventories contain land that has been designated for the purposes of housing developments by the Municipality. The land is initially measured at cost. The land shall be subsequently measured at its current replacement cost. The Municipality shall derecognise the land and other inventories it no longer control.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.14 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

### Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The municipality designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

### Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

### Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the depreciated replacement cost approach:

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.14 Impairment of non-cash-generating assets (continued)

#### Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

#### Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.15 Employee benefits

#### Identification

##### Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

#### Classification of plans

A binding arrangement is an arrangement that confers enforceable rights and obligations on the parties to the arrangement as if it were in the form of a contract. It includes rights from contracts or other legal rights.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Multi-employer plans are defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that: (a) pool the assets contributed by various entities that are not under common control; and (b) use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees.

State plans are plans established by legislation that operate as if they are multiemployer plans for all entities in economic categories laid down in legislation.

#### Net defined benefit liability (asset)

The net defined benefit liability (asset) is the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The deficit or surplus is: (a) the present value of the defined benefit obligation; less (b) the fair value of plan assets (if any); plus (c) any liability that may arise as a result of a minimum funding requirement.

#### Defined benefit cost

Service cost comprises: (a) current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period; (b) past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan); and (c) any gain or loss on settlement.

Net interest on the net defined benefit liability (asset) is the change during the period in the net defined benefit liability (asset) that arises from the passage of time.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.15 Employee benefits (continued)

Remeasurements of the net defined benefit liability (asset) comprise: (a) actuarial gains and losses; (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Actuarial gains and losses are changes in the present value of the defined benefit obligation resulting from: (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and (b) the effects of changes in actuarial assumptions.

#### Short-term employee benefits

##### Recognition and measurement

##### All short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

##### Short-term paid absences

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

(a) in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and

(b) in the case of non-accumulating paid absences, when the absences occur.

The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

#### Post-employment benefits: Distinction between defined contribution plans and defined benefit plans

##### Multi-employer plans

The Municipality participates in various Multi-employer plans.

Sufficient information is not available to use defined benefit accounting for the multi-employer defined benefit plan, the Municipality therefore: (a) accounts for the plan as if it were a defined contribution plan; and (b) disclose the information required.

##### Post-employment benefits: Defined contribution plans

##### Recognition and measurement

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

(a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

(b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, they are discounted using the discount rate as specified.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.15 Employee benefits (continued)

#### Post-employment benefits: Defined benefit plans

##### Recognition and measurement

The entity determines the net defined benefit liability (asset) with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

##### Statement of financial position

The entity recognises the net defined benefit liability (asset) in the statement of financial position.

##### Recognition and measurement: Present value of defined benefit obligations and current service cost

##### Actuarial valuation method

The entity uses the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost.

##### Attributing benefit to periods of service

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the entity attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the entity attributes benefit on a straight-line basis from:

(a) the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until

(b) the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

##### Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the end of the reporting period, for the period over which the obligations are to be settled.

##### Actuarial assumptions: Mortality

The entity determines its mortality assumptions by reference to its best estimate of the mortality of plan members both during and after employment.

##### Actuarial assumptions: Discount rate

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

##### Actuarial assumptions: Salaries, benefits and medical costs

The entity measures its defined benefit obligations on a basis that reflects:

(a) the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the end of the reporting period;

(b) any estimated future salary increases that affect the benefits payable;

(c) the effect of any limit on the employer's share of the cost of the future benefits;

(d) contributions from employees or third parties that reduce the ultimate cost to the entity of those benefits; and

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.15 Employee benefits (continued)

(e) estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:

(i) those changes were enacted before the end of the reporting period; or

(ii) historical data, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs takes account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

#### Components of defined benefit cost

The entity recognises the components of defined benefit cost in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset, as follows:

(a) service cost;

(b) net interest on the net defined benefit liability (asset); and

(c) remeasurements of the net defined benefit liability (asset).

#### Current service cost

The entity determines current service cost using actuarial assumptions determined at the start of the reporting period. However, if the entity remeasures the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement, it determines current service cost for the remainder of the reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to remeasure the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement (part b).

#### Net interest on the net defined benefit liability (asset)

The entity determines net interest on the net defined benefit liability (asset) by multiplying the net defined benefit liability (asset) by the discount rate specified.

To determine net interest, the entity uses the net defined benefit liability (asset) and the discount rate determined at the start of the reporting period. However, if the entity remeasures the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement, the entity determines net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement using:

(a) the net defined benefit liability (asset) determined in accordance with the section on Past service cost gains and losses on settlement (part b); and

(b) the discount rate used to remeasure the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement (part b).

In applying this, the entity also takes into account any changes in the net defined benefit liability (asset) during the period resulting from contributions or benefit payments.

#### Remeasurements of the net defined benefit liability (asset)

Remeasurements of the net defined benefit liability (asset) comprise:

(a) actuarial gains and losses;

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.15 Employee benefits (continued)

#### Other long-term employee benefits

##### Recognition and measurement

For other long-term employee benefits, the entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- (a) service cost;
- (b) net interest on the net defined benefit liability (asset); and
- (c) remeasurements of the net defined benefit liability (asset).

### 1.16 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where the effect is material, non-current provisions are discounted to their present value using a prevailing prime rate at year end which reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability. The municipality uses the prevailing prime rate at year end.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Future events that may affect the amount required to settle an obligation shall be reflected in the amount of a provision where there is sufficient evidence of occurrence.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 83.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.16 Provisions and contingencies (continued)

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset is disclosed where an inflow of economic benefits or service potential is probable.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs.

A contingent liability is:

(a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits or service potential has become probable. If it becomes probable that an outflow of future economic benefits or service potential will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

### 1.17 Commitments

A commitment is a binding agreement to undertake operating and capital expenditure at some set time in the future which has not yet become an actual liability .

Items are classified as commitments when the municipality has committed itself to future transactions that will normally result in the outflow of cash.

Capital expenditure is expenditure incurred to purchase, upgrade or construct physical assets (for e.g. buildings) for which there will be a long-term benefit. Long-term is defined as longer than one year.

Operational expenditure is expenditure incurred to purchase goods or services for which there will be a short-term benefit and which has been incurred in the normal course of business. Short-term is defined as less than one year.

An approved and contracted for commitment is where the expenditure has been approved and the contract has been awarded, service level agreement signed (where applicable) or any other pertinent authorisation has been granted at the end of the financial year/reporting date.

An approved and not yet contracted for commitment is where the expenditure has been approved and the contract has been awarded but awaiting finalisation of the service level agreement (where applicable) or any other authorisation pertinent to the contract at the end of the financial year/reporting date.

### 1.18 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.18 Revenue from exchange transactions (continued)

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### Interest

Revenue arising from the use by others of municipality assets yielding interest or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

### 1.19 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.19 Revenue from non-exchange transactions (continued)

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

When the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and other funding are recognised as revenue to the extent that the municipality has complied with the criteria, conditions or obligations embodied in the grant agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.19 Revenue from non-exchange transactions (continued)

#### Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for income tax is the earning of assessable income during the taxation period by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for customs duty is the movement of dutiable goods or services across the customs boundary.

The taxable event for estate duty is the death of a person owning taxable property.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

#### Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

#### Debt forgiveness and assumption of liabilities

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

#### Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

#### Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.19 Revenue from non-exchange transactions (continued)

#### Services in-kind

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

### 1.20 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

### 1.21 Borrowing costs

Borrowing costs are interest and other expenses incurred by the municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.22 Accounting by principals and agents

#### Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

#### Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

#### Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.22 Accounting by principals and agents (continued)

#### Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions (Refer to Note 71).

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

#### Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of Standards of GRAP.

### 1.23 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

### 1.24 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is disclosed in a note to the financial statements as an expense in the period that the expenditure is incurred.

### 1.25 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is disclosed in the notes to the financial statement in the period that the expenditure is incurred (Note 68). The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.26 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.26 Irregular expenditure (continued)

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

### 1.27 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

### 1.28 Internal reserves

#### Capital replacement reserve (CRR)

The CRR is an asset financing source that represents an alternative to the other funding sources available to the Municipality namely external loans (interest bearing borrowings) and government grants & subsidies.

Subsequent to the implementation of GRAP in 2008, Reserves and Funds had to be discontinued as they are not permissible in terms of GRAP. However, the National Treasury determined that the CRR is one of the few funds and reserves that are allowed.

As a matter of principle, the focus is the manner in which these reserves are created and accounted for, which in this instance the capital replacement of major components of Infrastructure Assets in the event of technical failure. For accounting purposes, the CRR will be created by transferring amounts out of Accumulated surpluses/deficits to the respective reserve account, or vice versa, in the Statement of Changes in Net Assets. The net effect of these transfers will be nil in the Statement of Changes in Net Assets, and will not affect the value of reserves in totality. It is the requirement of GRAP that no transactions should be accounted for, directly to the Statement of Changes in Net Assets other than those specifically allowed in terms of GRAP, i.e. Revaluation Surplus Reserve. Therefore, situations should be avoided where reserves are created and accounted for, by taking amounts directly to the Statement of Changes in Net Assets thereby circumventing the Statement of Financial Performance.

The CRR will only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and will not be used for the maintenance of such items.

#### Self - Insurance reserve

The municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The self-insurance scheme has a policy that is aligned with the practice in the insurance industry. The balance of the self-insurance reserve is determined based on surpluses accumulated since inception.

The municipality operates a self-insurance scheme under the Self-Insurance Reserve, which has a policy that is aligned with the practice in the insurance industry. The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception.

#### Compensation for occupational injuries and diseases (COID) reserve

The Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993) is to provide for payment of medical treatment and compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases. The contribution to the COID fund is 0.75% of the salary expense. The municipality is an exempt employer in terms of Section 84 (1) (a)(ii) & (2) and as such does not pay any assessments to the COID Commissioner. In terms of the exempt status the municipality is mandated to establish its own fund and administers this fund in terms of the COID Act.

### 1.29 Revaluation reserve

The increase arising from the revaluation of property, plant and equipment is credited to a revaluation reserve. The revaluation surplus is realised upon disposal of artworks and jewellery. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.30 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

#### Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

### 1.31 Budget information

Municipalities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by a municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2023/07/01 to 2024/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Deviations between budget and actual amounts exceeding 10 percent are obtained monthly for the preparation of the Section 71 reporting and used during the audit process.

The threshold for which reasons for variances are provided is 10% and above.

### 1.32 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.32 Related parties (continued)

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

### 1.33 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### 1.34 Living resources

Living resources (Game animals) are those resources that undergo biological transformation.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted.

Agricultural activity is the management by an municipality of the biological transformation and harvest of biological assets for:

- (a) sale;
- (b) distribution at no charge or for a nominal charge; or
- (c) conversion into agriculture produce or into additional biological assets for sale or distribution at no charge or for a nominal charge.

A bearer plant is a living plant that:

- (a) is used in the production or supply of agricultural produce;
- (b) is expected to bear produce for more than one period; and
- (c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Biological transformation (for purposes of this Standard) comprises the processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a living resource.

Carrying amount is the amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or development and, where applicable, the amount attributed to the asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### Living resources (continued)

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Group of resources means a grouping of living of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

The residual value of an asset is the estimated amount that an municipality would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Useful life is the period over which an asset is expected to be available for use by an municipality, or the number of production or similar units expected to be obtained from the asset by an municipality.

### Recognition

A living resource is recognised as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality is required in terms of legislation or similar means to manage a living resource, but it does not meet the definition of an asset because control of the resource cannot be demonstrated, relevant information are disclosed in the notes to the annual financial statements.

Where the municipality holds a living resource that meets the definition of an asset, but which does not meet the recognition criteria, relevant information are disclosed in the notes to the annual financial statements. When the information about the cost or fair value of the living resource becomes available, the municipality recognise, from that date, the living resource and apply the measurement principles.

### Measurement at recognition

A living resource that qualifies for recognition as an asset is measured at its cost.

Where a living resource is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

The cost of a living resource comprises its purchase price, including import duties and non-refundable purchase taxes, and any costs directly attributable to bringing the living resource to the location and condition necessary for it to be capable of operating in the manner intended by management.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### Living resources (continued)

#### Measurement after recognition

##### Cost model

After recognition as an asset, a group of living resources are carried at its cost less any accumulated depreciation and any accumulated impairment losses.

##### Depreciation

Living resources are depreciated and the depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset, where appropriate.

The depreciable amount of a living resource is allocated on a systematic basis over its useful life.

The municipality assesses at each reporting date whether there is any indication that the entity's expectations about the residual value and the useful life of a living resource have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change(s) is accounted for as a change in an accounting estimate.

In assessing whether there is any indication that the expected useful life of the living resource has changed, the municipality considers the following indications:

- (a) The use of the living resource has changed, because of the following:
- The municipality has changed the manner in which the living resource is used.
  - The municipality has made a decision to dispose of the living resource in a future reporting period(s) such that this decision changes the expected period over which the living resource will be used.
  - Legislation, government policy or similar means have been amended or implemented during the reporting period that have, or will, change the use of the living resource.
  - The living resource was idle or retired from use during the reporting period.
- (b) The living resource is approaching the end of its previously expected useful life.
- (c) There is evidence that the condition of the living resource improved or declined based on assessments undertaken during the reporting period.
- (d) The living resource is assessed as being impaired.

In assessing whether there is any indication that the expected residual value of the living resource has changed, the municipality considers whether there has been any change in the expected timing of disposal of the living resource, as well as any relevant indicators as noted above.

The depreciation method used reflects the pattern in which the future economic benefits or service potential of the living resource is expected to be consumed by the entity.

The depreciation method applied to a living resource is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the living resource, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The useful lives of items of living resources have been assessed as follows:

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Item	Depreciation method	Average useful life
Giraffe	Straight-line	25 years
Zebra	Straight-line	30 years
Blue Wildebeest	Straight-line	20 years
Inyala	Straight-line	20 years
Impala	Straight-line	15 years
Bush buck	Straight-line	15 years
Reed buck	Straight-line	15 years

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# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### Living resources (continued)

#### Impairment

The municipality assesses at each reporting date whether there is an indication that the living resource may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the living resource.

Compensation from third parties for living resources that have been impaired, lost or given up, is included in surplus or deficit when the compensation becomes receivable.

#### Transfers

Transfers from living resources are made when the particular asset no longer meets the definition of a living resource and/or is no longer within the scope of this accounting policy.

Transfers to living resources are made when the asset meets the definition of a living resource.

#### Derecognition

The carrying amount of a living resource is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a living resource is included in surplus or deficit when the item is derecognised.

#### 1.35 Value Added Tax (VAT)

VAT is payable on the receipt and payment basis.

The transaction date is referred to as the "time of supply". Time of supply applies to certain supplies as the prevailing rate of VAT on that date will apply to the transaction concerned.

- on or after 1 April 2018 – a VAT rate of 15% will apply.

#### 1.36 Expenditure

An expense is a decrease in the net financial position of the entity, other than decreases arising from ownership distributions.

An expense arises from exchange and non-exchange transactions, other events such as unrealised increases and decreases in the value of assets and the consumption of assets through depreciation and erosion of service potential and ability to generate economic benefits through impairments.

An expense may arise from individual transactions or groups of transactions.

Expenses are recognised in the statement of financial performance when a decrease in future economic benefits or service potential related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. The recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets

Expenses encompasses losses as well as those expenses that arise in the course of the operating activities of the municipality

Losses represent other items that meet the definition of expenses and may, or may not, arise in the course of the operating activities of the entity. Losses represent decreases in economic benefits or service potential and as such, they are no different in nature from other expenses.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Significant Accounting Policies

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### 1.37 Construction contracts

The Municipality has a level one accreditation in terms of its participation on the National Housing Programme. It is a project manager in terms of the arrangement to construct and transfer houses to the beneficiaries of the Programme, however there are some housing projects where the municipality acts as a project developer.

Funds received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

- (a) the initial amount of revenue agreed in the contract; and
- (b) variations in contract work, claims and incentive payment to the extent that:
  - (i) it is probable that they will result in revenue; and
  - (ii) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue by reference to the stage of completion of the contract activity at the reporting date.

Cost incurred to implement the National Housing Programme are expensed as contract cost.

Contract costs comprise:

- (a) costs that relate directly to the specific contract;
- (b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and
- (c) other costs that are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract for the period from the date of securing the contract to the final completion of the contract. Costs that cannot be attributed to contract activity or cannot be allocated to a contract are excluded from the costs of a construction contract.

Any unused funds advanced to the municipality is recognised as a liability.

### 1.38 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand form an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<ul style="list-style-type: none"><li>iGRAP 21: The Effect of Past Decisions on Materiality</li></ul>	01 April 2023	The impact of the standard is not material.
<ul style="list-style-type: none"><li>GRAP 25 (as revised): Employee Benefits</li></ul>	01 April 2023	The adoption of this Standard has not had a material impact on the results of the municipality, but has resulted in more disclosure than would have previously been provided in the financial statements
<ul style="list-style-type: none"><li>iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction</li></ul>	01 April 2023	The impact of the standard is not material.
<ul style="list-style-type: none"><li>GRAP 2020: Improvements to the Standards of GRAP 2020</li></ul>	01 April 2023	The impact of the standard is not material.
<ul style="list-style-type: none"><li>Guideline: Guideline on Accounting for Landfill Sites</li></ul>	01 April 2023	The impact of the standard is not material.
<ul style="list-style-type: none"><li>GRAP 1 (amended): Presentation of Financial Statements (Materiality)</li></ul>	01 April 2023	The impact of the standard is not material.

#### 2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<ul style="list-style-type: none"><li>GRAP 2023 Improvements to the Standards of GRAP 2023</li></ul>	Effective date still to be determined by Finance Minister	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 1 (amended): Presentation of Financial Statements (Going Concern)</li></ul>	Effective date still to be determined by Finance Minister	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 103 (as revised): Heritage Assets</li></ul>	Effective date still to be determined by Finance Minister	Impact is currently being assessed
<ul style="list-style-type: none"><li>iGRAP 22 Foreign Currency Transactions and Advance Consideration</li></ul>	01 April 2025	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 104 (as revised): Financial Instruments</li></ul>	01 April 2025	Impact is currently being assessed and expected to be major

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>3. Inventories</b>		
Consumable stores	54 949 691	56 349 571
Materials and supplies	67 858 425	55 549 249
Water for distribution	1 813 967	1 348 308
Land inventory	373 658 481	306 876 224
	<b>498 280 564</b>	<b>420 123 352</b>

Inventory are recorded using the weighted average cost method.

Inventory expensed during the year R877 662 945 : (R739 335 421)

Inventory are carried at lower of cost or net realisable value except for land carried at current replacement cost.

Inventory losses - consumables for the year R2 534 098 (2023 : R2 457 117).

Consumable stores comprises mainly of fuel inventory, stationery, detergents and street fittings amongst other items.

### **Inventory pledged as security**

No inventory was pledged as security for either overdraft facilities or any financial liabilities of the municipality.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>4. Other financial assets</b>		
<b>At amortised cost</b>		
Compensation for Occupational Injuries and Diseases Investment (COID)	23 584 673	23 254 864
<b>Current assets</b>		
At amortised cost	23 584 673	23 254 864
<b>Other financial assets reconciliation</b>		
Opening balance	23 254 864	32 670 009
Interest on maturity	2 174 648	2 172 556
Redemption	(25 429 512)	(34 842 565)
Re-investment	23 584 673	23 254 864
<b>Closing balance</b>	<b>23 584 673</b>	<b>23 254 864</b>

COID short term investment invested at 9,70 % (2023: 9,25%).

The current fixed deposit was invested with Standard Bank and will mature on the 3rd of April 2025.

The 12 month fixed deposit is re-invested annually.

### Other financial assets pledged as security

There are no other financial assets pledged as security for either overdraft facilities or any financial liabilities of the municipality.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>5. Other debtors</b>		
<b>Net balance</b>		
Accrued revenue	18 721	15 060
Advance payment : land expropriation acquisition GEVDI	-	75 518 214
Cashier's shortages	-	-
Independent Development Trust	-	-
Interest accrual on bank and call accounts	347 504	339 894
Interest accrual on investment	557 826	548 082
Library receivable	-	5 862 526
Miscellaneous receivable	6 343 040	5 889 057
Overtime recovery	36 898	64 398
Prepaid electricity	1 070 265	448 685
Staff deductions - debit order	28 684	93 046
	<b>8 402 938</b>	<b>88 778 962</b>
<b>Gross balance</b>		
Accrued revenue	18 721	15 060
Cashier's shortages	-	22 268
GEVDI advance payment	-	75 518 214
Independent Development Trust	108 836 507	108 836 507
Interest accrual on bank and call accounts	347 504	339 894
Interest accrual on investment	557 826	548 082
Land sale debtors	66 386	66 386
Library receivable	-	5 862 526
Miscellaneous receivable	6 343 040	5 889 057
Overtime recovery	36 898	64 398
Prepaid electricity	1 070 265	448 685
Staff deductions - debit order	28 684	93 046
	<b>117 305 831</b>	<b>197 704 123</b>
<b>Less : Allowance for impairment</b>		
Independent Development Trust	(108 836 507)	(108 836 507)
Land sale debtors	(66 386)	(66 386)
Cashier's shortages	-	(22 268)
	<b>(108 902 893)</b>	<b>(108 925 161)</b>

### Other debtors pledged as security

There are no other debtors pledged as security for any financial liabilities of the municipality.

### Credit quality of other debtors

The credit quality of other debtors are neither past due nor impaired except for land sale debtors, and IDT.

There is an ongoing dispute between IDT and Msunduzi Local Municipality on an amount that was paid by Msunduzi Local Municipality to IDT for the implementation of infrastructure projects. IDT was appointed as an implementing agent and advance payments were made to IDT during 2011/12 and 2012/13 financial years. The projects were implemented; however, IDT was unable to account for work amounting to R108 836 507. The receivable has been fully impaired since IDT is disputing the receivable.

### Other debtors past due but not impaired

Other debtors which are past due and not impaired. At 30 June 2024 R8 402 940 (2023: R7 000 000).

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>5. Other debtors (continued)</b>		
<b>Other debtors impaired</b>		
The amount of the provision was R108 902 893 as of 30 June 2024 (2023: R108 925 161).		
<b>6. Receivables from non - exchange</b>		
Fruitless and Wasteful expenditure receivable	-	1 283 214
It relates to recoverable fruitless and wasteful expenditure refer to Note 68 - Fruitless and Wasteful expenditure		
		<hr/>
Current assets	-	1 283 214

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>7. Statutory receivables</b>		
<b>Net balance</b>		
Consumer debtors - rates	275 972 456	339 922 009
Fines	1 832 295	1 463 924
	<b>277 804 751</b>	<b>341 385 933</b>
<b>Statutory receivables included in receivables from non-exchange transactions above are as follows:</b>		
Consumer debtors - rates	275 972 456	339 922 009
Fines	1 832 295	1 463 924
	<b>277 804 751</b>	<b>341 385 933</b>
<b>Gross balances</b>		
Consumer debtors - rates	1 612 355 756	1 457 657 511
Fines	139 805 513	124 299 753
	<b>1 752 161 269</b>	<b>1 581 957 264</b>
<b>Less: Allowance for impairment</b>		
Consumer debtors - rates	(1 336 383 300)	(1 117 735 502)
Fines	(137 973 218)	(122 835 829)
	<b>(1 474 356 518)</b>	<b>(1 240 571 331)</b>
<b>Total Consumer debtors - rates</b>		
Current	158 583 963	109 497 499
0 - 30 days	38 941 326	43 580 352
31 - 60 days	4 956 030	33 920 231
61 - 90 days	33 771 460	28 316 949
91 - 120 days	35 040 382	28 416 729
121 - 365 days	233 008 474	214 152 399
> 365 days	1 108 054 121	999 773 352
	<b>1 612 355 756</b>	<b>1 457 657 511</b>
<b>Fines</b>		
Current (0-30 days)	812 250	574 450
31 - 60 days	977 600	1 093 550
61 - 90 days	1 346 100	4 188 980
91 - 120 days	1 586 750	5 697 420
121 - 365 days	12 318 800	7 016 150
> 365 days	122 764 013	105 729 203
	<b>139 805 513</b>	<b>124 299 753</b>
<b>Summary of debtors by customer classification - rates</b>		
<b>Industrial/Commercial</b>		
Current	53 241 120	37 668 589
0 - 30 days	7 793 698	11 338 291
31 - 60 days	1 173 530	7 750 107
61 - 90 days	6 874 756	5 858 822
91 - 120 days	7 052 464	5 839 053
121 - 365 days	47 851 519	43 007 242
> 365 days	178 267 831	151 255 136
	<b>302 254 918</b>	<b>262 717 240</b>
<b>Government</b>		

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>7. Statutory receivables (continued)</b>		
Current	17 236 793	15 102 902
0 - 30 days	4 290 672	4 634 838
61 - 90 days	-	3 306 501
91 - 120 days	3 716 944	2 846 184
121 - 365 days	3 239 375	2 709 625
> 365 days	18 676 712	20 017 364
	66 887 291	59 411 580
	<b>114 047 787</b>	<b>108 028 994</b>
<b>Consumers</b>		
Current	88 106 050	56 726 008
0 - 30 days	26 856 956	27 607 222
31 - 60 days	3 782 500	22 863 623
61 - 90 days	23 179 761	19 611 943
91 - 120 days	24 748 543	19 868 050
121 - 365 days	166 480 243	151 127 794
> 365 days	862 898 999	789 106 637
	<b>1 196 053 052</b>	<b>1 086 911 277</b>
<b>Reconciliation of allowance for impairment - Statutory receivables</b>		
Balance at beginning of the year	(1 240 571 331)	(1 153 671 009)
(Increase)/decrease in impairment contribution	(233 785 187)	(86 900 322)
<b>Balance at end of year</b>	<b>(1 474 356 518)</b>	<b>(1 240 571 331)</b>
<b>Consumer debtors - rates</b>		
Balance at beginning of the year	(1 117 735 502)	(1 049 465 070)
(Increase)/decrease in impairment contribution	(218 647 799)	(68 270 432)
<b>Balance at end of year</b>	<b>(1 336 383 301)</b>	<b>(1 117 735 502)</b>
<b>Fines</b>		
Balance at beginning of the year	(122 835 829)	(104 205 939)
(Increase)/decrease in impairment contribution	(15 137 389)	(18 629 890)
<b>Balance at end of year</b>	<b>(137 973 218)</b>	<b>(122 835 829)</b>

### Statutory receivables general information

#### Transaction(s) arising from statute

#### Traffic fines

The two types of traffic fines that are issued are :

- Traffic fines issued in terms of the Administrative Adjudication of Road Traffic Offences Act (AARTO Act).
- Traffic fines issued in terms of the Criminal Procedures Act.

#### Property rates

The Municipal Property Rates Act No. 06 of 2004 governs property rates billed. The Act regulates, the power of the municipality to impose rates on properties; to exclude certain properties from rating in the national interest; to make provisions for the municipality to implement a transparent and fair system of exemptions, reductions and rebates through the municipalities rates policy, making provisions for fair and equitable valuation methods of properties and to make provisions for objections and appeals.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 7. Statutory receivables (continued)

#### Determination of transaction amount

##### Traffic fines

Traffic fines are issued in terms of the AARTO Act by way of notices to offenders which specify the value of the fine that must be paid, along with any discount that can be applied if the fine is paid within a specific period of time.

Traffic fines issued in terms of the Criminal Procedures Act are usually issued by way of notice to offenders, and can :

- indicate the value of the fine to be paid, and that certain reductions could be made to the value of the fine payable and how, or the circumstances under which, such reductions can be applied, or
- indicate that the offender must appear in Court on a specified date (in these instances, the value of the fine may or may not be indicated but this is often only determined after a separate legal process).

##### Property rates

Property rates are levied in terms of the municipality's rates policy, which is aligned to the Municipal Property Rates Act No. 6 of 2004.

The amount of rates levied by the municipality on properties, is the rate randage

- On the market value of the property;
- In the case of public service infrastructure, on the market value of the public service infrastructure less 30% of that value as contemplated in section 17(1)(a) of the Municipal Property Rates Act of 2004 or on such a lower percentage as the minister determines in terms of section 17(4) of the Municipal Property Rates Act of 2004;
- In the case of property to which section 17(1) (h), of the Municipal Property Rates Act of 2004, applies on the market value of the property less the amount stated in that section, or on such amount as the Minister may determine.

Refer to Note 38 for rate randages.

#### Interest or other charges levied/charged

##### Traffic fines

No interest is levied on traffic fines.

##### Property rates

The following are charges that may be charged in addition to rates levied:

- Interest on outstanding rates billed:  
Interest shall be charged on all rates arrears in terms of section 64(g) of the Municipal Finance Management Act and the Municipal Systems Act.

The municipality has a Credit control policy that is approved by council. The credit control policy states that amounts on accounts, which remain unpaid after the due date shall attract interest irrespective of the reasons for non-payment. Interest will be charged at a rate of 10.75%, which is the annual interest rate as per approved tariff register.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 7. Statutory receivables (continued)

#### Basis used to assess and test whether a statutory receivable is impaired

##### Traffic fines

The municipality assesses at each reporting date whether there is any indication that the traffic fines receivable is impaired. If impairment indicators exist, an impairment loss is measured as the difference between the recoverable amount and the carrying amount. Past payment trends are used to calculate the recoverable amount given the uncertainty around the payment patterns of traffic fines.

##### Property rates

Impairment regarding property rates are assessed collectively in terms of the municipality's impairment policy. Each debtor is classified into their risk profiles based on total services outstanding.

The difference between the carrying-value at reporting date less the present value of expected future cash flows, determines if impairment needs to be provided for. This is in terms of GRAP 108.

#### Discount rate not applied to the estimated future cash flows

Owing to the fact that a significant proportion of the paid fines are within 365 days and the low collection rates outstanding tickets, the effect of time value of money is considered immaterial therefore, discounting of future cash flows is not performed.

#### Statutory receivables past due but not impaired

Statutory receivables which are past due and not impaired. At 30 June 2024 R47 873 892 (2023: R83 925 113).

#### Statutory receivables impaired

The amount of the provision is R 1 474 356 519 as of 30 June 2024 (2023: R1 240 571 331).

#### Factors the entity considered in assessing statutory receivables impaired

##### Traffic fines

Based on the historical payment pattern and behavioural analysis of traffic offenders the recoverability diminishes significantly if not paid within 12 months of the ticket being issued. The length of the time the traffic tickets are outstanding is therefore, a critical consideration in assessing impairment thereof.

The general prevailing adverse economic environment weighed in assessment of impairment. The low GDP growth, inflationary pressure and high unemployment rate. This has a negative impact on debt collection as the offender's disposable and discretionary income is under severe pressure.

The historical payment trend and behavioural pattern analysis over a lengthy period of time is the basis of the the traffic fines impairment variables.

The following assumptions are assessed on an annual basis based on a 5 year trend analysis

- Average collection rate - tickets issued current year 2024:5% (2023: 5%)
- Average collection rate - Prior years tickets 2024:0.85% (2023:0.4%)

These above key impairment variables are analysed and assessed at each reporting date.

##### Property rates

Past history payment of debtors and the debtors risk profiling. Accounts outstanding that are above a million are considered material and are assessed separately based on their recovery of debt.

There are no statutory receivables pledged as security for any liability.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>8. Consumer debtors</b>		
<b>Gross balances</b>		
Electricity	993 688 954	1 135 772 657
Other service charges	268 015 254	286 383 397
Property rental	79 818 466	61 079 084
Refuse	293 649 022	258 258 525
Sanitation	543 406 803	471 662 092
Water	3 629 930 135	3 208 894 643
	<b>5 808 508 634</b>	<b>5 422 050 398</b>
<b>Less: Allowance for impairment</b>		
Electricity	(517 768 174)	(352 916 981)
Other service charges	(261 629 461)	(269 926 802)
Property rental	(73 682 245)	(51 963 683)
Refuse	(270 416 840)	(228 591 380)
Sanitation	(492 163 645)	(407 106 155)
Water	(3 464 022 807)	(2 859 865 443)
	<b>(5 079 683 172)</b>	<b>(4 170 370 444)</b>
<b>Net balance</b>		
Electricity	475 920 780	782 855 676
Other service charges	6 385 793	16 456 595
Property rental	6 136 221	9 115 401
Refuse	23 232 182	29 667 145
Sanitation	51 243 158	64 555 937
Water	165 907 328	349 029 200
	<b>728 825 462</b>	<b>1 251 679 954</b>
<b>Electricity</b>		
Current	388 110 347	182 644 312
0 -30 days	16 430 261	94 573 922
31 - 60 days	7 973 991	28 082 334
61 - 90 days	25 094 026	20 543 814
91 - 120 days	25 067 261	22 036 253
121 - 365 days	178 158 526	113 775 110
> 365 days	352 854 542	674 116 912
	<b>993 688 954</b>	<b>1 135 772 657</b>
<b>Water</b>		
Current	182 988 549	90 138 847
0 -30 days	65 472 196	62 482 172
31 - 60 days	5 864 091	70 638 321
61 - 90 days	57 998 277	49 859 924
91 - 120 days	60 633 277	55 008 436
121 - 365 days	453 296 188	499 821 309
> 365 days	2 803 677 557	2 380 945 634
	<b>3 629 930 135</b>	<b>3 208 894 643</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>8. Consumer debtors (continued)</b>		
<b>Sanitation</b>		
Current	34 808 421	21 532 008
0 -30 days	10 480 796	10 588 984
31 - 60 days	1 111 800	8 333 694
61 - 90 days	9 286 097	7 433 172
91 - 120 days	9 629 585	7 460 012
121 - 365 days	69 905 480	53 675 856
> 365 days	408 184 624	362 638 366
	<b>543 406 803</b>	<b>471 662 092</b>
<b>Other service charges</b>		
Current	2 604 884	9 918 162
0 -30 days	1 342 281	1 247 143
31 - 60 days	156 696	1 017 201
61 - 90 days	1 335 206	1 270 413
91 - 120 days	1 454 059	1 392 114
121 - 365 days	10 263 023	7 877 030
> 365 days	250 859 105	263 661 334
	<b>268 015 254</b>	<b>286 383 397</b>
<b>Refuse</b>		
Current	16 869 912	10 096 078
0 -30 days	5 588 269	5 625 331
31 - 60 days	877 868	4 345 697
61 - 90 days	4 834 067	4 165 524
91 - 120 days	4 873 039	4 282 057
121 - 365 days	34 467 058	29 411 807
> 365 days	226 138 809	200 332 031
	<b>293 649 022</b>	<b>258 258 525</b>
<b>Property rental</b>		
Current	14 928 625	1 534 509
0 -30 days	1 080 189	2 452 360
31 - 60 days	1 124 036	851 800
61 - 90 days	962 593	837 126
91 - 120 days	839 468	691 405
121 - 365 days	7 703 320	5 478 981
> 365 days	53 180 235	49 232 903
	<b>79 818 466</b>	<b>61 079 084</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>8. Consumer debtors (continued)</b>		
<b>Summary of debtors by customer classification</b>		
<b>Consumers</b>		
Current	264 419 320	125 351 984
0 -30 days	86 770 754	92 413 993
31 - 60 days	13 141 334	93 534 108
61 - 90 days	80 980 201	68 563 930
91 - 120 days	85 234 905	73 230 514
121 - 365 days	637 736 279	622 913 862
> 365 days	3 790 715 670	3 671 668 947
	<b>4 958 998 463</b>	<b>4 747 677 338</b>
<b>Industrial/ commercial</b>		
Current	311 237 199	167 956 761
0 -30 days	10 421 845	64 863 215
31 - 60 days	3 625 254	16 323 281
61 - 90 days	16 190 935	13 998 911
91 - 120 days	14 598 451	15 960 787
121 - 365 days	105 543 253	80 334 324
> 365 days	276 964 884	236 992 908
	<b>738 581 821</b>	<b>596 430 187</b>
<b>National and provincial government</b>		
Current	64 654 219	22 555 170
0 -30 days	3 201 395	19 692 705
31 - 60 days	341 893	3 411 658
61 - 90 days	2 339 129	1 547 133
91 - 120 days	2 663 333	1 678 975
121 - 365 days	10 514 063	6 791 907
> 365 days	27 214 318	22 265 325
	<b>110 928 350</b>	<b>77 942 873</b>
<b>Total</b>		
Current	640 310 737	315 863 915
0 -30 days	100 393 993	176 969 913
31 - 60 days	17 108 482	113 269 046
61 - 90 days	99 510 266	84 109 973
91 - 120 days	102 496 689	90 870 276
121 - 365 days	753 793 595	710 040 093
> 365 days	4 094 894 872	3 930 927 182
	<b>5 808 508 634</b>	<b>5 422 050 398</b>
<b>Less: Allowance for impairment</b>		
Less allowance for impairment	(5 079 683 172)	(4 170 370 444)
<b>Reconciliation of allowance for impairment</b>		
Balance at beginning of the year	(4 170 370 444)	(3 673 991 462)
Contributions to allowance	(909 312 728)	(496 378 982)
<b>Balance at end of year</b>	<b>(5 079 683 172)</b>	<b>(4 170 370 444)</b>

For bad debts written off refer to Note 43.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand	2024	2023
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### 8. Consumer debtors (continued)

#### Consumer debtors pledged as security

There are no consumer debtors pledged as security for overdraft facilities of the municipality.

#### Consumer debtors past due but not impaired

Consumer debtors which are past due and not impaired. At 30 June 2024 R112 241 588 (2023: R245 428 044)

#### Consumer debtors impaired

Consumer debtors impaired R5 079 683 172 (2023: R4 170 370 444 ).

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>9. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	26 577	25 776
Bank balances	90 057 664	186 075 948
Short-term deposits	400 870 558	325 300 285
	<b>490 954 799</b>	<b>511 402 009</b>

Average rate of return is based on average interest rate on all bank and investment accounts 8.32 % (2023:8.20 %)

Due to the short term nature of these investments, no amortisation was performed.

No cash and cash equivalents were pledged as security for any financial liabilities.

No restrictions exist with regard to the use of cash except for unspent conditional grants and receipts.

Unspent conditional grants and receipts which included within FNB no 62548623231,62548629403 and 62548632901.

Housing project funds relating to principal - agent relationships as disclosed in note 71 which included within FNB no 62856957588.

Funds received on behalf of Department of transport as disclosed in Note 71 which is included within FNB 50941827782.

### The municipality had the following bank and investment accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
FNB - No: 50941827782 (Primary) Demand deposit	48 105 006	165 454 243	44 435 207	157 148 585
FNB - No: 50940058750 (Electronic Transfers) Demand deposit	-	-	326 927	288 303
FNB - No: 50941840627 (Market) Demand deposit	2 656 307	5 290 128	2 656 307	5 290 128
FNB - No: 62069378539 ( Oribi Airport)	28 192 023	12 669 988	28 192 023	12 669 988
FNB - No: 62003432846 ( Salaries PACs No 1) Demand deposit	1 442 922	70 939	1 442 922	70 939
FNB - No: 62006041157 (Post Office) Demand deposit	-	-	13 004 277	10 608 004
FNB - No: 62045272143 (Traffic fines) Demand deposit	-	-	-	-
FNB - No: 62548639725 (Airport Development Fund) Call account	28 411	26 202	28 411	26 202
FNB - No: 62548629403 (MIG Grant) Call account	63 481	26 705	63 481	26 705
FNB - No: 62548623231 (Unspent Conditional Grant) Call account	172 827 781	115 577 204	172 827 781	115 577 204
FNB - No: 62856957588 (Housing Projects: Principal-Agent) Call account	14 545 447	15 744 624	14 545 447	15 744 624
FNB - No: 62548634460 (Insurance Fund) Call account	7 859 287	7 248 160	7 859 287	7 248 160
FNB - No: 62548632901 ( MHOA) Call account	50 207 036	51 674 829	50 207 036	51 674 829
FNB - No: 62548630822 ( Housing Accreditation) Call account	6 894 831	11 395 583	6 894 831	11 395 583
FNB - No: 62551687563 (VAT Recovery Grant) Call account	1 024 396	944 741	1 024 396	944 741
FNB - No: 62531891879 (General Reserves) Call account	44 000 000	45 620 222	44 000 000	45 620 222
FNB - No: 62600253984 (VAT Refund - CRR) Call account	5 017 454	4 605 111	5 017 454	4 605 111
FNB - No: 63096728656 (COID CALL)	336 663	-	336 663	-
ABSA - No: 9317549203(7 Day Notice)	7 846 927	72 436 905	7 846 928	72 436 905
ABSA - No: 9380998089(1 Day Notice)	120 469	-	120 469	-
ABSA - No:9385720099(1 Day Notice)	90 098 374	-	90 098 375	-
<b>Total</b>	<b>481 266 815</b>	<b>508 785 584</b>	<b>490 928 222</b>	<b>511 376 233</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 10. Living resources

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Game animals	986 250	(451 843)	534 407	988 150	(412 260)	575 890

#### Reconciliation of living resources - 2024

	Opening balance	Increase due to births	Decrease due to deaths	Depreciation	Total
Game animals	575 890	17 000	(10 245)	(48 238)	534 407

#### Reconciliation of living resources - 2023

	Opening balance	Increase due to births	Decrease due to death	Depreciation	Total
Game animals	696 179	1 600	(69 017)	(52 872)	575 890

#### Entity as custodian

Msunduzi Local Municipality does not have any custodial responsibility for game animals held on behalf of other entities, including the legislation or similar means that establishes the custodial responsibility over the living resources.

#### Living resources borrowed from other entities

There are no resources borrowed from other entities.

#### Living resources on loan to other entities

There are no living resources on loan to other entities.

#### Title restrictions

There are no living resources whose title is subject to restrictions.

#### Restrictions on use or capacity to sell

The are no living resources which are subject to restrictions on use or capacity to sell.

#### Pledged as security

No living resources have been pledged as security for any financial liabilities.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 10. Living resources (continued)

#### Compensation from third parties

There was no compensation from third parties for living resources that were impaired, lost or given up during the current financial year.

#### General Information

Msunduzi Local Municipality Bisley Nature Reserve's main purpose is the conservation of a representative system of biodiversity encompassing fauna, flora and unique scenery within the nature reserve. The municipality does not manage the reserve for reproduction of biodiversity.

The municipality is involved in biological transformation of fauna and flora primarily as a service to the community for the main purpose of recreation rather than for sale.

#### Other information

Msunduzi Local Municipality has elected the cost model to account for Living resources.

A physical verification of living resources was performed by the conservation department from 14 to 23 May 2024.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

#### Other information

The cost of the species was determined with reference to KZN Ezemvelo Wildlife auction prices.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 11. Agricultural assets

	2024			2023		
	Cost / Valuation	Fair value adjustments/harvests	Carrying value	Cost / Valuation	Fair value adjustments/harvests	Carrying value
Biological assets - Consumable	76 120 000	6 580 000	82 700 000	80 200 000	(4 080 000)	76 120 000

#### Reconciliation of Agricultural assets - 2024

	Opening balance	Decreases due to harvest / sales	Fair value adjustments	Total
Biological asset - Consumable	76 120 000	(4 618 051)	11 198 051	82 700 000

#### Reconciliation of Agricultural assets - 2023

	Opening balance	Fair value adjustments	Total
Biological assets - Consumable	80 200 000	(4 080 000)	76 120 000

#### Non-financial information

The municipality owns a plantation forest that produces felled trees for timber production, separately disclosed as consumable biological assets.

There were timber harvests with a fair value of R4 618 051 (2023: Nil).

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

South African Forestry Company SOC was appointed in terms of section 110 (2) (b) of the MFMA on the 24th July 2023 for a period of three (3) years for the provision of total management for the municipality's plantation. The contract is a net profit share for the period of 3 years

The timber sales started in March 2024 and only three months of revenue was generated. Due to unfavourable market conditions, the projected timber sales were not achieved and a net loss of R 4 007 855 was realised at the end of the Municipal Financial Year ending on 30 June 2024

Refer to note 79 for risk management strategies on agricultural assets.

#### Pledged as security

No agricultural assets have been pledged as security.

#### Restrictions imposed by regulations

There are no agricultural assets whose use or capacity to sell is subject to restrictions imposed by regulations.

#### Methods and assumptions used in determining fair value

The valuation at 30 June 2024 was performed by Malcolm Gardiner.

Malcolm Gardiner is a member of the South African Council for Property Valuers Profession (SACPVP), and have the required qualifications and expertise in the valuation of Agricultural assets.

The valuations conform to South African Valuation Standards and were arrived at by reference to market evidence of transaction prices.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 12. Heritage assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Artworks	246 764 271	(6 863 809)	239 900 462	246 700 696	(6 863 809)	239 836 887
Crematoriums	9 359 518	(3 256 965)	6 102 553	9 359 518	(3 256 965)	6 102 553
Jewellery	1 380 000	-	1 380 000	1 380 000	-	1 380 000
Legal deposits	50 449 589	-	50 449 589	50 326 507	-	50 326 507
Museums and art gallery	24 310 604	(3 047 339)	21 263 265	24 310 604	(340 927)	23 969 677
Other	2 095 896	(867 298)	1 228 598	2 095 896	(867 298)	1 228 598
Parks	2 487 909	(1 185 172)	1 302 737	2 487 909	(1 185 172)	1 302 737
Stadiums	3 961 964	(2 069 239)	1 892 725	3 961 964	(2 069 239)	1 892 725
<b>Total</b>	<b>340 809 751</b>	<b>(17 289 822)</b>	<b>323 519 929</b>	<b>340 623 094</b>	<b>(14 583 410)</b>	<b>326 039 684</b>

### Reconciliation of heritage assets 2024

	Opening balance	Additions	Impairment losses recognised	Total
Artworks	239 836 887	63 575	-	239 900 462
Crematoriums	6 102 553	-	-	6 102 553
Jewellery	1 380 000	-	-	1 380 000
Legal deposits	50 326 507	123 082	-	50 449 589
Museums and art gallery	23 969 677	-	(2 706 412)	21 263 265
Other	1 228 598	-	-	1 228 598
Parks	1 302 737	-	-	1 302 737
Stadiums	1 892 725	-	-	1 892 725
	<b>326 039 684</b>	<b>186 657</b>	<b>(2 706 412)</b>	<b>323 519 929</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 12. Heritage assets (continued)

#### Reconciliation of heritage assets 2023

	Opening balance	Revaluation increase/(decr ease)	Impairment losses recognised	Total
Artworks	230 806 921	9 029 966	-	239 836 887
Crematoriums	9 332 597	-	(3 230 044)	6 102 553
Jewellery	1 185 000	195 000	-	1 380 000
Legal deposits	50 326 507	-	-	50 326 507
Museums and art gallery	24 267 797	-	(298 120)	23 969 677
Other	2 095 896	-	(867 298)	1 228 598
Parks	2 487 908	-	(1 185 171)	1 302 737
Stadiums	3 912 208	-	(2 019 483)	1 892 725
	<b>324 414 834</b>	<b>9 224 966</b>	<b>(7 600 116)</b>	<b>326 039 684</b>

#### Restrictions on heritage assets

There are no ownership and disposal restrictions on heritage assets.

There are no contractual commitments for the acquisitions, maintenance and restoration of heritage assets

#### Pledged as security

No heritage assets have been pledged as security for any financial liabilities.

#### Contractual commitments for the acquisition, maintenance and restoration of heritage assets

There are no contractual commitments for the acquisitions, maintenance and restoration of heritage assets.

#### Revaluations

##### Heritage assets

Artworks and jewellery whose fair value can be measured reliably are carried at the revalued amount, being their fair value at the date of valuation less any subsequent impairment losses.

The artworks is valued as at 30 June 2023.

According to the municipality's accounting policy, artworks are revalued every 4 years.

Jewellery has been valued as at 30 June 2023.

According to the municipality's accounting policy, jewellery is revalued every 4 years.

##### Legal Deposit collection at the Bessie Head Library

The legal deposit materials was valued by Paul Myson who is a qualified valuer specialising in the valuation of heritage assets.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 13. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	124 478 526	(100 529 245)	23 949 281	118 386 088	(95 276 677)	23 109 411
Servitudes	803 846	-	803 846	803 846	-	803 846
<b>Total</b>	<b>125 282 372</b>	<b>(100 529 245)</b>	<b>24 753 127</b>	<b>119 189 934</b>	<b>(95 276 677)</b>	<b>23 913 257</b>

#### Reconciliation of intangible assets - 2024

	Opening balance	Additions	Work in progress	Amortisation	Total
Computer software, other	23 109 411	89 000	6 003 439	(5 252 569)	23 949 281
Servitudes	803 846	-	-	-	803 846
	<b>23 913 257</b>	<b>89 000</b>	<b>6 003 439</b>	<b>(5 252 569)</b>	<b>24 753 127</b>

#### Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer software, other	20 150 602	8 116 044	(5 157 235)	23 109 411
Servitudes	803 846	-	-	803 846
	<b>20 954 448</b>	<b>8 116 044</b>	<b>(5 157 235)</b>	<b>23 913 257</b>

#### Pledged as security

No intangible assets have been pledged as security for any financial liabilities.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>13. Intangible assets (continued)</b>		
<b>Intangible assets in the process of being constructed or developed</b>		
<b>Cumulative expenditure recognised in the carrying value of Intangible assets</b>		
Opening balance	-	2 528 200
Additions	6 003 439	-
Transferred to completed assets	(6 003 439)	(2 528 200)
	<u>-</u>	<u>-</u>

### Restricted title

There are no intangible assets whose title is restricted.

### Details of valuation

Servitudes were assessed for impairment using the depreciated replacement cost method. The software was assessed for impairment based on utilisation by the municipality.

Servitudes have an infinite useful life as they are rights held by the municipality to property.

The software were assessed for impairment based on utilisation by the municipality.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 14. Investment property

	2024			2023		
	Valuation at the beginning	Fair value adjustments/ additions	Carrying value	Valuation at the beginning	Fair value adjustments/ additions	Carrying value
Land and buildings	952 772 121	(30 380 395)	922 391 726	923 219 345	29 552 776	952 772 121

### Reconciliation of investment property - 2024

	Opening balance	Work in progress	Derecognition	Transfers	Fair value adjustments	Total
Land and buildings	952 772 121	50 396	(6 218 000)	(24 409 691)	196 900	922 391 726

### Reconciliation of investment property - 2023

	Opening balance	Work in progress	Transfers	Fair value adjustments	Total
Land and buildings	923 219 346	4 366 559	(2 938 485)	28 124 701	952 772 121

### Pledged as security

No investment property has been pledged as security for any financial liabilities.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>14. Investment property (continued)</b>		
<b>Investment property in the process of being constructed or developed</b>		
<b>Cumulative expenditure recognised in the carrying value of Investment property</b>		
Opening balance	28 256 936	32 209 847
Additions	50 396	4 366 559
Transferred to completed assets	(28 307 332)	(8 319 469)
	<b>-</b>	<b>28 256 937</b>
<b>Carrying value of Investment property that is taking a significantly longer period of time to complete than expected</b>		
Jika Joe Housing	-	28 256 937
The project is complete		
	<b>-</b>	<b>28 256 937</b>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

The valuation at 30 June 2024 was performed by Finley Hamilton an independent valuer.

Finley Hamilton has recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

These assumptions are based on current market conditions.

Adjustments to the valuation is attributable to change in market value of investment property. The demand for land is low across the market and the current economic conditions reflects very little growth across all sectors in the Msunduzi area.

Finley Hamilton is a member of the South African Council for Property Valuers Profession (SACPVP), and has the required qualifications and expertise in the valuation of investment properties. The valuations conform to South African Valuation Standards and were arrived at by reference to market evidence of transaction prices for similar properties.

Investment property has been accounted for in terms of GRAP 16 and comprises both land and buildings owned by Msunduzi Municipality. Investment property is not depreciated but annually valued at year end in order to determine their fair value as prescribed in GRAP 16.

### Amounts recognised in surplus or deficit

Rental revenue from Investment property	32 946 814	20 805 641
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The municipality does not hold any operating property interest.

There were no repairs, maintenance and direct operating expenses related to investment property incurred in the current year.

Tenants are responsible for repairs and maintenance.

Included in Investment property is vacant land which has been invaded/illegally occupied. The land has a carrying value of R22 486 000 (2023 : R16 425 000).

