



UTHUKELA

**UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY**

SECTION 71 REPORT

APRIL 2026

7

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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 April 2026.

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 - M10 - April

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
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	280 382	329 806	318 358	24 021	247 375	267 989	(20 595)	-8%	318 358
Investment revenue	6 613	6 163	5 643	1 430	5 164	4 824	340	7%	5 643
Transfers and subsidies - Operational	650 924	655 135	649 030	1 384	640 416	544 616	95 799	18%	649 030
Other own revenue	75 820	76 290	78 290	6 584	65 243	64 775	468	1%	78 290
Total Revenue (excluding capital transfers and contributions)	1 013 739	1 077 393	1 051 321	33 429	958 197	882 184	76 013	9%	1 051 321
Employee costs	404 820	406 233	406 224	29 404	333 544	338 522	(4 978)	-1%	406 224
Remuneration of Councilors	6 284	6 219	9 746	661	8 421	7 298	1 123	15%	9 746
Depreciation and amortisation	88 413	83 303	91 917	7 457	75 749	74 587	1 162	2%	91 917
Interest	19 234	6 721	6 721	63	173	5 601	(5 428)	-97%	6 721
Inventory consumed and bulk purchases	106 642	68 790	60 490	9 107	26 041	51 812	(25 771)	-50%	60 490
Transfers and subsidies	-	3 600	2 000	-	1 350	2 040	(690)	-34%	2 000
Other expenditure	705 355	479 627	447 608	39 207	154 340	381 011	(226 672)	-59%	447 608
Total Expenditure	1 331 747	1 054 493	1 024 706	85 898	599 617	860 872	(261 255)	-30%	1 024 706
Surplus/(Deficit)	(318 009)	22 900	26 615	(52 470)	358 580	21 313	337 268	1582%	26 615
Transfers and subsidies - capital (monetary allocations)	287 242	311 791	355 016	80 430	127 751	285 761	(158 010)	-55%	355 016
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	(50 767)	334 691	381 632	27 960	486 332	307 074	179 258	58%	381 632
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(50 767)	334 691	381 632	27 960	486 332	307 074	179 258	58%	381 632
Capital expenditure & funds sources									
Capital expenditure	0	273 823	238 060	13 925	112 657	206 682	(84 024)	-45%	238 060
Capital transfers recognised	(4 349)	271 123	308 710	19 925	111 725	246 488	(136 763)	-55%	308 710
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	2 500	2 900	-	933	2 323	(1 391)	-60%	2 900
Total sources of capital funds	(4 349)	273 823	311 610	13 925	112 657	250 611	(138 154)	-55%	311 610
Financial position									
Total current assets	310 043	564 462	361 451	-	649 069	-	-	-	361 451
Total non current assets	3 551 722	3 646 961	3 553 427	-	3 688 790	-	-	-	3 553 427
Total current liabilities	1 334 657	1 110 005	874 102	-	1 305 009	-	-	-	874 102
Total non current liabilities	41 595	51 558	50 346	-	41 595	-	-	-	50 346
Community wealth/Equity	2 485 612	2 949 860	2 990 430	-	2 891 255	-	-	-	2 990 430
Cash flows									
Net cash from (used) operating	870 883	283 836	219 473	(23 661)	827 363	195 512	(631 851)	-323%	219 473
Net cash from (used) investing	218 668	(273 823)	(311 610)	(22 478)	(124 365)	(260 811)	(126 446)	50%	(311 610)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	1 095 361	(131 639)	(81 240)	-	713 873	(44 402)	(758 275)	1708%	(81 261)
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	32 847	27 521	25 825	26 028	23 564	29 833	26 104	1 175 950	1 367 672
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) - M10 - April

