UTHUKELA

UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 71 REPORT

SEPTEMBER 2025

Table of Contents

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 September 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 - M03 - September

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	–	25 232	74 044	82 451	(8 407)	-10%	329 805
Investment revenue	6 613	6 163	–	889	1 751	1 541	211	14%	6 163
Transfers and subsidies - Operational	650 924	665 135	–	3 545	274 693	166 284	108 410	65%	665 135
Other own revenue	75 810	76 290	–	7 806	20 651	19 073	1 578	8%	76 290
Total Revenue (excluding capital transfers and contributions)	**1 011 832**	**1 077 393**	–	**37 472**	**371 140**	**269 348**	**101 792**	**38%**	**1 077 393**
Employee costs	404 820	406 233	–	33 825	97 779	101 558	(3 779)	-4%	406 233
Remuneration of Councillors	6 284	6 219	–	523	1 573	1 555	18	1%	6 219
Depreciation and amortisation	89 413	83 303	–	7 475	22 976	20 826	2 150	10%	83 303
Interest	11 187	6 721	–	73	73	1 680	(1 608)	-96%	6 721
Inventory consumed and bulk purchases	125 237	68 790	–	3 410	3 410	17 198	(13 787)	-80%	68 790
Transfers and subsidies	–	3 600	–	–	–	900	(900)	-100%	3 600
Other expenditure	664 921	479 627	–	15 870	26 372	119 907	(93 535)	-78%	479 627
Total Expenditure	**1 301 863**	**1 054 493**	–	**61 176**	**152 183**	**263 623**	**(111 440)**	**-42%**	**1 054 493**
Surplus/(Deficit)	**(290 032)**	**22 900**	–	**(23 704)**	**218 957**	**5 725**	**213 232**	**3725%**	**22 900**
Transfers and subsidies - capital (monetary allocations)	267 242	311 791	–	1 548	1 548	77 948	(76 400)	-98%	311 791
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers &	**(22 789)**	**334 691**	–	**(22 156)**	**220 505**	**83 673**	**136 832**	**164%**	**334 691**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(22 789)**	**334 691**	–	**(22 156)**	**220 505**	**83 673**	**136 832**	**164%**	**334 691**
Capital expenditure & funds sources									
Capital expenditure	**0**	**273 623**	–	**2 081**	**4 801**	**68 406**	**(63 605)**	**-93%**	**273 623**
Capital transfers recognised	(4 349)	271 123	–	2 081	4 801	67 781	(62 980)	-93%	271 123
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	2 500	–	–	–	625	(625)	-100%	2 500
Total sources of capital funds	**(4 349)**	**273 623**	–	**2 081**	**4 801**	**68 406**	**(63 605)**	**-93%**	**273 623**
Financial position									
Total current assets	294 850	564 462	–		420 556				564 462
Total non current assets	3 551 722	3 546 961	–		3 531 467				3 546 961
Total current liabilities	1 203 388	1 110 005	–		1 088 304				1 110 005
Total non current liabilities	41 595	51 558	–		41 595				51 558
Community wealth/Equity	2 935 294	2 949 860	–		2 822 123				2 949 860
Cash flows									
Net cash from (used) operating	870 883	283 836	291 036	(4 027)	313 308	70 959	(242 349)	-342%	283 836
Net cash from (used) investing	218 668	(273 623)	(273 623)	(835)	(835)	(68 406)	(67 571)	99%	(273 623)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**1 095 361**	**(131 839)**	**(124 639)**	–	**323 348**	**(139 498)**	**(462 847)**	**332%**	**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	33 126	31 127	25 488	30 623	19 359	18 889	18 689	1 043 977	1 221 277
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) - M03 - September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		651 947	734 345	–	3 789	275 823	183 586	92 237	50%	734 345
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		651 947	734 345	–	3 789	275 823	183 586	92 237	50%	734 345
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		3 652	49	–	1 821	1 825	12	1 813	14773%	49
Community and social services		3 608	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		43	49	–	1 821	1 825	12	1 813	14773%	49
Economic and environmental services		–	–	–	–	–	–	–		–
Planning and development		–	–	–	–	–	–	–		–
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		623 475	654 790	–	33 410	95 040	163 697	(68 658)	-42%	654 790
Energy sources		–	–	–	–	–	–	–		–
Water management		623 475	654 790	–	33 410	95 040	163 697	(68 658)	-42%	654 790
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	1 279 074	1 389 184	–	39 020	372 688	347 296	25 392	7%	1 389 184
Expenditure - Functional										
Governance and administration		285 090	375 156	–	17 097	48 795	93 789	(44 994)	-48%	375 156
Executive and council		53 201	56 174	–	4 268	12 824	14 043	(1 220)	-9%	56 174
Finance and administration		231 889	318 982	–	12 828	35 971	79 746	(43 774)	-55%	318 982
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		54 771	58 102	–	4 584	12 443	14 525	(2 082)	-14%	58 102
Community and social services		18 493	9 390	–	1 273	3 399	2 348	1 051	45%	9 390
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		36 278	48 712	–	3 311	9 045	12 178	(3 133)	-26%	48 712
Economic and environmental services		16 259	28 023	–	1 331	3 949	7 006	(3 057)	-44%	28 023
Planning and development		16 259	28 023	–	1 331	3 949	7 006	(3 057)	-44%	28 023
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		945 743	593 212	–	38 164	86 995	148 303	(61 308)	-41%	593 212
Energy sources		–	–	–	–	–	–	–		–
Water management		945 743	593 212	–	38 164	86 995	148 303	(61 308)	-41%	593 212
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	1 301 863	1 054 493	–	61 176	152 183	263 623	(111 440)	-42%	1 054 493
Surplus/ (Deficit) for the year		(22 789)	334 691	–	(22 156)	220 505	83 673	136 832	164%	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) - M03 - September

