

ADJUSTMENTS BUDGET OF UTHUKELA DISTRICT MUNICIPALITY



2024/25

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1.1. Mayor's Report

UThukela District Municipality has experienced financial challenges in the 2024/25 financial year and remains under administration in terms of S139 of the MFMA. The municipality encounters challenges in terms of grant spending. Amongst other material challenges the municipality has had to deal with staff disputes which emanated from changes to controls, such as the approval and monitoring of overtime. The municipality has responded positively to the said challenges and continues to support government interventions.

The municipality tabled a midyear review in January 2024, which analysed and reflected on the financial performance of the first six months of the year. On review of the financial performance at midyear it was evident that an adjustments budget is required. The major aim of this adjustments budget is to consider and apply remedial measures in areas of non-performance. This adjustments budget also seeks to prioritise and apply the feedback received from Treasury and COGTA on the midyear performance. The budget remains unfunded and is supported by means of a budget funding plan. Senior management has contributed strategies to the funding plan.

Various capital projects budgeted for this financial year have commenced, going forward these projects will remain under the strict monitoring and supervision. This will ensure capital grants are fully spent and that capital projects are implemented successfully as per the adopted business plans.

The municipality remains committed to the turn-around time of the budget funding plan and the improvement of the audit opinion, all strengthening the level of basic service delivery.

1.2 Council Resolutions

On the 27th of February 2024

the Council of UThukela District Municipality met at the Royal Hotel to consider the adjustments budget of the municipality for the financial year 2024/25. The Council approved and adopted the following resolutions:

1. The UThukela District Local Municipality, acting in terms of section 72 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The adjustments budget of the municipality for the financial year 2024/25 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Adjustments Budget Financial Performance (revenue and expenditure by standard classification) as contained in Table B2
 - 1.1.2. Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) as contained in Table B3
 - 1.1.3. Adjustments Budget Summary as contained in Table B1
 - 1.1.4. Adjustments Budget financial performance (revenue and expenditure) as contained in Table B4

- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Adjustments Budget Financial Position as contained in Table B6
 - 1.2.2. Adjustments Budget Cash Flows as contained in Table B7
 - 1.2.3. Adjustments Budget Cash backed reserves and accumulated surplus reconciliation as contained in Table A8
 - 1.2.4. Adjustments Budget Asset management as contained in Table B9
 - 1.2.5. Adjustments Budget Basic service delivery measurement as contained in Table B10
 - 1.2.6. The adjusted budget funding plan
 - 1.2.7. That council approves the disconnection fee from R183 to R1500
 - 1.2.8. That council approves the discharge fee of illegal sewer connections R 2000
 - 1.2.9. That council approves the disposal of the dead tariffs

-Application per competence certificate R 800

1.2.10 Food Safety

- Certificate of Acceptability fees (informal) R 800
- Certificate of Acceptability fees (formal) R 1000
- Certificate of unsound food stuff (condemnation Certificate) R1200
- Certificate of Acceptability fees (Vehicle) R 1000

1.2.11. Scrutiny building plans R 500

1.3 Executive Summary

Section 72 of the Municipal Finance Management Act (MFMA) requires that municipalities review their financial results for the mid-year during January of each year

Section 72 indicates that the following information must be provided:

- the monthly statements referred to in section 71 for the first half of the financial year.
- the municipality's service delivery performance during the first half of the financial year, and the service delivery targets, and performance indicators set in the service delivery and budget implementation plan.
- the past year's annual report, and progress on resolving problems identified in the annual report

As part of the review the accounting officer must:

- make recommendations as to whether an adjustment budget is necessary and
- recommend revised projections for revenue and expenditure to the extent that this may be necessary

Background

An Adjustment Budget must be table to council any time after the mid-year budget review have been tabled to council but no later than 28 February of the current year as per Municipal Budget Regulation Reporting 23(1).

The Mid- Year Budget Review Report has highlighted variances in terms of actual year to date income and expenditure versus year-to-date budgets. The variances were considered and where necessary adjustments were made.

Consideration of section 18 of MFMA was made, which states that:

“An annual budget may only be funded from:

- a) Realistic anticipated revenues to be collected.*
- b) Cash backed accumulated funds from previous year’s surpluses not committed for other purposes; and*
- c) borrowed funds, but only for the capital budget referred to in section 17(2)*

(2) Revenue projections in the budget must be realistic, considering:

- a) Projected revenue for the current year based on collection levels to date; and*
- b) Actual revenue collected in previous financial years.”*

Great emphasis has been placed on ensuring that the available resources are employed onto the municipality’s core function; furthermore, adjustments have been made to votes impacting directly on service delivery.

Summary table			
	Audited outcome	Original Budget	Adjusted Budget
	2023/2024	2024/2025	2024/2025
Operating Revenue	951 640 878,00	1 030 992 479,77	1 004 580 248,06
Operating Expenditure	1 192 739 000,00	967 231 632,00	1 093 540 846,91
Operating surplus/ (deficit)	- 241 098 122,00	63 760 847,77	- 88 960 598,86
Capital Receipts	293 901 122,00	291 529 000,00	277 808 348,00
Surplus/ (deficit)	52 803 000,00	355 289 847,77	188 847 749,14

Adjustments Budget (summary) – [B1]

DC23 Uthukela - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2024/25									Budget Year 2025/26	Budget Year 2026/27
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	–	–	–	–	–	–	–	–	–	–	–
Service charges	334 578	–	–	–	–	–	(42 736)	(42 736)	291 842	354 653	375 932
Investment revenue	10 482	–	–	–	–	–	(3 475)	(3 475)	7 007	10 964	11 468
Transfers recognised - operational	620 501	–	–	–	–	–	11 691	11 691	632 192	654 131	690 850
Other own revenue	65 430	–	–	–	–	–	8 110	8 110	73 540	69 349	73 502
Total Revenue (excluding capital transfers and contributions)	1 030 991	–	–	–	–	–	(26 409)	(26 409)	1 004 581	1 089 096	1 151 752
Employee costs	363 137	–	–	–	–	–	32 822	32 822	395 959	363 137	363 137
Remuneration of councillors	6 155	–	–	–	–	–	64	64	6 219	6 155	6 155
Depreciation & asset impairment	238 568	–	–	–	–	–	(73 558)	(73 558)	165 010	249 542	260 771
Finance charges	–	–	–	–	–	–	6 456	6 456	6 456	–	–
Inventory consumed and bulk purchases	51 060	–	–	–	–	–	35 437	35 437	86 497	53 409	55 866
Transfers and subsidies	5 830	–	–	–	–	–	(5 830)	(5 830)	0	6 098	6 379
Other expenditure	302 482	–	–	–	–	–	130 921	130 921	433 403	315 630	330 086
Total Expenditure	967 232	–	–	–	–	–	126 912	126 912	1 093 544	993 971	1 022 393
Surplus/(Deficit)	63 759	–	–	–	–	–	(152 722)	(152 722)	(88 963)	95 125	129 359
Transfers and subsidies - capital (monetary allocations)	291 529	–	–	–	–	–	(13 721)	(13 721)	277 808	322 331	352 435
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794
Capital expenditure & funds sources											
Capital expenditure	308 529	–	–	–	–	–	(64 288)	(64 288)	244 241	340 113	371 036
Transfers recognised - capital	291 529	–	–	–	–	–	(49 956)	(49 956)	241 573	322 331	352 436
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	17 000	–	–	–	–	–	(14 332)	(14 332)	2 668	17 782	18 600
Total sources of capital funds	308 529	–	–	–	–	–	(64 288)	(64 288)	244 241	340 113	371 036
Financial position											
Total current assets	69 879	–	–	–	–	–	193 237	193 237	263 116	82 704	120 153
Total non current assets	2 620 048	–	–	–	–	–	787 215	787 215	3 407 263	2 740 570	2 866 636
Total current liabilities	629 890	–	–	–	–	–	305 658	305 658	935 547	627 924	617 832
Total non current liabilities	35 360	–	–	–	–	–	14 167	14 167	49 527	36 991	36 991
Community wealth/Equity	2 024 677	–	–	–	–	–	660 627	660 627	2 685 304	2 170 217	2 344 370
Cash flows											
Net cash from (used) operating	268 474	–	–	–	–	–	(101 317)	(101 317)	167 157	343 460	403 018
Net cash from (used) investing	(308 529)	–	–	–	–	–	64 288	64 288	(244 241)	(340 113)	(371 036)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	(107 356)	–	–	–	–	–	35 988	35 988	(71 368)	(104 010)	(72 028)
Cash backing/surplus reconciliation											
Cash and investments available	(107 356)	–	–	–	–	–	35 988	35 988	(71 368)	(104 010)	(72 028)
Application of cash and investments	518 259	–	–	–	–	–	174 466	174 466	692 725	492 548	480 119
Balance - surplus (shortfall)	(625 615)	–	–	–	–	–	(138 478)	(138 478)	(764 094)	(596 558)	(552 147)
Asset Management											
Asset register summary (WDV)	2 590 045	–	–	–	–	–	793 589	793 589	3 383 633	2 388 236	2 161 866
Depreciation	73 910	–	–	–	–	–	10 618	10 618	84 528	77 310	80 789
Renewal and Upgrading of Existing Assets	54 833	–	–	–	–	–	(12 152)	(12 152)	42 681	–	–
Repairs and Maintenance	100 378	–	–	–	–	–	(15 951)	(15 951)	84 427	104 995	109 824
Free services											
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–	–
Households below minimum service level											
Water	29	–	–	–	–	–	–	–	29	29	29
Sanitation/sewerage	5	–	–	–	–	–	–	–	5	5	5
Energy	–	–	–	–	–	–	–	–	–	–	–
Refuse	–	–	–	–	–	–	–	–	–	–	–