Description	Ref	Budget Year 2025/26								
		2024/25 Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Revenue - Functional										
<i>Governance and administration</i>		651 947	734 345	642 531	1 627	641 568	556 866	84 702	15%	642 531
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		651 947	734 345	642 531	1 627	641 568	556 866	84 702	15%	642 531
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3 652	49	34 685	8	4 532	20 810	(16 279)	-78%	34 685
Community and social services		3 608	-	30 000	-	-	10 000	(18 000)	-100%	30 000
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		43	49	4 685	8	4 532	2 810	1 721	61%	4 685
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		625 383	654 790	729 142	112 224	439 649	590 269	(150 421)	-25%	729 142
Energy sources		-	-	-	-	-	-	-	-	-
Water management		625 383	654 790	729 142	112 224	439 649	590 269	(150 421)	-25%	729 142
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 280 981	1 389 164	1 406 338	113 859	1 085 948	1 167 946	(81 997)	-7%	1 406 338
Expenditure - Functional										
<i>Governance and administration</i>		280 693	375 156	366 657	23 224	189 218	319 398	(130 179)	-41%	388 657
Executive and council		52 588	56 174	56 640	3 617	49 270	48 291	979	2%	59 640
Finance and administration		228 125	318 982	330 017	19 608	139 948	271 106	(131 159)	-48%	330 017
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		62 617	58 102	59 736	3 471	43 971	49 717	(5 746)	-12%	59 736
Community and social services		26 539	9 399	13 462	991	11 200	10 268	932	9%	13 462
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		35 278	48 712	46 274	2 480	32 770	39 449	(6 679)	-17%	46 274
<i>Economic and environmental services</i>		16 259	28 023	19 745	1 357	15 649	18 386	(2 737)	-15%	19 745
Planning and development		16 259	28 023	19 745	1 357	15 649	18 386	(2 737)	-15%	19 745
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		971 978	593 212	556 567	57 846	359 779	473 372	(122 593)	-26%	556 567
Energy sources		-	-	-	-	-	-	-	-	-
Water management		971 978	593 212	556 567	57 846	359 779	473 372	(122 593)	-26%	556 567
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 331 747	1 054 493	1 024 706	85 898	599 617	880 672	(261 255)	-30%	1 024 706
Surplus/ (Deficit) for the year		(50 767)	334 691	381 632	27 960	486 332	307 074	179 258	58%	381 632

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) - M10 - April

Vote Description	Ref	2024/25		Budget Year 2025/26						
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Revenue by Vote										
Vote 1 - MAYOR AND MM	1	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		602	326	539	58	515	399	116	28.1%	539
Vote 3 - BUDGET AND TREASURY		649 345	734 020	641 993	1 589	641 063	556 467	84 596	15.2%	641 993
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	30 000	-	-	18 000	(18 000)	-100.0%	30 000
Vote 5 - WSA& HEALTH SERVICES		43	49	4 665	8	4 532	2 810	1 721	61.3%	4 665
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		618 377	654 780	729 142	112 224	439 849	599 289	(150 421)	-25.5%	729 142
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 268 367	1 369 184	1 406 338	113 859	1 085 948	1 167 946	(81 987)	-7.0%	1 406 338
Expenditure by Vote										
Vote 1 - MAYOR AND MM	1	52 568	56 174	59 640	3 617	49 270	48 291	979	2.0%	58 640
Vote 2 - CORPORATE SERVICES		144 598	145 786	128 787	14 057	73 510	109 877	(36 368)	-33.1%	128 787
Vote 3 - BUDGET AND TREASURY		83 529	171 528	201 220	5 551	66 438	169 835	(84 397)	-58.7%	201 220
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		42 798	37 413	39 207	2 348	26 850	28 654	(1 805)	-6.3%	33 207
Vote 5 - WSA& HEALTH SERVICES		36 276	59 399	46 274	2 480	32 770	39 842	(7 072)	-17.7%	46 274
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		971 978	593 212	656 667	57 846	350 779	473 372	(122 593)	-25.9%	556 567
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 331 747	1 054 493	1 024 706	85 896	599 617	860 672	(261 255)	-30.3%	1 024 706
Surplus/ (Deficit) for the year	2	(63 380)	334 691	381 632	27 960	486 332	307 074	179 258	58.4%	381 632

