

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

31 AUGUST 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	315 529 400.00	135 873 026	179 656 374.00	132%	39%
Total Operating Expenditure	553 766 368	111 074 757.72	92 951 680	18 123 077.32	19%	20%
Surplus/(Deficit)	261 472 076	204 454 642.28	42 921 346	161 533 296.68		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 August 2025** is **R315.5 million**, which is **39%** of the approved operating revenue budget. The **R315.5 million** year to date Actual is **above** the **two months** baseline projection or year-to-date budget of **R135.8 million**, a variance of **R179.6 million or 132% 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 **R10.7 million** which is **3%** 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 which is 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 August 2025** is **R111.07 million** which is **20%** of the approved operating expenditure budget. The **R111.07 million** year to date actual is **above** the **two months** baseline projection or year-to-date budget of **R92.9 million**, a variance of **R18.1 million or 19% 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; remuneration of councilors and debt impairment which has no movement yet. Employee related cost, interest 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 AUGUST 2025	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIANCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	268 969 000	98 000 000.00	48 949 931.35	220 019 068.65	18
Regional Bulk Infrastructure (RBIG)	544 478 000	217 700 000.00	42 259 470.05	502 218 529.95	8
Water services infrastructure Grant (WSIG)	100 000 000	40 000 000.00	7 006 228.75	92 993 771.25	7
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	1 300 000.00	105 046.90	1 194 953.10	8
EPWP	6 406 000	1 602 000.00	2 241 536.63	4 164 463.37	35
LGSETA Waste Water Employees	-	99 606.00	-	-	#DIV/0!
TS_O_M_PG_KZN_CAP_BLD_AVIAION	500 000	1 000 000.00	-	500 000.00	-
NSF	-	12 199 851.30	-	-	#DIV/0!
	926 144 000	372 757 351	100 562 214	825 581 786	76

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	742 877 267	85 966 457.88	125 974 007	-40 007 548.93	-32%	12%
Total Capital Financing	742 877 267	85 966 457.88	125 974 007	-40 007 548.93	-32%	12%

Grants receipts and expenditure

Total Capital Expenditure as at **31 August 2025** is **R85.9 million** which is **12%** of the approved capital budget. The **R85.9 million** year to date actual is **below** the **two months** baseline projection or year-to-date budget of **R125.9 million**, a variance of **R40 million or 32%**.

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 **18%**, **RBIG** is at **8%**, **WSIG** is at **7%** **RRAMG** is at **0%** and **Indonsa** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	677 146 297	420 503 011.00	222
Total non current assets	5 982 750 926	6 258 202 229.47	102
Total current liabilities	406 164 039	828 859 738.82	151
Total non current liabilities	254 145 896	128 039 081.20	110
TOTAL COMMUNITY WEALTH/ EQUITY	4 821 896 212	5 721 018 074.22	115.6%

The current assets year to date actual is **R420.5 million**, which is **222%** 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 **R828.8 million** which is **151%** of the approved budget. **Non- Current Liabilities** year to date is **R128.03 million** which is **110%** of the approved budget. **Accumulated surplus** year to date actual is **R5.7 billion** which is **115.6%** of the approved budget.

Current assets amount to **R420.5 million**, included in the current assets is an investment of **R147 million**.

Current liabilities amount to **R828.8 million**, this includes unspent conditional grants amounting to **R276.1 million**.

The Current ratio is 0.51:1 [**420.5 million/828.8 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) - M02 August

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	3 427	8 057	10 659	(2 602)	-24%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 387	2 674	3 082	(409)	-13%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		627	800	800	65	65	133	(68)	-51%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	49	101	143	(42)	-29%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	552	552	1 333	(781)	-59%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		463	504	504	38	76	84	(8)	-10%	504
Licence and permits		277	295	295	17	46	49	(3)	-7%	295
Special rating levies								-		
Operational Revenue		1 542	1 344	1 344	2	15	224	(209)	-93%	1 344
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	25	111	101	10	10%	605
Licence and permits								-		
Transfers and subsidies - Operational		722 619	720 384	720 384	7 808	303 833	120 064	183 769	153%	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)		810 101	815 238	815 238	13 370	315 529	135 873	179 656	132%	815 238

The year-to-date actual indicates operating revenue of **R315.5 million** for **two months**, The **R315.5 million** year to date actual is **above** the **two months** baseline projection or year-to-date budget of **R135.8 million**, a variance of **R179.6 million** or **132%** 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 **R8.05 million** which is **13%** of the approved budget. The **R8.05 million** year to date actual is **below** the **two months** baseline projection or year-to-date budget of **R10.6 million**. A variance of **R2.6 million** or **24%** 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 **R2.6 million** which is **14%** of the approved budget. The **R2.6 million** year to date actual is **below** the **two months** baseline projection or year-to-date budget of **R3.08 million**. A variance of **R409 thousand** or **13%** 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 **R65 thousands** which is **8%** of the approved budget. The **R65 thousands** year to date actual is **below** the **two months** baseline projection or year-to-date budget of **R133 thousand**. A variance of **R68 thousand** or **51%** is observed.

There was a small 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 **R101 thousand**, which is **12%** of the approved budget. The **R101 thousand** year-to-date actual is **below** the **two months** baseline projection or year-to-date budget of **R143 thousand**. A variance of **R42 thousand** or **29%** 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 **R552 thousand** which is **7%** of the approved budget. The **R552 thousand** year-to-date actual is **below** the **two months** baseline projection or year-to-date budget of **R1.3 million**. A variance of **R781 thousand** or **59%** is observed.

