



INTERNAL MEMO

DATE : 14 AUGUST 2025
TO : THE HONOURABLE MAYOR
FROM : MUNICIPAL MANAGER
RE : MONTHLY BUDGET STATEMENT

Kindly find the attached monthly budget statement for your Review, in compliance with the S71 (1) of the Municipal Finance Management Act. The budget statement is for the period ending **31 July 2025**.

The office of the mayor is kindly requested to assist with Mayor's Report based the assessment of the attached Monthly Budget Statement. The mayor's report is in compliance with Regulation 29 of the Municipal Budget and reporting regulations, which state that; if the Mayor tables MFMA S71 report to council it must be accompanied by Mayor's report in a format set out in schedule C.

In terms of S54 of the Municipal Finance Management Act

On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must— (a) consider the statement or report; (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan; (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget; (d) issue any appropriate instructions to the accounting officer to ensure— (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and (ii) that spending of funds and revenue collection proceed in accordance with the budget; (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; (f) in the case of a section 72 report, submit the report to the council by 31 January of each year. (2) If the municipality faces any serious financial problems, the mayor must— (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include— (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget; (ii) the tabling of an adjustments budget; or (iii) steps in terms of Chapter 13; and (b) alert the council and the MEC for local government in the province to those problems. (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

Yours Faithfully

N.S. MSIBI
Chief Financial Officer

R.N HLONGWA
Municipal Manager

"Service Delivery through Integrity"

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

31 JULY 2025

MFMA S71 REPORT

2025/2026 FINANCIAL YEAR

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GLOSSARY

Adjustment Budgets – it is the formal means by which a municipality may revise its budget during a financial year. Prescribed in section 28 of the Municipal Finance Management Act.

Allocations– money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

Budget related policy – policy of a municipality affecting or affected by the budget.

Capital Expenditure – spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statements – a statement showing when actual cash will be received and spent by the municipality, and the month end balances of cash and short-term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings.

CFO – Chief Financial Officer

DORA – Division of Revenue Act. An annual legislation indicating the allocations from National Government and Provincial Government

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

Equitable Share – a general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

FMG – Financial Management Grant

Fruitless and wasteful expenditure – expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

MSCOA – Municipal Standard Chart of Accounts

IDP –Integrated Development Plan. The main strategic planning document of a municipality

KPI – Key Performance Indicators. Measures of service output and/or outcome

LED – Local Economic Development

MFMA – Municipal Finance Management Act (No. 53 of 2003). The principal piece of legislation relating to municipal finance management.

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

MWIG – Municipal Water Infrastructure Grant

Operating Expenditure – spending on the day-to-day expenses of a municipality such as general expenses, salaries & wages, and repairs & maintenance

R & M – Repairs and Maintenance

SCM - Supply Chain Management

SSBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget statements

Strategic Objectives - the main priorities of a municipality as set out in the IDP Budget spending must contribute towards achievement of these strategic objectives.

Unauthorised Expenditure – generally spending without or in excess of an approved budget.

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

The Summary Statement of Financial Performance is prepared in terms of the prescribed budget formats, detailing revenue by source type and expenditure by input type. The summary report indicates the following:

Summary Statement of Financial Performance

Revenue and Expenditure

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	815 238 444	302 159 575.87	67 936 513	234 223 062.87	345%	37%
Total Operating Expenditure	553 766 368	44 692 719.67	46 147 436	-1 454 716.32	-3%	8%
Surplus/(Deficit)	261 472 076	257 466 856.20	21 789 077	235 677 779.19		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 July 2025** is **R302.1 million**, which is **37%** of the approved operating revenue budget. The **R302.1 million** year to date Actual is **above** the **one month** baseline projection or year-to-date budget of **R67.9 million**, a variance of **R234.2 million or 345% is observed**.

The Municipality is largely dependent on government grants and partly service charges for its operations. Service charges revenue recognized from exchange revenue is only **R5.9 million** which is **2%** of the total generated exchange revenue.

Major Variances between actual and year-to-date budget on Operating Revenue

Reasons for variances can be attributed to Transfers and subsidies being received based on transfer schedule and cannot be benchmarked against year-to-date budget, transfers and subsidies, service charges water and sanitation and operational revenue which are moving at a pace faster than year to date budget.

Operating revenue is explained by source in detail on Section 1.4 Operating Revenue Performance.

Operating Expenditure Performance

Total Operating Expenditure as at **31 July 2025** is **R44.6 million** which is **8%** of the approved operating expenditure budget. The **R44.6 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R46.1 million**, a variance of **R1.4 million or 3% is observed**.

Major Variances between actual and year-to-date budget on Operating Expenditure

Reasons for variances can be attributed to contracted services, transfers and subsidies and inventory consumed which are moving at a slower pace than year-to-date budget; transfers and subsidies are occasional; depreciation, interest and debt impairment which has no movement yet. Employee related cost and operational cost are a bit higher than the year-to-day budget.

Operating expenditure is explained by source in detail on Section 1.5 Operating Expenditure Performance.

Grants expenditure and receipts

GRANTS RECIEPTS AND EXPENDITURE AS AT 31 JULY 2025	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	268 969 000	98 000 000.00	38 009 495.61	230 959 504.39	14
Regional Bulk Infrastructure (RBIG)	544 478 000	-	18 309 249.12	526 168 750.88	3
Water services infrastructure Grant (WSIG)	100 000 000	40 000 000.00	2 906 525.53	97 093 474.47	3
Rural Roads Asset Managemnt Systems Grant	2 772 000	-	-	2 772 000.00	-
Indonsa Grant	1 719 000	955 500.00	-	1 719 000.00	-
FMG	1 300 000		48 424.45	1 251 575.55	4
EPWP	6 406 000		1 123 993.33	5 282 006.67	18
LGSETA Waste Water Employees	-	99 606.00	-	-	#DIV/0!
TS O M PG KZN CAP BLD AVIATION	500 000	1 000 000.00	-	500 000.00	-
	926 144 000	139 955 500	60 397 688	865 746 312	42

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	742 877 267	51 835 595.84	61 906 445	-10 070 849.16	-16%	7%
Total Capital Financing	742 877 267	51 835 595.84	61 906 445	-10 070 849.16	-16%	7%

Grants receipts and expenditure

Total Capital Expenditure as at **31 July 2025** is **R51.8 million** which is **7%** of the approved capital budget. The **R51.8 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R61.9 million**, a variance of **R10.07 million or 16%**. Capital expenditure is explained by source in detail on section 1.6 Capital Expenditure and Funding.

Major Variances between actual and year to date budget on Capital expenditure

Reasons for variances can be attributed to capital grants not being spent at a similar pace as the year-to date budget but rather spent according to the project's cash flows. **MIG** is at **14%**, **RBIG** is at **3%**, **WSIG** is at **3%** **RRAMG** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	677 146 297	335 027 317.46	49
Total non current assets	5 982 750 926	6 230 918 498.47	104
Total current liabilities	406 164 039	546 670 264.50	135
Total non current liabilities	254 145 896	145 970 685.34	57
TOTAL COMMUNITY WEALTH/ EQUITY	4 821 896 212	5 873 304 866.09	121.8%

The current assets year to date actual is **R335.02 million**, which is **49%** of the approved budget. **Non - Current assets** year to date actual is **R6.2 billion**, which is **102%** of the approved budget. **Current Liabilities** year to date actual is **R546.6 million** which is **104%** of the approved budget. **Non- Current Liabilities** year to date is **R145.9 million** which is **135%** of the approved budget. **Accumulated surplus** year to date actual is **R5.8 billion** which is **121.8%** of the approved budget.

Current assets amount to **R335.022 million**, included in the current assets is a **bank balance of R144.5 million**.

Current liabilities amount to **R546.6 million**, this includes unspent conditional grants amounting to **R151.2 million**.

The Current ratio is 0.61:1 [**335.02 million/546.6 million**], the current ratio norm is **2:1**

Financial Position Framework is explained in detail on section 1.7 In year Budget Tables.

1.4. OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

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		55 414	63 954	63 954	4 630	4 630	5 329	(700)	-13%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 286	1 286	1 541	(255)	-17%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		620	800	800	0	0	67	(67)	-100%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	52	52	72	(19)	-27%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	-	-	667	(667)	-100%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		468	504	504	38	38	42	(4)	-9%	504
Licence and permits		277	295	295	29	29	25	5	19%	295
Operational Revenue		1 542	1 344	1 344	13	13	112	(99)	-88%	1 344
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	85	85	50	35	70%	605
Licence and permits								-		
Transfers and subsidies - Operational		720 660	720 384	720 384	296 025	296 025	60 032	235 993	393%	720 384
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1 706	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		808 139	815 238	815 238	302 160	302 160	67 937	234 223	345%	815 238

The year-to-date actual indicates operating revenue of **R302.1 million** for **one month**, The **R302.1 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R67.9 million**, a variance of **R234.2 million** or **345%** is observed.

Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

The sources of funding are important to ensure that the expenditure is funded, and cash backed. Each line item on the face of financial performance is explained below

EXCHANGE REVENUE

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R4.6 million** which is **7%** of the approved budget. The **R4.6 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R5.3 million**. A variance of **R700 thousand** or **13%** is observed.

The municipality will monitor this line item to keep in track with the budget year forecast.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R1.2 million** which is **7%** of the approved budget. The **R1.2 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R1.5 million**. A variance of **R255 thousand** or **17%** is observed.