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) - M10 - April

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		250 786	308 162	296 601	22 406	230 171	249 865	(19 694)	-8%	285 601
Service charges - Waste Water Management		19 596	21 643	21 757	1 615	17 204	18 104	(900)	-5%	21 757
Service charges - Waste management										
Sale of Goods and Rendering of Services		597	564	2 335	41	1 997	1 530	467	31%	2 335
Agency services										
Interest										
Interest earned from Receivables		71 605	74 157	74 157	6 477	61 604	61 797	(194)	0%	74 157
Interest from Current and Non Current Assets		6 613	6 163	5 643	1 430	5 164	4 824	340	7%	5 643
Dividends										
Rent on Land										
Rental from Fixed Assets										
Licence and permits										
Special Rating Levies										
Operational Revenue		3 223	1 069	1 333	58	1 311	1 649	261	25%	1 333
Non-Exchange Revenue										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfaits		394	511	465	8	332	398	(66)	-17%	465
Licence and permits										
Transfers and subsidies - Operational		650 924	666 135	649 030	1 394	640 416	644 616	95 799	18%	649 030
Interest										
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets										
Other Gains										
Discontinued Operations										
Total Revenue (excluding capital transfers and		1 013 739	1 077 393	1 051 321	33 428	858 197	882 184	76 013	9%	1 051 321
Expenditure By Type										
Employee related costs		404 820	400 233	406 224	29 404	338 544	338 522	(4 978)	-1%	406 224
Remuneration of councillors		6 284	6 219	9 746	661	8 421	7 298	1 123	15%	9 746
Bulk purchases - electricity										
Inventory consumed		106 642	88 790	83 490	9 107	26 041	51 812	(25 771)	-50%	60 490
Debt impairment		(69 329)	83 782	114 310			88 136	(88 136)	-100%	114 310
Depreciation and amortisation		89 413	83 303	91 917	7 457	75 749	74 597	1 162	2%	91 917
Interest		19 234	6 721	6 721	63	173	5 601	(5 428)	-97%	6 721
Contracted services		247 369	124 962	163 929	23 789	93 845	124 049	(30 201)	-24%	163 929
Transfers and subsidies			3 600	2 000		1 350	2 040	(680)	-34%	2 000
Irrecoverable debts written off		260 435	83 782				19 549	(19 549)	-100%	
Operational costs		254 130	187 100	169 369	15 416	60 477	149 278	(88 801)	-59%	169 369
Losses on Disposal of Assets		2 749				15		15	#DIV/0!	
Other Losses										
Total Expenditure		1 331 747	1 054 493	1 024 706	85 898	596 617	660 672	(261 255)	-30%	1 024 706
Surplus/(Deficit)		(318 009)	22 900	26 615	(52 470)	358 580	21 313	337 268	1582%	26 615
Transfers and subsidies - capital (monetary allocations)		287 242	311 791	355 016	80 430	127 751	285 761	(158 010)	-55%	355 016
Transfers and subsidies - capital (in-kind)										
Surplus/(Deficit) after capital transfers & contributions		(50 767)	334 691	381 632	27 960	486 332	307 074			381 632
Income Tax										
Surplus/(Deficit) after income tax		(50 767)	334 691	381 632	27 960	486 332	307 074			381 632
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(50 767)	334 691	381 632	27 960	486 332	307 074			381 632
Share of Surplus/Deficit attributable to Associates										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		(50 767)	334 691	381 632	27 960	486 332	307 074			381 632

Operating Revenue:

Services Charges Water

The Water Sales income recognised is 8% below what is originally anticipated. An adjustment budget was approved and adjusted downwards. The total revenue billed as of 30 April is R230 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.

The progress on installation of prepaid meters has also not materialised as expected as about 1200 meters have been installed to date, which affects this line item negatively.

SALE OF GOODS AND RENDERING OF SERVICES

An adjusted budget has been approved will change the year-to-date variance in the next month.

INTEREST FROM CURRENT AND NON-CURRENT ASSETS

The municipality incurred a variance of 7% above what was anticipated, as at the end of April 2026. To date the municipality has investments of R40 million, which has a positive impact

OPERATIONAL REVENUE

The municipality incurred a positive variance of 25% which amounts to R1,3 million which is a good indication on revenue. This is due to auction fees as at the end of December 2025 which was not budgeted for. An adjusted budget has been approved, and the year-to-date variance will be aligned in the next months.

FINES, PENALTIES AND FORFEITS

This is related to mostly the health department, and the municipality has recognised a negative 17% variance. There was a backlog in receipts, however this has been corrected and will be aligned with adjusted budget in the next month

TRANSFERS AND SUBSIDIES – OPERATIONAL

The municipality has recognised 18% variance above what was anticipated, which is a result of the municipality receiving the third trench of equitable share.

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
STANDBY ALLOWANCE												
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 10 806.55	R 10 149.04	R 65 248.32	R 35 761.93	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 540 579.76	R 284 068.94	R 145 774.91	R 35 998.88	R 241 706.46	R -	R -
SOCIAL	R 8 038.12	R 8 410.35	R 8 410.35	R 7 208.87	R -	R -	R 33 753.90	R 21 557.63	R -	R -	R -	R -
TOTAL STANDBY ALLOWANCE	R 624 771.39	R 648 748.01	R 714 650.47	R 648 793.21	R 673 935.70	R 550 728.80	R 383 871.16	R 203 094.47	R 35 998.69	R 241 706.46	R -	R -
OVERTIME												
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 28 682.23	R 72 287.40	R 25 641.54	R 15 252.32	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 103 216.40	R -	R -
HEALTH	R -	R -	R 10 149.04	R -	R 3 945.06	R -	R 21 451.22	R -	R -	R 19 654.78	R -	R -
MM OFFICE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
WATER	R 1 368 335.56	R 1 178 775.60	R 1 639 003.80	R 1 200 704.85	R 665 272.44	R 487 630.59	R 318 906.41	R 132 386.15	R 246 411.37	R 324 411.22	R -	R -
CORPORATE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
TOTAL OVERTIME	R 1 470 874.56	R 1 258 895.24	R 1 732 234.50	R 1 300 790.54	R 669 247.50	R 487 630.59	R 369 042.51	R 204 673.55	R 272 053.01	R 462 534.72	R -	R -
NIGHT SHIFT / SHIFT ALLOWANCE												
WATER	R 263 334.43	R 298 926.29	R 273 050.87	R 274 167.47	R 275 601.83	R 272 809.55	R 272 809.55	R 272 809.55	R 272 809.55	R 273 260.39	R -	R -
SOCIAL	R 42 434.40	R 42 434.40	R 39 176.04	R 42 434.40	R 39 176.04	R 42 434.40	R 42 434.40	R 42 434.40	R 42 434.40	R 42 434.40	R -	R -
CORPORATE SERVICES	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
TOTAL NIGHT SHIFT / SHIFT ALLOWANCE	R 305 768.83	R 341 360.69	R 312 226.91	R 316 601.87	R 314 777.87	R 315 243.95	R 315 243.95	R 315 243.95	R 315 243.95	R 315 694.79	R -	R -
GRAND TOTAL	R 2 401 414.78	R 2 249 028.94	R 2 735 111.88	R 2 266 185.62	R 1 657 934.07	R 1 333 603.21	R 1 068 158.02	R 723 011.97	R 618 296.61	R 1 019 935.97	R -	R -