The illegally occupied land is not considered impaired by management as the service potential is not considered affected as this land is addressed by the Rapid urbanisation management within the parameters of the approved land use scheme.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 15. Property, plant and equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land and buildings	1 256 674 744	(366 953 627)	889 721 117	1 222 499 679	(353 291 669)	869 208 010
Infrastructure	9 969 937 119	(4 407 674 230)	5 562 262 889	9 436 738 895	(4 126 281 580)	5 310 457 315
Community assets	890 079 302	(431 723 464)	458 355 838	858 530 322	(413 567 072)	444 963 250
Movable assets	627 644 822	(404 149 612)	223 495 210	563 860 224	(382 293 193)	181 567 031
Other properties	424 414 232	(307 718 211)	116 696 021	423 498 461	(298 153 254)	125 345 207
<b>Total</b>	<b>13 168 750 219</b>	<b>(5 918 219 144)</b>	<b>7 250 531 075</b>	<b>12 505 127 581</b>	<b>(5 573 586 768)</b>	<b>6 931 540 813</b>

### Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers	Work in progress	Depreciation	Impairment loss	Total
Land and buildings	869 208 010	-	(91 000)	(5 578 970)	39 845 034	(13 661 957)	-	889 721 117
Infrastructure	5 310 457 315	29 477 440	-	42 218 110	468 826 840	(288 716 816)	-	5 562 262 889
Community assets	444 963 250	-	-	(17 739 375)	49 446 223	(18 232 455)	(81 805)	458 355 838
Movable assets	181 567 031	79 088 669	(3 202 889)	(10 833 527)	458 493	(23 582 567)	-	223 495 210
Other properties	125 345 207	-	-	(547 078)	1 462 849	(9 564 957)	-	116 696 021
	<b>6 931 540 813</b>	<b>108 566 109</b>	<b>(3 293 889)</b>	<b>7 519 160</b>	<b>560 039 439</b>	<b>(353 758 752)</b>	<b>(81 805)</b>	<b>7 250 531 075</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 15. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers	Work in progress	Depreciation	Impairment loss	Total
Land and buildings	885 352 464	-	-	(8 579 674)	5 674 024	(13 238 804)	-	869 208 010
Infrastructure	5 136 451 475	-	(802 837)	65 494 000	379 362 689	(266 685 915)	(3 362 097)	5 310 457 315
Community assets	427 758 244	-	-	(6 355 381)	42 029 591	(17 817 053)	(652 151)	444 963 250
Movable assets	188 638 953	21 816 024	(1 971 409)	1 045 236	1 242 238	(27 586 863)	(1 617 148)	181 567 031
Other properties	195 442 347	(4 283 755)	-	(59 651 271)	751 530	(6 913 644)	-	125 345 207
	<b>6 833 643 483</b>	<b>17 532 269</b>	<b>(2 774 246)</b>	<b>(8 047 090)</b>	<b>429 060 072</b>	<b>(332 242 279)</b>	<b>(5 631 396)</b>	<b>6 931 540 813</b>

#### Pledged as security

No property, plant and equipment has been pledged as security for any financial liabilities.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 15. Property, plant and equipment (continued)

#### Other information

Refer to Appendix A for detailed property, plant and equipment schedule.

During the year the municipality undertook a conditional assessment of fixed assets, which culminated in the additional decreases/increases in remaining useful lives of assets.

The municipality applies the depreciated replacement cost method to calculate impairment.

#### Other properties

Included in Other properties, Markets, Workshops and Depots, Sewerage and dump sites, Training centres, Landfill sites, Airports, Nurseries

#### Movable Assets

Movable assets include Office machines, Furniture and fittings, Fire and medical equipment, Motor vehicles, Containers and Plant and equipment

Property plant and equipment were impaired by R81 805 (2023 : R5 631 396) as a result of conditional assessment.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

#### Invaded land

Included in Property, plant and equipment is vacant land which has been invaded/illegally occupied. The land has a carrying value of R25 222 261 (2023 : R25 222 261). The illegally occupied land is not considered impaired by management as the service potential is not considered affected as this land is addressed by the Rapid urbanisation management within the parameters of the approved land use scheme.

#### Reconciliation of Work-in-Progress 2024

	Included within land and buildings	Included within infrastructure	Included within community assets	Included within movable assets	Included within other properties	Total
Opening balance	37 338 073	989 546 666	89 330 343	3 509 362	753 095	1 120 477 539
Additions	39 845 034	468 826 840	49 446 223	458 493	1 462 849	560 039 439
Transferred to completed assets	(29 417 254)	(791 659 834)	(35 310 804)	(3 880 861)	(547 078)	(860 815 831)
	<b>47 765 853</b>	<b>666 713 672</b>	<b>103 465 762</b>	<b>86 994</b>	<b>1 668 866</b>	<b>819 701 147</b>

#### Reconciliation of Work-in-Progress 2023

	Included within land and buildings	Included within infrastructure	Included within community assets	Included within movable assets	Included within other properties	Total
Opening balance	49 219 962	1 146 018 249	83 930 836	3 170 678	67 443 561	1 349 783 286
Additions	5 674 024	379 362 689	42 029 591	1 242 238	751 530	429 060 072
Transferred to completed assets	(17 555 913)	(535 834 272)	(36 630 084)	(903 554)	(67 441 996)	(658 365 819)
	<b>37 338 073</b>	<b>989 546 666</b>	<b>89 330 343</b>	<b>3 509 362</b>	<b>753 095</b>	<b>1 120 477 539</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>15. Property, plant and equipment (continued)</b>		
<b>Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance</b>		
<b>Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance</b>		
Buildings	242 284 742	138 997 474
Infrastructure assets	129 427 206	70 974 470
Movable assets	57 686 445	41 714 733
Other properties	309 269	-
	<b>429 707 662</b>	<b>251 686 677</b>

Repairs and maintenance on property, plant and equipment is included in General expenses, inventory consumed and operating leases.

<b>Projects taking a significantly longer period of time to complete than expected</b>	<b>Reason for project taking long</b>	<b>2024</b>	<b>2023</b>
IRPTN project	Other phases of project completed, the expenditure amount is for bridge designed the project has not commenced due to insufficient of funds	56 118 541	71 935 584
Unit H	Project completed	-	50 077 165
Azalea PH2	Project completed	-	24 337 295
Community hall ward 7	There is insufficient funding to start construction. There were also delays in submitting the drawings to building plans	10 622 828	5 798 578
Community hall ward 8	The contractor for ward 8 was terminated on 22 January 2024. The project was supposed to be completed by the 31st of March 2024, but the contractor failed to meet his obligations, hence the termination. Council is in the process of acquiring a new contractor to proceed with construction in the 2024/25 financial year.	8 843 981	6 362 520
Edendale Town Centre	The project is delayed due to legal complexities, expropriation and relocation of Informal settlements. Construction has been done up the section affected by Land expropriation challenges.	9 617 003	8 092 247
Community hall ward 38	Project completed	-	8 032 810
Grimthorpe Avenue river bridge	The project is on hold due to insufficient funding to start construction.	64 232	-
Willowfountain road extension	The project is on hold due to insufficient funding to start the project.	7 607 898	-

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand		2024	2023
<b>15. Property, plant and equipment (continued)</b>			
Community hall ward 6 Kwaqanda	The project was decommissioned at COGTA	494 674	-
Community hall ward 24	The project was delayed due to land issues, which have since been resolved and will commence in the the 2024/25 fin year.	2 795 083	1 796 006
Community hall ward 34 - Madiba Hall	Delays due to non payments	5 048 238	-
		<b>101 212 478</b>	<b>176 432 205</b>
<b>Projects halted</b>	<b>Reasons</b>	<b>2024</b>	<b>2023</b>
The Hollingwood cemetery project	Statutory approvals for development of the cemetery were completed during the 2012/13 fiscus, Only the parking area was completed to date as the Sobantu community halted this project due to housing needs. The impasse between the community and the municipality has not been resolved and the project has been suspended since then.	4 874 038	4 874 038
Mayor's Walk road widening	The project is halted due to insufficient funding.	1 435 825	1 435 825
Design and construction of east ring road	The project is halted due to insufficient funding to start construction.	2 449 450	2 449 450
Techno Hub	The project has not commenced due to funding contrains. Only the preliminary designs were undertaken.	1 467 147	1 467 147
Connor -Ottos Bluff Road -link	This project is halted due to non availability of funds.	129 620	129 620
		<b>10 356 080</b>	<b>10 356 080</b>
<b>Commitments</b>			
Land		2 463 900	2 463 900
Infrastructure		231 782 247	224 880 459
Community assets		20 953 608	36 864 176
Moveable assets		1 210 000	1 314 940
Other properties		68 256 748	-
		<b>324 666 503</b>	<b>265 523 475</b>

Projects taking significantly longer to complete and halted were assessed for impairment, however there is no impairment loss for the current year on these projects.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>16. Consumer deposits</b>		
Electricity	108 735 418	102 490 201
Landfill site	47 166	405 018
Market buyer's card	7 217 692	5 252 988
Refuse	65 929	56 155
Rental properties	3 092 489	3 061 921
Sewer	9 925	9 925
Valuation appeal	8 907	8 907
Water	33 070 760	30 793 647
	<b>152 248 286</b>	<b>142 078 762</b>
<b>17. Other financial liabilities</b>		
<b>At amortised cost</b>		
DBSA loan	166 586 311	124 581 611
DBSA - funding required for capital expenditure. Loans bear interest rates between 6.75% and 16.50% (2023: 6.75% and 16.50%). Loans are repayable over a period between 10 to 20 years, repayments are made quarterly and bi-annually.		
During the reporting period the municipality did not default on any of the interest or capital repayments of the external loans.		
The additional loan in the current was acquired to fund electricity infrastructure projects.		
There are no other financial liabilities pledged as security.		
<b>Non-current liabilities</b>		
At amortised cost	116 274 950	50 310 656
<b>Current liabilities</b>		
At amortised cost	50 311 361	74 270 955
<b>Reconciliation of other financial liabilities</b>		
Opening balance	124 581 611	203 744 512
Additions	116 274 950	-
Repayments	(74 270 250)	(79 162 901)
	<b>166 586 311</b>	<b>124 581 611</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>18. Transfers payable (non-exchange)</b>		
Advance receipts - Transfers	12 566 995	15 568 203
<b>Beneficiary Audit and Transfers</b>		
Balance at beginning of year	4 655 806	5 183 091
Current year interest received	382 552	323 012
Payments to date	(307 749)	(850 297)
<b>Balance in terms of the advance receipt</b>	<b>4 730 609</b>	<b>4 655 806</b>

Funding provided by Department of Human Settlements as part of the restoration programme to assist in fast tracking the issuing of title deeds to the people of Msunduzi. The arrangement is through the MOA in order for the Provincial Department to provide funding in advance to the Municipality for appointment of social facilitators and a panel of conveyancers to undertake this process Beneficiary Audit and Transfers.

The Beneficiary Audit and Transfers was a National Programme which was then delegated to the Municipality through Provincial Department of Human Settlements. The EEDBS was a National program which was delegated to Municipalities in order to ensure that restoration of title deeds for houses constructed in Pre 1994 through the Housing Subsidy Scheme It was an existing programme that was handed over to the Municipality and the Municipality provided with the funding. The Municipality has no power to determine the beneficiary list . The project is solely for the transfer of title deeds to rightful owners. Title deeds are legal documents which the Municipality is not allowed to sell to beneficiaries and neither can those be use by the Municipality for own use.

The Municipality is not exposed to variability of the transactions, The Provincial Department of Humans settlements is responsible for fulfilling all rights and obligations. Even in the event of disputes the Provincial Department and the court make the final determinations on who the beneficiaries will be.

Significantly the arrangement was for the Department to transfer funds into the Municipality in order for the Municipality to undertake beneficiary verification and transfers of completed housing units. The purpose of the Principal-Agent relationship with regards to the Beneficiary Audit and Transfers is to task the municipality to review all projects approved prior to 1994 and ensure that beneficiary verification in completed to facilitate transfers without the municipality being exposed to any risks associated with the implementation of the Programme.

### Priority Projects -Military Veterans

Balance at beginning of year	3 445 508	6 319 812
Payments to date	(459 101)	(2 874 304)
<b>Balance in terms of the advance receipt</b>	<b>2 986 407</b>	<b>3 445 508</b>

The arrangement between the Municipality and the Provincial Department of Human Settlements is to undertake planning, design and servicing of various pieces of land for priority human settlements programmes such as military veterans and other affordable housing programmes in the Msunduzi Municipal area of jurisdiction. The department is responsible in fulfilling rights and obligation with respect to payment of service providers as well as processing of allocation of beneficiaries. The Municipality through the MOA signed between both parties undertook transactions with implementing agents on behalf of the department to get the sites ready for Human settlements projects ( various pieces of land ). The sites will be handed over to the Provincial Department of Human Settlement once ready for housing development.

### Title Deeds Restoration Programme

Balance at beginning of year	4 495 715	5 617 554
Payments to date	(606 088)	(1 121 839)
<b>Balance in terms of the advance receipt</b>	<b>3 889 627</b>	<b>4 495 715</b>

Funds provided by the Provincial Department of Human Settlements to assist the municipality to ensure that people approved through the enhanced extended discount benefit scheme and the housing delivery programme, their ownership is confirmed through this title deeds restoration grant.

The Municipality is not exposed to variability of the transactions, The Provincial Department of Humans settlements is responsible for fulfilling all rights and obligations. Even in the event of disputes the Provincial Department and the court make the final determinations on the beneficiaries.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 18. Transfers payable (non-exchange) (continued)

Significantly the arrangement was for the Department to transfer funds into the Municipality in order for the Municipality to undertake beneficiary verification and transfers of completed housing units. The purpose of the Principal-Agent relationship with regards to the Beneficiary Audit and Transfers is to task the Municipality to review all projects approved prior to 1994 and ensure that beneficiary verification is completed to facilitate transfers without the municipality being exposed to any risks associated with the implementation of the Programme

#### Title Deeds Activities

Balance at beginning of year	2 971 174	2 971 174
Payments to date	(2 010 822)	-
<b>Balance in terms of the advance receipt</b>	<b>960 352</b>	<b>2 971 174</b>

Funds provided by the Provincial Department of Human Settlements for services to be rendered for the Title Deeds Programme.

Significantly the arrangement was for the Department to transfer funds into the Municipality in order for the Municipality to undertake more activities for the Title deeds programme. The purpose of the Principal-Agent relationship with regards to the Beneficiary Audit and Transfers is to task the municipality to review all projects approved prior to 1994 and ensure that beneficiary verification is completed to facilitate transfers without the municipality being exposed to any risks associated with the implementation of the Programme.

### 19. Payables from exchange transactions

Accrued leave pay	151 203 091	144 857 653
Auditor General	738 844	253 801
Accruals	212 106 271	192 013 081
Advance payments	9 555 505	4 529 934
Credit balances in debtors	130 699 219	113 328 477
Electricity bulk purchases	1 106 112 712	993 186 187
Payroll related	-	8 494 855
Retention liability	36 748 135	33 763 376
Surety	60 000	60 000
Trade payables	419 285 481	306 847 562
Unallocated deposits	1 611 338	1 442 128
Water bulk purchases	210 000 000	716 067 635
	<b>2 278 120 596</b>	<b>2 514 844 689</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 20. Provisions

#### Reconciliation of provisions - 2024

	Opening Balance	Additions	Change in discount factor	Reduction due to re-measurement	Total
Litigation	-	54 296	-	-	54 296
Landfill rehabilitation	71 154 924	-	(1 116 235)	(19 334 518)	50 704 171
	<b>71 154 924</b>	<b>54 296</b>	<b>(1 116 235)</b>	<b>(19 334 518)</b>	<b>50 758 467</b>

#### Reconciliation of provisions - 2023

	Opening Balance	Change in discount factor	Reduction due to re-measurement	Total
Landfill rehabilitation	68 705 686	11 017 502	(8 568 264)	71 154 924
Non-current liabilities			44 650 093	62 175 173
Current liabilities			6 108 374	8 979 751
			<b>50 758 467</b>	<b>71 154 924</b>

The excess in provision liability is the amount by which the liability provision exceeds the carrying amount of the provision asset and is recognised in the Statement of Financial Performance in terms of paragraph 5(b) of IGRAP 2. Amount recognised 2024 : R29 430 504 (2023 : Nil)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand	2024	2023
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### 20. Provisions (continued)

#### Landfill rehabilitation

The landfill rehabilitation provision represents management's best estimate of the municipality's rehabilitation liability based on a valuation provided by an external consultant on the remaining useful life of the landfill site.

One Pangea Expertise and Solutions was appointed to perform the annual valuation of the provision for the rehabilitation and closure costs of the New England Road landfill site.

At the end of the life of the landfill site, the municipality is expected to restore the landfill site to the condition it was before its use.

According to the National Environmental Management Act, Act 107 of 1998, the operation of a landfill results in an obligation to rehabilitate the landfill and prevent any further pollution after closure thereof. The landfill site provision was created to ensure that the site is environmentally and publicly acceptable and suited to the implementation of the proposed end-use. The estimated remaining life of the landfill site is 4,4 years.

#### The key assumptions used by the experts:

Net discount rate 5.10%

Average density of the waste 0.7 tonnes per cubic metres

Expected growth rate of waste generation 2.57%

Excavatable cover depth 2.5 metres

Cover to waste ratio 1.25

The municipality was declared to have been in breach of the Variation Waste Management Licence(WML) issues by the department of Economic Development, Tourism and Environmental Affairs (Kwa-Zulu Natal) on 3 July 2017, in respect of operation of the New England Road Landfill Site on Lot 1853 of the Farm Darvill No 15036, New England Road, Pietermaritzburg.

The High Court of South Africa issued a court order directing the Municipality to discharge its duty of care and remediation of environment as required by section 28(1) and (3) of the National Environmental Management Act 107 of 1998.

The municipality has ensured that it complies with the directives of the court order and with the prescripts of the WML. This has been done through an approved audit action plan which is a list of actions the municipality is required to undertake to be compliant with the WML. The implementation of the action plan is in progress enroute to compliance.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand

2024

2023

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### 20. Provisions (continued)

#### Litigation

Litigations against the Municipality recognized as provisions are those that the appointed attorneys have considered probable that the Municipality is liable and an outflow of economic benefits associated with the litigation is expected and the costs can be measured reliably.

#### Key assumptions provided by legal counsel are:

Net effective discount rate varies case by case and range from prime rate to 15.5%

#### Alien vegetation provision

According to the National Environmental Management Act, 1998 (Act No. 107 of 1998) the municipality was encouraged to recognise a provision in this regard.

The Department of Agriculture has since 2006 provided considerable support to the municipality in terms of clearing listed alien invasive plants.

The municipality's involvement and responsibility is effectively operational support to the Department of Agriculture for the clearing of listed alien invasive plants.

No work has been carried out during the current reporting period.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 21. Employee benefit obligations

#### Defined benefit plans - General information

##### Post employment medical aid

The characteristic of this defined benefit plan is that the municipality provides post-retirement benefits by subsidising the medical aid contributions of eligible retired staff who elect to continue with their medical aid at retirement.

The nature of the benefits provided by the plan are as follows, continuation members and their eligible dependants receive a 60% subsidy, with the exception of continuation members who retired prior to 2004, who receive a 65% subsidy. All 60% post-employment subsidies are subject to a maximum of R 5 277 per principal member per month.

The basis on which the discount rate has been determined is: Deduction from the fixed-interest and index-linked bond yield curves obtained from the Johannesburg Stock Exchange.

##### Long service awards

The characteristics of this defined benefit plan is that Municipality offers employees long service awards for every five years of service completed, from five years of service to 45 years of service, inclusive.

The nature of the benefits provided by the plan are that in the month that each completed service milestone is reached, the employee is granted a long service award. Working days awarded are valued at 1/249th of annual earnings per day. An employee may choose to take the long service leave due to him/her or encash it. Whatever the employee chooses, it must be done in the same leave year in which he/she qualified for such leave.

The regulatory framework in which the plan operates is the SALGA conditions of service collective agreement which stipulates that employees qualify for long service leave upon completion of the specified periods in the agreement.

The basis on which the discount rate has been determined is: Deduction from the fixed-interest and index-linked bond yield curves obtained from the Johannesburg Stock Exchange.

#### The amounts recognised in the statement of financial position are as follows:

##### Carrying value

Present value of the defined benefit obligation-wholly unfunded	(619 240 001)	(595 253 001)
Non-current liabilities	(572 205 000)	(545 988 000)
Current liabilities	(47 035 001)	(49 265 001)
	<b>(619 240 001)</b>	<b>(595 253 001)</b>

#### Changes in the net defined liability (asset) are as follows:

Opening balance	(595 253 001)	(630 846 001)
Service cost	(20 640 000)	(21 897 000)
Net interest expense	(69 247 000)	(66 759 000)
Remeasurements	16 692 958	83 941 891
Payments from the plan	49 207 042	40 307 109
	<b>(619 240 001)</b>	<b>(595 253 001)</b>

#### Represented by:

Net defined benefit liability (asset) - Post employment medical aid	(534 303 001)	(509 433 001)
Net defined benefit liability (asset) - Long service awards	(84 937 000)	(85 820 000)
	<b>(619 240 001)</b>	<b>(595 253 001)</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>21. Employee benefit obligations (continued)</b>		
<b>Changes in the present value of the defined benefit obligation are as follows:</b>		
Opening balance	(595 253 001)	(630 846 001)
Service cost	(20 640 000)	(21 897 000)
Interest cost	(69 247 000)	(66 759 000)
Remeasurements	16 692 958	83 941 891
Payments from the plan	49 207 042	40 307 109
	<b>(619 240 001)</b>	<b>(595 253 001)</b>

### Net expense recognised in the statement of financial performance are as follows:

Service cost	(20 640 000)	(21 897 000)
- Current service cost	(20 640 000)	(21 897 000)
- Past service cost	-	-
- Plan amendment	-	-
- Curtailment	-	-
Net interest on the net defined benefit liability (asset)	(69 247 000)	(66 759 000)
Remeasurements of the net defined benefit liability (asset)	16 692 958	83 941 891
- Actuarial gains and losses arising from:	16 692 958	83 941 891
- Changes in demographic assumptions	-	-
- Changes in financial assumption	7 036 000	80 761 000
- Experience adjustments	9 656 958	3 180 891
	<b>(73 194 042)</b>	<b>(4 714 109)</b>

### Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation	16 692 958	83 941 891
Actuarial (gains) losses – Plan assets	-	-
	<b>16 692 958</b>	<b>83 941 891</b>

The actuarial gain is influenced by the effect of the change in the basis of financial assumptions, unexpected increases in subsidies, unpredicted movements in membership profile and the effect of actual benefits being different from what was expected.

The significant decrease in the actuarial gain from the previous year is due to the impact of change in net discount rates. The net discount rate is a function of bond yield curves. The bond rates are susceptible to fluctuations due to prevailing market conditions. In the previous financial year the impact of the increase of net discount rate had a huge effect compared to this year. The designation of sovereignty investment to junk status greatly affected the bond rate in 2022/23.

### Key assumptions used

Assumptions used at the reporting date:

Discount rate - PEMA	12,09 %	12,23 %
Health care cost inflation rate - PEMA	7,60 %	7,85 %
Net-of-health-care-cost-inflation discount rate - PEMA	4,17 %	4,06 %
Maximum subsidy inflation rate - PEMA	5,33 %	5,51 %
Net-of-maximum-subsidy-inflation discount rate - PEMA	6,42 %	6,37 %
Discount rate - LSA	11,13 %	11,42 %
General earnings inflation rate (long-term) - LSA	6,28 %	6,83 %
Net effective discount rate - LSA	4,57 %	4,30 %

Key demographic assumptions -Post employment medical aid:

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 21. Employee benefit obligations (continued)

- Average retirement age - 62 years (2023:62 years)
- Continuation of membership at retirement - 75% (2023:75%)
- Proportion with a spouse dependent at retirement - 60% (2023:60%)
- Proportion of in-service non-members joining a scheme by retirement and continuing with the subsidy at retirement 15% (2023 :15% )
- Mortality during employment - SA 85-90
- Mortality post-employment - PA(90) -1 with a 1% mortality improvement p.a. from 2010

#### Key Demographic Assumptions - Long service awards

- Average retirement age - 62 years (2023:62 years)
- Mortality during employment - SA 85-90
- Retrenchment rate - 15% of withdrawal rates

#### Sensitivity analysis

##### Healthcare cost trends

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

<b>2024</b>	<b>One percentage point increase</b>	<b>One percentage point decrease</b>
Effect on the service cost	14 895 000	11 281 000
Effect on interest cost	65 113 000	55 318 000
Effect on defined benefit obligation	574 701 000	490 197 000
<b>2023</b>	<b>One percentage point increase</b>	<b>One percentage point decrease</b>
Effect on the service cost	16 226 000	(12 189 000)
Effect on interest cost	63 396 000	53 366 000
Effect on defined benefit obligation	547 762 000	467 564 000

##### Discount rate

Assumed discount rate have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed discount rate would have the following effects:

<b>2024</b>	<b>One percentage point increase</b>	<b>One percentage point decrease</b>
Effect on the service cost - PEMA	11 157 000	15 800 000
Effect on interest cost -PEMA	58 771 000	62 250 000
Effect on defined benefit obligation - PEMA	482 053 000	597 345 000
Effect on the service cost - LSA	6 989 000	7 945 000
Effect on interest cost - LSA	9 052 000	8 543 000
Effect on defined benefit obligation - LSA	80 445 000	89 931 000
<b>2023</b>	<b>One percentage point increase</b>	<b>One percentage point decrease</b>
Effect on the service cost - PEMA	11 978 000	17 453 000

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>21. Employee benefit obligations (continued)</b>		
Effect on interest cost - PEMA	56 955 000	60 463 000
Effect on defined benefit obligation - PEMA	459 495 000	569 660 000
Effect on the service cost - LSA	7 059 000	8 057 000
Effect on interest cost - LSA	8 381 000	7 814 000
Effect on defined benefit obligation - LSA	81 496 000	90 635 000

### Expected contributions

The expected contributions towards post employment medical aid for the next reporting period is R56 740 019.

### Multi-employer plan accounted for as a defined contribution plan

The Municipality accounted for the multi-employer defined benefit plans namely KwaZulu -Natal Joint Municipal Pension Fund (Retirement), KwaZulu Natal Joint Municipal pension Fund (Superannuation) and Government Employees Pension Fund. as defined contribution plans, seeing as sufficient information is not available to enable the the municipality to account for the plans as a defined benefit plans.

The reason why sufficient information is not available to enable the Municipality to account for the plan as a defined benefit plan, is that the statutory actuarial valuations of the funds are not performed per municipality as the funds are not classified as umbrella funds by the FSC. There are shared actuarial risks with other entities' employees are involved, however, comprehensive plan information is not available. Such information as the plan formula to allocate obligations, assets, and costs.

The expected contributions to the plan for the next reporting period is R157 249 889.

The level of participation of the entity in the plan compared with other participating entities is as follows GEPF (0.01%) , NJMPF - Retirement (3%) and NJMPF - Superannuation (5%) based on membership.

The contribution rate for the Municipality is determined as a percentage of pensionable salaries and is set out in the regulations of each Fund. In terms of the regulations the municipality must contribute a fixed basic percentage and, if required, an additional surcharge should the Funds be in deficit.

The municipality pays the basic contribution based on the pensionable salaries of the employees of the municipality; this is therefore not affected by employees of other participating municipalities. Any surcharge is defined in terms of the pensionable salaries of each municipality and hence the extent to which a deficit can be attributed to the employees of the municipality is the extent to which a surcharge is levied on the municipality. In terms of the nature of a defined benefit fund cross-subsidy exists between older and younger members, affecting all municipalities.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 21. Employee benefit obligations (continued)

#### Defined contribution plans

It is the policy of the municipality to provide retirement benefits to all its eligible employees.

The municipality is under no obligation to cover any unfunded benefits.

#### Kwa-Zulu-Natal Joint Municipal Provident Fund

KwaZulu - Natal Joint Municipal Provident Fund is used for the purpose of providing retirement benefits. The Fund is governed by its regulations as approved by the FSCA Commissioner.

The amount recognised as an expense for the defined contributions plans is disclosed on note 47 - Employee related costs

#### South African Local Authorities Pension Fund

The Fund was established in 1985 to provide benefits for its members on retirement, resignation, dismissal, retrenchment or upon death of its members.

The amount recognised as an expense for the defined contributions plans is disclosed on note 47 - Employee related costs

#### Municipal Councillors Pension Fund

The Municipal Councillors Pension Fund (MCPF) was established on 1 May 1988 in terms of the Pension Benefits for Councillors of Local Authorities Act No. 105 of 1987. The MCPF is a defined contribution Pension Fund, as defined in legislation, committed to effectively and efficiently providing benefits to members and beneficiaries.

The amount recognised as an expense for the defined contributions plans is disclosed on note 53 - Remuneration of councillors.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>22. Unspent conditional grants and receipts</b>		
<b>Unspent conditional grants and receipts comprises of:</b>		
<b>Unspent conditional grants and receipts</b>		
Expanded Public Works Programme	3	2 849
Integrated National Electrification Programme	55 484	1 774 357
Municipal Infrastructure Grant	18 372 356	900 240
Neighbourhood Development Partnership Grant	1 604 867	1 478 255
Water Services Infrastructure Grant	14 507 200	417
Corridor Development (Heroes Acre Memorial Park)	4 007 829	6 561 224
Eastwood Primary Substation	72 011	417 326
Greater Edendale Development Initiative	13 157 909	87 742 535
Informal Economy Infrastructure Development	-	20 234
Housing Accreditation	6 339 152	10 834 860
Library	205 329	6 587 194
Municipal Disaster Recovery/Response Grant	31 578 442	-
Pietermaritzburg Airport	173 175	194 618
Tatham Art Gallery - Art Bank	120	-
Tatham Art Gallery	464 373	166 806
Youth Enterprise Park	-	3 206
Ematsheni	1 055 100	-
Upgrading of Informal Settlements	96 641 828	58 395 414
Municipal Employment Initiative	387 600	2 076 549
LG Seta Mandatory and Discretionary Grant	908 825	-
	<b>189 531 603</b>	<b>177 156 084</b>
<b>Movement during the year</b>		
Balance at the beginning of the year	177 147 173	135 720 299
Funds returned to National Treasury	(29 554)	(90 000)
Current year receipts	492 572 643	461 241 994
Current year interest received	5 101 851	8 707 934
Transfer of VAT on Jika Joe project to own revenue	-	(654 984)
Vat recovered from grants	(35 862 649)	(44 006 018)
Conditions met - transferred to revenue	(449 374 421)	(383 763 141)
Transfer of savings to own revenue	(23 440)	-
	<b>189 531 603</b>	<b>177 156 084</b>
The extent of government grants recognised in the Statement of Financial Performance relates to the extent of the grant conditions having been met.		
Refer to Appendix D for details of Unspent Conditional Grants, Receipts and Transfers from National, Provincial, Government and other departments.		
See note 41 for reconciliation of grants from National/Provincial Government.		
These amounts are invested in a ring-fenced investment until utilised.		
<b>23. Non current - Payables from exchange transactions</b>		
Electricity bulk purchases	415 948 094	-
Water bulk purchases	509 383 039	-
	<b>925 331 133</b>	<b>-</b>
<b>24. VAT receivable</b>		
VAT	488 561 056	361 767 859

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 25. Accumulated surplus

#### Ring-fenced internal funds and reserves within accumulated surplus - 2024

	Accumulated surplus	Insurance reserve	COID reserve	Total
Opening balance	7 419 758 181	7 248 161	23 254 864	7 450 261 206
Interest earned on COID	(2 174 648)	-	2 174 648	-
Interest earned on insurance reserve	(611 126)	611 126	-	-
Interest earned on CRR	(388 904)	-	-	(388 904)
Interest on HDF	(7 063 008)	-	-	(7 063 008)
Transfer to/from COID	1 844 839	-	(1 844 839)	-
Deficit	(941 873 650)	-	-	(941 873 650)
	<b>6 469 491 684</b>	<b>7 859 287</b>	<b>23 584 673</b>	<b>6 500 935 644</b>

#### Ring-fenced internal funds and reserves within accumulated surplus - June 2023

	Accumulated surplus	Insurance reserve	COID reserve	Total
Opening balance	7 779 395 485	573 885	32 670 009	7 812 639 379
Prior period error	(414 919 600)	-	-	(414 919 600)
Interest earned on COID	(2 172 556)	-	2 172 556	-
Interest earned on insurance reserve	(74 276)	74 276	-	-
Interest earned on CRR	(126 617)	-	-	(126 617)
Interest on HDF	(4 864 202)	-	-	(4 864 202)
Transfer to/from COID	11 587 701	-	(11 587 701)	-
Transfer to/from CRR	(3 692 592)	-	-	(3 692 592)
Transfer to/from Insurance reserve	(6 600 000)	6 600 000	-	-
Surplus	61 224 838	-	-	61 224 838
	<b>7 419 758 181</b>	<b>7 248 161</b>	<b>23 254 864</b>	<b>7 450 261 206</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>26. Capital replacement reserve</b>		
Based on the approval by the strategic management committee on the 7th April 2015 the CRR was created by transferring funds of R151 935 999 from the accumulated surplus. This reserve will be used for the funding of property, plant and equipment.		
Included in the reserve is an amount of R388 904 (2023: R126 617) in respect to interest earned on the reserve.		
The CRR is a cash backed reserve		
Opening balance	4 605 111	785 902
Auction proceeds	-	3 692 592
Interest earned	388 904	126 617
Transfer from conditional grants savings	23 439	-
	<b>5 017 454</b>	<b>4 605 111</b>
<b>27. Housing development fund</b>		
Accumulative HDF utilisation	81 675 256	76 301 560
Loans extinguished by Government on 1 April 1988	34 256 892	34 256 892
	<b>115 932 148</b>	<b>110 558 452</b>
<b>28. Revaluation reserve</b>		
Opening balance	104 575 869	95 350 900
Change during the year	-	9 224 969
	<b>104 575 869</b>	<b>104 575 869</b>
Heritage assets classes for artworks and jewellery have been revalued as at 30 June 2023 resulting in the increase of the revaluation reserve. The increase in the values is as a result of current market records at auctions in recent years, the passage of time for artworks created by prominent artists and collections whose market has shifted from auction houses to specialist dealerships.		
<b>29. Agency services</b>		
Commission earned on driver's licenses renewals	2 666 696	2 598 950
Refer to Note 71 - Accounting by principals and agents		
<b>30. Interest - consumer debtors and receivables</b>		
Electricity	41 679 331	1 421 756
Property rental	12 803 071	643 177
Sanitation	30 750 960	17 033 935
Service charges	2 136 811	4 726 907
Waste management	17 131 060	9 683 226
Water	221 028 828	125 188 403
Miscellaneous receivable	453 983	383 503
	<b>325 984 044</b>	<b>159 080 907</b>
<b>31. Interest received bank, call and investment accounts</b>		
Bank	5 015 335	2 646 269
Short term investments	39 102 446	14 310 916
	<b>44 117 781</b>	<b>16 957 185</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>32. Licences and permits</b>		
Abnormal loads	787 781	1 620 871
Market porters	74 336	56 698
Taxi ranks	614 799	412 712
Trading	544 207	325 175
	<b>2 021 123</b>	<b>2 415 456</b>
<b>33. Operational revenue</b>		
Administration and handling fees	4 883 577	2 389 076
Breakages and losses recovered	2 967	4 346
Bursary refund	18 304	788 203
Commission insurance	621 962	699 439
Commission - transaction handling fees	21 993 483	22 955 327
Construction contracts - revenue	324 324	788 576
Incidental cash surplus	650	3 378
Insurance refund	11 873 890	-
Landing fees	3 263 542	3 113 053
Merchandising, jobbing and contracts	2 817 107	2 490 191
Passenger levy	7 771 158	6 926 482
Request for information - plan printing and duplicates	48 620	24 398
Skills development levy	-	2 419 531
Staff recoveries	417	853
	<b>53 620 001</b>	<b>42 602 853</b>
<b>34. Rental of facilities and equipment</b>		
<b>Premises</b>		
Non-residential	22 958 601	12 371 485
Residential	9 988 213	8 434 156
	<b>32 946 814</b>	<b>20 805 641</b>
<b>Facilities and equipment</b>		
Rental of facilities	643 515	452 189
	<b>33 590 329</b>	<b>21 257 830</b>
<b>35. Rendering of services</b>		
Advertising bins	907 486	-
Building plan approval	4 198 633	2 004 368
Cemetery and burial fees	2 741 372	3 983 251
Entrance fees	97 145	248 755
Fire services	92 186	286 098
Legal fees	428 337	318
Management fees	132 880	145 014
Parking fees	7 338	5 627
Rates clearance certificates	1 478 451	1 501 902
Sign application fee	1 957 100	1 417 450
Town planning and servitudes	1 901 727	928 275
Wayleave tariffs	32 286	23 421
	<b>13 974 941</b>	<b>10 544 479</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>36. Sale of goods</b>		
Buyer's card	50 016	53 406
Cleaning and removal	49 069	67 225
Demolition application fees	2 174	275
Laboratory services	307 119	11 042
Sale of scrap and waste	122 285	-
Sub-division and consolidation	386 678	131 201
Tender documents	38 743	148 109
Valuation services	15 997	16 294
Waste paper	-	3 792
	<b>972 081</b>	<b>431 344</b>
<b>37. Service charges</b>		
Sale of electricity	2 609 030 474	2 752 391 429
Sale of water	740 741 111	831 037 060
Sanitation	198 015 165	201 184 274
Refuse removal	126 703 639	124 327 571
	<b>3 674 490 389</b>	<b>3 908 940 334</b>
<b>Reconciliation</b>		
<b>Gross revenue billed</b>		
Sale of electricity	2 612 420 555	2 754 326 618
Sale of water	746 242 110	835 523 535
Sanitation	218 236 136	216 366 372
Refuse removal	128 012 967	125 391 509
	<b>3 704 911 768</b>	<b>3 931 608 034</b>
<b>Less: Revenue foregone free basic services</b>		
Sale of electricity	(3 390 081)	(1 935 189)
Sale of water	(5 500 999)	(4 486 475)
Sanitation	(20 220 971)	(15 182 098)
Refuse removal	(1 309 328)	(1 063 938)
	<b>3 674 490 389</b>	<b>3 908 940 334</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>38. Property rates</b>		
<b>Rates per category</b>		
Commercial	345 871 870	340 243 902
Farm properties	1 837 202	61 549 789
Unauthorised use	11 461 008	11 596 687
Small home business	473	98 643
Industrial	156 315 472	144 998 784
Public benefit organisation	3 765 740	2 437 606
Residential	695 866 950	678 623 866
Communal land - other	247 272	2 513 641
State	547 241	1 350 379
Mining	709 325	662 760
Public service purpose	142 464 174	131 862 008
	<b>1 359 086 727</b>	<b>1 375 938 065</b>
<b>Reconciliation</b>		
<b>Gross revenue billed</b>		
Property rates	1 461 741 283	1 469 032 945
	1 461 741 283	1 469 032 945
<b>Less: Revenue foregone free basic services</b>		
Rebates property rates	(102 654 556)	(93 094 880)
	<b>1 359 086 727</b>	<b>1 375 938 065</b>
<b>Valuations</b>		
Agriculture	459 302 000	453 752 000
Commercial/Mining/Industrial/Unauthorised	24 114 780 566	24 143 536 566
Municipal properties	949 000	974 000
Residential	49 876 580 073	49 653 513 073
Public Benefit Organisation	1 008 236 000	986 036 000
Public Service Infrastructure	239 917 735	215 375 935
Public Service Property	5 206 271 000	5 175 466 000
Vacant land	2 197 524 909	2 227 166 800
	<b>83 103 561 283</b>	<b>82 855 820 374</b>
<b>Rate randage are as follows:</b>		
	<b>Rate per category 2024</b>	<b>Rate per category 2023</b>
Agriculture	0,0039	0,0037
Public Service Property	0,0282	0,0263
Residential	0,0161	0,0150
Rural communal land	-	0,0204
Public Benefit Organisation	0,0039	0,0037
Public Service Infrastructure	0,0039	0,0037
Vacant land	0,0291	0,0272
Commercial	0,0282	0,0263
Mining	0,0282	0,0263
Industrial	0,0282	0,0263
Unauthorised	0,0500	0,0467
Municipal property	0,0282	0,0263
Sectional Title Garages	0,0161	0,0150

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand	2024	2023
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### 38. Property rates (continued)

Valuations on land and buildings are performed every 5 years in terms of the Municipal Property Rates Act. The last general valuation came into effect on 1 July 2019. Interim/ Supplementary valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

### 39. Interest from non-exchange receivables

Property rates	106 728 864	63 180 751
Fruitless and Wasteful expenditure	144 362	-
	<b>106 873 226</b>	<b>63 180 751</b>

### 40. Fines, penalties and forfeits

Building fines	69 500	83 000
Court traffic fines	18 691 570	19 302 890
Illegal connections	36 153 592	34 628 769
Law enforcement fines	936 803	666 028
Overdue books fines	5 752	72 947
Tender withdrawal penalties	-	4 500
	<b>55 857 217</b>	<b>54 758 134</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies</b>		
<b>Operating grants</b>		
Equitable Share	767 222 000	696 056 000
Expanded Public Works Programme	4 700 997	5 228 151
Finance Management Grant	1 950 000	1 950 000
Municipal Infrastructure Grant	7 455 986	6 977 307
Greater Edendale Development Initiative	2 081 078	14 670 904
Housing Accreditation	6 417 980	2 831 371
Housing Projects	1 181 354	2 050 695
LG Seta Mandatory and Discretionary Grant	1 662 712	167 982
Library	14 829 882	16 163 475
Municipal Employment Initiative	2 890 001	-
Tatham Art Gallery	147 715	91 266
Tatham Art Gallery - Art Bank	56 880	-
Water Services Infrastructure Grant	13 948 235	55 555 264
	<b>824 544 820</b>	<b>801 742 415</b>
<b>Capital grants</b>		
Corridor Development	3 039 104	487 435
Eastwood Primary Substation	378 947	16 130 468
Energy Efficiency Demand Side Management Grant	5 000 000	-
Greater Edendale Development Initiative	77 553 222	11 683 354
Housing Accreditation	733 561	417 555
Informal Economy Infrastructure Development	-	66 415
Integrated National Electrification Programme	12 218 873	27 379 643
Jika Joe Community Residential Units	-	5 021 543
Library	6 376 710	180 947
Municipal Disaster Recovery/Response Grant	8 021 558	620 000
Municipal Infrastructure Grant	204 367 193	219 864 756
Neighbourhood Development Partnership Grant	12 973 388	33 021 161
Pietermaritzburg Airport	3 201 175	2 874 671
Tatham Art Gallery	170 531	347 779
Upgrading of Informal Settlements	68 684 916	-
Water Services Infrastructure Grant	25 203 981	4 444 320
Youth Enterprise Park	-	197 683
	<b>427 923 159</b>	<b>322 737 730</b>
	<b>1 252 467 979</b>	<b>1 124 480 145</b>

### Government grants and subsidies

Included in above are the following grants and subsidies received:

Equitable share	767 222 000	696 056 000
Operating grants	55 138 966	98 320 540
VAT recovered - operating grants	2 183 853	7 365 874
VAT recovered - capital grants	33 678 794	37 295 129
Capital grants	394 244 366	285 442 602
	<b>1 252 467 979</b>	<b>1 124 480 145</b>

### Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

In terms of section 227 of the Constitution, the Equitable Share grant provides funding for the municipality to deliver free basic services to poor households and subsidises the cost of administration and other core services for the municipality.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
<b>Energy Efficiency and Demand Side Management Grant</b>		
Balance unspent at beginning of year	-	-
Current-year receipts	5 000 000	-
VAT recovered from Grant	(234 551)	-
Conditions met - transferred to revenue	(4 765 449)	-
	<u>-</u>	<u>-</u>

The purpose of the grant is to provide subsidies to municipalities to implement energy efficiency and demand side management initiatives on municipal facilities and infrastructure in order to reduce electricity consumption and improve energy efficiency.

The Municipality received a notification from the Department of Mineral Resources and Energy dated the 23rd of October 2023, indicating their decision to withhold the second tranche of this grant due to under-expenditure of the previous funds already transferred to the municipality. The second tranche which was due to be received on the 2nd of November 2023 was received on the 1st December 2023.

The Municipality received a grant of R5 million with a specific target of 950 retrofits to be achieved, however due to savings realised, an increased target of 1346 was eventually achieved.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
<b>Expanded Public Works Programme</b>		
Balance unspent at beginning of year	2 849	-
Funds returned to National Treasury	(2 849)	-
Current year receipts	4 701 000	5 231 000
VAT recovered from Grant	(67 414)	-
Conditions met - transferred to revenue	(4 633 583)	(5 228 151)
	<b>3</b>	<b>2 849</b>

Conditions still to be met - remain liabilities (see note 22).

The purpose of the grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:

- Road maintenance and the maintenance of buildings.
- Low traffic volume roads and rural roads.
- Basic services infrastructure, including water and sewer reticulation, sanitation and pipelines (excluding bulk infrastructure).
- Other economic and social infrastructure.
- Tourism and cultural industries.
- Waste management.
- Parks and beautification.
- Sustainable land-based livelihoods.
- Social services programmes.
- Community safety programmes.

The Municipality received a notification from Department of Public Works and Infrastructure dated the 23rd of October 2023, indicating their intention to withhold the second tranche as the Municipality failed to spend at least 25% of the first tranche allocation and report on all grant funded projects registered on the EPWP-RS. The second tranche which was due to be received on the 3rd of November 2022, was only received on the 4th of December 2023.

The allocation to Msunduzi was reduced from R4,979 million to R4,701 million during National Treasury mid term adjusted budget.

### Finance Management Grant

Balance unspent at beginning of year	-	-
Current-year receipts	1 950 000	1 950 000
VAT recovered from Grant	(142 602)	(102 555)
Conditions met - transferred to revenue	(1 807 398)	(1 847 445)
	<b>-</b>	<b>-</b>

The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
<b>Integrated National Electrification Programme</b>		
Balance unspent at beginning of year	1 774 357	-
Current-year receipts	10 500 000	29 154 000
VAT recovered from grant	(1 244 124)	(3 419 023)
Conditions met - transferred to revenue	(10 974 749)	(23 960 620)
	<b>55 484</b>	<b>1 774 357</b>

Conditions still to be met - remain liabilities (see note 22).

The purpose of the grant is to implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog in all existing and planned dwellings (including informal settlements, farm dwellings, new and existing dwellings).

The Municipality received a notification from the Department of Mineral Resources and Energy dated the 26th of October 2023, indicating their decision to withhold the second tranche of this grant due to the municipality not meeting the Division of Revenue Act Framework of spending at least 50% of the previous funds already transferred to the municipality. The second tranche which was due to be received on the 24th of November 2023 was received on the 30th of November 2023.

The Municipality had initially received the R7 million grant and had spent 100%, and thereafter during the end of March 2024, the Municipality received an additional R3,5 million to further electrify additional households.

### Municipal Disaster Recovery / Response Grant

Balance unspent at beginning of year	-	620 000
Current-year receipts	39 600 000	-
VAT recovered from grant	(1 046 290)	(59 043)
Conditions met - transferred to revenue	(6 975 268)	(560 957)
	<b>31 578 442</b>	<b>-</b>

Conditions still to be met - remain liabilities (see note 22).

The grant was provided for the purpose of reconstruction and rehabilitation of damaged Municipal Infrastructure due to the 2022 floods.

### Municipal Infrastructure Grant

Balance unspent at beginning of year	900 240	589 302
Funds returned to National Treasury	(26 705)	-
Current-year receipts	229 322 000	227 153 000
VAT recovered from grant	(26 571 117)	(28 741 502)
Conditions met - transferred to revenue	(185 252 062)	(198 100 560)
	<b>18 372 356</b>	<b>900 240</b>

Conditions still to be met - remain liabilities (see note 22).

The funding has been provided:

- For addressing specific capital projects for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.
- For the development of asset management plans for infrastructure servicing the poor.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 41. Government grants and subsidies (continued)

The Municipality received a notification from the Department of Cooperative Governance dated 12 September 2023, indicating their intention to withhold the second tranche which was due on the 22nd of September 2023 as the municipality failed to spend at least 60% of the first tranche. The second tranche was received on the date it was due for transfer to the municipality, i.e 22 September 2023.

The third tranche which was due to be received on the 8th of December 2023 was only received by the municipality on the 23rd of January 2024.

The Municipality allocation of R245,759,000 was adjusted downwards by R16,437,000 and the final tranche was received on the 25th March 2024.

#### Neighbourhood Development Partnership Grant

Balance unspent at beginning of year	1 478 255	70 702
Current-year receipts	13 100 000	34 500 000
VAT recovered from grant	(1 621 746)	(4 038 669)
Conditions met - transferred to revenue	(11 351 642)	(28 982 493)
Funds returned to National Treasury	-	(71 285)
	<b>1 604 867</b>	<b>1 478 255</b>

Conditions still to be met - remain liabilities (see note 22).

Funding provided to plan, catalyse and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in targeted locations, underserved neighbourhoods, generally townships and rural towns.

The Municipality received a notification from National Treasury dated 12th February 2024, indicating their intention to stop a portion of the grant due to underperformance.

The allocation to Msunduzi was reduced from R33,606 million to R23,606 million during National Treasury mid term adjusted budget in October 2023 and was further reduced from R23,606 million to R13,100 million in March 2024.

#### Water Services Infrastructure Grant

Balance unspent at beginning of year	417	18 715
Current-year receipts	53 659 000	60 000 000
Conditions met - transferred to revenue	(34 217 412)	(52 354 358)
Funds returned to National Treasury	-	(18 715)
VAT recovered from grant	(4 934 805)	(7 645 225)
	<b>14 507 200</b>	<b>417</b>

Conditions still to be met - remain liabilities (see note 22).

The purpose of the grant is:

- To facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural areas.
- To provide basic and intermittent water and sanitation supply that ensure provision of services to identified and prioritised communities, including through spring protection and groundwater development.
- To support municipalities in implementing water conservation and water demand management (WC/WDM) projects.
- To support the close out of the existing bucket eradication programme intervention in formal residential areas.
- To support drought relief programmes in affected municipalities.

The Municipality received an additional R3,659 million during the end of March 2024.

#### Greater Edendale Development Initiative

Balance unspent at beginning of year	87 742 535	105 990 396
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# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
Current year interest received	2 901 575	6 607 617
Current year receipts	2 148 098	1 498 779
Conditions met - transferred to revenue	(79 634 299)	(26 354 257)
	<b>13 157 909</b>	<b>87 742 535</b>

Conditions still to be met - remain liabilities (see note 22).

The funding was provided by the Department of Human Settlements for the following:

- To support GIS with the interrogation of housing layout against services in Edendale.
- To support the finalisation of the town planning scheme.
- For the development of an integrated land use management system for Edendale.
- For the valuation of properties as per the business plan.
- For advertising costs for expropriation of properties.
- For costs relating to tenure conflicts, cadastral and deed office rectification.
- For increasing the resources for sales administration with regard to drawing up, signing and managing sales agreements.
- For the provision of further training for personnel using GIS and property tracking systems.

### Housing Accreditation

Balance unspent at beginning of year	10 834 860	8 832 225
Current year interest received	813 507	616 980
Conditions met - transferred to revenue	(7 151 540)	(3 248 926)
Current year receipts	1 842 325	4 634 581
	<b>6 339 152</b>	<b>10 834 860</b>

Conditions still to be met - remain liabilities (see note 22).

Funding provided for Level 1 accreditation subsidy for the operation of the Housing Delivery Unit within Msunduzi Municipality.

### Housing Projects

Balance unspent at beginning of year	-	-
Current-year receipts	1 181 354	2 050 695
Conditions met - transferred to revenue	(1 181 354)	(2 050 695)
	-	-

Funding provided by Department of Human Settlements for implementation of Housing Projects as follows :

- Harewood Informal Settlement Upgrade Housing Project No K15020002 - Implementation of Stage 1 activities on 1000 housing units.
- Bhobhonono and Masomini Housing project No K21080002 - Implementation of Stage 1 activities on 2000 housing units.

### Informal Economy Infrastructure Development

Balance unspent at beginning of year	20 234	81 854
Conditions met - transferred to revenue	-	(66 415)
Current year interest received	-	4 795
Transfer to own revenue	(20 234)	-
	-	<b>20 234</b>

Conditions still to be met - remain liabilities (see note 22).

Funding has been provided by the Department of Economic Development, Tourism and Environmental Affairs for the development of Informal economic infrastructure. Funding is to be used for the refurbishment of 250 existing informal trading stalls as well as the provision of additional support facilities and services in the Msunduzi Municipality CBD.

