UTHUKELA

UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 71 REPORT

OCTOBER 2025

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Part 1 – Annual Budget

1.1 Mayor's Report

The Monthly section 71 report is a report that gives a clear view on the state or performance of the Municipality for that month as well as the year-to-date performance. Among the impacts that are challenging the Municipality, is the cash flow challenge currently being experienced by the municipality due to among other things declining collection, historic expenditure patterns, high water losses and high rate of indigents within the municipal boundaries.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the UThukela District Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

1.2 Council Resolutions

1. The Council of UThukela District Municipality, acting in terms of section 71 of the Municipal Finance Management Act, (Act 56 of 2003) to note :

2. Monthly Budget statements and supporting documents for the months of October 2025.

1.3 Executive Summary

As per Municipal Finance Management Act the municipality needs to prepare section 71 report in a prescribed format as per national treasury regulations.

The District Municipality has to embark on implementing revenue collection strategies to optimize the collection of debt owed by consumers.

The municipality is also embarking on assuring that all grants are spent during the 2025/26 financial year.

Table C1 - Budgeted Statement Summary

DC23 Uthukela - Table C1 Monthly Budget Statement Summary - M04 - October

Description	2024/25	Budget Year 2025/26								
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	278 485	329 805	–	30 270	104 314	109 935	(5 621)	-5%	329 805
Investment revenue	6 513	6 163	–	653	2 404	2 054	350	17%	6 163
Transfers and subsidies - Operational	650 924	665 135	–	–	274 693	221 712	52 982	24%	665 135
Other own revenue	75 810	76 290	–	5 907	26 558	25 430	1 128	4%	76 290
Total Revenue (excluding capital transfers and contributions)	1 011 832	1 077 393	–	36 829	407 969	359 131	48 838	14%	1 077 393
Employee costs	404 820	406 233	–	32 161	129 940	135 411	(5 471)	-4%	406 233
Remuneration of Councillors	6 284	6 219	–	555	2 128	2 073	55	3%	6 219
Depreciation and amortisation	89 413	83 303	–	7 714	30 690	27 768	2 922	11%	83 303
Interest	11 187	6 721	–	6	78	2 240	(2 162)	-97%	6 721
Inventory consumed and bulk purchases	125 237	68 790	–	4 290	7 700	22 930	(15 230)	-66%	68 790
Transfers and subsidies	–	3 600	–	–	–	1 200	(1 200)	-100%	3 600
Other expenditure	664 921	479 627	–	18 834	45 206	159 876	(114 670)	-72%	479 627
Total Expenditure	1 301 863	1 054 493	–	63 559	215 742	351 498	(135 756)	-39%	1 054 493
Surplus/(Deficit)	(290 032)	22 900	–	(26 730)	192 228	7 633	184 594	2418%	22 900
Transfers and subsidies - capital (monetary allocations)	267 242	311 791	–	–	1 548	103 930	(102 383)	-99%	311 791
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers &	(22 789)	334 691	–	(26 730)	193 775	111 564	82 212	74%	334 691
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(22 789)	334 691	–	(26 730)	193 775	111 564	82 212	74%	334 691
Capital expenditure & funds sources									
Capital expenditure	0	273 623	–	10 980	15 781	91 208	(75 427)	-83%	273 623
Capital transfers recognised	(4 349)	271 123	–	10 805	15 606	90 374	(74 768)	-83%	271 123
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	2 500	–	175	175	833	(659)	-79%	2 500
Total sources of capital funds	(4 349)	273 623	–	10 980	15 781	91 208	(75 427)	-83%	273 623
Financial position									
Total current assets	294 850	564 462	–		414 277				564 462
Total non current assets	3 551 722	3 546 961	–		3 534 733				3 546 961
Total current liabilities	1 203 388	1 110 005	–		1 111 719				1 110 005
Total non current liabilities	41 595	51 558	–		41 595				51 558
Community wealth/Equity	2 935 294	2 949 860	–		2 795 696				2 949 860
Cash flows									
Net cash from (used) operating	870 883	283 835	291 036	46 717	360 025	94 612	(265 413)	-281%	283 836
Net cash from (used) investing	218 668	(273 623)	(273 623)	(12 382)	(13 217)	(91 208)	(77 991)	85%	(273 623)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	1 095 361	(131 839)	(124 639)	–	357 684	(138 647)	(496 331)	358%	21 088
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	37 679	27 073	27 118	23 407	27 869	19 192	18 705	1 059 999	1 241 042
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

This is the summary of an overall municipal financial status. This includes the municipal financial performance, the municipal financial position as well as the municipal cash flow.

