



**UTHUKELA**

**UMKHANDLU WESIFUNDA  
DISTRKSMUNISIPALITEIT  
DISTRICT MUNICIPALITY**

## **SECTION 71 REPORT**

**NOVEMBER 2025**

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# **Part 1 – Annual Budget**

## **1.1 Mayor’s Report**

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

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

## **1.2 Council Resolutions**

1. The Council of UThukela District Municipality, acting in terms of section 71 of the Municipal Finance Management Act, (Act 56 of 2003) to note :
2. Monthly Budget statements and supporting documents for the months of November 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 - M05 - November

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	280 382	329 805	-	24 736	128 050	137 419	(8 289)	6%	329 805
Investment revenue	6 613	6 163	-	396	2 801	2 558	233	9%	6 163
Transfers and subsidies - Operational	650 924	665 135	-	-	274 693	277 139	(2 446)	-1%	665 135
Other own revenue	75 820	76 290	-	6 906	33 463	31 788	1 676	5%	76 290
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 013 739</b>	<b>1 077 393</b>	<b>-</b>	<b>32 038</b>	<b>446 007</b>	<b>448 914</b>	<b>(8 907)</b>	<b>-2%</b>	<b>1 077 393</b>
Employee costs	404 820	406 233	-	52 507	182 447	169 264	13 183	8%	406 233
Remuneration of Councilors	6 284	6 219	-	564	2 692	2 591	101	4%	6 219
Depreciation and amortisation	89 413	83 303	-	7 473	38 162	34 709	3 453	10%	83 303
Interest	19 234	6 721	-	(1)	77	2 800	(2 723)	-97%	6 721
Inventory consumed and bulk purchases	166 642	68 790	-	2 090	9 790	28 663	(18 873)	-66%	68 790
Transfers and subsidies	-	3 600	-	-	-	1 500	(1 500)	-100%	3 600
Other expenditure	705 355	479 627	-	6 164	53 370	199 845	(146 475)	-73%	479 627
<b>Total Expenditure</b>	<b>1 331 747</b>	<b>1 054 493</b>	<b>-</b>	<b>70 796</b>	<b>286 538</b>	<b>439 372</b>	<b>(152 834)</b>	<b>-35%</b>	<b>1 054 493</b>
<b>Surplus/(Deficit)</b>	<b>(318 009)</b>	<b>22 900</b>	<b>-</b>	<b>(38 758)</b>	<b>159 469</b>	<b>9 942</b>	<b>143 928</b>	<b>1508%</b>	<b>22 900</b>
Transfers and subsidies - capital (monetary)	267 242	311 791	-	-	1 548	129 913	(128 365)	-99%	311 791
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; Share of surplus/ (deficit) of associate</b>	<b>(50 767)</b>	<b>334 691</b>	<b>-</b>	<b>(38 758)</b>	<b>155 017</b>	<b>139 455</b>	<b>15 562</b>	<b>11%</b>	<b>334 691</b>
<b>Surplus/ (Deficit) for the year</b>	<b>(50 767)</b>	<b>334 691</b>	<b>-</b>	<b>(38 758)</b>	<b>155 017</b>	<b>139 455</b>	<b>15 562</b>	<b>11%</b>	<b>334 691</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	0	273 623	-	17 434	33 215	114 010	(80 794)	-71%	273 623
Capital transfers recognised	(4 349)	271 123	-	17 434	33 040	112 968	(79 927)	-71%	271 123
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	2 500	-	-	175	1 042	(867)	-83%	2 500
<b>Total sources of capital funds</b>	<b>(4 349)</b>	<b>273 623</b>	<b>-</b>	<b>17 434</b>	<b>33 215</b>	<b>114 010</b>	<b>(80 794)</b>	<b>-71%</b>	<b>273 623</b>
<b>Financial position</b>									
Total current assets	310 043	564 462	-	-	384 825	-	-	-	564 462
Total non current assets	3 551 722	3 546 961	-	-	3 541 172	-	-	-	3 546 961
Total current liabilities	1 334 557	1 110 005	-	-	1 241 284	-	-	-	1 110 005
Total non current liabilities	41 595	51 558	-	-	41 585	-	-	-	51 558
<b>Community wealth/Equity</b>	<b>2 485 612</b>	<b>2 949 860</b>	<b>-</b>	<b>-</b>	<b>2 643 118</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 949 860</b>
<b>Cash flows</b>									
Net cash from (used) operating	870 883	283 836	291 036	10 779	370 804	118 265	(252 539)	-214%	283 836
Net cash from (used) investing	218 666	(273 623)	(273 623)	(22 268)	(35 484)	(114 010)	(78 525)	69%	(273 623)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>1 095 361</b>	<b>(131 839)</b>	<b>(124 639)</b>	<b>-</b>	<b>346 196</b>	<b>(137 796)</b>	<b>(483 992)</b>	<b>351%</b>	<b>21 088</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	38 610	30 852	25 456	26 696	22 988	22 585	19 107	#####	1 263 422
<b>Creditors Age Analysis</b>									
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) - M05 - November