Sale of goods and rendering of service

This is the amount on sale of goods and rendering of services, the year-to-date actual is **R0 thousands** which is **0%** of the approved budget. The **R0 thousands** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R67 thousand**. A variance of **R67 thousand** or **100%** is observed.

There was no sale of tender documents in this period.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R52 thousand**, which is **6%** of the approved budget. The **R52 thousand** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R72 thousand**. A variance of **R19 thousand** or **27%** is observed.

Reasons for variances can be attributed to businesses' adherence to payment terms, the municipality must implement stringent measures to ensure businesses pay on time.

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R0** which is **0%** of the approved budget. The **R0** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R667 thousand**. A variance of **R667 thousand** or **27%** is observed.

The reason for variance can be attributed to the fact that there was no new investment that matured by the end of the reporting period.

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R38 thousand** which is **8%** of the approved budget. The **R38 thousand** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R42 thousand**. A variance of **R4 thousand** or **9%** is observed

The municipality will review and reconcile rent with the lease agreements for future forecast.

Licences and Permits

Licences and permits year-to-date actual is **R29 thousand** which is **10%** of the approved budget. the **R29 thousand** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R25 thousand**. A variance of **R4 thousand** or **19%** is observed.

Operational revenue

Operational revenue year-to-date actual is **R13 thousand** which is **1%** of the approved budget. the **R13 thousand** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R112 thousand**. A variance of **R99 thousands** or **88%** is observed.

The variance to this line item can be attributed to the receipt of Insurance Refund, Registration Fees & Transaction handling Fees which is not benchmarked by year to date.

NON-EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R85 thousand**, which is **14%** of the approved budget. The **R85 thousand** year to date is **above** the **one month** baseline projection or year-to-date budget of **R50 thousand**. A variance of **R35 thousand** or less than **70%** is observed.

Reasons for variances highlight a negative indication that more consumers are illegally connected or a negative indication that some illegally connected consumers are not yet discovered.

Municipality must keep up the disconnection of illegal connections.

Transfers and subsidies

Transfers and subsidies (grants) are amounts gazetted as per Division of Revenue act (DoRA), 20252; and provincial gazette, Transfers and subsidies is revenue recognized as operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Transfers and subsidies (Grants) are recognised/recorded as revenue when conditions have been met, except for equitable share which is not a conditional grant.

Transfers and subsidies year to date actual is **R296.02 million** which is **41%** of the approved budget. The **R296.02 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R60.03 million**. A variance of **R235.9 million** or **393%** is observed.

Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule. Grants received to date is Equitable share, Aviation Grant, LGSETA Grant and Indonsa art centre.

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

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									%	
Expenditure By Type										
Employee related costs		342 847	302 013	302 013	30 764	30 764	25 168	5 596	22%	302 013
Remuneration of councillors		10 539	11 640	11 640	839	839	970	(131)	-14%	11 640
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		29 968	10 250	10 250	(1 532)	(1 532)	854	(2 386)	-279%	10 250
Debt impairment		–	4 000	4 000	–	–	333	(333)	-100%	4 000
Depreciation and amorisation		122 445	95 000	95 000	–	–	7 917	(7 917)	-100%	95 000
Interest		17 032	7 575	7 345	1	1	612	(611)	-100%	7 345
Contracted services		284 786	87 677	95 182	4 854	4 854	7 330	(2 476)	-34%	95 182
Transfers and subsidies		8 732	–	–	–	–	–	–		–
Irrecoverable debts written off		1 355	–	–	–	–	–	–		–
Operational costs		270 110	35 611	35 561	9 767	9 767	2 963	6 804	230%	35 561
Losses on Disposal of Assets		6	–	–	–	–	–	–		–
Other Losses		272	–	–	–	–	–	–		–
Total Expenditure		1 088 092	553 766	560 991	44 693	44 693	46 147	(1 455)	-3%	560 991

The year-to-date actuals indicate spending of **R44.6 million** for **one month**, which is **8%** of the approved operating expenditure budget. The **R44.6 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R46.1 million**, a variance of **R1.4 million** or less than **3%** is observed.

Employee Related Costs

Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is **R30.7 million** which is **10%** of the approved budget. The **R30.7 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R25.1 million**. A variance of **R5.5 million** or **22%** is observed.

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R839 thousand** which is **7%** of the approved budget. The **R839 thousand** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R970 thousand**. A variance of **R131 hundreds** or **14%** is observed.

Bulk purchases – electricity

The Municipality does not incur bulk purchases electricity since the Municipality does not sell electricity. The purchase of electricity is under section other expenditure below.

Inventory Consumed

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is **R1.5 million** which is **R15%** of the approved budget. The **R1.5 million** year to date actual **above** the **one month** baseline projection or year-to-date budget of **R854 thousand**. A variance of **R2.3 million** or **279%** is observed.

The municipality had some reversals in July, the reversals were from billing.

Debt impairment

Debt impairment is the amount for provision for non-collection as per council policy. Provision for non-collection assessment and calculation is done at year end. National treasuries recommend that the assessment and calculations be done monthly.

Depreciation

This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R0** which is **0%** of the approved adjustment budget. The **R0** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R7.9 million**. A variance of **R7.9 million** or **100%** is observed.

Finance charges

Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is **R1 thousand** which is **0%** of the approved budget. The **R1 thousand** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R612 thousand**. A variance of **R611 thousand** or **100%** is observed.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R4.8 million** which is **6%** of the approved budget. The **R4.8 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R7.3 million**. A variance of **R2.4 million** or **34%** is observed.

The municipality has tried to minimise the cost of contracted service based on the funding plan.

Transfers and subsidies paid.

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The municipality did not budget for this line item.

Operational cost

Operational costs are all other expenditure not classified above. The year-to-date actual is **R9.7 million** which is **27%** of the approved budget. the **R9.7 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R2.9 million**. A variance of **R6.8 million** or **230%** is observed.

Operating Grants Expenditure Performance

Operating grants are allocated and spent as per Division of Revenue Act requirements

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 300 000	48 424.45	108 333	-59 908.88	-55%	4%
EPWP Incentive	6 406 000	1 123 993.33	533 833	590 160.00	111%	22%
Art centre Subsisies (Indonsa Grant)	1 719 000	-	143 250	-143 250.00	-100%	0%
Aviation Grant	500 000	-	41 667	-41 666.67	-100%	0%
LG SETA	-	-	-	-	#DIV/0!	0%
Total Operating Grant Expenditure	9 925 000	1 172 417.78	827 083.33	345 334.45	0.42	1%

FMG **4%**, EPWP Incentive **22%**, Art center subsidies (Indonsa Grant) **0%**,LG SETA **0%**, Aviation Grant **0%**

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

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		55 414	63 954	63 954	4 630	4 630	5 329	(700)	-13%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 286	1 286	1 541	(255)	-17%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		620	800	800	0	0	67	(67)	-100%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	52	52	72	(19)	-27%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	-	-	667	(667)	-100%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		468	504	504	38	38	42	(4)	-9%	504
Licence and permits		277	295	295	29	29	25	5	19%	295
Operational Revenue		1 542	1 344	1 344	13	13	112	(99)	-88%	1 344
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	85	85	50	35	70%	605
Licence and permits								-		
Transfers and subsidies - Operational		720 660	720 384	720 384	296 025	296 025	60 032	235 993	393%	720 384
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1 706	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		808 139	815 238	815 238	302 160	302 160	67 937	234 223	345%	815 238
Expenditure By Type										
Employee related costs		342 847	302 013	302 013	30 764	30 764	25 168	5 596	22%	302 013
Remuneration of councillors		10 539	11 640	11 640	839	839	970	(131)	-14%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		29 968	10 250	10 250	(1 532)	(1 532)	854	(2 386)	-279%	10 250
Debt impairment		-	4 000	4 000	-	-	333	(333)	-100%	4 000
Depreciation and amortisation		122 445	95 000	95 000	-	-	7 917	(7 917)	-100%	95 000
Interest		17 032	7 575	7 345	1	1	612	(611)	-100%	7 345
Contracted services		284 786	87 677	95 182	4 854	4 854	7 330	(2 476)	-34%	95 182
Transfers and subsidies		8 732	-	-	-	-	-	-		-
Irrecoverable debts written off		1 355	-	-	-	-	-	-		-
Operational costs		270 110	35 611	35 561	9 767	9 767	2 963	6 804	230%	35 561
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 088 092	553 766	560 991	44 693	44 693	46 147	(1 455)	-3%	560 991
Surplus/(Deficit)		(279 952)	261 472	254 247	257 467	257 467	21 789	235 678	0	254 247
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	-	-	76 352	(76 352)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466
Income Tax								-		
Surplus/(Deficit) after income tax		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466

1.6. CAPITAL EXPENDITURE AND FUNDING

The Capital Expenditure Report reflected has been prepared based on the format required by National Treasury and is categorized by municipal vote. The capital expenditure is funded from Government Grants and internally Generated Funds

The summary report indicates the following: -

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	742 877 267	51 835 595.84	61 906 445	-10 070 849.16	-16%	7%
Total Capital Financing	742 877 267	51 835 595.84	61 906 445	-10 070 849.16	-16%	7%