### Jika Joe Community Residential Units

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
Current-year receipts	-	5 021 543
Conditions met - transferred to revenue	-	(4 366 559)
Transfer to own revenue	-	(654 984)
	-	-

Funds provided by the Provincial Department of Human Settlements for the addressing of the housing backlog in the Municipality, and rental stock has been identified as a strategic intervention in addressing the formal accommodation needs. The Jika Joe project has been identified as a priority to address the Jika Joe informal settlement. The project also aims to relocate the residents from the existing Masukwana Street temporary housing and the removal of the structures.

Project funding for the Jika Joe project is inclusive of VAT. The Department of Human Settlements and Msunduzi Municipality on 25 February 2019 entered into an addendum to the memorandum of agreement for the adjustment of the Value added Tax from 14% to 15%. Provincial Treasury approved the rollover of unspent balances which was VAT on claims submitted to Department of Human Settlements in the 2019/ 2020 and 2020/2021 financial years. Council approved once the portion of the VAT on claims submitted is utilised in the project for prepaid water meters and temporary houses that were not funded by the Provincial Department of Human Settlements, the remaining balance be transferred to the Municipality as own revenue at the end of the financial year and subsequent years thereafter.

### Library

Balance unspent at beginning of year	6 587 194	6 555 680
Current-year receipts	14 438 000	15 946 000
Conditions met - transferred to revenue	(21 206 592)	(16 344 422)
Current year interest received	386 727	429 936
	<b>205 329</b>	<b>6 587 194</b>

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Arts and Culture for the provision of library services.

### Pietermaritzburg Airport

Balance unspent at beginning of year	194 618	47 442
Current-year receipts	3 000 000	3 000 000
Conditions met - transferred to revenue	(3 201 175)	(2 874 671)
Current year interest received	179 732	21 847
	<b>173 175</b>	<b>194 618</b>

Conditions still to be met - remain liabilities (see note 22).

The funding has been provided by the Economic Development, Tourism and Environmental Affairs for the improvement of the safety and security infrastructure of the Pietermaritzburg Airport.

### Tatham Art Gallery

Balance unspent at beginning of year	166 806	38 801
Current-year receipts	571 000	539 000
Conditions met - transferred to revenue	(318 246)	(439 045)
Current year interest received	44 813	28 050
	<b>464 373</b>	<b>166 806</b>

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Arts and Culture for Tatham Art Gallery to provide financial support to the municipality with a focus on the development and maintenance of Museum, care and the preservation of the cultural heritage.

### Tatham Art Gallery - Art Bank

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
Balance unspent at beginning of year	-	-
Current-year receipts	57 000	-
Conditions met - transferred to revenue	(56 880)	-
	<b>120</b>	-

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Art Bank for Tatham Art Gallery to pay for 3 interns for a period of 3 months and training for staff.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
<b>Youth Enterprise Park</b>		
Balance unspent at beginning of year	3 206	190 805
Conditions met - transferred to revenue	-	(197 683)
Current year interest received	-	10 084
Transfer to own revenue	(3 206)	-
	<b>-</b>	<b>3 206</b>

Conditions still to be met - remain liabilities (see note 22).

Funds received from Cooperative Governance and Traditional Affairs for the Youth Enterprise Park which emerged to address the challenges of finding appropriate localities for businesses. The concept of the park will be to cluster a purpose built park of 30 to 50 container enterprises in a particular locality either in community, small town or rural district or as part of urban or rural renewal programmes. The programme will also offer on site training facilities and support micro enterprises that operate within the park. The idea is to create a purpose built precinct at scale where the local community is able to take up local economic community opportunities to establish businesses. The Youth Enterprise Park should fundamentally be able to reconnect the economy with communities whose needs offer economic opportunity for its local entrepreneurs.

### Eastwood Primary Substation

Balance unspent at beginning of year	417 326	6 077 724
Conditions met - transferred to revenue	(378 947)	(16 130 468)
Current-year receipts	-	10 000 000
Current year interest received	33 632	470 070
	<b>72 011</b>	<b>417 326</b>

Conditions still to be met - remain liabilities (see note 22).

Funding has been provided by the Department of Cooperative Governance and Traditional Affairs for the upgrade and refurbishment work - Eastwood 132/11kv primary substation infrastructure, building of 132kv overhead lines and refurbishment of the 132kv primary substation.

Eastwood was established to cater for the local growth in the industrial network between Riverside and Northdale Substations including to cater for the residential areas in the vicinity. This project will relieve the loads on the Riverside and Northdale substation strengthening the network and allow for future load growth.

The refurbishment of the Eastwood primary substation into effective service will bring a lot of benefits to the Willowton industrial area and the surrounding residential area.

The unspent balance is due to interest accumulated from the Grant and approval to spend the funds has to be submitted to the funder.

### Corridor Development (Heroes Acre Memorial Park)

Balance unspent at beginning of year	6 561 224	6 606 654
Current year interest received	485 709	442 004
Conditions met - transferred to revenue	(3 039 104)	(487 434)
	<b>4 007 829</b>	<b>6 561 224</b>

Conditions still to be met - remain liabilities (see note 22).

Funding has been provided by the Department of Cooperative Governance and Traditional Affairs.

The Heroes Acre Memorial Park is a symbol of bravery and selflessness for Moses Mabhida and Johnny Makhathini who played a significant role in the liberation struggle as exiled leaders of the South African Communist Party. In recognition of the liberation struggles, this project seeks to beautify, upkeep, maintain and repair the Heroes Acre as a place of honour, dignity and respect.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 41. Government grants and subsidies (continued)

#### Ematsheni

Balance unspent at beginning of year	-	-
Current-year receipts	1 000 000	-
Current year interest received	55 100	-
	<b>1 055 100</b>	<b>-</b>

Conditions still to be met - remain liabilities (see note 22).

Economic Development, Tourism and Environmental Affairs, has made the capital grant available for the provision of Trading Stalls with the associated storage facilities and ablution facilities for the Informal Trading sector (Traders will be moved from downtown to the new facility) that will be located at Ematsheni [municipal owned land].

#### Upgrading of Informal Settlements

Balance unspent at beginning of year	58 395 414	-
Current-year receipts	106 931 330	58 395 414
Conditions met - transferred to revenue	(68 684 916)	-
	<b>96 641 828</b>	<b>58 395 414</b>

Conditions still to be met - remain liabilities (see note 22).

Funding provided by Department of Human Settlements for implementation of internal and external bulks services in housing projects as follows:

- Khalanyoni Informal Settlement Upgrade Housing Project No K15080002 - implementation of internal and external bulks services
- The Kwa 30 Informal Settlement Upgrade Housing Project No K15080001 - implementation of internal and external bulks services
- Signal Hill Project for Bulk Services - No K15020003 - installation of bulk services on the bus route/access road.
- HarewoodHill Housing Project for Bulk Services - No K15020002 - planning, engineering designs and bulk services for 1000 sites.

#### Municipal Employment Initiative

Balance unspent at beginning of year	2 076 549	-
Current-year receipts	1 000 000	2 000 000
Conditions met - transferred to revenue	(2 890 001)	-
Interest received	201 052	76 549
	<b>387 600</b>	<b>2 076 549</b>

Conditions still to be met - remain liabilities (see note 22).

Funds received from Economic Development, Tourism and Environmental Affairs for the implementation of a Municipal Employment Initiative whereby the municipality will identify, evaluate, fund and support informal, micro and small business enterprises in their area of jurisdiction through a fair and transparent process to create job opportunities and simulate local economic development within the formal and informal sectors that will target vulnerable groups in the rural and township areas.

#### LG Seta Mandatory and Discretionary Grant

Balance unspent at beginning of year	-	-
Current-year receipts	2 571 537	167 982
Conditions met - transferred to revenue	(1 662 712)	(167 982)
	<b>908 825</b>	<b>-</b>

Conditions still to be met - remain liabilities (see note 22).

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>41. Government grants and subsidies (continued)</b>		
The funds are to used to implement skills development interventions in the form of internships, learnership, skills programmes, artisan recognition of prior learning and bursaries. All funds received from the LGSETA must be utilised to implement skills development interventions		
<b>42. Other transfers</b>		
Donations	181 834	-
Fruitless and wasteful expenditure recovery	13 712	1 283 214
Living resources(Non exchange)	17 000	1 600
Heritage assets	123 079	-
	<b>335 625</b>	<b>1 284 814</b>
Other transfers - living resources relate to increases in game animals due to births.		
<b>43. Bad debts written off</b>		
Bad debts written off	22 523 583	26 721 381
Prior to write off of bad debts it must be proved that the debt has become irrecoverable and all reasonable steps were taken to recover the debt.		
<b>44. Bulk purchases</b>		
Electricity	2 714 396 462	2 350 400 905
<b>45. Debt impairment</b>		
Contribution to debt impairment	1 024 491 908	518 556 486
<b>Reconciliation of debt impairment</b>		
Electricity	152 761 774	(2 758 817)
Rates	218 647 799	68 270 432
Refuse	35 511 472	17 520 540
Property rental and other service charges	5 591 996	(19 468 213)
Sanitation	73 565 914	33 597 151
Water	523 275 565	402 743 237
Total consumer debtors	1 009 354 520	499 904 330
Cashier's shortages	-	22 268
Statutory receivables - traffic fines	15 137 389	18 629 890
	<b>1 024 491 909</b>	<b>518 556 488</b>
<b>46. Depreciation and amortisation</b>		
Property, plant and equipment	353 758 752	332 242 279
Intangible assets	5 252 568	5 157 235
Living resources	48 238	52 872
	<b>359 059 558</b>	<b>337 452 386</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>47. Employee related costs</b>		
<b>Municipal Staff</b>		
Acting allowances	14 595 881	14 781 446
Basic salaries	944 578 182	904 878 913
Bargaining council	442 728	426 146
Bonus	73 824 482	66 972 041
Housing benefits and allowances	4 713 396	4 539 388
Leave pay provision	19 358 382	7 711 206
Long-service awards	28 428 530	28 643 183
Medical aid	79 470 764	71 842 427
Other allowances (tools,uniform, telephone etc)	5 542 165	5 356 768
Overtime payments	123 235 891	119 992 748
Pension contribution	179 494 645	172 824 561
Post employment medical aid benefit	73 634 000	73 011 000
Scarcity allowance	5 999 279	7 924 699
SDL	12 180 379	11 592 455
Standby allowance	25 388 931	25 914 176
Travel/Motor vehicle allowance	31 976 213	30 246 362
UIF	7 281 852	7 286 124
WCA	3 611 431	1 358 737
	<b>1 633 757 131</b>	<b>1 555 302 380</b>
<b>Remuneration of City Manager</b>		
Basic salary	1 248 251	915 206
Bargaining council	137	97
Bonus	96 054	-
Contributions to UIF, medical and pension funds	286 606	193 810
Housing allowance	14 037	10 528
Leave pay provision	13 053	133 614
Phone allowance	26 400	19 800
Travelling allowance	142 706	99 210
	<b>1 827 244</b>	<b>1 372 265</b>
<b>Remuneration of Chief Finance Officer</b>		
Acting allowance	-	139 334
Basic salary	1 186 059	1 189 101
Bargaining council	137	130
Bonus	60 000	60 000
Contributions to UIF, medical and pension funds	167 144	161 934
Housing allowance	180 000	180 000
Leave pay provision	16 905	(5 086)
Phone allowance	14 400	14 400
Travelling allowance	173 848	176 016
	<b>1 798 493</b>	<b>1 915 829</b>
<b>Remuneration of Chief Audit Executive</b>		
Basic salary	1 327 025	1 259 037
Bargaining council	137	130
Bonus	110 585	104 920
Contributions to UIF, medical and pension funds	288 895	267 265
Housing allowance	12 797	12 141
Leave pay provision	17 340	(6 248)
Phone allowance	13 800	13 800
Travelling allowance	153 262	153 262

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>47. Employee related costs (continued)</b>	<b>1 923 841</b>	<b>1 804 307</b>
<b>Remuneration of General Manager : Corporate Services</b>		
Basic salary	1 361 451	1 313 667
Bargaining council	137	130
Bonus	90 000	90 000
Contributions to UIF, medical and pension funds	231 359	238 212
Phone allowance	20 400	20 400
Leave pay provision	13 404	(2 387)
Travelling allowance	126 656	127 758
	<b>1 843 407</b>	<b>1 787 780</b>
<b>Remuneration of General Manager : Sustainable Development and City Enterprises</b>		
Basic salary	231 094	1 017 935
Bargaining council	23	130
Bonus	154 564	-
Contributions to UIF, medical and pension funds	11 086	62 209
Leave pay provision	-	(2 734)
Phone allowance	2 400	14 400
Travelling allowance	56 425	338 550
	<b>455 592</b>	<b>1 430 490</b>
<b>Remuneration of General Manager : Community Services</b>		
Basic salary	61 247	1 229 461
Bargaining council	11	108
Contributions to UIF, medical and pension funds	2 102	21 155
Phone allowance	9 380	20 400
	<b>72 740</b>	<b>1 271 124</b>
<b>Remuneration of General Manager : Infrastructure Services</b>		
Acting allowance	84 639	-
Basic salary	1 108 559	1 243 352
Bargaining council	137	130
Contributions to UIF, medical and pension funds	188 690	74 465
Leave pay provision	7 396	(2 730)
Phone allowance	20 400	8 700
Travelling allowance	240 052	98 965
	<b>1 649 873</b>	<b>1 422 882</b>
The General manager : Infrastructure services was appointed on the 1st of August 2022.		
City Manager	1 827 244	1 372 265
Chief Finance Officer	1 798 493	1 915 829
Chief Audit Executive	1 923 841	1 804 307
General Manager : Corporate Services	1 843 407	1 787 780
General Manager : Sustainable Development and City Enterprises	455 592	1 430 490
General Manager : Community Services	72 740	1 271 124
General Manager : Infrastructure Services	1 649 873	1 422 882
Total section 57 employees	9 571 190	11 004 677
Municipal staff	1 633 757 131	1 555 302 380
	<b>1 643 328 321</b>	<b>1 566 307 057</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>48. Finance costs</b>		
Non-current borrowings	16 638 315	18 697 039
Trade and other payables	60 433 421	132 218 206
	<b>77 071 736</b>	<b>150 915 245</b>

The non-current borrowings finance costs relate to the DBSA loans (Refer to note 17 for further details)

### 49. General expenses

Air pollution monitoring	140 969	352 975
Air traffic control	4 503 097	4 058 159
Artists and performers	635 647	365 016
Burial services	427 387	286 231
Business and financial management services	85 864 204	75 408 322
Cleaning services	6 865 206	6 675 523
Clearing and grass cutting services	5 352 324	5 534 892
Communications	249 992	3 348 220
Commission- prepaid electricity vendors	2 146 158	3 767 722
Connection/dis-connection	4 788 033	8 509 274
External security services	109 582 553	120 482 705
Graphic designers	165 956	71 905
Infrastructure and planning consultancy	6 121 879	12 006 713
Legal costs	22 118 238	43 725 205
Medical services	591 482	253 800
Meter management	8 902 369	5 194 931
Organisational transformation	5 583 901	3 196 379
Outsourced repairs and maintenance	336 330 605	250 709 239
Project management	25 628 999	19 842 624
Professional valuation services	9 308 076	935 470
Refuse removal	4 374 030	6 433 598
Sewerage services	260 897 137	277 827 624
Transportation	704 593	317 000
Construction contracts - expense	324 324	788 576
	<b>901 607 159</b>	<b>850 092 103</b>

### 50. Inventory consumed

Consumables	154 811 567	105 866 650
Materials and supplies	3 397 135	4 368 543
Water	719 454 243	629 100 228
	<b>877 662 945</b>	<b>739 335 421</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>51. Operational costs</b>		
Advertising	7 662 968	5 870 464
Bank charges	3 608 520	4 857 422
Bursaries (employees)	68 610	167 982
Catering municipal activities	2 352 707	2 036 360
Commission	16 673 241	14 220 787
Communication	6 134 042	12 347 318
Conferences and seminars	142 742	127 931
Drivers licenses and permits and other	2 670	1 995
Entertainment	-	27 850
External audit fees	18 730 869	15 093 684
External computer services	21 901 164	27 664 316
Insurance	11 008 091	10 479 662
Interest cost - provisions	8 979 751	7 591 978
IT expenses	28 120	26 700
Learnerships and internships	8 590 570	1 038 489
Motor vehicle expenses	4 506 177	4 573 619
Municipal services	19 813 053	17 085 584
Office decorations	2 995	-
Printing, publication and books	2 207 851	2 183 764
Signage	347 684	-
Subscriptions and membership fees	17 744 124	16 924 035
Storage of files	8 068	-
Travel - local	2 444 554	2 984 112
Uniform and protective clothing	15 195 722	7 039 797
	<b>168 154 293</b>	<b>152 343 849</b>
<b>52. Operating leases</b>		
<b>Motor vehicles</b>		
Contractual amounts	19 115 942	17 641 917
<b>Equipment</b>		
Contractual amounts	16 752 392	15 285 848
	<b>35 868 334</b>	<b>32 927 765</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>53. Remuneration of councillors</b>		
Mayor	1 548 325	1 584 700
Deputy Mayor	1 259 524	1 287 601
Speaker	1 259 524	1 288 767
Chief Whip	1 189 179	1 209 074
Executive Committee Members	9 554 808	9 731 872
Municipal Public Account Committee chairperson	1 155 674	1 185 011
Councillors	41 175 116	41 930 345
<b>Total Remuneration of Councillors</b>	<b>57 142 150</b>	<b>58 217 370</b>
<b>Remuneration of Mayor</b>		
Basic salary	1 250 454	1 282 241
Pension Contributions	187 568	193 571
Medical aid contributions	63 299	60 084
Phone allowance	47 004	48 804
	<b>1 548 325</b>	<b>1 584 700</b>
<b>Remuneration of Deputy Mayor</b>		
Basic salary	1 212 520	1 239 997
Phone allowance	47 004	47 604
	<b>1 259 524</b>	<b>1 287 601</b>
<b>Remuneration of Speaker</b>		
Basic salary	870 834	873 085
Medical aid contributions	50 748	54 693
Pension contributions	130 625	131 172
Phone allowance	47 004	48 804
Travelling allowance	160 313	181 013
	<b>1 259 524</b>	<b>1 288 767</b>
<b>Remuneration of Chief Whip</b>		
Basic salary	953 382	980 518
Medical aid contributions	45 786	25 729
Pension contributions	143 007	145 623
Phone allowance	47 004	57 204
	<b>1 189 179</b>	<b>1 209 074</b>
<b>Remuneration of Executive Committee Members</b>		
Basic salary	8 097 796	8 206 313
Housing allowance	49 769	49 769
Medical aid contributions	302 917	253 024
Out of pocket expenses	48 218	-
Pension contributions	333 937	324 505
Phone allowance	376 032	423 771
Travelling allowance	346 139	474 490
	<b>9 554 808</b>	<b>9 731 872</b>
<b>Remuneration of other councillors</b>		
Basic salary	31 915 029	32 840 683
Housing allowance	39 626	39 626
Medical aid contributions	1 578 066	1 390 317
Pension contributions	2 221 842	2 057 393
Phone allowance	3 201 302	3 560 172
Travelling allowance	2 219 251	2 042 154

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>53. Remuneration of councillors (continued)</b>	<b>41 175 116</b>	<b>41 930 345</b>
<b>Municipal Public Accounts Committee Chairperson</b>		
Basic salary	1 062 886	1 093 303
Medical aid contributions	45 784	37 451
Phone allowance	47 004	54 257
	<b>1 155 674</b>	<b>1 185 011</b>

### Other information

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time.

### 54. Transfer and subsidies

<b>Grants paid to ME's</b>		
Safe City Msunduzi NPC	14 026 746	12 877 892
<b>Other subsidies</b>		
Arbitration awards	248 376	8 372 710
Grant in aid	9 000 000	9 630 000
Injury on duty	1 840 619	1 689 068
Post retirement benefits	121 532	204 815
	<b>11 210 527</b>	<b>19 896 593</b>
	<b>25 237 273</b>	<b>32 774 485</b>

The municipality is reviewing all sponsorships agreements to ensure compliance with section 67 of the MFMA to be in line with current financial position of the municipality. Royal AM Football Club R 9 000 000 and Martizburg United Football Club R 3 210 000.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>55. Construction contracts</b>		
<b>Human settlements - housing</b>		
Construction contracts : revenue	324 324	788 576
Construction contracts : expense	(324 324)	(788 576)
	-	-
<p>The construction contracts relate to the agreements entered into between the Municipality and the KwaZulu-Natal Department of Housing in respect of housing projects where the Municipality is a project developer in this arrangement. This arrangement is accounted for in line with the accounting policy for Construction Contract - Housing Projects.</p>		
<p>The construction contracts expenses consist mainly of contracted services wherein the Municipality procures the services of building contractors and other consultants in the construction of the houses on its behalf.</p>		
<p>The construction contracts revenue is recognised on a stage of completion based on the costs incurred. There are no contracts accounted for as work in progress given that costs are expensed when incurred.</p>		
<p>The amounts received in advance for work to be done is recognised as a liability and disclosed on Note 18: Transfer payables : Advance receipts.</p>		
<p>The amount of retentions are RNil .The construction of housing projects projects is insured by NHBRC.</p>		
<b>Consolidation projects in the prior period -restated</b>		
<ul style="list-style-type: none"><li>• Thamboville</li><li>• Thembalihle</li><li>• Happy Valley</li><li>• Q Section</li></ul>		
Refer to the prior period error note for the expenses and revenue that has been restated.		
<b>56. Remeasurements - employee benefits obligation</b>		
Long service	1 193 325	3 131 120
Post retirement benefit - medical aid	15 499 633	80 810 771
	<b>16 692 958</b>	<b>83 941 891</b>
Refer to Note 21		
<b>57. Fair value adjustments on investment property</b>		
Investment property (fair value model)	196 900	28 124 701
<b>58. Fair value on agricultural assets</b>		
Fair value on agricultural assets	11 198 051	(4 080 000)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>59. Impairment loss</b>		
<b>Impairments</b>		
Property, plant and equipment	(81 805)	(5 631 396)
The procedure used to determine if the asset was impaired was to physically inspect the asset and determine if the asset was impaired and what factors contributed to the impairment and then comparing the condition, age and cost of the asset to the current records in the asset register and if there was a change this was then adjusted.		
Heritage assets	(2 706 412)	(7 600 120)
A grading system which reflects the condition of each asset in relation to a monetary value whereby 0 indicated a 100% loss of value and 5 signified 100% retention of value with a sliding scale for the degree of damage apropos value was used to arrive at the impairment value.		
	<b>(2 788 217)</b>	<b>(13 231 516)</b>
<b>60. Inventory losses</b>		
Inventories losses	(2 534 098)	(2 457 117)
<b>61. Cash generated from operations</b>		
(Deficit) surplus	(941 873 650)	61 224 838
<b>Adjustments for:</b>		
Depreciation and amortisation	359 059 558	337 452 386
(Gain)/loss on disposal of assets	13 584 185	(500 085)
Fair value adjustments	(196 900)	(28 124 701)
Impairment deficit	2 788 217	13 231 516
Debt impairment	1 024 491 908	518 556 486
Bad debts written off	22 523 583	26 721 381
Movements in retirement benefit assets and liabilities	23 987 000	(35 593 000)
Movements in provisions	(20 396 457)	7 591 978
Fair value on agricultural assets	(11 198 051)	4 080 000
Inventory losses	2 534 098	2 457 117
Donations and transfers -non cash	(321 914)	(1 600)
<b>Changes in working capital:</b>		
Inventories	(63 800 777)	(43 569 158)
Other debtors	80 376 024	(80 558 764)
Consumer debtors	(290 375 811)	(575 858 979)
Receivables from non-exchange transactions	1 283 214	(1 283 214)
Statutory receivables	(170 204 005)	(103 208 592)
Payables from exchange transactions	688 607 031	600 924 148
VAT	(126 793 197)	4 257 293
Taxes and transfers payable (non-exchange)	(3 001 208)	(4 523 429)
Unspent conditional grants and receipts	10 709 650	40 479 255
Consumer deposits	10 169 524	9 116 384
	<b>611 952 022</b>	<b>752 871 260</b>
<b>62. Additional disclosure in terms of Municipal Finance Management Act</b>		
<b>Contributions to organised local government</b>		
Current year subscription / fee	983 064	951 988
Amount paid - current year	(983 064)	(951 988)
	-	-

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 62. Additional disclosure in terms of Municipal Finance Management Act (continued)

#### Audit fees

Opening balance	220 697	334 281
Current year subscription / fee	18 730 869	15 093 684
Amount paid - current year	(18 088 396)	(14 872 987)
Amount paid - previous years	(220 697)	(334 281)
	<b>642 473</b>	<b>220 697</b>

#### SDL, PAYE and UIF

Opening balance	17 581 970	18 202 955
Current year subscription / fee	247 301 169	231 975 877
Amount paid - current year	(243 883 939)	(232 596 862)
	<b>20 999 200</b>	<b>17 581 970</b>

Statutory payments are due by the 7th of the following month.

#### Pension and medical aid deductions

Opening balance	34 637 792	31 886 183
Current year subscription / fee	441 033 418	410 208 281
Amount paid - current year	(438 990 012)	(407 456 673)
	<b>36 681 198</b>	<b>34 637 791</b>

Total medical aid and pension contributions are payable by the 4th and 7th of the following month respectively.

#### VAT

VAT receivable	488 561 056	361 767 859
VAT payable	-	-

#### Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days.

<b>30 June 2024</b>	<b>Outstanding more than 90 days</b>
Randall Adams	16 896
Ross Bryan Strachan	6 108
	<b>23 004</b>
<b>30 June 2023</b>	<b>Outstanding more than 90 days</b>
Mzimkhulu Thebolla	1 291

Included in the consumer debtors impairment (Refer to note 8) is Councillors in arrears outstanding debt. The total councillors' impairment is R32 446 (2023 :Nil)

Bad debts recognised in the Statement of Financial Performance relating to Councillors amounts to Nil (2023: Nil). Refer to note 43.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 63. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to "dispense with official procurement processes established by the policy and to procure any required goods or services through any convenient process".

This would typically include urgent and emergency cases, single-source/sole providers of goods and services, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the Accounting Officer is required to report this to the next council meeting for noting.

#### Deviations per category

Advertisements	2 650 226	981 573
Computer expenditure	2 281 139	3 972 543
Legal	1 681 408	1 690 225
Other	759 305	1 360 753
Repairs and maintenance	1 384 899	1 105 879
Repairs to motor vehicles	22 820 958	15 739 784
Service delivery	27 944 352	827 474
Uniforms	-	295 458
Forensic	-	3 267 196
	<b>59 522 287</b>	<b>29 240 885</b>

#### Contract number

Contract number	Contract name	Description of contract	Reasons for deviation	2024 Contract amount
Database	Various companies	Repairs to motor vehicles	Strip and Quote in terms section 36(1)V " in any other exceptional case where it is impractical or impossible to follow the official procurement processes	22 820 958
Various orders	Various companies	Advertisement costs	Sole supplier	2 650 226

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand		2024	2023
<b>63. Deviation from supply chain management regulations (continued)</b>			
Contract no.4/S36 of 21/22	Adroit Technologies	Appointment of The service provider for software upgrade and maintenance of the scada system	380 560
		The department is in possession of Adroit Technologies SCADA Software network that was developed and modeled using Adroit Technologies SCADA System which cannot be accessed using a different software. Instead purchasing software would be easier to upgrading the existing system. Adroit Technologies are the manufactures of the product as such they the sole provider	
Contract no.8/S36 of 21/22	Siemens Mobility (Pty) Ltd	Supply and delivery of traffic signal controllers	177 593
		Due to Siemens Mobility (Pty) Ltd being the sole suppliers of Siemens Traffic Signal Controllers that are being utilized by the municipality.	
Contract no.8/S36 of 21/22	Syntell (Pty) Ltd	Supply and delivery of traffic signal controllers	1 207 306
		Due to Syntell (Pty) Ltd being the sole suppliers of Syntell Traffic Signal Controllers that are being utilized by the municipality.	

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand		2024	2023
<b>63. Deviation from supply chain management regulations (continued)</b>			
Contract no. 12/S36 of 22/23	Doble Engineering Africa (Pty) Ltd	The provision of support services on all dole instruments used by Msunduzi municipality	Doble Engineering is the sole supplier of the software and hardware which the municipality uses.
			31 830
Contract no.5/S36 of 22/23	IMQS Software Pty Ltd	Annual license and software maintenance agreement(AL SMA)	IMQS Pty Ltd are the sole provider/supplier of this software as they were the developers of the software.
			344 277

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<p><b>63. Deviation from supply chain management regulations (continued)</b>            2S36 of 22/23</p>	<p>Morar Incorporated</p>	<p>Appoinment of Morar a service provider for the implementation of consequence management</p> <p>Incorporated prepare the report in its entirety and are required for the processes of consequence management and one of the recommendatio ns of the report was to institute disciplinary actions against implicated officials.In the event Morar is not engaged to provide the necessary information and evidence, the prosecutor will not be able to proceed with the matter as Morar remains central to finalisation of the disciplinary matters contained in their report.The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations</p>
		<p>102 080</p>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023	
<b>63. Deviation from supply chain management regulations (continued)</b>			
1S36 of 23/24	OPTO Gauteng Pty Ltd	Appointment of Opto Pty Ltd a service provider for software upgrades on the winbridge system at the New england road landfill site	822 214
S36 of 23/24	Total Client Service	Appointment of Total Client Service as a provider for the traffic contravention system	200 100
2S36 of 22/23	Total Client Service	Appointment of Total Client Service as a provider for the traffic contravention system	-
		has developed the Weighbridge System and is a sole provider to support this system. The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations	
		Total Client Services are the sole custodians of the software that the Municipality uses. The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations	
		Total Client Services are the sole custodians of the software that the Municipality uses. The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations	

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand		2024	2023	
<b>63. Deviation from supply chain management regulations (continued)</b>				
Contract no. 6/S36 of 23/24	Mark Webber t/a The Clockmaker	Appointment of Mark Webber a service is the only provider for the person known servicing and who has the maintenance of required skills the City Hall and expertise clock to carry out the servicing and maintenance of the City Hall clock which is a heritage building element.	174 000	
15/S36 of 22/23	Cyberfox	Supply, delivery, installation and commissioning of building plan that the management	Cyberfox are the sole custodians of the software that the Municipality uses. The system was developed by the service provider for the municipality and all upgrades can only be done by the service provider. it is impractical or impossible to follow the official procurement processes	472 400
4S36 of 23/24	Jambo Holdings	The appointment of a service provider for the manufacture, supply and delivery of specialised bulk sewer pipelines.	27 944 352	

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand		2024	2023	
<b>63. Deviation from supply chain management regulations (continued)</b>				
5S36 of 23/24	Sysman Public Safety Systems	Appointment of a service provider for the maintenance of the Emergency Control Centre (ECCO software)	Sysman Public Safety Systems are the sole custodians of the software that the Municipality uses. The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations.	349 048
7/S36 of 23/24	Appointment of a service provider for the services of animal pound, store, feed and care within the Msunduzi municipality jurisdiction	Cow Catchers T/A Midlands Pound	Cow Catchers is the only animal pound in the Midlands area with an established facility. The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations.	17 500
8/S36 of 23/24	Purchase of Artworks for the Tatham Art gallery	Muzikayise Ndlela	Acquisition of special works of Art (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;	63 575

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023	
<b>63. Deviation from supply chain management regulations (continued)</b>			
9/S36 of 23/24	Appointment of Xaba Attorneys The a service provider to render forensic investigation	The appointment is approved in line with regulation 36 (1) (i) & (v) urgency and impracticality is applicable as his Worship, the Mayor is legally bound to comply with the Disciplinary Regulations for Senior Managers	1 265 806
10/S36 of 23/24	Appointment of Mdlele Incorporated a service provider to render legal services	The appointment is approved in line with regulation 36 (1) (i) & (v) urgency and impracticality is applicable as his Worship, the Mayor is legally bound to comply with the Disciplinary Regulations for Senior Managers	313 522
11/S36 of 23/24	Appointment of GLS Consulting Pty a service provider for the Ltd hydrology software	GLS Consulting is the sole custodians of the software that the Municipality uses. The deviation is approved in terms of regulation 36(1)(ii) of the Municipal Finance Management Regulations	184 940
			<b>59 522 287</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 64. Supply Chain Management regulation 45 of the MFMA

Awards to close family members of persons in the service of the state.

Name of the service provider	Employee name	Job title	Organ of state	Amount paid
The Borain Brothers cc T/A Borain Leyland	Mchunu Nomvula Teressa	General Worker Infra Structure	Msunduzi Municipality	-
Mathew Francis Inc	Brenden Sivparsad	Senior Manager Water and Sanitation	Msunduzi Municipality	34 049 704
Eka GP Trading Enterprise	Nhlakanipho Wiseman Gini Dlamini	General Assistant Mechanical Workshop	Msunduzi Municipality	-
Valimbo Primary Co-Operative	Mzwenzhlanhla Wiseman Khoza	General Assistant Waste Management	Msunduzi Municipality	-
Ekuseni Investment Holdings Gibb (Pty) Ltd	Sandile Dlamini K. Pillay	Councillor Data Capturer	Department of Education	-
	P. Pillay Alan Moon	Educator Head : Business Continuity	Department of Education City of Cape Town	-
	John Watson	Director - Accounting Support and Reporting	National Treasury	-
	Leigh Stolworthy	Principle : Professional IRT System Planning	Department of Education	-
	Sonnika Cilliers Nokuthula Mkhize	Educator Accounting Clerk	Department of Education National Department of Water Affairs and Forestry	-
	Jeanne Mare	Senior Educator	Department of Education	-
	Imra Brink Nkosinathi Mzayiya	Educator Correctional Officer	Department of Education Department of Correctional Services	-
	Jacqueline Gooch	Head of Department	Department of Transport	-
	Unathi Lekonyana	Deputy Director : Grant Monitoring and Analysis	Deputy Director: Grant Monitoring and Analysis	-
	Douglas Kiewiet	Area Manager (North)	National Department of Water Affairs and Forestry	-
	Rajiv Beharie	Senior Engineer	Eskom	-
	M B Haq	Architect / Town Planner	City of Cape Town	-

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand				2024	2023
<b>64. Supply Chain Management regulation 45 of the MFMA (continued)</b>					
Isibuko Development Planners	Mrs Hlongwa	Assistant Director	Department of Social Development		878 447
SMEC South Africa	Yvonne Pinky Phosa	Member of National Assembly, Chairman - standing Committee on appropriation	National Assembly - Standing Committee on Appropriations		1 034 081
Govert Vetten	S. Vetten		Western Cape Department of Health		5 807 790
Mkholwa IT Services	Nombuso Mabizela	Chief Town Planner	Msunduzi Municipality		3 731 466
Maseko Hlongwa and Associates	Spouse				3 780 476
					<b>49 281 964</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>65. Irregular expenditure</b>		
Opening balance as previously reported	708 712 306	672 391 933
Prior period error KSA reclassification	-	(21 353 619)
Prior period error Yashua Aqua Jet reclassification	-	(2 215 165)
<b>Opening balance as restated</b>	<b>708 712 306</b>	<b>648 823 149</b>
Add: Irregular Expenditure - current	4 715 889	59 889 157
Add: Irregular Expenditure - prior period	9 349 530	-
Less: Irregular expenditure written off - prior period	(181 082 015)	-
<b>Closing balance</b>	<b>541 695 710</b>	<b>708 712 306</b>
<b>Analysis of expenditure awaiting Council's decision for write off or recovery per age classification</b>		
2008/2009	4 689 501	4 689 501
2009/2010	6 277 108	6 277 108
2010/2011	4 084 312	4 084 312
2011/2012	43 930	43 930
2013/2014	12 650	12 650
2014/2015	814 711	814 711
2016/2017	173 135 231	173 135 231
2015/2016 and 2016/2017 written off	(66 475 518)	(66 475 518)
2017/2018	175 906 287	175 906 287
2018/2019 plus comparative periods identified in current year	226 367 643	226 367 643
2013/14, 2014/15, 2017/18 and 2018/19 written off	(73 052 938)	(73 052 938)
2019/2020	56 675 709	56 675 709
2019/2020 identified in 2020/2021	6 844 388	6 844 388
2020/2021	50 766 130	50 766 130
2020/21 identified in 2021/22	26 072 427	26 072 427
2021/2022	80 230 362	80 230 362
2022/2023	59 889 157	59 889 157
22/23 Prior year error (incorrect treatment amount should have been treated as fruitless and wastfull expenditure)	(21 353 619)	(21 353 619)
Prior year Error Yashua Aqua Jet reclassification	(2 215 165)	(2 215 165)
Prior year Over payment of councillors (1 July 2019 to 31 January 2023 )	9 349 530	-
SCM 60 of 20/21 Mastross incorporated 23/24 amount exceeding scope of work	321 326	-
SCM 60 of 20/21 MC Ntshalintshali Attorneys 2023/24 amount exceeding scope of work	821 107	-
SCM 60 of 20/21 Mabaso and Partners 2023/24 ,amount exceeding scope of work	3 573 456	-
Write off as per council resolution dated 27 September 2023	(181 082 015)	-
	<b>541 695 710</b>	<b>708 712 306</b>

Incidents/cases identified in the current year include those listed below:

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>65. Irregular expenditure (continued)</b>		
<b>Cases under investigation</b>		
Irregular expenditure has not been written off or condoned.		
Section 32(4) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.		
Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority is recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the municipal council may write off the amount as debt impairment and disclose such in the irregular expenditure note.		
In the case of irregular and fruitless and wasteful expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by Council.		
Municipal Supply Chain Management policies or by laws	4 715 889	59 889 157
<b>66. Commitments</b>		
<b>Authorised capital expenditure</b>		
<b>Approved and contracted</b>		
• Property, plant and equipment	324 666 503	265 523 475
<b>Total capital commitments</b>		
Already contracted for but not provided for	324 666 503	265 523 475
<b>Authorised operational expenditure</b>		
<b>Already contracted for but not provided for</b>		
• Approved and contracted	469 190 795	637 031 318
<b>Total operational commitments</b>		
Already contracted for but not provided for	469 190 795	637 031 318
<b>Total commitments</b>		
	793 857 298	902 554 793
The future commitments will be financed through council own funding, national and provincial grants in terms of DORA. Commitments are exclusive of Value Added Taxation.		
The commitments register have been updated to exclude human settlement projects due to the transition of Human Settlements contracts from bilateral to tripartite agreements.		
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	4 976 487	4 407 911
- in second to fifth year inclusive	4 976 487	8 815 822
	<b>9 952 974</b>	<b>13 223 733</b>

Operating lease payments represent rentals payable by the municipality for certain office equipment.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>67. Unauthorised expenditure</b>		
Opening balance as previously reported		- 1 666 547 369
<b>Opening balance as restated</b>		<b>- 1 666 547 369</b>
Less: Amount written off - prior period		-(1 666 547 369)
<b>Closing balance</b>		<b>-</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>68. Fruitless and wasteful expenditure</b>		
<b>Opening balance as restated</b>	<b>182 553 213</b>	<b>17 719 040</b>
Add : Fruitless and Wasteful expenditure - relating to current year	32 786 205	153 182 256
Add: Fruitless and wasteful expenditure - prior period	453 762	11 651 917
Less: Fruitless and wasteful - recovered	(1 283 214)	-
<b>Closing balance</b>	<b>214 509 966</b>	<b>182 553 213</b>
<b>Analysis of expenditure awaiting Council's decision for write off or recovery per age classification</b>		
2006/2007	92 967	92 967
2014/2015	285 759	285 759
2016/2017	185 004	185 004
2017/2018	5 773 719	5 773 719
2018/2019	972 485	972 485
2019/2020	2 612 516	2 612 516
2020/2021	7 115 011	7 115 011
2021/2022	681 580	681 580
2020/2021 identified 2022/2023	11 651 917	11 651 917
2022/2023	153 182 256	153 182 255
2022/2023 identified 2023/2024	453 762	-
2023/2024	32 786 204	-
Less : fruitless and wasteful recovered	(1 283 214)	-
	<b>214 509 966</b>	<b>182 553 213</b>
<b>Details of fruitless and wasteful expenditure</b>		
Cancellation of tenders	207 723	253 059
Interest on late payments : Eskom	-	1 134
Salaries and wages for suspended employees with unresolved cases within prescribed timeframe	5 271 413	1 337 222
Abuse of vehicle; overtime fraud and absenteeism by municipal employee	-	532 350
Fraudulent transfer of funds from municipal account into third parties bank accounts for personal gain	-	311 774
Irregularities on standby allowances claims by municipal employee	-	24 197
Irregularities in appointment of a Senior Manager	-	567 618
Fraudulent transfer of funds from municipal account into third parties bank accounts for personal gain	-	1 283 213
Abuse of municipal vehicle; fraudulent overtime claim and absenteeism by a municipal employee	-	648 365
Payment to service provider for work that could not be accounted for.	-	21 353 619
Interest on late payment to service provider	-	34
Interest on late payment to service provider	-	4 290
Interest on late payment to service provider	-	22 155
Fraud committed by an employee	-	103 961
Fraud committed by an employee	-	9 145
Fraud committed by a service provider	-	2 215 165
Fraud committed by an employee	-	17 712
Interest on late payment to service provider	-	124 497 243
Interest on late payment to service provider	22 014 588	-
Fraudulent transfer of funds from municipal account into third parties bank accounts for personal gain	89 480	-
Investigation into security company payments that was undertaken for the second time	1 602 056	-
Investigation into the settlement agreement of a Senior Manager that was settled in 2018	3 600 945	-
	<b>32 786 205</b>	<b>153 182 256</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand

2024

2023

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### 68. Fruitless and wasteful expenditure (continued)

Fruitless and wasteful expenditure has not been written off or condoned.

Section 32(2)(b) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.

In the case of irregular and wasteful and fruitless expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by Council hence there is no movement between financial years 2008/2009 to 2021/2022 as the investigations are still open and as soon as they are closed Council will write off or condone this expenditure.

A system has been put in place to stream-line the payment process to ensure non occurrence of interest costs.

Staff have been advised on possible recovery of costs due to negligence.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>69. Electricity and water losses</b>		
<b>Electricity losses</b>		
Units purchased - kWh	1 640 670 757	1 670 147 995
Units sold - kWh	(1 337 876 978)	(1 264 248 956)
<b>Loss - kWh</b>	<b>302 793 779</b>	<b>405 899 039</b>
Electricity loss as a percentage	18,78	24,08
Costs per kWh in rand	2,29621	1,36000
Electricity losses in rand value	695 279 802	554 027 823

The significant electricity losses of 302 793 779 kWh occurred during the year under review, which resulted in material revenue losses to the municipality.

The increase of losses from previous financial year may be as a result of the following:

Some of the main contributing factors to increased electricity losses are:

### Non –Technical Losses

- Illegal connections.
- Infrastructure vandalism.
- Metering inaccuracies (due to faulty meters).
- Unmetered energy (meter tempering or bypassing the meter at the customer meter).
- Revenue collection
- Unaudited billing/billed figures

### Technical losses (these are inherent in the distribution networks and cannot be eliminated):

- Ageing infrastructure that results in increased power dissipation during transmission and distribution on lines, cables and transformers in the system.
- Overloading.

### How are these non technical and technical losses being addressed

Strategy to minimize electricity losses has been developed and is being implemented in line with available resources. (meter auditing, account verification prior to attending fault, faulty meter changing, implementation of Bylaws, electrification of the areas that are approved by DMRE, eradication of Tjoints etc.). Proposal to implement load reduction during peak hours in areas where there are high non technical losses

### Water losses

Units purchased (kl)	79 524 549	79 239 160
Units sold (kl)	(62 334 281)	(56 227 945)
Real losses (kl)	13 924 117	18 639 084
Apparent losses	3 266 151	4 372 131
<b>Total water losses (kl)</b>	<b>17 190 268</b>	<b>24 096 594</b>
Water loss as a percentage	21,62	29,04
Cost per kl in rands	8,951	8,365
Water loss in rand value	153 870 092	192 488 813

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 69. Electricity and water losses (continued)

- As per legislation stipulated in MFMA circular No. 71 : Norms and Standards States Total Water Losses : YTD 2024 21,62%.
- A calculated outcome of 17 190 268 kl was identified as a material water loss for the 2023/2024 year under review.
- Many areas were without water for long periods of time due to the complexities of initiating repairs. Furthermore the adverse environmental conditions did not allow for reasonable quick repairs
- In addition there were shortages of essential materials to undertake repairs timeously.
- The recent rains further weakened the Water Infrastructure thus resulting in more frequent bursts which leads to substantial reduction in reservoir capacities.

#### Core water loss initiatives undertaken in 2023/24 financial year

- 53395 water meters were audited from July 2023 to June 2024 (Inventory and Inspection for accuracy and correct billing) in order to reduce estimations and improve billing.
- 5064 water meters (cumulative) were replaced by contractors in order to reduce estimations and improve billing. (Does not include in-house meter replacements).
- Leak detection and repairs has commenced for the 2023/24 financial year.
- Reactively responded to 1721 burst pipes that were reported and repaired in the 2023/2024 financial year.

#### The following core Non-Revenue Water Interventions are proposed for the 2023/24 financial year

Real Losses Interventions:

- Pressure reduction (rezoning).
- Pressure reduction (implementation).
- PRV (pressure reducing valves) optimization.
- Leak detection.
- Leak repair.
- Reservoir inspection and control valve optimization

Billing Improvement Interventions:

- |   |            |
|---|------------|
| • Meter replacements                            | 5064 units |
| • Burst pipes                                   | 1721 units |
| • Meter removed/ hard disconnection             | 784 units  |
| • Bulk Meter                                    | 337 units  |
| • Direct/ Straight connection (Bypassing meter) | 278 units  |
| • Meter tamperings                              | 821 units  |

#### Investigations and analysis

- Top consumer Investigation
- Meter reading accuracy
- Non-domestic meter replacement
- Domestic meter replacement

### 70. Non - compliance with Municipal Finance Management Act

The Municipality did not comply with section 65(2)(e) of the MFMA.

There were instances of non-compliance wherein some suppliers were not paid within 30 days.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 71. Accounting by principals and agents

The Municipality is party to principal-agent arrangements.

#### Details of the arrangements are as follows:

##### Department of Human Settlements KwaZulu Natal (Housing Projects)

The Municipality is Level 1 accredited Municipality and in terms of the Implementation Protocol. Msunduzi Local Municipality is accredited in terms of section 10 of the Housing Act to Administer all the National programmes on behalf of the Provincial Department of Human Settlements. The Municipality is authorised within its municipal area to manage and administer all Housing programmes as per Para 7 of the Implementation Protocol.

##### Sale of Prepaid Electricity

The municipality utilises the service of an agent for provision of supply, delivery, installation and commissioning of an online hosted prepayment electricity vending and revenue management system for the Msunduzi Local Municipality.

There is a binding arrangement where Contour Technology (Pty) Ltd (agent) undertakes transactions with 3<sup>rd</sup> parties, on behalf of, and for benefit of, Msunduzi Local Municipality (principal).

Terms and conditions are as per the contract and no changes occurred during the reporting period.

No risks as the Municipality is able to access the Contour prepaid electricity and is able to reconcile monies paid to the municipality by the agent to the actual sales as per the reports for correctness.

##### Department of Transport (Driver's licences)

The municipality acts as an agent of the Kwa-Zulu Natal Department of Transport for the following services:

- Application for renewal of driving licence
- Issue of credit card format driving licence, including eye test and fingerprints
- Issue of duplicate credit card format driving licence, where required
- Renewal of credit card format driving licence, including eye test and fingerprints
- Issue of temporary driving licence
- Issue of professional driving permit, including eye test and fingerprints
- Issue of duplicate professional driving permit, where required
- Substitution of foreign driving licence and issue of credit card format driving licence card, including eye test and fingerprints
- Verification of driving licence particulars
- Referral of all queries to the Departmental employee specified by the RTI contact person within two working days of a query or lodging of a complaint or dispute.

The agreement is valid for the period from 1 November 2020 to 31 October 2023. Terms and conditions are as per the contract and no changes occurred during the reporting period. In terms of clause 6.4 of the agreement with the Department, in the event that the agreement expires prior to a new one being finalised, the municipality will perform the functions listed in the agreement on behalf of the Department on a month-to-month basis, for a period of not more than twelve months.

The purpose of the principal-agent relationship is to ensure greater access to clients throughout the province. No significant risks have been identified in this relationship.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>71. Accounting by principals and agents (continued)</b>		
<b>Municipality as an agent</b>		
<b>Resources held on behalf of the principal(s), but recognised in the entity's own financial statements</b>		
There are no resources held on behalf of principals.		
<b>Revenue recognised</b>		
The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principals is show below		
Driver's Licenses and professional driver's permits	2 666 696	2 598 950
Department of Human Settlements - accreditation fee	1 842 325	4 634 581
<b>Liabilities and corresponding rights of reimbursement recognised as assets</b>		
There are no corresponding rights of reimbursement that have been recognised as assets.		
<b>Additional information to municipality as an agent</b>		
<b>Revenue and expenses that relate to transactions with third parties undertaken in terms of the principal-agent arrangement</b>		
<b>Amount of revenue received on behalf of the principal during the reporting period</b>		
Driver's licences and Professional driver's permits	785 023	795 530
<b>Receivables and/or payables recognised based on the rights and obligations established in the binding arrangement(s)</b>		
<b>Reconciliation of the carrying amount of payables</b>		
<b>Department of Human Settlements (Housing Settlements)</b>		
Opening balance	15 568 203	20 091 631
Amount transferred by the principal	-	788 576
Interest earned on behalf of the principal	382 552	323 012
Payments on behalf of the principal	(3 383 760)	(5 635 016)
	<b>12 566 995</b>	<b>15 568 203</b>
<b>Department of Transport (Driver's licences)</b>		
Opening balance	234 235	240 397
Payment to principal	(234 235)	(240 397)
Revenue received on behalf of the principal (unpaid)	195 367	234 235
	<b>195 367</b>	<b>234 235</b>
There are restrictions to cash collected on behalf of the Department of Transport. The municipality cannot use these funds for operational purposes.		
<b>All categories</b>		
Opening balance	15 802 438	20 332 028
Amount transferred by the principal	-	788 576
Interest earned on behalf of the principal	382 552	323 012
Cash paid on behalf of the principal	(3 383 760)	(5 635 016)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>71. Accounting by principals and agents (continued)</b>		
Payment to principal	(234 235)	(240 397)
Revenue received on behalf of the principal (unpaid)	195 367	234 235
	<b>12 762 362</b>	<b>15 802 438</b>

### Entity as principal

#### Resources (including assets and liabilities) of the entity under the custodianship of the agent

There are no municipal resources under the custodianship of the agent.

### Fee paid

Fee paid as compensation to the agent -Prepaid electricity	2 146 158	3 767 722
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#### Resource and/or cost implications for the entity if the principal-agent arrangement is terminated

None

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand	2024	2023
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### 72. Related parties

#### Relationships

Municipal entity	Safe City Msunduzi NPC
Controlling entity	Msunduzi Local Municipality
Close family member of key management	Ekuseni Investment Holdings
Members of key management	City Manager: Lulamile H Mapholoba Chief Financial Officer: Nelisiwe M. Ngcobo General Manager Community Services: Mbongeni Mathe General Manager Corporate Services: Mosa L.I Molapo General Manager Infrastructure Services: Sabelo N Hlela General Manager Sustainable Development and City Enterprises: Felix Nxumalo Chief Audit Executive: Petrus J. Mahlaba

Councillor Sandile Dlamini is a brother of a Director of Ekuseni Investment holdings.

#### In kind benefits

The salary and benefits of the Ministerial representative are paid by the Department of Cooperative Governance and Traditional Affairs. The municipality has not been charged for the services rendered by the Municipal representative.

#### Related party balances

##### Amounts included in Trade receivable (Trade Payable) regarding related parties

Matthew Francis Inc	(2 484 163)	(26 617 528)
Mkholwa IT Services	(657 679)	(202 674)

There are no guarantees given or received with regards to the related party balances outstanding.

There related party balances are unsecured.

The terms and conditions with related parties are on an arm's length basis. There is no specific provision with regards to the nature of the consideration to be provided in settlement of the related party balances.