The reason for variance can be attributed to the fact that there were some investments which were not 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 **R76 thousand** which is **15%** of the approved budget. The **R76 thousand** year-to-date actual is **below** the **two months** baseline projection or year-to-date budget of **R84 thousand**. A variance of **R8 thousand** or **10%** 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 **R45.7 thousand** which is **16%** of the approved budget. the **R45.7 thousand** year to date actual is **below** the **two months** baseline projection or year-to-date budget of **R49 thousand**. A variance of **R3 thousand** or **7%** is observed.

Operational revenue

Operational revenue year-to-date actual is **R15 thousand** which is **1%** of the approved budget. the **R15 thousand** year to date actual is **below** the **two months** baseline projection or year-to-date budget of **R224 thousand**. A variance of **R209 thousands** or **93%** is observed.

The variance to this line item can be attributed the non-receipt of Insurance Refund 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 **R110.9 thousand**, which is **18%** of the approved budget. The **R110.9 thousand** year to date is **above** the **two months** baseline projection or year-to-date budget of **R101 thousand**. A variance of **R10 thousand** or **10%** 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 **R303.8 million** which is **42%** of the approved budget. The **R303.8 million** year to date actual is **above** the **two months** baseline projection or year-to-date budget of **R120.06 million**. A variance of **R183.7 million** or **153%** 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) - M02 August

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 By Type</u>										
Employee related costs		343 349	302 013	302 013	29 858	60 622	50 336	10 287	20%	302 013
Remuneration of councillors		10 539	11 640	11 640	854	1 692	1 940	(248)	-13%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		57 950	10 250	9 977	(863)	(2 395)	1 683	(4 079)	-242%	9 977
Debt impairment		30 773	4 000	4 000	-	-	667	(667)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	15 833	15 833	15 833	(0)	0%	95 000
Interest		18 091	7 575	7 345	1 797	1 798	1 224	574	47%	7 345
Contracted services		318 600	87 677	94 676	10 690	15 545	15 270	274	2%	94 676
Transfers and subsidies		9 064	-	-	-	-	-	-		-
Irrecoverable debts written off		2 724	-	-	-	-	-	-		-
Operational costs		335 440	35 611	36 340	8 212	17 979	5 998	11 981	200%	36 340
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 249 551	553 766	560 991	66 382	111 075	92 952	18 123	19%	560 991

The year-to-date actuals indicate spending of **R111.07 million** for **two months**, which is **20%** of the approved operating expenditure budget. The **R111.07 million** year to date actual is **above** the **two months** baseline projection or year-to-date budget of **R92.9 million**, a variance of **R18.1 million** or less than **19%** 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 **R60.6 million** which is **20%** of the approved budget. The **R60.6 million** year to date actual is **above** the **two months** baseline projection or year-to-date budget of **R50.3 million**. A variance of **R10.2 million** or **20%** is observed.

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R1.6 million** which is **15%** of the approved budget. The **R1.6 million** year-to-date actual is **below** the **two months** baseline projection or year-to-date budget of **R1.9 million**. A variance of **R248 hundreds** or **13%** 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 a negative amount (**-R2.3 million**), which means there were transaction performed incorrectly.

The municipality will prepare a journal to correct the error.

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 **R15.8 million** which is **17%** of the approved budget. The **R15.8 million** year-to-date actual **equals** the **two months** baseline projection or year-to-date budget of **R15.8 million**. A variance of **R0** or **0%** 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 **R1.7 million** which is **24%** of the approved budget. The **R1.7 million** year-to-date actual is **above** the **two month** baseline projection or year-to-date budget of **R1.2 million**. A variance of **R574 thousand** or **47%** is observed.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R15.5 million** which is **18%** of the approved budget. The **R15.5 million** year to date actual is **above** the **two months** baseline projection or year-to-date budget of **R15.2 million**. A variance of **R274 thousand** or **2%** 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 **R17.9 million** which is **50%** of the approved budget. the **R17.9 million** year-to-date actual is **above** the **two months** baseline projection or year-to-date budget of **R5.9 million**. A variance of **R11.9 million** or **200%** 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	105 046.90	216 667	-111 619.77	-52%	9%
EPWP Incentive	6 406 000	2 241 536.63	1 067 667	1 173 869.96	110%	43%
Art centre Subsisies (Indonsa Grant)	1 719 000	-	286 500	-286 500.00	-100%	0%
Aviation Grant	500 000	-	83 333	-83 333.33	-100%	0%
LG SETA	99 606	-	16 601	-16 601.00	-100%	0%
NSF	12 199 851		2 033 309	-2 033 308.55	-100%	#DIV/0!
Total Operating Grant Expenditure	10 024 606	2 346 583.53	1 670 767.67	675 815.86	0.40	23%

FMG **9%**, EPWP Incentive **43%**, Art center subsidies (Indonsa Grant) **0%**,LG SETA **0%**, Aviation Grant **0%** and NSF **0%**

Grants Rollovers

ROLLED OVER GRANTS FROM 2024/2025	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
TSUCM COGTA BOREHOLES:OPEN/B	1 445 896	-	240 983	-240 982.66	-100%	0%
Disaster Management Grant	7 125 285	6 043 987.73	1 187 548	4 856 440.23	409%	85%
Total Operating Grant Expenditure	8 571 181	6 043 988	1 428 530	4 615 458	323%	71%