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

2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is negative on the adjustments budget.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognized is reflected on the Financial Performance Budget.
 - ii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The municipality's cash flow position is weak. Hence the municipality has decided to keep its internally generated capital funding low.
4. The Municipality plans to work hard on collecting its old debt. The revenue section has put a plan in action in this regard, as the municipality is putting great emphasis on regaining its financial stability.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Adjustments Budget Financial Performance (functional classification) – [B2]

DC23 Uthukela - Table B2 Adjustments Budget Financial Performance (functional classification) - 2025/02/28												
Standard Description	Ref	2024/25										Budget Year 2025/26
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		691 476	–	–	–	–	–	(65 326)	(65 326)	626 150	731 039	772 254
Executive and council		–	–	–	–	–	–	–	–	–	–	–
Finance and administration		691 476	–	–	–	–	–	(65 326)	(65 326)	626 150	731 039	772 254
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		60	–	–	–	–	–	(13)	(13)	47	63	66
Community and social services		–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		60	–	–	–	–	–	(13)	(13)	47	63	66
Economic and environmental services		–	–	–	–	–	–	–	–	–	–	–
Planning and development		–	–	–	–	–	–	–	–	–	–	–
Road transport		–	–	–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		630 984	–	–	–	–	–	25 209	25 209	656 193	680 326	731 867
Energy sources		–	–	–	–	–	–	–	–	–	–	–
Water management		630 984	–	–	–	–	–	25 209	25 209	656 193	680 326	731 867
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	1 322 520	–	–	–	–	–	(40 130)	(40 130)	1 282 390	1 411 427	1 504 187
Expenditure - Functional												
Governance and administration		430 019	–	–	–	–	–	(90 171)	(90 171)	339 848	449 610	468 798
Executive and council		51 120	–	–	–	–	–	1 308	1 308	52 428	54 895	57 090
Finance and administration		378 898	–	–	–	–	–	(91 478)	(91 478)	287 420	394 714	411 707
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		58 078	–	–	–	–	–	4 110	4 110	62 187	60 749	63 499
Community and social services		7 773	–	–	–	–	–	12 496	12 496	20 269	8 131	8 496
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		50 305	–	–	–	–	–	(8 387)	(8 387)	41 918	52 619	55 003
Economic and environmental services		26 084	–	–	–	–	–	(10 595)	(10 595)	15 489	27 284	28 518
Planning and development		26 084	–	–	–	–	–	(10 595)	(10 595)	15 489	27 284	28 518
Road transport		–	–	–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		453 052	–	–	–	–	–	222 969	222 969	676 020	456 328	461 578
Energy sources		–	–	–	–	–	–	–	–	–	–	–
Water management		453 052	–	–	–	–	–	222 969	222 969	676 020	456 328	461 578
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	967 232	–	–	–	–	–	126 312	126 312	1 093 544	993 971	1 022 393
Surplus/ (Deficit) for the year		355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794

- Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 06 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
- Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table B4.

Adjustments Budget Financial Performance (B3)

DC23 Uthukela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 2025/02/28

Vote Description <small>[Insert departmental structure etc]</small>	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - BUDGET & TREASURE OFFICE		691 476	–	–	–	–	–	(65 638)	(65 638)	625 837	731 039	772 254
Vote 2 - CORPORATE SERVICES		–	–	–	–	–	–	313	313	313	–	–
Vote 3 - OFFICE OF THE MM		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - PLANNING AND SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–	–
Vote 5 - MUNICIPAL HEALTH SERVICES		60	–	–	–	–	–	(13)	(13)	47	63	66
Vote 6 - WATER, SANITATION & TECHNICAL SERVICES		630 984	–	–	–	–	–	25 209	25 209	656 193	680 326	731 867
Vote 7 - MAYORAL AND COUNCIL		–	–	–	–	–	–	–	–	–	–	–
Vote 8 -		–	–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	1 322 520	–	–	–	–	–	(40 130)	(40 130)	1 282 390	1 411 427	1 504 187
Expenditure by Vote	1											
Vote 1 - BUDGET & TREASURE OFFICE		236 453	–	–	–	–	–	(82 662)	(82 662)	153 790	247 616	258 576
Vote 2 - CORPORATE SERVICES		142 527	–	–	–	–	–	(7 017)	(7 017)	135 510	147 184	153 220
Vote 3 - OFFICE OF THE MM		49 374	–	–	–	–	–	(4 477)	(4 477)	44 897	53 352	55 755
Vote 4 - PLANNING AND SOCIAL SERVICES		27 924	–	–	–	–	–	590	590	28 514	29 209	30 530
Vote 5 - MUNICIPAL HEALTH SERVICES		50 305	–	–	–	–	–	(8 387)	(8 387)	41 918	52 619	55 003
Vote 6 - WATER, SANITATION & TECHNICAL SERVICES		453 052	–	–	–	–	–	222 969	222 969	676 020	456 328	461 578
Vote 7 - MAYORAL AND COUNCIL		7 597	–	–	–	–	–	5 297	5 297	12 895	7 664	7 731
Vote 8 -		–	–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	967 232	–	–	–	–	–	126 312	126 312	1 093 544	993 971	1 022 393
Surplus/ (Deficit) for the year	2	355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794

- Table B3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the water and sanitation trading services.

Summary of Adjusted Revenue Classified by Main Revenue Source [B4]

Ikele - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2025/02/28												
Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
R thousands	1	A	3	4	5	6	7	8	9	10		
		A1	B	C	D	E	F	G	H			
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - Water	2	316 389	–	–	–	–	–	(43 679)	(43 679)	272 710	335 372	355 494
Service charges - Waste Water Management	2	18 189	–	–	–	–	–	943	943	19 132	19 281	20 438
Service charges - Waste Management	2	–	–	–	–	–	–	–	–	–	–	–
Sale of Goods and Rendering of Services		632	–	–	–	–	–	(139)	(139)	493	666	701
Agency services		–	–	–	–	–	–	–	–	–	–	–
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		64 535	–	–	–	–	–	4 952	4 952	69 487	68 407	72 511
Interest earned from Current and Non Current Assets		10 482	–	–	–	–	–	(3 475)	(3 475)	7 007	10 964	11 468
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	–	–	–	–	–	–	–	–	–	–
Licence and permits		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		203	–	–	–	–	–	2 731	2 731	2 934	213	224
Non-Exchange Revenue												
Property rates	2	–	–	–	–	–	–	–	–	–	–	–
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		60	–	–	–	–	–	566	566	626	63	66
Licences or permits		–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		620 501	–	–	–	–	–	11 691	11 691	632 192	654 131	690 850
Interest		–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
e (excluding capital transfers and contributions)		1 030 991	–	–	–	–	–	(26 409)	(26 409)	1 004 581	1 089 096	1 151 752
Expenditure By Type												
Employee related costs		363 137	–	–	–	–	–	32 822	32 822	395 959	363 137	363 137
Remuneration of councillors		6 155	–	–	–	–	–	64	64	6 219	6 155	6 155
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		51 060	–	–	–	–	–	35 437	35 437	86 497	53 409	55 866
Debt impairment		164 658	–	–	–	–	–	(84 175)	(84 175)	80 482	172 232	179 983
Depreciation and amortisation		73 910	–	–	–	–	–	10 618	10 618	84 528	77 310	80 789
Interest		–	–	–	–	–	–	6 456	6 456	6 456	–	–
Contracted services		171 931	–	–	–	–	–	(17 719)	(17 719)	154 212	179 074	187 311
Transfers and subsidies		5 830	–	–	–	–	–	(5 830)	(5 830)	0	6 098	6 379
Irrecoverable debts written off		–	–	–	–	–	–	80 482	80 482	80 482	–	–
Operational costs		130 551	–	–	–	–	–	68 158	68 158	198 709	136 557	142 774
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		967 232	–	–	–	–	–	126 312	126 312	1 093 544	993 971	1 022 393
Surplus/(Deficit)												
subsidies - capital (monetary allocations)		63 759	–	–	–	–	–	(152 722)	(152 722)	(88 963)	95 125	129 359
Transfers and subsidies - capital (in-kind - all)		291 529	–	–	–	–	–	(13 721)	(13 721)	277 808	322 331	352 435
city before taxation		–	–	–	–	–	–	–	–	–	–	–
Income Tax		355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794
Surplus/(Deficit) after taxation		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–
city attributable to municipality		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Associate		355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	1	–	–	–	–	–	–	–	–	–	–	–
		355 288	–	–	–	–	–	(166 442)	(166 442)	188 846	417 456	481 794

After the midyear review and the relevant feedback comments from treasury it was noted that a few adjustments to operating revenue and expenditure were required. Below is the discussion pertaining to the adjusted items. The net adjustment to operating revenue is a decrease of R26.5 million.