Refer to note Note 62 for Councillors' arrear consumer accounts for further details on outstanding balances.

#### Commitments with related parties

Matthew Francis Inc	8 231 595	9 998 130
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# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>72. Related parties (continued)</b>		
<b>Related party transactions</b>		
<b>Grants paid to related parties</b>		
Safe City Msunduzi NPC - Safe City is an entity of the Municipality	14 026 746	12 877 892
<b>Services from related parties</b>		
Matthew Francis Inc - The senior manager water and sanitation's spouse is a Director at Matthew Francis Inc. The law firm is a service provider	36 129 952	124 616 898
Mkholwa IT Services - Chief Town Planner's spouse is a Director at Mkholwa IT Services.	4 192 732	2 283 829
<b>Service charges received from related parties</b>		
Safe City Msunduzi NPC - Safe City is an entity of the Municipality	263 091	217 123

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 72. Related parties (continued)

#### Remuneration of management

##### Councillors

##### 2024

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Other benefits received	Total
Mayor	1 250 454	47 004	-	-	187 568	63 299	-	1 548 325
Deputy mayor	1 212 520	47 004	-	-	-	-	-	1 259 524
Speaker	870 834	47 004	-	160 313	130 625	50 748	-	1 259 524
Chief whip	953 382	47 004	-	-	143 007	45 786	-	1 189 179
MPAC chair	1 062 886	47 004	-	-	-	45 784	-	1 155 674
Executive committee members	8 097 796	376 032	49 769	346 139	333 937	302 917	48 218	9 554 808
Other councillors	31 915 029	3 201 302	39 626	2 219 251	2 221 842	1 578 066	-	41 175 116
	<b>45 362 901</b>	<b>3 812 354</b>	<b>89 395</b>	<b>2 725 703</b>	<b>3 016 979</b>	<b>2 086 600</b>	<b>48 218</b>	<b>57 142 150</b>

##### 2023

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical Aid	Total
Mayor	1 282 241	48 804	-	-	193 571	60 084	1 584 700
Deputy mayor	1 239 997	47 604	-	-	-	-	1 287 601
Speaker	873 085	48 804	-	181 013	131 172	54 693	1 288 767
Chief whip	980 518	57 204	-	-	145 623	25 729	1 209 074
MPAC chair	1 093 303	54 257	-	-	-	37 451	1 185 011
Executive committee members	8 206 313	423 771	49 769	474 490	324 505	253 024	9 731 872
Other councillors	32 840 683	3 560 172	39 626	2 042 154	2 057 393	1 390 317	41 930 345
	<b>46 516 140</b>	<b>4 240 616</b>	<b>89 395</b>	<b>2 697 657</b>	<b>2 852 264</b>	<b>1 821 298</b>	<b>58 217 370</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 72. Related parties (continued)

#### Executive management

#### 2024

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Acting allowance	Bonus	Other	Total
City Manager	1 248 251	26 400	14 037	142 706	221 940	62 541	-	96 054	15 315	1 827 244
Chief Financial Officer	1 186 059	14 400	180 000	173 848	115 640	49 378	-	60 000	19 168	1 798 493
Chief Audit Executive Internal audit	1 327 025	13 800	12 797	153 262	238 865	47 905	-	110 585	19 602	1 923 841
General Manager : Corporate Services	1 361 451	20 400	-	126 656	229 233	-	-	90 000	15 667	1 843 407
General Manager : Sustainable Development and City Enterprises	231 094	2 400	-	56 425	-	10 555	-	154 564	554	455 592
General Manager : Community services	61 247	9 380	-	-	-	1 983	-	-	130	72 740
General manager : Infrastructure services	1 108 559	20 400	-	240 052	186 565	-	84 639	-	9 658	1 649 873
	<b>6 523 686</b>	<b>107 180</b>	<b>206 834</b>	<b>892 949</b>	<b>992 243</b>	<b>172 362</b>	<b>84 639</b>	<b>511 203</b>	<b>80 094</b>	<b>9 571 190</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

### 72. Related parties (continued)

2023

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Acting allowance	Bonus	Other	Total
City Manager	915 206	19 800	10 528	99 210	157 175	34 864	-	-	135 482	1 372 265
Chief Financial Officer	1 189 101	14 400	180 000	176 016	115 937	43 871	139 334	60 000	(2 830)	1 915 829
Chief Audit Executive - Internal audit	1 259 037	13 800	12 141	153 262	226 627	38 513	-	104 920	(3 993)	1 804 307
General Manager : Corporate Services	1 313 667	20 400	-	127 758	236 086	-	-	90 000	(131)	1 787 780
General Manager : Sustainable Development and City Enterprises	1 017 935	14 400	-	338 550	-	60 084	-	-	(479)	1 430 490
General Manager : Community services	1 229 461	20 400	-	-	-	19 189	-	-	2 074	1 271 124
General manager : Infrastructure services	1 243 352	8 700	-	98 965	72 162	-	-	-	(297)	1 422 882
	<b>8 167 759</b>	<b>111 900</b>	<b>202 669</b>	<b>993 761</b>	<b>807 987</b>	<b>196 521</b>	<b>139 334</b>	<b>254 920</b>	<b>129 826</b>	<b>11 004 677</b>

### 73. Events after the reporting date

The Msunduzi Plantation experienced fire in the month of August 2024. The first fire occurred on Wednesday 14 August. The fire started at compartment A077a in Woodlands and spread into adjacent compartments. The second fire occurred on Wednesday, 21 August 2024. The fire started at compartment B078a and spread into B080 and B081a. There were no material events after the reporting date of the annual financial statements.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 74. Prior period adjustments

Presented below are those items contained in the Statement of Financial Position, Statement of Financial Performance and Cash Flow statement that have been affected by prior-year adjustments:

#### Statement of Financial Position

##### 2023

	As previously reported	Correction of error	Change in accounting policy	Re-classification	Restated
Accumulated surplus	(8 329 636 267)	(769 212 639)	1 648 587 700	-	(7 450 261 206)
Consumer debtors	2 157 209 998	337 106 533	(1 237 131 023)	(5 505 554)	1 251 679 954
Statutory receivables	765 103 881	(12 261 271)	(411 456 677)	-	341 385 933
Other debtors	97 085 566	(13 812 158)	-	5 505 554	88 778 962
Receivables from non-exchange	-	1 283 214	-	-	1 283 214
Agricultural assets	75 800 000	320 000	-	-	76 120 000
Heritage assets	274 718 369	51 321 315	-	-	326 039 684
Property, plant and equipment	7 044 166 606	(112 625 792)	-	-	6 931 540 814
Payables from exchange transactions	(2 487 458 256)	(27 386 433)	-	-	(2 514 844 689)
VAT payable/receivable	(185 012 600)	546 780 459	-	-	361 767 859
Unspent conditional grants and receipts	(175 932 858)	(1 223 226)	-	-	(177 156 084)
Investment property	953 062 121	(290 000)	-	-	952 772 121
	<b>189 106 560</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>189 106 562</b>

#### Accumulated surplus

As previously reported	-	(8 329 636 267)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2021/2022 financial year resulting in an increase in 2021/2022	-	(158 990 855)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year resulting in an increase in 2022/2023	-	(4 780 730)
Correction of demolished Chatterton road ablution facility in prior years not derecognised timeously	-	20 254
Correction of service charges -cut off adjustments in 2021/22 relating to prior years	-	22 204 827
Reversal of adjustment on an over billed account posted in 2023/2024 but relates to 2022/2023 resulting in an increase in 2022/2023	-	(86 685)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2020/2021 resulting in an increase in 2020/2021	-	(742 069)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted 2022/2023 financial year but relates to financial periods prior to 2022/2023 resulting in a decrease in 2022/2023	-	25 942 686
Reversal of system indigent rebates posted in 2022/2023 but relates to 2021/2022 resulting in a decrease in 2021/2022	-	31 014
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022 resulting in an increase in 2021/2022	-	(2 645 161)
Reversal of indigent bad debts writeoff for customers who were previously incorrectly written off resulting in a decrease in accumulated surplus in 2022/2023	-	135 031
Reversal of government debt who were previously incorrectly written off resulting in a decrease in accumulated surplus in 2022/2023	-	762 247
Reversal for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022 resulting in an increase in 2021/2022	-	(51 941 775)
Correction of repairs and maintenance expenses incorrectly capitalised in 2021/22 for Grt Endendale Reservoir Ward 17	-	24 768

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Correction of repairs and maintenance expenses incorrectly capitalised in 2022/23 for Grt Endendale Reservoir Ward 17	-	60 132
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year resulting in a decrease in 2022/2023 service charges revenue	-	35 235 993
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year but relates to revenue for 2021/2022 resulting in an increase in 2021/2022	-	(1 586 760)
Network support annual increase for 2022/23 erroneously not billed timeously	-	8 190
Correction of liability incorretly recognised as revenue	-	2 017
Accounting for electricity manual adjustments done in the current year but relates to revenue for 2022/2023 processed in 2024 financial year resulting in an increase in 2022/2023 service charges revenue	-	(19 995 959)
Reversal of collection charges relating to 2022/2023 previously incorrectly charged	-	18 204 474
Reversal of collection charges relating to 2021/2022 previously incorrectly charged in 2022/2023	-	3 099 021
Correction of collection charges raised incorrectly relating to prior year	-	43 939 329
Accounting for electricity manual adjustment for the estimates done in the current year but relates to revenue for 2021/2022 financial year	-	(15 986 325)
Reversal of IDT debtor previously incorrectly classified as consumer debtors	-	9 090 007
Reversal of unbilled revenue relating to 2021/2022 financial year	-	203 077
Reversal of system indigent rebates posted in 2022/2023 but relates to 2021/2022	-	26 193
Reversal of indigent bad debts writeoff for customers who were previously incorrectly written off	-	183 562
Reversal of system indigent rebates posted in 2022/2023 but relates to 2022/2023	-	1 025 433
Reversal of departmental debtor accounts as at 2022/2023	-	2 091 786
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c)posted in 2023/2024 but relates to 2020/2021	-	(378 953)
Correction of duplicated claims for accruals raised for NDPG grant	-	1 478 255
Correction of journal 2006603 accounting for rates adjustments in correct period	-	(25 942 686)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c)posted in 2023/2024 but relates to 2022/2023	-	51 941 775
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year correcting revenue for 2022/2023 processed in 2024 financial year	-	(1 804 885)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year correcting revenue for prior to 2021/2022 financial year processed in 2024 financial year	-	(2 725 783)
Accounting for a correction in service charges system adjustment (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022	-	(56 404)
Reversal of manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2021/2022	-	1 448 916
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2021/2022 financial year	-	(5 565)
Correction of an accrual for repairs & maintenance raised incorrectly in period 2022/23 - ESS	-	(110 000)
Derecognition of incorrectly raised accrual in 2022/23	-	(399 699)
Correction of an accrual for repairs & maintenance raised incorrectly in period 2022/23 - ESS	-	(79 712)
Correction of vehicles that were previously incorrectly recognised as donations.	-	1 068 197
WCA - Med 24 Invoices submitted after financial year end for work done in the previous periods	-	2 242
WCA - Royal Hospital Pharmacy invoices submitted after financial year end for work done in previous periods	-	9 897
Correction of accrual - interest incorrectly billed by supplier	-	(22 155)
Correction of construction contracts that were previously recognised as principal agents(Construction revenue) - 2022/23	-	(788 576)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Correction of construction contracts that were previously recognised as principal agents(Construction expenses) - 2022/23	-	788 576
Correction of construction contracts that were previously recognised as principal agents in prior years(Construction revenue)	-	(25 490 248)
Correction of construction contracts that were previously recognised as principal agents in prior years(Construction expenses)	-	25 490 248
Derecognition of an accrual incorrectly raised in 2022/23	-	(708 600)
Derecognition of an accrual incorrectly raised in 2022/23	-	(47 190)
Correction of accruals raised on Art Gallery cost centre	-	(7 294)
Legal Services invoices submitted after year end for work done in the 2022/23 financial year	-	1 879
Legal Services invoices submitted after year end for work done in the 2021/22 financial year	-	4 539
Legal Services invoices submitted after year end for work done in the 2022/23 financial year	-	11 269
Legal Services invoices submitted after year end for work done in the 2021/22 financial year	-	46 425
Legal Services invoices submitted after year end for work done in the 2022/23 financial year	-	4 953
Legal Services invoices submitted after year end for work done in the 2022/23 financial year	-	250
Legal Services invoices submitted after year end for work done in the 2021/22 financial year	-	7 525
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	679 342
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) processed in 2024 financial year correcting revenue for prior to 2021/2022 financial year	-	225 884
Correction of Campdrifts repairs and maintenance 2022/23 incorrectly capitalised	-	28 112 927
Correction of Campdrifts 2021/22 repairs and maintenance incorrectly capitalised	-	869 565
Correction of Campdrifts repairs and maintenance incorrectly capitalised prior years	-	3 802 706
Correction of Campdrifts 2021/22 repairs and maintenance incorrectly capitalised	-	20 743 605
Recognition of WIP expenditure for Copesville Library relating to 2021/22 not recognised timeously due to delays caused in contractual intricacies.	-	(956 527)
Recognition of WIP expenditure for Copesville Library relating to 2022/23 not recognised timeously due to delays caused in contractual intricacies.	-	(180 947)
Correction of repairs & maintenance expenditure incorrectly capitalised for rehabilitation of roads (2021/22)	-	9 802 782
Correction of repairs & maintenance expenditure incorrectly capitalised for rehabilitation of roads (2020/21)	-	6 118 351
Altron remote support engineer invoices for 2022/23 submitted after year end	-	13 124
Legal Services invoices submitted after year end for work done in the 2022/23 financial year	-	369 368
WCA invoices submitted in 23/24 for work done in prior years	-	143 529
Legal services invoices submitted in 23/24 for work done in prior years	-	107 302
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	(60 629 524)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2021/2022 financial year	-	325 020
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	1 115 516
Accounting for collection charges posted in the current year but relates to financial years prior to 2022/2023	-	(4 677 605)
Correction of Campdrifts repairs and maintenance 2020/21 incorrectly capitalised	-	6 682 063
Correction of capital expenditure relating to water tankers incorrectly treated as inventory consumed	-	(156 522)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year resulting in an increase in 2022/2023	-	(9 366 454)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	12 695 023
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to financial periods prior to 2022/2023	-	20 263 285
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to financial periods prior to 2022/2023	-	(10 459 510)
Reversal of Cyberfox 2021/22 accrual	-	(54 269)
Correction of SAPS landfill site account overbilled(2020/21)	-	224
Recognition of fruitless and wasteful receivable due to fraud	-	(1 283 214)
Reversal of collection charges posted in the current year but related to financial periods prior to 2022/2023	-	42 942
Correction of incorrectly valued forestry compartment A027	-	(320 000)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the prior 2021/2022 financial year	-	(1 304 270)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(591 148)
Correction of repairs & maintenance expenditure incorrectly capitalised for Rehabilitation of Roads in (2022/23)	-	4 335 097
Correction of 2021/22 repairs and maintenance incorrectly capitalised for rehabilitation of roads	-	3 376 865
Correction of 2020/21 repairs and maintenance incorrectly capitalised for rehabilitation of roads	-	1 666 667
Correction of Heritage asset incorrectly classified as a building	-	(994 807)
Correction of an asset incorrectly classified a a building instead of Heritage asset	-	969 460
Recognition of Legal deposits previously incorrectly disclosed as heritage assets which fair values can not be reliable measured	-	(50 326 507)
Reversal of consumer debtors with credit balances incorrectly classified as consumer instead of payables from exchange in the 2022/2023 financial year	-	5 978 913
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	5 190 640
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	827 600
Correction of compulsory leave for 6 day workers	-	483 352
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to prior 2021/2022 financial year	-	937 513
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	805 441
Accounting for reversal of 2021/2022 debt impairment due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	(52 543 412)
Accounting for recalculated debt impairment for 2021/2022 due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	1 136 481 698
Accounting for recalculated debt impairment for 2022/2023 due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	564 649 413
Correction of depreciation of assets capitalised in the current year completed in prior years	-	12 431 963
Correction of prior year depreciation relating to vehicles due to incorrect recognition	-	1 068 197
Recognition of revenue from unallocated deposits for contract account 1354884 from 2018 to 2020	-	(876 942)
Recognition of revenue from unallocated deposits for contract account 011960070 from 2018 to 2020	-	(61 714)
Correction of VAT not previously accounted for on landfill site journals	-	(14 065)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2021/2022 financial year	-	(197 272)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	746 790

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Reclassification of interest on other receivables incorrectly classified as consumer debtors interest to other debtors in the 2022/2023	-	(383 503)
Reversal of manual adjustment relating to landfill site posted in 2022/2023	-	7 565
Correction of properties previously valued with incorrect extents	-	290 000
Corrected of duplicated moveable assets in the fixed asset register	-	978 447
Correction of depreciation for fully depreciated assets still in use whos remaining useful life was incorrectly reviewed	-	(90 805)
Correction of duplicated firearms due to system migration	-	4 654
WCA invoices submitted in 23/24 for work done in 2021/22	-	12 405
Accounting for manual adjustments relating to changes in supplementary valuation roll posted after year but relates to the 2022/2023 financial year	-	444 139
Accounting for various manual adjustments relating to changes in supplementary valuation roll posted after year end but relates to financial periods prior to 2022/2023	-	1 190 898
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to prior 2021/2022 financial year	-	(73 021 049)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to prior 2021/2022 financial year	-	99 636
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(695 983)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	706 549
Reversal of journal 20066066 - correction of landfill overbilled account	-	86 685
Correction of accruals - Matthew Francis	-	29 031
Correction of Schindler accrual in period of occurrence(2022/23)	-	80 020
Correction of depreciation of assets capitalised in the current year completed in prior years	-	2 524 833
Correction of Servipro accrual in period of occurrence(2022/23)	-	183 404
Correction of Aqua accrual in period of occurrence(2022/2)	-	350 371
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in Aug 2024 but relates to prior 2021/2022 financial year	-	(407 704)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in Aug 2024 but relates to prior 2021/2022 financial year	-	731 459
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(253 340)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	582 524
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	(84 878 419)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2021/2022 financial year	-	(42 984 898)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	(283 357)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to financial periods prior to 2022/2023	-	(8 375)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) relating to in the current year but relates to the 2022/2023 financial year	-	(7 375)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to financial periods prior to 2022/2023 financial year	-	(567)
Transfer of funds from Mig unspent grant allocated against expenditure incurred.	-	589 302
Transfer of funds from Mig unspent grant allocated against expenditure incurred 2022/23	-	284 234
Accounting for the correction of various system adjustments relating to sanitation (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2021/2022 financial year	-	(791 797)
Reversal of manual adjustments relating to changes in supplementary valuation roll posted in 2023/2024 but relates to 2022/2023	-	(502 453)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in 2022/2023 but relates to financial periods prior to 2022/2023	-	(2 194 050)
Accounting for property rental revenue recognised in the current year but relates to 2022/2023 financial year resulting in an increase in 2022/2023	-	(1 186 493)
Correction of overstated service entry	-	(2 490 191)
Correction of overstated service entry 2022/23	-	(208 354)
Allocation of revenue from industrial commercial/ private party works against completed project	-	(2 483 992)
Correction of 2022/23 Infrastructure maintenance expenditure recorded in incorrect accounting period	-	9 456 027
Correction of 2022/23 road surface maintenance expenditure recorded in incorrect accounting period	-	2 006 257
Correction of 2022/23 overstated expenditure due to bulk orders	-	(942 759)
Correction of 2022/23 sponsorship expenditure recorded in incorrect accounting period	-	3 210 000
Correction of 2022/23 IDP Imbizo expenditure recorded in incorrect accounting period	-	1 217 040
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	26 910
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	8 763
Correction of 2022/23 taffic fine books expenditure recorded in incorrect accounting period	-	96 686
Correction of SALGA membeship fees 2023/24 accounted for in 2022/23	-	(8 729 737)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(301 707)
Correction of 2022/23 wards 15 and 41 Eskom electricity expenditure recorded in incorrect accounting period	-	3 760
Correction of SALGA 2022/23 subscription incorrectly accounted for in 2021/22	-	16 337 436
Correction of SALGA 2022/23 subscription incorrectly accounted for in 2021/22	-	(16 337 436)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	1 323 319
Correction of Schindler lift expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	3 478
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	18 906
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	90 791
Correction of GEVDI 2022/23 expenditure overstated	-	(16 354)
Correction of men's conference expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	15 000
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	184 266
Accounting for 2022/23 disciplinary hearings expenditure incorrectly recorded in 2023/24	-	424 158
Accounting for 2022/23 WCA expenditure incorrectly recorded in 2023/24	-	462 955
Accounting for 2022/23 GPW expenditure incorrectly recorded in 2023/24	-	3 000
Accounting for 2022/23 vehicle rental expenditure incorrectly recorded in 2023/24	-	7 618
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	(8 944)
Accounting for 2022/23 tyre repairs expenditure incorrectly recorded in 2023/24	-	3 875
Accounting for 2022/23 cleaning services expenditure incorrectly recorded in 2023/24	-	(1 523)
Accounting for 2022/23 Eskom interest incorrectly recorded in 2023/24	-	7 715 505
Accounting for 2022/23 Electricity bulk purchases incorrectly recorded in 2023/24	-	52
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	(6 323)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Accounting for 2022/23 medicinal waste removal and supplies expenditure incorrectly recorded in 2023/24	-	2 338
Accounting for 2022/23 payslips printing expenditure incorrectly recorded in 2023/24	-	14 125
Derecognition of the Forestry receivable - contingent asset	-	13 058 187
Accounting for 2022/23 community services repairs and maintenance expenditure incorrectly recorded in 2023/24	-	12 619
Accounting for 2022/23 water tanker hire expenditure incorrectly recorded in 2023/24	-	2 791 596
Accounting for 2022/23 debt collection expenditure incorrectly recorded in 2023/24	-	37 755
Accounting for 2022/23 Infrastructure plant hire expenditure incorrectly recorded in 2023/24	-	(2 879)
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	14 983
Accounting for 2022/23 Bessie library lift maintenance expenditure incorrectly recorded in 2023/24	-	6 069
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	(6 069)
Raising of employee related costs and councillor remuneration related costs relating to 2022/23 paid in 2023/24	-	8 494 855
Accounting for VAT on debt impairment prior years	-	(479 216 278)
Accounting for VAT on debt impairment prior 2022/23	-	(64 745 086)
<b>Restated</b>		<b>(7 450 261 206)</b>
<b>Consumer debtors</b>		
As previously reported	-	2 157 209 998
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2021/2022 financial year	-	158 990 855
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	4 780 730
Reversal of manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2021/2022 resulting in a decrease in 2021/2022	-	(22 204 827)
Reversal of adjustment on an over billed account posted in 2023/2024 but relates to 2022/2023	-	86 685
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2020/2021	-	742 068
Reversal of system indigent rebates posted in 2022/2023 but relates to 2021/2022	-	(31 014)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022	-	2 645 161
Reversal of indigent bad debts writeoff for customers who were previously incorrectly written off resulting in a decrease in consumer debtors in 2022/2023 financial year	-	(89 590)
Reversal of government debt who were previously incorrectly written off resulting in a decrease in consumer debtors in 2022/2023 financial year	-	(762 247)
Reversal for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022	-	56 404
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(35 235 993)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year but relates to revenue for 2021/2022	-	1 586 760
Accounting for electricity manual adjustments done in the current year but relates to revenue for 2022/2023	-	19 995 962
Accounting for electricity manual adjustment for the estimates done in the current year but relates to revenue for 2021/2022 financial year	-	15 986 325
Reversal of IDT debtor previously incorrectly classified as consumer debtors	-	(9 090 007)
Reversal of unbilled revenue relating to 2021/2022 financial year	-	(203 077)
Reversal of system indigent rebates posted in 2022/2023 but relates to 2021/2022	-	(26 193)
Reversal of indigent bad debts writeoff for customers who were previously incorrectly written off	-	(153 786)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Reversal of system indigent rebates posted in 2022/2023 but relates to 2022/2023	-	(925 343)
Reversal of departmental debtor accounts as at 2022/2023	-	(1 755 665)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2020/2021	-	378 953
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	(56 404)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year correcting revenue for 2022/2023 processed in 2024 financial year	-	1 804 885
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year correcting revenue for prior to 2021/2022 financial year	-	2 725 783
Accounting for a correction in service charges system adjustment (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022	-	56 404
Reversal of manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2021/2022	-	(1 448 916)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2021/2022 financial year	-	5 563
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(679 342)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) processed in 2024 financial year correcting revenue for prior to 2021/2022 financial year	-	(225 884)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) processed in 2024 financial year correcting revenue for prior to 2021/2022 financial year	-	(325 020)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(1 115 515)
Correction of SAPS landfill site account overbilled(2020/21)	-	(195)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) processed in 2024 financial year correcting revenue for prior to 2021/2022 financial year	-	1 304 270
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	591 148
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to prior 2021/2022 financial year	-	(937 513)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(805 441)
Accounting for reversal of 2021/2022 debt impairment due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	116 161 531
Accounting for recalculated debt impairment for 2021/2022 due to a change in debt impairment policy(Refer to Note 74 - Change in accounting policy)	-	(856 913 572)
Accounting for recalculated debt impairment for 2022/2023 due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	(496 378 982)
Correction of VAT not previously accounted for on landfill site journals	-	(14 065)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2021/2022 financial year	-	197 272
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(746 790)
Reversal of manual adjustment relating to landfill site posted in 2022/2023 but relates to 2021/2022	-	(8 699)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Reclassification of other receivables incorrectly classified as consumer debtors to other receivables in the 2022/2023 financial relating to 2021/2022 financial year	-	(5 505 554)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to prior 2021/2022 financial year	-	73 021 049
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to prior 2021/2022 financial year	-	(99 636)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	695 983
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(706 549)
Reversal of journal 20066066 - correction of landfill overbilled account	-	(86 685)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in Aug 2024 but relates to prior 2021/2022 financial year	-	407 704
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in Aug 2024 but relates to prior 2021/2022 financial year	-	(731 459)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	253 340
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(582 524)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	84 878 419
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2021/2022 financial year	-	42 984 896
Accounting for the correction of various system adjustments relating to sanitation (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2021/2022 financial year	-	791 797
Accounting for property rental revenue recognised in the current year but relates to 2022/2023 financial year	-	1 186 496
<b>Restated</b>		<b>- 1 251 679 954</b>
<b>Statutory receivables</b>		
As previously reported	-	765 103 881
Accounting for manual adjustments relating to changes in supplementary valuation roll posted 2022/2023 financial year but relates to financial periods prior to 2022/2023	-	(25 942 686)
Reversal of indigent bad debts writeoff for customers who were previously incorrectly written off	-	(45 441)
Reversal for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2022/2023 but relates to 2021/2022	-	51 885 371
Reversal of collection charges relating to 2022/2023 previously incorrectly charged	-	(18 204 474)
Reversal of collection charges relating to 2021/2022 previously incorrectly charged in 2022/2023 financial year	-	(3 099 021)
Correction of collection charges raised incorrectly relating to prior year	-	(43 939 329)
Reversal of indigent bad debts writeoff for customers who were previously incorrectly written off	-	(29 776)
Reversal of system indigent rebates posted in 2022/2023 but relates to 2022/2023	-	(100 090)
Reversal of departmental debtor accounts as at 2022/2023	-	(336 121)
Reversal for manual adjustments relating to changes in supplementary valuation roll posted 2022/2023 financial year but relates to financial periods prior to 2022/2023	-	25 942 686

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c)posted in 2023/2024 but relates to 2022/2023	-	(51 885 371)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c)posted in 2023/2024 but relates to 2022/2023	-	60 629 524
Accounting for collection charges posted in the current year but relates to financial years prior to 2022/2023	-	4 677 605
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	9 366 454
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	(12 695 023)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to financial periods prior to 2022/2023	-	(20 263 285)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to financial periods prior to 2022/2023	-	10 459 510
Reversal of collection charges posted in the current year but related to financial periods prior to 2022/2023	-	(42 942)
Accounting for reversal of 2021/2022 debt impairment due to a change in debt impairment policy(Refer to Note 74 - Change in accounting policy)	-	(63 618 120)
Accounting for recalculated debt impairment for 2021/2022 due to a change in debt impairment policy(Refer to Note 74 - Change in accounting policy)	-	(279 568 126)
Accounting for recalculated debt impairment for 2022/2023 due to a change in debt impairment policy(Refer to Note 74 - Change in accounting policy)	-	(68 270 432)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted after year but relates to the 2022/2023 financial year	-	(444 139)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted after year end but relates to financial periods prior to 2022/2023	-	(1 190 898)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	283 357
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to financial periods prior to 2022/2023	-	8 375
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	7 375
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to financial periods prior to 2022/2023 financial year	-	567
Reversal of manual adjustments relating to changes in supplementary valuation roll posted in 2023/2024 but relates to 2022/2023	-	502 453
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in 2022/2023 but relates to financial periods prior to 2022/2023	-	2 194 049
<b>Restated</b>	-	<b>341 385 933</b>
<b>Property, plant and equipment</b>		
As previously reported	-	7 044 166 606
Correction of demolished Chatterton road ablution facility demolished in prior years not derecognised timeously	-	(20 254)
Correction of repairs and maintenance expenses incorrectly capitalised 2021/22 for Grt Edendale Reservoir Ward 17	-	(24 768)
Correction of repairs and maintenance expenses incorrectly capitalised in 2022/23 for Grt Edendale Reservoir Ward 17	-	(60 132)
Correction of vehicles that were previously incorrectly recognised as donations.	-	(1 068 197)
Correction of recognition of vehicles which were initially incorrectly recognised as donations instead of being treated as a payable	-	2 037 876
Correction of Campdrifts repairs and maintenance 2022/23 incorrectly capitalised	-	(28 112 927)
Correction of Campdrifts 2021/22 repairs and maintenance incorrectly capitalised	-	(869 565)
Correction of Campdrifts repairs and maintenance incorrectly capitalised prior years	-	(3 802 706)
Correction of Campdrifts 2021/22 repairs and maintenance incorrectly capitalised	-	(20 743 605)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Correction of incorrect accrual - High End Construction	-	(1 478 255)
Recognition of WIP expenditure for Copesville Library relating to prior years not recognised timeously due to delays caused in contractual intricacies.	-	1 137 474
Correction of repairs & maintenance expenditure incorrectly capitalised for rehabilitation of roads (2021/22)	-	(9 802 782)
Correction of repairs & maintenance expenditure incorrectly capitalised for rehabilitation of roads (2020/21)	-	(6 118 351)
Correction of Campdrifts repairs and maintenance 2020/21 incorrectly	-	(6 682 063)
Correction of capital expenditure relating to water tankers incorrectly treated as repairs & maintenance	-	156 522
Correction of an accrual raise for sewer reticulation in 2021/22 for invoice 4013/12 & 11	-	(3 016 908)
Correction of repairs & maintenance expenditure incorrectly capitalised for Rehabilitation of Roads in (2022/23)	-	(4 335 097)
Correction of repairs and maintenance incorrectly capitalised for Rehab roads (2021/22)	-	(3 376 865)
Correction of repairs and maintenance incorrectly capitalised for rehab - pms (2020/21)	-	(1 666 667)
Correction of an asset incorrectly classified a a building instead of Heritage asset	-	(969 460)
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	(5 190 640)
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	(827 600)
Correction of depreciation of assets capitalised in the current year completed in prior years	-	(12 431 963)
Recognition of prior year vehicles depreciation	-	(1 068 197)
Reclassification from other assets to Infrastructure	-	1 103 479
Reclassification to Infrastructure from other assets	-	(1 103 479)
Corrected of duplicated moveable assets in the fixed asset register	-	(978 447)
Corrected of depreciation for fully depreciated assets still in use whose remaining useful life was incorrectly reviewed	-	90 805
Correction of duplicated firearms due to system migration	-	(4 656)
Correction of depreciation of assets capitalised in the current year relating to prior years	-	(2 524 832)
Correction of overstated service entry	-	(589 299)
Correction of overstated service entry 2022/23	-	(284 233)
<b>Restated</b>		<b>- 6 931 540 814</b>
<b>Payables from exchange transactions</b>		
As previously reported	-	(2 487 458 256)
Network support annual increase for 2022/23 erroneously not billed timeously	-	(9 419)
Correction of liability incorrectly recognised as revenue	-	(2 320)
Correction of an accrual to Tow vehicle raised in 2022/23 - ESS	-	126 500
Derecognition of incorrectly raised accrual in 2022/23	-	459 654
Correction of 2022/23 duplicated accrual	-	91 669
Correction of recognition of vehicles which were initially incorrectly recognised as donations instead of being treated as a payable	-	(2 343 557)
WCA - Med 24 Invoices submitted after financial year end for work done in the previous periods	-	(2 578)
WCA - Royal Hospital Pharmacy invoices submitted after financial year end for work done in previous periods	-	(11 382)
Correction of accrual - interest incorrectly billed by supplier	-	22 155
Derecognition of an accrual incorrectly raised in 2022/23	-	814 890
Derecognition of an accrual incorrectly raised in 2022/23	-	54 269
Correction of accruals raised on Art Gallery cost centre	-	8 388
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(2 126)
Legal services invoices submitted after year end for work done in the 2020/21 financial year	-	(5 176)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(12 929)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Legal services invoices submitted after year end for work done in the 2020/21 financial year	-	(53 351)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(5 606)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(288)
Legal services invoices submitted after year end for work done in the 2020/21 financial year	-	(8 610)
Correction of incorrect accrual - High End Construction	-	1 699 993
Altron remote support engineer invoices for 2022/23 submitted after year end	-	(15 093)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(388 743)
WCA invoices submitted in 23/24 for work done in prior years	-	(157 743)
Legal services invoices submitted in 23/24 for work done in prior years	-	(119 951)
Reversal of Cyberfox 2021/22 accrual	-	54 269
Correction of an accrual raise for sewer reticulation in 2021/22 for invoice 4013/12 & 11	-	3 016 908
Reversal of consumer debtors with credit balances incorrectly classified as consumer instead of payables from exchange in the 2022/2023 financial year	-	(5 978 913)
Correction of compulsory leave for 6 day workers	-	(483 354)
Recognition of revenue from unallocated deposits for contract account 1354884 from 2018 to 2020	-	876 942
Recognition of revenue from unallocated deposits for contract account 011960070 from 2018 to 2020	-	61 714
WCA invoices submitted in 23/24 for work done in 2021/22	-	(14 266)
Correction of accruals - Matthew Francis	-	(29 031)
Correction of Schindler accrual in period of occurrence(2022/23)	-	(92 023)
Correction of Servipro accrual in period of occurrence(2022/23)	-	(210 915)
Correction of Aqua accrual in period of occurrence(2022/23)	-	(402 926)
Correction of overstated service entry	-	589 299
Correction of overstated service entry 2022/23	-	284 233
Advance payments revenue recognition	-	2 490 191
Advance payments revenue recognition	-	208 354
Allocation of revenue from industrial commercial/ private party works against completed project.	-	2 483 993
Correction of 2022/23 Infrastructure maintenance expenditure recorded in incorrect accounting period	-	(10 874 431)
Correction of 2022/23 road surface maintenance expenditure recorded in incorrect accounting period	-	(2 307 195)
Correction of 2022/23 overstated expenditure due to bulk orders	-	1 084 173
Correction of 2022/23 sponsorship expenditure recorded in incorrect accounting period	-	(3 691 500)
Correction of 2022/23 IDP Imbizo expenditure recorded in incorrect accounting period	-	(1 217 040)
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	(30 947)
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	(10 078)
Correction of 2022/23 taffic fine books expenditure recorded in incorrect accounting period	-	(111 189)
Correction of SALGA membership fees 2023/24 accounted for in 2022/23	-	8 729 737
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	327 421
Correction of 2022/23 wards 15 and 41 Eskom electricity expenditure recorded in incorrect accounting period	-	(4 324)
Correction of SALGA 2022/23 subscription incorrectly accounted for in 2021/22	-	(16 337 436)
Correction of SALGA 2022/23 subscription incorrectly accounted for in 2021/22	-	16 337 436
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(1 521 449)
Correction of Schindler lift expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(4 000)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	(20 902)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(90 791)
Correction of GEVDI 2022/23 expenditure overstated	-	18 807

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Correction of men's conference expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(15 000)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	(184 718)
Accounting for 2022/23 disciplinary hearings expenditure incorrectly recorded in 2023/24	-	(487 203)
Accounting for 2022/23 WCA expenditure incorrectly recorded in 2023/24	-	(528 115)
Accounting for 2022/23 GPW expenditure incorrectly recorded in 2023/24	-	(3 450)
Accounting for 2022/23 vehicle rental expenditure incorrectly recorded in 2023/24	-	(8 760)
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	10 286
Accounting for 2022/23 tyre repairs expenditure incorrectly recorded in 2023/24	-	(4 457)
Accounting for 2022/23 cleaning services expenditure incorrectly recorded in 2023/24	-	1 752
Accounting for 2022/23 Eskom interest incorrectly recorded in 2023/24	-	(7 715 505)
Accounting for 2022/23 Electricity bulk purchases incorrectly recorded in 2023/24	-	(52)
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	7 271
Accounting for 2022/23 medicinal waste removal and supplies expenditure incorrectly recorded in 2023/24	-	(2 689)
Accounting for 2022/23 payslips printing expenditure incorrectly recorded in 2023/24	-	(16 244)
Accounting for 2022/23 community services repairs and maintenance expenditure incorrectly recorded in 2023/24	-	(14 512)
Accounting for 2022/23 water tanker hire expenditure incorrectly recorded in 2023/24	-	(3 158 172)
Accounting for 2022/23 debt collection expenditure incorrectly recorded in 2023/24	-	(37 755)
Accounting for 2022/23 Infrastructure plant hire expenditure incorrectly recorded in 2023/24	-	3 311
Accounting for 2022/23 Bessie library lift maintenance expenditure incorrectly recorded in 2023/24	-	(6 982)
Raising of employee related costs and councillor remuneration related costs relating to 2022/23 paid in 2023/24	-	(8 494 852)
<b>Restated</b>		<b>- (2 514 844 689)</b>
<b>VAT Payable/receivable</b>		
As previously reported	-	(185 012 600)
Network support annual increase for 2022/23 erroneously not billed timeously	-	1 229
Correction of liability incorretly recognised as revenue	-	303
Correction of an accrual for repairs & maintenance raised incorrectly in period 2022/23 - ESS	-	(16 500)
Correction of an accrual raised incorrectly in period 2022/23 - ESS	-	(59 954)
Correction of an accrual for repairs & maintenance raised incorrectly in period 2022/23 - ESS	-	(11 957)
Correction of recognition of vehicles which were initially incorrectly recognised as donations instead of being treated as a payable	-	305 681
Correction of accruals WCA - MED 24	-	336
Correction of accruals WCA - Royal Hospital Pharmacy	-	1 485
Derecognition of an accrual incorrectly raised in 2022/23	-	(106 290)
Derecognition of an accrual incorrectly raised in 2022/23	-	(7 079)
Correction of accruals raised on Art Gallery cost centre	-	(1 094)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	246
Legal services invoices submitted after year end for work done in the 2021/22 financial year	-	638
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	1 660
Legal services invoices submitted after year end for work done in the 2021/22 financial year	-	6 926
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	653
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	38

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Legal services invoices submitted after year end for work done in the 2021/22 financial year	-	1 086
Correction of incorrect accrual - High End Construction	-	(221 738)
Legal Services invoices submitted after year end for work done in the 2022/23 financial year	-	19 376
WCA invoices submitted in 23/24 for work done in prior years	-	14 214
Legal services invoices submitted in 23/24 for work done in prior years	-	12 649
Correction of SAPS landfill site account overbilled(2020/21)	-	(29)
Correction of VAT not previously accounted for on landfill site journals	-	28 129
Reversal of manual adjustment relating to landfill site posted in 2022/2023 but relates to 2021/2022	-	1 133
Altron remote support engineer invoices for 2022/23 submitted after year end	-	1 969
WCA invoices submitted in 23/24 for work done in 2021/22	-	1 861
Correction of Schindler accrual in period of occurrence(2022/23)	-	12 003
Correction of Servipro accrual in period of occurrence(2022/23)	-	27 511
Correction of Aqua accrual in period of occurrence(2022/23)	-	52 555
Correction of 2022/23 Infrastructure maintenance expenditure recorded in incorrect accounting period	-	1 418 404
Correction of 2022/23 road surface maintenance expenditure recorded in incorrect accounting period	-	300 938
Correction of 2022/23 overstated expenditure due to bulk orders	-	(141 414)
Correction of 2022/23 sponsorship expenditure recorded in incorrect accounting period	-	481 500
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	4 037
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	1 315
Correction of 2022/23 traffic fine books expenditure recorded in incorrect accounting period	-	14 503
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(25 714)
Correction of 2022/23 wards 15 and 41 Eskom electricity expenditure recorded in incorrect accounting period	-	564
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	198 131
Correction of Schindler lift expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	522
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	1 996
Correction of GEVDI 2022/23 expenditure overstated	-	(2 453)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24`	-	452
Accounting for 2022/23 disciplinary hearings expenditure incorrectly recorded in 2023/24	-	63 045
Accounting for 2022/23 WCA expenditure incorrectly recorded in 2023/24	-	65 161
Accounting for 2022/23 GPW expenditure incorrectly recorded in 2023/24	-	450
Accounting for 2022/23 vehicle rental expenditure incorrectly recorded in 2023/24	-	1 143
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	(1 342)
Accounting for 2022/23 tyre repairs expenditure incorrectly recorded in 2023/24	-	581
Accounting for 2022/23 cleaning services expenditure incorrectly recorded in 2023/24	-	(228)
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	(948)
Accounting for 2022/23 medicinal waste removal and supplies expenditure incorrectly recorded in 2023/24	-	351
Accounting for 2022/23 payslips printing expenditure incorrectly recorded in 2023/24	-	2 119
Accounting for 2022/23 community services repairs and maintenance expenditure incorrectly recorded in 2023/24	-	1 893
Accounting for 2022/23 water tanker hire expenditure incorrectly recorded in 2023/24	-	366 575
Accounting for 2022/23 Infrastructure plant hire expenditure incorrectly recorded in 2023/24	-	(432)
Accounting for 2022/23 Bessie library lift maintenance expenditure incorrectly recorded in 2023/24	-	908
Accounting for VAT on debt impairment prior years	-	479 216 278
Accounting for VAT on debt impairment prior 2022/23	-	64 745 084
<b>Restated</b>	<b>-</b>	<b>361 767 859</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
<b>Unspent conditional grants and receipts</b>		
As previously reported	-	(175 932 858)
Correction of an accrual incorrectly raised - NDPG grant	-	(1 478 255)
Recognition of WIP expenditure for Copesville Library relating to 2021/22 and 2022/23 not recognised timeously due to delays caused in contractual intricacies.	-	1 137 475
Transfer of funds from Mig unspent grant allocated against expenditure incurred.	-	(589 302)
Transfer of funds from Mig unspent grant allocated against expenditure incurred 2022/23	-	(284 233)
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	(14 979)
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	6 068
<b>Restated</b>		<b>- (177 156 084)</b>
<b>Taxes and transfers payable (non-exchange)</b>		
As previously reported	-	(15 568 203)
Correction of construction contracts that were previously recognised as principal agents(Construction revenue) - 2022/23	-	(788 576)
Correction of construction contracts that were previously recognised as principal agents(Construction expenses) - 2022/23	-	788 576
Correction of construction contracts that were previously recognised as principal agents in prior years(Construction revenue)	-	(25 490 248)
Correction of construction contracts that were previously recognised as principal agents in prior years(Construction expenses)	-	25 490 248
<b>Restated</b>		<b>- (15 568 203)</b>
<b>Other debtors</b>		
As previously reported	-	97 085 566
Recognition of WIP expenditure for Copesville Library relating to prior years	-	(1 137 474)
Reclassification of interest on other receivables incorrectly classified as consumer debtors interest to other debtors in the 2022/2023	-	383 503
Reclassification of other receivables incorrectly classified as consumer debtors to other receivables in the 2022/2023	-	5 505 554
Derecognition of the Forestry receivable - contingent asset	-	(13 058 187)
<b>Restated</b>		<b>- 88 778 962</b>
<b>Receivables from non - exchange</b>		
As previously reported	-	-
Recognition of fruitless and wasteful receivable due to fraud	-	1 283 214
<b>Restated</b>		<b>- 1 283 214</b>
<b>Agricultural assets</b>		
As previously reported	-	75 800 000
Correction of incorrectly valued forestry compartment A027	-	320 000
<b>Restated</b>		<b>- 76 120 000</b>
<b>Heritage assets</b>		
As previously reported	-	274 718 369
Correction of Heritage asset incorrectly classified as a Building	-	994 808
Recognition of Legal deposits previously incorrectly disclosed as heritage assets which fair values can not be reliable measured	-	50 326 507
<b>Restated</b>		<b>- 326 039 684</b>
<b>Investment property</b>		
As previously reported	-	953 062 121

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Correction of properties previously valued with incorrect extents	-	(290 000)
<b>Restated</b>	-	<b>952 772 121</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 74. Prior period adjustments (continued)

#### Statement of Financial Performance

##### 2023

	As previously reported	Correction of error	Change in accounting policy	Re-classification	Restated
Surplus/Deficit for the year	525 680 299	47 650 541	(512 106 002)	-	61 224 838
Service charges	3 870 497 198	73 071 905	-	(34 628 769)	3 908 940 334
Operational revenue	57 528 560	(14 925 707)	-	-	42 602 853
Property rates	1 370 173 435	5 764 630	-	-	1 375 938 065
Government grants & subsidies	1 126 070 597	(1 590 452)	-	-	1 124 480 145
Fines, penalties and forfeits	20 129 365	-	-	34 628 769	54 758 134
Other transfers	1 600	1 283 214	-	-	1 284 814
Fair value on agricultural assets	(4 400 000)	320 000	-	-	(4 080 000)
Employee related costs	(1 563 267 990)	(946 306)	-	-	(1 564 214 296)
General expenses	(797 503 868)	(52 588 235)	-	-	(850 092 103)
Operational costs	(143 042 617)	(9 301 232)	-	-	(152 343 849)
Finance costs	(143 221 895)	(7 693 350)	-	-	(150 915 245)
Debt impairment	(71 195 569)	64 745 085	(512 106 002)	-	(518 556 486)
Interest - consumer debtors and receivables	158 697 404	385 503	-	-	159 082 907
Operating leases	(32 572 655)	(355 110)	-	-	(32 927 765)
Rentals of facilities and equipment	20 071 337	1 186 493	-	-	21 257 830
Inventory consumed	(739 336 381)	960	-	-	(739 335 421)
Transfers and subsidies	(29 562 255)	(3 210 000)	-	-	(32 772 255)
	<b>3 624 746 565</b>	<b>103 797 939</b>	-	-	<b>2 704 332 500</b>

#### Surplus for the year

As previously reported	-	525 680 299
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	4 780 731
Correction of repairs and maintenance expenses capitalised (2022/23)	-	(60 132)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(35 235 993)
Network support annual increase for 2022/23 erroneously not billed timeously	-	(8 190)
Accounting for electricity manual adjustments done in the current year but relates to revenue for 2022/2023 processed in 2024 financial year	-	19 995 959
Reversal of collection charges relating to 2021/2022 previously incorrectly charged in 2022/2023 financial year	-	(18 204 474)
Correction of an accrual incorrectly raised - NDPG grant	-	(1 478 255)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	(51 941 775)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year correcting revenue for 2022/2023 processed in 2024 financial year	-	1 804 885
Correction of an accrual raised incorrectly in period 2022/23 - ESS	-	110 000
Derecognition of incorrectly raised accrual in 2022/23	-	399 699
Correction of an accrual raised incorrectly in period 2022/23 - ESS	-	79 712
Correction of accrual - interest incorrectly billed by supplier	-	22 155
Correction of construction contracts that were previously recognised as principal agents(Construction revenue) -2022/23	-	788 576
Correction of construction contracts that were previously recognised as principal agents(Construction expenses) - 2022/23	-	(788 576)
Derecognition of an accrual incorrectly raised in 2022/23	-	708 600
Derecognition of an accrual incorrectly raised in 2022/23	-	47 190

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Correction of accruals raised on Art Gallery cost centre	-	7 294
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(1 879)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(11 269)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(4 953)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(250)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(679 345)
Correction of Campdrifts opex incorrectly capitalised(2022/23)	-	(28 112 927)
Recognition of WIP expenditure for Copesville Library relating to 2022/23 not recognised timeously due to delays caused in contractual intricacies.	-	180 947
Altron remote support engineer invoices for 2022/23 submitted after year end	-	(13 124)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(369 368)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	60 629 524
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(1 115 516)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	9 366 454
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	(12 695 023)
Raising of fruitless and wasteful receivable	-	1 283 214
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	591 148
Correction of repairs & maintenance expenditure incorrectly capitalised for Rehabilitation of Roads in (2022/23)	-	(4 335 096)
Correction of incorrectly valued forestry compartment A027	-	320 000
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	(5 190 640)
Correction of operational expenditure incorrectly capitalised : Electricity metering	-	(4 292)
Correction of compulsory leave for 6 day workers	-	(483 352)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(805 441)
Accounting for reversal of 2021/2022 debt impairment due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	52 543 412
Accounting for recalculated debt impairment for 2022/2023 due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	(564 649 413)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year resulting in a decrease in 2022/2023	-	(746 790)
Reclassification of interest on other receivables incorrectly classified as consumer debtors interest to Interest - consumer debtors and receivables in the 2022/2023	-	383 503
Accounting for manual adjustments relating to changes in supplementary valuation roll posted after year but relates to the 2022/2023 financial year	-	(444 139)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	695 983
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(706 549)
Correction of Schindler accrual in period of occurrence(2022/23)	-	(80 020)
Correction of Servipro accrual in period of occurrence(2022/23)	-	(183 404)
Correction of Aqua accrual in period of occurrence(2022/23)	-	(350 372)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	253 340
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(582 524)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	84 878 420
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	283 357
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) relating to in the current year but relates to the 2022/2023 financial year	-	7 375
Transfer of funds from Mig unspent grant allocated against expenditure incurred.	-	(284 233)
Reversal of manual adjustments relating to changes in supplementary valuation roll posted in 2023/2024 but relates to 2022/2023	-	502 453
Accounting for property rental revenue recognised in the current year but relates to 2022/2023 financial year	-	1 186 493
Advance payments revenue recognition	-	2 490 191
Correction of 2022/23 Infrastructure maintenance expenditure recorded in incorrect accounting period	-	(9 456 027)
Correction of 2022/23 road surface maintenance expenditure recorded in incorrect accounting period	-	(2 006 257)
Correction of 2022/23 overstated expenditure due to bulk orders	-	942 759
Correction of 2022/23 sponsorship expenditure recorded in incorrect accounting period	-	(3 210 000)
Correction of 2022/23 IDP Imbizo expenditure recorded in incorrect accounting period	-	(1 217 040)
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	(26 910)
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	(8 763)
Correction of 2022/23 taffic fine books expenditure recorded in incorrect accounting period	-	(96 686)
Correction of SALGA membership fees 2023/24 accounted for in 2022/23	-	8 729 737
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	301 707
Correction of 2022/23 wards 15 and 41 Eskom electricity expenditure recorded in incorrect accounting period	-	(3 760)
Correction of SALGA 2022/23 subscription incorrectly accounted for in 2021/22	-	(16 337 436)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(1 323 319)
Correction of Schindler lift expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(3 478)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	(18 906)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(90 791)
Correction of GEVDI 2022/23 expenditure overstated	-	16 354
Correction of men's conference expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(15 000)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	(184 266)
Accounting for 2022/23 disciplinary hearings expenditure incorrectly recorded in 2023/24	-	(424 158)
Accounting for 2022/23 WCA expenditure incorrectly recorded in 2023/24	-	(462 955)
Accounting for 2022/23 GPW expenditure incorrectly recorded in 2023/24	-	(3 000)
Accounting for 2022/23 vehicle rental expenditure incorrectly recorded in 2023/24	-	(7 618)
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	8 944
Accounting for 2022/23 tyre repairs expenditure incorrectly recorded in 2023/24	-	(3 875)
Accounting for 2022/23 cleaning services expenditure incorrectly recorded in 2023/24	-	1 523
Accounting for 2022/23 Eskom interest incorrectly recorded in 2023/24	-	(7 715 505)
Accounting for 2022/23 Electricity bulk purchases incorrectly recorded in 2023/24	-	(52)
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	6 323