Major Cost Drivers

Progress report on funding plan

Major cost drivers

	Budget	Revised Funding Plan	Actual	pending	Total Expenditure	Projection
employee related cost	406 232 775.00	406 224 000.00	333 544 000.00		333 544 000.00	400 252 800.00
Electricity/ekom	100 190 090.86	95 990 000.00	37 087 489.00		37 087 489.00	44 504 986.80
Electricity/LMS	42 851 010.43	32 851 000.00	168 000.00		168 000.00	201 600.00
DWS	37 190 421.33	37 190 421.33	37 190 424.00	8 838 935.81	46 029 359.81	55 235 231.77
Repair to mains	39 000 000.00	72 996 000.00	31 035 781.45	36 755 023.72	67 790 805.17	Transferred to MIG
Security	25 045 056.00	28 045 056.00	21 795 771.00	4 691 413.00	26 487 184.00	31 784 620.80
Chemicals	20 000 000.00	12 000 000.00	9 219 538.00	1 081 480.00	10 301 018.00	12 361 221.60
Pipelines	15 000 000.00	15 000 000.00	8 172 754.00	6 223 870.00	14 396 624.00	17 275 948.80
Purchasing	10 000 000.00	10 000 000.00	7 923 922.41	1 627 036.42	9 550 958.83	11 461 150.60
Vehicle maintenance	8 000 000.00	8 000 000.00	4 639 473.00	3 311 019.00	7 950 492.00	9 540 590.40
Plan-Elle	7 000 000.00	7 000 000.00	3 587 346.00	3 403 371.00	6 990 717.00	8 388 860.40
Employee related cost	406 232 775.00	406 224.00	333 544 000.00			
Inventory consumed	68 790 000.00	60 490 000.00	26 041 000.00			
Contracted services	124 962 000.00	163 929 000.00	93 848 000.00			
Operational costs	187 100 000.00	169 369 000.00	60 477 000.00			

Water Debt Relief

Annexure 02 - Monthly



Department of Water and Sanitation and National Treasury
Water Debt Relief
 Water Debt Relief Guideline
 Municipal Finance Management Act No. 56 of 2003

National Treasury	
Certificate of Compliance: Water Debt Relief Conditions	
Period	Select
National Financial Year	Select
Demarcation Code of Municipality being assessed	Search
District	Complete the search boxes above
Demarcation Description	Complete demarcation Code above