Description	Ref	2024/25		Budget Year 2025/26						
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD %	Full Year
R thousands	1									
<b>Revenue - Functional</b>										
Governance and administration		851 947	734 345	-	889	277 374	305 977	(28 603)	-9%	734 345
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		851 947	734 345	-	889	277 374	305 977	(28 603)	-9%	734 345
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		3 652	49	-	263	2 089	20	2 068	10115%	49
Community and social services		3 608	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		43	49	-	263	2 089	20	2 068	10115%	49
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		625 383	654 790	-	30 886	162 092	272 629	(110 737)	-41%	654 790
Energy sources		-	-	-	-	-	-	-	-	-
Water management		625 383	654 790	-	30 886	162 092	272 629	(110 737)	-41%	654 790
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	1 280 981	1 389 184	-	32 438	441 555	578 627	(137 272)	-24%	1 389 184
<b>Expenditure - Functional</b>										
Governance and administration		280 693	375 156	-	23 911	92 325	136 315	(63 990)	-41%	375 156
Executive and council		52 566	56 174	-	5 584	24 342	23 406	937	4%	56 174
Finance and administration		228 125	318 982	-	18 327	67 983	132 909	(64 928)	-49%	318 982
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		62 617	58 102	-	6 253	22 318	24 209	(1 891)	-8%	58 102
Community and social services		26 539	9 390	-	1 676	6 149	3 913	2 237	57%	9 390
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		36 278	48 712	-	4 577	16 169	20 297	(4 128)	-20%	48 712
Economic and environmental services		16 259	28 023	-	2 028	7 255	11 676	(4 422)	-38%	28 023
Planning and development		16 259	28 023	-	2 028	7 255	11 676	(4 422)	-38%	28 023
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		971 978	593 212	-	38 604	164 640	247 172	(82 532)	-33%	593 212
Energy sources		-	-	-	-	-	-	-	-	-
Water management		971 978	593 212	-	38 604	164 640	247 172	(82 532)	-33%	593 212
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	1 331 747	1 054 493	-	70 796	286 538	439 372	(152 834)	-35%	1 054 493
<b>Surplus/ (Deficit) for the year</b>		(50 767)	334 691	-	(38 758)	155 017	139 455	15 362	11%	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) - M05 - November

Vote Description	Ref	2024/25		Budget Year 2025/26						
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD %	Full Year
R thousands										
<b>Revenue by Vote</b>										
Vote 1 - MAYOR AND MM		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		602	326	-	8	8	136	(127)	93,9%	326
Vote 3 - BUDGET AND TREASURY		649 345	734 020	-	884	277 306	305 841	(28 476)	-9,3%	734 020
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	-	-	-	-	-	-
Vote 5 - WSA& HEALTH SERVICES		43	49	-	283	2 089	20	2 068	10114,8%	49
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERV		618 377	654 790	-	30 886	162 092	272 828	(110 737)	-40,6%	654 790
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>1 268 367</b>	<b>1 389 184</b>	<b>-</b>	<b>32 036</b>	<b>441 555</b>	<b>578 827</b>	<b>(137 272)</b>	<b>-23,7%</b>	<b>1 389 184</b>
<b>Expenditure by Vote</b>										
Vote 1 - MAYOR AND MM		52 568	56 174	-	5 584	24 342	23 405	937	4,0%	56 174
Vote 2 - CORPORATE SERVICES		144 595	145 768	-	6 936	31 309	60 736	(29 427)	-48,5%	145 768
Vote 3 - BUDGET AND TREASURY		83 529	171 528	-	11 382	36 674	71 470	(34 796)	-48,7%	171 528
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		42 798	37 413	-	3 703	13 404	15 589	(2 185)	-14,0%	37 413
Vote 5 - WSA& HEALTH SERVICES		36 278	50 399	-	4 577	16 169	20 999	(4 831)	-23,0%	50 399
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERV		971 976	593 212	-	38 604	164 640	247 172	(82 532)	-33,4%	593 212
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>1 331 747</b>	<b>1 654 493</b>	<b>-</b>	<b>70 790</b>	<b>266 538</b>	<b>439 372</b>	<b>(152 834)</b>	<b>-34,6%</b>	<b>1 654 493</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>(63 380)</b>	<b>334 691</b>	<b>-</b>	<b>(38 758)</b>	<b>155 617</b>	<b>139 455</b>	<b>15 562</b>	<b>11,2%</b>	<b>334 691</b>