The capital expenditure amounts to **R51.8 million**, which is **7%** of the capital approved budget, after a period of **one month**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote 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									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		-	-	-	-	-	-	-		-
Vote 03 - Finance		511	-	-	-	-	-	-		-
Vote 04 - Community Development		-	-	-	-	-	-	-		-
Vote 05 - Planning & Wsa		-	-	30 670	-	-	2 556	(2 556)	-100%	30 670
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	511	-	30 670	-	-	2 556	(2 556)	-100%	30 670
Single Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		37	-	-	-	-	-	-		-
Vote 03 - Finance		164	-	-	-	-	-	-		-
Vote 04 - Community Development		-	87	87	-	-	7	(7)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	735 892	51 836	51 836	59 343	(7 508)	-13%	735 892
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		38 124	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	770 907	742 877	735 979	51 836	51 836	59 351	(7 515)	-13%	735 979
Total Capital Expenditure		771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Capital Expenditure - Functional Classification										
Governance and administration		712	-	-	-	-	-	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		712	-	-	-	-	-	-		-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	87	87	-	-	7	(7)	-100%	87
Community and social services		-	87	87	-	-	7	(7)	-100%	87
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		61	2 410	2 410	-	-	201	(201)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	201	(201)	-100%	2 410
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		770 645	740 380	764 152	51 836	51 836	61 698	(9 863)	-16%	764 152
Energy sources		-	-	-	-	-	-	-		-
Water management		770 645	740 380	764 152	51 836	51 836	61 698	(9 863)	-16%	764 152
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Funded by:										
National Government		732 522	742 790	766 563	51 836	51 836	61 899	(10 064)	-16%	766 563
Provincial Government		-	87	87	-	-	7	(7)	-100%	87
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		732 522	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Borrowing	6	38 124	-	-	-	-	-	-		-
Internally generated funds		772	-	-	-	-	-	-		-
Total Capital Funding		771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650

Governance and administration

The municipality did not budget for Governance and administration.

Community and public safety

Community and public safety year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R7 thousand**. A variance of **R7 thousand** or **100%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R201 thousand**. A variance of **R201 thousand** or **100%** is observed.

Trading services

Trading services year-to-date actual is **R51.8 million** which is **7%** of the approved budget. the **R51.8 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R61.6 million**. A variance of **R9.8 million** or **16%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	233 886 087	33 182 092.81	19 490 507	13 691 585.56	70%	14%
Regional Bulk Infrastructure (RBIG)	473 459 130	16 126 089.53	39 454 928	-23 328 838.01	-59%	3%
Water services infrastructure Grant (WSIG)	86 956 522	2 527 413.50	7 246 377	-4 718 963.31	-65%	3%
Rural Roads Asset Managemnt Systems Grant	2 410 435	-	200 870	-200 869.57	-100%	0%
Art centre Subsisies (Indonsa Grant)	86 957	-	7 246	-7 246.42	-100%	0%
Total Operating Expenditure	796 799 131	51 835 595.84	66 399 928	-14 564 331.74	-22%	7%

Capital Grant Expenditure as per MFMA circular no. 58

In terms of Circular No.58 conditional/capital grants must be reported VAT inclusive, below Grants expenditure is VAT inclusive.

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	268 969 000	38 009 495.61	22 414 083	15 595 412.28	70%	14%
Regional Bulk Infrastructure (RBIG)	544 478 000	18 309 249.12	45 373 167	-27 063 917.55	-60%	3%
Water services infrastructure Grant (WSIG)	100 000 000	2 906 525.53	8 333 333	-5 426 807.80	-65%	3%
Rural Roads Asset Managemnt Systems Grant	2 772 000	-	231 000	-231 000.00	-100%	0%
Indonsa Grant	100 001	-	8 333	-8 333.38	-100%	0%
Total Capital Grant Expenditure	916 319 001	59 225 270	76 359 917	-17 134 646	-22%	7%

Overall capital grant expenditure is sitting at **7%** of the approved capital budget, **MIG** is sitting at **14%**, **RBIG** at **3%**, **WSIG** at **3%**, **RAMS** at **0%** and **Indonsa Grant** **0%**

1.7. IN-YEAR BUDGET TABLES

The following part of in - year reporting presented below focuses on the monthly budget statement tables as required in terms of regulation 28 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's **2025/2026** budget, actual financial performance, actual capital expenditure, actual financial position, and actual cashflow as implemented by the accounting officer in terms of S62 of the MFMA.

Below are tables as per Schedule C for the period being reported.

MBRR Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M01 July

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	73 543	82 448	82 448	5 916	5 916	6 871	(954)	-14%	82 448
Investment revenue	8 129	8 000	8 000	-	-	667	(667)	-100%	8 000
Transfers and subsidies - Operational	720 660	720 384	720 384	296 025	296 025	60 032	235 993	0	720 384
Other own revenue	5 808	4 406	4 406	218	218	367	(149)	-41%	-
Total Revenue (excluding capital transfers and contributions)	808 139	815 238	815 238	302 160	302 160	67 937	234 223	345%	815 238
Employee costs	342 847	302 013	302 013	30 764	30 764	25 168	5 596	22%	302 013
Remuneration of Councilors	10 539	11 640	11 640	839	839	970	(131)	-14%	11 640
Depreciation and amortisation	122 445	95 000	95 000	-	-	7 917	(7 917)	-100%	95 000
Interest	17 032	7 575	7 345	1	1	612	(611)	-100%	7 345
Inventory consumed and bulk purchases	29 968	10 250	10 250	(1 532)	(1 532)	854	(2 386)	-279%	10 250
Transfers and subsidies	8 732	-	-	-	-	-	-	-	-
Other expenditure	556 529	127 288	134 743	14 621	14 621	10 627	3 995	38%	134 743
Total Expenditure	1 088 092	553 766	560 991	44 693	44 693	46 147	(1 455)	-3%	560 991
Surplus/(Deficit)	(279 952)	261 472	254 247	257 467	257 467	21 789	235 678	1082%	254 247
Transfers and subsidies - capital (monetary allocations)	851 477	916 219	916 219	-	-	76 352	###	-100%	916 219
Transfers and subsidies - capital (in-kind)	8	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	162%	1 170 466
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	162%	1 170 466
Capital expenditure & funds sources									
Capital expenditure	771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Capital transfers recognised	732 522	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Borrowing	38 124	-	-	-	-	-	-	-	-
Internally generated funds	772	-	-	-	-	-	-	-	-
Total sources of capital funds	771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Financial position									
Total current assets	224 265	677 146	677 146		335 027				677 146
Total non current assets	6 178 299	5 982 751	6 006 523		6 230 918				6 006 523
Total current liabilities	652 266	406 164	406 164		546 670				406 164
Total non current liabilities	143 033	254 146	254 146		145 971				254 146
Community wealth/Equity	5 756 290	4 821 896	4 821 896		5 873 305				4 821 896
Cash flows									
Net cash from (used) operating	2 019 029	1 250 945	1 250 945	320 331	320 331	104 245	(216 085)	-207%	1 250 945
Net cash from (used) investing	(762 198)	(854 309)	(854 309)	(51 836)	(51 836)	(71 192)	(19 357)	27%	(854 309)
Net cash from (used) financing	(19 155)	(17 712)	(17 712)	-	-	(1 476)	(1 476)	100%	(17 712)
Cash/cash equivalents at the month/year end	1 294 748	367 748	367 748	291 598	291 598	20 401	(271 197)	-1329%	402 027
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	7 244	6 618	4 647	5 039	4 882	4 834	29 170	215 090	277 524
Creditors Age Analysis									
Total Creditors	3 449	2 182	4 190	3 995	14 223	4 359	24 531	-	56 928

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

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									
Revenue - Functional										
<i>Governance and administration</i>		727 598	722 663	722 663	296 151	296 151	60 222	235 929	392%	722 663
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		727 598	722 663	722 663	296 151	296 151	60 222	235 929	392%	722 663
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		914	2 118	2 118	29	29	177	(147)	-83%	2 118
Community and social services		618	1 719	1 719	–	–	143	(143)	-100%	1 719
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		296	399	399	29	29	33	(4)	-12%	399
<i>Economic and environmental services</i>		1 850	2 772	2 772	–	–	231	(231)	-100%	2 772
Planning and development		1 850	2 772	2 772	–	–	231	(231)	-100%	2 772
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		929 225	1 003 344	1 003 344	5 967	5 967	83 612	(77 645)	-93%	1 003 344
Energy sources		–	–	–	–	–	–	–	–	–
Water management		910 913	984 607	984 607	4 674	4 674	82 051	(77 377)	-94%	984 607
Waste water management		18 312	18 738	18 738	1 293	1 293	1 561	(268)	-17%	18 738
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	38	560	560	12	12	47	(34)	-73%	560
Total Revenue - Functional	2	1 659 625	1 731 457	1 731 457	302 160	302 160	144 288	157 871	109%	1 731 457
Expenditure - Functional										
<i>Governance and administration</i>		445 234	157 805	157 905	17 843	17 843	13 151	4 693	36%	157 905
Executive and council		124 969	32 580	32 580	3 553	3 553	2 715	838	31%	32 580
Finance and administration		262 481	114 888	115 499	9 254	9 254	9 617	(362)	-4%	115 499
Internal audit		57 784	10 338	9 826	5 036	5 036	819	4 217	515%	9 826
<i>Community and public safety</i>		26 313	26 183	33 308	2 146	2 146	2 182	(36)	-2%	33 308
Community and social services		8 028	13 973	21 098	631	631	1 164	(533)	-46%	21 098
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		7 663	–	–	706	706	–	706	#DIV/0!	–
Housing		–	–	–	–	–	–	–	–	–
Health		10 622	12 210	12 210	809	809	1 018	(208)	-20%	12 210
<i>Economic and environmental services</i>		23 563	20 747	20 747	1 886	1 886	1 729	157	9%	20 747
Planning and development		23 563	20 747	20 747	1 886	1 886	1 729	157	9%	20 747
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		583 902	339 990	339 990	22 104	22 104	28 333	(6 229)	-22%	339 990
Energy sources		–	–	–	–	–	–	–	–	–
Water management		573 524	326 178	329 178	21 314	21 314	27 432	(6 118)	-22%	329 178
Waste water management		10 379	13 812	10 812	790	790	901	(111)	-12%	10 812
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>		9 079	9 041	9 041	713	713	753	(40)	-5%	9 041
Total Expenditure - Functional	3	1 088 092	553 766	560 991	44 693	44 693	46 147	(1 455)	-3%	560 991
Surplus/ (Deficit) for the year		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	1.6234474	1 170 466

MBRR Table C2 – Monthly Budget Statement Financial Performance (revenue and expenditure by functional classification)

Table C2 is a view of the actual financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional and the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on table C4.