WATER SALES:

Water charges have been decreased from the original budget estimate. The newly computed billing figure of R272m of water sales is based on the actual billing figures at midyear. The municipality has noted the impact of disruptions in water supply on the sales generated, the consistency and improvement in water supply has been prioritised which will positively impact future water and sanitation sales. The total water sales as at midyear did not include prepaid water sales for 2024/25, however the sales have been factored into the adjustments budget, pending the outcomes of the court case. The municipality investigated as to the high decrease in billing and has since discovered adjustments that were incorrectly done for prior years affecting current year. The municipality has also discovered numerous meters that were not billed in the current year, this has affected the billing quite negatively. However, the municipality will do journals to correct this and has factored these adjustments in the adjustments budget. The municipalities tariffs are not cost reflective which is also a major concern for the municipality and trying remedial measures to address the issues at hand.

SANITATION SALES:

Water sales have increased from the original budget estimate of R18.1 m to R19.1 million. This constitutes an increase of R 1 m. The adjustments were done based on midyear actuals and month 7 actuals and a straight-line projection was used to forecast the adjusted total. The municipality is also looking at its tariffs as they are not cost reflective and affect the municipality adversely.

INTEREST FROM INVESTMENTS:

The municipality has had to decrease the interest on investment by R3.4 million. The municipality is facing financial challenges, thus struggling to keep investments, however it will ring fence all its grants' monies going forward and build its reserves. A straight-line projection was used based on midyear actuals and month 7 actuals to forecast the adjusted total. The municipality has prioritised the management of cash flows and monthly fixed costs, complying with the terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically.

TRANSFERS AND SUBSIDIES:

Operating Transfers and Subsidies amount to R632 million which includes an amount of R614 equitable share. An allocation of R 11.5 million which is the Municipal infrastructure grant (top slice) has also been factored in the adjustments budget. The municipality also included the rollover for rural roads of R 99 thousand to total R632 192

Operating Transfers and Grants	
National Government:	632 093
Local Government Equitable Share	614 024
Local Government Financial Management Grant	2 000
Expanded Public Works Programme	
Integrated Grant for Municipalities	1 685
Rural Roads Asset Management Systems Grant	2 792
Municipal Infrastructure Grant	11 592

Transfers and Subsidies operational made up, 63% of the revenue basket. This is an indication that the municipality is grant reliant.

FINES AND PENALTIES:

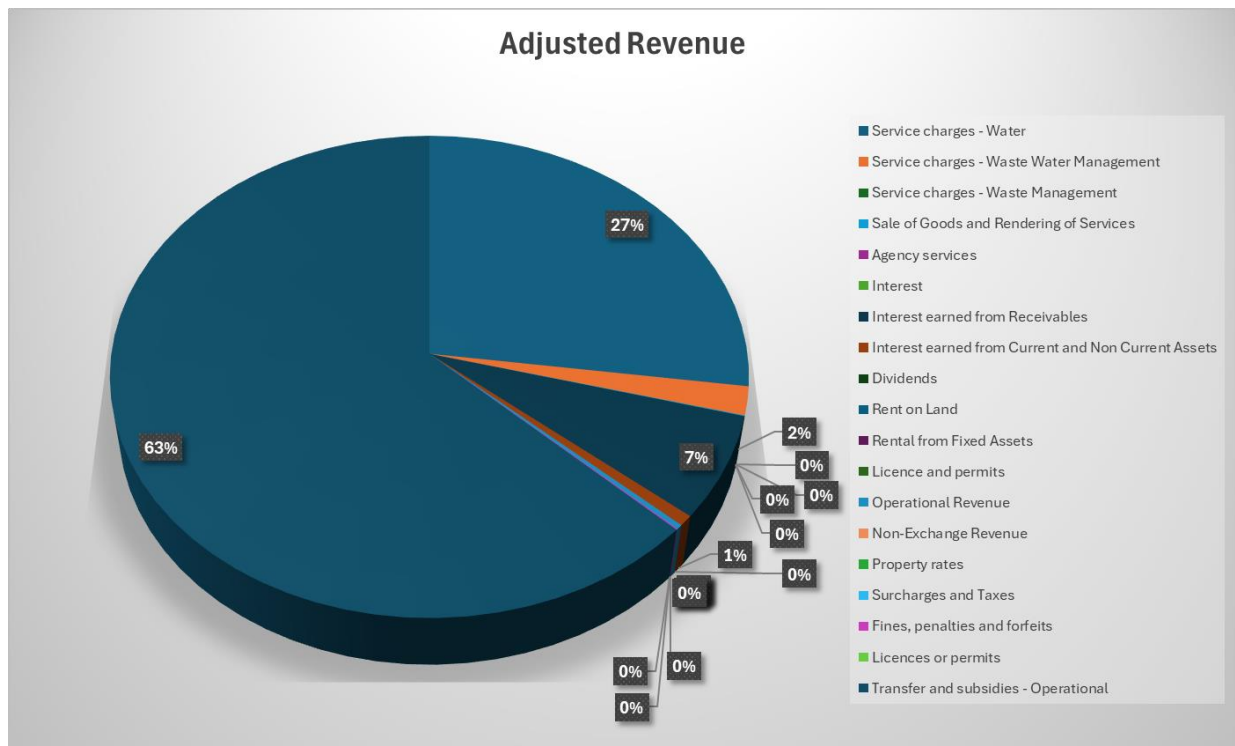
This line item relates specifically to fines issued by the Health Department and disconnection fee penalties, the municipality has been unable to budget accurately for this line item in the past. The projection of R626 thousand is based on the total fines issued at midyear and month 7 which amounted to R365 thousand. The municipality may have to allocate additional resources and improve consistency in the issuing of fines for the maximum recovery. An increase on this line item is anticipated due to the municipality now issuing air pollution fines which were previously not issued.

INTEREST FROM OUTSTANDING DEBTORS:

This line item has yielded a positive variance as at midyear the municipality billed more interest than originally anticipated. The municipality has adopted a strong drive to improve the collection rate in the previous financial year. Therefore, a decline is anticipated going forward on this line item. The revenue section being assisted by sectional heads is engaging actively with the debtors of different categories. The month 7 actuals of R40.5 m were used to project the adjusted budget.

OTHER REVENUE:

Other revenue has been increased by R2.7 million, this adjustment is due to sale of asset proceeds that were made during the financial year as well as a Igseta refund that was received during the financial year. The municipality will be conservative in the future estimation of this line item to ensure a realistic measure of other revenue for the budget funding plan.



Summary of Adjusted Expenditure Classified by Line Item [B4]