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) - M05 - November

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-	-	-
Service charges - Water		260 786	308 162	-	23 037	129 130	128 401	(8 271)	-6%	308 162
Service charges - Waste Water Management		19 596	21 643	-	1 698	8 919	9 018	(99)	-1%	21 643
Service charges - Waste management		-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services		597	554	-	44	1 782	231	1 552	872%	554
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		71 605	74 157	-	6 116	30 607	30 699	(291)	-1%	74 157
Interest from Current and Non Current Assets		6 613	6 183	-	396	2 801	2 589	233	9%	6 183
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-
Licence and permits		-	-	-	-	-	-	-	-	-
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		3 223	1 069	-	484	804	445	358	80%	1 069
Non-Exchange Revenue		-	-	-	-	-	-	-	-	-
Property rates		-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		394	511	-	263	270	213	57	27%	511
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		650 924	665 135	-	-	274 693	277 139	(2 446)	-1%	665 135
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and</b>		<b>1 613 739</b>	<b>1 077 393</b>	<b>-</b>	<b>32 038</b>	<b>440 007</b>	<b>448 914</b>	<b>(8 907)</b>	<b>-2%</b>	<b>1 077 393</b>
<b>Expenditure By Type</b>										
Employee related costs		404 820	406 233	-	52 507	182 447	169 264	13 183	8%	406 233
Remuneration of councillors		6 284	6 219	-	564	2 692	2 591	101	4%	6 219
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		106 642	68 790	-	2 080	9 790	28 693	(18 873)	-88%	68 790
Debt impairment		(59 329)	83 782	-	-	-	34 909	(34 909)	-100%	83 782
Depreciation and amortisation		89 413	83 303	-	7 473	38 162	34 709	3 453	10%	83 303
Interest		19 234	6 721	-	(1)	77	2 830	(2 723)	-97%	6 721
Contracted services		247 969	124 982	-	5 585	25 606	52 058	(26 452)	-51%	124 982
Transfers and subsidies		-	3 600	-	-	-	1 500	(1 500)	-100%	3 600
Irrecoverable debts written off		260 435	83 782	-	-	-	34 909	(34 909)	-100%	83 782
Operational costs		254 130	187 100	-	2 579	27 764	77 958	(50 193)	-84%	187 100
Losses on Disposal of Assets		2 749	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 331 747</b>	<b>1 054 493</b>	<b>-</b>	<b>70 796</b>	<b>266 838</b>	<b>439 372</b>	<b>(152 834)</b>	<b>-35%</b>	<b>1 054 493</b>
<b>Surplus/(Deficit)</b>		<b>(318 009)</b>	<b>22 900</b>	<b>-</b>	<b>(38 758)</b>	<b>153 169</b>	<b>9 542</b>	<b>143 928</b>	<b>1508%</b>	<b>22 900</b>
Transfers and subsidies - capital (monetary allocations)		267 242	311 791	-	-	1 548	129 913	(128 355)	-99%	311 791
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; income tax</b>		<b>(50 767)</b>	<b>334 691</b>	<b>-</b>	<b>(38 758)</b>	<b>155 017</b>	<b>139 455</b>			<b>334 691</b>
Surplus/(Deficit) after income tax		(50 767)	334 691	-	(38 758)	155 017	139 455			334 691
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(50 767)</b>	<b>334 691</b>	<b>-</b>	<b>(38 758)</b>	<b>155 017</b>	<b>139 455</b>			<b>334 691</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(50 767)</b>	<b>334 691</b>	<b>-</b>	<b>(38 758)</b>	<b>155 017</b>	<b>139 455</b>			<b>334 691</b>

## **Operating Revenue:**

### Services Charges Water

The Water Sales income recognised is 6% below what is originally anticipated. The total revenue billed as of 30 November 2025 is R120 million. This resulted from the 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, however the difference threshold allowed by treasury is 5% and the municipality is at 6 %, one percent over when compared to previous months of almost 25%. The municipality has improved drastically with all the changes being implemented with the cleansing of database

### SALE OF GOODS AND RENDERING OF SERVICES

This relates to costing of Isandiso vending amounting to 1.6 million for prepaid sales which was not budgeted for under this line item, this will be adjusted in the adjustments budget.

### INTEREST FROM CURRENT AND NON-CURRENT ASSETS

The municipality incurred a variance of 9% above what was anticipated, as at the end of November 2025. To date the municipality has investments of R50 million, which attributed to the positive variance. The municipality was able to investment for a longer period than originally anticipated

### OPERATIONAL REVENUE

The municipality incurred a positive variance of 80% which amounts to R804 thousands which is a good indication on revenue. This is due to auction fees as at the end of November 2025 which was not budgeted for and will be factored in the adjustments budget.

### FINES, PENALTIES AND FORFEITS

This is related to mostly the health department, and the municipality has recognised a positive 27% variance. There was a backlog in receipts, however this has been corrected and yielding positive results.