COGTA Boreholes Grant **0%** and Disaster Management Grant **85%**

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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	3 427	8 057	10 659	(2 602)	-24%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 387	2 674	3 082	(409)	-13%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		627	800	800	65	65	133	(68)	-51%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	49	101	143	(42)	-29%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	552	552	1 333	(781)	-59%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		463	504	504	38	76	84	(8)	-10%	504
Licence and permits		277	295	295	17	46	49	(3)	-7%	295
Special rating levies								-		
Operational Revenue		1 542	1 344	1 344	2	15	224	(209)	-93%	1 344
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	25	111	101	10	10%	605
Licence and permits								-		
Transfers and subsidies - Operational		722 619	720 384	720 384	7 808	303 833	120 064	183 769	153%	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)		810 101	815 238	815 238	13 370	315 529	135 873	179 656	132%	815 238
Expenditure By Type										
Employee related costs		343 349	302 013	302 013	29 858	60 622	50 336	10 287	20%	302 013
Remuneration of councillors		10 539	11 640	11 640	854	1 692	1 940	(248)	-13%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		57 950	10 250	9 977	(863)	(2 395)	1 683	(4 079)	-242%	9 977
Debt impairment		30 773	4 000	4 000	-	-	667	(667)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	15 833	15 833	15 833	(0)	0%	95 000
Interest		18 091	7 575	7 345	1 797	1 798	1 224	574	47%	7 345
Contracted services		318 600	87 677	94 676	10 690	15 545	15 270	274	2%	94 676
Transfers and subsidies		9 064	-	-	-	-	-	-		-
Irrecoverable debts written off		2 724	-	-	-	-	-	-		-
Operational costs		335 440	35 611	36 340	8 212	17 979	5 998	11 981	200%	36 340
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 249 551	553 766	560 991	66 382	111 075	92 952	18 123	19%	560 991
Surplus/(Deficit)		(439 449)	261 472	254 247	(53 012)	204 455	42 921	161 533	0	254 247
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	98 216	98 216	152 703	(54 488)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0	1 170 466
Income Tax								-		
Surplus/(Deficit) after income tax		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0	1 170 466
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0	1 170 466
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	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	85 966 457.88	125 974 007	-40 007 548.93	-32%	12%
Total Capital Financing	742 877 267	85 966 457.88	125 974 007	-40 007 548.93	-32%	12%

The capital expenditure amounts to **R85.9 million**, which is **12%** of the capital approved budget, after a period of **two months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

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 & Wba		-	-	30 670	-	-	5 112	(5 112)	-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	-	-	5 112	(5 112)	-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	-	-	14	(14)	-100%	87
Vote 05 - Planning & Wba		732 582	742 790	735 892	34 131	85 966	120 848	(34 881)	-29%	735 892
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		48 200	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	780 983	742 877	735 979	34 131	85 966	120 862	(34 896)	-29%	735 979
Total Capital Expenditure		781 494	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	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	-	-	14	(14)	-100%	87
Community and social services		-	87	87	-	-	14	(14)	-100%	87
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		61	2 410	2 410	-	-	402	(402)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	402	(402)	-100%	2 410
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		780 722	740 380	764 152	34 131	85 966	125 558	(39 591)	-32%	764 152
Energy services		-	-	-	-	-	-	-	-	-
Water management		780 722	740 380	764 152	34 131	85 966	125 558	(39 591)	-32%	764 152
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	781 494	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	766 650
Funded by:										
National Government		732 522	742 790	766 563	34 131	85 966	125 960	(39 993)	-32%	766 563
Provincial Government		-	87	87	-	-	14	(14)	-100%	87
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Net / Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		732 522	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	766 650
Borrowing	6	48 200	-	-	-	-	-	-	-	-
Internally generated funds		772	-	-	-	-	-	-	-	-
Total Capital Funding		781 494	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	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 **R14 thousand**. A variance of **R14 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 **R402 thousand**. A variance of **R402 thousand** or **100%** is observed.

Trading services

Trading services year-to-date actual is **R85.9 million** which is **12%** of the approved budget. the **R85.9 million** year-to-date actual is **below** the **two months** baseline projection or year-to-date budget of **R125.5 million**. A variance of **R39.5 million** or **32%** 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	42 728 079.61	38 981 014	3 747 065.12	10%	18%
Regional Bulk Infrastructure (RBIG)	473 459 130	37 049 227.11	78 909 855	-41 860 627.96	-53%	8%
Water services infrastructure Grant (WSIG)	86 956 522	6 189 151.31	14 492 754	-8 303 602.31	-57%	7%
Rural Roads Asset Managemnt Systems Grant	2 410 435	-	401 739	-401 739.13	-100%	0%
Art centre Subsisies (Indonsa Grant)	86 957	-	14 493	-14 492.83	-100%	0%
Total Operating Expenditure	796 799 131	85 966 458.03	132 799 855	-46 833 397.12	-35%	11%

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	48 949 931.35	44 828 167	4 121 764.68	9%	18%
Regional Bulk Infrastructure (RBIG)	544 478 000	42 259 470.05	90 746 333	-48 486 863.28	-53%	8%
Water services infrastructure Grant (WSIG)	100 000 000	7 006 228.75	16 666 667	-9 660 437.92	-58%	7%
Rural Roads Asset Managemnt Systems Grant	2 772 000	-	462 000	-462 000.00	-100%	0%
Indonsa Grant	100 001	-	16 667	-16 666.76	-100%	0%
Total Capital Grant Expenditure	916 319 001	98 215 630	152 719 833	-54 504 203	-36%	11%

Overall capital grant expenditure is sitting at **11%** of the approved capital budget, **MIG** is sitting at **18%**, **RBIG** at **8%**, **WSIG** at **7%**, **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	215 030	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) - M02 August