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

Vote 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 by Vote	1									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		43 316	977	977	12	12	81	(69)	-84.7%	977
Vote 03 - Finance		684 320	722 246	722 246	296 151	296 151	60 187	235 964	392.0%	722 246
Vote 04 - Community Development		914	2 118	2 118	29	29	177	(147)	-83.4%	2 118
Vote 05 - Planning & Wsa		856 697	922 625	922 625	-	-	76 885	(76 885)	-100.0%	922 625
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		56 066	64 754	64 754	4 674	4 674	5 396	(722)	-13.4%	64 754
Vote 09 - Waste Water		18 312	18 738	18 738	1 293	1 293	1 561	(268)	-17.2%	18 738
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	1 659 625	1 731 457	1 731 457	302 160	302 160	144 288	157 871	109.4%	1 731 457
Expenditure by Vote	1									
Vote 01 - Council		136 496	39 008	39 008	4 478	4 478	3 251	1 228	37.8%	39 008
Vote 02 - Corporate Services		234 052	70 945	71 045	10 072	10 072	5 912	4 159	70.4%	71 045
Vote 03 - Finance		67 337	45 795	45 795	3 270	3 270	3 816	(547)	-14.3%	45 795
Vote 04 - Community Development		57 025	49 235	56 360	3 938	3 938	4 103	(165)	-4.0%	56 360
Vote 05 - Planning & Wsa		33 736	75 338	75 338	2 018	2 018	6 278	(4 260)	-67.9%	75 338
Vote 06 - Technical Services		5 359	6 413	6 413	481	481	534	(54)	-10.0%	6 413
Vote 07 - Water Purification		53 716	48 672	48 672	4 508	4 508	4 056	452	11.1%	48 672
Vote 08 - Water Distribution		489 993	204 548	207 548	15 139	15 139	17 296	(2 157)	-12.5%	207 548
Vote 09 - Waste Water		10 379	13 812	10 812	790	790	901	(111)	-12.4%	10 812
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	1 088 092	553 766	560 991	44 693	44 693	46 147	(1 455)	-3.2%	560 991
Surplus/ (Deficit) for the year	2	571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	162.3%	1 170 466

MBRR Table C3 - Monthly Budget Statement Financial Performance (revenue and expenditure by municipal vote)

Table C3 is a view of the actual financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

B20 ZuluLand - Table 04 Monthly Budget statement - Financial Performance (Revenue and Expenditure) - Monthly										
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		55 414	63 954	63 954	4 630	4 630	5 329	(700)	-13%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 286	1 286	1 541	(255)	-17%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		620	800	800	0	0	67	(67)	-100%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	52	52	72	(19)	-27%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	-	-	667	(667)	-100%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		468	504	504	38	38	42	(4)	-9%	504
Licence and permits		277	295	295	29	29	25	5	19%	295
Operational Revenue		1 542	1 344	1 344	13	13	112	(99)	-88%	1 344
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	85	85	50	35	70%	605
Licence and permits								-		
Transfers and subsidies - Operational		720 660	720 384	720 384	296 025	296 025	60 032	235 993	393%	720 384
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1 706	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		808 139	815 238	815 238	302 160	302 160	67 937	234 223	345%	815 238
Expenditure By Type										
Employee related costs		342 847	302 013	302 013	30 764	30 764	25 168	5 596	22%	302 013
Remuneration of councillors		10 539	11 640	11 640	839	839	970	(131)	-14%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		29 968	10 250	10 250	(1 532)	(1 532)	854	(2 386)	-279%	10 250
Debt impairment		-	4 000	4 000	-	-	333	(333)	-100%	4 000
Depreciation and amortisation		122 445	95 000	95 000	-	-	7 917	(7 917)	-100%	95 000
Interest		17 032	7 575	7 345	1	1	612	(611)	-100%	7 345
Contracted services		284 786	87 677	95 182	4 854	4 854	7 330	(2 476)	-34%	95 182
Transfers and subsidies		8 732	-	-	-	-	-	-		-
Irrecoverable debts written off		1 355	-	-	-	-	-	-		-
Operational costs		270 110	35 611	35 561	9 767	9 767	2 963	6 804	230%	35 561
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 088 092	553 766	560 991	44 693	44 693	46 147	(1 455)	-3%	560 991
Surplus/(Deficit)		(279 952)	261 472	254 247	257 467	257 467	21 789	235 678	0	254 247
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	-	-	76 352	(76 352)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466
Income Tax								-		
Surplus/(Deficit) after income tax		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		571 533	1 177 691	1 170 466	257 467	257 467	98 141	159 326	0	1 170 466

MBRR Table C4 - Monthly Budget Statement Financial Performance (revenue and expenditure by source)

Table C4 indicates the actual revenue and expenditure by source, and the calculated surplus which will be used to fund Capital Expenditure on table C5.

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote 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									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		-	-	-	-	-	-	-		-
Vote 03 - Finance		511	-	-	-	-	-	-		-
Vote 04 - Community Development		-	-	-	-	-	-	-		-
Vote 05 - Planning & Wsa		-	-	30 670	-	-	2 556	(2 556)	-100%	30 670
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	511	-	30 670	-	-	2 556	(2 556)	-100%	30 670
Single Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		37	-	-	-	-	-	-		-
Vote 03 - Finance		164	-	-	-	-	-	-		-
Vote 04 - Community Development		-	87	87	-	-	7	(7)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	735 892	51 836	51 836	59 343	(7 508)	-13%	735 892
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		38 124	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	770 907	742 877	735 979	51 836	51 836	59 351	(7 515)	-13%	735 979
Total Capital Expenditure		771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Capital Expenditure - Functional Classification										
Governance and administration		712	-	-	-	-	-	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		712	-	-	-	-	-	-		-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	87	87	-	-	7	(7)	-100%	87
Community and social services		-	87	87	-	-	7	(7)	-100%	87
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		61	2 410	2 410	-	-	201	(201)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	201	(201)	-100%	2 410
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		770 645	740 380	764 152	51 836	51 836	61 698	(9 863)	-16%	764 152
Energy sources		-	-	-	-	-	-	-		-
Water management		770 645	740 380	764 152	51 836	51 836	61 698	(9 863)	-16%	764 152
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Funded by:										
National Government		732 522	742 790	766 563	51 836	51 836	61 899	(10 064)	-16%	766 563
Provincial Government		-	87	87	-	-	7	(7)	-100%	87
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		732 522	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650
Borrowing	6	38 124	-	-	-	-	-	-		-
Internally generated funds		772	-	-	-	-	-	-		-
Total Capital Funding		771 418	742 877	766 650	51 836	51 836	61 906	(10 071)	-16%	766 650

MBRR Table C5 - Monthly Budget Statement Capital Expenditure by vote, functional classification and funding source

Table C5 indicates Actual capital Expenditure by Municipal Vote and functional classification, the budgeted amount is funded from grants and own funds, the funding is taken from table B4 surplus.

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M01 July

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		23 103	479 180	479 180	144 581	479 180
Trade and other receivables from exchange transactions		48 425	99 976	99 976	52 487	99 976
Receivables from non-exchange transactions		6 355	5 696	5 696	6 734	5 696
Current portion of non-current receivables		—	—	—	—	—
Inventory		31 024	3 966	3 966	15 265	3 966
VAT		79 928	64 744	64 744	80 784	64 744
Other current assets		35 430	23 584	23 584	35 176	23 584
Total current assets		224 265	677 146	677 146	335 027	677 146
Non current assets						
Investments						
Investment property						
Property, plant and equipment		6 170 463	5 974 921	5 998 693	6 223 082	5 998 693
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		10	3	3	10	3
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		10	10	10	10	10
Total non current assets		6 178 299	5 982 751	6 006 523	6 230 918	6 006 523
TOTAL ASSETS		6 402 564	6 659 897	6 683 670	6 565 946	6 683 670
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		459	18 318	18 318	146	18 318
Consumer deposits		3 372	3 463	3 463	3 372	3 463
Trade and other payables from exchange transactions		592 653	345 272	345 272	346 884	345 272
Trade and other payables from non-exchange transactions		11 179	1 446	1 446	151 234	1 446
Provision		38 391	27 940	27 940	37 937	27 940
VAT		6 212	9 725	9 725	7 097	9 725
Other current liabilities		—	—	—	—	—
Total current liabilities		652 266	406 164	406 164	546 670	406 164
Non current liabilities						
Financial liabilities		92 519	59 706	59 706	92 532	59 706
Provision		50 514	51 070	51 070	50 514	51 070
Long term portion of trade payables		—	143 370	143 370	2 925	143 370
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		143 033	254 146	254 146	145 971	254 146
TOTAL LIABILITIES		795 299	660 310	660 310	692 641	660 310
NET ASSETS	2	5 607 265	5 999 587	6 023 360	5 873 305	6 023 360
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 756 290	4 821 896	4 821 896	5 873 305	4 821 896
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	5 756 290	4 821 896	4 821 896	5 873 305	4 821 896

MBRR Table C6 - Monthly Budget Statement Financial Position

Table A6 is consistent with international standards of good financial management practice and improves the understanding ability of Councilors and management of the impact of the budget on the statement of financial position (balance sheet). This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth.