## Operating Expenditure:

### OVERTIME ANALYSIS FOR THE PERIOD JULY 2025 TO JUNE 2026

	JULY 2025	AUGUST 2025	SEPTEMBER 2025	OCTOBER 2025	NOVEMBER 2025	DECEMBER 2025	JANUARY 2026	FEBRUARY 2026	MARCH 2026	APRIL 2026	MAY 2026	JUNE 2026
<b>STANDBY ALLOWANCE</b>												
FINANCE	R 4,968.93	R -	R 5,217.90	R 10,435.79	R 5,217.90	R -	R -	R -	R -	R -	R -	R -
MM OFFICE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
CORPORATE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
HEALTH	R -	R 10,149.04	R -	R 10,149.04	R 10,896.55	R -	R -	R -	R -	R -	R -	R -
WATER	R 611,793.34	R 630,188.62	R 701,022.22	R 620,999.51	R 657,911.25	R -	R -	R -	R -	R -	R -	R -
SOCIAL	R 8,009.12	R 8,410.35	R 8,410.35	R 7,208.87	R -	R -	R -	R -	R -	R -	R -	R -
<b>TOTAL STANDBY ALLOWANCE</b>	<b>R 624,771.39</b>	<b>R 648,748.01</b>	<b>R 714,650.47</b>	<b>R 648,793.21</b>	<b>R 673,935.70</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
<b>OVERTIME</b>												
FINANCE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
SOCIAL	R 102,539.00	R 80,119.64	R 83,081.66	R 100,085.69	R -	R -	R -	R -	R -	R -	R -	R -
TECHNICAL SERVICES	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
AWARDS/PREVIOUS	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
HEALTH	R -	R -	R 10,149.04	R -	R 3,945.06	R -	R -	R -	R -	R -	R -	R -
MM OFFICE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
WATER	R 1,368,335.56	R 1,178,775.00	R 1,638,003.80	R 1,200,704.85	R 665,272.44	R -	R -	R -	R -	R -	R -	R -
CORPORATE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>TOTAL OVERTIME</b>	<b>R 1,470,874.56</b>	<b>R 1,258,895.24</b>	<b>R 1,732,234.50</b>	<b>R 1,300,790.54</b>	<b>R 669,217.50</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
<b>NIGHT SHIFT / SHIFT ALLOWANCE</b>												
WATER	R 263,334.43	R 298,926.29	R 273,050.87	R 274,167.47	R 275,601.83	R -	R -	R -	R -	R -	R -	R -
SOCIAL	R 42,434.40	R 42,434.40	R 39,176.04	R 42,434.40	R 39,176.04	R -	R -	R -	R -	R -	R -	R -
CORPORATE SERVICES	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>TOTAL NIGHTS SHIFT / SHIFT ALLOWANCE</b>	<b>R 305,768.83</b>	<b>R 341,360.69</b>	<b>R 312,226.91</b>	<b>R 316,601.87</b>	<b>R 314,777.87</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
<b>GRAND TOTAL</b>	<b>R 2,401,414.78</b>	<b>R 2,249,033.94</b>	<b>R 2,759,111.88</b>	<b>R 2,266,185.62</b>	<b>R 1,657,931.07</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
<b>DIFFERENCE</b>	<b>R -152,401.04</b>	<b>R 510,107.94</b>	<b>R 492,926.26</b>	<b>R -608,254.55</b>	<b>R -1,657,931.07</b>	<b>R 100.00</b>	<b>R #DIV/0!</b>					
<b>DECREASE / INCREASE %</b>		<b>6.35</b>	<b>22.68</b>	<b>17.87</b>	<b>26.84</b>							
<b>YTD OVERTIME</b>	<b>R 11,333,647.29</b>											
<b>Annual Estimate</b>	<b>R 27,200,733.50</b>											

### Employee Related Costs

The municipality incurred 8% variance above what was originally anticipated. As of November, the municipality still faces challenges with overtime. The municipality has engaged the staff to rectify the overtime issues.

### INVENTORY CONSUMED

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

### Debt Impairment and Write offs

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

### INTEREST

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

**CONTRACTED SERVICES:**

The municipality incurred 51% below variance, below what was anticipated. The municipality implemented the cost containment majors, which resulted in savings on cost containment.

There is also delays in payments as the municipality is struggling

**OPERATIONAL COSTS:**

The municipality incurred 64% 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. The local municipalities expenditure is also not costed as there are also issues with receiving invoices timeously.