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Accounting for 2022/23 medicinal waste removal and supplies expenditure incorrectly recorded in 2023/24	-	(2 338)
Accounting for 2022/23 payslips printing expenditure incorrectly recorded in 2023/24	-	(14 125)
Accounting for 2022/23 community services repairs and maintenance expenditure incorrectly recorded in 2023/24	-	(12 619)
Accounting for 2022/23 water tanker hire expenditure incorrectly recorded in 2023/24	-	(2 791 596)
Accounting for 2022/23 debt collection expenditure incorrectly recorded in 2023/24	-	(37 755)
Accounting for 2022/23 Infrastructure plant hire expenditure incorrectly recorded in 2023/24	-	2 879
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	(14 982)
Accounting for 2022/23 Bessie library lift maintenance expenditure incorrectly recorded in 2023/24	-	(6 069)
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	6 069
Raising of employee related costs and councillor remuneration related costs relating to 2022/23 paid in 2023/24	-	(8 494 856)
Accounting for VAT on debt impairment prior 2022/23	-	64 745 085
<b>Restated</b>	-	<b>61 224 838</b>
<b>Operational revenue</b>		
As previously reported	-	57 528 560
Reversal of collection charges relating to 2022/2023 previously incorrectly charged	-	(18 204 474)
Correction of construction contracts that were previously recognised as principal agents - 2022/23	-	788 576
Advance payments revenue recognition	-	2 490 191
<b>Restated</b>	-	<b>42 602 853</b>
<b>Service charges</b>		
As previously reported	-	3 870 497 198
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	4 780 731
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(35 235 993)
Accounting for electricity manual adjustments done in the current year but relates to revenue for 2022/2023 processed in 2024 financial year	-	19 995 958
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	(56 404)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) done in the current year correcting revenue for 2022/2023 processed in 2024 financial year	-	1 804 885
Reclassification of tempering fees previously incorrectly classified as service charges to fines, penalties and forfeits	-	(34 628 769)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(679 343)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(1 115 516)
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	591 148
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year 2023/2024 but relates to the 2022/2023 financial year	-	(805 441)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(746 790)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	695 983
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(706 550)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	253 340
Accounting for various manual adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted after year end but relates to the 2022/2023 financial year	-	(582 524)
Accounting for various system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	84 878 421
<b>Restated</b>		<b>- 3 908 940 334</b>
<b>Property rates</b>		
As previously reported	-	1 370 173 435
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	(51 885 371)
Reversal of system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in 2023/2024 but relates to 2022/2023	-	60 629 524
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	9 366 454
Accounting for manual adjustments relating to changes in supplementary valuation roll posted in the current year but relates to the 2022/2023 financial year	-	(12 695 023)
Accounting for manual adjustments relating to changes in supplementary valuation roll posted after year but relates to the 2022/2023 financial year	-	(444 139)
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) posted in the current year but relates to the 2022/2023 financial year	-	283 357
Accounting for system adjustments (estimations, over clocking, meter replacements, incorrect billing e.t.c) relating to in the current year but relates to the 2022/2023 financial year	-	7 375
Reversal of manual adjustments relating to changes in supplementary valuation roll posted in 2023/2024 but relates to 2022/2023	-	502 453
<b>Restated</b>		<b>- 1 375 938 065</b>
<b>General expenses</b>		
As previously reported	-	(797 503 868)
Network support annual increase for 2022/23 erroneously not billed timeously	-	(8 190)
Correction of repairs and maintenance expenses capitalised (2021/22)	-	(60 132)
Correction of an accrual raised incorrectly in period 2022/23 - ESS	-	110 000
Derecognition of incorrectly raised accrual in 2022/23	-	399 699
Correction of an accrual raised incorrectly in period 2022/23 - ESS	-	79 712
Correction of construction contracts that were previously recognised as principal agents - 2022/23	-	(788 576)
Correction of accruals raised on Art Gallery cost centre	-	7 294
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(1 879)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(11 269)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(4 953)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(250)
Correction of Campdrifts opex incorrectly capitalised(2022/23)	-	(28 112 927)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Altron remote support engineer invoices for 2022/23 submitted after year end	-	(13 124)
Legal services invoices submitted after year end for work done in the 2022/23 financial year	-	(369 368)
Correction of repairs & maintenance expenditure incorrectly capitalised for Rehabilitation of Roads in (2022/23)	-	(4 335 097)
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	(5 190 640)
Correction of meter repairs & replacement expenditure incorrectly capitalised : ESS	-	(4 292)
Correction of Schindler accrual in period of occurrence(2022/23)	-	(80 020)
Correction of Servipro accrual in period of occurrence(2022/23)	-	(183 403)
Correction of 2022/23 Infrastructure maintenance expenditure recorded in incorrect accounting period	-	(9 456 027)
Correction of 2022/23 road surface maintenance expenditure recorded in incorrect accounting period	-	(2 006 257)
Correction of 2022/23 overstated expenditure due to bulk orders	-	942 759
Correction of 2022/23 IDP Imbizo expenditure recorded in incorrect accounting period	-	(153 000)
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	(26 910)
Correction of 2022/23 City hall aircon repairs recorded in incorrect accounting period	-	(8 763)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	171 423
Correction of Schindler lift expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(3 478)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	(18 906)
Correction of GEVDI 2022/23 expenditure overstated	-	16 354
Correction of men's conference expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(15 000)
Accounting for 2022/23 legal expenditure incorrectly recorded in 2023/24	-	(184 266)
Accounting for 2022/23 disciplinary hearings expenditure incorrectly recorded in 2023/24	-	(424 158)
Accounting for 2022/23 GPW expenditure incorrectly recorded in 2023/24	-	(3 000)
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	8 944
Accounting for 2022/23 tyre repairs expenditure incorrectly recorded in 2023/24	-	(3 875)
Accounting for 2022/23 cleaning services expenditure incorrectly recorded in 2023/24	-	1 523
Accounting for 2022/23 community services expenditure incorrectly recorded in 2023/24	-	6 323
Accounting for 2022/23 medicinal waste removal and supplies expenditure incorrectly recorded in 2023/24	-	(2 338)
Accounting for 2022/23 payslips printing expenditure incorrectly recorded in 2023/24	-	(14 125)
Accounting for 2022/23 community services repairs and maintenance expenditure incorrectly recorded in 2023/24	-	(12 619)
Accounting for 2022/23 water tanker hire expenditure incorrectly recorded in 2023/24	-	(2 791 596)
Accounting for 2022/23 debt collection expenditure incorrectly recorded in 2023/24	-	(37 759)
Accounting for 2022/23 Bessie library lift maintenance expenditure incorrectly recorded in 2023/24	-	(6 069)
<b>Restated</b>		<b>- (850 092 103)</b>
<b>Government grants &amp; subsidies</b>		
As previously reported	-	1 126 070 597
Correction of an accrual incorrectly raised - NDPG grant	-	(1 478 255)
Recognition of WIP expenditure for Copesville Library relating to 2022/23 not recognised timeously due to delays caused in contractual intricacies.	-	180 947
Transfer of funds from Mig unspent grant allocated against expenditure incurred.	-	(284 233)
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	(14 979)
Accounting for 2022/23 Library grant expenditure incorrectly recorded in 2023/24	-	6 068
<b>Restated</b>		<b>- 1 124 480 145</b>
<b>Fines, penalties and forfeits</b>		
As previously reported	-	20 129 365

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
Reclassification of tempering fees previously incorrectly classified as service charges to fines, penalties and forfeits	-	34 628 769
<b>Restated</b>	-	<b>54 758 134</b>
<b>Finance costs</b>		
As previously reported	-	(143 221 895)
Correction of accrual - interest incorrectly billed by supplier	-	22 155
Accounting for 2022/23 Eskom interest incorrectly recorded in 2023/24	-	(7 715 505)
<b>Restated</b>	-	<b>(150 915 245)</b>
<b>Operational costs</b>		
As previously reported	-	(143 042 617)
Derecognition of an accrual incorrectly raised in 2022/23	-	708 600
Derecognition of an accrual incorrectly raised in 2022/23	-	47 190
Correction of 2022/23 IDP Imbizo expenditure recorded in incorrect accounting period	-	(1 064 040)
Correction of 2022/23 traffic fine books expenditure recorded in incorrect accounting period	-	(96 686)
Correction of SALGA membership fees 2023/24 accounted for in 2022/23	-	8 729 737
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	129 324
Correction of 2022/23 wards 15 and 41 Eskom electricity expenditure recorded in incorrect accounting period	-	(3 760)
Correction of SALGA 2022/23 subscription incorrectly accounted for in 2021/22	-	(16 337 436)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(1 323 319)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	(90 791)
Accounting for 2022/23 Electricity bulk purchases incorrectly recorded in 2023/24	-	(51)
<b>Restated</b>	-	<b>(152 343 849)</b>
<b>Other transfers</b>		
As previously reported	-	1 600
Raising of fruitless and wasteful receivable	-	1 283 214
<b>Restated</b>	-	<b>1 284 814</b>
<b>Fair value on agricultural assets</b>		
As previously reported	-	(4 400 000)
Correction of incorrectly valued forestry compartment A027	-	320 000
<b>Restated</b>	-	<b>(4 080 000)</b>
<b>Employee related costs</b>		
As previously reported	-	(1 563 267 990)
Correction of compulsory leave for 6 day workers	-	(483 352)
Accounting for 2022/23 WCA expenditure incorrectly recorded in 2023/24	-	(462 954)
Raising of employee related costs and councillor remuneration related costs relating to 2022/23 paid in 2023/24	-	(2 092 761)
<b>Restated</b>	-	<b>(1 566 307 057)</b>
<b>Debt impairment</b>		
As previously reported	-	(71 195 569)
Accounting for reversal of 2021/2022 debt impairment due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	52 543 412
Accounting for recalculated debt impairment for 2022/2023 due to a change in debt impairment policy (Refer to Note 74 - Change in accounting policy)	-	(564 649 414)
Accounting for VAT on debt impairment prior 2022/23	-	64 745 085
<b>Restated</b>	-	<b>(518 556 486)</b>

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
<b>Interest - consumer debtors and receivables</b>		
As previously reported	-	158 697 404
Reclassification of interest on other receivables incorrectly classified as consumer debtors interest to Interest - consumer debtors and receivables in the 2022/2023	-	383 503
<b>Restated</b>	<b>-</b>	<b>159 080 907</b>
<b>Rentals of facilities and equipment</b>		
As previously reported	-	20 071 337
Accounting for property rental revenue recognised in the current year but relates to 2022/2023 financial year	-	1 186 493
<b>Restated</b>	<b>-</b>	<b>21 257 830</b>
<b>Operating leases</b>		
As previously reported	-	(32 572 655)
Correction of Aqua accrual in period of occurrence(2022/23)	-	(350 371)
Accounting for 2022/23 vehicle rental expenditure incorrectly recorded in 2023/24	-	(7 618)
Accounting for 2022/23 Infrastructure plant hire expenditure incorrectly recorded in 2023/24	-	2 879
<b>Restated</b>	<b>-</b>	<b>(32 927 765)</b>
<b>Inventory consumed</b>		
As previously reported	-	(739 336 381)
Correction of expenditure accounted for incorrectly in 2023/24 relating to 2022/23	-	960
<b>Restated</b>	<b>-</b>	<b>(739 335 421)</b>
<b>Transfers and Subsidies</b>		
As previously reported	-	(29 562 255)
Correction of 2022/23 sponsorship expenditure recorded in incorrect accounting period	-	(3 210 000)
Raising of employee related costs and councillor remuneration related costs relating to 2022/23 paid in 2023/24	-	(2 230)
<b>Restated</b>	<b>-</b>	<b>(32 774 485)</b>
<b>Remuneration of councillors</b>		
As previously reported	-	(51 817 507)
Raising of employee related costs and councillor remuneration related costs relating to 2022/23 paid in 2023/24	-	(6 399 863)
	<b>-</b>	<b>(58 217 370)</b>

### Cash flow statement

#### 2023

	As previously reported	Correction of error	Re-classification	Restated
<b>Cash flow from operating activities</b>				
Sale of goods and services	3 522 925 779	(48 417 001)	-	3 474 508 778
Property rates and fines	1 337 835 114	52 833 243	-	1 390 668 357
Government grants	1 165 915 926	(956 527)	-	1 164 959 399
Finance costs	(18 837 253)	22 155	-	(18 815 098)
Suppliers	(3 690 496 713)	(40 827 517)	-	(3 731 324 230)
Employee costs	(1 569 684 417)	(460 729)	-	(1 570 145 146)

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>74. Prior period adjustments (continued)</b>		
	<b>747 658 436</b>	<b>(37 806 376)</b>
		<b>- 709 852 060</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(489 541 456)	37 806 368
		- (451 735 088)

The cashflow statement was recalculated due to corrections in the Statement of Financial Performance and Position.

### 75. Changes in accounting policy

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice on a basis consistent with the prior year except for the revision of the impairment policy. The changes affect the risk profiling of debtors and the treatment thereof.

The municipality has changed its accounting policy on Debt Impairment with regards to the risk profiling categorisation. The following changes were made to the categorisation of debtors to their respective risk categories.

The previous policy had categorised all debtors with current balances and 30 days as low risk, the new policy has categories the accounts with balances not exceeding 60 days as low risk.

The previous policy had categorised all debtors with balances 31 to 90 days as medium risk, the new policy now categorises accounts outstanding between 61 and 120 days to as medium risk.

The previous policy had categorised all debtors with balances exceeding 90 days as high risk, the new policy now categorises accounts outstanding 120 days to as high risk. The indigent debtors with outstanding balances greater than 30 days were categorised as high risk on the previous and the new policy allows for indigent debtors exceeding 60 days to be categorised as high risk.

Management is of the view that it will provide a reliable and more relevant information because it is based on up-to-date values in the computation.

The policy has been applied retrospectively from start of 2020/2021 financial year as it was not practicable to estimate the affects of applying the policy retrospectively from any earlier date.

For the aggregate effect of the changes in accounting policy on the annual financial statements for the year ended 30 June 2023 refer to note 74.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand	2024	2023
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### 76. Prior period error - disclosures

Presented below are those items contained in the disclosure notes that have been affected by prior-year adjustments:

The correction of the error(s) results in adjustments as follows:

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand	2024	2023
<b>76. Prior period error - disclosures (continued)</b>		
<b>Contingencies</b>		
<b>Contingent assets</b>		
As previously reported	-	193 122 781
Recognition of Inzama	-	13 058 187
<b>Restated</b>	<b>-</b>	<b>206 180 968</b>
<b>Fruitless and Wasteful expenditure</b>		
As previously reported	-	170 901 296
Copesville reservoir site establishment	-	11 651 917
<b>Restated</b>	<b>-</b>	<b>182 553 213</b>
<b>Additional disclosure in terms of MFMA - SDL, PAYE and UIF</b>		
As previously reported	-	16 648 123
Inclusion of SDL	-	933 847
<b>Restated</b>	<b>-</b>	<b>17 581 970</b>

## 77. Comparative figures

Certain comparative figures have been restated

## 78. Change in accounting estimate

### Property, plant and equipment

GRAP 17: Property, plant and equipment requires that the review of the remaining useful life of an item of property, plant and equipment be conducted at least at each reporting period. The municipality performed this review as at 30 June 2024 and the following results were achieved:

Based on the condition assessment and utilisation of assets ascertained during the physical verification exercise, the remaining useful lives of assets were reviewed.

The impact of the adjustment is that depreciation charges on property, plant and equipment increased by R6 871 454 (2023:R52 786 821).

It is impractical to determine the amount of the effect in future periods.

Depreciation before the review of useful life	(352 169 506)	(390 135 351)
Depreciation after the review of useful life	359 040 960	337 348 530
<b>Change in estimate</b>	<b>6 871 454</b>	<b>(52 786 821)</b>

### Property, Plant and Equipment - Landfill rehabilitation provision

Landfill rehabilitation provision is created to ensure that the municipality will be able to restore the landfill site to its original condition at the end of its life. The provision represents management's best estimate of the municipality's liability with regards to aforementioned restoration costs. The effect of the current year's revision was an decrease of R20 450 753 due to change in discount factor and effect of re-measurement.

### Employment benefit obligation

The municipality provides post-employment medical benefits to certain staff members. The provision represents management's best estimate of the municipality's liability with regards to aforementioned post-employment medical benefits. The effect of the current year's revision is an increase of R24 870 000 to R534 303 001, owing to the net effect of the actuarial gain, current service and interest costs for the reporting period ended 30 June 2024.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

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Figures in Rand

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### 78. Change in accounting estimate (continued)

#### Long service awards

In terms of the SALGA conditions of service collective agreement, employees qualify for long service leave upon completion of specified periods in the agreement. The provision was created to comply with the agreement. The effect of the current year's revision is a decrease by R883 000 to R84 937 000, attributed to the net effect of the actuarial loss, benefits vesting, current service, past service and interest costs for the reporting period ended 30 June 2024.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 79. Risk management

#### Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

#### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

The municipality is exposed to the following liquidity risks:

#### Other financial liabilities

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>At 30 June 2024</b>				
Borrowings	50 311 361	23 248 707	93 026 243	166 586 311
<b>At 30 June 2023</b>				
Borrowings	74 270 955	50 310 656	-	124 581 611

#### Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the municipality.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise mainly water, sanitation, refuse, rates, property rental, electricity and other service chargers, dispersed across different industries and geographical areas. Management evaluated credit risk relating to customers financial conditions on an ongoing basis, and have been presented in these financial statements net of a provision for impairment. In the case of debtors whose accounts become in arrears, it is endeavored to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Individual risk limits are set based on internal or external ratings in accordance with limits set by management. The utilisation of credit limits is regularly monitored. Sales to consumers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

The carrying amount of financial assets recorded in the financial statements that represent the municipality's maximum exposure to credit risk obtained details - Refer to note 80 - Financial instruments disclosure.

As at the end of the reporting period, no collateral was being held as a means of mitigating the risk of financial loss from default except for consumer deposits.

#### Credit quality

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. Although credit quality can be assessed, the Municipality did not apply any methods to evaluate the credit quality.

The credit quality of receivables from exchange transactions are neither past due nor impaired except for land sale debtors, insurance claims and IDT.

The analysis of the age of receivables that are past due but not impaired for the Municipality (Refer to note 8 - consumer debtors) for the analysis and details.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand 2024 2023

### 79. Risk management (continued)

#### Market risk

##### Risk from agricultural assets

The municipality is exposed to financial risks arising from changes in timber prices. The municipality does not anticipate that the timber prices will decline significantly in the foreseeable future. The municipality has not entered into derivative contracts to manage the risk of a decline in sale of timber. The municipality reviews its outlook for timber prices regularly in considering the need for active financial risk management.

##### Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The Municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the City to fair value interest rate risk. The Municipality strives to maintain approximately 100% of its borrowings in fixed rate instruments.

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk.

### 80. Financial instruments disclosure

#### Categories of financial instruments

##### Financial assets

##### At amortised cost

Other financial assets	23 584 673	23 254 864
Other debtors	8 402 938	88 778 962
Consumer debtors	728 825 462	1 251 679 954
Cash and cash equivalents	490 954 799	511 402 009

**1 251 767 872 1 875 115 789**

##### Financial liabilities

##### At amortised cost

Payables from exchange transactions	3 203 451 729	2 514 844 689
Consumer deposits	152 248 286	142 078 762
Other financial liabilities	166 586 311	124 581 611

**3 522 286 326 2 781 505 062**

##### Other information

Receivables/payables from non contractual/compulsory arrangements have been removed or excluded from financial instruments disclosure, i.e Property rates debtors, traffic fines debtors, transfers payable and unspent conditional grants. Statutory receivables/Payables are not financial instruments, as they arise not as a result of a contract, entered into by willing parties to the arrangement but rather a statutory or legislative arrangements.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 81. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

In assessing the going concern, management identified indicators casting doubt on the municipality's ability to continue operating as a going concern. These indicators are summarised below:

- Adverse liquidity ratios.
- Below norm cash cost coverage ratio.
- The outstanding gross debtors balance has increased significantly, and the majority is outstanding for over 365 days.
- The dwindling of reserves over the recent years.
- Deteriorating creditors' days.
- The increase in net debtors' balances
- Deficits in recent years

The following measures are being implemented by management in response to the going concern risk indicators:

1. The municipality has monitored the implementation of the financial recovery plan that was developed in 2018. Management has voluntarily requested National Treasury to assist with the development of the revised financial recovery plan that is linked to the current challenges of the municipality after COVID 19. The implementation of the revised recovery plan commenced in the 2022/23 financial year.
2. There is a revenue enhancement committee that meets on a weekly basis to monitor the implementation of the revenue enhancement plan and the identification of additional revenue streams.

New revenue streams that have been identified so far as follows:

- Trade effluent: The municipality has been reviewing the Trade effluent Policy and the Tariff charged
- Water and Electricity tampering fees: Surcharges to be raised for reinstatement of services
- Training of Peace Officers: The officers will be responsible for enforcing the By Laws around water and electricity tampering.
- Flow control washers for Indigents
- Airport: Review of lease agreements for hangers and no longer outsourcing the management of parking facilities.
- Forestry: Timber has been valued and is ready to be harvested, currently at SCM process.
- Business licensing: Increasing number of stalls and monitoring of licensed Informal traders and monthly billing thereof.
- Billboards: Addressing the issue of Billboard that do not have SLA's in place.
- Rehabilitation levy: Introduction of levy to cover large future cost in rehabilitating the Landfill Site.
- Animal Hunting: Introduction of animal hunting at the Bisley Nature Reserve
- On-site Camping: Introduction of tourist on-site camping at Bisley Nature Reserve
- Swimming Pools: Implementation of ticketing system
- Alexandra Park: Revamping of the park to attract more users.
- Athletics Stadium: Leasing out of office spaces.
- Crematoria: Leasing out of the cremators.

3. The dispute resolution committee was formed to speed up the process of dealing with consumer appeals.

4. The following strategies are currently being implemented to recover the outstanding debt:

- Electricity disconnections conducted daily.
- Water restrictions conducted daily.
- Consolidation of accounts for customers with multiple accounts.
- Consolidation of accounts where rates and services were billed on separate accounts.
- Improved turnaround time for responding to customer queries.
- Development of the customer dispute resolution process.
- Review of the organogram to include the functions that were previously not catered for on the structure.
- Processing name changes for deceased debtors with surviving spouses.
- Increasing capacity at validations section.
- Audit of bulk meters to ensure accuracy and completeness of billing.
- COVID relief amnesty campaign for qualifying debtors.
- Review of the credit control and by laws to allow debtors to enter into affordable payment arrangements.
- Emailing of statements to customers.
- Media campaigns for encouraging the debtors to pay.
- Legal processes instituted against arrear debtors.
- Vetting of indigent debtors.
- Improved turnaround time issuing rates clearance certificates and processing name changes for changes in property own

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 81. Going concern (continued)

- Addressing the issue of unbilled accounts

5. A debt recovery plan was developed and approved by Council.

6. The debt collectors were appointed to recover long outstanding debtors.

7. KZN Provincial CoGTA and National Treasury are consistently monitoring the implementation of the financial recovery plan and revenue enhancement plan.

### Operation Qoqimali

The Operation Qoqimali an operation approved by the Council started in September of 2022. This is a strategy which is engaged with the vigorous collection of revenue from non-paying customers, this involves municipal officials i.e., Security Services and the Technical Sections accompanied by Finance management going out daily making disconnections for electricity and restrictions for water for customers who are arrears. To date this drive has resulted in increased collections from consumers. The Operation Qoqimali will continue in the new financial year.

### Multiple Billing Cycle

In response to the qualification received in the 2021/2022 Audit, in relation to accuracy of billing, the Municipality has introduced the Multiple Billing Cycle.

### Financial Recovery Plan(FRP)

Given the decline of the financial status, the nature of the recurring financial problems and no noticeable progress made since the implementation of the current FRP the municipality then requested National Treasury Municipal Financial Recovery Service to assist in revising the discretionary financial recovery plan for the municipality.

The revised FRP will be used as an instrument to guide the municipality in addressing the financial crisis and to ensure that the municipality regains its financial health within the shortest timeframe while ensuring that all issues which adversely affect the financial health of the municipality are comprehensively addressed. The FRP adopts a strategic, focused approach which is time-bound yet comprehensive enough to ensure that the underlying causes of the crisis are adequately addressed. To achieve this objective, the draft financial recovery plan presents a phased approach to recovery, differentiating between issues to be addressed in the short, medium and long term.

The FRP is divided into three distinct but interdependent phases. These include:

- Rescue Phase (Phase 1) which focuses primarily on cash and restoring the cash position of the municipality.
- Stabilization Phase (Phase 2) which expands on the financial indicators to be monitored and emphasizes key governance and institutional issues which must simultaneously be addressed.
- Sustainability Phase (Phase 3) to ensure that indicators are developed that will give effect to the long-term financial sustainability of the municipality.

Notwithstanding, the negative indicators, the municipality continues to adopt the going concern assumption as it is management's view that the municipality will continue to operate in its present form provided that the financial recovery plan, the debt recovery plan, revenue enhancement and cost curtailment strategies are successful. A successful relationship between the municipality and consumers, which entails supportive consumer behaviour is of paramount importance.

# Msunduzi Local Municipality

Annual Financial Statements for the year ended 30 June 2024

## Notes to the Annual Financial Statements

Figures in Rand

2024

2023

### 82. Segment information

#### General information

#### Identification of segments

The municipality is organised and reports to management on the basis of nine major functional areas: Electricity, Water, Rates, Sanitation, Refuse, Airport, Market, Forestry and Support services. The segments were organised around the type of goods and services delivered. Management uses these same segments for determining strategic objectives. Supporting services segment was aggregated for reporting purposes.

The identification of these segments is consistent with the functional classification of local government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered. Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

#### Aggregated segments

Support services segment was aggregated as a practical limit has been reached beyond which segment information becomes too detailed. Management is of the view that such additional detailed segments are not useful and relevant.

#### Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

<b>Reportable segment</b>	<b>Goods and/or services</b>
Electricity	Provision of electricity
Water	Provision of water
Rates	Property tax
Sanitation	Provision of solid and water waste services
Refuse	Refuse removal services
Airport	Aviation services
Market	Administration and handling fees
Forestry	Timber
Support services	Various goods and services

#### Information about geographical areas

The municipality's operations are in the KwaZulu Natal Province.

Separate financial and other relevant information on geographical areas in which the municipality operates is not available. The cost to develop the necessary information would be excessive.

**Msunduzi Local Municipality**

Annual Financial Statements for the year ended 30 June 2024

**Notes to the Annual Financial Statements**

Figures in Rand

**82. Segment information (continued)**

**Segment surplus or deficit, assets and liabilities**

**2024**

	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
<b>Revenue</b>										
Revenue from exchange transactions	2 612 010 491	741 702 874	2 224 878	203 025 811	119 865 639	13 505 875	22 985 291	0	53 224 050	3 768 544 909
Revenue from non-exchange transactions	13 761 034	337 355 804	1 534 306 401	96 775 488	27 313 103	3 201 175	0	0	157 869 482	2 170 582 487
Interest consumer debtors and receivables	46 348 121	221 028 828	453 983	30 752 982	17 129 038	0	0	0	10 241 339	325 954 291
Interest - bank, call and investment accounts	0	0	0	0	0	0	0	0	0	0
<b>Total segment revenue</b>	<b>2 672 119 645</b>	<b>1 300 087 506</b>	<b>1 536 985 263</b>	<b>330 554 281</b>	<b>164 307 780</b>	<b>16 707 050</b>	<b>22 985 291</b>	<b>0</b>	<b>221 334 871</b>	<b>6 265 081 687</b>
Unallocated revenue/non-segment										660 976 472
<b>Total entity's revenue</b>										<b>6 926 058 159</b>
<b>Expenditure and gains(losses)</b>										
Bulk purchases	(2 714 396 462)	0	0	0	0	0	0	0	0	(2 714 396 462)
Debt impairment	(158 353 770)	(523 275 565)	(218 647 799)	(73 565 914)	(35 511 472)	0	0	0	(15 137 389)	(1 024 491 908)
Depreciation and amortisation	(43 310 758)	(41 526 366)	(77 825)	(22 901 250)	(3 908 875)	(7 046 529)	(5 084 694)	(90 120)	(41 983 771)	(165 930 188)
Employee related costs	(140 617 181)	(129 135 544)	(37 436 047)	(8 565 476)	(110 367 069)	(2 485 153)	(15 460 492)	(172 528)	(428 902 058)	(873 141 546)
Finance costs	(64 730 219)	(8 099 195)	0	(1 551 551)	(388 950)	0	0	0	0	(74 769 915)
Other expenses	(161 242 080)	(721 602 620)	(33 343 490)	(282 698 187)	(43 757 107)	(15 560 554)	(14 158 568)	(841 205)	(183 653 724)	(1 456 857 535)
Actuarial gains/losses	0	2 032 109	0	0	0	0	0	0	107 399	2 139 508
Excess in provision liability	0	0	0	0	29 430 504	0	0	0	0	29 430 504
Fair value adjustments on investment property	0	0	0	0	0	0	0	0	196 900	196 900
Gains/(losses) on agricultural assets	0	0	0	0	0	0	0	11 198 051	0	11 198 051
Gain/(loss) on disposal of assets	(575 705)	(96 688)	(16 769)	(60 719)	(15 958)	(141 166)	(102 320)	(4 622 289)	(6 686 962)	(12 318 574)
Impairment loss	107 491	(317 575)	0	0	(354)	(82)	0	0	103 256	(107 263)
Inventory losses	0	465 659	0	0	0	0	0	0	0	465 659
<b>Total segment expenditure and gains/(losses)</b>	<b>(3 283 118 686)</b>	<b>(1 421 555 785)</b>	<b>(289 521 928)</b>	<b>(389 343 095)</b>	<b>(164 519 281)</b>	<b>(25 233 483)</b>	<b>(34 806 074)</b>	<b>5 471 909</b>	<b>(675 956 347)</b>	<b>(6 278 582 771)</b>
Total segmental surplus/(deficit)	(610 999 041)	(121 468 279)	1 247 463 335	(58 788 815)	(211 501)	(8 526 433)	(11 820 783)	5 471 909	(454 621 476)	<b>647 475 389</b>
Unallocated expenditure/non segment										(1 596 956 168)
Unallocated gains/(losses) / non segment										7 607 129
<b>Surplus (deficit) for the period as per Statement of Financial Performance</b>										<b>(941 873 650)</b>

**Msunduzi Local Municipality**

Annual Financial Statements for the year ended 30 June 2024

**Notes to the Annual Financial Statements**

Figures in Rand

**82. Segment information (continued)**

2024	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
<b>Assets</b>										
Segment assets	8 314 595 802	3 558 878 298	3 323 796 687	2 063 022 780	1 590 602 742	106 706 574	108 664 290	79 008 127	6 955 608 232	26 100 883 532
Unallocated assets/non segment										(14 980 039 025)
Reclassification to liabilities										0
<b>Total assets as per Statement of Financial Position</b>										<b>11 120 844 507</b>
<b>Additions to non current assets</b>										
Segment additions	128 554 265	78 874 786	97 500	74 565 716	27 681 498	2 653 708	316 383	320 000	115 534 400	428 598 257
Unallocated additions/non segment										206 704 917
<b>Total additions</b>										<b>635 303 173</b>
<b>Liabilities</b>										
Segment liabilities	16 582 467 173	2 112 279 225	9 980 143	2 252 060 977	427 864 712	122 565 122	789 514 673	41 766 427	3 129 950 982	25 468 449 433
Unallocated liabilities /non segment										(21 074 066 042)
Reclassification from assets										0
<b>Total liabilities as per Statement of Financial Position</b>										<b>4 394 383 392</b>

**Msunduzi Local Municipality**

Annual Financial Statements for the year ended 30 June 2023

**Notes to the Annual Financial Statements**

Figures in Rand

**82. Segment information (continued)**

**Segment surplus or deficit, assets and liabilities**

2023

Revenue	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
Revenue from exchange transactions	2 796 182 080	826 171 400	1 502 541	203 759 298	119 209 793	12 042 342	23 881 034	0	37 026 770	4 019 775 257
Revenue from non-exchange transactions	17 690 664	359 526 735	1 492 738 429	78 469 536	24 779 594	2 874 671	0	0	69 611 210	2 045 690 838
Interest consumer debtors and receivables	9 593 155	130 635 069	0	16 503 294	10 213 868	0	0	0	(7 864 479)	159 080 907
Interest - bank, call and investment accounts	0	0	0	0	0	0	0	0	15 393	15 393
<b>Total segment revenue</b>	<b>2 823 465 899</b>	<b>1 316 333 203</b>	<b>1 494 240 970</b>	<b>298 732 128</b>	<b>154 203 255</b>	<b>14 917 012</b>	<b>23 881 034</b>	<b>0</b>	<b>98 788 894</b>	<b>6 224 562 395</b>
Unallocated revenue/non-segment										559 908 852
<b>Total entity's revenue</b>										<b>6 784 471 247</b>
<b>Expenditure and gains(losses)</b>										
Bulk purchases	(2 350 400 905)	0	0	0	0	0	0	0	0	(2 350 400 905)
Debt impairment	21 420 293	(402 743 237)	(67 463 694)	(33 597 151)	(17 520 540)	0	0	0	(18 652 158)	(518 556 486)
Depreciation and amortisation	(61 312 678)	(46 386 073)	(92 058)	(20 928 730)	(348 963)	(6 824 128)	(5 123 466)	(102 165)	(38 546 431)	(179 664 692)
Employee related costs	(137 362 455)	(124 173 596)	(36 278 977)	(9 145 868)	(106 134 109)	(3 092 271)	(12 686 086)	0	(403 561 440)	(832 434 803)
Finance costs	(73 565 463)	(69 783 526)	0	(2 739 452)	(381 625)	0	0	0	0	(146 470 065)
Other expenses	(44 760 511)	(625 133 788)	(56 742 873)	(290 167 387)	(40 045 749)	(14 014 794)	(13 250 947)	(1 794 247)	(195 232 750)	(1 281 143 046)
Actuarial gains/losses	0	9 636 780	0	0	0	0	0	0	281 801	9 918 581
Fair value adjustments on investment property	0	0	0	0	0	0	0	0	28 124 701	28 124 701
Gains/(losses) on agricultural assets	0	0	0	0	0	0	0	(4 080 000)	0	(4 080 000)
Gain/(loss) on disposal of assets	(900 719)	(5 125)	(1 170)	(23 086)	0	(9 860)	(1 914)	(8)	(80 343)	(1 022 225)
Impairment loss	(301 947)	(11 610)	(3 637)	(1 505)	(1 065)	(4 984)	(62 717)	0	(8 162 129)	(8 549 595)
Inventory losses	0	(271 774)	0	0	0	0	0	0	0	(271 774)
<b>Total segment expenditure and gains/(losses)</b>	<b>(2 647 184 385)</b>	<b>(1 258 871 949)</b>	<b>(160 582 409)</b>	<b>(356 603 179)</b>	<b>(164 432 051)</b>	<b>(23 946 038)</b>	<b>(31 125 130)</b>	<b>(5 976 420)</b>	<b>(635 828 749)</b>	<b>(5 284 550 310)</b>
Total segmental surplus/(deficit)	176 281 514	57 461 254	1 333 658 561	(57 871 051)	(10 228 796)	(9 029 025)	(7 244 096)	(5 976 420)	(537 039 854)	<b>1 499 920 937</b>
Unallocated expenditure/non segment										(1 507 374 456)
Unallocated gains/(losses) / non segment										68 678 356
<b>Surplus (deficit) for the period as per Statement of Financial Performance</b>										<b>61 224 838</b>

**Msunduzi Local Municipality**

Annual Financial Statements for the year ended 30 June 2023

**Notes to the Annual Financial Statements**

Figures in Rand

**82. Segment information (continued)**

2023

	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
<b>Assets</b>										
Segment assets	8 805 339 428	3 472 272 836	3 370 435 723	1 910 422 272	939 254 217	92 750 107	109 600 935	72 316 741	6 947 575 136	25 719 967 395
Unallocated assets/non segment										(14 409 329 483)
Reclassification to liabilities										0
<b>Total assets as per Statement of Financial Position</b>										<b>11 310 637 912</b>
<b>Additions to non current assets</b>										
Segment additions	85 010 818	70 628 428	0	51 309 494	3 634 258	3 248 050	104 515	0	24 532 148	238 467 711
Unallocated additions/non segment										225 408 833
<b>Total additions</b>										<b>463 876 544</b>
<b>Liabilities</b>										
Segment liabilities	13 769 319 359	2 264 056 776	2 364 427	1 859 014 918	395 977 065	104 243 167	780 306 258	40 337 274	2 849 502 132	22 065 121 376
Unallocated liabilities /non segment										(18 424 484 102)
Reclassification from assets										0
<b>Total liabilities as per Statement of Financial Position</b>										<b>3 640 637 274</b>

**Notes to the Annual Financial Statements**

Figures in Rand

**83. Contingencies**

The municipality is defending various litigation and claim cases against it.

**Contingent liabilities**

Should the litigation and claims against the municipality be successful the total estimated liability of all cases is approximately R 200 791 360 (2023 : R243 136 791)

**Contingent assets**

The Municipality has instituted various claims

Should the claims made by the municipality be successful, the total estimated cash inflow of these cases in approximately R242 231 063 (2023 : R206 180 968)

**Contingent Liabilities**

Matter ID	Description	Instructing official	Attorney/ Advocate	Year Initiated	Current status	Quantum	Probability of outflow	Amount	2023/2024	2022/2023	
1	Telkom SA SOC LTD/ Msunduzi Municipality Case No. 6292/05	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	Xolele Ndzangi	Internal	2005	Telkom has not taken the matter further.	R22 541.11 plus interest at 15.5% p.a.	Not probable	R22 541.11	348 364	348 364
2	Telkom SA SOC LTD/ Msunduzi Municipality Case No.3994/06	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	Xolele Ndzangi	Internal	2006	Telkom has not taken the matter further.	R13 283.82 plus interest at 15.5% p.a.	Not probable	R13 283.82	177 746	153 892
3	Telkom SA SOC LTD/ Msunduzi Municipality Case No.542/06	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	Xolele Ndzangi	Internal	2006	Telkom has not taken the matter further.	R21 675.25 plus interest at 15.5% p.a.	Not probable	R21 675.25	290 028	251 361
4	Telkom SA Soc Limited Case No. 12403/07	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.	Xolele Ndzangi	Internal	2007	Telkom has not taken the matter further.	R 34 951.26 plus 15.5% interest per annum.	Not probable	R 34 951.26	404 908	147 667
5	Telkom SA SOC LTD/ Msunduzi Municipality Case No. 3806/12	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	Xolele Ndzangi	Internal	2012	Telkom has not taken the matter further.	R 49 834.75 plus interest at 15.5% p.a.	Not probable	R 49 834.75	280 877	243 184
6	Telkom SA Soc Limited Case No. 14690/13	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.	Xolele Ndzangi	Internal	2013	Telkom has not taken the matter further.	R 34 951.26 plus 15.5% interest per annum.	Not probable	R 34 951.26	170 555	147 667
7	Telkom SA Soc Limited Case No. 4709/13	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.	Xolele Ndzangi	Internal	2013	Telkom has not taken the matter further.	R 46 628.06 plus 15.5% interest per annum.	Not probable	R46 628.06	227 521	197 000
8	Telkom SA Soc Limited Case No. 7256/14	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.	Xolele Ndzangi	Internal	2014	Telkom has not taken the matter further.	R 40 236.47 plus 15.5% interest per annum.	Not probable	R 40 236.47	169 996	169 996
9	E. G. Alexander v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality as a result of colliding with a pothole whilst cycling in the vicinity of Murray Road.	Xolele Ndzangi	Mledle Inc.	2014	Matter is at a state matter and Plaintiff must take the next step.	R 83 499.16 plus interest at 7.75% p.a from 21 August 2014.	Not probable	R 83 499.16	176 139	305 436
10	Msunduzi Municipality v Bawton Investments (T/A Ukukhanya)	contractual claim: Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahlaba	Matthew Francis Inc.	2015	Matter on - going	R8 561.29 plus interest at 15.5% p.a.	Not probable	R 8 561.29	31 317	27 114
11	AMA-Grace Business Enterprises v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly suffered damages as a result of a burst pipe which then allegedly caused damage to the plaintiff's property	Xolele Ndzangi	Mledle Inc.	2016	We are awaiting a further trial date herein	R59 042.52 at no interest	Not probable	R 59 042.52	59 043	161 897
12	Mr Mduzuzi Collen Sosibo, Mrs Sosibo	The plaintiff is suing the Municipality for a refund of rates, taxes and services owed by the previous owner of the property.	Xolele Ndzangi	Mledle Inc.	2016	This matter was removed from the roll and we are awaiting a further hearing date. Duplication	R 132 431.96 with interest calculated at 10.25% p.a.	Not probable	R 132 431.96	0	262 206
13	Mr Mduzuzi Collen Sosibo, Mrs Sosibo	The plaintiff is suing the Municipality for a refund of rates, taxes and services owed by the previous owner of the property.	Xolele Ndzangi	Mledle Inc.	2016	This matter was removed from the roll and we are awaiting a further hearing date.	R 132 431.96 with interest calculated at 10.25% p.a.	Not probable	R 132 431.96	289 082	262 206
14	Rajendra Govender and Msunduzi Municipality	Labour Dispute (appeal and High Court application). Application for re-instatement.	KEVIN PERUMAL	Mastross Inc.	2017	The matter is ongoing	Risk of R115 000. ( Salary related)	Not probable	R 115 000.00	115 000	115 000

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
15 NTOMBENINGI SOKHELA	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xolie Ndzangi	Mledle Inc.	2018	Matter settled	R 19 345.83 plus interest at 15.5% p.a.	Not Probable	R 19 345.83	0	39 765
16 Red Alert TSS (PTY) LTD v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xolie Ndzangi	Mledle Inc.	2018	Partes cannot agree in respect of the settlement amount. Matter is ongoing.	R 72 000.00 plus 10% interest per annum from date of judgment.	Not Probable	R72 000	72 000	170 603
17 Duanne Dominic Naidoo and Msunduzi Municipality	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a pothole within the jurisdiction of the Municipality.	Xolie Ndzangi	Internal	2019	The matter is ongoing	R 11 495.50 plus 10.25% interest per annum.	Not Probable	R 11 495.50	18 725	16 984
18 R J Walker Case No. 6149/19	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolie Ndzangi	Internal	2019	The matter is ongoing	R 31 266.67 plus 10.25% interest per annum from date of judgment.	Not Probable	R 31 266.67	31 267	46 195
19 Thago Elias Ngwanto and Msunduzi Municipality.	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Internal	2019	Matter settled	R 34 405.93 plus interest at 15.5% p.a.	Not Probable	R 34 405.93	0	61 230
20 Rhonda Basdeo Case No. 6914/19	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolie Ndzangi	Internal	2019	Defendant's Plea has been filed in the matter. Plaintiff has not taken the matter further	R 54 566.01 plus 10% interest per annum from 27 August 2018.	Not Probable	R 54 566.01	87 879	79 890
21 Bongani Charles Zondi Case No. 7432/19	Delictual claim: Plaintiff is suing the Municipality for damage to property due to the alleged negligence of the Municipality.	Xolie Ndzangi	Internal	2019	The matter is ongoing	R192 000.00 plus interest at 7.75% p.a. from date of judgment	Not Probable	R 192 000.00	192 000	341 688
22 Seelan Naidoo and The Msunduzi Municipality/ Devante DeWyn Shaw	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolie Ndzangi	Mathew Francis Inc.	2019	Matter settled.	R64 115.19 plus interest at 15.5% p.a.	Not Probable	R64 115.19	0	114 101
23 Kua-Siza Transporters CC v Msunduzi Municipality Case No. 1376/2017	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal employee in the course and scope of his employment.	Xolie Ndzangi	Mledle Inc.	2019	The plea has been filed and we are waiting for the plaintiff's attorneys to proceed further.	R 55 532.34 plus interest at 9% from 26 February 2019.	Not Probable	R 55 532.34	85 443	131 837
24 Muhammad Sheik and Msunduzi Local Municipality.	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Mledle Inc.	2019	The matter is ongoing	R 8 066.12 plus interest at 15.5% p.a. from 9 September 2019	Not Probable	R 8 066.12	11 715	14 355
25 MJ Essack and Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Zuma and partners	2019	Matter is at pre-trial stage. Awaiting the plaintiff's attorneys to initiate the pre-trial conference and set the matter down.	R 91 029.10 plus 7.75% interest per annum from date of judgment.	Not Probable	R 91 029.10	91 029	161 997

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
26	Tumelo Mongali v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Insurance (external insurers)	External insurers	2020	Matter defended	R 180 000.00 plus interest at 15.5% per annum from 8 December 2020	Not probable	R 180 000.00	320 332	277 344
27	Dumisani Emmanuel Radebe v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xole Ndingi	Internal	2020	Defendant has filed its plea in the matter in 2021.	R 6 685.53 plus interest at 7.75% per annum from 20 August 2018	Not probable	R 6 685.53	9 012	8 363
28	Kameel Maharaj v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for an amount of R 7 100.00 in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Xole Ndingi	Internal	2020	Matter settled	R 7 100.00 plus interest at 8.75% from 4 June 2020 to date of payment	Not probable	R7 100	0	9 132
29	Gonaseken Valautham Naidoo v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an amount of R 13 505.72 for incident wherein Plaintiff's vehicle was allegedly involved in a collision with municipal vehicle driven by a municipal employee within his course and scope of employment	Xole Ndingi	Internal	2020	Municipality has filed its plea as at 19/11/2020, no further action from plaintiff as at 31 April 2024.	R 13 505.72 plus interest at 7.00% per annum	Not probable	R 13 505.72	17 703	16 545
30	Nandha Thatayya Naidoo v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xole Ndingi	Internal	2020	Awaiting court set down date	R 46 435.45 plus interest at 8.75% per annum from 9 October 2020	Not probable	R 46 435.45	64 948	59 722
31	Santosh Singh v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of Msunduzi Municipality	Xole Ndingi	Internal	2020	Matter is on going	R 62 904.33 plus interest at 7.00% per annum	Not probable	R 62 904.33	82 455	77 061
32	Thlasizwe Collen Ncalane v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for an amount of R 66 937.08 in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Xole Ndingi	Internal	2020	Defendant filed appearance to defend in 2020. File Dormant, less than 10 years.	R 66 937.08 plus interest at 7.75% per annum from 4 February 2020	Not probable	R 66 937.08	90 227	82 001
33	Sanjay Arjun v Msunduzi Municipality The Plaintiff is suing the Municipality for overpayment of municipal services	Xole Ndingi	Internal	2020	Matter is ongoing	R74 738.49 plus interest at 8.75% per annum from 3 December 2023	Not probable	R74 738.49	81 278	96 124
34	Ajith Lachman and Msunduzi Local Municipality The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xole Ndingi	Internal	2020	Appearance to defend filed and served.	R 15 859.09 plus interest at 15.5% p.a.	Not probable	R 15 859.09	28 223	24 436
35	Rajiv Auckoo and Msunduzi Municipality / Luke Derek Johnson / Wartburg Kirchorf School The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xole Ndingi	Internal	2020	Defendants pleas has been filed and served	R 87 317.55 plus 7.75 interest from 7 April 2020	Not probable	R87 317.55	117 698	134 539
36	Abigail Dlamini and Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xole Ndingi	Internal	2020	Pre-trial notices have been exchanged.	R 16 584.53 plus 7.75% interest per annum from 11 December 2019.	Not probable	R 16 584.53	24 087	25 553
37	Jadamei Trading and Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xole Ndingi	Internal	2020	Matter settled.	R 22 678.84 plus interest at 15.5% p.a.	Not probable	R 22 678.84	0	34 944

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
38	Suresh Gopal and Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xolele Ndzangi	Internal	2020	Plaintiff has not moved the matter further.	R 36 171.00 plus interest at 10.25% p.a from 18 April 2017.	Not probable	R 36 171.00	53 441	55 732
39	Duncan Stewart Harrison N.O and Msunduzi Municipality Contractual Claim	Xolele Ndzangi	Molelele Inc.	2020	Matter certified ready for trial.	R 164 552.79 plus 10.25% interest per annum.	Not probable	R 164 552.79	243 119	220 516
40	Saaha Rambulu v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Mastros Inc.	2020	Action withdrawn.	R 39 976.39 plus interest 7.00% per annum	Not probable	R 39 976.39	0	48 973
41	Ison Trading (Pty) Ltd v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Xolele Ndzangi	Mastros Inc.	2020	Plaintiff has withdrawn the action	R 66 937.08 plus interest at 7.75% per annum from 19 November 2020.	Not probable	R 66 937.08	0	82 001
42	Barend van AS and Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xolele Ndzangi	Molelele Inc.	2020	Matter settled	R 23 388.09 at 7.75% interest	Not probable	R23 388.09	0	29 258
43	Rajonne Erradu v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Xolele Ndzangi	Zuma and partners	2020	Matter is ongoing	R 131 182.18 plus interest at 7.75% per annum from 28 January 2020	Not probable	R 131 182.18	176 825	160 704
44	Dudu Rose-Mary Khumalo v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of 2 Traffic Officers of the Msunduzi Municipality Traffic Police Department, in uniform and acting within the course and scope of their employment, harassed and assaulted the Plaintiff and the person who was driving the vehicle.	External Insurers	External insurers	2021	Matter is at trial stage. Ongoing.	R 250 000.00 plus interest at 7.00% per annum from date of judgment	Not probable	R 250 000.00	250 000	286 225
45	Marece Donnelly v Msunduzi Municipality The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2021	Plea has been drafted, filed and served. Matter ongoing.	R 8 767.32 plus interest at 7.75% per annum from 5 January 2021	Not probable	R 8 767.32	10 968	10 038
46	Danielle Gounder v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a motor vehicle collision with a municipal vehicle, allegedly driven by an employee of the Defendant, within the course and scope of his employment.	Xolele Ndzangi	Internal	2021	Plea has been drafted, filed and served. Matter ongoing.	R 9 260.93 plus interest at 7.75% per annum from 11 February 2021	Not probable	R 9 260.93	11 585	10 603
47	Yekile Freda Kheswa v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2021	Matter settled.	R 19 901.84 plus interest 7.00% per annum	Not probable	R 19 901.84	0	22 786
48	Dr A A Khan v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Xolele Ndzangi	Internal	2021	Appearance to defend filed in 2021. Plaintiff has not taken the matter further	R 22 741.68 plus interest at 10.25% per annum from 1 December 2020	Not probable	R 22 741.68	33 600	27 643