ikela - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2025/02/28													
Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget		
R thousands	1	A	3	4	5	6	7	8	9	10			
		A1	B	C	D	E	F	G	H				
Revenue By Source													
Exchange Revenue													
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-	
Service charges - Water	2	316 389	-	-	-	-	-	(43 679)	(43 679)	272 710	335 372	355 494	
Service charges - Waste Water Management	2	18 189	-	-	-	-	-	943	943	19 132	19 281	20 438	
Service charges - Waste Management	2	-	-	-	-	-	-	-	-	-	-	-	
Sale of Goods and Rendering of Services		632	-	-	-	-	-	(139)	(139)	493	666	701	
Agency services		-	-	-	-	-	-	-	-	-	-	-	
Interest		-	-	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables		64 535	-	-	-	-	-	4 952	4 952	69 487	68 407	72 511	
Interest earned from Current and Non Current Assets		10 482	-	-	-	-	-	(3 475)	(3 475)	7 007	10 964	11 468	
Dividends		-	-	-	-	-	-	-	-	-	-	-	
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-	-	-	
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		203	-	-	-	-	-	2 731	2 731	2 934	213	224	
Non-Exchange Revenue													
Property rates	2	-	-	-	-	-	-	-	-	-	-	-	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		60	-	-	-	-	-	566	566	626	63	66	
Licences or permits		-	-	-	-	-	-	-	-	-	-	-	
Transfer and subsidies - Operational		620 501	-	-	-	-	-	11 691	11 691	632 192	654 131	690 850	
Interest		-	-	-	-	-	-	-	-	-	-	-	
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	
Other Gains		-	-	-	-	-	-	-	-	-	-	-	
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	
e (excluding capital transfers and contributions)		1 030 991	-	-	-	-	-	(26 409)	(26 409)	1 004 581	1 089 096	1 151 752	
Expenditure By Type													
Employee related costs		363 137	-	-	-	-	-	32 822	32 822	395 959	363 137	363 137	
Remuneration of councillors		6 155	-	-	-	-	-	64	64	6 219	6 155	6 155	
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	
Inventory consumed		51 060	-	-	-	-	-	35 437	35 437	86 497	53 409	55 866	
Debt impairment		164 658	-	-	-	-	-	(84 175)	(84 175)	80 482	172 232	179 983	
Depreciation and amortisation		73 910	-	-	-	-	-	10 618	10 618	84 528	77 310	80 789	
Interest		-	-	-	-	-	-	6 456	6 456	6 456	-	-	
Contracted services		171 931	-	-	-	-	-	(17 719)	(17 719)	154 212	179 074	187 311	
Transfers and subsidies		5 830	-	-	-	-	-	(5 830)	(5 830)	0	6 098	6 379	
Irrecoverable debts written off		-	-	-	-	-	-	80 482	80 482	80 482	-	-	
Operational costs		130 551	-	-	-	-	-	68 158	68 158	198 709	136 557	142 774	
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	
Other Losses		-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		967 232	-	-	-	-	-	126 312	126 312	1 093 544	993 971	1 022 393	
Surplus/(Deficit)		63 759	-	-	-	-	-	(152 722)	(152 722)	(88 963)	95 125	129 359	
subsidies - capital (monetary allocations)		291 529	-	-	-	-	-	(13 721)	(13 721)	277 808	322 331	352 435	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	
cit) before taxation		355 288	-	-	-	-	-	(166 442)	(166 442)	188 846	417 456	481 794	
Income Tax		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation		355 288	-	-	-	-	-	(166 442)	(166 442)	188 846	417 456	481 794	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	
cit) attributable to municipality		355 288	-	-	-	-	-	(166 442)	(166 442)	188 846	417 456	481 794	
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	1	355 288	-	-	-	-	-	(166 442)	(166 442)	188 846	417 456	481 794	

EMPLOYEE REALATED COSTS:

The adjustment to employee related cost is R32,8 million this amount relates to annual increase funds that were not provided for in the original budget as salga had rejected the initial application as the municipality cannot afford an increase There were backpays that were owed to employees that was not provided for in the original budget and all these had to be factored into the adjustments budget. As at

midyear the municipality had incurred expenditure of R221 m. The high expenditure against budget is also due to bonuses that were paid in November and not accounted for correctly in SA 25 of the original budget.

The budget funding plan had reduced budgeted overtime and stand-by. The process of authorising overtime was also reviewed to ensure that only unavoidable overtime is incurred. However, overtime is still above the recommended norm of 5%. The issue of regularly bursting pipes due to aging infrastructure has been reported as the primary cause of overtime.

The municipality is not able to afford any further increases to salaries which constitute 36% of total operating expenditure (*just below the norm of 40%*) and 61% of the equitable share. The municipality has been advised by both Treasury and COGTA to process an application to SALGA not to affect a salary increment for the 2025/26 financial year as the municipality is faced with financial challenges.

COUNCILLORS REMUNERATION

The municipality has applied a straight-line basis of calculation using the January year to date figures.

INVENTORY CONSUMED: (fuel & oil, chemicals, water purchases)

The total incremental adjustment to inventory consumed is R35.4 million. In the adopted budget funding plan various strategies were compiled to reduce the amount spent on this line item. The municipality was aiming to reduce the budget for inventory consumed by at least 40% of the original budget.

The municipality has managed to achieve reduction in costs relating to fuel and oil, due to the improved controls in fleet management.

The budget for chemicals had been exceeded at midyear due to reported factors such as water turbidity and floods. The municipality has converted from using chlorine tablets to using powder aiming to reduce the amount spent on chemicals as per the adopted budget funding plan. The panel of service providers was also expanded for competitive prices. An additional budget of R 44 million was factored for water purchases, the original budget was unfortunately underbudgeted due to the municipality struggling to get invoices from DWS as a result costing has proven difficult. The municipality has however on the now available invoices averaged the monthly billing to get a correct amount for the current financial year. Important to note is that the municipality is not paying DWS as the financial stress is dire, however there are talks between the municipality and DWS.

DEPRECIATION:

The municipality has increased depreciation by R 10 million as the municipality has received new fleet, that had to be catered for in the adjustments budget.

DEBT IMPAIRMENT:

The municipality decreased the impairment amount by R 4 million based on calculations that were done as of December 2024. The municipality further moved half to debt written off as the consumers were given an incentive to write off half of what they owe if they arranged with the municipality. This was a strategy to try and encourage consumers to pay their debt.

CONTRACTED SERVICES:

Contracted services have been decreased by a net effect R17.7 million, major contracted services

- Security R30,5 million
- Pipelines & portable water maintenance R21 million
- Repairs to pump R 59 million
- Vehicle Repairs R8,1 million

The municipality has prioritised the review of contracts, this is one of the primary costs saving strategy of our budget funding plan. Security services had to be increased by R5.4 million, as the need for more security has increased due to vandalism that is increasingly worrying. The municipality is prioritising its core function, however there is very limited funds. We have however tried to cut out as much as possible.

OPERATIONAL COSTS:

This line item relates to general expenditure such as electricity, Protective Clothing, Rent & Hire Vehicles, Rental Office Machines, Renting of Offices, telephone etc. The net increase to this line item is R68.1 million which has contributed negatively to the budget funding plan. this increase includes the following amongst other expenditure electricity provided by Eskom, Alfred Duma and Inkosi Langalibalele. This is due to late or non- receipt of invoices, the costing was understated in the original budget and had to be adjusted accordingly in the adjustments budget. An averaged calculation had to be factored in even though we are currently not making any payments to Alfred Duma and Inkosi Langalibalele due to financial stress, but the municipality is engaging with both municipalities for a way forward. A detailed breakdown is contained in the budget funding plan. Audit fees of R4 had not been accounted for in original budget, Mig operational top slice of 11m had been incorrectly accounted for, these were then factored in the adjustments.

- Electricity (Eskom) 95.9 m
- Electricity (Alfred Duma and Inkosi Langalibalele) 41 m
- Plant Hire 10m

The municipality has noted an increase in the provision for travel and subsistence which is not in line with the budget funding plan. Management is currently reviewing the applicable policy, to reduce the amount of expenditure incurred on this line item, the municipality is committed to reviewing and workshopping the revised policy. There is a rapid increase in rental of offices, all these are contributing negatively to the funding position of the municipality.

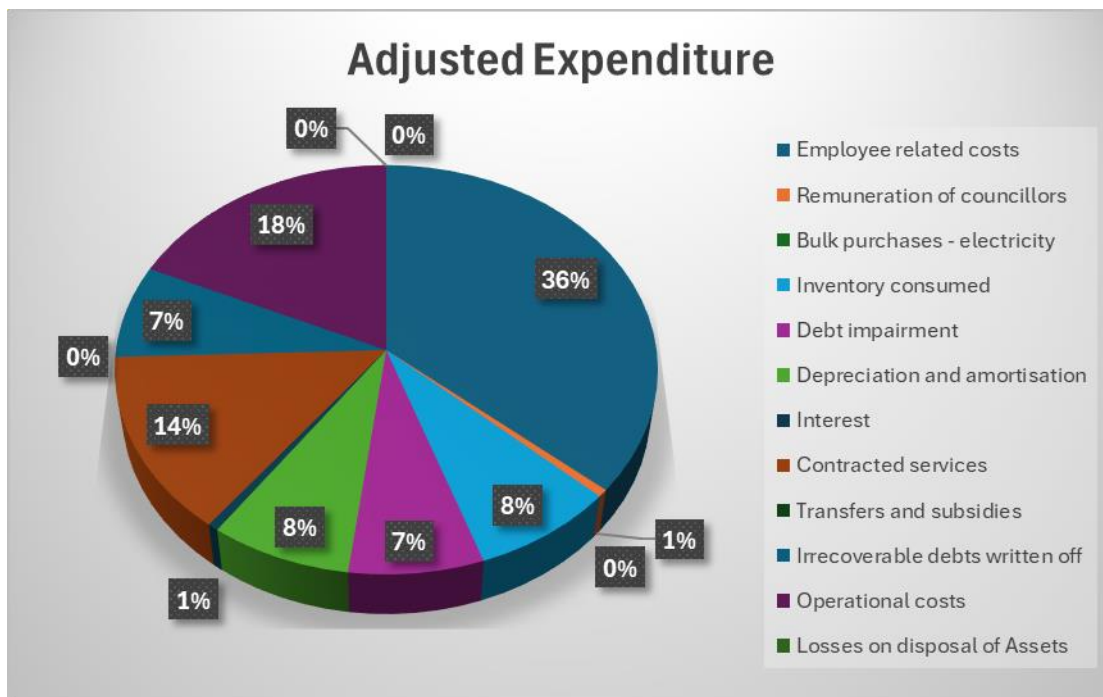
INTEREST:

The municipality had to factor interest charges of R 6 m, which was underbudgeted for in the original budget as the municipality is financially strained and cannot keep up with its commitments, more interest charges are being charged.