**Funding plan progress**

Progress report on funding plan						
Major cost drivers						
	Budget	Revised Funding Plan	Actual	pending	Total Expenditure	Projection
employee related cost	406,232,775.00	401,380,907.00	182,447,000.00		182,447,000.00	437,872,800.00
Electricity Eskom	100,190,090.86	100,190,090.86	18,039,307.00		18,039,307.00	43,294,336.80
Electricity PAMS	42,851,010.43	42,851,010.43	50,000.00		50,000.00	120,000.00
DWS	37,190,421.33	37,190,421.33	2,793,904.00		2,793,904.00	6,705,369.60
Repairs and maintenance	39,000,000.00	29,833,000.00	3,215,693.00	12,788,117.00	16,003,810.00	Transferred to MIC
Security	25,045,056.00	25,045,056.00	7,609,999.00	1,662,634.00	9,272,633.00	22,254,319.20
Chemicals	20,000,000.00	10,000,000.00	3,201,100.00	5,649,900.00	8,851,000.00	21,242,400.00
Repairs	15,000,000.00	15,000,000.00	5,420,942.00		5,420,942.00	13,010,260.80
Transport	10,000,000.00	10,000,000.00	3,785,349.00	1,251,293.00	5,036,642.00	12,087,940.80
Maintenance materials	8,000,000.00	8,000,000.00	3,044,095.00	3,532,157.00	6,576,252.00	15,783,004.80
Plant hire	7,000,000.00	4,000,000.00	814,734.00	2,526,050.00	3,340,784.00	8,017,881.60
Employee related cost	406,232,775.00	401,380,907.00	182,447,000.00			
Inventory consumed	68,790,000.00	58,790,421.33	9,790,000.00			
Contracted services	124,962,000.00	110,470,331.59	25,606,000.00			
Operational costs	187,100,000.00	175,308,366.85	27,764,000.00			

## Table C5 – Monthly Budget Statements – Capital Expenditure

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 - November

Vote Description	Ref	2024/25			Budget Year 2025/26					
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD %	Full Year
R thousands	1									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
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 -		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>									
<b>Single Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - MAYOR AND MM		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	2 500	-	-	175	1 042	(867)	-83%	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	-	17 434	33 040	112 968	(79 927)	-71%	271 123
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>4</b>	0	273 623	-	17 434	33 215	114 010	(80 794)	-71%	273 623
<b>Total Capital Expenditure</b>		0	273 623	-	17 434	33 215	114 010	(80 794)	-71%	273 623
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>			2 500	-	-	175	1 042	(867)	-83%	2 500
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	2 500	-	-	175	1 042	(867)	-83%	2 500
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>			-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>			-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		0	271 123	-	17 434	33 040	112 968	(79 927)	-71%	271 123
Energy sources		-	-	-	-	-	-	-	-	-
Water management		0	271 123	-	17 434	33 040	112 968	(79 927)	-71%	271 123
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	0	273 623	-	17 434	33 215	114 010	(80 794)	-71%	273 623
<b>Funded by:</b>										
National Government		(4 349)	271 123	-	17 434	33 040	112 968	(79 927)	-71%	271 123
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		(4 349)	271 123	-	17 434	33 040	112 968	(79 927)	-71%	271 123
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	2 500	-	-	175	1 042	(867)	-83%	2 500
<b>Total Capital Funding</b>		(4 349)	273 623	-	17 434	33 215	114 010	(80 794)	-71%	273 623

As depicted above capital expenditure amounting to 17 million recorded at the month of November 2025, this includes payment done for MIG Projects. Mig is now on a cost reimbursive basis. Internally funding expenditure is also quite low as the municipality cannot afford to pay.

## Table C6 - Budgeted Statement – Financial Position

DC23 Uthukela - Table C6 Monthly Budget Statement - Financial Position - M05 - November

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>f</b>					
<b>ASSETS</b>						
Current assets						
Cash and cash equivalents		10 875	(131 839)	-	11 890	(131 839)
Trade and other receivables from exchange transactions		94 608	252 200	-	193 911	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	-	22 030	19 360
VAT		180 103	-	-	149 540	-
Other current assets		3 949	99	-	3 862	99
<b>Total current assets</b>		<b>310 043</b>	<b>564 462</b>	<b>-</b>	<b>384 825</b>	<b>564 462</b>
Non current assets						
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Property, plant and equipment		3 551 348	3 544 778	-	3 540 806	3 544 778
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		374	408	-	366	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		-	-	-	-	-
<b>Total non current assets</b>		<b>3 551 722</b>	<b>3 546 961</b>	<b>-</b>	<b>3 541 172</b>	<b>3 546 961</b>
<b>TOTAL ASSETS</b>		<b>3 861 765</b>	<b>4 111 422</b>	<b>-</b>	<b>3 925 997</b>	<b>4 111 422</b>
<b>LIABILITIES</b>						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		59	-	-	59	-
Consumer deposits		20 816	20 851	-	21 173	20 851
Trade and other payables from exchange transactions		1 009 175	990 069	-	826 514	990 069
Trade and other payables from non-exchange transactions		(428)	2 784	-	88 288	2 784
Provision		46 575	42 192	-	46 575	42 192
VAT		258 361	29 010	-	258 674	29 010
Other current liabilities		-	25 099	-	-	25 099
<b>Total current liabilities</b>		<b>1 334 557</b>	<b>1 110 005</b>	<b>-</b>	<b>1 241 284</b>	<b>1 110 005</b>
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	-
<b>Total non current liabilities</b>		<b>41 595</b>	<b>51 558</b>	<b>-</b>	<b>41 595</b>	<b>51 558</b>
<b>TOTAL LIABILITIES</b>		<b>1 376 153</b>	<b>1 161 563</b>	<b>-</b>	<b>1 282 879</b>	<b>1 161 563</b>
<b>NET ASSETS</b>	<b>2</b>	<b>2 485 612</b>	<b>2 949 860</b>	<b>-</b>	<b>2 643 118</b>	<b>2 949 860</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2 485 612	2 949 860	-	2 643 118	2 949 860
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>2 485 612</b>	<b>2 949 860</b>	<b>-</b>	<b>2 643 118</b>	<b>2 949 860</b>