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Quantum	Probability of outflow	Amount	2023/2024	2022/2023
49	Patricia Anne Luckin and the Msunduzi Municipality 11070/2021 Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly damaged due to the negligent driving of a municipal employee in the course and scope of his/ her employment	Xolie Ndzangi	Internal	2021	Municipality has filed its appearance to defend as at 20/12/2021. No further action from Plaintiff as at 31 April 2024.	R 29 019.17 at 7% from date of judgment	Not probable.	R 29 019.17	29 019	33 224
50	Thokozani Michael Mahlaba v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a motor vehicle collision with a municipal vehicle, allegedly driven by an employee of the Defendant, within the course and scope of his employment	Xolie Ndzangi	Internal	2021	Matter is ongoing	R 60 654.85 plus interest at 7.75% p.a from date of judgment	Not probable.	R 60 654.85	60 655	70 421
51	Lisahlhe Mavuso v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of the Plaintiff walking past a street pole adjacent to transformer number 360. Injuries caused by high voltage power line which had alleged become detached from the connection	Xolie Ndzangi	Internal	2021	Matter is on going	R 150 00.00 plus interest 10.5% from date of services of summons 7 April 2021	Not probable.	R 150 00.00	202 385	183 154
52	M.I.A Ganie N.O and two others v Msunduzi Municipality Plaintiffs are suing for a refund of monies allegedly overpaid on application for a rates clearance certificate.	Xolie Ndzangi	Internal	2021	Matter ongoing	R231 471.00 at 7%	Not probable.	R231 471	283 562	265 011
53	Udash Jaipal Vather and the Msunduzi Municipality 9877/2021 Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2021	Matter set down for pre trial 12 February 2024.	R 27 651.77 at 10,25% from date of judgment	Not probable.	R 27 651.77	27 652	33 611
54	Thulani Eric Nshiza and Msunduzi Municipality Delictual Claim: Plaintiffs vehicle hit a pothole on a public road that falls within the jurisdiction of the Municipality.	Xolie Ndzangi	Internal	2021	Plaintiff amended pleas as at 27/09/2023. no further action from plaintiff as at 31 april 2024.	R 64 930.48 at 7% from date of judgment	Not probable.	R 64 930.48	64 930	74 339
55	SELLO SIMON MADICE AND THE MSUNDUZI MUNICIPALITY Delictual claim: The Plaintiff is suing the Municipality for an incident wherein the employees of the Municipality who were cutting down trees near the boundary of the Plaintiff's premises, cut a tree which fell and damaged the Plaintiff's palisade fencing together with the tennis court	Xolie Ndzangi	Internal	2021	Appearance to defend was filed, however, the plaintiff has not taken the matter further. Awaiting finalisation of same matter under a different case number.	R 125 350 plus interest at 7.00% from 17 August 2019 (date of incident)	Not probable.	R 125 350	153 559	143 513
56	Mark Francis v Msunduzi Municipality Delictual claim: The plaintiff is suing the Municipality in respect of damages whereby a storm caused trees within the jurisdictional area of the defendant to fall on overhead electricity lines. The Plaintiff is suing for subsequent electrical surge which damaged various of the Plaintiff's electrical appliances, installations and fittings	Xolie Ndzangi	Mastross Inc.	2021	The plaintiff's application to compel delivery of the investigation report has been adjourned sine die. Attorneys have been instructed to explore settlement options	R85 288.00 plus interest at 7.75% p.a from date of judgment	Not probable.	R85 288	85 288	97 646
57	Thavandan Subramanian Maru v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Mastross Inc.	2021	Further particulars requested from plaintiff. Matter set down for 15 march 2024. Matter is on going	R 43 061.96 plus interest at 7.75% per annum from 25 January 2021	Not probable.	R 43 061.96	53 870	49 302
59	Nonkululeko Maskane v Msunduzi Municipality The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Internal	MC Ntshahintshali Manqoba Ngcobo Cell No. 076 614 4566	2021	Matter settled	R 34 810.78 plus interest 7.00% per annum	Not probable.	0	0	39 855
60	Theresa Khetwe Mlotshwa v Msunduzi Municipality Delictual claim whereby the Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a pot hole collision at or near Old Greytown Road, PMB which does not fall within the jurisdiction of the Municipality.	Xolie Ndzangi	MC Ntshahintshali Manqoba Ngcobo Cell No. 076 614 4566	2021	Matter adjourned at the request of the plaintiff	R 73 760.10 plus interest at 7.00% per annum	Not probable.	R 73 760.10	90 359	84 448

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023	
61	Surisheeh Pillay and the Msunduzi Municipality 13487/2021	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly damaged due to the negligent driving of a municipal employee in the course and scope of his/ her employment	Xolele Ndzangi	Siva Chetty	2021	Matter set down for trial.	R 24 195.31 at 7%	Not probable.	R 24 195.31	29 640	27 701
62	SELLO SIMON MABOEE AND THE MSUNDUZI MUNICIPALITY	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein the employees of the Municipality who were cutting down trees near the boundary of the Plaintiff's premises, cut a tree which fell and damaged the Plaintiff's palisade fencing together with the tennis court	Xolele Ndzangi	Siva Chetty and Co.	2021	The magistrate has a conflict of interest. Currently awaiting appointment of a new magistrate.	R 125 350 plus interest at 7.00% from 17 August 2019 (date of incident)	Not probable.	R 125 350	153 559	0
63	Akshay Jungbahadur vs Msunduzi Municipality- KZN/PMB/R/C 2323/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of an assault by Municipality's employees (Traffic department) this occurred within the jurisdiction of the Msunduzi Municipality	External Insurers	External insurers	2022	A notice of intention to defend has been filed in court and served on plaintiff.	R250 000.00 plus interest at prescribed rate of 7.75%	Not probable.	R250 000.00	290 252	269 375
64	Tashyn Celine Joseph vs Msunduzi Municipality- KZN/PMB/R/C 2321/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of an assault by Municipality's employees (Traffic department) this occurred within the jurisdiction of the Msunduzi Municipality	External Insurers	External insurers	2022	Application to compel discovery set down for 14 December 2023. Removed from the roll due to Sheriff's return of non-services. Plaintiff to pay wasted costs.	R250 000.00 plus interest at prescribed rate of 7.75% from date of judgment.	Not probable.	R250 000.00	250 000	269 375
65	Emmanuel Rajah and Msunduzi Municipality 7911/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	GNG Inc, 211 Burger Street, PMB, Tel No: 033-345 3427 ; E-mail: litigation@gngattorneys.co.za	2022	Set down for pre trial.	R94 147.80 plus interest at the prescribed rates. 7.75%	Not probable.	R94 147.80	109 306	101 444
66	Jithen Dursen and the Msunduzi Municipality 2272/21	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2022	A plea has been filed and served on opposition	R900 at 7% from date of judgment	Not probable.	R900	R900	963
67	Dashendran Govender Case No. 14051/2021	Delictual Claim: Plaintiff is suing the Municipality for a collision with a pothole	Xolele Ndzangi	Internal	2022	Defendant's pleas filed and served on the plaintiff. Plaintiff has not moved the matter further	R 3 395.00 at 7% from date of judgment	Not probable.	R 3 395.00	3 395	3 658
68	Sunthosh Kunnen vs Msunduzi Municipality- 12609/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole this occurred within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2022	A notice of intention to defend has been filed in court and served on plaintiff.	R12 139.02 plus interest at prescribed rate 7.75%	Not probable.	R12 139.02	14 093	13 080
69	Infinity Automotive Pty Ltd and the Msunduzi Municipality 7911/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2022	Matter settled.	R 12 776.42 at prescribed rate OF 7.75%	Not probable.	R 12 776.42	0	13 767
70	Glenn Volmink and Msunduzi Municipality 7286/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2022	Matter settled.	R13 057.68, plus interest at the prescribed rates. 7.75%	Not probable.	R 13 057.68	0	14 070
71	Patrica Mntambo	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole this occurred within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2022	Defendant has drafted, filed and served its discovery affidavit.	R 13 478.15 plus interest at prescribed rate of 7.75% from 30 August 2022	Not probable.	R13 478.15	15 648	14 523
72	Stephen Richard Pons and the Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Internal	2022	A notice of intention to defend has been filed in court and served on plaintiff.	R 17 389.55 at prescribed rate AT 7.75% from 9 November 2021	Not probable.	R 17 389.55	20 189	18 737

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Quantum	Probability of outflow	Amount	2023/2024	2022/2023	
73	Andrew Scott v Msunduzi Municipality-7972/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	The defendant has filed and served rule 23 notices. matter is ongoing.	R18 800.88 prescribed rate of 7.75% from 13 February 2022	Not probable	R18 800.68	21 828	20 258
74	Shile Jackson Munge and Msunduzi Municipality-8456/2022	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolie Ndzangi	Internal	2022	Municipality has filed and served its plea as at 27/09/2022. no further action from plaintiff.	R26 126.25 plus 8.25% from date of judgment	Not probable	R26 126.25	26 126	28 282
75	Nonkululeko Paulaniyaa Mankane and Msunduzi Municipality-11497/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	Defendant has filed its rule 23 notices.	R29 610.26 plus interest at the prescribed rates, 7.75% from 14 May 2022	Not probable	R29 610.26	34 378	31 905
76	Panela Meinjies and the Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	A plea has been filed and served on plaintiff	R 30 108.96 at prescribed rate at 7.75% from 16 August 2021	Not probable	R 30 108.96	34 957	32 442
77	Dashendran Govender and the Msunduzi Municipality 15348/22	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	Plaintiff has not moved the matter further.	R 42 604.83 at 7% from date of judgment	Not probable	R 42 604.83	42 605	45 907
78	Nkosinathi Zondi and Msunduzi Municipality-11413/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	Defendant has filed and served its plea. rule 23 notices exchanged by the parties	R44 002.86 plus interest at the prescribed rate of 7.75% from 17 March 2022	Not probable	R44 002.86	51 088	47 413
79	Shekaiisa Zuma and Msunduzi Municipality 13053/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a motor collision with a Municipal vehicle this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	A notice of intention to defend has been filed in court and served on plaintiff.	R64 302.78 plus interest at 7.25% from date of judgment	Not probable	R64 302.78	64 303	68 955
80	Usomandla Projects and the Msunduzi Municipality, MEC for Transport	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	A plea has been filed and served on plaintiff	R 75 484.69 at prescribed rate AT 7% from 15 September 2021	Not probable	R 75 484.69	86 422	81 335
81	Angela Coles and Msunduzi Municipality-10621/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	A plea has been filed in court and served on plaintiff. matter ongoing.	R94 147.80 plus interest at the prescribed rates 7.75% from 8 March 2022	Not probable	R94 147.80	109 306	101 444
82	Yugunathan Moodley	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	A notice of intention to defend has been filed in court and served on plaintiff.	R12 972.00 plus 7% from date of judgment	Not probable	R12 972	12 972	13 880
83	Priscilla Jabulle Ndlovu vs Msunduzi Municipality 17563/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	Defendant has filed its discovery affidavit. Matter is ongoing. Plaintiff filed its request for further particulars in the matter.	R36 850.53 Interest rate 7.75% p.a from 13 December 2022	Not probable	R36 850.53	42 784	39 706
84	Louise Kempen vs Msunduzi Municipality-111/2023	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff. Plaintiff has not taken the matter further and has not filed a rule 21 notice.	R104 743.09 plus interest at prescribed rate of 7.75%	Not probable	R104 743.09	121 607	112 861

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023	
85	Bhekakhe Zuma and Msunduzi Municipality-5699/2022	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolele Ndzangi	Internal	2022	Matter settled case - spr 1609999	R10 154.05 plus 7.25%	Not probable	R10 154	0	10 890
86	CYRIL PHUMLANI MHLONGO	Delictual claim: Damages to Plaintiff's residence arising from the alleged negligence of the Msunduzi's driver.	Xolele Ndzangi	Mastross Inc.	2022	Awaiting the convening of a pre-trial conference.	R 34 428-00 interest at prescribed rate of 7.75% from 30 June 2017	Not probable	R 34 428-00	58 054	37 096
87	Rodgers Radabe Msunduzi Municipality-12592/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of an RDP house built on his property without providing any compensation this occurred within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Mastross Inc.	2022	Application to rescind judgment granted. Plea to be filed in due course.	R100 000.00 plus interest at 7% from date of demand February 2022.	Not probable	R100 000	114 490	107 000
88	Alia Gani and Msunduzi Municipality-11943/2022	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolele Ndzangi	Mastross Inc.	2022	The defendants have filed their pleas, the 1st defendant to issue summons against the plaintiff's driver, whereafter the actions will need to be consolidated	R168 460.71 plus interest at the prescribed rates, 7.75% from 14 June 2022	Not probable	R168 460.71	195 584	181 516
89	Makhosazane Ngcobo and Msunduzi Municipality	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolele Ndzangi	Mastross Inc.	2022	A notice of intention to defend has been filed in court and served on plaintiff.	R19 710.87 plus 7.25% from date of judgment	Not probable	R19 710.87	19 711	21 140
90	Sir George Gray Nkoko Khumalo and the Msunduzi Municipality	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolele Ndzangi	Mastross Inc.	2022	Plaintiff has withdrawn the action, with each party to pay its own costs.	R 66 188.24 at 7%	Not probable	R 66 188.24	0	70 821
91	Bongani Mveli	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xolele Ndzangi	Mathew Francis Inc.	2022	Claim for damages arising from an accident which allegedly occurred in 2018 and involved a municipal vehicle. pleadings have closed, in light of our special plea plaintiff launched an application for condonation in terms of the legal proceedings	R219 671.94 plus 7.25% from 12 May 2021.	Not probable	R219 671.94	270 998	235 598
92	Fazali Mahomed Akoo and Msunduzi Municipality-13819/2022-Claim 03	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Siva Chetty and Co.	2022	Matter is at pre-trial stage.	R4 000.00 plus interest at 7.5% from 19 September 2022	Not probable	R4 000	4 623	4 300
93	Fazali Mahomed Akoo and Msunduzi Municipality-13818/2022-Claim 02	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Siva Chetty and Co.	2022	Matter is at pre-trial stage. Notice in terms of Rule 60 served on the Plaintiff.	R4 000.00 plus interest at 7.75% from 12 October 2022	Not probable	R4 000	4 644	4 300
94	Fazali Mahomed Akoo and Msunduzi Municipality-13817/2022-Claim 01	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Siva Chetty and Co.	2022	Matter is at pre-trial stage.	R9 200.00 plus interest at 7.75% from 19 September 2022	Not probable	R9 200	10 681	9 913
95	Stephen Hansford Anderson vs Msunduzi Municipality-17191/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole this occurred within the jurisdiction of the Msunduzi Municipality	Xolele Ndzangi	Siva Chetty and Co.	2022	Expert preparing Expert report, to be filed and served on Plaintiff.	R18 899.81 plus interest at prescribed rate 7.75% from 22 August 2021	Not probable	R18 899.81	23 643	20 365

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Quantum	Probability of outflow	Amount	2023/2024	2022/2023	
96	Thandi Mjwara and Msunduzi Municipality-19624/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Siva Chetty and Co.	2022	Defendant's notice of rule 16 (2) (a) to plaintiff's particulars of claim was served on the plaintiff's attorneys on 4 June 2024, the plaintiff's reply to defendant's notice in terms of rule 16 (2) was served.	R27 219.95 plus 7.25% from 4 May 2022.	Not probable	R27 219.95	31 310	28 282
97	Preshane Tayob and Msunduzi Municipality-8157/2022	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal		2022	Defendant has filed and served its plea on plaintiff, moved to provisions	R8 157.61 plus interest at the prescribed rates.7.75%	Not probable	0	0	8 790
98	Nerika Singh and the Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi		2022	on going	R 42 474.47 at prescribed rate OF 7.75%	Not probable	R42474.47	49 313	45 766
99	Dark Fibre Africa (pty) LTD v Msunduzi Municipality case No.3096/2023	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiff's fibre optic cables.	Xolie Ndzangi	GNG Inc	2023	A rule 22a meeting with plaintiff's attorneys had taken place on 28 May 2024, we are currently finalizing the minutes, the matter is set down for pre-trial at the pietermattzburg magistrates court on 17 July 2024.	R75 223.39 plus interest at prescribed rate of 7.75% from 4 November 2023	Not probable	R75 223.39	81 053	75 223
100	Dark Fibre Africa (pty) LTD v Msunduzi Municipality case No.2026/2023	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiff's fibre optic cables.	Xolie Ndzangi	GNG Inc	2023	A rule 22a meeting with plaintiff's attorneys had taken place on 25 June 2024, we are currently finalizing the minutes, the matter was set down for pre-trial at the pietermattzburg magistrates court on 2 July 2024 whereupon the matter was adjourned to 17 July 2024.	R90 005.51 plus interest at prescribed rate of 7.75% from 4 November 2023	Not probable	R90 005.51	96 981	90 006
101	Ali Asgar v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a burst water pipe pushing water into the road.	Xolie Ndzangi	Internal	2023	Matter is defended and plaintiff has not moved the matter further.	R16 312.01 interest at prescribed rate of 7.75% from 6 October 2023	Not probable	R16 312.01	17 576	16 312
102	Zamanguni Thenjweyo v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Internal	2023	Matter settled quantum paid, sundry voucher no. 1614659 as at 24/01/2024	R18 929.05 interest at prescribed rate of 7.75%	Not probable	R18 929.05	0	18 929
103	Emmanuel Phoswa v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with the pothole situated within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Internal	2023	A notice of intention to defend filed and served, matter ongoing	R 20 625.00 interest at prescribed rate of 7.75% from 7 December 2022	Not probable	R 20 625.00	23 946	20 625
104	Vanthan Moodley v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with the pothole situated within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Internal	2023	Municipality has received notices in terms of Rule 23, filing of response documents in progress	R 20 779.50 interest at prescribed rate of 7.75%. From 15 August 2022	Not probable	R 20 779.50	22 390	20 780
105	Pheko Mdingi v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Internal	2023	Rule 23 Notices filed and served	R26 546.14 interest at prescribed rate of 7.75% from 31 March 2023	Not probable	R26 546.14	28 603	26 546
106	Adhir Baboolal v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xolie Ndzangi	Internal	2023	Discovery affidavit filed and served on plaintiff, plaintiff has not moved the matter further.	R44 884.50 interest at prescribed rate of 7.75%	Not probable	R44 884.50	48 363	44 885

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023	
107	Ajith Lachman and Msunduzi Municipality Case No. 4058/2023	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Internal	2023	Pleadings have closed matter ongoing.	R47 561.72 interest at prescribed rate of 7.75%	Not probable	R47 561.72	51 248	47 562
108	Deon Martin Venter	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred as a result of an alleged collision with a municipal vehicle.	Xolie Ndzangi	Internal	2023	Municipality has filed and served its plea.	R61 389.29 plus interest at 10.50% from 7 September 2023.	Not probable	R61 389.29	67 835	0
109	Pranesh Indrajith N.O v Msunduzi Municipality	The Plaintiff is suing the municipality for rates clearance certificate so that the old municipal account would close and the plaintiff would be refunded the residual amount.	Xolie Ndzangi	Internal	2023	Notice of appearance to defend has been drafted, filed in court and served on the plaintiffs attorney.	R5 238.20, plus interest at the rate of 7.25% per annum from 31 December 2023	Not probable	R5 238.20	5 618	5 239
110	Thandukwazi Mkhize v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Internal	2023	A notice of intention to defend has been filed in court and served on plaintiff.	R33 821.40 plus interest at prescribed rate of 7.75% from date of judgement	Not probable	R33 821.40	33 821	36 443
111	Sipho Nzimande v The Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a vehicle that is owned by the Msunduzi Municipality .	Xolie Ndzangi	Internal	2023	Matter is defended, and is ongoing.	R42 101.63 plus interest at the rate of 7.75% per annum from date of judgment.	Not probable	R42 101.63	42 102	42 101
112	Kamaladevi Shek Ameer v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a vehicle that is owned by the Msunduzi Municipality.	Xolie Ndzangi	Internal	2023	A Notice of intention filed and served, no further action from Plaintiff	R 126 285.59 interest at prescribed rate of 7.75% from 15 May 2023	Not probable	R 126 285.59	136 073	126 286
113	Udesh Jaipa, Vather v Msunduzi Municipality 4916/2023	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with the pothole situated within the jurisdiction of the Msunduzi Municipality .	Kaas Thaver/Xolie Ndzangi	Mastross Inc.	2023	Awaiting pleadings, notices, correspondence, etc from plaintiffs attorneys to construct our file, pre trial conference was set down for 12 February 2024, however was not enrolled.	R 17 442.00 interest at prescribed rate of 7% from date of judgment.	Not probable	R 17 442.00	17 442	17 442
114	Rajnee Eradu and Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzangi	Zuma and partners	2024	Defendant's attorneys have prepared a third-party notice in terms of rule 28a to join the plaintiff's son to the proceedings.	91906.69 from date JUDGEMENT	Not probable	R91 906.69	91 906	0
115	Zondi PS v Msunduzi Municipality	Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Xolie Ndzangi	Internal	2007	The matter is dormant and older than 10 years. 28 August 2024 resolution from tmc to remove matter from the schedule.	R15 080.00 plus interests at 15.5 per cent per annum. From date of judgement	Not probable	R 15 080.00	0	151 256
116	Minnes Singh v Msunduzi Municipality	Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a pothole/uneven road surface	Xolie Ndzangi	Atzal Akoo and Partners	2010	Defence has closed his case. Magistrate requested written heads of argument based on the record of the proceedings.	R69 224 .62 plus interest at 15.5% p.a from 29 March 2010	Not probable	R69 224.62	520 485	219 238
117	Masa N. v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for damages to her vehicle as a result of a collision between her vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Xolie Ndzangi	Internal	2010	An application for condonation was opposed. The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	R 7 045.75 plus interest at 15.5 per cent per annum from date of judgment.	Not probable	R7 045.75	0	45 866
118	Mpongose NK v Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality due to structural and mechanical damage to his vehicle caused by towing by municipal traffic officers.	Xolie Ndzangi	INTERNAL	2011	Received notice of application in terms of Rule 60 (2) on 15/05/2014; no further action taken by the Plaintiff.	R 23 964.42 plus interest at 15.5 per cent per annum.	Not probable	R 23 964.42	156 003	135 067

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
119	Mumalo TR v. Msunduzi Municipality Delictual Claim: The Plaintiff is suing the Municipality for damages to his motor vehicle as a result of a street lamp pole falling on it. The Municipality alleges that the site at the time was controlled by SANRAL and as such an application to join them as co-defendant has been made.	Xole Ndzingi	Internal	2011	Plaintiff has filed a notice to amend summons & particulars of claim as at 28/07/2014. The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	R 21 791.04 plus interest at 15.5 per cent per annum from 23 March 2011.	Not Probable	R 21 791.04	0	122 818
120	Kroese J. v. Msunduzi Municipality Delictual claim. Plaintiff is suing the Municipality and the Minister of the Police for unlawful arrest and detention.	Xole Ndzingi	Internal	2011	The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	R 40 000.00 plus interest at 15.5 per cent per annum from date of judgment.	Not Probable	R 40 000.00	0	225 447
121	Govender Kem v. Msunduzi Municipality Delictual Claim: Plaintiff suffered damages due to a power surge at his property.	Xole Ndzingi	Internal	2012	The matter is dormant and older than 10 years. Awaiting resolution from TMC to remove matter from the schedule.	R 22 242.00 plus interest at 15.5 per cent per annum from date of judgement	Not Probable	R 22 242.00	22 242	108 536
122	Simphele Jonathan Zama v Msunduzi Municipality case no. 199039/12 Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Xole Ndzingi	Xaba Attorneys	2012	Municipality considering settlement proposal.	R14 846.22 with interest rate at 15.5% p.a from 4 December 2012.	Not Probable	R 14 846.22	83 676	72 447
123	Makhaya SB v Msunduzi Municipality Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Xole Ndzingi	Internal	2013	Plaintiff has not moved the matter further	R9686.46 plus interest at 15.5 per cent per annum from 7 March 2013.	Not Probable	R 8 688.46	42 388	36 708
124	Ismail Hansa v Msunduzi Municipality Delictual Claim: Plaintiff fell into an uncovered manhole in the vicinity of Mountain rise.	Xole Ndzingi	Internal	2013	Plaintiff has not moved the matter further.	R 124 734.50 plus interest at 9% p.a. from 4 November 2015	Not Probable	R 124 734.50	270 910	295 292
125	EMT. Kapp v Msunduzi Municipality Delictual Claim: The plaintiff is suing the Municipality for damages sustained to his vehicle as a result of an open trench in a public road.	Xole Ndzingi	Internal	2014	Pleadings have closed in the matter and Plaintiff has filed its discovery affidavits. Matter ongoing.	R13 154.75 plus interest at 15.5% p.a.	Not Probable	R 13 154.75	55 578	48 119
126	V. Bamabas v Msunduzi Municipality Delictual Claim: The claim arises from Plaintiff's vehicle having collided with a pothole in the vicinity of Plymouth Road.	Xole Ndzingi	Internal	2014	RECENT UPDATE NEEDED	R18 228.00 plus interest at 15.5 per cent per annum	Not Probable	R 18 228.00	77 012	66 677
127	Musawenkosi Isaac Dlamini v Msunduzi Municipality Delictual claim. Plaintiff collided with a tree that had fallen across the road.	Xole Ndzingi	Internal	2014	The Municipality has filed a plea. Matter ongoing.	R78 616.27, plus interest at 9% per annum from 27 November 2014	Not Probable	R 78 616.27	186 113	170 746
128	Asiphakame Projects CC 9358-14 v Msunduzi Municipality Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract	Xole Ndzingi	Internal	2014	The Plaintiff applied for summary judgement and this was successfully opposed. The matter is not yet finalised with Plaintiff not having moved further. The matter is dormant and older than 10 years. 28 August 2024 resolution from Council to remove matter from the schedule.	R 73 590.47 plus interest at 15.5% p.a from date of judgment	Not Probable	R 73 590.47	0	269 190
129	Telkom SA SOC LTD v Msunduzi Municipality (127 Waterwork Road-Edendale) Case No. 19903/2015 Delictual claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.	Xole Ndzingi	Mathew Francis Inc.	2014	Settlement negotiations proved fruitless. Telkom has not taken the matter further.	R 74 803.90 plus interest at 15.5% p.a.	Not Probable	R74 803.90	316 041	273 629
130	Farouk Jassat N.O & 3 others v Msunduzi Municipality Delictual Claim for damages. Plaintiff's motor vehicle collided with a pothole on Scania Road intersection. Action instituted in the Magistrate's Court under case No. 2219/2015	Xole Ndzingi	Mathew Francis Inc.	2014	Plaintiff's Attorneys to advise on intentions to litigate matter. Municipality to decide whether to continue with trial or pend the matter indefinitely.	R 54 578.50 plus interest at 9% p.a from 1 December 2013.	Not Probable	R 54 578.60	182 387	199 682
131	Sikelephi Ngubane v Msunduzi Municipality Delictual Claim: This claim arises from plaintiff's vehicle having collided with a municipal vehicle driven by a municipal employee in the course and scope of his employment.	Xole Ndzingi	Xaba Attorneys	2014	The matter is at pre-trial stage.	R17 312.33 plus interest at 15.5 per cent per annum.	Not Probable	R 17 312.33	73 143	63 328
132	F. Aboobaker v Msunduzi Municipality Delictual Claim: Plaintiff's vehicle collided with a municipal vehicle driven by an employee in the course and scope of his employment.	Xole Ndzingi	Internal	2015	Plaintiff filed its discovery affidavits. Plaintiff has not moved the matter further	R10 411.46 plus 9% interest per annum from 2 December 2015.	Not Probable	R 10 411.46	22 613	20 745
133	NS Ngwenya v Msunduzi Municipality Delictual claim. Plaintiff's vehicle collided with a municipal vehicle.	Xole Ndzingi	Internal	2015	Municipality has filed a notice in terms of rule 23(1), (5), (9) & (11) as at 12/12/2016, no further action from Plaintiff as at 31 April 2024.	R 24 351.28 plus 9% interest per annum from date of judgment.	Not Probable	R 24 351.28	24 351	22 706

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
134	SM Mazibuko v Msunduzi Municipality Delictual Claim: The claim arises from an accident whereby Plaintiff's motor vehicle collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Xole Ndzangi	Internal	2015	Objection to Rule 24 (10) Notice filed and served on Plaintiff. Plaintiff has not moved the matter further.	R11 395.73 plus 9% interest per annum from date of judgment.	Not probable	R 11 395.73	11 396	22 707
135	Anthoo Marion and Associates v Msunduzi Municipality Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xole Ndzangi	Internal	2015	Matter ongoing	R12 935.00 plus interest at 15.5% p.a.	Not probable	R 12 935.00	47 316	40 966
136	Abbas Ghulam v Msunduzi Municipality Delictual Claim: The claim arises from an alleged assault by a Municipal Traffic Officer in the course and scope of his employment.	Xole Ndzangi	Internal	2015	The matter is ongoing	R 100 000.00 plus interest at 15.5% per annum.	Not probable	R 100 000.00	365 795	316 706
137	Telkom SA SOC LTD/ Msunduzi Municipality (Orbi Road, Peñham) Case No. (15146/2015) Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly caused by Municipal water pipes.	Xole Ndzangi	Matthew Francis Inc.	2015	Settlement negotiations proved fruitless. Telkom has not taken the matter further.	R75 433.42 plus interest at 15.5% p.a.	Not probable	R 75 433.42	275 932	238 902
138	Telkom SA SOC LTD/ Msunduzi Municipality (Eden Park Drive) Case No. 14572/2015 Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly caused by Municipal water pipes.	Xole Ndzangi	Matthew Francis Inc.	2015	Settlement negotiations proved fruitless. Telkom has not taken the matter further.	R43 262.08 plus interest at 15.5% p.a.	Not probable	R 43 262.08	158 251	137 013
139	Telkom SA SOC LTD/ Msunduzi Municipality (Zwartkop, Blackridge) Case No. 15793/2015 Delictual claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly caused by Municipal water pipes.	Xole Ndzangi	Matthew Francis Inc.	2015	Settlement negotiations proved fruitless. Telkom has not taken the matter further.	R 25 554.55 plus interest at 15.5% p.a.	Not probable	R 25 554.55	93 477	80 933
140	S Dewaraj v Msunduzi Municipality Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Xole Ndzangi	Xaba Attorneys	2015	The matter is at pre-trial stage.	R15 575.00 plus interest at 9% p.a from 8 May 2015.	Not probable	R 15 575.00	33 827	49 327
141	AJC White v Msunduzi Municipality Delictual Claim: The matter arises from plaintiff having fallen into an uncovered meter box in the vicinity of Flemming Street/Prince Alfred Street.	Xole Ndzangi	Xaba Attorneys	2015	Plaintiff's Attorneys withdrawn as attorneys on record awaiting Plaintiff to set the matter down for Trial.	R100 000.00 plus interest at 9%p.a from 30 April 2015.	Not probable	R 100 000.00	217 189	316 706
142	Koshik Singh v Msunduzi Municipality Delictual Claim: The plaintiff has sued the Municipality as a result of a collision with a pothole.	Xole Ndzangi	Internal	2016	Defendant provided and filed the requested further particulars to Plaintiff. Pleadings have closed. Plaintiff has not taken the matter forward.	R 9 406.21 plus 7.75% interest per annum from 25 November 2015.	Not probable	R 9 406.21	18 415	25 792
143	N. Singh v Msunduzi Municipality Delictual Claim: Plaintiff's vehicle hit a pothole on a public road that falls within the jurisdiction of the Municipality.	Xole Ndzangi	Internal	2016	The matter is ongoing	R9 406.21 plus 15.5% interest per annum.	Not probable	R 9 406.21	29 790	25 792
144	Akira Pillay v Msunduzi Municipality 7827/16 Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Xole Ndzangi	Internal	2016	The Defendant's Plea and counterclaim were filed in court and served on the Plaintiff. Pleadings have closed and Defendant has filed its discovery affidavit in 2023.	R 14 365.96 plus 9% interest per annum from date of judgment.	Not probable	R 14 365.96	14 366	26 262
145	Krishna Gowender v Msunduzi Municipality Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xole Ndzangi	Internal	2016	Municipality filed Discovery Affidavit as at 10/11/2017. No further action from plaintiff.	R 13 405. 21 plus 7.75% interest per annum from 23 November 2016.	Not probable	R 13 405.21	24 356	36 758
146	Lanre Ayodele Olabode and Sibongile Nthembu v Msunduzi Municipality Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Xole Ndzangi	Internal	2016	An Appearance to defend was filed and served on plaintiff.	R42 376.09 plus 10.25% interest per annum.	Not probable	R 42 376.09	92 502	83 902
147	L. Van Zyl v Msunduzi Municipality Delictual Claim: Plaintiff's motor vehicle collided with a Municipal vehicle driven by an employee in the performance of his duties.	Xole Ndzangi	Internal	2016	The matter is ongoing	R46 692.18 plus 9% interest per annum. From date of judgment.	Not probable	R 46 692.18	46 692	85 355
148	Telkom SA Soc Limited Case No. 9672/16 Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused during excavations by the municipal water department.	Xole Ndzangi	Internal	2016	Telkom has not taken the matter further	R 33 523.55 plus 15.5% interest per annum.	Not probable	R 33 523.55	106 171	91 923
149	S.S Nyoka v Msunduzi Municipality Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle.	Xole Ndzangi	Internal	2016	The summons herein was issued in the Magistrates Court.	R67 008.77 plus 9% interest per annum.	Not probable	R 67 008.77	133 519	122 495

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Quantum	Not probable	Amount	2023/2024	2022/2023
150	Ziyad Alley v Msunduzi Municipality Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Xolie Ndzingi	Internal	2016	A summons has been received. An appearance to defend was filed and served on the Plaintiff.	R 45 887.66 plus interest at 15.5% p.a.	Not probable	R 45 887.66	145 329	125 826
151	Prethaburan Govender v Msunduzi Municipality Delictual Claim: The Plaintiff is suing the municipality for an incident wherein the municipality allegedly caused damages to the properties of eight tenants as a result of a power surge.	Xolie Ndzingi	Internal	2016	A Notice of Exception in terms of Rule 19 (1) to Plaintiff's Particulars of claim has been filed in court and served on the plaintiff	R48 200.00 plus interest at 7.75% p.a. from date of judgment	Not probable	R 48 200.00	48 200	132 166
152	Phlani Kenneth Sikhosana v Msunduzi Municipality Delictual Claim: The plaintiff is suing the Municipality for damages incurred as a result of the alleged failure of the defendant to keep the Hall in good condition for the Plaintiff's event on time.	Xolie Ndzingi	Internal	2016	A plea has been filed and served on the plaintiff. File dormant	R 90 000 plus 9% interest per annum from 7 August 2016..	Not probable	R 90 000.00	179 331	164 524
153	Ithha Research and Management CC v Msunduzi Municipality Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xolie Ndzingi	Internal	2016	Defendant's Plea was filed and served. Plaintiff has not taken the matter further.	R62 768.00 plus interest at 9% p.a. from 11 May 2016.	Not probable	R 62 768.00	125 069	172 112
154	S. W. Khanyile v Msunduzi Municipality Delictual Claim: Plaintiff claims that he was unlawfully assaulted and detained by Municipal Traffic Officers.	Xolie Ndzingi	Internal	2016	The matter is ongoing	R200 000.00 plus 9% interest per annum from 29 January 2016	Not probable	R 200 000.00	398 513	365 608
155	Ncamisile Madlala v Msunduzi Municipality The plaintiff is suing the Municipality for damages arising because of the Defendant's alleged erroneous disconnection of a meter supplying electricity to the Plaintiff's premises	Xolie Ndzingi	Internal	2017	The Defendant filed its Appearance to Defend in court and served it on the Plaintiff.	R 1495.23 plus 7.75% interest p.a. from date of judgement.	Not probable	R 1 495.23	1 495	3 550
156	Electro Technical Agencies cc v Msunduzi Municipality Delictual Claim: The plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal employee in the course and scope of his employment.	Xolie Ndzingi	Internal	2017	A notice to withdraw the action was received from the Plaintiff.	R 10 817.73 plus 9% interest per annum.	Not probable	R 10 817.73	19 775	18 142
157	Catherine Scott v Msunduzi Local Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a colliding with a pothole.	Xolie Ndzingi	Internal	2017	Plaintiff filed its discovery affidavit in 2017. Plaintiff has not taken the matter further.	R 11 443.92 plus 7.75% interest per annum from 8 May 2017.	Not probable	R 11 443.92	19 297	27 169
158	Galapha Jacob Ngubane v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a power outage which resulted in a power surge.	Xolie Ndzingi	Internal	2017	An Appearance to defend was filed and served on the Plaintiff.	R 21 862.00 plus 7.75% interest per annum from date of judgment.	Not probable	R 21 862.00	21 862	51 902
159	Serwest Hygiene v Msunduzi Municipality Case No. 10765/2017 Contractual claim: The Plaintiff is suing the Municipality for services rendered to the Municipality.	Xolie Ndzingi	Internal	2017	Defendant's Plea filed and served. Plaintiff has not taken the matter further	R 36 941.89 plus 10.5% interest per annum from 27 October 2017.	Not probable	R 36 941.89	74 311	66 342
160	Musa Nxumalo and Msunduzi Local Municipality Petros Beta Mabeena Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal employee in the course and scope of his employment.	Xolie Ndzingi	Internal	2017	A Plea and Counterclaim were filed and served on the Plaintiff. Plaintiff has not taken the matter further	R 44 454.88 plus 9% interest per annum from 21 November 2016.	Not probable	R 44 454.88	88 579	74 555
161	Gys De Necker Ontwikkings (Pty) Ltd v Msunduzi Local Municipality The plaintiff is suing the Municipality for an alleged failure to refund the Plaintiff in respect municipal service. The plaintiff issued summons in the amount of R 77 083.05.	Xolie Ndzingi	Internal	2017	The Defendant's Plea was filed in court and served on the Plaintiff.	R 77 083.05 plus 10.5% interest per annum from 26 May 2017	Not probable	R 77 083.05	155 058	138 430
162	SANRO and Msunduzi Municipality. Case No KZN/PMB/RC/7295/17 contractual claim: The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 25 062.90.	Xolie Ndzingi	Matthew France Inc.	2017	Plaintiff withdrew matter	R 25 062.90 plus 10.25% interest per annum.	Not probable	0,00	0	45 009
163	Skhumbuzo M Mpata v Msunduzi Municipality Delictual claim: The plaintiff is suing the Municipality for damages arising because of the natural flow of water, which caused damage to the Plaintiff's property	Xolie Ndzingi	Internal	2018	Defendant filed its Notice of Appearance to Defend as well as its Plea in court and served both on the Plaintiff	R 11 914.43 plus interest at 15.5% p.a.	Not probable	R 11 914.43	28 286	24 490
164	Bhekezahle Victor Langva v Msunduzi Local Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal employee in the course and scope of his/ her employment.	Xolie Ndzingi	Internal	2018	Conducted research, consultations and instructions on plea and claim in reconvention	R24 909.17 plus 10% interest per annum.	Not probable	R 24 909.17	44 128	40 116

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
165	Dharam C Deepaul v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for damages allegedly suffered to its motor vehicle as a result of colliding with a pothole.	Xole Ndzangi	Internal	2018	The matter is ongoing	R 50 462.89 plus 10.25% interest per annum.	Not probable	R 50 462.89	90 624	82 199
166	Sibongile Priscilla Zama v Msunduzi Municipality/ Philani Patrick Vidima Delictual claim: The Plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle	Xole Ndzangi	Internal	2018	Discovery Affidavits filed and served on the Plaintiff. Plaintiff has not moved the matter further.	R53 152.22 plus 10% interest per annum from 11 January 2018.	Not probable	R 53 152.22	83 181	109 252
167	Mzotshingwe Milion Mzobe v Kevin Deon Joseph/ The Msunduzi Municipality Delictual claim: The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle	Xole Ndzangi	Internal	2018	Municipality has filed its Discovery affidavit as at 28/05/2019. No further action from Plaintiff as at 31 April 2024.	R 75 119.79 plus interest at 10.5% p.a from date of judgment	Not probable	R 75 119.79	75 120	154 406
168	Rowan Gareth Blakeman v Msunduzi Municipality Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a large pothole.	Xole Ndzangi	Internal	2018	Matter defended. Plaintiff has not taken the matter further	R 104 352.10 plus 10% interest per annum from November 2018	Not probable	R 104 352.10	184 866	168 060
169	Kandasamy Moonsamy Deven v Msunduzi Municipality Delictual Claim: The Plaintiff is suing the municipality for allegedly suffering damage from having tripped on a broken protruding portion of a pavement block/slab.	Xole Ndzangi	Internal	2018	The defendant's plea has been filed in the matter; plaintiff has not moved the matter further	R92 596.44 plus 7.75% interest per annum from date of judgment.	Not probable	R 92 596.44	92 596	190 329
170	J Supathy v Msunduzi Local Municipality Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having allegedly collided with a pothole in the vicinity of New Holmes Way.	Xole Ndzangi	Internal	2019	The matter is ongoing	R 26 250.30 plus interest at 15.5% p.a.	Not probable	R 26 250.30	53 957	46 716
171	Dan Moonsamy Nadoo v Msunduzi Municipality/ Hlangwe Sithole Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Xole Ndzangi	Internal	2019	A round table conference has been arranged between the parties.	Claim 1 R 35 000.00 . Claim 2 R 3 000.00 plus interest at 15.5% p.a.	Not probable	R 38 000.00	78 108	67 626
172	Surishnee Pillay and the Msunduzi Municipality 13487/2021 Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle was allegedly damaged due to the negligent driving of a municipal employee in the course and scope of his/ her employment	Xole Ndzangi	Siva Chetty and Co.	2021- internal 2024- handed over for litigation	Defendant in receipt of expert report. matter ongoing	R 24 195.31 at 7%	Not probable	R 24 195.31	29 640	
173	Jithen Dursen and the Msunduzi Municipality 13669/2021 Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Xole Ndzangi			A plea has been filed and served on opposition - moved to provisions	R 2 000.00 at 7%	Not probable	R 2 000	0	2 140
174	Tulus Cables (Pty) Ltd v Msunduzi Municipality Contractual claim: The Plaintiff is suing the Municipality in respect of breach of contract to pay Plaintiff in respect of outstanding invoices	Xole Ndzangi	Internal	2020	Matter defended, plaintiff has not taken the matter further.	R 288 221.39 plus interest at 8.75% per annum from date of judgment	Not probable	R 288 221.39	288 221	370 693
175	3 DM contractors v Msunduzi Municipality Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xole Ndzangi	Diedricks attorneys	2011	The matter is ongoing moved to provisions	R 6630.35 plus interest at 15.5% p.a.	Not probable	R66 930.35	0	377 231
176	Datocentre Motors (Pty) Ltd trading as CMH/ Datocentre Pietermaritzburg Contractual claim: The Plaintiff is suing the Municipality in respect of work allegedly done and automotive parts supplied to the Defendant.	Xole Ndzangi	Internal	2019	The matter is ongoing	R 212 344.06 plus interest at 10% p.a from 28 January 2020.	Not probable	R 212 344.06	310 893	377 892
177	Telkom SA SOC LTD/ Msunduzi Municipality Case No. 12505/08 Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	Xole Ndzangi	Internal	2008	Telkom has not taken the matter further.	R45 979.87 plus interest at 15.5% p.a.	Not probable	R45 979.87	461 190	399 298
178	Londive Thusi v The executive mayor of Msunduzi Local Municipality, The Municipal Manager of Msunduzi Local Municipality. Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a plaintiff strumbled into a trench on a pavement, this occurred within the jurisdiction of the Msunduzi Municipality	Xole Ndzangi	Internal	2023	Notice of appearance defend drafted, filed in court and served on the Plaintiffs attorney.	R400 000 interest at prescribed rate of 7.75% from 3 May 2023.	Not probable	R400 000.00	431 000	400 000

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
179	Wiseman Sibonelo Thamsanqa Naphumulo v Msunduzi Local Municipality	Insurance	External insurers	2017	The matter is ongoing	R 177 000.00 plus 15.5% interest per annum from 30 August 2017	Not probable	R 177 000.00	485 341	420 209
180	Sandle Khumalo v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of an RDP house built on his property without providing any compensation this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzingi	Internal	2023	Plea has been drafted, filed and served on 13/11/2023, plaintiff has not taken the matter as at 31 April 2024.	Not probable	R400 000.00	440 000	440 000
181	Telkom SA SOC LTD/ Msunduzi Municipality Case No. 16356/05	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	Xolie Ndzingi	Internal	2005	Telkom has not taken the matter further.	Not probable	R34 806.17	537 915	465 728
182	M. Brown v Msunduzi Municipality	Delictual claim: The Plaintiff claims that he was arrested unlawfully by a Municipal Traffic Officer.	Xolie Ndzingi	Internal	2016	Plaintiff has not moved the matter further.	Not probable	R 257 000.00	512 089	469 806
183	Muthucamy Naidoo v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a plaintiff falling into a manhole this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzingi	Internal	2023	A notice of intention to defend has been filed in court and served on plaintiff.	Not probable	R500 000.00	552 500	500 000
184	Bermin Investments CC vs Magalela electrical v Msunduzi Municipality	Contractual claim. Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xolie Ndzingi	Internal	2015	This is a claim arising from a contractual dispute. The claim is being defended and an appearance to defend as well as a defendant's plea have been filed.	Not probable	R 170 100.69	319 361	538 719
185	Taro Govender / Msunduzi Municipality Case No. 12048/11	Delictual Claim: The Plaintiff is suing the Municipality for damages arising from a flood that allegedly caused damage to the Plaintiff's property	Xolie Ndzingi	Internal	2011	Council resolution 28 August 2024 to remove case	Not probable	R 100 000.00	0	563 617
186	SB Mkhize	Monetary claim	M. Mbokazi Tomlinson Mnguni James Attorneys	2019	Matter at pre-trial stage. Parties are without prejudice engaging on settlement.	R 318 383 plus interest at 15.5% p.a.	Not probable	R 318 383.00	654 425	566 602
187	Dladle NB v. Msunduzi Municipality	Overpayment of Rates. The Plaintiff is disputing a rates account and is seeking reimbursement.	Xolie Ndzingi	Internal	2011	The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	Not probable	R 109 038.97	0	614 562
188	Majoo HS v Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality for injuries sustained as a result of having fallen into an uncovered manhole.	Xolie Ndzingi	Internal	2010	The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	Not probable	R 95 000.00	0	618 428
189	Sonny Kulan Thangalan v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly tripped and fell and landed on his left arm due to the unevenness of the pavement/road within the municipal boundaries of the Municipality	External Insurers	External insurers	2021	Matter has been handed over to external attorneys by our insurers	Not probable	R 550 000.00	688 041	629 695
190	Andre Geard Ramasingh v Msunduzi Municipality	Delictual claim: The plaintiff herein is suing the Municipality for damages suffered as a result of being arrested and detained unlawfully.	Xolie Ndzingi	Xaba Attorneys	2015	Matter was part heard on 24 May 2018. Plaintiff to set matter down for trial.	Not probable	R 200 000.00	200 000	633 411
191	Nizaba IN v Msunduzi Municipality	Delictual Claim: The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.	Xolie Ndzingi	Internal	2008	Set down for trial was part-heard. Ongoing.	Not probable	R73 500	737 223	638 289
192	SAMRO and Msunduzi Municipality- Case No KZN/PMB/RCT/23/17	Contractual claim: The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 369 537, 77	Xolie Ndzingi	Mathew Francis Inc.	2017	Plaintiff withdrew matter	Not probable	0,00	0	663 278
193	Check One Supermarket (PTY) LTD v. Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality for overcharges in relation to a water account.	Xolie Ndzingi	Internal	2012	The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	Not probable	R 139 961.45	0	682 984
194	Asiphakame Projects CC 9321-14 v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xolie Ndzingi	Internal	2014	The matter is dormant and older than 10 years. 28 August 2024 resolution from council to remove matter from the schedule.	Not probable	R 195 035.85	0	713 432

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023	
195	Nkoinathi Goodhope Zuma v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers.	Xolie Ndzangi	Internal	2008	Correspondence exchanged between attorneys of record. The matter is ongoing.	R200 000.00 Plus interest at 15.5 per cent per annum, 14 days from date of judgment.	Not Probable	R200 000	200 000	868 420
196	APS Panelbeaters (Pty) Ltd v Msunduzi Municipality	Delictual Claim: The claim arises from a new meter that was installed at Plaintiff's premises giving inaccurate readings resulting in Plaintiff being overcharged.	Kass Thaver/Xolie Ndzangi	Kwela Attorneys	2015	Matter dormant	R 292 725.00, plus interest at 15.5% p/a plus legal costs.	Not Probable	R 292 725.00	1 070 774	927 077
197	Ideal Meats PMB (Pty) Ltd vs United Meats caseno. 14127/22P	Delictual claim: The Plaintiff is suing the Municipality for the loss of perishable meat stock due to an alleged power outage.	External Insurers	External Insurers	2022	Matter handed over to external insurer. Matter at discovery stage	R875 235 plus interest at 7.25% from 24 December 2022.	Not Probable	R875 235	1 006 745	938 690
198	Luyanda Zakwe case No.:16251/22P	Delictual claim: The Plaintiff is suing the Municipality for damages after of an alleged electrocution of a child.	External Insurers	External Insurers	2022	Matter handed over to external insurer.	R1 000 000 at 9% interest	Not Probable	R1 000 000	1 188 100	1 090 000
199	Izrael Sibaya v Msunduzi Municipality	Delictual Claim: The plaintiff is suing the Municipality for an alleged unlawful arrest and detention, defamation of character as well as injuries sustained to his wrist.	Xolie Ndzangi	Molelele Inc	2016	A pre-trial conference has been set down for 30 August 2023. awaiting trial date.	R400 000 plus 15.5% interest per annum.	Not Probable	R 400 000.00	1 266 623	1 096 816
200	The Trustees for the time being of the GL Investment Trust and Msunduzi Municipality, Khanyisile Shoba, Mlungisi Mkhize-14881/2022P	The Plaintiff is making application against the Municipality in respect of a loss that allegedly occurred as a result of the Municipality's failure to pay refund due to transfer this occurred within the jurisdiction of the Msunduzi Municipality	Xolie Ndzangi	Matthew Francis Inc.	2022	Matter settled.	R1 061 369.93 plus interest at 9%	Not Probable	R1 061 369.93	0	1 156 893
201	Nimie Mahomed v The Msunduzi Municipality	Delictual claim: Plaintiff is suing the Municipality for damages arising out of the Plaintiff allegedly falling on an uneven concrete slab.	Insurance (external insurers)	External insurers	2018	The matter is ongoing	R 585 400.00 plus 15.5% interest per annum from 14 days after judgment	Not Probable	R 585 400.00	585 400	1 203 269
202	Mawundia AB v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for being allegedly unlawfully arrested and detained by Municipal Traffic Officers.	Xolie Ndzangi	Internal	2010	Municipality has filed its plea as at 22/01/2018. No further action from Plaintiff.	R 200 000.00 plus interest at 15.5 per cent per annum from 29 March 2010.	Not Probable	R 200 000.00	1 503 757	1 301 954
203	Ogle COO v Msunduzi Municipality	Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.	Insurance	Internal	2012	The matter is dormant and older than 10 years. 29 August 2024 resolution from TMC to remove matter from the schedule.	R 267 660.00 plus interest at 15.5% p.a from 7 August 2013	Not Probable	R 267 660.00	0	1 306 127
204	Elizabeth Fredrica Jepson v The Msunduzi Local Municipality	Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly tripped over the pavement and was injured.	External Insurers	External insurers	2017	Plaintiff not taking the matter further.	R 600 000.00 plus 7.75% interest per annum from 20 February 2017.	Not Probable	R 600 000.00	0	1 424 437
205	Mkhonza B. v Msunduzi Municipality	Delictual claim: Plaintiff is suing the Municipality due to a fall on an uneven pavement slab.	Xolie Ndzangi	Internal	2012	The matter is ongoing	R 293 000.00 plus interest at 15.5 per cent per annum.	Not Probable	R 293 000.00	1 651 397	1 429 781
206	Ramharak RJ v Msunduzi Municipality	Delictual Claim: The Plaintiff is a Municipal employee. He is suing the Municipality because he was assaulted by a fellow employee within the premises of the Municipality whilst they were in the course and scope of their employment.	Xolie Ndzangi	Mastross Inc.	2012	Awaiting Plaintiff to move the matter further.	R 300 000.00 plus interest at 15.5% p.a. from 13 April 2010	Not Probable	R 300 000.00	2 255 636	1 463 939
207	Babonke Twelwa v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a physical altercation and an unlawful arrest by the Municipality's Road Traffic Officer during the course and scope of his/her employment	Xolie Ndzangi	Internal	2020	Matter is on going	R 1 200 700.00 plus interest 7.00% per annum	Not Probable	R 1 200 700.00	1 573 873	1 470 909
208	Haffeeje RB v Msunduzi Municipality	Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence.	Xolie Ndzangi	Internal	2004	The matter is dormant and older than 10 years. Awaiting resolution from TMC to remove matter from the schedule.	R98 800.00 plus interest at 15.5 per cent per annum.	Not Probable	R 98 800.00	1 763 586	1 526 914