I, name and surname of HOD, hereby certify that the provincial treasury monitored the municipality's compliance against the conditions of Municipal Debt Relief as set-out in the Water Debt Relief Guideline and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Water Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition	Description	Response
7.1. Maintaining the bulk water current account		
<i>Current account for the municipal treasury means the account for a single month's compliance of the water utility and financial during the month being assessed.</i>		
7.1	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 7.1.</i>	No or only partial payment
7.1.1	- Has the municipality submitted the supporting evidence of the bulk water current account payment(s) to the relevant Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA) within 1 day of making any such payment (in PDF format)?	Yes
7.1.2	- Has the municipality submitted the consolidated proof of payments to the respective bulk suppliers to the National Treasury GoMuni Upload portal https://iguploadportal.treasury.gov.za by the 10th working day of the month following the invoice date (in PDF format)?	Yes
7.1.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA)?	Yes
7.2. Accounting Treatment		
7.2.1	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Water arrears debt (debt existing as on 30 September 2024) as per any written instruction of the National Treasury: Office of the Accountant General and NT: CD: Local Government Budget Analysis issued for Water Debt Relief to date?	N/A (No write-off yet)
7.2.1	Did the municipality account for any related benefit (e.g. Interest suppression, etc.) and does such align with mSCOA?	N/A (No benefit yet)
7.3. Monitor and report on implementation		
7.3.1	MFMA section 71 reporting - has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the Water Debt Relief Conditions as part of the implementation of the municipality's funded budget (and Budget Funding Plan where relevant)?	Yes
7.3.1.1	Does the municipality's MFMA section 71 statement for the month being assessed include the municipality's water debt relief compliance self-assessment (signed by the Municipal Manager) - in the format of the Water Debt Relief compliance certificate (Annexure 02 of the Water Debt Relief Guideline)?	Yes
7.3.1.2	Does the municipality's MFMA section 71 statement for the month being assessed:	
7.3.1.2	Part A: include the municipality's progress against its approved funded budget?	Yes
7.3.1.2	Part B: If the municipality's budget was assessed as unfunded by any of the Treasuries, the municipality include the progress against approved Budget Funding Plan?	Yes
7.3.1.2	- Does the municipality's progress report envisaged in Part A and B above clearly demonstrate that the municipality is achieving the required Water Debt Relief compliance?	Incomplete reporting
7.3.1.3	- Include the municipality's water losses (both in Rand value and kilolitres) for the month being assessed? (MFMA Circular 71)	Yes
7.3.1.3	- Include the municipality's energy losses (both in Rand value and kilowatt hours) for the month being assessed? (MFMA Circular 71)	No
7.3.1.3	- If the municipality is unable to calculate and report on its water and/or energy losses, did the municipality make any progress in terms of its loss calculation/ reporting strategy towards calculating and reporting on such losses ?	No
7.3.1.3	- Include the progress made to reduce the municipality's reported water and/ or energy losses against its water-and energy losses reduction strategy?	No
Municipalities with financial recovery plans (FRP)		
7.3.1.2	- Municipalities with financial recovery plans (FRP) - if the municipality has a FRP as envisaged in the prevailing local government legislative framework: Did the municipality's FRP progress report during the month being assessed, explicitly include the municipality's progress against those components of the FRP aimed to achieve water debt relief compliance as part of achieving a funded budget?	Yes
7.3.1.2	- Municipalities with financial recovery plans (FRP) - Was the municipality's FRP progress report during the month being assessed, submitted to the relevant Provincial Executive?	Yes
7.3.2	- If progress is slow in terms of paragraph 7.3.1, is the municipal council and senior management team's active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?	Yes

COUNCILLORS REMUNERATION

The municipality had received an approval from Cogta to increase councillors' remuneration and effectively be back paid, this resulted in this variance which has been adjusted in the adjustments budget.

INVENTORY CONSUMED

The municipality has incurred a variance of negative 50% as of April 2026, the municipality still struggles with receiving invoices from DWS timeously, reflecting low expenditure. 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 is 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 April 2026.

CONTRACTED SERVICES:

The municipality incurred 24% below variance. 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 59% 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. The local municipalities expenditure is also not costed as there are also issues with receiving invoices timeously.

Table C5 – Monthly Budget Statements – Capital Expenditure

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 - April

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	1 900	-	516	1 723	(1 207)	-70%	1 900
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	1 582	1 582	-	1 582	#DIV/0!	-
Vote 5 - WSA& HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		0	271 123	236 160	12 343	110 560	204 888	(94 399)	-46%	236 160
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	238 060	13 925	112 657	206 682	(94 024)	-45%	238 060
Total Capital Expenditure		0	273 623	238 060	13 925	112 657	206 682	(94 024)	-45%	238 060
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		-	2 600	1 900	-	516	1 723	(1 207)	-70%	1 900
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	2 500	1 900	-	516	1 723	(1 207)	-70%	1 900
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	26 087	-	-	15 652	(16 652)	-100%	26 087
Community and social services		-	-	26 087	-	-	15 652	(16 652)	-100%	26 087
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	1 582	1 582	-	1 582	#DIV/0!	-
Planning and development		-	-	-	1 582	1 582	-	1 582	#DIV/0!	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		0	271 123	236 160	12 343	110 560	233 436	(122 876)	-53%	236 160
Energy sources		-	-	-	-	-	-	-	-	-
Water management		0	271 123	236 160	12 343	110 560	233 436	(122 876)	-53%	236 160
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	0	273 623	311 610	13 925	112 657	256 811	(138 154)	-55%	311 610
Funded by:										
National Government		(4 348)	271 123	308 710	13 925	111 725	248 488	(136 763)	-55%	308 710
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparm Agencies)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		(4 348)	271 123	308 710	13 925	111 725	248 488	(136 763)	-55%	308 710
Borrowing	3	-	-	-	-	-	-	-	-	-
Internally generated funds		-	2 600	2 900	-	933	2 323	(1 391)	-60%	2 900
Total Capital Funding		(4 348)	273 823	311 610	13 925	112 657	256 811	(138 154)	-55%	311 610

As depicted above capital expenditure amounting to 13 million recorded at the month of April 2026, 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 - M10 - April