CURRENT ASSETS

Cash and Cash Equivalents

Cash and cash Equivalents balance as at 30 June 2025 indicates a Bank Overdraft of **R2.4 million**

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R52.4 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R277.5 million**. Consumer debtors' amount to **R280.1 million** and **R2.2 million** is for shared services cast in Other Debtors.

Gross Consumer debtors	R280.1 million
Less Impairment	(R227.6 million)
Net Consumer Debtors	R52.4 million

Classification of Consumer Debtors per Service type

Water Debtors	R34.1 million
Sanitation Debtors	R7.9 million
Property Rentals Debtors	R437.8 thousand
Other Consumer debtors	R873.2 thousand
Receivables from non-exchange	R5.2 million
Total	R47.8 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R37.08 million**.

Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R217.9 million
Less Impairment	(R180.8 million)
Net Water Debtors	R37.08 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R8.6 million**.

Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R54.8 million
Less Impairment	(R46.2 million)
Net Sanitation Debtors	R8.6 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amounted to **R412.5 thousand**

Property Rental	R731 million
Less Impairment	(R318.4 thousand)
Net Property rental	R412.5 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R720.5 thousand**, these are sundry debtors.

Gross Other Debtors	R998.1 thousand
Less Impairment	(R277.5 thousand)
Net Other Debtors	R720.5 thousand

➤ **Other receivables from exchange**

These are debtors accumulated from Eskom accounts, Training and Maintenance with credit balances amounts to **R30.2 million**

Opening Balance	R5.6 million
Other receivables from exchange: collections	R4 thousand
Less Impairment	(R0)
Net other receivables from exchange	R5.6 million

Classification of Consumer Debtors per Customer group

Households	R216.8 million
Commercial/Businesses	R 19.5 million
Organs of State (excl shared services of R3.3 mill)	R 41.05 million
Total	R277.5 million

Household and commercial consumer debtors are impaired as per council policy. The breakdown is as follows:

Gross Households debtors	R216.8 million
Commercial/Businesses	R 19.5 million
Less Impairment	(R227.6 million)
Net Household debtors	R8.7 million

Receivables from non – exchange

Fruitless expenditure

Amount to be recovered amounting to **R6.7 million** resulted from a claim of standing time and amount that is still to be recovered from fraudulently withdrawal from municipality bank account.

Inventory

The current level of inventory is **R15.2 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R80.7 million**, this is the amount raised when input VAT is recognized as less output VAT collected as VAT reconciliation.

Other debtors

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R35.1 million**.

Deposits Made	R25.8 million
Refunds & under/over banking	R9.2 million
Operating lease	R5 thousand
Salary Advance	R82.5 thousand
Total	R35.1 million

➤ Deposits Made

Deposits made amount to **R25.8 million**, this amount includes Eskom deposits and Stowell Deposits.

Eskom Deposits	R25.6 million
Stowell Deposits	R200 thousand

Eskom deposits are amounts held by Eskom as security for all accounts the Municipality has with Eskom. Security deposits are paid when the Municipality opens a new electricity account. Stowell Deposit is the amount paid as a security deposit when Stowell was first contracted, and the deposit for office space rented in Vryheid.

➤ Refunds & under/over banking

Refunds & under/over banking amount to **R9.2 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

Shared services debtors	R3.2 million
Under/over banking	R5.9 million

Shared services debtors are debtors for the five local municipalities under the district, The District Municipality pays for the shared service on behalf of the Local municipalities, then recover these monies from the respective municipalities. Under/over banking is the unidentified debit orders pending their finalization.

➤ **Operating lease**

Operating lease amounts to **R5 thousand**.

NON-CURRENT ASSETS

Long term receivables

The Municipality does not have long term receivables as per MSCOA classification.

Property plant and equipment

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment includes current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R6.1 million**.

Opening balance	R6.1 billion
Additions	R51.8 million
Depreciation	(R0)
Closing Balance	R6.2 billion

Heritage Assets

Other non-current assets comprise of heritage assets of **R7.8 million**

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R10 thousand**

Opening balance	R10 thousand
Additions	R 0
Depreciation	(R)
Closing Balance	R10 thousand

Other non-current assets

Other non-current assets amount to **R10 thousand**.

CURRENT LIABILITIES

Financial Liabilities

This is the current portion of the long-term loan repayment and finance lease agreement the Municipality entered to procure laptops. The current balance owed amount to **R146 thousand**.

Finance lease BCX	R146 thousand
Total Financial liabilities	R146 thousand

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance is **R3.3 million**.

Trade and other payables from exchange transactions

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R346.8 million**.

Trade Creditors	R103.7 million
Retention	R119.1 million
Department of Water & Sanitation	R106.5 million
Employee related cost	R1.6 million
Advance Payments	R1.7 million
Salary Suspense Accounts	R638 thousand
Leave accrual	R788 thousand
Over/ under banking	R250 hundreds
Other Creditors	R11.9 million
Inventory	R349 thousand
Eskom	R279 thousand
Closing Balance	R346.8 million

Trade and other payables from non-exchange transactions

This is the amount of unspent conditional grants which will be recognized when the conditions are met. Unspent conditional grants amount to **R151.2 million**.

Current Provision

Current provisions amount to **R37.9 million**, this provision is for post-retirement benefit (Medical aid), long service awards and Leave provision that is paid in the current financial year.

Post Retirement benefit (Medical aid)	R1.1 million
Long service awards and Bonus	R7.9 million
Leave Provision	R28.8 million

VAT Payables

VAT payable amount to **R7.09 million**, this is the amount paid when output VAT is recognized as less input VAT paid as per VAT reconciliation.

NON-CURRENT LIABILITIES

Financial liabilities

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R92.5 million**.

Long term loan	R91.2 million
Operating lease LUMD	R961 thousand
Operating lease long term BCX	R309 thousand

The municipality is in lease contract with Business Connections (BCX), the contract is for the laptops that the municipality will use for the agreed period and will be handed over to the Municipality at the end of the contract.

The municipality is paying monthly installments to service the lease agreement.

Non-current Provisions

Non-current Provisions amounts to **R50.5 million**, this provision is for post-retirement benefit (Medical aid) and Long Service award.

Post Retirement benefit (Medical aid)	R34.9 million
Long Service award	R15.5 million

Non - current liability DWS

This is the long-term portion owed to Department of Water and Sanitation t amounting to **R2.9 million**.

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.8 billion**

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

The budgeted cash flow statement is the first measurement in determining if the budget is funded and whether commitments and obligations are met.

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M01 July

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		42 772	58 477	58 477	2 660	2 660	4 873	(2 213)	-45%	58 477
Other revenue		1 569 444	126 002	126 002	153 228	153 228	10 500	142 728	1359%	126 002
Transfers and Subsidies - Operational		729 726	720 384	720 384	298 080	298 080	60 032	238 048	397%	720 384
Transfers and Subsidies - Capital		851 477	916 219	916 219	138 000	138 000	76 352	61 648	81%	916 219
Interest		5 345	8 516	8 516	21	21	710	(689)	-97%	8 516
Dividends								-		
Payments										
Suppliers and employees		(1 179 735)	(578 653)	(578 653)	(271 658)	(271 658)	(48 221)	223 437	-463%	(578 653)
Interest								-		
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 019 029	1 250 945	1 250 945	320 331	320 331	104 245	(216 085)	-207%	1 250 945
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		(762 198)	(854 309)	(854 309)	(51 836)	(51 836)	(71 192)	(19 357)	27%	(854 309)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(762 198)	(854 309)	(854 309)	(51 836)	(51 836)	(71 192)	(19 357)	27%	(854 309)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(8)	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(19 147)	(17 712)	(17 712)	-	-	(1 476)	(1 476)	100%	(17 712)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(19 155)	(17 712)	(17 712)	-	-	(1 476)	(1 476)	100%	(17 712)
NET INCREASE/(DECREASE) IN CASH HELD		1 237 677	378 924	378 924	268 495	268 495	31 577			378 924
Cash/cash equivalents at beginning:		57 071	(11 176)	(11 176)	23 103	23 103	(11 176)			23 103
Cash/cash equivalents at month/year end:		1 294 748	367 748	367 748	291 598	291 598	20 401			402 027

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R58.4 million** on service charges, the estimated collection amount is based on the 60% collection rate. The collection rate is also based on previous years actual collection and the initiatives the Municipality has taken to improve collection. The Municipality has collected **R2.6 million** to date. This is **5%** of budgeted collection and **45%** of year-to-date billing.

The municipality has also taken the following initiatives to boost collection rates:

- The municipality is not only collecting the current billing but also the debtors from previous financial years.
- The municipality has a revised revenue enhancement strategy
- The municipality has an external debt collector to assist with the collection
- The Municipality has replaced and installed new meters to ensure the billing is accurate and not estimated.
- Municipality has adopted an indigent policy and is in a process to write off indigent households.
- The municipality has re visited the collection of flat rate strategies and decided to implement it next year.