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
209	Flavour More (PTY) LTD and Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for damages that allegedly occurred from a power surge/outage as a result of the failure of the Municipality to maintain a constant supply of electricity and perform timeously	External Insurers	External Insurers.	2019	File with External Insurers	R 949 084.85 plus interest at 7.75% from 3 December 2019.	Not probable	R 949 084.85	1 378 451	1 689 013
210	Reddy Ronald v Msunduzi Municipality Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xolie Ndzingi	Internal	2010	The matter is part-heard. The matter is dormant and older than 10 years. 28 August 2024 resolution from TMC to remove matter from the schedule.	R282 818.08 plus interest at 15.5 per cent per annum from date of judgment.	Not probable	R 282 818.08	0	1 841 081
211	Msunduzi Municipality/Gubela Trading Contractual claim: Applicant sought an order to review the Municipality's decision to cancel a contract of services.	P Mahlaba	Mathew Francis Inc.	2015	Plaintiff has indicated an intention to withdraw action. Notice of withdrawal prepared, parties communicating with regards to costs.	R595 337.26 plus interest at 15.5% p.a. plus costs of the application.	Not probable	R 595 337.26	2 177 714	1 885 467
212	Melwyn Conrad Jansen v The Msunduzi Municipality Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole.	Insurance (external insurers)	External insurers	2018	File closed. Payment made to Plaintiff. Insurance to provide POP.	R 927 400.00 plus 15.5% interest per annum.	Not probable	R 927 400.00	0	1 906 238
213	Khanyisile Patricia Bhengu and the Msunduzi Municipality, Hugo Plant and Civil 626 Pty Ltd Delictual claim: The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of an injury as the Plaintiff fell on a trench dug by 2nd Defendant	Xolie Ndzingi	MC Nshahintshali	2022	Plaintiff seeking clarity before taking the matter forward.	R1 185 000.00. Interest on the of 7.75% from date of judgment	Not probable	R 1 185 000	1 185 000	1 993 375
214	F. Osman V Msunduzi Municipality Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries	Xolie Ndzingi	Internal	2007	The defendant's plea has been filed. The matter is dormant and older than 10 years. 28 April 2024 resolution	R 198 840.00 plus interest at 15.5 per cent per annum. From date of judgment.	Not probable	R 198 840.00	0	1 994 415
215	Naidoo M. v Msunduzi Municipality Delictual Claim: The plaintiff is suing the Municipality because he fell on an uneven pavement in the vicinity of Delhi Road	Xolie Ndzingi	Internal	2011	Defendant's plea has been filed. Matter ongoing.	R 370 000.00 plus interest at 15.5 per cent per annum.	Not probable	R 370 000.00	2 408 616	2 085 382
216	Liberty Group/ First Rand Bank Limited NO/ Liberty Two Degrees Limited/ Two Degrees Properties (Pty) Ltd v Msunduzi Municipality contractual claim: The Plaintiffs are suing the Municipality in respect of an alleged breach of contract for upgrade and supply of electricity services to the Plaintiffs expansion project to the retail facilities at the Liberty Midlands Mall. The Plaintiffs are suing for refund of amount paid	Xolie Ndzingi	Mathew Francis Inc.	2021	Matter is on going and the Municipality is in the process of finalising their plea to the Plaintiff's amended particulars.	R 1 859 588.00 plus interest at 7.75% per annum from date of judgment	Not probable	R 1 859 588.00	1 859 588	2 129 042
217	L.M. Stilles v Msunduzi Municipality Delictual Claim: The Plaintiff herein is suing the Municipality as a result of injuries sustained during a fall on an uncovered manhole.	Insurance	Internal	2016	The summons was issued at the High Court. Plaintiff has not moved the matter further.	R864 272.36 plus interest at 7.75% p.a from date of judgment	Not probable	R 864 272.36	864 272	2 369 870
218	Msunduzi Municipality v Zama Traffic Signs contractual claim: Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahlaba	Mathew Francis Inc.	2015	Matter on-going	R 1 076 846.01 plus interest at 15.5% p.a from date of judgment	Not probable	R 1 076 846.01	1 076 846	2 382 441
219	KZN-Digi connect v Msunduzi Municipality contractual claim: Claim by contractor for payment for IT services allegedly rendered.	Xolie Ndzingi	Kwela Attorneys.	2012	Matter dormant	R505 000.00 plus interest at 15.5% p/a plus legal costs from 9 March 2012	Not probable	R 505 000.00	2 846 264	2 464 298
220	Deensadasjan v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Mbuso Ndlovu	Mastross	2023	Notice of appearance to defend filed in court and served on the Plaintiff's attorney. Gathering information to draft plea.	R2 588 488.00 interest at prescribed rate of 7.75%.	Not probable	R2 588 488.00	2 789 096	2 588 488
221	Sakhumtho Development Services vs Msunduzi Municipality contractual claim: The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 2 305 360.00	Xolie Ndzingi	Mathew Francis Inc.	2021	Matter adjourned sine die, parties to hold pre-trial conference.	R2 305 360.00. at prescribed rate AT 7.75% 14 days from date of judgment	Not probable	R2 305 360.00.	2 305 360	2 651 755
222	Zutari (Pty) Ltd v Msunduzi Municipality contractual claim: Plaintiffs previously known as Aurecon South Africa (Pty) Ltd who allegedly entered into a contract with the Municipality in 2012 under SCM 17 of 2013 for the design and contract administration for the installation of water borne sanitation in ward 10 as per the tender, allegs have not been paid even after submitting an invoice	Xolie Ndzingi	Mathew Francis Inc.	2020	Action instituted against the Municipality for payment of R2 139 446.97. Matter defended and pleadings have now closed. The interlocutory applications have been dispensed and the matter enrolled for trial in September 2024.	R 2 139 446.97 plus interest at 7.75% per annum from date of judgment to date of payment	Not probable	R 2 139 446.97	2 139 447	2 676 414
223	Giyani Engineering v Msunduzi Municipality Contractual claim	Xolie Ndzingi	Tomlinson Mnguni James Attorneys.	2017	Matter referred to trial.	R1 193 005.79 plus interest at 10.25% p.a. from date of judgement.	Not probable	R 1 193 005.79	1 193 006	2 832 269

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Quantum	Probability of outflow	Amount	2023/2024	2022/2023
224	B.A. Clark v. Msunduzi Municipality Delictual Claim. The Municipality dug trenches along Old Howick Road, a net was placed adjacent to the trenches. Plaintiff alleges that he was caught by such nets whilst cycling.	Xolie Ndzangi	Internal	2009	The matter is dormant and older than 10 years. 28 August 2024 resolution to remove from the sched	R379 975.83 Plus interest at 26 February 2008.	Not Probable	R379975.83	0	2 856 957
225	Msunduzi Municipality v The SA Incretator Company Delictual Claim for damages. Action instituted in the High Court, Pietermaritzburg under case number 5422/2015 moved to court assets	Dudu Ndlovu (SCM)	Matthew Francis Inc.	2015	Matter at pre-trial stage. Parties are without prejudice engaging on settlement - incorrectly allocated - moved to assets as per MFI June 2024 schedule	R970 568.88 plus interest at 15.5% p.a. (in respect of the Defendants counterclaim for retention monies)	Not Probable	R 970 568.88	0	3 073 847
226	Msunduzi Municipality v SBS Electrical Contractors contractual claim: Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahiaba	Matthew Francis Inc.	2015	Matter should be removed from the Schedule as it was never a litigation. Only a letter of demand was received and was not taken further by Plaintiff.	R 987 821.88	Not Probable	0,00	0	3 128 488
227	Bongwe Andrietta Nalaga, Thamsanqa A Ndlovu vs Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for an alleged that mother was run over by the defendant's dumpertruck	External insurers	External insurers	2021	A plea has been filed and served on Plaintiff	R 4, 000 000.00 at 7% interest rate from date of judgment	Not Probable	R 4 000 000.00	4 000 000	4 579 600
228	Sixolie Ewelent Nene v Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for damages allegedly suffered as a result of the negligence of Municipal employees failing to cover the water drain	External Insurers	External insurers	2020	Pleadings have closed and the matter is at Discovery stage.	R 4 921 000.00 plus interest 7.75% per annum 14 days from date of judgment	Not Probable	R 4 921 000.00	4 921 000	6 028 437
229	Thandwe Beatrice Nchunu and the Msunduzi Municipality Delictual claim: The Plaintiff is suing the Municipality for an alleged assault by Defendant's employees.	Xolie Ndzangi	Mastros Inc.	2021	Application to compel discovery set down for 14 December 2023 was removed from the roll due to sheriff's return of non-service in relation to the plaintiff. plaintiff has instructed a new attorney awaiting their notice of appointment.	R 6, 000 000.00 at 9% interest rate from 29 November 2021	Not Probable	R 6 000 000.00	7 770 174	7 128 600
230	Planet Waves 5901 Msunduzi Municipality Delictual claim: Council withholding payment to contractor that built sludge dams.	Xolie Ndzangi	Xaba Attorneys	2012	The matter is dormant and older than 10 years. 28 August 2024 resolution from council to remove matter from the schedule.	Planet Waves sued for R1 694 937.70 plus interest at 15.5% from 1 July 2010. The Municipality counterclaimed for R 1, 940 934.00.	Not Probable	R 1 694 937.7	0	8 270 953
231	Devegn Africa Consulting (PTY) LTD and Municipal Manager, The Msunduzi Municipality v The Msunduzi Municipality Contractual Claim	M Mbokazi	Tomlinson Mnguni James Attorneys	2018	Pleadings closed to proceed with pre-trial processes. matter ready for trial.	R5 309 127.01 plus 10,25% interest per annum from date of judgment	Not Probable	R 5 309 127.01	5 309 127	8 648 008
232	Jabulani Tholakele Dhlamini Delictual claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff alleges that the Municipal employees cut trees on his property without his consent or authority.	External Insurers	External insurers	2022	Matter has been handed over to external attorneys by our insurers	R 10 000000.00 plus interest at the external prescribed rate OF 7.75% from date of judgment	Not Probable	R10 000 000.00	10 000 000	10 775 000
233	Indo Contractors cc v Msunduzi Municipality contractual claim: contract dispute with contractor claiming premature termination.	Xolie Ndzangi	Xaba Attorneys	2013	Parties to set up a date for arbitration. the matter has been in limbo and the claimant is not pushing it, thus the final outcome is still pending 28 August 2024 resolution from council to remove matter from the schedule.	R 2 660 888.31 plus interest at 15.5% from 20 February 2014	Not Probable	R 2 660 888.31	0	11 242 075
234	The Mandiethu Civils Dialeka Venture and the Msunduzi Municipality 5253/2022 contractual claim: A multiplicity of claims arising out of a roadworks contract for work performed to of the roadworks tender.	Xolie Ndzangi	Mastros Inc.	2022	On the instructions of the previous firm, the parties are attempting settlement directly. plaintiff's attorneys have withdrawn as attorneys of record on 25 March 2024.	R 27 000 780.88 at 7.75% from date of judgment.	Not Probable	R 27 000 780.88	27 000 781	27 000 781
235	Eskom Holdings Soc Limited v Msunduzi Municipality and Indiza Airport Management (PTY) Limited Delictual claim: The Plaintiff is suing the Municipality for having allegedly suffered damage to its aircraft due to a fire breakout.	External insurers	External insurers	2018	The matter is ongoing	R 17 963 805. 75 plus 10% interest per annum from 9 July 2018.	Not Probable	R 17 963 805.75	31 823 978	28 930 889
236	Moteko v Msunduzi Municipality Claim for contractual damages	Xolie Ndzangi	Matthew Francis Inc.	2017	Municipality's replying affidavit needs to be delivered in the review proceedings and a trial date needs to be obtained in the action	Claim A - R15 079 193.37 Claim B - R3 278 868.35 plus 7.25% interest per annum from date of judgment.	Not Probable	R 18 358 061.72	18 358 062	43 583 162
237	Nonkululeko Maskane v Msunduzi Municipality Case No. 7000/2021 The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Xolie Ndzangi	MC Nshahimshali	2021	Matter settled.	R 34 810.78 plus interest 7.00% per annum	Not Probable	0	0	

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
238	Pranitha Ramchander Case No. 9803/2023	Motor vehicle collision with a large edge break	Xolie Ndzingi	Internal	2023	Defendant has filed its plea in the matter.	R 9 510.01 interest at 7.75% from 15 June 2023	Not Probable	R9 510.01	10 247
239	Kasthigaran Naiker Case No. 2507/2024	Motor vehicle collision	Xolie Ndzingi	Internal	2024	Matter defended and ongoing	R 19 343.01 interest at 11.25% from 30 April 2024.	Not Probable	R19 343.01	19 343
240	Mahomed Tahir Noorbhai Case No. 8708/2023	Motor vehicle collision	Xolie Ndzingi	Internal	2023	Plaintiff has filed replication to Defendant's special plea	R 27 484.23 interest at 11.75% from 1 September 2023	Not Probable	R27 484.23	30 714
241	Nkosingiphile Nxumalo Case No. 4633/2024	Delictual Claim: collision with a pothole	Mbuso Ndlovu	Internal	2024	Summons received and clarified for preparation of Appearance to Defend	R 32 732.15 at 7.75% from 21 January 2024	Not Probable	R32 732.15	32 732
242	Pamela Archary Case No. 7059/2023	Motor vehicle collision	Xolie Ndzingi	Internal	2023	Defendant's Plea has been filed in the matter	R33 038.24 interest at 10.5% from 12 July 2023	Not Probable	R33 038.24	36 507
243	Wiseman Bongzi Nhlanihla Ngobobo vs Msunduzi Municipality	Delictual claim: damage occurred to the Plaintiff's vehicle as a result of colliding with a Pothole within the Jurisdiction of the Municipality.	Xolie Ndzingi	Internal	2023	Plea filed in court and served on the Plaintiff's attorney.	R 34 282.86 Plus interest as prescribed per annum. 7.75% p.a	Not Probable	R 34 282.86	36 940
244	Ntombenhle Mathebula vs Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzingi	Internal	2023	Plea filed in court and served on the Plaintiff's attorney.	R42 882.48 interest at the prescribed rate per annum 7.75% from date of demand 9 August 2023	Not Probable	R42 882.48	46 206
245	T S MARIE	Action for damages to plaintiff's motor vehicle arising from poor road maintenance, ie pothole	Xolie Ndzingi	Mastros Inc.	2023	Awaiting the convening of a joint inspection in loco.	R45 498.05 at 7.25%	Not Probable	R45 498.05	48 797
246	Amanda Ngobese	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzingi	Internal	2024	notice of intention to defend to b filed and served by defendant.	R51 959.89 interest at 7.75%	Not Probable	R51 959.89	51 960
247	Dark Fibre Africa (Pty) Ltd case No. 774/2024	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiffs fibre optic cables.	Xolie Ndzingi	Internal	2024	Notice of intention to defend to filed and served by defendant.	R46 904.16 interest at 11.25% from 27 September 2023	Not Probable	R46 904.16	46 904
248	Dark Fibre Africa (Pty) Ltd case No: 11493/2023	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiffs fibre optic cables.	Xolie Ndzingi	Internal	2023	Defendant's plea has been filed in the matter	R 51 801.55 at 11.25% from 3 August 2023	Not Probable	R 51 801.55	57 629
249	Markus Johannes Smit Case No. 2343	Delictual Claim: collision with a pothole	Xolie Ndzingi	Internal	2023	Plaintiff has filed discovery affidavit	R50 272.00 interest at 7.75% from 21 September 2022	Not Probable	R50 272.00	54 188
250	Ayanda Innocent Ntombela case No.:12489/2023	Delictual Claim: The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.	Xolie Ndzingi	internal	2023	Matter defended and defendant's plea filed and served	R62 644.16 at 11.25% interest p.a from 8 December 2023	Not Probable	R62644.16	69 692
251	Dark Fibre Africa (pty) LTD v Msunduzi Municipality case No.11323/2023	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiffs fibre optic cables.	Xolie Ndzingi	Internal	2023	Defendant's plea has been filed in the matter	R75 408.12 at 11.25% p.a from 5 July 2023	Not Probable	R75 408.12	83 892
252	Reggie Hammond Case No. 321/2024	Delictual claim: The Plaintiff is suing the Municipality in respect of damages that occurred to Plaintiff's vehicle as a result of a Plaintiff's vehicle colliding with a Pothole and this occurred within the jurisdiction of the Msunduzi Municipality.	Xolie Ndzingi	Internal	2024	Notice of intention to defend to filed and served by defendant.	R88 626.31 interest at 7.75% from 16 October 2023	Not Probable	R88 626.31	88 626
253	Dark Fibre Africa (Pty) Ltd case No: 1524/2024	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiffs fibre optic cables.	Xolie Ndzingi	Internal	2024	Discovery affidavits filed by plaintiff.	R94 428.16 interest at 11.25% from 16 November 2023.	Not Probable	R94 428.16	94 428
254	Jade Star Trading CC vs Ms Nonthlanhla Prince Soqola, First National Bank, Msunduzi municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xolie Ndzingi	Siva Chetty and Co.	2023	Matter was adjourned sine die on 2 May 2024	R104 364.70 plus interest at a prescribed rate p.a 7.75%	Not Probable	R104 364.70	112 453
255	Dark Fibre Africa (Pty) Ltd case No: 11495/2023	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiffs fibre optic cables.	Xolie Ndzingi	Internal	2023	Defendant's plea has been filed in the matter	R121 421.55 at 11.25% from 2 August 2023	Not Probable	R121 421.55	135 081

**Notes to the Annual Financial Statements**

Figures in Rand

Matter ID	Description	Instructing official	Attorney/ Advocate	Year initiated	Current status	Gauntum	Probability of outflow	Amount	2023/2024	2022/2023
256	Dark Fibre Africa (Pty) Ltd case No. 773/2024	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred to the plaintiff's fibre optic cables.	Xole Ndingi	Internal	2024	Notice of intention to defend to filed and served by defendant.	R155 333.88 interest at 11.25% p.a from 28 September 2023.	Not probable	R155 333.88	155 334
257	Sihle Webster Mya Case No. KZN/PMB/RC592/24	Delictual Claim: collision with a pothole	Xole Ndingi	Internal	2024	Matter defended and ongoing	R 207 275.60 interest at 7.75% from 16 April 2024	Not probable	R207 275.60	207 276
258	MOUNTAIN VIEW COMMUNITY COMMITTEE & 7 OTHERS	Claim for compensation based on alleged illegal demolition of immovable structures erected on municipal land	Xole Ndingi	Mastross Inc.	2024	Filed an amendment in terms of rule 28(1), awaiting to file notice in terms of rule 28(7) perfecting the amendment	R419 279-70 @7.25%	Not probable	R419 279-70	419 280
259	Ingerop (Pty) Ltd / Msunduzi Municipality	Claim for Damages: against the Municipality for Services rendered	Xole Ndingi	GNG Inc	2024	The application was opposed and argued on 6 May 2024 when it was adjourned to a date to be arranged on the opposed roll with the Registrar. We are in the process of preparing the Defendant's amendment to the Plea in terms of Rule 28.	Claim is for R 932 787-08 @7.25%	Not probable	R932 787.08	932 787
260	Deensadajalan PILLAY	Damages arising from injuries sustained by the plaintiff whilst driving a motor vehicle which collided with a pothole, causing the his motor vehicle to collide onto an oncoming vehicle.	Xole Ndingi	Mastross Inc.	2024	Appearance to defend filed, plea overdue, awaiting investigation report from client / insurance company.	R2 588 488-00 interest at 7.75% from 29 April 2021	Not probable	R2 588 488-00	2 588 488
261	KURT KNOOP N.O. & ANOTHER case No. 12578/23	A claim instituted by the liquidators of Isizwe electropak for services rendered.	Xole Ndingi	Mastross Inc.	2023	Awaiting plaintiff's declaration	R6 181 108-18 interest at 7.75% from 29 June 2020	Not probable	R6 181 108-18	6 660 144
262	Stateway Power (Pty) Ltd case no. 2912/24P	Applicant is suing the municipality for alleged non payment in respect of the supply and delivery of electrical equipment.	Xole Ndingi	Siva Chetty and Co.	2024	Answering Affidavit filed and served on the Plaintiff.	R17 371 181.03 plus interest at 7.75% from 30 October 2022	Not probable	R17 371 181.03	17 371 181
263	Verosha Bridglal Case No. 3350/24	Delictual Claim: collision with a pothole	Mbuso Ndlovu	Internal	2024	Summons received and diarised for preparation of Appearance to Defend	R 2 200 at 8.25% from date of judgment	Not probable	R 2 200	2 200
264	Niombimpela Handietta Nkwananya Case No. 8714/24P	Plaintiff fell into a manhole and suffered damages	External Insurers	External insures	2024	Summons received and forwarded to Insurance	R 974 447.01 at 11.25% from date of judgment	Not probable	R 974 447.01	974 447
265	Kerry-Lee Cowley Case No. 10101/18P	Collision with a wall due a water pipe burst	External Insurers	External insures	2018	Matter handed over to external Insurer.	R3 050 000.00 at 10.25% from date of judgment.	Not probable	R3 050 000.00	3 050 000
266	Natal Coastal Communications CC Case No. 1381/2024P	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Xole Ndingi	Internal	2024	Judgment against the Municipality, parties in dispute in respect of interest	R 463 680.00 interest at 7.75% from date of judgment.	Not probable	R463 680.00	463 680
									<b>200 791 360</b>	<b>243 136 791</b>

**Notes to the Annual Financial Statements**

**Contingent assets**

Figures in Rand

	MATTER ID	DESCRIPTION	INSTRUC TING OFFICIAL	ATTORNEY/A DVOCATE	YEAR INITIATE D	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILI TY OF OUTFLOW	2023/2024	2022/2023
1	Msunduzi Municipality / V G Phungula (our ref: M1788/001)	Delictual Claim: Defendant submitted personal fraudulent overtime claims and fraudulent overtime claims on behalf of his team members.	Xolie Ndzingi	GNG Inc	2021	Summons was issued against the Defendant however service could not be effected as the Defendant is deceased. As per the Letters of Authority, the only asset in the estate was an Old Mutual Policy to the value of R 11 978-00. Require instructions in view of the estate having insufficient fund to cover municipality's claim	R509 330.23	Probable	509 330	
2	Msunduzi Municipality / T Ndawonde (our ref: M1788/002)	Delictual Claim: Defendant abused the use of municipal vehicles for her own private benefit, including making unauthorized private trips and she made numerous fraudulent claims including overtime claims.	Xolie Ndzingi	GNG Inc	2021	Request for Default Judgment lodged at the Magistrates Court on 16 September 2022. On 28 September 2023, we received the Magistrates queries relating to our application. Requested documentation from official required to properly respond to the queries.	R37 129.76	Probable	37 130	
3	Msunduzi Municipality / M E L Hlope (our ref: M1788/003)	Delictual Claim: Defendant engaged in private trips using a municipal vehicle, was absent during working hours whilst he undertook private trips and visits to specific locations and submitted fraudulent overtime claims.	Xolie Ndzingi	GNG Inc	2021	Default Judgment granted on 17 August 2023. Proceeded with Warrant of Execution, awaiting sheriff's return.	R362 732.90	Probable	362 733	
4	Msunduzi Municipality / J T Mbambo (our ref: M1788/004)	Delictual Claim: Defendant made numerous fraudulent claims including overtime claims and used municipal vehicles whilst on private trips.	Xolie Ndzingi	GNG Inc	2021	Matter defended. Discovery Affidavit drafted and forwarded to the instructing official with a request for meeting to finalize same.	R564 940.02	Probable	564 940	
5	Msunduzi Municipality / N G W Dlamini (our ref: M1788/005)	Delictual Claim: Defendant caused the disappearance of three vehicles owned by the Municipality.	Xolie Ndzingi	GNG Inc	2021	Request for Default Judgment lodged at the Magistrates Court. On 28 September 2023, the Magistrate furnished us with a list of queries. Upon requesting documents from the Chief Audit Executive, we were advised that the property which had been stolen was recovered	R165 000.00	Probable	165 000	
6	MSUNDUZI MUNICIPALITY / RECOVERY OF LOSSES - MR A C MKHIZE	Action to recover loss suffered by the Municipality cause by Mkhize, during the period from November 2016 to December 2019, he wrongfully, dishonestly and with fraudulent intent, abused his position as a Municipal official.	Xolie Ndzingi	Grant and Swanepoel	2023	We have effected urgent service of the summons on Mr Mkhize. However, subsequent to serving the summons, we were notified by Grant and Swanepoel Attorneys that they have already issued summons against Mr Mkhize in relation to the same claim during 2022, and that pleadings in that action have already closed. We also received correspondence from the Attorneys acting for Mr Mkhize confirm receipt of the summons and enquiring on the duplication of the action. We have met with G&S attorneys to compare both sets of summons issues and attempt to determine a way forward in the matter. We have written to G&S attorneys enquiring on the basis and breakdown of the quantum claimed in the summons prepared by their offices in order to consider the duplication of matters further, and await a response from them. The action issued by G & S attorneys is at a stage where pleadings have closed. Matter is at discovery stage.	R692 477.16	Probable	692 477	
7	Hassan E. Amoo	Action to recover loss suffered by the Municipality as a result of abuse of municipal vehicle by Mr.H.E Amoo.	Xolie Ndzingi	Grant and Swanepoel	2022	Summons has been issued in the High Court and served on Defendant. Application to compel discovery to be finalised and set down.	R333 082.83	Probable	333 083	
8	Alfred T Zondo	Action to recover overtime fraudulently claimed by A.T Zondo.	Xolie Ndzingi	Grant and Swanepoel	2022	Summons has been issued in the High Court and served on Defendant. Application for default judgment prepared. Application to be finalised and set down.	R475 790.97	Probable	475 791	
9	Beauty L Mthethwa	Action to recover loss suffered by the Municipality as a result of fraudulent locomotion allowance claims.	Xolie Ndzingi	Grant and Swanepoel	2022	Summons has been issued in the Mgistrates and served on Defendant.	R11 409.40	Probable	11 409	
10	Msunduzi Municipality/ The SA Incinerator Company	Delictual Claim for damages. Action instituted in the High Court, Pietermaritzburg under case number 5422/2015	Dudu Ndlovu (SCM)	Matthew Francis	2015	Pre-trial procedure underway	R6 793 472.74	Probable	6 793 473	
11	MSUNDUZI/LOTZ & HADEBE	Action to recover losses incurred by the Municipality as a salary Mr Lotz who was appointed irregularly	Xolie Ndzingi	Matthew Francis Inc.	2021	We are currently exchanging pre-trail notices	R1 649 973.51	Probable	1 649 974	1 649 974
12	MSUNDUZI/ NAICK	Action to recover losses incurred by the Municipality paying for services which were not rendered through the negligence of Mr Naick	Xolie Ndzingi	Matthew Francis Inc.	2021	pleadings have closed and requested for trial dates at court	R23 377 000.00.	Probable	23 377 000	
13	MSUNDUZI / SUKRAJH	Action to recover losses incurred by the Municipality for overtime claimed falsley by Mr Sukrajh	Xolie Ndzingi	Matthew Francis Inc.	2022	We are currently in the process of amending the Municipality's particulars of claim in terms of Rule 55A of the Magistrates Court Rules. Matter is defended, Defendant has filed its plea.	R169 471.29	Probable	169 471	
14	MSUNDUZI MUNICIPALITY / T NDAWONDE	Action to recover losses incurred by the Municipality for overtime claimed falsley by Ms Ndawonde.	Xolie Ndzingi	Matthew Francis Inc.	2022	We obtained judgment against the employee. However, the Sheriff was unable to attach any of her property to satisfy the judgment and the employee has indicated that she intends making a payment arrangement. Instructions given to attorneys to enter into settlement agreement and payment plan.	R 37 129.75	Probable	37 130	

**Notes to the Annual Financial Statements**

**Contingent assets**

Figures in Rand

	MATTER ID	DESCRIPTION	INSTRUC TING OFFICIAL	ATTORNEY/A DVOCATE	YEAR INITIATE D	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILI TY OF OUTFLOW	2023/2024	2022/2023
15	MSUNDUZI MUNICIPALITY / MB MBANJWA	Action to recover losses for theft of fuel by a municipal employee who was responsible for refuelling municipal vehicles.	Xolie Ndzingi	Matthew Francis Inc.	2022	Matter is at pre-trial stage.	R 1 434 280.21	Probable	1 434 280	
16	MSUNDUZI MUNICIPALITY / RECOVERY OF LOSSES - MS TSHABALALA	Action to recover loss suffered by the Municipality cause by Tshabalala, during the period from September 2021 to May 2022, she wrongfully, dishonestly and with fraudulent intent, abused her position as a Municipal official.	Xolie Ndzingi	Matthew Francis Inc.	2023	The combined summons was served on Ms Tshabalala and the time period for her to file an intention to defend has lapsed. During the course of preparing a default judgment application, we were advised that there are additional amounts to be included in the claim against the Defendant. we have accordingly drafted a notice in terms of Rule 55A and have sent same to the Sheriff for service on Ms Tshabalala. We are following up on the return of service with the Sheriff's office. Matter is at discovery stage.	R141,390.71	Probable	141 391	
17	MSUNDUZI MUNICIPALITY/ RECOVERY OF LOSSES - MOLOI	Action to recover loss suffered by the Municipality cause by Moloi on or about from April 2022 to July 2022, and by Ms Thenjwayo during the period February 2013 until about May 2022, where they wrongfully, dishonestly and with fraudulent intent, abused their respective positions as Municipal officials.	Xolie Ndzingi	Matthew Francis Inc.	2023	Summons has been issued in the High Court. We have obtained service on Ms Thenjwayo and we are also in the course of settlement discussions with Ms Thenjwayo. We have requested a meeting with Municipal officials to discuss and finalise the terms of settlement to be proposed to Ms Thenjwayo. We have also obtained service on Mr Moloi and he has not defended the action. We have been provided with further instructions to amend the particulars of claim in respect to the claim against Mr Moloi subsequent to the Municipality discovering further losses caused by him. We are in the course of issuing and serving the Rule 28(1) notice of the amendment to the claim. The amended summons have been served on Mr. Moloi.	R 525 481.58	Probable	525 482	
18	Msunduzi Vs EOH	Action against the Defendant for damages arising for contractual non-performance and repudiation	Xolie Ndzingi	Mdlele Incorporated	2018	We have consulted with the city manager concerning the Arbitration of this matter as well as the required funding in relation thereto. The city manager had undertaken to meet with legal services and finance and to revert to us thereafter. The Arbitration Foundation of South Africa has sent through a quotation of R 300 000.00 in order for them to facilitate Arbitration herein and we are awaiting further instructions in this regard.	R 190 472 807.10	Probable	190 472 807	190 472 807
19	INZAMA CONTRACTORS	Failure of the Service Provider to pay the Municipality for each timber compartment to be harvested. A portion of the plantation was sold through a deviation for total amount of R18.91 million. The Municipality failed to collect the total amount from the buyer resulting in R13.91 million remaining uncollected	Xolie Ndzingi	Siva Chetty and CO.	2022	Defendant was placed on Bar and subsequently filed and served their Plea. We attended to file and serve the Pre-Trial Notices in terms of Rule 35. We served client's (Plaintiff's) Discovery Affidavit. To date Defendant has not responded by filing and serving their Discovery Affidavit in terms of Rule 35(1). We have brought an Application to Compel the Defendant to comply with our notice in terms of Rule 35(1). the Application to Compel will be heard on Motion Court on the 05th December 2023,	R14 058 186.90	Probable	14 058 187	14 058 187
20	IXS Mchunu	Action to recover loss suffered by the Municipality as a result of abuse of municipal vehicle by Mr. IXS Mchunu	Xolie Ndzingi	Siva Chetty and Co.	2022	Summons has been issued in the Magistrates Court and served on Defendant.	R76 753.90	Probable	76 754	
21	17/08/2021 - P MOSEYA (JABULANI PIUS MOSEYA)	RECOVERY OF LOSSES - IDT: P MOSEYA was authorizing drivers who are unqualified and unauthorized (who do not have the appropriate driver's license or permits) to drive Compactor Trucks. Furthermore, there was failure by him to report accidents and submit accident reports and lastly, he committed overtime fraud between the years 2019-2020	CITY MANAGER - MP KHATIDE	Siva Chetty and Co.	2022	Summons served on 08/05/2023. Defendant submitted documentation of verdict from his disciplinary hearing and proof of payment being deducted from his salary as per the verdict of the disciplinary hearing. We have submitted the same to Mr Kass Thaver and Ms Sphume Mkhize for further instructions on an urgent basis. Defendant is making payments sas per the verdict of the disciplinary hearing.	R280 999.54	Probable	281 000	
22	REPORT NUMBER: FI-FI-07/2019-20 DS PHUNGULA AND FOUR OTHERS	The Acting Foreman, supervisors and drivers stationed at Edendale Depot abused the overtime system for self-enrichment.	Author of the Report was P J Mahlaba	Siva Chetty and Co.	2022	Summons has been issued in court under caase no: 6370/2023. The sheriff has attempted service on the address provided by client. The sheriff issued us with a return of non-service due to the address being incorrect. Defendants served with summons. Plaintiffs' attorneys have applied for default judgment.	R62 222.72	Probable	62 223	
									242 231 063	206 180 968

Notes to the Annual Financial Statements

Figures in Rand

84. Variance analysis comparison of budget against actual  
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Account Balance / Transaction / Disclosure	Current year-to-date actual amount as at: 30 June 2024	Current year budget amount, as per approved budget	Current year budget adjustment	Current year budget final amount	Difference between current year actual and final budget - R	Difference between current year actual and final budget - %	Explanation for significant fluctuations
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>							
<b>Revenue by Source</b>							
Service charges - electricity	2 630 640 541	3 892 818 096	-219 463 339	3 673 354 757	-1 042 714 216	-28%	The variance is due to lower tariffs being approved after approval of the Budget by NERSA hence revenue was adjusted downwards.
Service charges - water	740 741 111	901 571 502	-	901 571 502	-160 830 391	-18%	The variance is partially attributed to anticipated leakages, unauthorised use and adverse weather conditions contributing to less revenue billed than anticipated.
Service charges - waste water management	198 015 165	202 499 872	-	202 499 872	-4 484 707	-2%	Within an acceptable range.
Service charges - waste management	126 703 639	138 741 765	-	138 741 765	-12 038 126	-9%	Within an acceptable range.
Rental from fixed assets	33 590 328	104 823 532	-	104 823 532	-71 233 204	-68%	The budgeted figure relates to housing rental stock and the variance is due to the expected revenue not being reached due to low quality of our rental stock to attract customers.
Interest earned from current and non current assets	44 117 781	18 052 025	-	18 052 025	26 065 756	144%	The variance is due to the general reserves being relatively bolstered in 2023/2024 compared to 2022/2023, the ring fence DBSA loan account also enhanced the interest earning capacity, and the average number of days with positive call accounts balances were higher compared to the previous year. Consequently, investment revenue is higher than 2022/2023 and the budgeted figure.
Interest received from receivables	325 984 045	198 174 144	-	198 174 144	127 809 901	64%	This interest is charged on consumers with service charges overdue balances. The variance is in line with the increase in the gross debtors balance.
Licences and permits	2 021 123	2 451 744	-	2 451 744	-430 621	-18%	This is a secondary revenue source on which the revenue generated is dependent on customer's needs. The variance is due to the difficulty in accurately estimating this amount.
Agency services	2 666 696	714 790	-	714 790	1 951 906	273%	This is a sundry revenue which is dependant on services that the municipality renders on behalf of other organisations. The variance is due to the difficulty in accurately estimating this amount.
Other gains	68 513 555	-	-	-	68 513 555	100%	The variance is due to the budgeted figure being included in the budget relating to other revenue.
Operational revenue	53 620 000	230 407 182	-	230 407 182	-176 787 182	-77%	The variance is due to the budgeted figure including any revenue from the sale of goods and rendering of services.
Sale of goods and rendering of services	14 947 022	0	-	0	14 947 022	100%	The variance is due to the budgeted figure being included in the budget relating to other revenue.
	<b>4 241 561 006</b>	<b>5 690 254 652</b>	<b>-219 463 339</b>	<b>5 470 791 313</b>	<b>-1 229 230 307</b>		
<b>Non-exchange revenue</b>							
<b>Taxation revenue</b>							
Property rates	1 359 086 727	1 526 985 082	-	1 526 985 082	-167 898 355	-11%	The budgeted figure was based on the supplementary valuation roll which either increases or decreases the property rates.
Interest	106 873 225	50 691 327	-	50 691 327	56 181 898	111%	The variance is due to consumers defaulting on property rates payments.
<b>Transfer revenue</b>							
Transfers and subsidies	1 252 789 892	1 286 835 205	147 779 991	1 434 615 196	-181 825 304	-13%	This variance is due to additional allocations of grants.
Fines, penalties and forfeits	34 260 863	14 659 914	-	14 659 914	19 600 949	134%	This is a secondary revenue source on which the revenue generated is dependant on offences. The variance is due to the difficulty to accurately estimate this figure. The actual Sec 341 and 56 Traffic Fines issued were higher than envisaged. The increase is attributable to intensifying traffic law enforcement operations and the increasing visibility of law enforcement in an effort to restore law and order on the City's roads.
<b>Total revenue from non-exchange transactions</b>	<b>2 753 010 707</b>	<b>2 879 171 528</b>	<b>147 779 991</b>	<b>3 026 951 519</b>	<b>-273 940 812</b>		
<b>Total revenue</b>	<b>6 994 571 713</b>	<b>8 569 426 180</b>	<b>-71 683 348</b>	<b>8 497 742 832</b>	<b>-1 503 171 119</b>		
<b>Expenditure By Type</b>							
Employee related costs	-1 610 843 551	-1 781 210 508	136 634 271	-1 644 576 237	33 732 686	-2%	Within an acceptable range.
Remuneration of councillors	-57 142 148	-62 699 935	-2 000 000	-64 699 935	7 557 787	-12%	The variance is due to the correction of back-pay that was processed this year but relate to prior years.
Debt impairment	-1 024 491 908	-600 000 000	- 550 000 000	-1 150 000 000	125 508 092	-11%	The variance is due to the correction of VAT Output on Debt Impairment.
Depreciation and amortisation	-361 847 777	-460 781 797	59 165 806	-401 615 991	39 768 214	-10%	Within an acceptable range.
Interest	-77 071 736	-40 400 880	-63 611 036	-104 011 916	26 940 180	-26%	The variance is due to the Eskom debt repayment plan required the municipality to pay for interest hence the adjustment.
Bulk purchases - electricity	-2 714 396 462	-2 514 000 000	-212 893 075	-2 726 893 075	12 496 613	0%	Within an acceptable range.
Inventory consumed	-877 662 945	-970 629 036	36 021 366	-934 607 670	56 944 725	-6%	Within an acceptable range.
Contracted services	-904 133 947	-994 210 937	25 217 464	-968 993 473	64 859 526	-7%	Within an acceptable range.
Transfers and subsidies	-25 237 273	-65 884 469	33 211 216	-32 673 253	7 435 980	-23%	This variance is due to cost containment measures..
Irrecoverable debts written off	-22 523 583	-	-29 000 000	-29 000 000	6 476 417	-22%	The budgeted figure varies due to the nature of how bad debts are written off. These are based on revenue enhancement measures.
Losses on disposal of assets	-14 049 185	-	-13 275 867	-13 275 867	-773 318	6%	Within an acceptable range.
Other losses	-29 757 198	-	-31 723 100	-31 723 100	1 965 902	-6%	Within an acceptable range.
Operational costs	-217 287 650	215 382 233	-41 596 901	-256 979 134	39 691 484	-15%	This variance is due to cost containment measures..
<b>Total expenditure</b>	<b>-7 936 445 363</b>	<b>-7 705 199 795</b>	<b>-653 849 856</b>	<b>-8 359 049 651</b>	<b>422 604 288</b>		
<b>Surplus/(Deficit) for the year</b>	<b>-941 873 650</b>	<b>864 226 385</b>	<b>-725 533 204</b>	<b>138 693 181</b>	<b>-1 080 566 831</b>		

Notes to the Annual Financial Statements

Figures in Rand

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<b>STATEMENT OF FINANCIAL POSITION</b>							
<b>Classes of assets</b>							
Current assets	2 516 414 244	2 922 956 720	1 567 831 504	4 490 788 224	-1 974 373 980	-44%	The reason for changes between the original budget and Final Budget of the Statement of financial position items is due to the fact that at the time of preparing the budget , the Adjustments budget for that year is used as a base as well as the latest afs for preparation, at the time of preparing the Adjustments Budget , Audited AFS are used as a base for projecting the final adjusted figure which is the most reliable information to project the balance sheet items.
Non-Current Assets	8 604 430 265	9 291 677 655	-566 807 378	8 724 870 277	-120 440 012	-1%	Within an acceptable range.
<b>Classes of liabilities</b>							
Current Liabilities	2 735 922 218	1 645 970 335	675 718 729	2 321 689 064	414 233 154	18%	The variance is due to the transfers payable that arise from the housing projects managed on behalf on DOHS and the increase in bulk purchases of electricity along with increased tariffs and arrears accumulated.
Non-Current Liabilities	1 658 461 176	855 012 692	-196 538 864	658 473 828	999 987 348	152%	The variance is due to the increase in the leave pay of staff on exit, the increase in long service pay to staff and the projection of the Municipality's long-term portion of the loan amount.
<b>Reserves</b>							
Reserves	6 726 461 115	9 713 651 348	521 844 261	10 235 495 609	-3 509 034 494	-34%	The variance is due to the decrease in accumulated surplus and reserves.
<b>STATEMENT OF CASH FLOWS</b>							
<b>Cash flows from operating activities</b>							
Receipts	6 567 694 837	8 314 966 381	-48 622 649	8 266 343 732	-1 698 648 895	-21%	This variance is due to less than budgeted revenue collected.
Payments	-5 955 742 818	-7 368 588 219	-23 934 313	-7 392 522 532	1 436 779 714	-19%	This variance is due to less than budgeted payments made due to cost cutting measures implemented.
<b>Cash flows from investing activities</b>							
Net cash flows from investing activities	-674 403 929	-768 501 055	-273 530 699	-1 042 031 754	367 627 825	-35%	This variance is due to cash flow constraints and therefore is less than the budgeted figure.
<b>Cash flows from financing activities</b>							
Net cash flows from financing activities	42 004 700	177 000 000	23 000 000	200 000 000	-157 995 300	-79%	This variance is due to the repayment of a long-term loan and less than budgeted inflows.

MSUNDUZI LOCAL MUNICIPALITY

	APPENDIX A										ACCUMULATED DEPRECIATION					Accumulated Impairment		Carrying Value	
	Cost 01/07/2023	Valuation 01/07/2023	AUC 01/07/2023	Cost/Valuation 01/07/2023	COST/VALUATION		Transfers/ Adjustments	Additions AUC	Derecognition	Balance 30/06/2024	Balance '01/07/2023	Depreciation 2023/24	Derecognition	Adjustments/ Transfers	Balance 30/06/2024	Balance '01/07/2023	Impairment 2023/24		Balance 30/06/2024
<b>Land And Buildings</b>																			
Land	712 426 740,99	-	-	712 426 740,99	-	-	-	-	-91 000,00	712 335 740,99	-	-	-	-	-	-	-	-	
Building	472 734 865,03	-	-	472 734 865,03	-	-	19 395 450,51	4 442 833,85	-	496 573 149,39	-352 545 347,78	-13 661 824,56	-	-	-366 207 172,34	-746 454,39	-	-746 454,39	
<b>Total Land And Buildings</b>	<b>1 185 161 606,02</b>	<b>-</b>	<b>-</b>	<b>1 185 161 606,02</b>	<b>-</b>	<b>-</b>	<b>19 395 450,51</b>	<b>4 442 833,85</b>	<b>-91 000,00</b>	<b>1 208 908 890,38</b>	<b>-352 545 347,78</b>	<b>-13 661 824,56</b>	<b>-</b>	<b>-</b>	<b>-366 207 172,34</b>	<b>-746 454,39</b>	<b>-</b>	<b>-746 454,39</b>	
<b>Infrastructure</b>																			
ELECTRICITY RETICULATION	4 374 860,56	-	-	4 374 860,56	-	-	-	-	-	4 374 860,56	-612 004,71	-103 978,58	-	-	-715 983,29	-	-	-	
HV OVERHEAD LINES	65 963 415,63	-	-	65 963 415,63	-	-	-	-	-	65 963 415,63	-49 754 116,19	-2 627 125,44	-	-	-52 381 241,63	-	-	-	
HV SUBSTATIONS	410 370 399,64	-	-	410 370 399,64	-	-	-	250 000,00	-	410 620 399,64	-162 368 915,57	-11 708 550,23	-	-	-174 077 465,80	-9 811 749,71	-	-9 811 749,71	
HV UNDERGROUND CABLES	75 208 202,92	-	-	75 208 202,92	-	-	-	-	-	75 208 202,92	-16 053 731,63	-1 870 202,44	-	-	-17 923 934,07	-	-	-	
LV STREET LIGHTING	166 564 709,46	-	-	166 564 709,46	-	-	9 140 732,57	12 959 994,20	-	188 665 436,23	-56 694 268,02	-6 461 477,89	-	-	-63 155 745,91	-73 691,79	-	-73 691,79	
MV GROUND MOUNTED TRANSFORMERS	64 830 718,39	-	-	64 830 718,39	-	-	1 242 140,38	328 098,31	-	66 400 957,08	-24 664 582,83	-2 388 729,78	-	-	-27 053 312,61	-	-	-	
MV MINI SUBSTATIONS	131 476 722,09	-	-	131 476 722,09	-	-	-2 375 144,75	6 589 145,27	-	135 690 722,61	-76 717 772,72	-5 303 351,15	1 049,17	-	-562 698,60	-	-	-562 698,60	
MV OVERHEAD LINES	37 509 066,87	-	-	37 509 066,87	-	-	15 092 263,85	38 188 386,98	-	90 789 717,70	-22 165 287,26	-844 811,07	-	-	-23 010 098,33	-	-	-	
MV POLE MOUNTED TRANSFORMERS	71 954 052,12	-	-	71 954 052,12	-	-	-	-	-	71 954 052,12	-14 348 774,22	-1 946 284,88	-	-	-16 295 059,10	-19 569,24	-	-19 569,24	
MV RING MAIN UNIT	59 960 483,31	-	-	59 960 483,31	-	-	6 173 183,91	24 497 498,78	-	90 631 166,00	-21 777 509,91	-1 829 468,10	-1 049,17	-	-23 608 027,18	-22 361,53	-	-22 361,53	
MV SUBSTATIONS	265 454 606,58	-	-	265 454 606,58	-	-	3 466 670,20	-	-	268 921 276,78	-88 004 200,52	-16 853 631,10	-	-	-104 857 840,62	-1 744 598,28	-	-1 744 598,28	
MV UNDERGROUND CABLES	735 867 520,26	-	-	735 867 520,26	-	-	15 777 015,26	-	-	751 644 535,52	-503 144 695,56	-45 456 301,38	-	-	-548 600 996,94	-1 289 018,98	-	-1 289 018,98	
<b>Total Electricity</b>	<b>2 089 534 757,83</b>	<b>-</b>	<b>-</b>	<b>2 089 534 757,83</b>	<b>-</b>	<b>-</b>	<b>48 516 861,42</b>	<b>82 813 123,54</b>	<b>-</b>	<b>2 220 864 742,79</b>	<b>-1 036 305 868,14</b>	<b>-97 393 912,04</b>	<b>-0,00</b>	<b>-1 133 699 780,18</b>	<b>-13 523 688,13</b>	<b>-</b>	<b>-13 523 688,13</b>	<b>1 073 641 274,48</b>	
<b>AIRPORT RUNWAY</b>	<b>73 574 385,72</b>	<b>-</b>	<b>-</b>	<b>73 574 385,72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73 574 385,72</b>	<b>-49 175 881,12</b>	<b>-4 577 404,97</b>	<b>-</b>	<b>-</b>	<b>-53 753 286,09</b>	<b>-</b>	<b>-</b>	<b>-</b>	
BRICK ROADS	148 520 649,10	-	-	148 520 649,10	-	-	412 009,22	140 838,78	-	149 073 497,10	-51 092 912,57	-3 154 000,15	-	-	-54 246 912,72	-254 947,43	-	-254 947,43	
BRIDGES AND TUNNELS	310 251 091,14	-	-	310 251 091,14	-	-	93 241 794,33	33 534 858,61	-	437 027 744,08	-122 405 879,28	-13 392 951,51	-	-	-135 798 830,79	-	-	-	
CONCRETE ROADS	135 148 500,01	-	-	135 148 500,01	-	-	107 177 695,18	26 275 372,08	-	268 601 567,27	-29 778 714,67	-4 755 119,04	-	-	-34 533 833,71	-76 975,55	-	-76 975,55	
GRAVEL ROADS	132 448 299,25	-	-	132 448 299,25	-	-	-	-	-	132 448 299,25	-120 791 487,89	-2 126 330,95	-	-	-122 917 818,84	-	-	-	
ROAD SIGNAGE	205 283,18	-	-	205 283,18	-	-	-	-	-	205 283,18	-66 746,18	-10 256,00	-	-	-77 002,18	-	-	-	
SIGNALISED INTERSECTIONS	109 043 582,46	-	-	109 043 582,46	-	-	181 444,31	161 743,21	-	109 386 769,98	-53 894 378,48	-5 103 995,76	-	-	-58 998 374,24	-477 346,41	-	-477 346,41	
TARRED ROADS	2 555 602 170,42	-	-	2 555 602 170,42	-	-	43 782 822,98	10 406 344,52	-	2 609 791 337,92	-1 327 702 875,97	-58 686 288,00	-	-	-1 386 389 163,97	-8 640 729,84	-	-8 640 729,84	
<b>Total Roads</b>	<b>3 464 793 961,28</b>	<b>-</b>	<b>-</b>	<b>3 464 793 961,28</b>	<b>-</b>	<b>-</b>	<b>244 795 766,02</b>	<b>70 519 157,20</b>	<b>-</b>	<b>3 780 108 884,50</b>	<b>-1 754 908 876,16</b>	<b>-91 806 346,38</b>	<b>-</b>	<b>-1 846 715 222,54</b>	<b>-9 449 999,23</b>	<b>-</b>	<b>-9 449 999,23</b>	<b>1 923 943 662,73</b>	
<b>BULK SEWERS</b>	<b>104 815 665,49</b>	<b>-</b>	<b>-</b>	<b>104 815 665,49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104 815 665,49</b>	<b>-39 149 076,42</b>	<b>-3 106 664,44</b>	<b>-</b>	<b>-</b>	<b>-42 255 740,86</b>	<b>-1 638 885,75</b>	<b>-</b>	<b>-1 638 885,75</b>	
PUMPSTATIONS	11 920 171,16	-	-	11 920 171,16	-	-	308 722,61	-	-	12 228 893,77	-8 222 904,89	-325 951,02	-	-	-8 548 855,91	-82 821,28	-	-82 821,28	
SEWER RETICULATION	557 646 725,68	-	-	557 646 725,68	-	-	135 953 532,41	44 559 984,22	-	738 160 242,31	-221 011 607,56	-19 156 678,77	-	-	-240 168 286,33	-	-	-	
SEWER TREATMENT WORKS	64 742 053,31	-	-	64 742 053,31	-	-	-	-	-	64 742 053,31	-3 942 593,85	-658 560,03	-	-	-4 601 153,88	-2 315 375,91	-	-2 315 375,91	
<b>Total Sanitation</b>	<b>739 124 615,64</b>	<b>-</b>	<b>-</b>	<b>739 124 615,64</b>	<b>-</b>	<b>-</b>	<b>136 262 255,02</b>	<b>44 559 984,22</b>	<b>-</b>	<b>919 946 854,88</b>	<b>-272 326 182,72</b>	<b>-23 247 854,26</b>	<b>-</b>	<b>-</b>	<b>-295 574 036,98</b>	<b>-4 037 082,94</b>	<b>-</b>	<b>-4 037 082,94</b>	<b>620 335 734,96</b>
<b>PUMPSTATIONS</b>	<b>13 290 716,20</b>	<b>-</b>	<b>-</b>	<b>13 290 716,20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 354 806,84</b>	<b>-</b>	<b>18 645 523,04</b>	<b>-2 876 075,18</b>	<b>-125 663,32</b>	<b>-</b>	<b>-</b>	<b>-3 001 738,50</b>	<b>-986 507,85</b>	<b>-</b>	<b>-986 507,85</b>	
RESERVOIRS	248 038 922,57	-	-	248 038 922,57	-	-	1 140 124,56	-	-	249 179 047,13	-125 294 855,84	-6 953 225,78	-	-	-132 248 081,62	-3 485 689,54	-	-3 485 689,54	
WATER METERS	120 933 009,19	-	-	120 933 009,19	-	-	3 269 274,77	-	-	124 202 283,96	-40 426 929,46	-7 868 166,43	-	-	-48 295 095,89	-1 031 625,94	-	-1 031 625,94	
WATER RETICULATION	466 481 470,71	-	-	466 481 470,71	-	-	94 506 932,01	11 271 118,91	-	572 259 521,63	-244 704 617,23	-13 589 079,30	-	-	-258 293 696,53	-20 584 765,85	-	-20 584 765,85	
WATER SUPPLY BULK WATER PIPELINES	370 102 666,93	-	-	370 102 666,93	-	-	892 698,25	-	-	370 995 365,18	-242 188 140,37	-12 267 106,73	-	-	-254 455 247,10	-39 849 193,50	-	-39 849 193,50	
WATER SUPPLY PRESSURE REDUCE VALVES	2 469 373,77	-	-	2 469 373,77	-	-	-	-	-	2 469 373,77	-1 430 374,36	-80 236,60	-	-	-1 510 610,96	-	-	-	
<b>Total Water</b>	<b>1 221 316 159,37</b>	<b>-</b>	<b>-</b>	<b>1 221 316 159,37</b>	<b>-</b>	<b>-</b>	<b>99 809 029,59</b>	<b>16 625 925,75</b>	<b>-</b>	<b>1 337 751 114,71</b>	<b>-656 920 992,44</b>	<b>-40 883 478,16</b>	<b>-</b>	<b>-697 804 470,60</b>	<b>-65 937 782,68</b>	<b>-</b>	<b>-65 937 782,68</b>	<b>574 008 861,43</b>	
<b>ACCESS CONTROL</b>	<b>298 233,53</b>	<b>-</b>	<b>-</b>	<b>298 233,53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>298 233,53</b>	<b>-275 243,47</b>	<b>-5 617,77</b>	<b>-</b>	<b>-</b>	<b>-280 861,24</b>	<b>-</b>	<b>-</b>	<b>-</b>	
FENCING	33 399 967,68	-	-	33 399 967,68	-	-	3 940 463,28	9 151 948,16	-	46 492 379,12	-10 156 680,53	-3 406 727,86	-	-	-13 563 408,39	-292 130,30	-	-292 130,30	
SECURITY SYSTEMS	25 848 222,43	-	-	25 848 222,43	-	-	-	458 776,32	-	26 306 998,75	-24 040 404,19	-425 233,50	-	-	-24 465 637,69	-78 422,23	-	-78 422,23	
<b>Total Security</b>	<b>59 546 423,64</b>	<b>-</b>	<b>-</b>	<b>59 546 423,64</b>	<b>-</b>	<b>-</b>	<b>3 940 463,28</b>	<b>9 610 724,48</b>	<b>-</b>	<b>73 097 611,40</b>	<b>-34 472 328,19</b>	<b>-3 837 579,13</b>	<b>-</b>	<b>-</b>	<b>-38 309 907,32</b>	<b>-370 552,53</b>	<b>-</b>	<b>-370 552,53</b>	<b>34 417 151,55</b>
<b>HEAD AND WINGWALLS</b>	<b>6 475 941,63</b>	<b>-</b>	<b>-</b>	<b>6 475 941,63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 475 941,63</b>	<b>-3 395 354,71</b>	<b>-229 857,38</b>	<b>-</b>	<b>-</b>	<b>-3 625 212,09</b>	<b>-</b>	<b>-</b>	<b>-</b>	
KERB INLETS	113 328 667,07	-	-	113 328 667,07	-	-	678 700,98	-	-	114 007 368,05	-54 439 875,73	-4 282 655,71	-	-	-58 727 531,44	-7 360,77	-	-7 360,77	