DWS-5.3m

Alfred Duma-339 thousand

Eskom-342 thousand



ADJUSTMENTS TO THE CAPITAL BUDGET

Adjustments Capital Expenditure Budget by vote and funding [B5]

DC23 Uthukela - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - BUDGET & TREASURE OFFICE		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - OFFICE OF THE MM		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - MUNICIPAL HEALTH SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - WATER, SANITATION & TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - MAYORAL AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - BUDGET & TREASURE OFFICE		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		2 000	-	-	-	-	-	-	-	2 000	2 092	2 188
Vote 3 - OFFICE OF THE MM		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - MUNICIPAL HEALTH SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - WATER, SANITATION & TECHNICAL SERVICES		306 529	-	-	-	-	-	(64 288)	(64 288)	242 241	338 021	368 848
Vote 7 - MAYORAL AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		308 529	-	-	-	-	-	(64 288)	(64 288)	244 241	340 113	371 036
Total Capital Expenditure - Vote		308 529	-	-	-	-	-	(64 288)	(64 288)	244 241	340 113	371 036
Capital Expenditure - Functional												
Governance and administration		2 000	-	-	-	-	-	-	-	2 000	2 092	2 188
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		2 000	-	-	-	-	-	-	-	2 000	2 092	2 188
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		306 529	-	-	-	-	-	(64 288)	(64 288)	242 241	338 021	368 848
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		306 529	-	-	-	-	-	(64 288)	(64 288)	242 241	338 021	368 848
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	308 529	-	-	-	-	-	(64 288)	(64 288)	244 241	340 113	371 036
Funded by:												
National Government		291 529	-	-	-	-	-	(49 956)	(49 956)	241 573	322 331	352 436
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	291 529	-	-	-	-	-	(49 956)	(49 956)	241 573	322 331	352 436
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		17 000	-	-	-	-	-	(14 332)	(14 332)	2 668	17 782	18 600
Total Capital Funding		308 529	-	-	-	-	-	(64 288)	(64 288)	244 241	340 113	371 036

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

The capital budget was mainly affected by the reduction of Municipal Infrastructure grant (MIG) which was reduced by R2.1 m. The original funding was R191.5 m now reduced to R 189.4 m. The capital portion is R 177.8 m

Capital Transfers and Grants	
National Government:	277 808
Municipal Infrastructure Grant	177 808
Water Services Infrastructure Grant	100 000

The municipality also factored the vat implication resulting in R 241,2m
Own funding is at R2.6 m for office furniture, equipment and a vehicle

MIG capital projects	
Ekuvukeni Regional Bulk Water Supply - Upgrade Oliphantskop	30 000 000,00
IE Okhahlamba Ward 2 3 14 Bulk Water Supply & Reticulation	10 000 000,00
DISTRICT WIDE VIP TOILETS	15 000 000,00
Weenen/Ezitendeni Sanitation Phase 1B sewer retic	32 000 000,00
Bhekuzulu Ephangwini Water Supply (Phase 5 7 8)	37 972 350,00
Refurbishment and upgrade projects	10 000 000,00
Kwanobamba/Ezitendeni (Weenen) water supp and retic	7 000 000,00
CE Langkloof WTW & Bulk Reticulation Network Project	10 833 000,00
CE Bergville WTW & Bulk Water Supply Phase 1	20 000 000,00
Umhlumayo Extension	5 000 000,00
	177 805 350,00

Water Infrastructure projects	
Steadville WCDM	25 800 000,00
CE Ezakheni WCDM Project	20 000 004,00
IE Ladysmith AC Pipe Replacement Project	24 000 000,00
SPRING PROTECTION DISTRICT WIDE	15 200 000,00
CE Wembezi Bulk & Reticulation Upgrade (WCDM) Project	9 999 996,00
CE Reticulation Ennersdale Ephangwini Phase 4	5 000 000,00
	100 000 000,00

Adjustments Budget financial position – [B6]

DC23 Uthukela - Table B6 Adjustments Budget Financial Position - 2025/02/28											
Description	Ref	2024/25								Budget Year 2025/26	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unform. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year 2026/27
		A	3	4	5	6	7	8	9	10	
R thousands		A1		B	C	D	E	F	G	H	
ASSETS											
Current assets											
Cash and cash equivalents		(107 356)	–	–	–	–	–	35 988	35 988	(71 368)	(104 010)
Trade and other receivables from exchange transactions	1	73 257	–	–	–	–	–	255 375	255 375	328 631	80 305
Receivables from non-exchange transactions	1	7 102	–	–	–	–	–	58 116	58 116	65 218	7 428
Current portion of non-current receivables	2	–	–	–	–	–	–	–	–	–	–
Inventory		5 207	–	–	–	–	–	57 907	57 907	63 114	5 447
VAT		43 337	–	–	–	–	–	(165 911)	(165 911)	(122 575)	45 527
Other current assets		48 332	–	–	–	–	–	(48 238)	(48 238)	95	52 881
Total current assets		69 879	–	–	–	–	–	193 237	193 237	263 116	120 153
Non current assets											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	2 620 048	–	–	–	–	–	785 118	785 118	3 405 166	2 866 636
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–	–
Intangible assets		–	–	–	–	–	–	392	392	392	–
Trade and other receivables from exchange transactions		–	–	–	–	–	–	1 658	1 658	1 658	–
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	46	46	46	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		2 620 048	–	–	–	–	–	787 215	787 215	3 407 263	2 866 636
TOTAL ASSETS		2 690 926	–	–	–	–	–	980 452	980 452	3 670 378	2 986 789
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		–	–	–	–	–	–	2 416	2 416	2 416	–
Consumer deposits		20 735	–	–	–	–	–	(706)	(706)	20 029	20 735
Trade and other payables from exchange transactions		479 154	–	–	–	–	–	472 749	472 749	951 902	466 029
Trade and other payables from non-exchange transactions		10 431	–	–	–	–	–	(7 548)	(7 548)	2 883	10 431
Provisions		50 117	–	–	–	–	–	(13 395)	(13 395)	36 722	50 117
VAT		58 116	–	–	–	–	–	(58 116)	(58 116)	0	58 116
Other current liabilities		11 337	–	–	–	–	–	(89 743)	(89 743)	(78 406)	12 404
Total current liabilities		629 890	–	–	–	–	–	305 658	305 658	935 547	617 832
Non current liabilities											
Borrowing	1	–	–	–	–	–	–	–	–	–	–
Provisions	1	35 360	–	–	–	–	–	14 167	14 167	49 527	36 991
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		–	–	–	–	–	–	–	–	–	–
Total non current liabilities		35 360	–	–	–	–	–	14 167	14 167	49 527	36 991
TOTAL LIABILITIES		665 249	–	–	–	–	–	319 825	319 825	985 074	654 823
NET ASSETS	2	2 024 677	–	–	–	–	–	660 627	660 627	2 685 304	2 331 966
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus(Deficit)		2 024 677	–	–	–	–	–	660 627	660 627	2 685 304	2 170 217
Funds and Reserves		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		2 024 677	–	–	–	–	–	660 627	660 627	2 685 304	2 331 966

- Table B6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity, i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the

collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position

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Adjustments Budget Cash Flows – [B7]