**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 - M05 - November

Description	Ref	2024/25		Budget Year 2025/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
Receipts										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		125 443	131 922	131 922	15 705	67 470	54 958	12 502	23%	131 922
Other revenue		17 704	70 622	70 622	3 292	13 988	29 426	(15 438)	-52%	70 622
Transfers and Subsidies - Operational		627 950	685 135	665 135	942	274 933	277 139	(2 207)	-1%	665 135
Transfers and Subsidies - Capital		303 673	311 791	311 791	-	88 088	129 913	(41 825)	-32%	311 791
Interest		6 068	6 163	6 163	396	2 801	2 558	233	9%	6 163
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(208 956)	(898 197)	(898 197)	(9 537)	(76 475)	(374 249)	297 774	-80%	(898 197)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	(3 600)	3 600	-	-	(1 500)	1 500	-100%	(3 600)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>670 683</b>	<b>283 836</b>	<b>291 036</b>	<b>10 779</b>	<b>370 804</b>	<b>118 265</b>	<b>(252 539)</b>	<b>-214%</b>	<b>283 836</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		218 658	(273 623)	(273 623)	(22 268)	(35 484)	(114 010)	78 525	-69%	(273 623)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>218 658</b>	<b>(273 623)</b>	<b>(273 623)</b>	<b>(22 268)</b>	<b>(35 484)</b>	<b>(114 010)</b>	<b>(78 525)</b>	<b>69%</b>	<b>(273 623)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>										
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>1 089 551</b>	<b>10 213</b>	<b>17 413</b>	<b>(11 488)</b>	<b>335 320</b>	<b>4 255</b>			<b>10 213</b>
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)		346 195	(137 796)			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 - M05 - November

Description	NT Code	Budget Year 2025/26									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr			
R thousands												
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Water	1200	30 573	22 787	18 322	19 688	15 746	15 588	12 970	766 586	902 241	830 559	
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	1 843	2 087	1 213	1 177	1 402	1 460	807	48 100	58 089	52 996	
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	6 174	6 064	5 995	5 813	5 819	5 507	5 316	255 011	295 606	277 466	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	19	17	17	17	21	29	13	7 353	7 487	7 433	
<b>Total By Income Source</b>	<b>2000</b>	<b>38 610</b>	<b>30 952</b>	<b>23 456</b>	<b>26 696</b>	<b>22 988</b>	<b>22 585</b>	<b>19 107</b>	<b>1 077 029</b>	<b>1 263 422</b>	<b>1 166 464</b>	
<b>2024/25 - totals only</b>		-	-	-	-	-	-	-	-	-	-	
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	2200	3 550	4 385	1 571	1 372	1 127	2 975	1 896	51 745	69 580	59 084	
Commercial	2300	4 612	3 290	2 438	2 664	2 427	2 138	823	57 292	75 685	65 346	
Households	2400	30 447	23 277	21 446	22 650	19 435	17 471	16 417	967 893	1 119 147	1 043 875	
Other	2500	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>38 610</b>	<b>30 952</b>	<b>23 456</b>	<b>26 696</b>	<b>22 988</b>	<b>22 585</b>	<b>19 107</b>	<b>1 077 029</b>	<b>1 263 422</b>	<b>1 166 464</b>	

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

### Top 10 Debtors (Water)

#### TOP TEN DEBTORS AS AT 30 NOVEMBER 2025

ACCOUNT HOLDER NAME	OUTSTANDING TOTAL BALANCE
ALFRED DUMA LOCAL MUNICIPALITY STEADVILLE HOST	20 217 164.46
LIEBENBERG LC	7 111 205.66
NESTLE (SOUTH AFRICA) (PTY) LT	5 408 990.89
UTHUKELA DISTRICT MUNICIPALITY	2 605 622.39
NORTHERN NATAL ABBATTOIR	2 388 586.50
NTOKOZWENI COMMUNITY LAND TRUS	2 265 970.10
THE I&SGHADIA FAMILY TRUST	2 170 121.90
ESKOM HOLDINGS S O C LTD DISTR	1 907 125.88
MCITSHENI PRIMARY SCHOOL	1 776 596.27
COLLEGE OF EDUCATION A SECTION	1 655 132.42
	<b>47 506 516.47</b>