Other Revenue

Other revenue includes receipts from tender fees, hall hiring, fines and forfeits, and office space rental receipts. The population of other revenue is higher than expected and not credible, the Municipality is in a process of developing an action plan to address these inefficiencies.

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and operational subsidies are to date **R293.9 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

Equitable share	R296.02 million
Indonsa Grant	R955 thousand
LG SETA	R99 thousand
Aviation Grant	R1 million
TOTAL	R298.1 million

Transfers and subsidies – Capital

Transfers and subsidies - Capital is expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R138 million**. This amount includes MIG and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R98 million
Water Services Infrastructure Grant	R40 million
TOTAL	R138 million

Interest

Interest on the investment budget is **R8.5 million**, this estimate is based on the approved budget interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R20 thousand**. Interest in investment revenue on table C4 is **R0**.

Payments - Suppliers and employees

The municipality is expecting to spend **100%** of what has been budgeted on Table C4 and year-end creditors but excluding non-cash items such as depreciation and debt impairment.

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R51.8 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in the process of developing an action plan to address these inefficiencies.

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date are **R141.5 million** in the financial position but in the cash flow, it is **R291.5 billion**.

Municipality is in the process of developing an action plan to address these inefficiencies.

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as of 31 July 2025

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2025/26											
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5 600	5 421	3 505	4 147	3 782	3 824	23 120	166 876	216 277	201 750	-	180 861
Trade and Other Receivables from Exchange Transactions - Electricity	1300									-	-		
Receivables from Non-exchange Transactions - Property Rates	1400									-	-		
Receivables from Exchange Transactions - Waste Water Management	1500	1 425	1 108	898	805	979	911	5 296	43 240	54 663	51 232	-	46 212
Receivables from Exchange Transactions - Waste Management	1600									-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	31	11	11	11	11	16	101	232	426	372	-	318
Interest on Arrear Debtor Accounts	1810	57	56	58	56	60	59	360	1 165	1 872	1 701	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	130	21	174	19	49	23	293	3 577	4 286	3 961	-	278
Total By Income Source	2000	7 244	6 618	4 647	5 039	4 882	4 834	29 170	215 090	277 524	259 015	-	227 669
2024/25 - totals only		8257017	7805733	5650606	4869793	4616107	4868032	23245090	179999513	239 312	217 599	0	191134903 516
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 360	2 416	989	943	1 431	1 288	9 487	22 146	41 059	35 294	-	-
Commercial	2300	1 077	541	513	844	592	593	2 544	12 881	19 585	17 454	-	-
Households	2400	3 807	3 661	3 146	3 252	2 859	2 954	17 139	180 064	216 880	206 267	-	-
Other	2500									-	-		
Total By Customer Group	2600	7 244	6 618	4 647	5 039	4 882	4 834	29 170	215 090	277 524	259 015	-	-

Total debtors' amount to **R277.5 million**, the debtors over 90 days amount to **R259.01 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 31 July 2025

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
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	3 449	2 182	4 190	3 995	14 223	4 359	24 531	-	56 928	63
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions										-	
Total By Customer Type	1000	3 449	2 182	4 190	3 995	14 223	4 359	24 531	-	56 928	63

2.3 INVESTMENT PORTFOLIO

Investments as at 31 July 2025

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

Investments by maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid	Commission Receipt	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID														
R thousands		Yrs/Mont												
Municipality														
ABSA - 9378134528		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	02 August 2025	-	58	-	9 000	9 058
ABSA - 9373372771		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	15 August 2025	9 000	629		98 000	107 629
ABSA - 9400175919		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	26 August 2025	107 000			40 000	147 000
														-
Municipality sub-total										-	687	-	147 000	147 000
Entities														
														-
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS	2									-	687	-	147 000	147 000

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		676 614	718 165	718 165	296 025	296 025	59 847	236 178	394.6%	718 165
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		670 187	710 459	710 459	296 025	296 025	59 205	236 820	400.0%	710 459
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	-	-	534	(534)	-100.0%	6 406
Local Government Financial Management Grant		1 200	1 300	1 300	-	-	108	(108)	-100.0%	1 300
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1 285	2 219	2 219	-	-	185	(185)	-100.0%	2 219
Capacity Building and Other Grants		1 285	2 219	2 219	-	-	185	(185)	-100.0%	2 219
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		42 760	-	-	-	-	-	-	-	-
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		724	-	-	-	-	-	-	-	-
National Skills Fund		42 037	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	720 660	720 384	720 384	296 025	296 025	60 032	235 993	393.1%	720 384
Capital Transfers and Grants										
National Government:		851 477	916 219	916 219	-	-	76 352	(76 352)	-100.0%	916 219
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		262 939	268 969	268 969	-	-	22 414	(22 414)	-100.0%	268 969
Regional Bulk Infrastructure Grant		431 247	544 478	544 478	-	-	45 373	(45 373)	-100.0%	544 478
Rural Road Asset Management Systems Grant		1 857	2 772	2 772	-	-	231	(231)	-100.0%	2 772
Water Services Infrastructure Grant		155 434	100 000	100 000	-	-	8 333	(8 333)	-100.0%	100 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		8	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Unspecified		8	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	851 485	916 219	916 219	-	-	76 352	(76 352)	-100.0%	916 219
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 572 145	1 636 603	1 636 603	296 025	296 025	136 384	159 641	117.1%	1 636 603

Grants are received as per transfer schedule and have been received as such with the exception of MSIG which has not been received. Grants are recognized as revenue when the condition is met.

GRANTS RECEIPTS AND EXPENDITURE

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

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										
<u>EXPENDITURE</u>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		927 600	461 848	468 973	44 693	44 693	38 488	6 205	16.1%	468 973
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		907 325	400 220	400 220	44 644	44 644	33 352	11 292	33.9%	400 220
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	–	–	534	(534)	-100.0%	6 406
Local Government Financial Management Grant		1 189	1 300	1 300	48	48	108	(60)	-55.3%	1 300
Municipal Disaster Relief Grant		–	–	7 125	–	–	–	–	–	7 125
Municipal Infrastructure Grant		12 233	53 922	53 922	–	–	4 493	(4 493)	-100.0%	53 922
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		9	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		1 618	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		618	2 119	2 119	–	–	177	(177)	-100.0%	2 119
Capacity Building and Other Grants		618	2 119	2 119	–	–	177	(177)	-100.0%	2 119
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		42 760	–	100	–	–	–	–	–	100
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		724	–	100	–	–	–	–	–	100
National Skills Fund		42 037	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		970 978	463 967	471 192	44 693	44 693	38 664	6 029	15.6%	471 192
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		732 522	742 790	766 563	51 836	51 836	61 899	(10 064)	-16.3%	766 563
Municipal Infrastructure Grant		218 473	179 964	203 737	33 182	33 182	14 997	18 185	121.3%	203 737
Regional Bulk Infrastructure Grant		377 830	473 459	473 459	16 126	16 126	39 455	(23 329)	-59.1%	473 459
Rural Road Asset Management Systems Grant		–	2 410	2 410	–	–	201	(201)	-100.0%	2 410
Water Services Infrastructure Grant		136 219	86 957	86 957	2 527	2 527	7 246	(4 719)	-65.1%	86 957
Provincial Government:		–	87	87	–	–	7	(7)	-100.0%	87
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
Infrastructure Grant		–	87	87	–	–	7	(7)	-100.0%	87
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		732 522	742 877	766 650	51 836	51 836	61 906	(10 071)	-16.3%	766 650
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 703 500	1 206 844	1 237 841	96 528	96 528	100 571	(4 042)	-4.0%	1 237 841

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration	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	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		—	—	—	—	—	—	—		—
Pension and UIF Contributions		588	—	—	49	49	—	49	#DIV/0!	—
Medical Aid Contributions		58	—	—	6	6	—	6	#DIV/0!	—
Motor Vehicle Allowance		2 322	2 257	2 257	188	188	188	(0)	0%	2 257
Cellphone Allowance		781	778	778	65	65	65	—		778
Housing Allowances		—	—	—	—	—	—	—		—
Other benefits and allowances		6 789	8 605	8 605	531	531	717	(186)	-26%	8 605
Sub Total - Councillors		10 539	11 640	11 640	839	839	970	(131)	-14%	11 640
% increase	4		10.4%	10.4%						10.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		7 629	7 986	7 986	640	640	666	(26)	-4%	7 986
Pension and UIF Contributions		275	275	275	18	18	23	(5)	-20%	275
Medical Aid Contributions		97	71	71	6	6	6	0	7%	71
Overtime		—	—	—	—	—	—	—		—
Performance Bonus		121	381	381	468	468	32	436	1373%	381
Motor Vehicle Allowance		1 981	1 934	1 934	161	161	161	(0)	0%	1 934
Cellphone Allowance		284	277	277	23	23	23	—		277
Housing Allowances		13	14	14	1	1	1	(0)	0%	14
Other benefits and allowances		263	249	249	22	22	21	1	6%	249
Payments in lieu of leave		—	—	—	—	—	—	—		—
Long service awards		—	—	—	—	—	—	—		—
Post-retirement benefit obligations		—	—	—	—	—	—	—		—
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		13	—	—	—	—	—	—		—
In kind benefits		—	—	—	—	—	—	—		—
Sub Total - Senior Managers of Municipality		10 675	11 188	11 188	1 340	1 340	932	407	44%	11 188
% increase	4		4.8%	4.8%						4.8%
Other Municipal Staff										
Basic Salaries and Wages		217 145	193 530	193 530	19 441	19 441	16 128	3 313	21%	193 530
Pension and UIF Contributions		30 151	32 031	32 031	2 675	2 675	2 669	5	0%	32 031
Medical Aid Contributions		18 984	19 155	19 155	1 718	1 718	1 596	122	8%	19 155
Overtime		10 123	5 314	5 314	927	927	443	484	109%	5 314
Performance Bonus		14 860	15 389	15 389	1 096	1 096	1 282	(186)	-15%	15 389
Motor Vehicle Allowance		23 937	22 652	22 652	2 069	2 069	1 888	182	10%	22 652
Cellphone Allowance		861	827	827	73	73	69	5	7%	827
Housing Allowances		1 750	1 772	1 772	148	148	148	1	0%	1 772
Other benefits and allowances		3 899	155	155	278	278	13	265	2050%	155
Payments in lieu of leave		5 645	—	—	868	868	—	868	#DIV/0!	—
Long service awards		1 961	—	—	77	77	—	77	#DIV/0!	—
Post-retirement benefit obligations		1 899	—	—	—	—	—	—		—
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		956	—	—	53	53	—	53	#DIV/0!	—
In kind benefits		—	—	—	—	—	—	—		—
Sub Total - Other Municipal Staff		332 172	290 825	290 825	29 425	29 425	24 236	5 189	21%	290 825
% increase	4		-12.4%	-12.4%						-12.4%
Total Parent Municipality		353 386	313 653	313 653	31 603	31 603	26 138	5 465	21%	313 653

