UTHUKELA
UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 52(d) REPORT

JUNE 2026

QUARTER 4

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PART 1 – MONTHLY IN-YEAR MONITORING BUDGET

Part 1 – Annual Budget

1.1 Mayor's Report

The quarterly section 52 report is a report that gives a clear view on the state or performance of the Municipality for the quarter 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 52 of the Municipal Finance Management Act, (Act 56 of 2003) to note:

2. Monthly Budget statements and supporting documents for quarter 4 of 2026.

1.3 Executive Summary

To inform Committee of the financial status of the municipality for Quarter 4 of the 2025/26 financial year in accordance with section 52(d) of the Municipal Finance Management Act 56 of 2003 which states "the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality".

The Municipal Budget and Reporting Regulations also put emphasise on the quarterly reporting with Regulation 31(1) which state that "the mayor's quarterly report on the implementation of the budget and the financial affairs of the municipality as required by section 52(d) of the MFMA must be –

(a) In the format specified in Schedule C and include all the required tables, charts and explanatory information, considering any guidelines issued by the Minister in terms of section 168(1) of the MFMA; and
(b) Consistent with the monthly budget statements for January, February and March as applicable; and
(c) Submitted to the National Treasury and relevant provincial treasury within five days of tabling of the report in the council.

Table C1 - Budgeted Statement Summary

Table C1 is a financial performance summary and provides a concise overview of uThukela District municipality's performance from all major financial perspectives (operating, capital expenditure, financial position and cash flow).

DC23 Uthukela - Table C1 Monthly Budget Statement Summary - M12 - June

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	280 382	329 805	318 358	37 036	311 627	318 358	(6 731)	-2%	318 358
Investment revenue	6 613	6 163	5 643	675	6 113	5 643	470	8%	5 643
Transfers and subsidies - Operational	650 924	665 135	641 283	1 155	641 571	641 283	288	0%	641 283
Other own revenue	75 820	76 290	78 290	3 416	73 400	78 290	(4 889)	-6%	78 290
Total Revenue (excluding capital transfers and contributions)	1 013 739	1 077 393	1 043 574	42 283	1 032 710	1 043 574	(10 864)	-1%	1 043 574
Employee costs	404 820	406 233	406 224	30 121	395 705	406 224	(10 519)	-3%	406 224
Remuneration of Councillors	6 284	6 219	9 746	666	9 737	9 746	(8)	0%	9 746
Depreciation and amortisation	89 413	83 303	91 917	7 476	91 011	91 917	(905)	-1%	91 917
Interest	19 234	6 721	6 721	718	1 739	6 721	(4 982)	-74%	6 721
Inventory consumed and bulk purchases	106 642	68 790	64 340	1 089	34 740	64 340	(29 600)	-46%	64 340
Transfers and subsidies	–	3 600	2 000	196	1 546	2 000	(454)	-23%	2 000
Other expenditure	705 355	479 627	443 758	650 848	836 351	443 758	392 593	88%	443 758
Total Expenditure	1 331 747	1 054 493	1 024 706	691 114	1 370 829	1 024 706	346 124	34%	1 024 706
Surplus/(Deficit)	(318 009)	22 900	18 868	(648 832)	(338 119)	18 868	(356 987)	-1892%	18 868
Transfers and subsidies - capital (monetary allocations)	267 242	311 791	241 752	8 653	136 404	241 752	(105 348)	-44%	241 752
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers &	(50 767)	334 691	260 620	(640 179)	(201 715)	260 620	(462 335)	-177%	260 620
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(50 767)	334 691	260 620	(640 179)	(201 715)	260 620	(462 335)	-177%	260 620
Capital expenditure & funds sources									
Capital expenditure	0	273 623	187 032	21 110	132 821	187 032	(54 211)	-29%	187 032
Capital transfers recognised	(4 349)	271 123	210 219	21 458	132 050	210 219	(78 169)	-37%	210 219
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	2 500	2 900	–	1 119	2 900	(1 781)	-61%	2 900
Total sources of capital funds	(4 349)	273 623	213 119	21 458	133 169	213 119	(79 950)	-38%	213 119
Financial position									
Total current assets	310 043	564 462	335 080		(61 982)				335 080
Total non current assets	3 551 722	3 546 961	3 454 936		3 594 196				3 454 936
Total current liabilities	1 334 557	1 110 005	870 252		1 245 616				870 252
Total non current liabilities	41 595	61 558	50 346		41 595				50 346
Community wealth/Equity	2 485 612	2 949 860	2 869 418		2 245 003				2 869 418
Cash flows									
Net cash from (used) operating	870 883	283 836	98 461	4 734	840 188	94 461	(745 727)	-789%	98 461
Net cash from (used) investing	218 668	(273 623)	(213 119)	(18 363)	(143 184)	(213 119)	(69 935)	33%	(213 119)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	1 095 361	(131 839)	(103 761)	–	707 880	(107 761)	(815 640)	757%	(103 782)
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	38 989	28 357	26 076	24 249	24 820	25 031	22 897	605 579	795 999
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