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	–	–	–	81	(81)	-100.0%	326
Vote 3 - BUDGET AND TREASURY		649 345	734 020	–	3 769	275 823	183 505	92 318	50.3%	734 020
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		–	–	–	–	–	–	–		–
Vote 5 - WSA& HEALTH SERVICES		43	49	–	1 821	1 825	12	1 813	14773.4%	49
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		616 470	654 790	–	33 410	95 040	163 697	(68 658)	-41.9%	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	–	39 020	372 688	347 296	25 392	7.3%	1 389 184
Expenditure by Vote	1									
Vote 1 - MAYOR AND MM		53 201	56 174	–	4 268	12 824	14 043	(1 220)	-8.7%	56 174
Vote 2 - CORPORATE SERVICES		147 700	145 768	–	5 106	17 060	36 442	(19 381)	-53.2%	145 768
Vote 3 - BUDGET AND TREASURY		84 188	171 528	–	6 722	18 911	42 882	(23 971)	-55.9%	171 528
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		34 752	37 413	–	2 604	7 347	9 353	(2 006)	-21.4%	37 413
Vote 5 - WSA& HEALTH SERVICES		36 278	50 399	–	3 311	9 045	12 600	(3 555)	-28.2%	50 399
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		945 743	593 212	–	38 164	86 995	148 303	(61 308)	-41.3%	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	–	61 176	152 183	263 623	(111 440)	-42.3%	1 054 493
Surplus/ (Deficit) for the year	2	(35 403)	334 691	–	(22 156)	220 505	83 673	136 832	163.5%	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) - M03 - September