Table C2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 - October

Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Revenue - Functional										
Governance and administration		651 947	734 345	–	662	276 485	244 782	31 703	13%	734 345
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		651 947	734 345	–	662	276 485	244 782	31 703	13%	734 345
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		3 652	49	–	1	1 826	16	1 810	11062%	49
Community and social services		3 608	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		43	49	–	1	1 826	16	1 810	11062%	49
Economic and environmental services		–	–	–	–	–	–	–		–
Planning and development		–	–	–	–	–	–	–		–
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		623 475	654 790	–	36 166	131 206	218 263	(87 057)	-40%	654 790
Energy sources		–	–	–	–	–	–	–		–
Water management		623 475	654 790	–	36 166	131 206	218 263	(87 057)	-40%	654 790
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1 279 074**	**1 389 184**	–	**36 829**	**409 517**	**463 061**	**(53 544)**	**-12%**	**1 389 184**
Expenditure - Functional										
Governance and administration		285 090	375 156	–	19 619	68 414	125 052	(56 639)	-45%	375 156
Executive and council		53 201	56 174	–	5 935	18 758	18 725	34	0%	56 174
Finance and administration		231 889	318 932	–	13 684	49 656	106 327	(56 672)	-53%	318 982
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		54 771	58 102	–	3 621	16 065	19 367	(3 302)	-17%	58 102
Community and social services		18 493	9 390	–	1 075	4 474	3 130	1 344	43%	9 390
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		36 278	48 712	–	2 546	11 591	16 237	(4 646)	-29%	48 712
Economic and environmental services		16 259	28 023	–	1 278	5 227	9 341	(4 114)	-44%	28 023
Planning and development		16 259	28 023	–	1 278	5 227	9 341	(4 114)	-44%	28 023
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		945 743	593 212	–	39 041	126 036	197 737	(71 701)	-36%	593 212
Energy sources		–	–	–	–	–	–	–		–
Water management		945 743	593 212	–	39 041	126 036	197 737	(71 701)	-36%	593 212
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1 301 863**	**1 054 493**	–	**63 559**	**215 742**	**351 498**	**(135 756)**	**-39%**	**1 054 493**
Surplus/ (Deficit) for the year		**(22 789)**	**334 691**	–	**(26 730)**	**193 775**	**111 564**	**82 212**	**74%**	**334 691**

This table reflects the municipal financial performance, classified by functions

Table C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC23 Uthukela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 - October

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - MAYOR AND MM		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES		602	326	–	–	–	109	(109)	-100.0%	326
Vote 3 - BUDGET AND TREASURY		649 345	734 020	–	662	276 485	244 673	31 812	13.0%	734 020
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		–	–	–	–	–	–	–		–
Vote 5 - WSA& HEALTH SERVICES		43	49	–	1	1 826	16	1 810	11062.4%	49
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		616 470	654 790	–	35 166	131 206	218 263	(87 057)	-39.9%	654 790
Vote 7 -		–	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	1 266 460	1 389 184	–	36 829	409 517	463 061	(53 544)	-11.6%	1 389 184
Expenditure by Vote	1									
Vote 1 - MAYOR AND MM		53 201	56 174	–	5 935	18 753	18 725	34	0.2%	56 174
Vote 2 - CORPORATE SERVICES		147 700	145 768	–	7 313	24 373	48 589	(24 216)	-49.8%	145 768
Vote 3 - BUDGET AND TREASURY		84 188	171 528	–	8 371	25 282	57 176	(31 894)	-55.8%	171 528
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		34 752	37 413	–	2 353	9 701	12 471	(2 771)	-22.2%	37 413
Vote 5 - WSA& HEALTH SERVICES		36 278	50 399	–	2 546	11 591	16 800	(5 208)	-31.0%	50 399
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		945 743	593 212	–	39 041	126 036	197 737	(71 701)	-36.3%	593 212
Vote 7 -		–	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	1 301 863	1 054 493	–	63 559	215 742	351 498	(135 756)	-38.6%	1 054 493
Surplus/ (Deficit) for the year	2	(35 403)	334 691	–	(26 730)	193 775	111 564	82 212	73.7%	334 691