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

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		651 947	734 345	642 531	1 191	641 504	642 531	(1 027)	0%	642 531
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		651 947	734 345	642 531	1 191	641 504	642 531	(1 027)	0%	642 531
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		3 652	49	30 465	85	4 617	30 465	(25 847)	-85%	30 465
Community and social services		3 608	–	30 000	–	–	30 000	(30 000)	-100%	30 000
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		43	49	465	85	4 617	465	4 153	894%	465
Economic and environmental services		–	–	–	–	–	–	–		–
Planning and development		–	–	–	–	–	–	–		–
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		625 383	654 790	612 330	49 660	522 993	612 330	(89 337)	-15%	612 330
Energy sources		–	–	–	–	–	–	–		–
Water management		625 383	654 790	612 330	49 660	522 993	612 330	(89 337)	-15%	612 330
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	1 280 981	1 389 184	1 285 326	50 935	1 169 114	1 285 326	(116 211)	-9%	1 285 326
Expenditure - Functional										
Governance and administration		280 693	375 156	385 077	23 295	237 725	385 077	(147 353)	-38%	385 077
Executive and council		52 568	56 174	64 040	4 622	58 718	64 040	(5 322)	-8%	64 040
Finance and administration		228 125	318 982	321 037	18 673	179 007	321 037	(142 031)	-44%	321 037
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		62 817	58 102	60 336	4 047	51 797	60 336	(8 539)	-14%	60 336
Community and social services		26 539	9 390	13 462	1 042	13 307	13 462	(155)	-1%	13 462
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		36 278	48 712	46 874	3 004	38 490	46 874	(8 384)	-18%	46 874
Economic and environmental services		16 259	28 023	19 745	1 547	20 230	19 745	485	2%	19 745
Planning and development		16 259	28 023	19 745	1 547	20 230	19 745	485	2%	19 745
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		971 978	593 212	559 547	662 226	1 061 077	559 547	501 530	90%	559 547
Energy sources		–	–	–	–	–	–	–		–
Water management		971 978	593 212	559 547	662 226	1 061 077	559 547	501 530	90%	559 547
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	1 331 747	1 054 493	1 024 706	691 114	1 370 829	1 024 706	346 124	34%	1 024 706
Surplus/ (Deficit) for the year		(50 767)	334 691	260 620	(640 179)	(201 715)	260 620	(462 335)	-177%	260 620

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) - M12 - June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - MAYOR AND MM		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES		602	326	539	–	515	539	(23)	-4.3%	539
Vote 3 - BUDGET AND TREASURY		649 345	734 020	641 993	1 191	640 989	641 993	(1 004)	-0.2%	641 993
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		–	–	30 000	–	–	30 000	(30 000)	-100.0%	30 000
Vote 5 - WSA& HEALTH SERVICES		43	49	465	85	4 617	465	4 153	893.9%	465
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		618 377	654 790	612 330	49 660	522 993	612 330	(89 337)	-14.6%	612 330
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	1 389 184	1 285 326	50 935	1 169 114	1 285 326	(116 211)	-9.0%	1 285 326
Expenditure by Vote	1									
Vote 1 - MAYOR AND MM		52 568	56 174	64 040	4 622	58 718	64 040	(5 322)	-8.3%	64 040
Vote 2 - CORPORATE SERVICES		144 596	145 768	110 217	8 578	90 941	110 217	(19 276)	-17.5%	110 217
Vote 3 - BUDGET AND TREASURY		83 529	171 528	210 620	10 095	88 066	210 620	(122 755)	-58.2%	210 620
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		42 798	37 413	33 207	2 589	33 538	33 207	330	1.0%	33 207
Vote 5 - WSA& HEALTH SERVICES		36 278	50 399	46 874	3 004	38 490	46 874	(8 384)	-17.9%	46 874
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		971 978	593 212	559 547	662 226	1 061 077	559 547	501 530	89.6%	559 547
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	691 114	1 370 829	1 024 706	346 124	33.8%	1 024 706
Surplus/ (Deficit) for the year	2	(63 380)	334 691	260 620	(640 179)	(201 715)	260 620	(462 335)	-177.4%	260 620