DC23 Uthukela - Table B7 Adjustments Budget Cash Flows - 2025/02/28												
Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		–	–	–	–	–	–	–	–	–	–	–
Service charges		129 153	–	–	–	–	–	(10 956)	(10 956)	118 196	159 594	169 169
Other revenue		69 392	–	–	–	–	–	11 163	11 163	80 555	78 056	83 524
Transfers and Subsidies - Operational	1	620 501	–	–	–	–	–	11 592	11 592	632 093	654 131	690 850
Transfers and Subsidies - Capital	1	291 529	–	–	–	–	–	(13 721)	(13 721)	277 808	322 331	352 435
Interest		10 482	–	–	–	–	–	24 668	24 668	35 149	10 954	11 468
Dividends		–	–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees		(846 752)	–	–	–	–	–	(129 892)	(129 892)	(976 644)	(875 518)	(898 050)
Finance charges		–	–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies	1	(5 830)	–	–	–	–	–	5 830	5 830	(0)	(6 098)	(6 379)
NET CASH FROM/(USED) OPERATING ACTIVITIES		268 474	–	–	–	–	–	(101 317)	(101 317)	167 157	343 490	403 018
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		(308 529)	–	–	–	–	–	64 288	64 288	(244 241)	(340 113)	(371 036)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(308 529)	–	–	–	–	–	64 288	64 288	(244 241)	(340 113)	(371 036)
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		(40 055)	–	–	–	–	–	(37 029)	(37 029)	(77 084)	3 347	31 982
Cash/cash equivalents at the year begin	2	(67 302)	–	–	–	–	–	73 017	73 017	5 715	(107 356)	(104 010)
Cash/cash equivalents at the year end	2	(107 356)	–	–	–	–	–	35 988	35 988	(71 368)	(104 010)	(72 028)

The amount anticipated to be collected from service charges has also been reviewed considering amounts collected as at the end of the second quarter. A collection rate of 40.5% has been applied to the projected water and sanitation sales and interest on outstanding debtors as per our average collection rate at mid-year. Realistic revenue assumptions are the key to a credible budget funding plan. The collection rate of the municipality is on that is very worrisome and contributes negatively to the municipality.

At mid-year the municipality had received R74 million as at the end of December 2024. This is a big challenge for the municipality as we generate very low on our own revenue which is where our financial crisis emanates from. The municipality has on strategies to improve the collect rate, such as offering incentives to our customers to encourage them to pay. The municipality has also introduced the disconnection of meters as of February, which has also generated income for the municipality. The municipality will using be implementing prepaid meters gradually over the next few financial years.

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It must be noted that the budget budgeted an amount of R976 million, included 100% of all expenditure and interest budgeted for the current financial year.

Table B8 Cash backed reserves/accumulated surplus reconciliation –[B8]

DC23 Uthukela - Table B8 Cash backed reserves/accumulated surplus reconciliation - 2025/02/28											
Description	Ref	2024/25								Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H	
R thousands											
Cash and investments available											
Cash/cash equivalents at the year end	1	(107 356)	–	–	–	–	–	35 988	35 988	(71 368)	(104 010)
Other current investments > 90 days		–	–	–	–	–	–	(0)	(0)	(0)	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		(107 356)	–	–	–	–	–	35 988	35 988	(71 368)	(104 010)
Applications of cash and investments											
Unspent conditional transfers		10 431	–	–	–	–	–	(7 548)	(7 548)	2 883	10 431
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements		26 117	–	–	–	–	–	18 052	18 052	44 169	24 993
Other working capital requirements	2	431 595	–	–	–	–	–	177 356	177 356	608 951	394 579
Other provisions		50 117	–	–	–	–	–	(13 395)	(13 395)	36 722	50 117
Long term investments committed		–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments		–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		518 259	–	–	–	–	–	174 466	174 466	692 725	480 119
Surplus(shortfall)		(625 615)	–	–	–	–	–	(138 478)	(138 478)	(764 094)	(552 147)

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B8 further emphasises that our budget is unfunded to the extent of a R764million deficit an increase from the adopted budget funding plan which projected an unfunded position of R501 million.

Statutory requirements of R44.1 million is the provision for VAT payable. The municipality does however anticipate spending in full all conditional grants in the current financial year.

The amount of R36 million provision for employee leave. This provision has been ear marked as an area for reduction, by managing and limiting the amount of leave days that may be accumulated by employees. This would reduce the provision and ultimately reduce the budget deficit.

The municipality has increased other working capital to R608 million due to the net increase in expenditure. The municipality is working on a credible funding plan that will be tabled with this adjustments budget. The municipality was further requested by treasury to cut expenditure of R 750 million for the municipality to have a funded and credible budget plan. It is however impractical for the municipality; therefore, the municipality must focus on its revenue enhancement strategies.

Table B9 Asset Management –[B9]

DC23 Uthukela - Table B9 Asset Management - 2025/02/28												
Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	253 696	–	–	–	–	–	(52 136)	(52 136)	201 560	340 113	371 036
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		173 104	–	–	–	–	–	(36 264)	(36 264)	136 840	322 331	352 436
Sanitation Infrastructure		52 000	–	–	–	–	–	10 051	10 051	62 051	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		225 104	–	–	–	–	–	(26 213)	(26 213)	198 892	322 331	352 436
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		1 000	–	–	–	–	–	–	–	1 000	1 046	1 094
Furniture and Office Equipment		12 592	–	–	–	–	–	(11 592)	(11 592)	1 000	1 046	1 094
Machinery and Equipment		15 000	–	–	–	–	–	(15 000)	(15 000)	–	15 690	16 412
Transport Assets		–	–	–	–	–	–	668	668	668	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–

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Total Renewal of Existing Assets to be adjusted	2	24 000	-	-	-	-	-	-	(2 130)	(2 130)	21 870	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		24 000	-	-	-	-	-	-	(2 130)	(2 130)	21 870	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		24 000	-	-	-	-	-	-	(2 130)	(2 130)	21 870	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	30 833	-	-	-	-	-	-	(10 022)	(10 022)	20 811	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		30 833	-	-	-	-	-	-	(10 022)	(10 022)	20 811	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		30 833	-	-	-	-	-	-	(10 022)	(10 022)	20 811	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-	-

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Total Capital Expenditure to be adjusted	4	308 529	-	-	-	-	-	(64 288)	(64 288)	244 241	340 113	371 036
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		227 937	-	-	-	-	-	(48 416)	(48 416)	179 521	322 331	352 436
Sanitation Infrastructure		52 000	-	-	-	-	-	10 051	10 051	62 051	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		279 937	-	-	-	-	-	(38 365)	(38 365)	241 573	322 331	352 436
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		1 000	-	-	-	-	-	-	-	1 000	1 046	1 094
Furniture and Office Equipment		12 592	-	-	-	-	-	(11 592)	(11 592)	1 000	1 046	1 094
Machinery and Equipment		15 000	-	-	-	-	-	(15 000)	(15 000)	-	15 690	16 412
Transport Assets		-	-	-	-	-	-	668	668	668	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	308 529	-	-	-	-	-	(64 288)	(64 288)	244 241	340 113	371 036
ASSET REGISTER SUMMARY - PPE (WDV)	5	2 590 045	-	-	-	-	-	793 589	793 589	3 383 633	2 388 236	2 161 866
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		58 752	-	-	-	-	-	(41 556)	(41 556)	17 196	(3 362)	(68 271)
Sanitation Infrastructure		48 071	-	-	-	-	-	4 855	4 855	52 926	43 961	39 666
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		106 823	-	-	-	-	-	(36 700)	(36 700)	70 122	40 599	(28 605)
Community Assets		2 382 877	-	-	-	-	-	862 535	862 535	3 245 412	2 240 575	2 076 372
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other Assets		80 912	-	-	-	-	-	(12 820)	(12 820)	68 092	79 427	77 875
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	392	392	392	-	-
Computer Equipment		517	-	-	-	-	-	44	44	560	1 057	1 622
Furniture and Office Equipment		12 035	-	-	-	-	-	(11 393)	(11 393)	642	12 500	12 986
Machinery and Equipment		15 000	-	-	-	-	-	(15 000)	(15 000)	-	30 690	47 102
Transport Assets		(8 119)	-	-	-	-	-	6 532	6 532	(1 587)	(16 612)	(25 486)
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2 590 045	-	-	-	-	-	793 589	793 589	3 383 633	2 388 236	2 161 866

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EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		73 910	-	-	-	-	-	10 618	10 618	84 528	77 310	80 789
Repairs and Maintenance by asset class	3	100 378	-	-	-	-	-	(15 951)	(15 951)	84 427	104 995	109 824
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		20 000	-	-	-	-	-	(16 000)	(16 000)	4 000	20 920	21 882
Water Supply Infrastructure		80 378	-	-	-	-	-	49	49	80 427	84 075	87 942
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		100 378	-	-	-	-	-	(15 951)	(15 951)	84 427	104 995	109 824
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		174 288	-	-	-	-	-	(5 334)	(5 334)	168 955	182 305	190 613
Renewal and upgrading of Existing Assets as % of total capex		17.8%	0.0%							17.5%	0.0%	0.0%
Renewal and upgrading of Existing Assets as % of deprecn		74.2%	0.0%							50.5%	0.0%	0.0%
R&M as a % of PPE		3.9%	0.0%							2.5%	4.4%	5.1%
Renewal and upgrading and R&M as a % of PPE		6.0%	0.0%							3.8%	4.4%	5.1%