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		10 875	(131 839)	(85 240)	207 323	(85 240)
Trade and other receivables from exchange transactions		94 608	252 200	386 382	261 074	386 382
Receivables from non-exchange transactions		79	424 642	173	79	173
Current portion of non-current receivables		3 514	-	-	3 514	-
Inventory		16 915	19 360	15 432	29 192	15 432
VAT		180 103	-	44 704	144 109	44 704
Other current assets		3 949	99	-	3 779	-
Total current assets		310 043	564 462	361 451	649 069	361 451
Non current assets						
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Property, plant and equipment		3 551 348	3 544 778	3 551 348	3 588 432	3 551 348
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		374	408	374	359	374
Trade and other receivables from exchange transactions		-	1 726	1 658	-	1 658
Non-current receivables from non-exchange transactions		-	48	46	-	46
Other non-current assets		-	-	-	-	-
Total non current assets		3 551 722	3 546 961	3 553 427	3 588 790	3 553 427
TOTAL ASSETS		3 861 765	4 111 422	3 914 878	4 237 859	3 914 878
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		59	-	59	(18 154)	59
Consumer deposits		20 816	20 851	20 552	21 449	20 552
Trade and other payables from exchange transactions		1 009 175	990 069	737 647	671 922	737 647
Trade and other payables from non-exchange transactions		(428)	2 784	298	114 304	296
Provision		46 575	42 192	42 192	46 575	42 192
VAT		258 361	29 010	8 230	268 913	8 230
Other current liabilities		-	25 099	65 126	-	65 126
Total current liabilities		1 334 557	1 110 005	874 102	1 305 009	874 102
Non current liabilities						
Financial liabilities		-	-	-	-	-
Provision		18 935	51 558	50 346	18 935	50 346
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		22 660	-	-	22 660	-
Total non current liabilities		41 595	51 558	50 346	41 595	50 346
TOTAL LIABILITIES		1 376 153	1 161 563	924 448	1 346 604	924 448
NET ASSETS	2	2 485 612	2 949 860	2 990 430	2 891 255	2 990 430
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 485 612	2 949 860	2 990 430	2 891 255	2 990 430
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	2 485 612	2 949 860	2 990 430	2 891 255	2 990 430

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 - M10 - April

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		125 443	131 922	127 343	8 942	117 864	107 188	10 677	10%	127 343
Other revenue		17 704	70 622	82 040	10 137	30 649	65 702	(35 054)	-53%	82 040
Transfers and Subsidies - Operational		627 950	685 135	649 030	0	678 090	544 616	133 473	25%	649 030
Transfers and Subsidies - Capital		303 673	311 791	355 016	0	172 347	285 761	(113 414)	-40%	355 016
Interest		6 068	6 163	5 643	470	4 204	4 824	(620)	-13%	5 643
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(209 956)	(898 197)	(1 001 609)	(43 210)	(175 791)	(810 539)	634 749	-78%	(1 001 609)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	(3 600)	2 000	-	-	(2 040)	2 040	-100%	2 000
NET CASH FROM/(USED) OPERATING ACTIVITIES		870 883	283 836	219 473	(23 664)	827 363	195 512	(631 851)	-323%	219 473
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)	(311 610)	(22 478)	(124 365)	(250 811)	126 446	-50%	(311 610)
NET CASH FROM/(USED) INVESTING ACTIVITIES		218 668	(273 623)	(311 610)	(22 478)	(124 365)	(250 811)	(126 446)	50%	(311 610)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/financing		-	-	-	-	-	-	-	-	-
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	(82 137)	(46 139)	702 998	(55 289)			(82 137)
Cash/cash equivalents at beginning:		5 810	(142 052)	10 897		10 875	10 897			10 875
Cash/cash equivalents at month/year end:		1 095 361	(131 839)	(81 240)		713 873	(44 402)			(81 261)

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 - M10 - April

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 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R Millions												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	1200	24 403	19 652	17 553	18 754	16 373	22 843	19 270	835 528	974 268	912 778	
Trade and Other Receivables from Exchange Transactions - Electricity	1200	-	-	-	-	-	-	-	-	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Water Management	1600	1 727	1 255	1 235	1 092	1 074	1 035	594	52 138	60 680	55 332	
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	6 659	6 653	6 597	6 158	6 073	5 942	5 828	281 094	325 344	305 005	
Recoverable unauthorised, irregular, hushes and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	17	21	40	14	44	13	12	7 192	7 254	7 275	
Total By Income Source	2600	32 847	27 521	25 825	28 028	23 594	29 833	28 194	1 175 950	1 307 672	1 281 486	
2024/25 - totals only		35 704	28 055	23 454	24 007	20 939	22 127	23 156	1 210 544	1 385 685	1 390 471	
Debtors Age Analysis By Customer Group												
Origins of State	2200	4 128	2 300	1 379	1 726	932	1 146	2 769	56 321	70 702	62 894	
Commercial	2300	4 787	2 821	1 021	2 099	1 163	1 369	1 441	60 726	75 687	65 737	
Households	2400	23 930	22 360	23 215	22 293	21 458	27 370	21 895	1 058 903	1 221 384	1 151 849	
Other	2500	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	32 847	27 521	25 825	28 028	23 664	29 833	26 104	1 175 950	1 307 672	1 281 486	