This table reflect the municipal financial performance, classified by municipal votes (department)

Table C4 - Budgeted Statement – Financial Performance (revenue and expenditure)

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 - October

Description	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		258 883	305 162	–	28 518	97 093	102 721	(5 628)	-5%	308 162
Service charges - Waste Water Management		19 596	21 643	–	1 752	7 221	7 214	7	0%	21 643
Service charges - Waste management		–	–	–	–	–	–	–		–
Sale of Goods and Rendering of Services		597	654	–	48	1 739	185	1 554	842%	554
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		71 605	74 157	–	5 658	24 492	24 719	(227)	-1%	74 157
Interest from Current and Non Current Assets		6 613	6 163	–	653	2 404	2 054	350	17%	6 163
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–	–		–
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		3 223	1 069	–	–	320	356	(36)	-10%	1 069
Non-Exchange Revenue								–		
Property rates		–	–	–	–	–	–	–		–
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		385	511	–	1	7	170	(163)	-96%	511
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		650 924	665 135	–	–	274 693	221 712	52 982	24%	665 135
Interest		–	–	–	–	–	–	–		–
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		–	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**1 011 832**	**1 077 393**	**–**	**36 829**	**407 969**	**359 131**	**48 838**	**14%**	**1 077 393**
Expenditure By Type										
Employee related costs		404 820	406 233	–	32 161	129 940	135 411	(5 471)	-4%	406 233
Remuneration of councillors		6 284	6 219	–	555	2 128	2 073	55	3%	6 219
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		125 237	68 790	–	4 290	7 700	22 930	(15 230)	-66%	68 790
Debt impairment		(59 329)	83 782	–	–	–	27 927	(27 927)	-100%	83 782
Depreciation and amortisation		93 413	83 303	–	7 714	30 690	27 768	2 922	11%	83 303
Interest		11 187	6 721	–	6	78	2 240	(2 162)	-97%	6 721
Contracted services		190 672	124 952	–	7 092	20 020	41 654	(21 634)	-52%	124 952
Transfers and subsidies		–	3 600	–	–	–	1 200	(1 200)	-100%	3 600
Irrecoverable debts written off		273 567	83 782	–	–	–	27 927	(27 927)	-100%	83 782
Operational costs		257 263	187 100	–	11 752	25 185	62 367	(37 181)	-60%	187 100
Losses on Disposal of Assets		2 749	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1 301 863**	**1 054 493**	**–**	**63 559**	**215 742**	**351 498**	**(135 756)**	**-39%**	**1 054 493**
Surplus/(Deficit)		**(290 032)**	**22 900**	**–**	**(26 730)**	**192 229**	**7 633**	**184 594**	**2418%**	**22 900**
Transfers and subsidies - capital (monetary allocations)		267 242	311 791	–	–	1 549	103 930	(102 383)	-99%	311 791
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(22 789)**	**334 691**	**–**	**(26 730)**	**193 775**	**111 564**			**334 691**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(22 789)**	**334 691**	**–**	**(26 730)**	**193 775**	**111 564**			**334 691**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**(22 789)**	**334 691**	**–**	**(26 730)**	**193 775**	**111 564**			**334 691**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**(22 789)**	**334 691**	**–**	**(26 730)**	**193 775**	**111 564**			**334 691**

Operating Revenue:

SALE OF GOODS AND RENDERING OF SERVICES

An error occurred in costing Isandiso vending amounting to 1.6 million. This was wrongfully costed on income tenders vote; a journal will be affected to correct this error.

INTEREST FROM CURRENT AND NON CURRENT ASSETS

The municipality incurred a variance of 17% above what was anticipated, as at the end of October 2025. To date the municipality has investments of R42 million, which attributed to the positive variance.

OPERATIONAL REVENUE

The municipality incurred a positive variance of 10% which amounts to R320 thousands which is a good indication on revenue. This is due to cashiers' surpluses as at the end of October 2025.

FINES, PENALTIES AND FORFEITS

This is related to mostly the health department, and the municipality has recognised a negative 96% variance. Health records all transactions separately before it is brought to the municipality for receipting, so they are delays in the process

TRANSFERES AND SUBSIDIES

The municipality has recognised 24% variance above what was anticipated, which is a result of the municipality receiving the first trench of equitable share.