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>		727 592	722 663	722 663	845	296 996	120 444	176 552	147%	722 663
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		727 592	722 663	722 663	845	296 996	120 444	176 552	147%	722 663
Internal audit		–	–	–	–	–	–	–		–
<i>Community and public safety</i>		2 874	2 118	2 118	6 060	6 090	353	5 737	1625%	2 118
Community and social services		2 578	1 719	1 719	6 044	6 044	287	5 757	2010%	1 719
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		296	399	399	17	46	67	(21)	-31%	399
<i>Economic and environmental services</i>		1 857	2 772	2 772	–	–	462	(462)	-100%	2 772
Planning and development		1 857	2 772	2 772	–	–	462	(462)	-100%	2 772
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
<i>Trading services</i>		929 225	1 003 344	1 003 344	104 678	110 645	167 224	(56 579)	-34%	1 003 344
Energy sources		–	–	–	–	–	–	–		–
Water management		910 913	984 607	984 607	103 284	107 958	164 101	(56 143)	-34%	984 607
Waste water management		18 312	18 738	18 738	1 395	2 688	3 123	(435)	-14%	18 738
Waste management		–	–	–	–	–	–	–		–
<i>Other</i>	4	38	560	560	2	14	93	(79)	-85%	560
Total Revenue - Functional	2	1 661 587	1 731 457	1 731 457	111 585	413 745	288 576	125 169	43%	1 731 457
Expenditure - Functional										
<i>Governance and administration</i>		469 090	157 805	157 905	22 458	40 302	26 310	13 992	53%	157 905
Executive and council		136 913	32 580	32 580	3 295	6 848	5 430	1 418	26%	32 580
Finance and administration		273 704	114 888	115 499	14 529	23 784	19 242	4 541	24%	115 499
Internal audit		58 473	10 338	9 826	4 634	9 670	1 638	8 032	490%	9 826
<i>Community and public safety</i>		28 017	26 183	33 308	7 283	9 429	5 012	4 418	88%	33 308
Community and social services		9 732	13 973	21 098	5 886	6 518	2 977	3 541	119%	21 098
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		7 663	–	–	510	1 216	–	1 216	#DIV/0!	–
Housing		–	–	–	–	–	–	–		–
Health		10 622	12 210	12 210	887	1 696	2 035	(339)	-17%	12 210
<i>Economic and environmental services</i>		23 672	20 747	20 747	1 813	3 699	3 458	241	7%	20 747
Planning and development		23 672	20 747	20 747	1 813	3 699	3 458	241	7%	20 747
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
<i>Trading services</i>		719 692	339 990	339 990	33 985	56 088	56 665	(577)	-1%	339 990
Energy sources		–	–	–	–	–	–	–		–
Water management		703 694	326 178	329 178	33 094	54 408	54 863	(455)	-1%	329 178
Waste water management		15 997	13 812	10 812	890	1 680	1 802	(122)	-7%	10 812
Waste management		–	–	–	–	–	–	–		–
<i>Other</i>		9 079	9 041	9 041	843	1 557	1 507	50	3%	9 041
Total Expenditure - Functional	3	1 249 551	553 766	560 991	66 382	111 075	92 952	18 123	19%	560 991
Surplus/ (Deficit) for the year		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0.5472002	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) - M02 August

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	2	14	163	(149)	-91.3%	977
Vote 03 - Finance		684 315	722 246	722 246	845	296 996	120 374	176 621	146.7%	722 246
Vote 04 - Community Development		2 874	2 118	2 118	6 060	6 090	353	5 737	1625.0%	2 118
Vote 05 - Planning & Wsa		856 704	922 625	922 625	99 818	99 818	153 771	(53 953)	-35.1%	922 625
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		56 066	64 754	64 754	3 466	8 140	10 792	(2 652)	-24.6%	64 754
Vote 09 - Waste Water		18 312	18 738	18 738	1 395	2 688	3 123	(435)	-13.9%	18 738
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	1 661 587	1 731 457	1 731 457	111 585	413 745	288 576	125 169	43.4%	1 731 457
Expenditure by Vote	1									
Vote 01 - Council		149 244	39 008	39 008	3 658	8 137	6 501	1 636	25.2%	39 008
Vote 02 - Corporate Services		238 796	70 945	71 045	14 983	25 055	11 833	13 222	111.7%	71 045
Vote 03 - Finance		73 307	45 795	45 795	3 649	6 919	7 633	(714)	-9.4%	45 795
Vote 04 - Community Development		59 143	49 235	56 360	9 407	13 344	8 854	4 491	50.7%	56 360
Vote 05 - Planning & Wsa		33 818	75 338	75 338	1 771	3 789	12 556	(8 768)	-69.8%	75 338
Vote 06 - Technical Services		4 870	6 413	6 413	1 316	1 797	1 069	728	68.1%	6 413
Vote 07 - Water Purification		53 728	48 672	48 672	4 837	9 345	8 112	1 233	15.2%	48 672
Vote 08 - Water Distribution		620 647	204 548	207 548	25 871	41 010	34 591	6 418	18.6%	207 548
Vote 09 - Waste Water		15 997	13 812	10 812	890	1 680	1 802	(122)	-6.8%	10 812
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	1 249 551	553 766	560 991	66 382	111 075	92 952	18 123	19.5%	560 991
Surplus/ (Deficit) for the year	2	412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	54.7%	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) - M02 August