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) - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		260 786	308 162	296 601	35 345	291 070	296 601	(5 531)	-2%	296 601
Service charges - Waste Water Management		19 596	21 643	21 757	1 691	20 557	21 757	(1 200)	-6%	21 757
Service charges - Waste management		–	–	–	–	–	–	–		–
Sale of Goods and Rendering of Services		597	554	2 335	37	533	2 335	(1 802)	-77%	2 335
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		71 605	74 157	74 157	3 295	71 139	74 157	(3 018)	-4%	74 157
Interest from Current and Non Current Assets		6 613	6 163	5 643	675	6 113	5 643	470	8%	5 643
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–	–		–
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		3 223	1 069	1 333	–	1 311	1 333	(22)	-2%	1 333
Non-Exchange Revenue								–		
Property rates		–	–	–	–	–	–	–		–
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		394	511	465	85	417	465	(47)	-10%	465
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		650 924	665 135	641 283	1 155	641 571	641 283	288	0%	641 283
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**	**1 043 574**	**42 283**	**1 032 710**	**1 043 574**	**(10 864)**	**-1%**	**1 043 574**
Expenditure By Type										
Employee related costs		404 820	406 233	406 224	30 121	395 705	406 224	(10 519)	-3%	406 224
Remuneration of councillors		6 284	6 219	9 746	666	9 737	9 746	(8)	0%	9 746
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		106 642	68 790	64 340	1 089	34 740	64 340	(29 600)	-46%	64 340
Debt impairment		(59 329)	83 782	114 310	–	–	114 310	(114 310)	-100%	114 310
Depreciation and amortisation		89 413	83 303	91 917	7 476	91 011	91 917	(905)	-1%	91 917
Interest		19 234	6 721	6 721	718	1 739	6 721	(4 982)	-74%	6 721
Contracted services		247 369	124 962	200 959	13 094	126 990	200 959	(73 969)	-37%	200 959
Transfers and subsidies		–	3 600	2 000	196	1 546	2 000	(454)	-23%	2 000
Irrecoverable debts written off		260 435	83 782	–	–	–	–	–		–
Operational costs		254 130	187 100	128 489	637 662	709 253	128 489	580 765	452%	128 489
Losses on Disposal of Assets		2 749	–	–	–	15	–	15	#DIV/0!	–
Other Losses		–	–	–	93	93	–	93	#DIV/0!	–
Total Expenditure		**1 331 747**	**1 054 493**	**1 024 706**	**691 114**	**1 370 829**	**1 024 706**	**346 124**	**34%**	**1 024 706**
Surplus/(Deficit)		(318 009)	22 900	18 868	(648 832)	(338 119)	18 868	(356 987)	-1892%	18 868
Transfers and subsidies - capital (monetary allocations)		267 242	311 791	241 752	8 653	136 404	241 752	(105 348)	-44%	241 752
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		(50 767)	334 691	260 620	(640 179)	(201 715)	260 620			260 620
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		(50 767)	334 691	260 620	(640 179)	(201 715)	260 620			260 620
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		(50 767)	334 691	260 620	(640 179)	(201 715)	260 620			260 620
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		(50 767)	334 691	260 620	(640 179)	(201 715)	260 620			260 620

Operating Revenue:

Services Charges Water

The Water Sales income recognised is 2% below what is originally anticipated. The total revenue billed as of 30 June is R291 million. This is within the norms of 5 %.

The municipality had conducted a data cleansing exercise to produce accurate billing information

SALE OF GOODS AND RENDERING OF SERVICES

A journal had been processed to correct a billing that had incorrectly been costed as sale of goods, hence the negative variance

INTEREST FROM CURRENT AND NON-CURRENT ASSETS

The municipality has a variance of 4 % under which is on par with the norm of 5 % when compared to the budget

OPERATIONAL REVENUE

The municipality incurred a negative variance of 2% which amounts to R1,3 million which is on par with the norm of 5 percent.

FINES, PENALTIES AND FORFEITS

This is related to mostly the health department, and the municipality has recognised a negative 10% variance. There are still issues when it comes to budgeting accurately for Fines as it is inconsistent, however controls are being put to ensure all fines are issued and receipted correctly

TRANSFERS AND SUBSIDIES – OPERATIONAL

The municipality is on par, having received all gazetted allocations for operational grants.

The municipalities biggest source of income is transfers and subsidies at 62%, followed by Service charges water at 28% and interest on receivables at 7%. From the above we can see that the municipality is grant dependent

Operating Expenditure:

Employee related cost

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 496593	R -	R 5217.90	R 10435.78	R 5217.90	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 10145.04	R 10506.59	R 10149.04	R 65 218.32	R 35161.83	R -	R -	R 30 447.13	R -
WATER	R 611793.34	R 630 128.52	R 701032.22	R 620339.51	R 657611.25	R 540578.76	R 281 868.94	R 145774.93	R 35 998.03	R 241706.46	R 237 990.35	R 250864.49
SOCIAL	R 8009.12	R 8 410.35	R 8410.35	R 7108.57	R -	R -	R 32 753.90	R 21657.63	R -	R -	R -	R -
TOTAL STANDBY ALLOWANCE	R 624771.39	R 648 748.08	R 714650.47	R 643759.21	R 673935.70	R 550728.80	R 382 871.16	R 201094.47	R 35 998.03	R 241706.46	R 268 437.48	R 250864.49
OVERTIME	JULY 2025	AUGUST 2025	SEPTEMBER 2025	OCTOBER 2025	NOVEMBER 2025	DECEMBER 2025	JANUARY 2026	FEBRUARY 2026	MARCH 2026	APRIL 2026	MAY 2026	JUNE 2026
FINANCE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
SOCIAL	R 102539.00	R 30 119.64	R 83031.66	R 100085.69	R -	R -	R 28 882.23	R 72237.40	R 25 611.64	R 1525232	R 50 616.47	R 66261.95
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 103216.40	R -	R -
HEALTH	R -	R -	R 10149.04	R -	R 3515.06	R -	R 21 451.27	R -	R -	R 19654.78	R 11 009.04	R -
MM OFFICE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
WATER	R 1368335.56	R 1178 775.60	R 1 630002.80	R 1200704.85	R 665272.44	R 487630.99	R 318 939.41	R 132306.15	R 246 419.37	R 224411.22	R 648 774.02	R 467678.33
CORPORATE	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
TOTAL OVERTIME	R 1470874.56	R 1258 895.24	R 1723374.90	R 1300790.54	R 669217.50	R 487630.99	R 369 042.91	R 204673.55	R 272 051.01	R 462534.72	R 710 309.53	R 533940.23
NIGHT SHIFT / SHIFT ALLOWANCE												
WATER	R 293334.43	R 298 926.20	R 273050.87	R 274159.47	R 275601.83	R 272809.55	R 272 809.55	R 272809.55	R 272 809.55	R 273260.39	R 273 260.39	R 273260.39
SOCIAL	R 42434.40	R 42 434.40	R 42176.04	R 42434.40	R 39176.04	R 42434.40	R 42 434.40	R 42434.40	R 42 434.40	R 42434.40	R 42 434.40	R 42434.40
CORPORATE SERVICES	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
TOTAL NIGHT SHIFT / SHIFT ALLOWANCE	R 335768.83	R 341 360.60	R 315226.91	R 316601.87	R 314777.82	R 315243.95	R 315 243.95	R 315243.95	R 315 243.95	R 315694.79	R 315 694.79	R 315694.79
GRAND TOTAL	R 2431414.78	R 2 249 003.94	R 2759111.38	R 2266185.62	R 1657931.07	R 1353603.74	R 1 028 158.02	R 723011.97	R 621 295.65	R 1019935.97	R 1 294 131.80	R 1100499.51
DIFFERENCE		R -182410.84	R 510107.54	R -492 925.76	R -608 254.55	R -304327.33	R -325 445.72	R -305 146.06	R -101 716.32	R 398 640.32	R 274 195.83	R -193 632.29
DECREASE / INCREASE %		- 8.36	22.68	- 17.87	- 26.84	- 18.36	- 24.05	- 32.31	- 13.79	64.16	26.88	- 14.96

Major Cost Drivers

	Budget	Actual	pending	Total Expenditure	
employee related cost	406 224 000.00	395 705 000.00		395 705 000.00	
electricity eskom	79 641 000.00	63 934 405.07		63 934 405.07	
DWS	37 190 421.33	14 331 160.82		14 331 160.82	Invoices outstanding
Repairs to pumps	72 996 000.00	32 564 777.31	-	32 564 777.31	Invoices outstanding
Security	36 145 056.00	29 655 475.62	-	29 655 475.62	
Chemicals	10 000 000.00	8 082 932.50	-	8 082 932.50	
Pipelines	33 428 000.00	25 728 000.00	-	25 728 000.00	
Fuel and oil	15 500 000.00	11 666 260.37	-	11 666 260.37	
Vehicle maintenace	9 730 000.00	6 920 359.00	-	6 920 359.00	
Plant hire	7 000 000.00	3 633 401.20	-	3 633 401.20	Invoices outstanding
Employee related cost	406 224 000.00	395 705 000.00			
Inventory consumed	64 340 409.33	34 740 485.37			
contracted service	200 959 346.34	126 990 326.25			
Operational costs	128 488 606.00	94 979 594.49			

EMPLOYEE REALTED COSTS AND COUNCILLORS' REMUNERATION

The municipality is on par with these line items, having employee related costs of R 395 million and councillors remuneration of R 9.7 million.

INVENTORY CONSUMED

The municipality has incurred a variance of negative 46% as of June 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. This line item includes water purchases, chemicals and fuel and oil

Debt Impairment and Write offs

The municipality is doing impairment calculation as at year end.
The municipality has written off bad debts of over R 600 million, this was incorrectly recognised as indigent relief showing under operational cost. This will however be corrected.