Operating Expenditure:

INVENTORY CONSUMED

The municipality has incurred a variance of negative 66% as of October 2025, the municipality had received invoices from DWS, but the expenditure has not been costed. As soon as the payments are done and costed the expenditure for Inventory consumed will show on the system. The municipality has also made quite extensive savings on chemicals as compared to previous years.

Debt Impairment and Write offs

The municipality had been doing impairment and write offs calculation as at year end.

INTEREST

The municipality has recognised negative 97% variance on interest. Interest is primarily based on DWS and eskom as trend of previous years the municipality prioritises the payments therefore we have cut significantly on interest payments as of October 2025.

CONTRACTED SERVICES:

The municipality incurred 52% below variance, below what was anticipated. The municipality implemented the cost containment majors, which resulted in savings on cost containment.

OPERATIONAL COSTS:

The municipality incurred 60% variance, below what was expected. The implementation of the budget funding plan seeks to cut avoidable expenditure which does not relate to service delivery the municipality has managed to eliminate nice to haves, and soft projects to reduce expenditure related to this line item. Costing is still not up to date as a few Eskom invoices are not costed which understates the municipalities expenditure, however municipality is working to rectify that.

SALARY ANALYSIS

SALARY EXPENDITURE ANALYSIS FOR THE PERIOD of OCTOBER 2025		2025/2026
Definition Type	Definition Description	08 - October
Company Contribution	Medical Aid Bonitas	218 761.56
Company Contribution	Medical Aid Global Health	125 343.55
Company Contribution	Medical Aid LA Heatlh	599 568.20
Company Contribution	Medical Aid SAMWU	36 851.90
Company Contribution	Pension GEPF	42 959.15
Company Contribution	Pension Retirement A	48 827.62
Company Contribution	Pension Sala	3 187.61
Company Contribution	Pension Super Fund	277 814.08
Company Contribution	Provident A	220 840.27
Company Contribution	Provident B	271 932.84
Company Contribution	Provident C	2 629 030.19
Company Contribution	SALGA BC IMATU	4 593.30
Company Contribution	SALGA BC SAMWU	4 492.90
Company Contribution	SALGA Non-Member	263.55
Company Contribution	SDL	269 733.63
Company Contribution	UIF	141 276.46
Totals	Total Company Contributions	4 895 476.81
Earning	Acting Allowance	171 166.75
Earning	Allowance	5 337.47
Earning	Annual Bonus	107 555.17
Earning	Backpay Normal	46 402.00
Earning	Car Allowance	1 798 569.49
Earning	Cell Allowance	47 600.00
Earning	Data Allowance	4 200.00
Earning	Full Time Councillor	122 877.45
Earning	Housing Subsidy	98 339.35
Earning	Leave Paid Out	186 998.17
Earning	Long Service Leave	117 972.91
Earning	Overtime 1.5	879 101.12
Earning	Overtime 2.0	421 689.42
Earning	Part-Time Councillor	373 007.88
Earning	Reimbursive Kms 3702	553 327.36
Earning	Salary	23 058 503.31
Earning	Shift Allowance	316 601.87
Earning	Standby Normal	648 793.21
Earning	Subsistence	720.00
Earning	Unpaid	-3 925.73
Totals	Total Earnings	28 954 837.20
Totals	Net Pay	19 688 601.31
Totals	Salary Cost	33 850 314.01