The municipality has no active entity

ACTUAL AND REVISED TARGETS FOR RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M01 July

Description	Ref	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands	1	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates													-			
Service charges - Electricity revenue													-			
Service charges - Water revenue		1 927	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	5 465	44 350	46 390	48 432
Service charges - Waste Water Management		733	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 621	14 127	14 777	15 427
Service charges - Waste Mangement													-			
Rental of facilities and equipment		41	48	48	48	48	48	48	48	48	48	48	56	580	580	580
Interest earned - external investments		-	667	667	667	667	667	667	667	667	667	667	1 333	8 000	8 368	8 736
Interest earned - outstanding debtors		21	43	43	43	43	43	43	43	43	43	43	65	516	540	563
Dividends received													-			
Fines, penalties and forfeits		85	50	50	50	50	50	50	50	50	50	50	15	605	633	661
Licences and permits		29	25	25	25	25	25	25	25	25	25	25	20	295	308	322
Agency services													-			
Transfers and Subsidies - Operational		298 080	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	(178 016)	720 384	757 969	792 384
Other revenue		153 072	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	(132 319)	124 523	131 585	154 075
Cash Receipts by Source		453 989	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	(301 759)	913 379	961 150	1 021 179
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		138 000	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	14 703	916 219	756 953	800 198
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)													-			
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 000
Short term loans													-			
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT Control (receipts)													-			
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments													-			
Total Cash Receipts by Source		591 989	152 467	152 467	152 467	152 467	152 467	152 467	152 467	152 467	152 467	152 467	(287 056)	1 829 598	1 718 103	1 825 377
Cash Payments by Type																
Employee related costs		31 133	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	19 203	302 013	315 906	329 805
Remuneration of councillors		899	970	970	970	970	970	970	970	970	970	970	1 041	11 640	12 176	12 711
Interest													-			
Bulk purchases - Electricity		23 855	-	-	-	-	-	-	-	-	-	-	(23 855)	-	-	-
Acquisitions - water & other inventory		-	982	982	982	982	982	982	982	982	982	982	1 965	11 788	12 311	12 835
Contracted services		(4 648)	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	40 025	212 260	172 013	187 345
Transfers and subsidies - other municipalities													-			
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		220 420	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	(213 594)	40 953	42 736	44 569
Cash Payments by Type		271 658	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	(175 216)	578 653	555 142	587 266
Other Cash Flows/Payments by Type																
Capital assets		51 836	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	90 549	854 309	747 707	803 584
Repayment of borrowing		-	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	2 952	17 712	17 712	17 712
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		323 493	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	(81 714)	1 450 674	1 320 561	1 408 561
NET INCREASE/(DECREASE) IN CASH HELD		268 495	31 577	31 577	31 577	31 577	31 577	31 577	31 577	31 577	31 577	31 577	(205 341)	378 924	397 542	416 816
Cash/cash equivalents at the month/year beginning:		23 103	291 598	323 175	354 752	386 329	417 906	449 483	481 060	512 637	544 214	575 791	607 368	23 103	402 027	799 569
Cash/cash equivalents at the month/year end:		291 598	323 175	354 752	386 329	417 906	449 483	481 060	512 637	544 214	575 791	607 368	402 027	402 027	799 569	1 216 385

2.6 MATERIAL VARIANCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Service charges – Water revenue	13%	This is the amounts billed on customers for water used, the year-to-date actual is R4.6 million which is 7% of the approved budget. The R4.6 million year to date actual is below the one month baseline projection or year-to-date budget of R5.3 million. A variance of R700 thousand or 13% is observed.	The municipality will monitor this line item to keep in track with the budget year forecast.
	Service charges – Sanitation revenue	17%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R1.2 million which is 7% of the approved budget. The R1.2 million year to date actual is below the one month baseline projection or year-to-date budget of R1.5 million. A variance of R255 thousand or 17% is observed.	
	Sale of goods and rendering of service	100%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R0 thousands which is 0% of the approved budget. The R0 thousands year to date actual is below the one month baseline projection or year-to-date budget of R67 thousand. A variance of R67 thousand or 100% is observed.	There was no sale of tender documents in this period.
	Interest earned - outstanding debtors	27%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R52 thousand, which is 6% of the approved budget. The R52 thousand year to date actual is below the one month baseline projection or year-to-date budget of R72 thousand. A variance of R19 thousand or 27% is observed.	Reasons for variances can be attributed to businesses' adherence to payment terms, the municipality must implement stringent measures to ensure businesses pay on time.
	Interest on investment	27%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R0 which is 0% of the approved budget. The R0 year to date actual is below the one month baseline projection or year-to-date budget of R667 thousand. A variance of R667 thousand or 27% is observed.	The reason for variance can be attributed to the fact that there was no new investment that matured by the end of the reporting period.
	Rent of facilities	9%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R38 thousand which is 8% of the approved budget. The R38 thousand year to date actual is below the one month baseline projection or year-to-date budget of R42 thousand. A variance of R4 thousand or 9% is observed.	The municipality will review and reconcile rent with the lease agreements for future forecast.
	Licences and Permits	19%	Licences and permits year-to-date actual is R29 thousand which is 10% of the approved budget. The R29 thousand year to date actual is above the one month baseline projection or year-to-date budget of R25 thousand. A variance of R4 thousand or 19% is observed.	
	Operational revenue	88%	Operational revenue year-to-date actual is R13 thousand which is 1% of the approved budget. The R13 thousand year to date actual is below the one month baseline projection or year-to-date budget of R112 thousand. A variance of R99 thousands or 88% is observed.	The variance to this line item can be attributed to the receipt of Insurance Refund, Registration Fees & Transaction handling Fees which is not benchmarked by year to date.
	NON-EXCHANGE REVENUE			
	Fines, penalties, and forfeits	70%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R85 thousand, which is 14% of the approved budget. The R85 thousand year to date is above the one month baseline projection or year-to-date budget of R50 thousand. A variance of R35 thousand or less than 70% is observed.	Reasons for variances highlight a negative indication that more consumers are illegally connected or a negative indication that some illegally connected consumers are not yet discovered. Municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	393%	Transfers and subsidies year to date actual is R296.02 million which is 41% of the approved budget. The R296.02 million year to date actual is above the one month baseline projection or year-to-date budget of R60.03 million. A variance of R235.9 million or 393% is observed.	Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule. Grants received to date is Equitable share, Aviation Grant, LGSETA Grant and Indonsa art centre.

DC26 Zululand - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
2	Expenditure By Type			
	Employee Related Costs	22%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R30.7 million which is 10% of the approved budget. The R30.7 million year to date actual is above the one month baseline projection or year-to-date budget of R25.1 million. A variance of R5.5 million or 22% is observed.	The municipality had some reversals in July, the reversals were from billing.
	Remuneration of Councillors	14%	Remuneration of Councillors is paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R839 thousand which is 7% of the approved budget. The R839 thousand year to date actual is below the one month baseline projection or year-to-date budget of R970 thousand. A variance of R131 hundreds or 14% is observed.	
	Bulk purchases – electricity		The Municipality does not incur bulk purchases electricity since the Municipality does not sell electricity. The purchase of electricity is under section other expenditure below.	
	Inventory Consumed	279%	Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is R1.5 million which is R15% of the approved budget. The R1.5 million year to date actual above the one month baseline projection or year-to-date budget of R854 thousand. A variance of R2.3 million or 279% is observed.	
	Debt impairment		Debt impairment is the amount for provision for non-collection as per council policy. Provision for non-collection assessment and calculation is done at year end. National treasuries recommend that the assessment and calculations be done monthly.	
	Depreciation	100%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R0 which is 0% of the approved adjustment budget. The R0 year to date actual is below the one month baseline projection or year-to-date budget of R7.9 million. A variance of R7.9 million or 100% is observed.	
	Finance charges	100%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R1 thousand which is 0% of the approved budget. The R1 thousand year to date actual is below the one month baseline projection or year-to-date budget of R612 thousand. A variance of R611 thousand or 100% is observed.	
	Contracted services	34%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R4.8 million which is 6% of the approved budget. The R4.8 million year to date actual is below the one month baseline projection or year-to-date budget of R7.3 million. A variance of R2.4 million or 34% is observed.	
	Transfers and subsidies paid.		Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The municipality did not budget for this line item.	
	Operational cost	230%	Operational costs are all other expenditure not classified above. The year-to-date actual is R9.7 million which is 27% of the approved budget. The R9.7 million year to date actual is above the one month baseline projection or year-to-date budget of R2.9 million. A variance of R6.8 million or 230% is observed.	