	Cost 01/07/2023	Valuation 01/07/2023	AUC 01/07/2023	COST/VALUATION					Derecognition	Balance 30/06/2024	ACCUMULATED DEPRECIATION				Accumulated Impairment			Carrying Value	
				Cost/Valuation 01/07/2023	Additions	Fair value gains/ (losses)	Transfers/ Adjustments	Additions AUC			Balance '01/07/2023	Depreciation 2023/24	Derecognition	Adjustments/ Transfers	Balance 30/06/2024	Balance '01/07/2023	Impairment 2023/24		Balance 30/06/2024
MAJOR CULVERTS	78 832 326,58	-	-	78 832 326,58	-	-	14 554 476,74	4 691 678,00	-	98 078 481,32	-14 882 467,96	-3 699 802,07	-	-	-18 582 270,03	-	-	-	79 496 211,29
MANHOLES	68 080 073,48	-	-	68 080 073,48	-	-	-	-	-	-34 442 959,96	-2 555 808,99	-	-	-	-36 998 768,95	-	-	-	31 081 304,53
MINOR CULVERTS	57 049 423,07	-	-	57 049 423,07	-	-	28 742 567,52	3 077 271,67	-	88 869 262,26	-24 877 437,07	-5 944 975,07	-	-	-30 822 412,14	-142 977,20	-	-142 977,20	57 903 872,92
OPEN CHANNELS	32 345 399,10	-	-	32 345 399,10	-	-	-	-	-	-7 550 274,88	-709 116,11	-	-	-	-8 259 399,99	-	-	-	24 086 008,11
RETICULATION	490 108 843,94	-	-	490 108 843,94	-	-	34 874 531,85	8 449 338,68	-	533 432 714,47	-118 237 471,98	-10 175 578,87	-	-	-128 413 050,85	-409 143,09	-	-409 143,09	404 610 520,53
<b>Total Stormwater</b>	<b>846 220 674,87</b>	<b>-</b>	<b>-</b>	<b>846 220 674,87</b>	<b>-</b>	<b>-</b>	<b>78 850 277,09</b>	<b>16 218 288,35</b>	<b>-</b>	<b>941 289 240,31</b>	<b>-257 825 842,29</b>	<b>-27 597 794,20</b>	<b>-</b>	<b>-</b>	<b>-285 423 636,49</b>	<b>-559 481,06</b>	<b>-</b>	<b>-559 481,06</b>	<b>655 306 122,76</b>
Railway Lines	3 449 376,95	-	-	3 449 376,95	-	-	-	-	-	3 449 376,95	-2 779 905,17	-113 902,47	-	-	-2 893 807,64	-	-	-	555 569,31
<b>Total Railway Lines</b>	<b>3 449 376,95</b>	<b>-</b>	<b>-</b>	<b>3 449 376,95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 449 376,95</b>	<b>-2 779 905,17</b>	<b>-113 902,47</b>	<b>-</b>	<b>-</b>	<b>-2 893 807,64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>555 569,31</b>
GARDEN REFUSE	6 164 267,16	-	-	6 164 267,16	-	-	-	-	-	6 164 267,16	-1 765 536,86	-107 817,46	-	-	-1 873 354,32	-140 171,28	-	-140 171,28	4 150 741,56
LANDFILL SITE	8 075 607,10	-	-	8 075 607,10	-	-	-	-	-	8 075 607,10	-3 342 517,29	-224 555,01	-	-	-3 567 072,30	-	-	-	4 508 534,80
SORTING STATIONS	538 740,94	-	-	538 740,94	-	-	-	-	-	538 740,94	-68 294,42	-9 801,04	-	-	-78 095,46	-	-	-	460 645,48
<b>Total Solid Waste</b>	<b>14 778 615,20</b>	<b>-</b>	<b>-</b>	<b>14 778 615,20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 778 615,20</b>	<b>-5 176 348,57</b>	<b>-342 173,51</b>	<b>-</b>	<b>-</b>	<b>-5 518 522,08</b>	<b>-140 171,28</b>	<b>-</b>	<b>-140 171,28</b>	<b>9 119 921,84</b>
FIBER OPTIC CABLE	-	-	-	-	-	-	11 937 006,21	-	-	11 937 006,21	-	-	-	-7 716 087,91	-7 716 087,91	-	-	-	4 220 918,30
<b>Total IT Infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 937 006,21</b>	<b>-</b>	<b>-</b>	<b>11 937 006,21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-7 716 087,91</b>	<b>-7 716 087,91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 220 918,30</b>
<b>Total Infrastructure</b>	<b>8 438 764 584,78</b>	<b>-</b>	<b>-</b>	<b>8 438 764 584,78</b>	<b>-</b>	<b>-</b>	<b>624 111 658,63</b>	<b>240 347 203,54</b>	<b>-</b>	<b>9 303 223 446,95</b>	<b>-4 020 716 343,68</b>	<b>-285 223 040,15</b>	<b>-0,00</b>	<b>-</b>	<b>-4 305 939 383,83</b>	<b>-94 018 757,85</b>	<b>-</b>	<b>-94 018 757,85</b>	<b>4 895 549 217,36</b>
<b>Assets Under Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
W.I.P : Project	1 244 422 940,96	-	-	1 244 422 940,96	-	-	-668 400 865,73	243 679 071,60	-	819 701 146,83	-	-	-	-	-	-275 000,00	-	-275 000,00	819 426 146,83
W.I.P : Movable Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets Under Construction</b>	<b>1 244 422 940,96</b>	<b>-</b>	<b>-</b>	<b>1 244 422 940,96</b>	<b>-</b>	<b>-</b>	<b>-668 400 865,73</b>	<b>243 679 071,60</b>	<b>-</b>	<b>819 701 146,83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-275 000,00</b>	<b>-</b>	<b>-275 000,00</b>	<b>819 426 146,83</b>
<b>Community</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
CEMETERIES	934 821,31	-	-	934 821,31	-	-	-	-	-	934 821,31	-390 531,88	-19 960,90	-	-	-410 492,78	-1 266,97	-	-1 266,97	523 061,56
CIVIL THEATRES	13 733 671,63	-	-	13 733 671,63	-	-	-	-	-	13 733 671,63	-12 275 486,46	-167 472,92	-	-	-12 442 959,38	-	-	-	1 290 712,25
CLINICS	29 442 063,10	-	-	29 442 063,10	-	-	-	-	-	29 442 063,10	-18 477 903,19	-664 155,62	-	-	-19 142 058,81	-	-	-	10 300 004,29
COMMUNITY CENTRES	131 747 818,72	-	-	131 747 818,72	-	-	4 784 528,49	4 783 429,98	-	141 315 777,19	-65 229 797,89	-3 140 568,27	-	-	-68 370 366,16	-938 434,01	-	-938 434,01	72 006 977,02
FIRE STATIONS	23 464 095,15	-	-	23 464 095,15	-	-	-	-	-	23 464 095,15	-16 749 069,94	-501 759,45	-	-	-17 250 829,39	-	-	-	6 213 265,76
LIBRARIES	90 710 855,48	-	-	90 710 855,48	-	-	372 530,79	-	-	91 083 386,27	-56 403 651,90	-2 226 206,45	-	-	-58 629 858,35	-47,44	-	-47,44	32 453 480,48
PARKS	3 846 886,52	-	-	3 846 886,52	-	-	-	-	-	3 846 886,52	-2 788 091,30	-80 148,90	-	-	-2 868 240,20	-	-	-	978 646,32
PUBLIC CONVENIENCES	38 464 307,75	-	-	38 464 307,75	-	-	942 645,62	204 375,00	-61 134,69	39 550 193,68	-22 135 049,29	-963 171,10	-	-	-23 098 220,39	-3 070,60	-	-3 070,60	16 448 902,69
STADIUMS	84 928 748,83	-	-	84 928 748,83	-	-	793 615,15	-	-	85 722 363,98	-65 595 629,92	-2 244 190,95	48 349,41	-	-67 791 471,46	-570 207,78	-	-570 207,78	17 360 684,74
BEER HALLS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Community Buildings</b>	<b>417 273 268,49</b>	<b>-</b>	<b>-</b>	<b>417 273 268,49</b>	<b>-</b>	<b>-</b>	<b>6 893 320,05</b>	<b>4 987 804,98</b>	<b>-61 134,69</b>	<b>429 093 258,83</b>	<b>-260 045 211,77</b>	<b>-10 007 634,56</b>	<b>48 349,41</b>	<b>-</b>	<b>-270 004 496,92</b>	<b>-1 513 026,80</b>	<b>-</b>	<b>-1 513 026,80</b>	<b>157 575 735,11</b>
CEMETERIES	6 509 794,81	-	-	6 509 794,81	-	-	-	-	-	6 509 794,81	-3 195 346,17	-102 192,40	-	-	-3 297 538,57	-14 857,94	-	-14 857,94	3 197 398,30
PARKS	16 574 136,24	-	-	16 574 136,24	-	-	-	-	-	16 574 136,24	-9 781 865,73	-328 429,88	-	-	-10 110 295,61	-42 624,15	-	-42 624,15	6 421 216,48
SPORT FACILITIES	67 118 385,35	-	-	67 118 385,35	-	-	-	-	-	67 118 385,35	-25 679 869,43	-1 747 149,25	-	-	-27 427 018,68	-475 942,51	-	-475 942,51	39 215 424,16
SPORT GROUNDS	214 908 296,72	-	-	214 908 296,72	-	-	-	-34 757,24	-	214 873 539,48	-85 637 416,30	-4 972 113,42	27 289,00	-	-90 582 240,72	-584 529,82	-81 805,20	-666 335,02	123 624 963,74
SWIMMING POOLS	46 817 398,18	94 590,47	-	46 911 988,65	-	-	5 690 303,37	-157 866,68	-	52 444 425,34	-25 932 356,07	-1 074 934,40	157 866,68	-3 788,80	-26 853 212,59	-460 874,67	-	-460 874,67	25 130 338,08
<b>Total Community Recreational Facilities</b>	<b>351 928 011,30</b>	<b>94 590,47</b>	<b>-</b>	<b>352 022 601,77</b>	<b>-</b>	<b>-</b>	<b>5 690 303,37</b>	<b>-192 623,92</b>	<b>-</b>	<b>357 520 281,22</b>	<b>-150 226 853,70</b>	<b>-8 224 819,35</b>	<b>185 155,68</b>	<b>-3 788,80</b>	<b>-158 270 306,17</b>	<b>-1 578 829,09</b>	<b>-81 805,20</b>	<b>-1 660 634,29</b>	<b>197 589 340,76</b>
<b>Total Community</b>	<b>769 201 279,79</b>	<b>94 590,47</b>	<b>-</b>	<b>769 295 870,26</b>	<b>-</b>	<b>-</b>	<b>12 583 623,42</b>	<b>4 795 181,06</b>	<b>-61 134,69</b>	<b>786 613 540,05</b>	<b>-410 272 065,47</b>	<b>-18 232 453,91</b>	<b>233 505,09</b>	<b>-3 788,80</b>	<b>-428 274 803,09</b>	<b>-3 091 855,89</b>	<b>-81 805,20</b>	<b>-3 173 661,09</b>	<b>355 165 075,87</b>
<b>Other Properties</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
AIRPORT BUILDING	14 839 545,31	-	-	14 839 545,31	-	-	-	-	-	14 839 545,31	-8 291 092,49	-531 471,96	-	-	-8 822 564,45	-	-	-	6 016 980,86
CRECHES	15 717 654,62	-	-	15 717 654,62	-	-	-	-	-	15 717 654,62	-9 723 527,00	-448 629,51	-	-	-10 172 156,51	-5 494,48	-	-5 494,48	5 540 003,63
CREMATORIUMS	7 004 221,09	-	-	7 004 221,09	-	-	-	-	-	7 004 221,09	-5 906 729,11	-210 160,52	-	-	-6 116 889,63	-112 289,06	-	-112 289,06	775 042,40
HOTELS	1 557 492,33	-	-	1 557 492,33	-	-	-	-	-	1 557 492,33	-1 206 396,81	-28 950,49	-	-	-1 235 347,30	-	-	-	322 145,03
HOUSING SCHEMES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LANDFILL SITE	50 287 733,79	-	-	50 287 733,79	-	-	-	-	-	50 287 733,79	-30 833 679,56	-1 164 015,44	-	-	-31 997 695,00	-1,94	-	-1,94	18 290 036,85

	COST/VALUATION										ACCUMULATED DEPRECIATION					Accumulated Impairment			Carrying Value
	Cost 01/07/2023	Valuation 01/07/2023	AUC 01/07/2023	Cost/Valuation 01/07/2023	Additions	Fair value gains/ (losses)	Transfers/ Adjustments	Additions AUC	Derecognition	Balance 30/06/2024	Balance '01/07/2023	Depreciation 2023/24	Derecognition	Adjustments/ Transfers	Balance 30/06/2024	Balance '01/07/2023	Impairment 2023/24	Balance 30/06/2024	
MARKETS	241 019 232,73	-	-	241 019 232,73	-	-	-	-	-	241 019 232,73	-175 508 893,07	-4 752 949,01	-	-	-180 261 842,08	-13 482,17	-	-13 482,17	60 743 908,48
NURSERIES	10 835 503,47	-	-	10 835 503,47	-	-	-	-	-	10 835 503,47	-8 701 463,45	-279 765,26	-	-	-8 981 228,71	-6 225,85	-	-6 225,85	1 848 048,91
OLD AGE HOMES	924 085,61	-	-	924 085,61	-	-	-	-	-	924 085,61	-738 619,77	-13 207,52	-	-	-751 827,29	-	-	-	172 258,32
SEWERAGE WORKS AND DUMPSITE	796 653,56	-	-	796 653,56	-	-	-	-	-	796 653,56	-650 723,14	-6 632,30	-	-	-657 355,44	-	-	-	139 298,12
TRAINING CENTRE	4 298 468,38	-	-	4 298 468,38	-	-	-	-	-	4 298 468,38	-3 022 562,61	-78 243,25	-	-	-3 100 805,86	-	-	-	1 197 662,52
TRANSPORT FACILITIES	43 956 072,28	-	-	43 956 072,28	-	-	-	-	-	43 956 072,28	-29 334 504,17	-1 299 685,51	-	-	-30 634 189,68	-	-	-	13 321 882,60
WORKSHOPS AND DEPOTS	31 508 703,13	-	-	31 508 703,13	-	-	-	-	-	31 508 703,13	-24 097 289,02	-751 246,47	-	-	-24 848 535,49	-280,23	-	-280,23	6 659 887,41
<b>Total Other Properties</b>	<b>422 745 366,30</b>	-	-	<b>422 745 366,30</b>	-	-	-	-	-	<b>422 745 366,30</b>	<b>-298 015 480,20</b>	<b>-9 564 957,24</b>	-	-	<b>-307 580 437,44</b>	<b>-137 773,73</b>	-	<b>-137 773,73</b>	<b>115 027 155,13</b>
COMPRESSORS	367 404,78	-	-	367 404,78	-	-	-	-7 394,01	360 010,77	-274 336,10	-21 413,29	7 207,87	-	-288 541,52	-969,66	-	-969,66	70 499,59	
FIREARMS	2 602 679,95	-	-	2 602 679,95	-	-	-	208 213,27	2 810 893,22	-2 055 675,97	-93 766,68	187 443,84	-	-1 961 998,81	-	-	-	848 894,41	
GRADERS	14 772 240,16	-	-	14 772 240,16	5 626 760,10	-	-	-	20 399 000,26	-6 526 646,43	-699 687,90	-	-	-7 226 334,33	-329 675,08	-	-329 675,08	12 842 990,85	
LABORATORY EQUIPMENT	196 962,83	-	-	196 962,83	-	-	-	-270,69	196 692,14	-177 984,07	-3 846,83	268,11	-	-181 562,79	-	-	-	15 129,35	
LAWNMOWERS	5 065 187,81	-	-	5 065 187,81	1 691 963,80	0,00	-	-1 183 662,17	5 573 489,44	-3 013 740,40	-279 614,17	729 969,76	-	-2 563 384,81	-147 270,27	-	-147 270,27	2 862 834,36	
PLANT AND EQUIPMENT	89 446 631,33	-	-	89 446 631,33	4 210 882,29	-	-	-3 547 844,14	90 109 669,48	-46 679 932,94	-3 072 680,49	1 780 662,93	-	-47 971 950,50	-2 148 349,02	-	-2 148 349,02	39 989 369,96	
RADIO EQUIPMENT	3 477 045,78	-	-	3 477 045,78	403 200,00	-	-	-189 055,73	3 691 190,05	-2 607 272,41	-186 661,99	165 824,08	-	-2 628 110,32	-136 970,11	-	-136 970,11	926 109,62	
TELECOMMUNICATION	6 471 686,65	-	-	6 471 686,65	-	-	-	-148 084,99	6 323 601,66	-5 995 574,45	-46 549,84	126 680,94	-	-5 915 443,35	-111 479,47	-	-111 479,47	296 678,84	
TRACTORS	15 093 475,52	-	-	15 093 475,52	-	-	-	-	15 093 475,52	-6 816 378,32	-664 079,40	-	-	-7 480 457,72	-429 526,64	-	-429 526,64	7 183 491,16	
<b>Total Plant And Equipment</b>	<b>137 493 314,81</b>	-	-	<b>137 493 314,81</b>	<b>11 932 806,19</b>	<b>0,00</b>	-	<b>-4 868 098,46</b>	<b>144 558 022,54</b>	<b>-74 147 541,09</b>	<b>-5 068 300,59</b>	<b>2 998 057,53</b>	-	<b>-76 217 784,15</b>	<b>-3 304 240,25</b>	-	<b>-3 304 240,25</b>	<b>65 035 998,14</b>	
AIRCONDITIONERS	20 312 323,56	-	-	20 312 323,56	4 478 684,90	-	-	-0,00	24 028 451,57	-17 501 362,94	-192 510,06	590 754,39	-0,00	-17 103 118,61	-212 412,99	-	-212 412,99	6 712 919,97	
COMPUTER HARDWARE	112 526 416,66	-	-	112 526 416,66	19 015 734,79	-	-	-8 427 644,69	119 705 234,25	-88 489 474,52	-462 229,86	3 557 059,55	7 716 087,91	-77 678 556,92	-704 346,98	-	-704 346,98	41 322 330,35	
OFFICE MACHINES	6 166 807,36	-	-	6 166 807,36	194 779,13	-	-	0,00	6 047 718,48	-4 167 031,84	-329 575,16	276 410,31	-0,00	-4 220 196,69	-83 170,11	-	-83 170,11	1 744 351,68	
<b>Total Office Equipment</b>	<b>139 005 547,58</b>	-	-	<b>139 005 547,58</b>	<b>23 689 198,82</b>	-	-	<b>-8 427 644,69</b>	<b>149 781 404,30</b>	<b>-110 157 869,30</b>	<b>-984 315,08</b>	<b>4 424 224,25</b>	<b>7 716 087,91</b>	<b>-99 001 872,22</b>	<b>-999 930,08</b>	-	<b>-999 930,08</b>	<b>49 779 602,00</b>	
CABINETS AND CUPBOARDS	12 681 296,82	-	-	12 681 296,82	84 825,21	-	-	12 623,48	12 741 428,93	-9 633 057,68	446 577,72	366 468,81	55,27	-8 819 955,88	-469 212,30	-	-469 212,30	2 952 260,75	
CHAIRS	12 006 226,28	4,53	-	12 006 230,81	1 417 355,79	-	-	-26 374,54	12 889 409,26	-7 355 298,08	-589 689,10	152 622,56	124,97	-7 797 239,65	-604 403,88	-	-604 403,88	4 492 765,73	
FURNITURE AND FITTINGS OTHER	6 444 761,14	-	-	6 444 761,14	324 189,71	-	-	-29 948,76	6 271 073,77	-4 109 901,68	-324 235,24	351 929,03	-181,15	-4 082 389,04	-244 120,17	-	-244 120,17	1 944 564,56	
TABLES AND DESKS	10 366 785,09	-	-	10 366 785,09	421 755,20	-	-	43 699,82	10 046 833,66	-7 145 757,28	-441 504,82	368 210,80	-0,00	-7 219 051,30	-280 225,45	-	-280 225,45	2 547 556,91	
<b>Total Furniture And Fittings</b>	<b>41 499 069,33</b>	<b>4,53</b>	-	<b>41 499 073,86</b>	<b>2 248 125,91</b>	-	-	<b>-2 298 454,15</b>	<b>41 448 745,62</b>	<b>-28 244 014,72</b>	<b>-908 851,44</b>	<b>1 239 231,20</b>	<b>-0,91</b>	<b>-27 913 635,87</b>	<b>-1 597 961,80</b>	-	<b>-1 597 961,80</b>	<b>11 937 147,95</b>	
BULK CONTAINERS	1 765 518,24	-	-	1 765 518,24	840 000,00	-	-	-64 498,80	2 541 019,44	-1 190 402,65	-143 923,74	45 166,58	-	-1 289 159,81	-13 163,23	-	-13 163,23	1 238 696,40	
HOUSEHOLD REFUSE BINS	2 203,00	-	-	2 203,00	-	-	-	-	2 203,00	-2 043,50	-21,52	-	-	-2 065,02	-88,89	-	-88,89	49,09	
<b>Total Containers</b>	<b>1 767 721,24</b>	-	-	<b>1 767 721,24</b>	<b>840 000,00</b>	-	-	<b>-64 498,80</b>	<b>2 543 222,44</b>	<b>-1 192 446,15</b>	<b>-143 945,26</b>	<b>45 166,58</b>	-	<b>-1 291 224,83</b>	<b>-13 252,12</b>	-	<b>-13 252,12</b>	<b>1 238 745,49</b>	
FIRE EQUIPMENT	5 092 933,09	-	-	5 092 933,09	-	-	-	-95 193,86	4 997 739,23	-3 372 610,79	-125 293,18	64 592,88	-	-3 433 311,09	-199 319,21	-	-199 319,21	1 365 108,93	
MEDICAL EQUIPMENT CLINICS	349 037,63	-	-	349 037,63	-	-	-	-107 786,92	241 250,71	-302 604,35	-5 316,16	97 872,14	-	-210 048,37	-6 659,86	-	-6 659,86	24 542,48	
<b>Total Fire And Medical Equipment</b>	<b>5 441 970,72</b>	-	-	<b>5 441 970,72</b>	-	-	<b>0,00</b>	<b>-202 980,78</b>	<b>5 238 989,94</b>	<b>-3 675 215,14</b>	<b>-130 609,34</b>	<b>162 465,02</b>	-	<b>-3 643 359,46</b>	<b>-205 979,07</b>	-	<b>-205 979,07</b>	<b>1 389 651,41</b>	
BUSES	3 631 939,23	-	-	3 631 939,23	-	-	-	-	3 631 939,23	-1 880 098,90	-172 488,37	-	0,00	-2 052 587,27	-194 329,90	-	-194 329,90	1 385 022,06	
FIRE ENGINES	31 323 623,83	-	-	31 323 623,83	-	-	-	-	31 323 623,83	-17 351 331,91	-1 016 056,09	-	-	-18 367 388,00	-108 249,85	-	-108 249,85	12 847 985,98	
MOTOR CYCLES	1 567 320,81	-	-	1 567 320,81	-	-	-	-	1 567 320,81	-1 416 830,97	-26 908,09	-	-	-1 443 739,06	-25 031,22	-	-25 031,22	98 550,53	
MOTOR VEHICLES	34 889 002,64	-	-	34 889 002,64	10 335 390,23	0,00	-	-	45 224 392,87	-22 108 304,37	-2 619 684,61	-	-	-24 727 988,98	-1 240 416,72	-	-1 240 416,72	19 255 987,17	
TRAILERS	893 044,49	-	-	893 044,49	2 576 000,00	0,00	-	-180 825,71	3 308 218,78	-794 726,68	-5 016,04	160 655,67	-	-639 087,05	-41 044,86	-	-41 044,86	2 628 086,87	
TRUCKS AND BAKKIES	167 178 927,55	-	-	167 178 927,55	28 967 987,48	-0,00	-	-	196 146 915,03	-121 876 060,11	-12 506 392,72	-	-	-134 382 452,83	-1 350 343,45	-	-1 350 343,45	60 414 118,75	
FINANCE LEASES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
					-1 500 838,44														
<b>Total Motor Vehicles</b>	<b>239 483 856,55</b>	-	-	<b>239 483 856,55</b>	<b>40 378 539,27</b>	<b>0,00</b>	-	<b>-160 825,71</b>	<b>281 202 410,55</b>	<b>-165 427 352,94</b>	<b>-16 346 545,92</b>	<b>160 655,67</b>	<b>0,00</b>	<b>-181 613 243,19</b>	<b>-2 959 416,00</b>	-	<b>-2 959 416,00</b>	<b>96 629 751,36</b>	
Tool Boxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Low Value Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total tool Box and Low Value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

	COST/VALUATION										ACCUMULATED DEPRECIATION					Accumulated Impairment			Carrying Value
	Cost 01/07/2023	Valuation 01/07/2023	AUC 01/07/2023	Cost/Valuation 01/07/2023	Additions	Fair value gains/ (losses)	Transfers/ Adjustments	Additions AUC	Derecognition	Balance 30/06/2024	Balance '01/07/2023	Depreciation 2023/24	Derecognition	Adjustments/ Transfers	Balance 30/06/2024	'01/07/2023	Impairment 2023/24	Balance 30/06/2024	
<b>Total Movable Assets</b>	<b>564 691 482,23</b>	<b>4,53</b>	<b>-</b>	<b>987 436 853,06</b>	<b>79 088 670,19</b>	<b>-</b>	<b>-8 427 644,69</b>	<b>-</b>	<b>-12 080 555,31</b>	<b>1 047 518 161,69</b>	<b>-680 859 919,54</b>	<b>-33 147 524,87</b>	<b>9 029 800,25</b>	<b>7 716 087,00</b>	<b>-697 261 557,16</b>	<b>-9 218 553,05</b>	<b>-</b>	<b>-9 218 553,05</b>	<b>341 038 051,48</b>
												-33 147 524,87	9 029 800,25						
												-0,00							
<b>Total Ppe</b>	<b>10 957 818 952,82</b>	<b>94 595,00</b>	<b>-</b>	<b>12 625 081 855,08</b>	<b>79 088 670,19</b>	<b>-</b>	<b>-20 737 777,86</b>	<b>493 264 290,05</b>	<b>-12 232 690,00</b>	<b>13 165 965 185,90</b>	<b>-5 464 393 676,47</b>	<b>-350 264 843,49</b>	<b>9 263 305,34</b>	<b>7 712 298,20</b>	<b>-5 797 682 916,42</b>	<b>-107 350 621,18</b>	<b>-81 805,20</b>	<b>-107 432 426,38</b>	<b>7 253 133 755,19</b>
<b>Heritage Assets</b>																			
ARTWORKS	120 190 739,66	125 129 959,34	-	245 320 699,00	-	-	-	63 575,00	-	245 384 274,00	-	-	-	-	-6 863 809,00	-	-6 863 809,00	238 520 465,00	
CREMATORIUMS	9 359 517,66	-	-	9 359 517,66	-	-	-	-	-	9 359 517,66	-	-	-	-	-3 256 965,46	-	-3 256 965,46	6 102 552,20	
Jewellery	1 058 500,00	1 701 500,00	-	2 760 000,00	-	-	-	-	-	2 760 000,00	-	-	-	-	-	-	-	2 760 000,00	
MUSEUMS AND ART GALLERY	17 315 795,90	994 807,46	-	18 310 603,36	-	-	-	-	-	18 310 603,36	-1 698 583,92	-	-	-	-1 698 583,92	-	-340 927,02	16 271 092,42	
LAND	6 002 000,00	-	-	6 002 000,00	-	-	-	-	-	6 002 000,00	-	-	-	-	-	-	-	6 002 000,00	
PARKS	2 485 907,87	-	-	2 485 907,87	-	-	-	-	-	2 485 907,87	-1 007 828,00	-	-	-	-1 185 172,25	-	-1 185 172,25	292 907,62	
STADIUMS	3 961 962,71	-	-	3 961 962,71	-	-	-	-	-	3 961 962,71	-	-	-	-	-2 069 239,19	-	-2 069 239,19	1 892 723,52	
OTHER SWIMMING POOLS	2 095 896,34	-	-	2 095 896,34	-	-	-	-	-	2 095 896,34	-	-	-	-	-867 297,64	-	-867 297,64	1 228 598,70	
LEGAL DEPOSITS	-	50 326 509,49	-	50 326 509,49	-	-	-	123 079,28	-	50 449 588,77	-	-	-	-	-	-	-	50 449 588,77	
<b>Total Heritage Assets</b>	<b>162 470 320,14</b>	<b>178 152 776,29</b>	<b>-</b>	<b>290 296 586,94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63 575,00</b>	<b>-</b>	<b>340 809 750,71</b>	<b>-2 706 411,92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2 706 411,92</b>	<b>-14 583 410,56</b>	<b>-</b>	<b>-14 583 410,56</b>	<b>323 519 928,23</b>
<b>Investment Property</b>	<b>924 805 184,39</b>	<b>-</b>	<b>-</b>	<b>924 805 184,39</b>	<b>-</b>	<b>196 900,00</b>	<b>3 847 245,38</b>	<b>3 840 396,24</b>	<b>-10 298 000,00</b>	<b>922 391 726,01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>922 391 726,01</b>
<b>Intangible Assets</b>																			
COMPUTER SOFTWARES	50 850 272,16	-	-	50 850 272,16	204 588,61	-	-	-	-	51 054 860,77	-46 365 301,31	-1 109 969,39	-	-	-47 475 270,70	-21 663,22	-	-21 663,22	3 557 926,85
SERVITUDES	803 846,28	-	-	803 846,28	-	-	-	-	-	803 846,28	-	-	-	-	-	-	-	-	803 846,28
SOFTWARES	67 535 815,54	-	-	67 535 815,54	5 887 850,00	-	-	-	-	73 423 665,54	-48 811 037,18	-4 142 598,88	-	-	-52 953 636,06	-78 675,42	-	-78 675,42	20 391 354,06
<b>Total Intangible Assets</b>	<b>119 189 933,98</b>	<b>-</b>	<b>-</b>	<b>119 189 933,98</b>	<b>6 092 438,61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125 282 372,59</b>	<b>-95 176 338,49</b>	<b>-5 252 568,27</b>	<b>-</b>	<b>-</b>	<b>-100 428 906,76</b>	<b>-100 338,64</b>	<b>-</b>	<b>-100 338,64</b>	<b>24 753 127,19</b>
<b>Living Resources</b>																			
Living Resources	988 150,00	-	-	988 150,00	17 000,00	-	-	-	-18 900,01	986 249,99	-412 260,07	-48 238,49	8 655,20	-	-451 843,36	-	-	-	534 406,63
<b>Total Living Resources</b>	<b>988 150,00</b>	<b>-</b>	<b>-</b>	<b>988 150,00</b>	<b>17 000,00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-18 900,01</b>	<b>986 249,99</b>	<b>-412 260,07</b>	<b>-48 238,49</b>	<b>8 655,20</b>	<b>-</b>	<b>-451 843,36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534 406,63</b>
<b>Agricultural Assets</b>																			
Plantations	75 800 000,00	-	-	75 800 000,00	320 000,00	11 198 051,00	-	-	-4 618 051,00	82 700 000,00	-	-	-	-	-	-	-	-	82 700 000,00
<b>Total Agricultural Assets</b>	<b>75 800 000,00</b>	<b>-</b>	<b>-</b>	<b>75 800 000,00</b>	<b>320 000,00</b>	<b>11 198 051,00</b>	<b>-</b>	<b>-</b>	<b>-4 618 051,00</b>	<b>82 700 000,00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82 700 000,00</b>
<b>Total Non Current Assets</b>	<b>12 242 060 691,33</b>	<b>178 247 371,29</b>	<b>-</b>	<b>14 037 149 860,39</b>	<b>85 535 108,80</b>	<b>11 394 951,00</b>	<b>-16 890 532,48</b>	<b>497 168 261,29</b>	<b>-27 167 641,01</b>	<b>14 639 121 535,19</b>	<b>-5 563 100 947,02</b>	<b>-355 613 888,74</b>	<b>9 280 615,74</b>	<b>7 712 298,20</b>	<b>-5 901 721 921,82</b>	<b>-122 034 370,38</b>	<b>-81 805,20</b>	<b>-122 116 175,58</b>	<b>8 607 032 943,25</b>
<b>Housing Stock</b>																			
Housing Stock	306 876 223,92	-	-	306 876 223,92	-	-	16 890 532,48	49 891 724,27	-	373 658 480,67	-	-	-	-	-	-	-	-	373 658 480,67
<b>Total Housing Stock</b>	<b>306 876 223,92</b>	<b>-</b>	<b>-</b>	<b>306 876 223,92</b>	<b>-</b>	<b>-</b>	<b>16 890 532,48</b>	<b>49 891 724,27</b>	<b>-</b>	<b>373 658 480,67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>373 658 480,67</b>
<b>Land Held For Sale</b>																			
Land Held For Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Land Held For Sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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 Non Current Assets &amp; Inventory</b>	<b>12 548 936 915,25</b>	<b>178 247 371,29</b>	<b>-</b>	<b>14 344 026 084,31</b>	<b>85 535 108,80</b>	<b>11 394 951,00</b>	<b>-0,00</b>	<b>547 059 985,56</b>	<b>-27 167 641,01</b>	<b>15 012 780 015,86</b>	<b>-5 563 100 947,02</b>	<b>-355 613 888,74</b>	<b>9 280 615,74</b>	<b>7 712 298,20</b>	<b>-5 901 721 921,82</b>	<b>-122 034 370,38</b>	<b>-81 805,20</b>	<b>-122 116 175,58</b>	<b>8 980 691 423,92</b>

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MSUNDUZI LOCAL MUNICIPALITY  
APPENDIX B - SEGMENTAL ANALYSIS OF ALL NON-CURRENT ASSETS CLASSIFICATION AS AT 30 JUNE 2024

DESCRIPTION	HISTORICAL COSTS								ACCUMULATED DEPRECIATION AND IMPAIRMENTS								
	OPENING BALANCE	ADDITIONS/ UNDER CONSTRUCTION	TRANSFERS	REVALUATION	ADJUSTMENTS	DISPOSALS	DONATED ASSETS	CLOSING BALANCE	OPENING BALANCE	OPENING IMPAIRMENT	CURRENT YEAR DEPRECIATION	DEPRECIATION TRANSFER	DEPRECIATION ADJUSTMENTS	DEPRECIATION DISPOSALS	CURRENT YEAR IMPAIRMENT	CLOSING BALANCE	NET BOOK VALUE
Executive and Council	37 313 503,28	6 072 304,93	91 186,76		-	593 042,20	-	42 701 579,23	18 572 571,01	310 386,56	1 223 637,31	24 099,62	-	453 661,73	-	19 628 833,53	23 072 745,70
Community and Social Services	835 963 250,43	45 683 084,98	240 206,10		-	1 182 856,30	100 984,24	880 324 255,25	257 113 815,19	11 782 583,20	11 532 471,81	98 970,38	-	854 383,26	2 107 713,57	281 583 238,13	598 741 027,12
Electricity	2 200 754 371,44	128 554 265,04	161 970,40		-	1 196 760,05	-	2 327 949 966,03	1 048 565 143,29	14 722 717,04	97 560 137,45	89 334,13	-	621 054,85	-	1 160 137 608,80	1 167 812 297,23
Environmental Protection	5 398 355,89	-	103 750,59		-	447 307,78	-	5 954 790,70	3 397 108,47	233 722,71	226 020,65	21 379,38	-	363 100,24	-	3 515 130,97	1 539 667,73
Finance and Administration	1 729 738 678,40	32 956 645,37	543 162,72		65 405,00	6 491 587,70	-	1 756 812 303,79	645 027 026,26	5 892 026,97	35 386 845,56	255 121,03	-	4 591 774,89	-	681 969 244,93	1 074 843 058,86
Housing	1 069 633 017,10	74 708 298,10	3 807 242,90		-	36 900,00	495 871,13	1 147 689 586,97	33 389 649,51	135 776,12	3 795 473,11	29 955,63	-	271 902,12	-	37 019 040,99	1 110 670 545,98
Other Department	441 791 356,96	3 290 091,07	5 183,37		11 198 051,00	564 903,83	-	455 709 411,83	252 989 299,18	219 337,92	12 258 430,17	4 681,14	-	313 806,96	-	265 148 579,18	190 560 832,65
Planning and Development	307 248 071,79	32 564 288,70	3 866 458,20		-	467 213,40	-	335 478 698,89	31 705 823,09	664 529,83	4 579 679,76	4 216,24	-	348 829,19	-	36 596 886,75	288 881 712,14
Public Safety	40 993 233,40	724 230,91	19 686,12		-	769 511,27	-	40 928 266,92	24 865 259,46	463 904,75	1 008 270,81	14 824,97	-	612 373,76	-	25 710 236,29	15 218 030,63
Road Transport	4 674 955 666,02	124 355 217,95	17 065,37		2,48	1 042 095,27	-	4 798 285 856,55	1 998 460 010,38	21 096 897,59	110 397 000,84	6 566,95	0,50	779 000,26	-	2 129 181 476,00	2 669 104 380,55
Sport and Recreation	538 709 654,39	5 272 736,33	86 530,63		94 592,52	2 060 009,07	-	541 930 443,54	256 058 876,29	8 271 535,04	12 484 866,30	16 985,25	3 789,21	1 041 414,06	-	275 760 667,53	266 169 776,01
Waste Management/Solid Waste	108 569 537,25	27 681 498,49	0,00		-	273 547,50	-	135 977 488,34	43 773 039,06	510 331,35	4 165 703,59	-	-	239 627,74	-	48 209 446,26	87 768 042,08
Waste Water Management	880 907 100,67	74 565 715,64	1 217 789,43		-	147 300,14	-	966 543 305,60	274 430 821,17	4 384 056,70	22 914 656,45	-	-	84 105,51	-	301 645 428,81	654 897 876,79
Water	1 511 984 674,21	78 874 785,99	1 217 789,43		-	448 773,62	-	1 589 192 897,15	661 148 752,38	68 072 908,36	41 526 166,04	-	-	363 880,63	-	770 384 146,65	818 808 750,50
<b>TOTALS</b>	<b>14 383 960 471,33</b>	<b>635 303 173,48</b>	<b>0,00</b>		<b>11 394 951,00</b>	<b>16 180 781,26</b>	<b>100 984,24</b>	<b>15 014 578 798,79</b>	<b>5 549 497 194,75</b>	<b>136 760 712,14</b>	<b>359 059 559,85</b>	<b>0,00</b>	<b>3 789,71</b>	<b>10 938 915,20</b>	<b>2 107 713,57</b>	<b>6 036 490 054,82</b>	<b>8 978 088 743,97</b>

## MSUNDUZI LOCAL MUNICIPALITY

## APPENDIX C

## ACTUAL VERSUS BUDGET (ACQUISITION OF ALL NON-CURRENT ASSETS ) FOR THE YEAR ENDED 30 June 2024

Description	2024 Budget R	2024 Actual R	2024 Assets Under Construction R	2024 Additions R	2024 Variance R	2024 Variance %	Explanation of Significant Variances greater than 5% versus Budget
Executive and Council	7 160 000,00	5 992 554,91	-	6 072 304,91	1 167 445,09	16%	
Finance and Administration	48 333 019,00	32 685 539,13	3 626 282,81	29 330 362,56	15 647 479,87	32%	
Planning and Development	107 592 894,21	92 995 620,52	(21 627 916,99)	54 192 215,69	14 597 273,69	14%	
Public Safety	945 000,00	724 230,91	-	724 230,91	220 769,09	23%	
Community and Social Services	45 072 562,81	39 890 722,49	36 710 262,73	8 972 822,25	5 181 840,32	11%	
Health							
Sport and Recreation	4 623 488,00	5 255 736,33	3 766 266,66	1 506 469,67	-632 248,33	-14%	
Road Transport	120 552 892,00	154 583 340,12	32 142 102,57	92 213 115,38	-34 030 448,12	-28%	
Water	107 338 787,73	77 631 048,29	67 014 873,73	11 859 912,26	29 707 739,44	28%	
Waste Water Management	91 607 792,83	78 087 787,55	58 492 244,58	16 073 471,06	13 520 005,28	15%	
Electricity	187 190 153,86	138 486 412,93	20 814 904,24	107 739 360,80	48 703 740,93	26%	
Housing	178 975 938,14	72 176 097,07	25 021 902,33	49 686 395,77	106 799 841,07	60%	
Other Departments	3 969 159,00	3 517 558,08	-	3 290 091,07	451 600,92	11%	
Environment Protection/Solid Waste	41 936 000,00	27 681 498,49	17 718 148,94	9 963 349,55	14 254 501,51	34%	
<b>TOTALS</b>	<b>945 297 687,58</b>	<b>729 708 146,82</b>	<b>243 679 071,60</b>	<b>391 624 101,88</b>	<b>215 589 540,76</b>		

**MSUNDUZI LOCAL MUNICIPALITY**

**APPENDIX D**

**DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2024**

<u>General Ledger account number</u>	<u>Account Description</u>	<u>Restated Unspent balance @ 01 July 2023</u>	<u>Transfers to income</u>	<u>Transfer to own revenue</u>	<u>Funds paid back to National Treasury</u>	<u>VAT recovered from NT grants</u>	<u>Current year interest earned</u>	<u>Current year receipts</u>	<u>Unspent balance</u>	<u>Source Code</u>
1791201000/1200010020	GRANTS UNSPENT:OP-NT-EXPANDED PUBLIC WORKS PROGRAMME	-2 849	4 633 583		2 849	67 413	-	-4 701 000	-3	UNSPENT CG - NATIONAL GOVERNMENT
1791203000/1200010030	GRANTS UNSPENT:OP-NT-FINANCE MANAGEMENT GRANT	-	1 807 398		-	142 602	-	-1 950 000	-	UNSPENT CG - NATIONAL GOVERNMENT
1791000000/1200000150	GRANTS UNSPENT:CP-NT-INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	-1 774 357	10 974 749	-	-	1 244 124	-	-10 500 000	-55 484	UNSPENT CG - NATIONAL GOVERNMENT
1791003000/1200000120	GRANTS UNSPENT:CP-NT-NEIGHBOURHOOD DEV P/SHIP GRANT	-1 478 255	11 351 642		-	1 621 746	-	-13 100 000	-1 604 867	UNSPENT CG - NATIONAL GOVERNMENT
1791005000/1200000170	GRANTS UNSPENT:CP-NT-ENERGY EFFIC/DEMAND SIDE MGT	-	4 765 449		-	234 551	-	-5 000 000	-	UNSPENT CG - NATIONAL GOVERNMENT
1791108000	GRANTS UNSPENT:CP-NT-MUNICIPAL DISASTER RECOVERY GRANT	-	6 975 268		-	1 046 290	-	-39 600 000	-31 578 442	UNSPENT CG - NATIONAL GOVERNMENT
1791001000/1200000110	GRANTS UNSPENT:CP-NT-MUNICIPAL INFRASTRUCTURE PROGRAMME	-900 240	177 950 579		26 705	26 416 614	-	-221 866 014	-18 372 356	UNSPENT CG - NATIONAL GOVERNMENT
1791209000/1200010040	GRANTS UNSPENT:OP-NT-MUNICIPAL INFRASTRUCTURE PROGRAMME	-	7 301 483		-	154 503	-	-7 455 986	-	UNSPENT CG - NATIONAL GOVERNMENT
1791007000/1200000160	GRANTS UNSPENT:CP-NT-WATER SERVICES INFRASTR GRANT	-417	22 088 512		-	3 115 469	-	-36 055 100	-10 851 535	UNSPENT CG - NATIONAL GOVERNMENT
1791210000/1200010060	GRANTS UNSPENT:OP-NT-WATER SERVICES INFRASTR GRANT	-	12 128 900		-	1 819 335	-	-17 603 900	-3 655 665	UNSPENT CG - NATIONAL GOVERNMENT
		<b>-4 156 118</b>	<b>259 977 563</b>	<b>-</b>	<b>29 554</b>	<b>35 862 648</b>	<b>-</b>	<b>-357 832 000</b>	<b>-66 118 353</b>	
1791103000	GRANTS UNSPENT:CP-COGTA-CORRIDOR DEVELOPMENT	-6 561 224	3 039 104		-	-	-485 710	-	-4 007 829	UNSPENT CG - PROVINCIAL GOVERNMENT
1791112000	GRANTS UNSPENT:CP-COGTA-EASTWOOD PRIMARY SUBSTATION	-417 326	378 947		-	-	-33 632	-	-72 011	UNSPENT CG - PROVINCIAL GOVERNMENT
1791122000	GRANTS UNSPENT:CP-DOHS-UPGRADING INFORMAL SETTLEME	-58 395 414	68 684 916		-	-	-	-106 931 330	-96 641 828	UNSPENT CG - PROVINCIAL GOVERNMENT
1791302000	GRANTS UNSPENT:OP-DOHS - HOUSING PROJECTS	-	1 181 354		-	-	-	-1 181 354	-	UNSPENT CG - PROVINCIAL GOVERNMENT
1791121000/1200020050	GRANTS UNSPENT:CP-EDTEA - INFORMAL CBD	-20 234	-	20 234	-	-	-	-	0	UNSPENT CG - PROVINCIAL GOVERNMENT
1791123000	GRANTS UNSPENT:CP-EDTEA-EMATSHENI	-	-		-	-	-55 100	-1 000 000	-1 055 100	UNSPENT CG - PROVINCIAL GOVERNMENT
1791118000	GRANTS UNSPENT:CP-DOHS-JIKA JOE	-	-		-	-	-	-	-	UNSPENT CG - PROVINCIAL GOVERNMENT
1791114000/1200020040	GRANTS UNSPENT:CP-KZN - PIETERMARITZBURG AIRPORT	-194 618	3 201 175		-	-	-179 732	-3 000 000	-173 175	UNSPENT CG - PROVINCIAL GOVERNMENT
1791117000	GRANTS UNSPENT:CP-COGTA-YOUTH ENTERPRISE PARK	-3 206	-	3 206	-	-	-	-	0	UNSPENT CG - PROVINCIAL GOVERNMENT
1791325000/1200030060	GRANTS UNSPENT:OP-EDTEA-MUNICIPAL EMPLOYMENT INITIATIVE	-2 076 549	2 890 001		-	-	-201 052	-1 000 000	-387 600	UNSPENT CG - PROVINCIAL GOVERNMENT
1791326000	GRANTS UNSPENT:OP - LG SETA	-	1 662 712		-	-	-	-2 571 537	-908 825	UNSPENT CG - PROVINCIAL GOVERNMENT
1791303000	GRANTS UNSPENT:OP-KZN-HOUSING:E/DALE PVT LAND ACQ	-2 280 685	2 081 078		-	-	-152 235	-287 448	-639 291	UNSPENT CG - PROVINCIAL GOVERNMENT
1791102000	GRANTS UNSPENT:CP-KZN-HOUSING:E/DALE PVT LAND ACQ	-85 461 849	77 553 222		-	-	-2 749 341	-1 860 650	-12 518 618	UNSPENT CG - PROVINCIAL GOVERNMENT
1791107000/1200020010	GRANTS UNSPENT:CP-KZN: HOUSING- ACCREDITATION	-3 014 504	733 561		-	-	-259 070	-	-2 540 014	UNSPENT CG - PROVINCIAL GOVERNMENT
1791305000/1200030030	GRANTS UNSPENT:OP-KZN-: HOUSING- ACCREDITATION	-7 820 355	6 417 980		-	-	-554 438	-1 842 325	-3 799 138	UNSPENT CG - PROVINCIAL GOVERNMENT
1791105000/1200020020	GRANTS UNSPENT:CP-KZN -ARTS/CULTURE-LIBRARY	-5 862 526	6 376 710		-	-	-37 245	-900 000	-194 650	UNSPENT CG - PROVINCIAL GOVERNMENT
1791306000/1200030010	GRANTS UNSPENT:OP-KZN-ARTS/CULTURE-LIBRARY	-724 668	14 829 882		-	-	-349 482	-13 538 000	-10 679	UNSPENT CG - PROVINCIAL GOVERNMENT
1791324500	GRANTS UNSPENT:OP-ART BANK-TATHAM ART GALLERY	-	56 880		-	-	-	-57 000	-120	UNSPENT CG - PROVINCIAL GOVERNMENT
1791307000/1200030020	GRANTS UNSPENT:OP-KZN-A/CULTURE-TATHAM ART GALLERY	-34 759	147 715		-	-	-7 566	-120 000	-14 451	UNSPENT CG - PROVINCIAL GOVERNMENT
1791106000/1200020030	GRANTS UNSPENT:CP-KZN-A/CULTURE-TATHAM ART GALLERY	-132 047	170 531		-	-	-37 247	-451 000	-449 922	UNSPENT CG - PROVINCIAL GOVERNMENT
		<b>-172 999 965</b>	<b>189 405 768</b>	<b>23 440</b>	<b>-</b>	<b>-</b>	<b>-5 101 851</b>	<b>-134 740 643</b>	<b>-123 413 252</b>	
		<b>-177 156 083</b>	<b>449 383 331</b>	<b>23 440</b>	<b>29 554</b>	<b>35 862 648</b>	<b>-5 101 851</b>	<b>-492 572 643</b>	<b>-189 531 605</b>	