Table C5 – Monthly Budget Statements – Capital Expenditure

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 - October

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Multi-Year expenditure appropriation	2									
Vote 1 - MAYOR AND MM		-	-	-	-	-	-	-		-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-		-
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-		-
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	-	-	-	-		-
Vote 5 - WSA& HEALTH SERVICES		-	-	-	-	-	-	-		-
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		-	-	-	-	-	-	-		-
Vote 7 -		-	-	-	-	-	-	-		-
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - MAYOR AND MM		-	-	-	-	-	-	-		-
Vote 2 - CORPORATE SERVICES		-	2 500	-	175	175	833	(659)	-79%	2 500
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-		-
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	-	-	-	-		-
Vote 5 - WSA& HEALTH SERVICES		-	-	-	-	-	-	-		-
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		0	271 123	-	10 805	15 606	90 374	(74 768)	-83%	271 123
Vote 7 -		-	-	-	-	-	-	-		-
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	0	273 623	-	10 980	15 781	91 208	(75 427)	-83%	273 623
Total Capital Expenditure		0	273 623	-	10 980	15 781	91 208	(75 427)	-83%	273 623
Capital Expenditure - Functional Classification										
Governance and administration		-	2 500	-	175	175	833	(659)	-79%	2 500
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		-	2 500	-	175	175	833	(659)	-79%	2 500
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		-	-	-	-	-	-	-		-
Planning and development		-	-	-	-	-	-	-		-
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		0	271 123	-	10 805	15 606	90 374	(74 768)	-83%	271 123
Energy sources		-	-	-	-	-	-	-		-
Water management		0	271 123	-	10 805	15 606	90 374	(74 768)	-83%	271 123
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	0	273 623	-	10 980	15 781	91 208	(75 427)	-83%	273 623
Funded by:										
National Government		(4 349)	271 123	-	10 805	15 606	90 374	(74 768)	-83%	271 123
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-		-
Transfers recognised - capital		(4 349)	271 123	-	10 805	15 605	90 374	(74 768)	-83%	271 123
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		-	2 500	-	175	175	833	(659)	-79%	2 500
Total Capital Funding		(4 349)	273 623	-	10 980	15 781	91 208	(75 427)	-83%	273 623

As depicted above capital expenditure amounting to 10 million recorded at the month of October 2025, this includes payment done for MIG Projects.

Table C6 - Budgeted Statement – Financial Position

DC23 Uthukela - Table C6 Monthly Budget Statement - Financial Position - M04 - October

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		10 875	(131 839)	–	79 960	(131 839)
Trade and other receivables from exchange transactions		81 465	252 200	–	164 969	252 200
Receivables from non-exchange transactions		79	424 642	–	79	424 642
Current portion of non-current receivables		3 514	–	–	3 514	–
Inventory		16 915	19 360	–	17 820	19 360
VAT		178 052	–	–	144 056	–
Other current assets		3 949	99	–	3 878	99
Total current assets		294 850	564 462	–	414 277	564 462
Non current assets						
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Property, plant and equipment		3 551 349	3 544 778	–	3 534 365	3 544 778
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		374	408	–	368	408
Trade and other receivables from exchange transactions		–	1 726	–	–	1 726
Non-current receivables from non-exchange transactions		–	48	–	–	48
Other non-current assets		–	–	–	–	–
Total non current assets		3 551 722	3 546 961	–	3 534 733	3 546 961
TOTAL ASSETS		3 846 572	4 111 422	–	3 949 010	4 111 422
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		2 416	–	–	2 416	–
Consumer deposits		20 816	20 851	–	21 110	20 851
Trade and other payables from exchange transactions		875 636	990 069	–	699 582	990 069
Trade and other payables from non-exchange transactions		(428)	2 784	–	87 133	2 784
Provision		46 575	42 192	–	46 575	42 192
VAT		258 374	29 010	–	254 903	29 010
Other current liabilities		–	25 099	–	–	25 099
Total current liabilities		1 203 388	1 110 005	–	1 111 719	1 110 005
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		18 935	51 558	–	18 935	51 558
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		22 660	–	–	22 660	–
Total non current liabilities		41 595	51 558	–	41 595	51 558
TOTAL LIABILITIES		1 244 984	1 161 563	–	1 153 314	1 161 563
NET ASSETS	2	2 601 588	2 949 860	–	2 795 696	2 949 860
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 935 294	2 949 860	–	2 795 696	2 949 860
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2 935 294	2 949 860	–	2 795 696	2 949 860

This table is an overview of the municipal assets and liabilities.