Table B10

DC23 Uthukela - Table B10 Basic service delivery measurement - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	8	9	10	11	12	13	14			
		A	A1	B	C	D	E	F	G	H		
Household service targets	1											
Water:												
Piped water inside dwelling		71154							-	71	71509	71867
Piped water inside yard (but not in dwelling)		47516							-	48	47753	47992
Using public tap (at least min.service level)	2	26933							-	27	27068	27203
Other water supply (at least min.service level)									-			
Minimum Service Level and Above sub-total		146	-	-	-	-	-	-	-	146	146	147
Using public tap (< min.service level)	3								-			
Other water supply (< min.service level)	3.4								-			
No water supply		29191							-	29	29336	29483
Below Minimum Service Level sub-total		29	-	-	-	-	-	-	-	29	29	29
Total number of households	5	175	-	-	-	-	-	-	-	175	178	177
Sanitation/sewage:												
Flush toilet (connected to sewerage)		81221							-	81 221	81627	82035
Flush toilet (with septic tank)									-			
Chemical toilet		9947							-	9 947	9996	10046
Pit toilet (ventilated)		72940							-	72 940	73305	73671
Other toilet provisions (> min.service level)		6057							-	6 057	6087	6118
Minimum Service Level and Above sub-total		170 165	-	-	-	-	-	-	-	170 165	171 015	171 870
Bucket toilet		1389							-	1 389	1396	1403
Other toilet provisions (< min.service level)									-			
No toilet provisions		3239							-	3 239	3255	3272
Below Minimum Service Level sub-total		4 628	-	-	-	-	-	-	-	4 628	4 651	4 675
Total number of households	5	174 793	-	-	-	-	-	-	-	174 793	175 668	176 545
Energy:												
Electricity (at least min. service level)									-			
Electricity - prepaid (> min.service level)									-			
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Electricity (< min.service level)									-			
Electricity - prepaid (< min. service level)									-			
Other energy sources									-			
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-

2.1 Adjustments to budget funding:

Cash and Investment particulars by maturity:

INVESTMENT REGISTER 01/12/2024 TO 31/12/2024											
Opening balance as at 01 December 2024						R	469 673,33				
Closing balance as at 31 December 2024						R	60 807 779,93				
Balance as per this register						R	60 807 779,93				
INVESTMENT ACCOUNT		OPENING BALANCE 01/12/2024	INVESTED 01/12/2024 TO 30/12/2024	DATE	DISINVESTED 01/12/2024 TO 31/12/2024	DATE	INTEREST ACCRUED 01/12/2024 TO 31/12/2024	DATE	CHARGES PAID 01/12/2024 TO 31/12/2024	VOTE	CLOSING BALANCE 31/12/2024
GRANTS	BUSINESS MONEY										
FNB 62283176644	FNB	428 174,34					2 181,93	01/01/2025			430 356,27
INTEREST RATE											
MIG	TOA										
FNB 63081036759	FNB NEW ACCOUNT	11 964,88					77,23	01/01/2025			12 042,11
INTEREST RATE											
WSIG	TOA										
FNB 63081030496	FNB NEW ACCOUNT	15 214,66					98,21	31/12/2025			15 312,87
INTEREST RATE											
FMG	NEDBANK NEW ACCOUNT										
037881184698/000001											
INTEREST RATE		7,70%	7 952,72				52,08	01/01/2025			8 004,80
GRANTS	CALL DEPOSIT										
1100433766501	INVESTEC	0,00									0,00
INTEREST RATE		8,10%									
SALARIES	CALL DEPOSIT										
9361819521	ABSA	0,00									0,00
ABSA INVESTMENT TRACKER (AIT)											
INTEREST RATE		8,90%									
GRANTS	CALL DEPOSIT										
9387051602	ABSA	5 700,13					40,67	01/01/2025			5 740,80
ABSA INVESTMENT TRACKER (AIT)											
GRANTS	LIQUIDITY PLUS										
9349109796	ABSA (LIQUID PLUS)	666,60							08/10/2024		666,60
INTEREST RATE		7,70%									
EPWP	CALL DEPOSIT										
068455364-004	STANDARD BANK NEW	0,00									0,00
INTEREST RATE		8,25%									
RRAMS	CALL DEPOSIT										
068455364-006	STANDARD BANK NEW	100 000 000,00			40 000 000,00		340 587,99	31/12/2024	4 931,51	8/12/2024	60 335 656,48
INTEREST RATE		8,40%									
		100 469 673,33	0,00		40 000 000,00		343 038,11		4 931,51		60 807 779,93

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INVESTMENT REGISTER 01/01/2025 TO 31/01/2025											
Opening balance as at 01 January 2025						R		60 807 779,93			
Closing balance as at 31 January 2025						R		23 052 976,59			
Balance as per this register						R		23 052 976,59			
INVESTMENT ACCOUNT		OPENING BALANCE 01/01/2025	INVESTED 01/01/2025 TO 31/01/2025	DATE	DISINVESTED 01/01/2025 TO 31/01/2025	DATE	INTEREST ACCRUED 01/01/2025 TO 31/01/2025	DATE	CHARGES PAID 01/01/2025 TO 31/01/2025	VOTE	CLOSING BALANCE 31/01/2025
GRANTS	BUSINESS MONEY										
FNB 62283176644	4.65% FNB	430 356,27					2 187,16	01/02/2024			432 543,43
INTEREST RATE											
MIG	TOA										
FNB 63081036759	6.10% FNB NEW ACCOUNT	12 042,11					77,65	31/12/2025			12 119,76
INTEREST RATE											
WSIG	TOA										
FNB 63081030496	6.10% FNB NEW ACCOUNT	15 312,87	10 000 000,00	25/01/2025	6 000 000,00		12 148,05	31/01/2025			4 027 460,92
INTEREST RATE											
FMG	NEDBANK NEW ACCOUNT										
037881184698/000001											
INTEREST RATE	7,70%	8 004,80					50,70	31/01/2025			8 057,13
							1,63	31/01/2025			
GRANTS	CALL DEPOSIT										
1100433766501	INVESTEC	0,00									0,00
INTEREST RATE	8,10%										
SALARIES	CALL DEPOSIT										
9361819521	ABSA	0,00									0,00
ABSA INVESTMENT TRACKER (AIT)											
INTEREST RATE	8,90%										
GRANTS	CALL DEPOSIT										
9387051602	ABSA	5 740,80					40,92	01/02/2025			5 781,72
ABSA INVESTMENT TRACKER (AIT)											
GRANTS	LIQUIDITY PLUS										
9349109796	ABSA (LIQUID PLUS)	666,60									666,60
INTEREST RATE	7,70%										
EPWP	CALL DEPOSIT										
068455364-004	STANDARD BANK NEW	0,00									0,00
	8,25%										
RRAMS	CALL DEPOSIT										
068455364-006	STANDARD BANK NEW	60 335 656,48			35 000 000,00		230 690,55	31/01/2025		31/05/2025	18 566 347,03
	8,40%				7 000 000,00						
		60 807 779,93	10 000 000,00		48 000 000,00		245 196,66		0,00		23 052 976,59

ANALYSIS OF CASH & INVESTMENTS:

Investments at the end of December 2024 were R60,7 million and as at the end of January investments were R23 million.

2.2 Expenditure on grants and reconciliations of unspent funds

Adjustments budget – transfers and grant receipts – [SB7]

	Audited Balance as at	Budget Amount 2024/25	Received	Spent & transferred to income		Closing Balance/ Unspent
Grant Type	01/07/2024		2024/25	2024/25	% Spent on received amount	2024/25
MUNICIPAL INFRASTRUCTURE GRANT	0,00	191 529 000,00	136 071 000,00	86 987 429,74	64%	49 083 570,26
WATER & SANITATION INFRASTRUCTURE GRANT	0,00	100 000 000,00	50 000 000,00	47 570 978,11	95%	2 429 021,89
RURAL ROAD ASSET MANAGEMENT SYSTEM	99 112,92	2 792 000,00	1 954 000,00	701 087,75	34%	1 352 025,17
EPWP INTERGRATED GRANT	0,00	1 685 000,00	1 180 000,00	709 308,00	60%	470 692,00
FINANCE MANAGEMENT GRANT	0,00	2 000 000,00	2 000 000,00	724 877,46	36%	1 275 122,54
LG SETA	0,00	0,00	245 907,92	116 541,00	47%	129 366,92
	99 112,92	298 006 000,00	191 450 907,92	136 810 222,06	71%	54 739 798,78

The unspent grants at the end of January 2025 were R54 million, important to note that MIG had an adjustment of R2.1 m and the municipality will receive R 189,400,000.

Adjustments to budget assumptions

General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the Adjusted 2024/25 MTREF:

- National Government macro -economic targets.
- The general inflationary outlook and the impact on municipality's residents and businesses.
- The impact of municipal cost drivers.