INTEREST

The municipality has recognised negative 74% 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 June 2026, however still awaiting DWS invoices.

CONTRACTED SERVICES:

The municipality incurred 37% below variance. The municipality implemented the cost containment majors, which resulted in savings on cost containment. There are also delays in receiving invoices on time, which will be updated when all invoices have been received.

OPERATIONAL COSTS:

The municipality incurred huge variance, over what was expected. This is mainly the error that was incurred on the bad debt journal which will be corrected.

As at end of quarter 4, Operational costs (bad debt written off) are the highest at 51% , followed by employee related costs at 28% and contracted services at 9%

Table C5 – Monthly Budget Statements – Capital Expenditure

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 - June

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	1 900	(1 384)	-73%	1 900
Vote 3 - BUDGET AND TREASURY		–	–	–	–	–	–	–		–
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		–	–	–	–	1 582	–	1 582	#DIV/0!	–
Vote 5 - WSA& HEALTH SERVICES		–	–	–	–	–	–	–		–
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		0	271 123	185 132	21 110	130 723	185 132	(54 408)	-29%	185 132
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	187 032	21 110	132 821	187 032	(54 211)	-29%	187 032
Total Capital Expenditure		0	273 623	187 032	21 110	132 821	187 032	(54 211)	-29%	187 032
Capital Expenditure - Functional Classification										
Governance and administration		–	2 500	1 900	–	516	1 900	(1 384)	-73%	1 900
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	2 500	1 900	–	516	1 900	(1 384)	-73%	1 900
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	–	26 087	348	348	26 087	(25 739)	-99%	26 087
Community and social services		–	–	25 087	348	348	26 087	(25 739)	-99%	26 087
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	–	–	–	1 582	–	1 582	#DIV/0!	–
Planning and development		–	–	–	–	1 582	–	1 582	#DIV/0!	–
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		0	271 123	185 132	21 110	130 723	185 132	(54 408)	-29%	185 132
Energy sources		–	–	–	–	–	–	–		–
Water management		0	271 123	185 132	21 110	130 723	185 132	(54 408)	-29%	185 132
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	0	273 623	213 119	21 458	133 169	213 119	(79 950)	-38%	213 119
Funded by:										
National Government		(4 349)	271 123	210 219	21 458	132 050	210 219	(78 169)	-37%	210 219
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		(4 349)	271 123	210 219	21 458	132 050	210 219	(78 169)	-37%	210 219
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		–	2 500	2 900	–	1 119	2 900	(1 781)	-61%	2 900
Total Capital Funding		(4 349)	273 623	213 119	21 458	133 169	213 119	(79 950)	-38%	213 119

As depicted above capital expenditure amounting to 133 million recorded at the end of June 2026, 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 - M12 - June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		10 875	(131 839)	(107 761)	20 014	(107 761)
Trade and other receivables from exchange transactions		94 608	252 200	386 382	(188 288)	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	11 582	26 931	11 582
VAT		180 103	–	44 704	72 008	44 704
Other current assets		3 949	99	–	3 761	–
Total current assets		310 043	564 462	335 080	(61 982)	335 080
Non current assets						
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Property, plant and equipment		3 551 348	3 544 778	3 452 857	3 593 840	3 452 857
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		374	408	374	356	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	3 454 936	3 594 196	3 454 936
TOTAL ASSETS		3 861 765	4 111 422	3 790 016	3 532 214	3 790 016
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		59	–	59	59	59
Consumer deposits		20 816	20 851	20 552	21 603	20 552
Trade and other payables from exchange transactions		1 009 175	990 069	733 797	854 309	733 797
Trade and other payables from non-exchange transactions		(428)	2 784	296	104 496	296
Provision		46 575	42 192	42 192	46 560	42 192
VAT		258 361	29 010	8 230	218 589	8 230
Other current liabilities		–	25 099	65 126	–	65 126
Total current liabilities		1 334 557	1 110 005	870 252	1 245 616	870 252
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	920 598	1 287 211	920 598
NET ASSETS	2	2 485 612	2 949 860	2 869 418	2 245 003	2 869 418
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 485 612	2 949 860	2 869 418	2 245 003	2 869 418
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2 485 612	2 949 860	2 869 418	2 245 003	2 869 418