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	3 427	8 057	10 659	(2 602)	-24%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 387	2 674	3 082	(409)	-13%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		627	800	800	65	65	133	(68)	-51%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	49	101	143	(42)	-29%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	552	552	1 333	(781)	-59%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		463	504	504	38	76	84	(8)	-10%	504
Licence and permits		277	295	295	17	46	49	(3)	-7%	295
Special rating levies								-		
Operational Revenue		1 542	1 344	1 344	2	15	224	(209)	-93%	1 344
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	25	111	101	10	10%	605
Licence and permits								-		
Transfers and subsidies - Operational		722 619	720 384	720 384	7 808	303 833	120 064	183 769	153%	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)		810 101	815 238	815 238	13 370	315 529	135 873	179 656	132%	815 238
Expenditure By Type										
Employee related costs		343 349	302 013	302 013	29 858	60 622	50 336	10 287	20%	302 013
Remuneration of councillors		10 539	11 640	11 640	854	1 692	1 940	(248)	-13%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		57 950	10 250	9 977	(863)	(2 395)	1 683	(4 079)	-242%	9 977
Debt impairment		30 773	4 000	4 000	-	-	667	(667)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	15 833	15 833	15 833	(0)	0%	95 000
Interest		18 091	7 575	7 345	1 797	1 798	1 224	574	47%	7 345
Contracted services		318 600	87 677	94 676	10 690	15 545	15 270	274	2%	94 676
Transfers and subsidies		9 064	-	-	-	-	-	-		-
Irrecoverable debts written off		2 724	-	-	-	-	-	-		-
Operational costs		335 440	35 611	36 340	8 212	17 979	5 998	11 981	200%	36 340
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 249 551	553 766	560 991	66 382	111 075	92 952	18 123	19%	560 991
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	98 216	98 216	152 703	(54 488)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0	1 170 466
Income Tax								-		
Surplus/(Deficit) after income tax		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0	1 170 466
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	0	1 170 466
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		412 036	1 177 691	1 170 466	45 203	302 670	195 625	107 046	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) - M02 August

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	-	-	5 112	(5 112)	-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	-	-	5 112	(5 112)	-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	-	-	14	(14)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	735 892	34 131	85 966	120 848	(34 881)	-29%	735 892
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		48 200	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	780 983	742 877	735 979	34 131	85 966	120 862	(34 896)	-29%	735 979
Total Capital Expenditure		781 494	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	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	-	-	14	(14)	-100%	87
Community and social services		-	87	87	-	-	14	(14)	-100%	87
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		61	2 410	2 410	-	-	402	(402)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	402	(402)	-100%	2 410
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		780 722	740 380	764 152	34 131	85 966	125 558	(39 591)	-32%	764 152
Energy sources		-	-	-	-	-	-	-		-
Water management		780 722	740 380	764 152	34 131	85 966	125 558	(39 591)	-32%	764 152
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	781 494	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	766 650
Funded by:										
National Government		732 522	742 790	766 563	34 131	85 966	125 960	(39 993)	-32%	766 563
Provincial Government		-	87	87	-	-	14	(14)	-100%	87
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		732 522	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	766 650
Borrowing	6	48 200	-	-	-	-	-	-		-
Internally generated funds		772	-	-	-	-	-	-		-
Total Capital Funding		781 494	742 877	766 650	34 131	85 966	125 974	(40 008)	-32%	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 - M02 August

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	282 873	479 180
Trade and other receivables from exchange transactions		16 131	99 976	99 976	21 883	99 976
Receivables from non-exchange transactions		1 012	5 696	5 696	589	5 696
Current portion of non-current receivables		—	—	—	—	—
Inventory		3 013	3 966	3 966	6 764	3 966
VAT		99 250	64 744	64 744	81 997	64 744
Other current assets		26 669	23 584	23 584	26 398	23 584
Total current assets		169 179	677 146	677 146	420 503	677 146
Non current assets						
Investments						
Investment property						
Property, plant and equipment		6 180 244	5 974 921	5 998 693	6 250 381	5 998 693
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		8	3	3	4	3
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		1	10	10	1	10
Total non current assets		6 188 069	5 982 751	6 006 523	6 258 202	6 006 523
TOTAL ASSETS		6 357 248	6 659 897	6 683 670	6 678 705	6 683 670
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		17 951	18 318	18 318	17 888	18 318
Consumer deposits		3 372	3 463	3 463	3 373	3 463
Trade and other payables from exchange transactions		741 342	345 272	345 272	490 237	345 272
Trade and other payables from non-exchange transactions		9 219	1 446	1 446	276 110	1 446
Provision		37 937	27 940	27 940	37 937	27 940
VAT		2 073	9 725	9 725	3 314	9 725
Other current liabilities		—	—	—	—	—
Total current liabilities		811 894	406 164	406 164	828 860	406 164
Non current liabilities						
Financial liabilities		75 704	59 706	59 706	77 525	59 706
Provision		50 514	51 070	51 070	50 514	51 070
Long term portion of trade payables		—	143 370	143 370	—	143 370
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		126 218	254 146	254 146	128 039	254 146
TOTAL LIABILITIES		938 112	660 310	660 310	956 899	660 310
NET ASSETS	2	5 419 136	5 999 587	6 023 360	5 721 806	6 023 360
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 727 133	4 821 896	4 821 896	5 721 018	4 821 896
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	5 727 133	4 821 896	4 821 896	5 721 018	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 31 August 2025 indicates a Bank balance of **R135.8 million**

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R21.8 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	R281.8 million
Less Impairment	(R259.9 million)
Net Consumer Debtors	R21.8 million

Classification of Consumer Debtors per Service type

Water Debtors	R13.4 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 **R13.4 million**.
Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R219.9 million
Less Impairment	(R206.02 million)
Net Water Debtors	R13.4 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R2.8 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R55.5 million
Less Impairment	(R52.7 million)
Net Sanitation Debtors	R2.8 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amounted to **R50 thousand**

Property Rental	R451 thousand
Less Impairment	(R400 thousand)
Net Property rental	R50 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R203 thousand**, these are sundry debtors.