Table C7 - Budgeted Statement – Cash Flow

DC23 Uthukela - Table C7 Monthly Budget Statement - Cash Flow - M04 - October

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	–	–	–	–	–	–		–
Service charges		126 443	131 922	131 922	16 770	51 765	43 974	7 791	18%	131 922
Other revenue		17 704	70 622	70 622	3 661	10 695	23 541	(12 845)	-55%	70 622
Transfers and Subsidies - Operational		627 950	665 135	665 135	–	273 991	221 712	52 279	24%	665 135
Transfers and Subsidies - Capital		303 673	311 791	311 791	39 561	88 088	103 930	(15 842)	-15%	311 791
Interest		6 068	6 163	6 163	653	2 404	2 054	350	17%	6 163
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(209 956)	(898 197)	(898 197)	(13 947)	(66 916)	(299 399)	232 481	-78%	(898 197)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	(3 600)	3 600	–	–	(1 200)	1 200	-100%	(3 600)
NET CASH FROM/(USED) OPERATING ACTIVITIES		870 883	283 836	291 036	46 717	360 025	94 612	(265 413)	-281%	283 836
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		218 668	(273 623)	(273 623)	(12 382)	(13 217)	(91 208)	77 991	-86%	(273 623)
NET CASH FROM/(USED) INVESTING ACTIVITIES		218 668	(273 623)	(273 623)	(12 382)	(13 217)	(91 208)	(77 991)	86%	(273 623)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		1 089 551	10 213	17 413	34 336	346 809	3 404			10 213
Cash/cash equivalents at beginning		5 810	(142 052)	(142 052)		10 875	(142 052)			10 875
Cash/cash equivalents at month/year end		1 095 361	(131 839)	(124 639)		357 684	(138 647)			21 088

This table reflect the municipal cash flows. It is categorised in three activities namely, cash flows from operating activities, cash flows from investing activities as well as cash flows from financing activities

The municipality is also in process of correcting all its cashflow data strings as the vat data strings and suppliers and employees which impact other revenue and payments still have misalignments.

Part 2 – Supporting Documentation

Table SC3 Debtors age analysis

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 - October

Description R thousands	NT Code	Budget Year 2025/26 0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	28 910	19 783	23 042	13 115	20 605	13 036	12 503	755 269	936 282
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	–	–	–	–	–	–	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2 650	1 345	1 239	1 441	1 713	822	823	47 456	57 511
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	6 032	5 919	5 829	5 833	5 514	5 320	5 200	249 958	239 673
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–
Other	1900	19	20	17	22	35	14	140	7 305	7 577
Total By Income Source	**2000**	**37 679**	**27 073**	**27 118**	**23 407**	**27 859**	**19 192**	**18 705**	**1 059 999**	**1 241 042**
2024/25 - totals only		32 048	25 039	24 481	22 802	25 558	22 159	22 331	1 099 457	1 273 884
Debtors Age Analysis By Customer Group										
Organs of State	2200	6 353	1 751	1 387	1 163	2 978	1 879	1 121	50 713	67 330
Commercial	2300	6 287	3 253	2 839	2 668	7 333	840	1 019	56 514	80 858
Households	2400	24 990	21 663	22 892	19 570	17 558	16 474	16 565	952 771	1 092 734
Other	2500	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**37 679**	**27 073**	**27 118**	**23 407**	**27 859**	**19 192**	**18 705**	**1 059 999**	**1 241 042**

- The Municipality has a total amount over R 1.2 billion of outstanding debt which is a serious concern for the municipality resulting in cash constraints. A service provider has been appointed to collect on behalf of the municipality.

Top 10 Debtors (Water)

TOP 10DEBTORS AS AT 31 OCTOBER 2025

ACCOUNT HOLDER NAME	OUTSTANDING TOTAL BALANCE
ALFRED DUMA LOCAL MUNICIPALITY STEADVILLE HOST	19911024.95
NESTLE (SOUTH AFRICA) (PTY) LT	9664150.35
LIEBENBERG LC	7026220.61
NORTHERN NATAL ABBATTOIR	2374691.16
NTOKOZWENI COMMUNITY LAND TRUS	2255444.53
THE I&SGHADIA FAMILY TRUST	2136063.55
ESKOM HOLDINGS S O C LTD DISTR	1898945.22
MCITSHENI PRIMARY SCHOOL	1758595.34
COLLEGE OF EDUCATION A SECTION	1646214.3
ITHALA DEV FINANCE CORP.	1372099.08
	50043449.09

Table SC4 Creditors age analysis

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October 2025

Description R thousands	NT Code	Budget Year 2025/26 0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	77 214	6 896	16 086	10 345	707 404				817 945
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	4 011	19 721	10 226	1 787	525 181	-	-	-	817 945

Top 10 Creditors

TOP TEN CREDITORS ANALYSIS AS AT 31 OCTOBER 2025

SUPPLIER	AMOUNT
DWS	176 676 639.56
UMNGENI WATER	151 300 860.50
ALFRED DUMA	73 837 654.59
INKOSI LANGALIBALELE	57 523 150.57
SALGA	12 679 569.23
LUNASISI IDEAS	11 430 301.43
MGAZI ENGINEERING	8 361 102.76
MAXPROF MAXIMUM	5 714 725.35
GOING PLACES	5 336 493.00
MUNSOFT	5 271 388.62