DC26 Zululand - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
3	Capital Expenditure			
	Governance and administration		The municipality did not budget for Governance and administration.	
	Community and public safety	100%	Community and public safety year-to-date actual is R0 which is 0% of the approved budget. the R0 year to date actual is below the one month baseline projection or year-to-date budget of R7 thousand. A variance of R7 thousand or 100% is observed.	
	Economic and environmental services	100%	Economic and environmental services year-to-date actual is R0 which is 0% of the approved budget. the R0 year to date actual is below the one month baseline projection or year-to-date budget of R201 thousand. A variance of R201 thousand or 100% is observed.	
	Trading services	16%	Trading services year-to-date actual is R51.8 million which is 7% of the approved budget. the R51.8 million year to date actual is below the one month baseline projection or year-to-date budget of R61.6 million. A variance of R9.8 million or 16% is observed.	

2.7 PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.8 MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The Municipality does not have any active entities.

2.9 CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

Month	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	93 315	61 906	61 906	51 836	51 836	61 906	10 071	16.3%	7%
August	64 218	64 068	64 068	–	–	125 974	125 974	100.0%	0%
September	59 111	64 068	64 068	–	–	190 042	190 042	100.0%	0%
October	74 889	64 068	64 068	–	–	254 109	254 109	100.0%	0%
November	54 560	64 068	64 068	–	–	318 177	318 177	100.0%	0%
December	68 273	64 068	64 068	–	–	382 244	382 244	100.0%	0%
January	–	64 068	64 068	–	–	446 312	446 312	100.0%	0%
February	14 786	64 068	64 068	–	–	510 379	510 379	100.0%	0%
March	32 878	64 068	64 068	–	–	574 447	574 447	100.0%	0%
April	181 413	64 068	64 068	–	–	638 515	638 515	100.0%	–
May	79 738	64 068	64 068	–	–	702 582	702 582	100.0%	–
June	28 731	64 067	64 067	–	–	766 650	766 650	100.0%	–
Total Capital expenditure	751 911	766 650	766 650	51 836					

The actual capital expenditure is less than year-to-date budget.

Summary of Capital Expenditure by asset class and sub-class

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July

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									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		732 522	742 790	766 563	51 836	51 836	61 899	10 064	16.3%	766 563
Roads Infrastructure		—	2 410	2 410	—	—	201	201	100.0%	2 410
Roads		—	2 410	2 410	—	—	201	201	100.0%	2 410
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	—	—	—	—	—	—	—	—
Power Plants		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		732 522	740 380	764 152	51 836	51 836	61 698	9 863	16.0%	764 152
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		32 532	28 016	51 788	4 184	4 184	2 335	(1 849)	-79.2%	51 788
Reservoirs		3 379	—	—	—	—	—	—	—	—
Pump Stations		—	—	—	—	—	—	—	—	—
Water Treatment Works		136 848	101 224	101 224	17 784	17 784	8 435	(9 349)	-110.8%	101 224
Bulk Mains		526 548	568 552	568 552	18 654	18 654	47 379	28 726	60.6%	568 552
Distribution		33 215	31 526	31 526	11 214	11 214	2 627	(8 587)	-326.8%	31 526
Distribution Points		—	11 061	11 061	—	—	922	922	100.0%	11 061
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
Reticulation		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Community Assets		—	—	—	—	—	—	—	—	—
Community Facilities		—	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Works of Art		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Other assets		—	—	—	—	—	—	—	—	—
Operational Buildings		—	—	—	—	—	—	—	—	—
Municipal Offices		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	—	—	—	—	—
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—	—
Computer Software and Applications		—	—	—	—	—	—	—	—	—
Computer Equipment		735	—	—	—	—	—	—	—	—
Computer Equipment		735	—	—	—	—	—	—	—	—
Furniture and Office Equipment		37	—	—	—	—	—	—	—	—
Furniture and Office Equipment		37	—	—	—	—	—	—	—	—
Machinery and Equipment		38 124	87	87	—	—	7	7	100.0%	87
Machinery and Equipment		38 124	87	87	—	—	7	7	100.0%	87
Transport Assets		—	—	—	—	—	—	—	—	—
Transport Assets		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Living resources		—	—	—	—	—	—	—	—	—
Mature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on new assets	1	771 418	742 877	766 650	51 836	51 836	61 906	10 071	16.3%	766 650

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		97 061	45 389	52 515	–	–	3 782	3 782	100.0%	52 515
Roads Infrastructure		–	–	–	–	–	–	–		–
Roads		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		97 061	45 389	52 515	–	–	3 782	3 782	100.0%	52 515
Bulk Mains		13 002	30 389	37 515	–	–	2 532	2 532	100.0%	37 515
Distribution		–	–	–	–	–	–	–		–
Distribution Points		84 059	15 000	15 000	–	–	1 250	1 250	100.0%	15 000
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		461	–	–	–	–	–	–		–
Operational Buildings		461	–	–	–	–	–	–		–
Municipal Offices		461	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	200	200	–	–	17	17	100.0%	200
Furniture and Office Equipment		–	200	200	–	–	17	17	100.0%	200
Machinery and Equipment		198	–	–	–	–	–	–		–
Machinery and Equipment		198	–	–	–	–	–	–		–
Transport Assets		10 986	–	–	–	–	–	–		–
Transport Assets		10 986	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	108 706	45 589	52 715	–	–	3 799	3 799	100.0%	52 715

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M01 July

Description	Ref	2024/25	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2025/26		YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome				YearTD actual	YearTD budget			
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		113 223	85 014	85 014	—	—	7 084	7 084	100.0%	85 014
Roads Infrastructure		—	762	762	—	—	64	64	100.0%	762
Roads		—	762	762	—	—	64	64	100.0%	762
Stormwater Infrastructure		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	39	39	—	—	3	3	100.0%	39
LV Networks		—	39	39	—	—	3	3	100.0%	39
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		110 543	81 842	81 842	—	—	6 820	6 820	100.0%	81 842
Dams and Weirs		2 199	2 959	2 959	—	—	247	247	100.0%	2 959
Boreholes		1 768	500	500	—	—	42	42	100.0%	500
Reservoirs		9 358	7 438	7 438	—	—	620	620	100.0%	7 438
Pump Stations		6 426	4 729	4 729	—	—	394	394	100.0%	4 729
Water Treatment Works		8 386	7 037	7 037	—	—	586	586	100.0%	7 037
Bulk Mains		56 098	36 425	36 425	—	—	3 035	3 035	100.0%	36 425
Distribution		26 235	22 668	22 668	—	—	1 889	1 889	100.0%	22 668
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations		75	86	86	—	—	7	7	100.0%	86
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		2 679	2 371	2 371	—	—	198	198	100.0%	2 371
Pump Station		203	205	205	—	—	17	17	100.0%	205
Reticulation		1 686	1 824	1 824	—	—	152	152	100.0%	1 824
Waste Water Treatment Works		790	342	342	—	—	29	29	100.0%	342
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		1 210	905	905	—	—	75	75	100.0%	905
Community Facilities		1 075	660	660	—	—	55	55	100.0%	660
Markets		344	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		731	660	660	—	—	55	55	100.0%	660
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		135	244	244	—	—	20	20	100.0%	244
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		135	244	244	—	—	20	20	100.0%	244
Capital Spares		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Other assets		1 663	1 451	1 451	—	—	121	121	100.0%	1 451
Operational Buildings		1 663	1 451	1 451	—	—	121	121	100.0%	1 451
Municipal Offices		1 663	1 394	1 394	—	—	116	116	100.0%	1 394
Stores		—	57	57	—	—	5	5	100.0%	57
Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		18	21	21	—	—	2	2	100.0%	21
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		18	21	21	—	—	2	2	100.0%	21
Computer Software and Applications		18	21	21	—	—	2	2	100.0%	21
Load Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		1 852	1 046	1 046	—	—	87	87	100.0%	1 046
Computer Equipment		1 852	1 046	1 046	—	—	87	87	100.0%	1 046
Furniture and Office Equipment		488	609	609	—	—	51	51	100.0%	609
Furniture and Office Equipment		488	609	609	—	—	51	51	100.0%	609
Machinery and Equipment		958	388	388	—	—	32	32	100.0%	388
Machinery and Equipment		958	388	388	—	—	32	32	100.0%	388
Transport Assets		3 034	5 568	5 568	—	—	464	464	100.0%	5 568
Transport Assets		3 034	5 568	5 568	—	—	464	464	100.0%	5 568
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Living resources		—	—	—	—	—	—	—	—	—
Mature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Total Depreciation	1	122 445	95 000	95 000	—	—	7 917	7 917	100.0%	95 000

2.10 OTHER SUPPORTING DOCUMENTS

No other financial information outside of information contained in Schedule C is available.

2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality doesn't have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

I, **R.N. Hlongwa**, Municipal Manager of Zululand District Municipality, hereby certify that the Monthly Budget Statement has been prepared in accordance with the Municipal Finance Management Act, and the regulations made under the Act.



R.N. Hlongwa
Municipal Manager
Zululand District Municipality (DC26)

Date: 2025/08/14