Gross Other Debtors	R1.03 million
Less Impairment	(R829 thousand)
Net Other Debtors	R203 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	R5.4 million
Other receivables from exchange: collections	R4 thousand
Less Impairment	(R0)
Net other receivables from exchange	R5.4 million

Classification of Consumer Debtors per Customer group

Households	R218.3 million
Commercial/Businesses	R 19.7 million
Organs of State (excl shared services of R3.3 mill)	R 41.3 million
Total	R279.4 million

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

Gross Households debtors	R218.3 million
Commercial/Businesses	R 19.7 million
Less Impairment	(R259.9 million)
Net Household debtors	-R21.9 million

Receivables from non – exchange

Fruitless expenditure

Amount to be recovered amounting to **R873 thousand** 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 **R6.7 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R81.9 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 **R26.9 million**.

Deposits Made	R26.2 million
Refunds & under/over banking	R56 thousand
Overpayment/Accrued income/UIFW	R873 thousand
Operating lease	R8 thousand
Salary Advance	R39 thousand
Insurance claims	R284 thousand
Total	R26.9 million

➤ Deposits Made

Deposits made amount to **R26.2 million**, this amount includes Eskom deposits and Stowell Deposits.

Eskom Deposits	R26 million
Stowel 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 **R56 thousand**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

➤ Operating lease and Insurance claim

Operating lease amounts to **R8 thousand** and Insurance claim amounts to **R284 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	R85.9 million
Depreciation	(R15.8 million)
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 **R4 thousand**

Opening balance	R4 thousand
Additions	R 0
Depreciation	(R)
Closing Balance	R4 thousand

Other non-current assets

Other non-current assets amount to **R1 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 **R17.8 million**.

Long Term Loan	R17.4 million
Finance lease BCX	R395 thousand
Total Financial liabilities	R17.8 million

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 **R490.2 million**.

Trade Creditors	R187.2 million
Retention	R122.9 million
Department of Water & Sanitation	R91.4 million
Employee related cost	R2.1 million
Advance Payments	R1.7 million
Salary Suspense Accounts	R144 thousand
Leave accrual	R788 thousand
Unpaid cheques	R48 thousand
Refund	R7 hundred
Inventory	R349 thousand
Fleet Horizon	R16.2 million
WSSA	R67.4 million
Closing Balance	R490.2 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 **R276.1 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 **R3.3 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 **R77.5 million**.

Long term loan	R76.4 million
Operating lease LUMD	R973 thousand
Operating lease long term BCX	R136 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

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.7 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 - M02 August

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		42 771	58 477	58 477	3 493	6 153	9 746	(3 594)	-37%	58 477
Other revenue		1 568 934	126 002	126 002	32 064	185 292	21 000	164 292	782%	126 002
Transfers and Subsidies - Operational		729 726	720 384	720 384	15 102	313 182	120 064	193 118	161%	720 384
Transfers and Subsidies - Capital		851 477	916 219	916 219	217 700	355 700	152 703	202 997	133%	916 219
Interest		5 345	8 516	8 516	574	595	1 419	(825)	-58%	8 516
Dividends								-		
Payments										
Suppliers and employees		(381 202)	(578 653)	(578 653)	(112 418)	(384 076)	(96 442)	287 634	-298%	(578 653)
Interest								-		
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 817 051	1 250 945	1 250 945	156 515	476 845	208 491	(268 355)	-129%	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		(780 983)	(854 309)	(854 309)	(34 131)	(85 966)	(142 385)	(56 418)	40%	(854 309)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(780 983)	(854 309)	(854 309)	(34 131)	(85 966)	(142 385)	(56 418)	40%	(854 309)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		511	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(8)	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(18 807)	(17 712)	(17 712)	(63)	(63)	(2 952)	(2 889)	98%	(17 712)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(18 304)	(17 712)	(17 712)	(63)	(63)	(2 952)	(2 889)	98%	(17 712)
NET INCREASE/ (DECREASE) IN CASH HELD		2 017 763	378 924	378 924	122 321	390 816	63 154			378 924
Cash/cash equivalents at beginning:		57 071	(11 176)	(11 176)	291 598	23 103	(11 176)			23 103
Cash/cash equivalents at month/year end:		2 074 834	367 748	367 748	413 919	413 919	51 978			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 **R6.1 million** to date. This is **11%** of budgeted collection and **57%** 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 **R313.1 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
NSF	R12 million
TOTAL	R313.1 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 **R355.7 million**. This amount includes MIG, RBIG and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R98 million
Water Services Infrastructure Grant	R40 million
RBIG	R217 million
TOTAL	R355.7 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 **R595 thousand**. Interest in investment revenue on table C4 is **R552 thousand**.

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 **R85.9 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 **R282.8 million** in the financial position but in the cash flow, it is **R413.9 million**.