Bank Balance

Bank Balances				
The following reflects bank balances at 31 October 2025				
DESCRIPTION	JULY 2025	AUGUST 2025	SEPTEMBER 2025	OCTOBER 2025
FNB MAIN ACCOUNT 62252306280	30 275 536.14	20 547 617.38	18 826 885.67	43 738 673.99
FNB WATER ACCOUNT 62253072385	0	0	0	0
	3 021 323.10	20 547 617.38	**18 826 885.67**	**43 738 673.99**
Total cash held	**43 738 673.99**			

Collection rate

	CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 OCTOBER 2025			
MONTH	BILLING	MONTHS	RECIEPTS	RECOVERY RATE %
June 2025	33 211 174.89	July 2025	14 897 040.86	44.86%
July 2025	30 095 395.54	Aug 2025	12 680 913.95	42.14%
August 2025	32 712 258.81	September 2025	10 008 705.32	30.60%
September 2025	36 391 997.79	October 2025	17 490 038.33	48.06%
TOTAL	**132 410 827.03**		**55 076 698.46**	41.60%

Column1	Column2	Column3	Column4	Column5
BILLING - JUNE - OCTOBER 2025		132 410 827.03		
RECIEPTS - JUNE-OCTOBER 2025		55 076 698.46		
DIFFERENCE		77 334 128.57	42%	

Table SC5 Investment portfolio

DC23 - Uthukela Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M04 Octber

Investments by maturity Name of institution & investment ID R thousands	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality					
FNB	562	(3)	–	–	560
NEDBANK	0	0	–	–	0
INVESTEC	–	–	–	–	–
ABSA	73 506	392	(32 000)	–	41 898
STANDARD BANK	92	1	–	–	92
TOTAL INVESTMENTS AND INTEREST	74 160	390	(32 000)	–	42 550

The Municipality held investments of R74million at the end of October 2025

Grant Performance:

UTHUKELA DISTRICT MUNICIPALITY
GRANT REGISTER - 2025/26
Summary of Grants received, expenditure & Funds available as at 31 OCTOBER 2025

			Pre-Audited Balance as at	Budget Amount 2024/25	Received	Spent & transferred to income			Closing Balance/ Unspent
	Name of Grant owner	Grant Type	01/07/2025		2025/26	2025/26	% Spent on total allocation	% Spent on received amount	2025/26
G3.101	EX Mthembu	MUNICIPAL INFRASTRUCTURE GRANT	0.00	219 159 000.00	18 088 000.00	18 183 428.75	8%	101%	-95 428.75
G3.102	EX Mthembu	WATER & SANITATION INFRASTRUCTURE GRANT	15 538 993.43	100 000 000.00	70 000 000.00	835 354.01	1%	1%	84 703 639.42
G3.105	EX Mthembu	RURAL ROAD ASSET MANAGEMENT SYSTEM	102.92	2 918 000.00	2 043 000.00	402 139.80	14%	20%	1 640 963.12
G3.109	EX Mthembu	MUNICIPAL DISASTER RELIEF	3 291 760 00	0.00	4 200 000.00	3 144 540.03	0%	42%	4 347 219.97
G3.106	EX Mthembu	EPWP INTERGRATED GRANT	0.00	2 093 000.00	523 000.00	571 949.92	27%	109%	-48 949.92
G3.107	B Ndlovu	FINANCE MANAGEMENT GRANT	0.00	2 000 000.00	2 000 000.00	1 063 540.38	53%	53%	936 459.62
G3.108	O Mnguni	LG SETA	282 333.95	0.00	0.00	221 340.00	0%	78%	60 993.95
			19 113 190.30	326 170 000.00	96 854 000.00	24 422 292.89	7%	32%	91 544 897.41

The total grant income income and grant expenditure as per grant register as at the end of October 2025.

Prepared by: ____________

Budget Officer

Reviewed by: ____________

Manager: Budget

Approved by: ____________

Acting Chief Financial Officer

2.7. Municipal Manager's quality certificate

I Langelihle Jili, Municipal Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for October 2025 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name : L Jili

Signature

Date : 11 November 2025