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 - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	–	–	–	–	–	–		–
Service charges		125 443	131 922	127 343	8 580	165 276	127 343	37 933	30%	127 343
Other revenue		17 704	70 622	82 040	(3 794)	29 321	82 040	(52 719)	-64%	82 040
Transfers and Subsidies - Operational		627 950	665 135	641 283	1 131	679 221	641 283	37 938	6%	641 283
Transfers and Subsidies - Capital		303 673	311 791	241 752	518	172 865	241 752	(68 887)	-28%	241 752
Interest		6 068	6 163	5 643	106	4 584	5 643	(1 059)	-19%	5 643
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(209 956)	(898 197)	(1 001 600)	(1 808)	(211 079)	(1 001 600)	790 521	-79%	(1 001 600)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	(3 600)	2 000	–	–	(2 000)	2 000	-100%	2 000
NET CASH FROM/(USED) OPERATING ACTIVITIES		870 883	283 836	98 461	4 734	840 108	94 461	(745 727)	-789%	98 461
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)	(213 119)	(18 363)	(143 184)	(213 119)	69 935	-33%	(213 119)
NET CASH FROM/(USED) INVESTING ACTIVITIES		218 668	(273 623)	(213 119)	(18 363)	(143 184)	(213 119)	(69 935)	33%	(213 119)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		1 089 551	10 213	(114 658)	(13 630)	697 004	(118 658)			(114 658)
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)	(103 761)		707 880	(107 761)			(103 782)

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 - M12 - June

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	28 635	20 214	18 395	16 740	16 855	17 928	15 850	448 475	582 411	515 857	–	–
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	7 577	1 434	1 178	1 051	1 063	1 016	1 010	34 276	48 620	38 431	–	–
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	3 347	6 692	6 578	6 430	6 859	6 074	5 983	118 380	160 344	143 726	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	30	17	14	16	38	14	44	4 449	4 624	4 563	–	–
Total By Income Source	2000	38 989	28 357	26 076	24 249	24 820	25 031	22 897	605 579	795 999	702 577	–	–
2024/25 - totals only		47 087	25 618	26 996	22 626	22 116	23 348	20 291	1 242 061	1 430 142	1 330 442	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 571	2 664	2 764	1 173	925	1 342	718	31 028	43 185	35 186	–	–
Commercial	2300	15 541	2 041	1 561	1 569	1 056	1 971	1 045	32 740	57 524	38 382	–	–
Households	2400	20 877	23 652	21 761	21 507	22 839	21 718	21 134	541 811	695 289	629 009	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	38 989	28 357	26 076	24 249	24 820	25 031	22 897	605 579	795 999	702 577	–	–

- The Municipality has a total amount over R 795 million of outstanding debt after above R 600 million had been written off on bad debts.

Top 10 Debtors (Water)

ACCOUNT_NO	ACCOUNT_HOLDER	TOTAL
1061435	NESTLE (SOUTH AFRICA) (PTY) LT	10 675 862.72
1057544	LIEBENBERG LC	8 877 503.33
1014795	ALFRED DUMA LOCAL MUNICIPALITY STEADVILLE HOST	5 962 542.01
1057627	ITHALA DEV FINANCE CORP.	1 771 478.56
1004617	MADUNA D/P 781 GZ	1 764 906.62
1054303	ALFRED DUMA MUNICIPALITY COMMUNITY HALL	1 346 707.98
1064327	ESKORT LIMITED	1 139 713.73
11013580	PROVINCIAL DEPARTMENT OF AGRICULTURE	1 132 358.40
1049867	SILINDOKUHLE SEC SCHOOL	1 084 091.20
1061459	Peerbhay A.G.H	1 031 148.79
1052825	NORTHERN NATAL ABBATTOIR	901 938.64
1041085	INKANYEZI SCHOOL FOR MENTAL	824 309.38
		36 512 561.36

Table SC4 Creditors age analysis

Trade creditors has not yet been finalised, however as at May 2026 was above R 700 million.

TOP 10 PAID CREDITORS (GRANTS)

No grant payments for the month of June 2026

TOP 10 PAID CREDITORS (OTHER)

CO.NAME	AMOUNT	MONTH
ESKOM	3 233 051.42	Jun-26
ISANDISO	2 438 425.73	Jun-26
QUICKSTEO	1 257 901.34	Jun-26
ZENZELEWENA	886 893.41	Jun-26
MAYIBUYE	854 488.91	Jun-26
MBOMA	549 023.80	Jun-26
TIMMAS	527 226.70	Jun-26
ASSESMENT TOOL	125 075.38	Jun-26
ESTATE PAYMENT	148 853.31	Jun-26
PREMIER	76 825.00	Jun-26