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 August 2025

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description		Budget Year 2025/26												
	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	6 159	4 781	5 023	3 166	3 888	3 675	22 407	168 357	217 455	201 492		206 027	
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	1 527	1 192	981	806	782	961	5 213	43 863	55 325	51 624		52 703	
Receivables from Exchange Transactions - Waste Management	1600									–	–			
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	11	11	11	11	11	99	249	424	383		401	
Interest on Arrear Debtor Accounts	1810	59	57	56	58	56	60	359	1 209	1 914	1 742		830	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–			
Other	1900	66	126	21	174	19	39	274	3 603	4 321	4 108			
Total By Income Source	2000	7 828	6 167	6 093	4 215	4 756	4 746	28 351	217 282	279 438	259 350	–	259 961	
2024/25 - totals only		15443187	6752050	5384463	4721179	4510329	4802949	23101079	179031284	243 747	216 167	0	227668690 2/5	
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 473	2 006	2 089	623	709	1 376	9 171	22 882	41 330	34 761			
Commercial	2300	1 242	618	494	516	853	562	2 700	12 794	19 779	17 426			
Households	2400	4 113	3 544	3 510	3 076	3 193	2 808	16 480	181 605	218 329	207 162		259 961	
Other	2500									–	–			
Total By Customer Group	2600	7 828	6 167	6 093	4 215	4 756	4 746	28 351	217 282	279 438	259 350	–	259 961	

Total debtors' amount to **R279.4 million**, the debtors over 90 days amount to **R259.3 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 August 2025

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August											
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	185								185	38 582
Bulk Water	0200					2 888		6 077	6 128	15 092	
PAYE deductions	0300									–	
VAT (output less input)	0400									–	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	10 568	8	11 362	13 462	13 592	1 573	3 729	158	54 452	
Auditor General	0800									–	
Other	0900		1 321	4 825	4 215	3 330	4 082	4 947	1 209	23 929	
Medical Aid deductions	0950									–	
Total By Customer Type	1000	10 753	1 329	16 187	17 677	19 809	5 655	14 753	7 495	93 658	38 582

2.3 INVESTMENT PORTFOLIO

Investments as at 31 August 2025

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
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 A	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 - M02 August

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:		678 574	718 165	718 165	7 751	303 776	119 694	184 082	153.8%	718 165
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		670 187	710 459	710 459	–	296 025	118 410	177 615	150.0%	710 459
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	1 602	1 602	1 068	534	50.0%	6 406
Local Government Financial Management Grant		1 200	1 300	1 300	105	105	217	(112)	-51.5%	1 300
Municipal Disaster Relief Grant		1 960	–	–	6 044	6 044	–	6 044	–	–
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	57	57	370	(313)	-84.6%	2 219
Capacity Building and Other Grants		1 285	2 219	2 219	57	57	370	(313)	-84.6%	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	722 619	720 384	720 384	7 808	303 833	120 064	183 769	153.1%	720 384
Capital Transfers and Grants										
National Government:		851 477	916 219	916 219	98 216	98 216	152 703	(54 488)	-35.7%	916 219
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		262 939	268 969	268 969	48 950	48 950	44 828	4 122	9.2%	268 969
Regional Bulk Infrastructure Grant		431 247	544 478	544 478	42 259	42 259	90 746	(48 487)	-53.4%	544 478
Rural Road Asset Management Systems Grant		1 857	2 772	2 772	–	–	462	(462)	-100.0%	2 772
Water Services Infrastructure Grant		155 434	100 000	100 000	7 006	7 006	16 667	(9 660)	-58.0%	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	98 216	98 216	152 703	(54 488)	-35.7%	916 219
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 574 105	1 636 603	1 636 603	106 023	402 048	272 767	129 281	47.4%	1 636 603

References

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 - M02 August

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										
Operating expenditure of Transfers and Grants										
National Government:		1 060 709	461 848	468 973	51 983	96 676	77 623	19 053	24.5%	468 973
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-		-
Equitable Share		1 038 729	400 220	400 220	44 430	89 075	66 704	22 371	33.5%	400 220
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	2 242	2 242	1 068	1 174	109.9%	6 406
Local Government Financial Management Grant		1 189	1 300	1 300	56	104	217	(113)	-52.0%	1 300
Municipal Disaster Relief Grant		1 704	-	7 125	5 256	5 256	648	4 608	711.4%	7 125
Municipal Infrastructure Grant		12 233	53 922	53 922	-	-	8 987	(8 987)	-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	-	-	353	(353)	-100.0%	2 119
Capacity Building and Other Grants		618	2 119	2 119	-	-	353	(353)	-100.0%	2 119
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		42 760	-	100	99	99	9	90	993.3%	100
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-		-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-		-
Local Government Water and Related Service SETA		724	-	100	99	99	9	90	993.3%	100
National Skills Fund		42 037	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		1 104 087	463 967	471 192	52 082	96 775	77 985	18 790	24.1%	471 192
Capital expenditure of Transfers and Grants										
National Government:		732 522	742 790	766 563	34 131	85 966	125 960	(39 993)	-31.8%	766 563
Municipal Infrastructure Grant		218 473	179 964	203 737	9 546	42 728	32 155	10 573	32.9%	203 737
Regional Bulk Infrastructure Grant		377 830	473 459	473 459	20 923	37 049	78 910	(41 861)	-53.0%	473 459
Rural Road Asset Management Systems Grant		-	2 410	2 410	-	-	402	(402)	-100.0%	2 410
Water Services Infrastructure Grant		136 219	86 957	86 957	3 662	6 189	14 493	(8 304)	-57.3%	86 957
Provincial Government:		-	87	87	-	-	14	(14)	-100.0%	87
Capacity Building and Other Grants		-	-	-	-	-	-	-		-
Infrastructure Grant		-	87	87	-	-	14	(14)	-100.0%	87
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Unspecified		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		732 522	742 877	766 650	34 131	85 966	125 974	(40 008)	-31.8%	766 650
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 836 609	1 206 844	1 237 841	86 213	182 741	203 959	(21 218)	-10.4%	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 - M02 August