Description	Ref	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
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		258 888	308 162	–	23 488	68 575	77 041	(8 465)	-11%	308 162
Service charges - Waste Water Management		19 595	21 643	–	1 744	5 469	5 411	58	1%	21 643
Service charges - Waste management		–	–	–	–	–	–	–		–
Sale of Goods and Rendering of Services		597	554	–	1 600	1 691	138	1 552	1121%	554
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		71 605	74 157	–	5 884	18 634	18 539	95	1%	74 157
Interest from Current and Non Current Assets		5 613	6 163	–	689	1 751	1 541	211	14%	6 163
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–	–		–
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		3 223	1 069	–	320	320	267	53	20%	1 069
Non-Exchange Revenue								–		
Property rates		–	–	–	–	–	–	–		–
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		385	511	–	2	6	128	(122)	-95%	511
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		650 924	665 135	–	3 545	274 693	166 284	108 410	65%	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	–	37 472	371 140	269 348	101 792	38%	1 077 393
Expenditure By Type										
Employee related costs		404 820	406 233	–	33 825	97 779	101 558	(3 779)	-4%	406 233
Remuneration of councillors		6 284	6 219	–	523	1 573	1 556	18	1%	6 219
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		125 237	68 790	–	3 410	3 410	17 198	(13 787)	-80%	68 790
Debt impairment		(59 329)	83 782	–	–	–	20 946	(20 946)	-100%	83 782
Depreciation and amortisation		89 413	83 303	–	7 475	22 976	20 826	2 150	10%	83 303
Interest		11 187	6 721	–	73	73	1 680	(1 608)	-96%	6 721
Contracted services		190 672	124 962	–	6 256	12 938	31 241	(18 302)	-59%	124 962
Transfers and subsidies		–	3 600	–	–	–	900	(900)	-100%	3 600
Irrecoverable debts written off		273 567	83 782	–	–	–	20 946	(20 946)	-100%	83 782
Operational costs		257 263	187 100	–	10 614	13 434	46 775	(33 341)	-71%	187 100
Losses on Disposal of Assets		2 749	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		1 301 863	1 054 493	–	61 176	152 183	263 623	(111 440)	-42%	1 054 493
Surplus/(Deficit)		(290 032)	22 900	–	(23 704)	218 957	5 725	213 232	3725%	22 900
Transfers and subsidies - capital (monetary allocations)		267 242	311 791	–	1 548	1 548	77 948	(76 400)	-98%	311 791
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		(22 789)	334 691	–	(22 156)	220 505	83 673			334 691
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		(22 789)	334 691	–	(22 156)	220 505	83 673			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	–	(22 156)	220 505	83 673			334 691
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		(22 789)	334 691	–	(22 156)	220 505	83 673			334 691

Operating Revenue:

WATER SALES

The Water Sales income recognised is 11% below what is originally anticipated. The total revenue billed as of 30 September 2025 is R68 million. A big difference in the billing is mainly the 13% tariff increase which will assist the municipality greatly, however there are still challenges with the database which is why the municipality has opted to install prepaid meters focus areas being businesses that were not previously billed and all 3 towns within the municipality

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 14% above what was anticipated, as at the end of September 2025. To date the municipality has investments of R74 million, which attributed to the positive variance.

OPERATIONAL REVENUE

The municipality incurred a positive variance of 20% which amounts to R320 thousands which is a good indication on revenue. This is due to cashiers' surpluses as at the end of September 2025.

FINES, PENALTIES AND FORFEITS

This is related to mostly the health department, and the municipality has recognised a negative 95% 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 65% 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 80% as of September 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 96% 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 September 2025.

CONTRACTED SERVICES:

The municipality incurred 59% 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 71% 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.

Table C5 – Monthly Budget Statements – Capital Expenditure

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 - September

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
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	–	–	–	625	(625)	-100%	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	–	2 081	4 801	67 781	(62 980)	-93%	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	–	2 081	4 801	68 406	(63 605)	-93%	273 623
Total Capital Expenditure		0	273 623	–	2 081	4 801	68 406	(63 605)	-93%	273 623
Capital Expenditure - Functional Classification										
Governance and administration		–	2 500	–	–	–	625	(625)	-100%	2 500
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	2 500	–	–	–	625	(625)	-100%	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	–	2 081	4 801	67 781	(62 980)	-93%	271 123
Energy sources		–	–	–	–	–	–	–		–
Water management		0	271 123	–	2 081	4 801	67 781	(62 980)	-93%	271 123
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	0	273 623	–	2 081	4 801	68 406	(63 605)	-93%	273 623
Funded by:										
National Government		(4 349)	271 123	–	2 081	4 801	67 781	(62 980)	-93%	271 123
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		(4 349)	271 123	–	2 081	4 801	67 781	(62 980)	-93%	271 123
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		–	2 500	–	–	–	625	(625)	-100%	2 500
Total Capital Funding		(4 349)	273 623	–	2 081	4 801	68 406	(63 605)	-93%	273 623

As depicted above capital expenditure amounting to R2 million recorded at the month of September 2025, this includes Springs Protection and Weenen Ezitendeni projects from Water Services Infrastructure Grant.