- The Municipality has a total amount over R 1.3 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 APRIL 2026

ACCOUNT HOLDER NAME	OUTSTANDING TOTAL BALANCE
ALFRED DUMA LOCAL MUNICIPALITY STEADVILLE	18 953 331.15
LIEBENBERG LC	8 522 625.57
MADUNA D/P 781 GZ	2 513 895.60
NORTHERN NATAL ABBATTOIR	2 458 098.95
NTOKOZWENI COMMUNITY LAND TRUS	2 318 633.70
ESKOM HOLDINGS S O C LTD DISTR	1 948 064.91
MCITSHENI PRIMARY SCHOOL	1 894 755.99
PROVINCIAL DEPARTMENT OF AGRICULTURE	1 835 070.81
ITHALA DEV FINANCE CORP.	1 766 649.56
Nakhooda E.M	1 740 332.87
	43 951 459.11

Table SC4 Creditors age analysis

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2025/26								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
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	85 102	14 625	11 896	8 442	679 243				799 307
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	85 102	14 625	11 896	8 442	679 243	-	-	-	799 307

Top 10 Creditors

TOP 10 OUTSTANDING CREDITORS AS AT 30 APRIL 2026

SUPPLIER	AMOUNT
DWA	176 676 639.56
UMNGENI	151 300 860.50
ALFRED DUMA	98 054 523.68
ZNMS TRADING	86 315 834.33
INKOSI LANGALIBALELE	57 857 134.54
SALGA	15 991 649.67
LUNASISI IDEAS	10 819 815.63
RASP	8 108 191.31
INSIKAYAMANTUNGWA	6 558 795.00
MULTI SOLUTION	6 385 400.00

TOP 10 PAID CREDITORS (GRANTS)

TOP 10 PAID CREDITORS (GRANTS) AS AT 30 APRIL 2026

Company Name	Amount
ZNMS	2 681 441.20
SNAKHO	1 778 119.07
SINETHEMBA	1 555 280.40
Bezwangendaba	1 306 400.00
MELA OKUHLE	1 078 422.20
PAWACONS	793 513.80
IMPANDE	574 263.73
LUKHWISHI	391 230.00
UPHAPHE	184 488.75
OWETHU	58 190.00

TOP 10 PAID CREDITORS (OTHER)

TOP 10 PAID CREDITORS (OTHER) AS AT 30 APRIL 2026

Company Name	Amount
1.DWA	R8 866 270.99
2.Eskom	R5 577 739.82
3.Sydwalt	R3 130 365.44
4.Lunasis Ideas	R2 774 852.26
5.Farrell	R2 656 769.12
6.Quickstep	R848 211.80
7.Umngeni	R692 501.25
8.Vast	R550 275.00
9. Nompumelelo Hadebe	R539 092.36
10.Perfect Defects	R375 858.06

Bank Balance

Bank Balances

The following reflects bank balances at 30 April 2026

DESCRIPTION	JANUARY 2026	FEBRUARY 2026	MARCH 2026	APRIL 2026
FNB MAIN ACCOUNT 62252306280	934 326.83	30 801 673.05	35 466 362.00	31 496 908.27
FNB WATER ACCOUNT 62253072385	0	0	0	0
	934 326.83	30 801 673.05	35 466 362.00	31 496 908.27
Total cash held	31 496 908.27			

Collection rate

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 30 APRIL 2026				
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	33 453 530.35	October 2025	17 490 038.33	52.28%
October 2025	36 391 997.79	November 2025	16 180 896.33	44.46%
November 2025	32 606 603.14	December 2025	9 741 322.33	29.88%
December 2025	33 482 408.95	January 2026	12 205 613.82	36.45%
January 2026	29 355 229.51	February 2026	10 712 542.58	36.49%
February 2026	32 860 528.49	March 2026	12 240 200.91	37.25%
March 2026	33 006 113.72	April 2026	9 599 209.26	29.08%
TOTAL	327 175 241.19		125 756 483.69	38.44%
Column1	Column2	Column3	Column4	Column5
BILLING - JUNE - APRIL 2026		327 175 241.19		
RECIEPTS - JUNE-APRIL2026		125 756 483.69		
DIFFERENCE		201 418 757.50	38%	

Table SC5 Investment portfolio

DC 23 - Uthukela Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M10 April

Investments by maturity Name of institution & Investment ID	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands					
Municipality					
FNB	460	2	-	-	462
INVESTEC	0	0	-	-	0
ABSA	60 142	324	(20 000)	-	40 466
					-
					-
					-
TOTAL INVESTMENTS AND INTEREST	60 603	326	(20 000)	-	40 929