Bank Balance

19 605 229.21

The municipality had cash of R 19 million in the bank account

Collection rate

June 2026

AccountType		TotalSettlements	TotalMovement	Billing	
000001 DOMESTIC		-3 063 135.09	-543 531 981.41	20 628 001.27	
000002 GOVERNMENT		-698 639.31	-19 850 792.82	2 459 136.66	
000003 BUSINESS		-2 069 106.06	-19 160 854.42	1 917 344.65	
000004 CHURCHES		-58 660.47	-1 422 842.08	133 253.24	
000005 TRUSTS		-292 336.45	-3 522 121.79	277 159.67	
000006 OTHER		-14 710.41	-604 266.19	20 128.14	
000007 INDUSTRIAL		-1 008 788.16	10 282 611.25	5 188 492.95	
000008 IDC ESTATE		-974 176.50	2 116 633.12	2 019 114.51	
PAYMENT ADVANCED		-411 092.31	-	-	
Total		-8 590 644.76	-575 693 614.34	32 642 631.09	27%
					439%

Average Collection rate 2025/2026	37%

Table SC5 Investment portfolio

SHORT TERM DEPOSIT REGISTER 01/06/2026 to 30/06/2026

Opening balance as at 1 June 2026	R 31 292 288.29
Closing balance as at 30 June 2026	R 466 317.02

INVESTMENT ACCOUNT	OPENING BALANCE 01/06/2026	INVESTED 01/06/2026 TO 30/06/2026	DATE	DISINVESTED 01/06/2026 TO 30/06/2026	DATE	INTEREST ACCRUED 01/06/2026 TO 30/06/2026	DATE	CHARGES PAID 01/06/2026 TO 30/06/2026	DATE	CLOSING BALANCE 30/06/2026
GRANTS FNB 62283170513 INTEREST RATE 6.66% MONEY MARKET INVESTMENT FNB	464 061.23					2 002.48		01/07/2026		466 063.71
FLEET AUCTION FNB 63061038758 INTEREST RATE 0.1 CALL DEPOSIT ACCOUNT FNB DISASTER RELIEF GRANT	0.12									0.12
GRANTS FNB 63061030490 INTEREST RATE 0.1 CALL DEPOSIT ACCOUNT FNB FLEET AUCTION	0.14									0.14
GRANTS 037881184068000001 INTEREST RATE 5.20% CALL DEPOSIT ACCOUNT NEDBANK	35.73					0.30	01/07/2026			36.03
GRANTS 1100433766501 INTEREST RATE 7.70% CALL DEPOSIT ACCOUNT INVESTEC	0.00					0.00				0.00
GRANTS 9403733855 INTEREST RATE 7.20% INVESTMENT TRACKER ABSA	260.44					1.58	01/07/2026	50.00	01/07/2026	212.02
9408082499 INTEREST RATE 7.20% INVESTMENT TRACKER ABSA	20 095 895.89			15 000 000.00 5 151 476.05	12/07/2026	55 480.16	23/06/2026	100.00	12/06/2026	0.00
GRANTS 9406736214 INTEREST RATE 6 INVESTMENT TRACKER ABSA SALARIES	10 642 829.74			10 690 620.42	23/06/2026	47 790.68	23/06/2026			0.00
GRANTS 9069819816 INTEREST RATE 7. LIQUIDITY PLUS ABSA	0.00									0.00
EQUITY SHARE 068450384-008 INTEREST RATE 8. 48 HOUR NOTICE ACCOUNT STANDARD	0.00									0.00
	31 292 288.29	0.00	0.00	30 843 656.47	0.00	105 275.20		150.00		466 317.02

The Municipality held investments of R466 thousand at the end of June 2026

Grant Performance:

UTHUKELA DISTRICT MUNICIPALITY
GRANT REGISTER - 2025/26
Summary of Grants received, expenditure & Funds available as at 30 JUNE 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 received amount	Closing Balance/ Unspent 2025/26
G3.101	EX Mthembu	MUNICIPAL INFRASTRUCTURE GRANT	0.00	102 342 000.00	102 342 000.00	102 342 000.00	100%	0.00
G3.102	EX Mthembu	WATER & SANITATION INFRASTRUCTURE GRANT	0.00	70 000 000.00	70 000 000.00	22 535 370.98	32%	47 464 629.02
G3.105	EX Mthembu	RURAL ROAD ASSET MANAGEMENT SYSTEM	102.92	2 918 000.00	2 918 000.00	2 918 102.92	100%	0.00
G3.109	EX Mthembu	MUNICIPAL DISASTER RELIEF	0.00	30 000 000.00	30 000 000.00	0.00	0%	30 000 000.00
G3.106	EX Mthembu	EPWP INTERGRATED GRANT	0.00	2 093 000.00	2 093 000.00	2 093 000.00	100%	0.00
G3.107	EX Mthembu	REGIONAL BULK INFRASTRUCTURE GRANT	0.00	41 751 632.65	41 751 632.65	26 751 632.65	64%	15 000 000.00
G3.108	B Ndlovu	FINANCE MANAGEMENT GRANT	0.00	2 000 000.00	2 000 000.00	2 000 000.00	100%	0.00
G3.109	O Mnguni	LG SETA	295 684.95	212 745.74	212 745.74	508 430.69	100%	0.00
			295 787.87	251 317 378.39	251 317 378.39	159 148 537.24	63%	92 464 629.02