Table C6 - Budgeted Statement – Financial Position

DC23 Uthukela - Table C6 Monthly Budget Statement - Financial Position - M03 - September

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)	–	93 381	(131 839)
Trade and other receivables from exchange transactions		81 465	252 200	–	145 204	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	–	16 916	19 360
VAT		178 062	–	–	157 566	–
Other current assets		3 949	99	–	3 896	99
Total current assets		294 850	564 462	–	420 556	564 462
Non current assets						
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Property, plant and equipment		3 551 348	3 544 778	–	3 531 097	3 544 778
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		374	408	–	369	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	–	3 531 467	3 546 961
TOTAL ASSETS		3 846 572	4 111 422	–	3 952 023	4 111 422
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		2 416	–	–	2 416	–
Consumer deposits		20 816	20 851	–	20 970	20 851
Trade and other payables from exchange transactions		875 636	990 069	–	711 333	990 069
Trade and other payables from non-exchange transactions		(428)	2 784	–	47 552	2 784
Provision		46 575	42 192	–	46 575	42 192
VAT		258 374	29 010	–	259 459	29 010
Other current liabilities		–	25 099	–	–	25 099
Total current liabilities		1 203 388	1 110 005	–	1 088 304	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	–	1 129 899	1 161 563
NET ASSETS	2	2 601 588	2 949 860	–	2 822 123	2 949 860
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 935 294	2 949 860	–	2 822 123	2 949 860
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–

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 - M03 - September

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	9 727	34 996	32 981	2 015	6%	131 922
Other revenue		17 704	70 622	70 622	3 589	7 035	17 656	(10 621)	-60%	70 622
Transfers and Subsidies - Operational		627 850	685 135	665 135	320	273 991	166 284	107 707	65%	665 135
Transfers and Subsidies - Capital		303 673	311 791	311 791	–	48 507	77 948	(29 441)	-38%	311 791
Interest		6 058	6 163	6 163	889	1 751	1 541	211	14%	6 163
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(209 956)	(898 197)	(898 197)	(18 652)	(52 971)	(224 549)	171 578	-76%	(898 197)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	(3 600)	3 600	–	–	(900)	900	-100%	(3 600)
NET CASH FROM/(USED) OPERATING ACTIVITIES		870 883	283 836	291 036	(4 027)	313 308	70 959	(242 349)	-342%	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)	(835)	(835)	(68 406)	67 571	-99%	(273 623)
NET CASH FROM/(USED) INVESTING ACTIVITIES		218 668	(273 623)	(273 623)	(835)	(835)	(68 406)	(67 571)	99%	(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	(4 862)	312 473	2 553			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)		323 348	(139 498)			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 - M03 - September

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	Total over 90 days
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	25 235	23 831	18 051	23 798	13 158	12 567	12 703	744 495	873 429	806 313
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	1 594	1 411	1 543	1 760	853	846	807	46 865	55 980	51 132
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	5 974	5 868	5 872	5 527	5 333	5 240	5 153	245 236	284 204	266 490
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	23	18	22	37	14	145	24	7 381	7 664	7 602
Total By Income Source	2000	33 126	31 127	25 488	30 623	19 359	18 889	18 689	1 043 977	1 221 277	1 131 537
2024/25 - totals only		31 545	27 540	24 015	26 561	22 788	22 552	21 715	1 084 403	1 261 648	1 178 249
Debtors Age Analysis By Customer Group											
Organs of State	2200	3 818	2 742	1 911	3 034	1 904	1 151	1 108	49 906	65 572	57 100
Commercial	2300	5 552	4 820	3 721	9 861	866	1 061	928	55 808	82 617	68 524
Households	2400	23 755	23 565	19 856	17 728	16 588	16 677	16 655	938 263	1 073 088	1 005 912
Other	2500	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	33 126	31 127	25 488	30 623	19 359	18 889	18 689	1 043 977	1 221 277	1 131 537