## **Table SC4 Creditors age analysis**

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November 2025

Description	NT Code	Budget Year 2025/26								Total
		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										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	77 800	22 038	9 404	7 532	719 622				836 396
Auditor General	0800									-
Other	0900									-
<b>Total By Customer Type</b>	<b>1000</b>	<b>4 011</b>	<b>19 721</b>	<b>10 226</b>	<b>1 787</b>	<b>525 181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>836 396</b>

## **Top 10 Creditors Unpaid**

TOP TEN CREDITORS ANALYSIS AS AT 30 NOVEMBER 2025

SUPPLIER	AMOUNT
DWS	176 676 639.56
UMINGENI WATER	151 300 860.50
RASP	137 069 153.00
ALFRED DUMA	84 557 915.95
INKOSI LANGALIBALELE	55 098 103.74
SALGA	15 991 649.67
LUNASISI IDEAS	11 430 301.43
MGAZI ENGINEERING	8 361 102.76
MAXPROF MAXIMUM	5 714 725.35
GOING PLACES	5 336 493.00

## **Top 10 Creditors paid**

**UTHUKELA DISTRICT MUNICIPALITY  
TOP 10 PAID SUPPLIERS - NOVEMBER 2025**

NUMBER	SUPPLIER	AMOUNT
1	MELA OKUHLE	4,856,166.62
2	ZNMS	4,518,935.00
3	PERFECT DEFECTS	3,191,511.33
4	LETHOKUHLE	2,777,358.25
5	ESKOM	2,716,870.62
6	ZAMISANANI	2,399,999.27
7	DLV	1,625,828.66
8	NOMPUMELELO ATTORNEYS	1,501,024.63
9	GINTI	1,487,582.50
10	UTHUKELA DEVELOPMENT AGENCY	1,349,698.53
<b>TOTAL PAID TOP 10 - NOV 2025</b>		<b>26,424,975.41</b>

**Bank Balance**

DESCRIPTION	AUGUST 2025	SEPTEMBER 2025	OCTOBER 2025	NOVEMBER 2025
FNB MAIN ACCOUNT 62252306280	20 547 617.38	18 826 885.67	43 738 673.99	12 192 643.33
FNB WATER ACCOUNT 62253072385	0	0	0	0
	20 547 617.38	18 826 885.67	43 738 673.99	12 192 643.33
<b>Total cash held</b>	<b>12 192 643.33</b>			

**Collection rate**

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 30 NOVEMBER 2025				
MONTH	BILLING	MONTHS	RECIEPTS	RECOVERY RATE %
June 2025	33 211 174.89	July 2025	14 897 040.86	44.86%
July 2025	30 095 395.54	Aug 2025	12 680 913.95	42.14%
August 2025	32 712 258.81	September 2025	10 008 705.32	30.60%
September 2025	36 391 997.79	October 2025	17 490 038.33	48.06%
October 2025	32 606 603.14	November 2025	16 180 896.33	49.62%
<b>TOTAL</b>	<b>165 017 430.17</b>		<b>71 257 594.79</b>	<b>43.18%</b>
<b>Column1</b>	<b>Column2</b>	<b>Column3</b>	<b>Column4</b>	<b>Column5</b>
BILLING - JUNE - NOVEMBER 2025		165 017 430.17		
RECIEPTS - JUNE-NOVEMBER 2025		71 257 594.79		
DIFFERENCE		93 759 835.38	43%	

**Table SC5 Investment portfolio**

**DC23 - Uthukela Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M05 November**

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
<b>Municipality</b>					
FNB	565	36		7 491	8 093
NEDBANK	0			--	0
INVESTEC				--	--
ABSA	41 899	162	(42 062)	--	0
STANDARD BANK	92			--	92
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>42 556</b>	<b>199</b>	<b>(42 062)</b>	<b>7 491</b>	<b>8 185</b>