Collection rate for revenue services

With the help from provincial treasury, we have calculated the municipality's collection rate on Water and Sanitation. Both the Debtors and Revenue collection rate were calculated. For cash flow purposes, the Revenue collection rate was used because we felt its more accurate reflection of the income that is collected. The Revenue collection rates were as follows:

- Water – 40.5%
- Sanitation – 40.5%
- Interest on outstanding- 40.5%

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs.
- Enhancing education and skill development.
- Improving Health services.
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

Ability of the municipality to spend and deliver on the programmes.

It is estimated that a spending rate of at least 100 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the 2024/25 MTREF of which performance has been factored into the cash flow budget.

Adjustments to budget funding

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as water, sanitation, operating and capital grants from organs of state and other minor charges (such as sale of goods).

The revenue strategy is a function of key components such as:

- Growth in the city and economic development.
- Revenue management and enhancement.
- Achievement of average 80 per cent annual collection rate for consumer revenue.
- National Treasury guidelines.
- Achievement of full cost recovery of specific user charges.
- Determining tariff escalation rate by establishing/calculating revenue requirements.
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers aligned to the economic forecasts.

Adjustments to expenditure on allocations and grant programs.

National treasury has further gazetted R2.1 million reduction in municipal infrastructure grant.

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DC23 Uthukela - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 2025/02/28

Description	Ref	2024/25							Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		2	3	4	5	6	7	8	9	10
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year		99						99		
Current year receipts		620 501				11 592	11 592	632 093	654 131	690 850
Re-payment of Unspent Grant										
Conditions met - transferred to revenue		620 501				11 592	11 592	632 093	654 131	690 850
Conditions still to be met - transferred to liabilities		99						99		
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Re-payment of Unspent Grant										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Re-payment of Unspent Grant										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Re-payment of Unspent Grant										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		620 501				11 592	11 592	632 093	654 131	690 850
Total operating transfers and grants - CTBM	2									
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year										
Current year receipts		291 529			(2 129)	(11 592)	(13 721)	277 808	322 331	352 435
Re-payment of Unspent Grant										
Conditions met - transferred to revenue		291 529			(2 129)	(11 592)	(13 721)	277 808	322 331	352 435
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Re-payment of Unspent Grant										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Re-payment of Unspent Grant										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Re-payment of Unspent Grant										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		291 529			(2 129)	(11 592)	(13 721)	277 808	322 331	352 435
Total capital transfers and grants - CTBM										
TOTAL TRANSFERS AND GRANTS REVENUE		912 030			(2 129)	(0)	(2 129)	909 901	976 462	1 043 285
TOTAL TRANSFERS AND GRANTS - CTBM										

The municipality had unspent grants of R99 thousand.

Adjustments to allocations and grants made by the municipality

There were no allocations and grants made by the municipality.

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2.3 Adjustments to Councillor and employee benefits [SB11]

DC23 Uthukela - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 2025/02/28											
Summary of remuneration	Ref	2024/25									
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	% change
R thousands		A	A1	B	C	D	E	F	G	H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		4 525	-			-		982	982	5 506	21,7%
Pension and UIF Contributions		-	-			-		-	-	-	
Medical Aid Contributions		-	-			-		-	-	-	
Motor Vehicle Allowance		1 140	-			-		(1 078)	(1 078)	62	-94,6%
Cellphone Allowance		490	-			-		160	160	650	32,7%
Housing Allowances		-	-			-		-	-	-	
Other benefits and allowances		-	-			-		-	-	-	
Sub Total - Councillors		6 155	-			-		64	64	6 219	1,0%
% increase			(0)							0	
Senior Managers of the Municipality											
Basic Salaries and Wages		13 514	-	-		-		(8 839)	(8 839)	4 675	-65,4%
Pension and UIF Contributions		53	-	-		-		(47)	(47)	6	-88,0%
Medical Aid Contributions		-	-	-		-		-	-	-	
Overtime		-	-	-		-		-	-	-	
Performance Bonus		-	-	-		-		-	-	-	
Motor Vehicle Allowance		-	-	-		-		494	494	494	#DIV/0!
Cellphone Allowance		-	-	-		-		-	-	-	
Housing Allowances		1 384	-	-		-		989	989	2 373	71,4%
Other benefits and allowances		-	-	-		-		-	-	-	
Payments in lieu of leave		-	-	-		-		-	-	-	
Long service awards		-	-	-		-		-	-	-	
Post-retirement benefit obligations	5	-	-	-		-		-	-	-	
Entertainment		-	-	-		-		-	-	-	
Scarcity		-	-	-		-		-	-	-	
Acting and post related allowance		-	-	-		-		-	-	-	
In kind benefits		-	-	-		-		-	-	-	
Sub Total - Senior Managers of Municipality		14 952	-	-		-		(7 403)	(7 403)	7 549	-49,5%
% increase			(0)							(0)	
Other Municipal Staff											
Basic Salaries and Wages		235 864	-	-	-	-	-	14 533	14 533	250 397	6,2%
Pension and UIF Contributions		44 335	-	-	-	-	-	(3 217)	(3 217)	41 118	-7,3%
Medical Aid Contributions		9 969	-	-	-	-	-	919	919	10 888	9,2%
Overtime		14 903	-	-	-	-	-	16 494	16 494	31 396	110,7%
Performance Bonus		12 668	-	-	-	-	-	7 075	7 075	19 743	
Motor Vehicle Allowance		13 022	-	-	-	-	-	4 872	4 872	17 894	37,4%
Cellphone Allowance		-	-	-	-	-	-	-	-	-	
Housing Allowances		3 374	-	-	-	-	-	(2 307)	(2 307)	1 067	
Other benefits and allowances		10 034	-	-	-	-	-	(296)	(296)	9 737	-3,0%
Payments in lieu of leave		2 256	-	-	-	-	-	1 890	1 890	4 146	83,8%
Long service awards		-	-	-	-	-	-	-	-	-	
Post-retirement benefit obligations	5	-	-	-	-	-	-	-	-	-	
Entertainment		-	-	-	-	-	-	-	-	-	
Scarcity		-	-	-	-	-	-	-	-	-	
Acting and post related allowance		1 761	-	-	-	-	-	263	263	2 024	
In kind benefits		-	-	-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff		348 185	-	-	-	-	-	40 225	40 225	388 410	11,6%
% increase											
Total Parent Municipality		369 292	-	-	-	-	-	32 886	32 886	402 177	8,9%

A total increase of R32 million will be affected to employee related costs and councillor allowances increasing from R 6.1m to R6.2m Detailed explanation under discussion of table B4.

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2.4 Debtors age analysis

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 - January

Description	NT Code	Budget Year 2024/25								
		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
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	26,795	16,160	16,424	17,300	15,321	15,418	15,122	826,445	947,985
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	2,130	1,321	1,173	1,138	1,207	915	903	48,231	57,017
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	6,549	6,293	6,386	6,097	5,995	6,125	5,764	265,826	309,035
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–
Other	1900	105	30	96	52	158	213	57	14,628	15,338
Total By Income Source	2000	35,580	23,803	24,079	24,586	22,681	22,671	21,846	1,154,130	1,329,376
2023/24 - totals only		33,580	32,142	24,099	20,757	21,832	22,306	21,775	767,819	944,311
Debtors Age Analysis By Customer Group										
Organs of State	2200	4,194	1,995	1,020	886	1,023	1,407	878	51,555	62,956
Commercial	2300	6,313	2,224	2,382	3,305	1,496	890	1,158	60,629	78,397
Households	2400	25,072	19,584	20,677	20,395	20,162	20,375	19,810	1,041,947	1,188,023
Other	2500	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	35,580	23,803	24,079	24,586	22,681	22,671	21,846	1,154,130	1,329,376

As at the end of Janaury, the aged debtors totalled R 1.3 billion.

2.5 Creditors age analysis

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description		NT Code	Budget Year 2024/25								Total	Prior year totals for chart (same period)
			0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands												
Creditors Age Analysis By Customer Type												
	0100										-	
	0200										-	
	0300										-	
	0400										-	
	0500										-	
	0600										-	
	0700	220	11 857	6 679	21 834	421 349					461 938	
	0800										-	
	0900										-	
Total By Customer Type		1000	8 873	19 518	7 690	18 340	416 243	-	-	-	461 938	-

As at the end of January trade creditors totalled R 461 million.

2.6 Other Supporting Tables/ Information

- B Schedule
- Budget Funding Plan
- Grant Register (31 January 2025)
- Investment Register (31 January 2025)
- Creditors listing (31 January 2025)

2.7 Municipal Manager's quality certificate



I Langelihle Jili Municipal Manager of UThukela District Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with S72 and S28 of the Municipal Finance Management Act and the regulations made under this Act. In conjunction with National Treasury circular number 91.

Print Name: LS Jili
Municipal Manager

Signature:

Date: **28 February 2025**