- The Municipality has a total amount over R 1.1 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 10 DEBTORS AS AT 30 SEPTEMBER 2025	
ACCOUNT HOLDER NAME	**OUTSTANDING TOTAL BALANCE**
ALFRED DUMA LOCAL MUNICIPALITY STEADVILLE HOST	10 754 531.57
NESTLE (SOUTH AFRICA) (PTY) LT	8 492 952.32
LIEBENBERG LC	6 915 244.91
SUMITOMO RUBBER S A (PTY)LTD	4 440 968.41
ALFRED DUMA LOCAL MUNICIPALITY SWIMMING POOL	2 486 054.01
PROVINSIALE HOSPITAAL	2 459 813.23
NORTHERN NATAL ABBATTOIR	2 360 798.20
NTOKOZWENI COMMUNITY LAND TRUS	2 244 921.34
THE I&SGHADIA FAMILY TRUST	2 136 506.30
ESKOM HOLDINGS S O C LTD DISTR	1 890 766.95
	44 182 557.24

Table SC4 Creditors age analysis

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September 2025

Description R thousands	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
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	65 631	7 739	20 714	29 959	689 308				813 351	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	4 011	19 721	10 226	1 787	525 181	-	-	-	813 351	-

Top 10 Creditors

TOP TEN CREDITORS ANALYSIS AS AT 30 SEPTEMBER 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	7 598 272.54
MAXPROF	5 714 725.35
GOING PLACES	5 336 493.00
MUNSOFT	5 234 363.13

Bank Balance

Bank Balances

The following reflects bank balances at 30 September 2025

DESCRIPTION	JUNE 2025	JULY 2025	AUGUST 2025	SEPTEMBER
FNB MAIN ACCOUNT 62252306280	3 021 323.10	30 275 536.14	20 547 617.38	18 826 885.67
FNB WATER ACCOUNT 62253072385	0	0	0	0
	20 187 646.21	3 021 323.10	20 547 617.38	18 826 885.67
Total cash held	18 826 885.67			

Collection rate

	CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 30 SEPTEMBER 202			
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	Sept 2025	10 008 705.54	30.60%
TOTAL	96 018 829.24		37 586 660.35	39.15%

Column1	Column2	Column3	Column4	Column5
BILLING - JUNE - SEPTEMBER 2025		96 018 829.24		
RECIEPTS - JUNE-SEPTEMBER 2025		37 586 660.35		
DIFFERENCE		58 432 168.89	39%	

Table SC5 Investment portfolio

DC23 - Uthukela Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M03 September 2025

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	560	3			562
NEDBANK	0	0			0
INVESTEC					–
ABSA	114 857	648	(42 000)		73 505
STANDARD BANK	90	1			92
TOTAL INVESTMENTS AND INTEREST	115 507	652	(42 000)	–	74 159

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

Grant Performance:

UTHUKELA DISTRICT MUNICIPALITY
GRANT REGISTER - 2025/26
Summary of Grants received, expenditure & Funds available as at 30 SEPTEMBER 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	8 507 000.00	1 547 826.70	1%	18%	6 959 173.30
G3.102	EX Mthembu	WATER & SANITATION INFRASTRUCTURE GRANT	15 538 993.43	100 000 000.00	40 000 000.00	0.00	0%	0%	55 538 993.43
G3.105	EX Mthembu	RURAL ROAD ASSET MANAGEMENT SYSTEM	102.92	2 918 000.00	2 043 000.00	301 604.85	10%	15%	1 741 498.07
G3,109	EX Mthembu	MUNICIPAL DISASTER RELIEF	3 291 760.00	0.00	4 200 000.00	1 818 970.00	0%	24%	5 672 790.00
G3.106	EX Mthembu	EPWP INTERGRATED GRANT	0.00	2 093 000.00	523 000.00	412 291.68	20%	79%	110 708.32
G3.107	B Ndlovu	FINANCE MANAGEMENT GRANT	0.00	2 000 000.00	2 000 000.00	1 012 540.44	51%	51%	987 459.56
G3.108	O Mnguni	LG SETA	282 333.95	0.00	0.00	167 790.00	0%	59%	114 543.95
			19 113 190.30	326 170 000.00	57 273 000.00	5 261 023.67	2%	7%	71 125 166.63

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

Prepared by:

Budget Officer

Reviewed by: N.P.

Manager: Budget

Approved by:

Acting Chief Financial Officer