The Municipality held investments of R8million at the end of November 2025

**Grant Performance:**

UTHUKELA DISTRICT MUNICIPALITY  
GRANT REGISTER - 2025/26

Summary of Grants received, expenditure & Funds available as at 30 NOVEMBER 2025

	Name of Grant owner	Grant Type	Pre-Audited Balance as at	Budget Amount	Received	Spent & transferred to Income	% Spent on total allocation	% Spent on received amount	Closing Balance/ Unspent
			01/07/2025	2025/26	2025/26	2025/26			2025/26
G3.101	EX Mthembu	MUNICIPAL INFRASTRUCTURE GRANT	0.00	219 159 000.00	30 872 000.00	27 583 496.10	13%	89%	3 288 503.90
G3.102	EX Mthembu	WATER & SANITATION INFRASTRUCTURE GRANT	15 538 993.43	100 000 000.00	70 000 000.00	10 390 614.42	10%	12%	75 148 379.01
G3.105	EX Mthembu	RURAL ROAD ASSET MANAGEMENT SYSTEM	102.92	2 918 000.00	2 043 000.00	502 674.75	17%	25%	1 540 428.17
G3.109	EX Mthembu	MUNICIPAL DISASTER RELIEF	3 291 780.00	0.00	4 200 000.00	4 632 068.53	0%	62%	2 859 691.47
G3.106	EX Mthembu	EPWP INTERGRATED GRANT	0.00	2 093 000.00	1 485 000.00	757 756.16	36%	52%	707 243.84
G3.107	B Ndlovu	FINANCE MANAGEMENT GRANT	0.00	2 000 000.00	2 000 000.00	1 312 340.32	66%	66%	687 659.68
G3.108	O Mnguni	LG SETA	282 333.95	212 745.74	212 745.74	339 970.00	0%	69%	155 109.69
			<b>19 113 190.30</b>	<b>326 382 745.74</b>	<b>110 792 745.74</b>	<b>45 518 920.28</b>	<b>14%</b>	<b>60%</b>	<b>84 387 015.76</b>

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

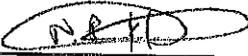
**FINANCIAL RATIOS**

FINANCIAL RATIO	NOVEMBER	COMMENTS ON RATIOS
Capital Expenditure to Total Expenditure (10%-20%)	Total Capital Expenditure / (Total Expenditure (Total Operating Expenditure +Capital Expenditure) x 100	This ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritization
	$\frac{17\,434}{(70\,796 + 17\,434)} \times 100$ $\frac{17\,434}{88\,230} \times 100$ <b>=20%</b>	<p>of expenditure towards current operations versus future capacity in terms of municipal services.</p> <p>The ratio 20 % as shown on the calculations is within an acceptable norm, which confirm that for this month ending in November 2025 the spending on Capital is still good.</p> <p>The norm ranges from 10% to 20%</p>
Creditors Payment Period > 30 days (= 0)	<p>Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365 days</p> $\frac{836\,395\,911.55}{804\,954\,038.33} \times 365 \text{ days}$ <b>= 379 days</b>	<p>This ratio indicates the average numbers of the days taken for Trade Creditors to be paid.</p> <p>The municipality ratio is 379 days it takes to pay its creditors.</p> <p>Due to liquidity challenges, it is evident that the municipality is struggling to pay its creditors within the legislated time frame (within 30 days). The municipality should improve in managing working capital and cash flow to honor their financial obligation when it's due.</p>
Cash Coverage Ratio	(Cash and Cash Equivalents – Unspent Conditional Grants-Overdraft + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortization and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	<p>The ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.</p> <p>The municipality ratio is - 0.06 months.</p>

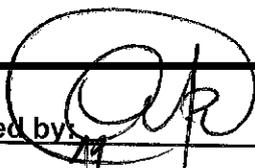
	$\frac{(12\,192\,643.33 - 84\,387\,015.76 - 0 + 8\,184\,782.54)}{1\,047\,020\,000}$ <b>= 0.06month</b>	The normal range is between 1 month and 3 months.
Net Operating Surplus Margin	$\frac{(\text{Total Operating Revenue} - \text{Total Operating Expenditure})}{\text{Total Operating Revenue}} \times 100$	Net Operating Surplus Margin Net profit margin, or simply net margin, measures how
	$\frac{32\,038 - 70\,796}{32\,038} \times 100$ <b>=121 %</b>	<p>much net income or profit a municipality generates a percentage of its revenue.</p> <p>Based on the calculation's municipality ratios is 121% for the month of November 2025</p>
Remuneration (Employee Related Costs and Councilor's Remuneration as % of Total Operating Expenditure)	$\frac{\text{Remuneration (Employee Related Costs and Councilor's Remuneration)}}{\text{Total Operating Expenditure}} \times 100$ $\frac{(52\,507 + 564)}{70\,796} \times 100$ <b>=75%</b>	<p>The ratio measures the extent of Remuneration to Total Operating Expenditure</p> <p>Employee-related costs and the councilor's remuneration ratio amount to 75% of the total operating expenditure which is way above the MFMA circular 71 recommended norm of 25% - 40%</p>
Contracted Services % of Total Operating Expenditure	$\frac{\text{Contracted Services}}{\text{Total Operating Expenditure}} \times 100$ $\frac{5\,585}{70\,796} \times 100$ <b>=8%</b>	<p>This ratio measures the extent to which the municipality resources are committed towards contracted services to perform municipal related functions</p> <p>The municipality ratio for contracted services is 8% which is more than the acceptable norm of 2% and 5%</p>

Prepared by: 

**Budget Officer**

Reviewed by: 

**Manager: Budget**

Approved by: 

**Acting Chief Financial Officer**