The total grant income income and grant expenditure as per grant register as at the end of June 2026. The municipality has unspent grants of R 92 million as at the end of June 2026

Withdrawals Report

BANK ACCOUNT WITHDRAWALS NOT IN TERMS OF AN APPROVED BUDGET

national treasury

Municipal Finance Management Act, section 11(4)

Consolidated Quarterly Report for period 01 April 2026 to 30 June 2026

NAME OF MUNICIPALITY: UTHUKELA DISTRICT MUNICIPALITY (DC23)

Date	Payee	Amount in R'000	Description and Purpose	Authorised by (name)
1. Section 11(b) - Expenditure authorised by the MEC for finance in terms of section 26 (4) when a municipality has failed to approve a budget by 30 June;				
		0		
2. Section 11(c) - Unforeseeable and unavoidable expenditure authorised by the mayor in terms of section 29 (1);				
3. Section 11(d) - Payments from a trust, charitable or relief fund without budget appropriation in terms of section 12(4);				
		0		
4. Section 11(e) - Payments to a person or organ of state of money received by the municipality on behalf of that person or organ of state, including (i) money collected by the municipality on behalf of that person or organ of state by agreement; or (ii) any insurance or other payments received by the municipality for that person or organ of state;				
		0		
5. Section 11(f) - Refund money incorrectly paid into a bank account;				
		0		
6. Section 11(g) - Refund guarantees, sureties and security deposits;				
		0		
7. Section 11(h) - Payments for cash management and investment purposes in accordance with section 13;				
		0	Investment of surplus funds - April 2026	L. Jili & P. Koortzen
		20 000 000	Investments of surplus funds - May 2026	L. Jili & P. Koortzen
		0	Investment of surplus funds - June 2026	L. Jili & P. Koortzen
8. Section 11(i) - To defray increased expenditure on a multi-year capital project in terms of section 31;				
9. Section 11(j) - Payments for such other purposes as may be prescribed from time-to-time.				
		96 987 425.86	Creditors payments and employee costs for the month of April 2026	L. Jili & P. Koorizen
		52 563 145.66	Creditors payments and employee costs for the month of May 2026	L. Jili & P. Koorizen
		49 083 154.08	Creditors payments and employee costs for the month of June 2026	L. Jili & P. Koorizen

FINANCIAL RATIO	June 2026(Quarter 4)	COMMENTS ON RATIOS
Capital Expenditure to Total Expenditure (10%-20%)	Total Capital Expenditure / (Total Expenditure (Total Operating Expenditure +Capital Expenditure) x 100 133 169/ (1 370 829 + 133 169) x 100 133 169/ 1 503 998 x 100 **=8.8%**	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. The ratio 8.8 % as shown on the calculations is exactly an acceptable norm, which confirm that for this quarter(4) ending in June 2026 the spending on Capital is not good. The norm ranges from 10% to 20%
Creditors Payment Period> 30 days (= 0)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365 days	This ratio indicates the average numbers of the

	700 616 572.21/ 394 899 000 x 365 days **= 647days**	days taken for Trade Creditors to be paid. The municipality ratio is 647 days it takes to pay its creditors. 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.
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) + (19 605 229.21 –92 464 629.02– 0 + 466 317.02/ 963 467 000) **= 0. 008 months**	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. The municipality ratio is - 0.008 month. The normal range is between 1 month and 3 months.
Net Operating Surplus Margin	(Total Operating Revenue – Total Operating Expenditure) / Total Operating Revenue x 100 1 032 710 – 1 370 829/ 1 370 829 x 100 **=-24%**	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. Based on the calculation's municipality ratios is -24 % for the quarter (4) June 2026
Remuneration (Employee Related Costs and Councilor's Remuneration as % of Total Operating Expenditure)	Remuneration (Employee Related Costs and Councilor's Remuneration) / Total Operating Expenditure x 100 (395 705 + 9 737) / 1 370 829 x 100 **=29,5%**	The ratio measures the extent of Remuneration to Total Operating Expenditure Employee-related costs and the councilor's remuneration ratio amount to 29.5% of the total

		operating expenditure which is within the MFMA circular 71 recommended norm of 25% - 40%
Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x 100 125 500/ 1 370 829 x 100 **=9%**	This ratio measures the extent to which the municipality resources are committed towards contracted services to perform municipal related functions The municipality ratio for contracted services is 9% which is more than the acceptable norm of 2% and 5%

Prepared by:

Budget Officer

Reviewed by:

Manager: Budget

Approved by:

Acting Chief Financial Officer