The Municipality held investments of R40 million at the end of April 2026

Grant Performance:

UTHUKELA DISTRICT MUNICIPALITY
GRANT REGISTER - 2025/26
Summary of Grants received, expenditure & Funds available as at 30 APRIL 2026


	Name of Grant owner	Grant Type	Audited Balance as at 01/07/2025	Budget Amount 2025/26	Received 2025/26	Spent & transferred to income 2025/26	% Spent on total allocation	% Spent on received amount	Closing Balance/ Unspent 2025/26
G3.101	EX Mthembu	MUNICIPAL INFRASTRUCTURE GRANT	0.00	219 159 000.00	102 342 000.00	94 000 739.19	43%	92%	8 341 260.81
G3.102	EX Mthembu	WATER & SANITATION INFRASTRUCTURE GRANT	0.00	100 000 000.00	70 000 000.00	22 535 370.98	23%	32%	47 464 629.02
G3.105	EX Mthembu	RURAL ROAD ASSET MANAGEMENT SYSTEM	102.92	2 918 000.00	2 918 000.00	2 046 540.38	70%	70%	871 562.58
G3.109	EX Mthembu	MUNICIPAL DISASTER RELIEF	0.00	30 000 000.00	30 000 000.00	4 632 068.53	15%	15%	25 367 931.47
G3.106	EX Mthembu	EPWP/ INTERGRATED GRANT	0.00	2 093 000.00	2 093 000.00	1 623 074.31	78%	78%	469 925.69
G3.107	EX Mthembu	REGIONAL BULK INFRASTRUCTURE GRANT	0.00	41 751 632.65	41 751 632.65	11 751 632.65	28%	28%	30 000 000.00
G3.108	B Ndlovu	FINANCE MANAGEMENT GRANT	0.00	2 000 000.00	2 000 000.00	1 601 580.64	80%	80%	398 439.36
G3.109	O Mnguni	LG SETA	295 684.95	212 745.74	212 745.74	480 776.00	100%	95%	27 655.69
			295 787.87	398 134 378.39	251 317 378.39	138 671 761.65	35%	55%	112 941 404.61

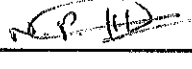
The total grant income and grant expenditure as per grant register as at the end of April 2026.

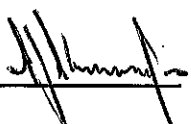
FINANCIAL RATIOS

FINANCIAL RATIO	April 2026	COMMENTS ON RATIOS
Capital Expenditure to Total Expenditure (10%-20%)	<p>Total Capital Expenditure / (Total Expenditure (Total Operating Expenditure +Capital Expenditure) x 100</p> <p>$13\,925 / (85\,898 + 13\,295) \times 100$ $13\,295 / 99\,193 \times 100$ =13%</p>	<p>This ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritization of expenditure towards current operations versus future capacity in terms of municipal services.</p> <p>The ratio 13 % as shown on the calculations is exactly an acceptable norm, which confirm that for this month ending in April 2026 the spending on Capital is good. 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> <p>$679\,243 / 799\,307 \times 365$ days = 310 days</p>	<p>This ratio indicates the average numbers of the days taken for Trade Creditors to be paid.</p> <p>The municipality ratio is 310 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	<p>(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> <p>+</p>	<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 - 0.01 month.</p>

	$\frac{(31\,496\,908.27 - 84\,458\,312.52 - 0 + 40\,928\,660.39)}{1\,017\,249\,000}$ <p>= 0.01 months</p>	The normal range is between 1 month and 3 months.
Net Operating Surplus Margin	$\frac{(\text{Total Operating Revenue} - \text{Total Operating Expenditure})}{\text{Total Operating Revenue}} \times 100$ $\frac{33\,429 - 85\,898}{33\,429} \times 100$ <p>= -157%</p>	<p>Net Operating Surplus Margin Net profit margin, or simply net margin, measures how much net income or profit a municipality generates a percentage of its revenue.</p> <p>Based on the calculation's municipality ratios is -157 % for the month of April 2026</p>
Remuneration (Employee Related Costs and Councilor's Remuneration as % of Total Operating Expenditure)	$\frac{\text{Remuneration (Employee Related Costs and Councilor's Remuneration)}}{\text{Total Operating Expenditure}} \times 100$ $\frac{(29\,404 + 661)}{85\,898} \times 100$ <p>= 35%</p>	<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 35% of the total operating expenditure which is within the MFMA circular 71 recommended norm of 25% - 40%</p>
Contracted Services % of Total Operating Expenditure	$\frac{\text{Contracted Services}}{\text{Total Operating Expenditure}} \times 100$ $\frac{23\,788}{85\,898} \times 100$ <p>= 28 %</p>	<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 28% 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