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	98	—	98	#DIV/0!	—
Medical Aid Contributions		58	—	—	6	11	—	11	#DIV/0!	—
Motor Vehicle Allowance		2 322	2 257	2 257	188	376	376	(0)	0%	2 257
Cellphone Allowance		781	778	778	65	130	130	—		778
Housing Allowances		—	—	—	—	—	—	—		—
Other benefits and allowances		6 789	8 605	8 605	546	1 077	1 434	(357)	-25%	8 605
Sub Total - Councillors		10 539	11 640	11 640	854	1 692	1 940	(248)	-13%	11 640
% increase	4		10.4%	10.4%						10.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		7 612	7 986	7 986	640	1 280	1 331	(51)	-4%	7 986
Pension and UIF Contributions		275	275	275	18	36	46	(10)	-21%	275
Medical Aid Contributions		97	71	71	6	12	12	0	2%	71
Overtime		—	—	—	—	—	—	—		—
Performance Bonus		628	381	381	39	507	63	443	698%	381
Motor Vehicle Allowance		1 981	1 934	1 934	161	322	322	(0)	0%	1 934
Cellphone Allowance		284	277	277	23	46	46	—		277
Housing Allowances		13	14	14	1	2	2	(0)	0%	14
Other benefits and allowances		263	249	249	22	44	42	2	5%	249
Payments in lieu of leave		—	—	—	—	—	—	—		—
Long service awards		—	—	—	—	—	—	—		—
Post-retirement benefit obligations		—	—	—	—	—	—	—		—
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		20	—	—	—	—	—	—		—
In kind benefits		—	—	—	—	—	—	—		—
Sub Total - Senior Managers of Municipality		11 173	11 188	11 188	910	2 250	1 865	385	21%	11 188
% increase	4		0.1%	0.1%						0.1%
Other Municipal Staff										
Basic Salaries and Wages		217 141	193 530	193 530	19 318	38 759	32 255	6 504	20%	193 530
Pension and UIF Contributions		30 151	32 031	32 031	2 702	5 377	5 339	38	1%	32 031
Medical Aid Contributions		18 984	19 155	19 155	1 734	3 452	3 193	260	8%	19 155
Overtime		10 127	5 314	5 314	697	1 624	886	739	83%	5 314
Performance Bonus		14 860	15 389	15 389	1 622	2 718	2 565	153	6%	15 389
Motor Vehicle Allowance		23 937	22 652	22 652	2 113	4 183	3 775	407	11%	22 652
Cellphone Allowance		861	827	827	75	148	138	10	7%	827
Housing Allowances		1 750	1 772	1 772	148	297	295	1	0%	1 772
Other benefits and allowances		3 899	155	155	246	524	26	498	1928%	155
Payments in lieu of leave		5 645	—	—	109	976	—	976	#DIV/0!	—
Long service awards		1 961	—	—	120	197	—	197	#DIV/0!	—
Post-retirement benefit obligations		1 899	—	—	—	—	—	—		—
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		961	—	—	64	118	—	118	#DIV/0!	—
In kind benefits		—	—	—	—	—	—	—		—
Sub Total - Other Municipal Staff		332 176	290 825	290 825	28 948	58 373	48 471	9 901	20%	290 825
% increase	4		-12.4%	-12.4%						-12.4%
Total Parent Municipality		353 888	313 653	313 653	30 712	62 315	52 276	10 039	19%	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 - M02 August

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	Outcome	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	2 564	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	6 597	44 350	46 390	48 432
Service charges - Waste Water Management		733	929	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 869	14 127	14 777	15 427
Service charges - Waste Management													-			
Rental of facilities and equipment		41	40	48	48	48	48	48	48	48	48	48	64	580	580	580
Interest earned - external investments		-	552	667	667	667	667	667	667	667	667	667	1 448	8 000	8 368	8 736
Interest earned - outstanding debtors		21	22	43	43	43	43	43	43	43	43	43	86	516	540	563
Dividends received													-			
Fines, penalties and forfeits		85	25	50	50	50	50	50	50	50	50	50	40	605	633	661
Licences and permits		29	17	25	25	25	25	25	25	25	25	25	28	295	308	322
Agency services													-			
Transfers and Subsidies - Operational		298 080	15 102	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	(133 086)	720 384	757 969	792 384
Other revenue		153 072	31 983	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	(153 924)	124 523	131 585	154 075
Cash Receipts by Source		453 989	51 233	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	(276 877)	913 379	961 150	1 021 179
Other Cash Flows by Source													-			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		138 000	217 700	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	####	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)		-	-	10 315	10 315	10 315	10 315	10 315	10 315	10 315	10 315	10 315	30 944	123 776	106 387	114 681
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments													-			
Total Cash Receipts by Source		591 989	268 933	162 781	162 781	162 781	162 781	162 781	162 781	162 781	162 781	162 781	(372 578)	1 953 374	1 824 489	1 940 059
Cash Payments by Type													-			
Employee related costs		31 133	31 157	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	13 214	302 013	315 906	329 805
Remuneration of councillors		899	908	970	970	970	970	970	970	970	970	970	1 103	11 640	12 176	12 711
Interest													-			
Bulk purchases - Electricity		23 855	3 627	-	-	-	-	-	-	-	-	-	(27 481)	-	-	-
Acquisitions - water & other inventory		-	1 559	982	982	982	982	982	982	982	982	982	1 388	11 788	12 311	12 835
Contracted services		(4 648)	(27 782)	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	85 495	212 260	172 013	187 345
Transfers and subsidies - other municipalities													-			
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		220 420	102 347	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	(312 528)	40 953	42 736	44 569
Cash Payments by Type		271 658	111 816	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	(238 811)	578 653	555 142	587 266
Other Cash Flows/Payments by Type																
Capital assets		51 836	34 131	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	127 611	854 309	747 707	803 584
Repayment of borrowing		-	63	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	4 365	17 712	17 712	17 712
Other Cash Flows/Payments		-	602	-	-	-	-	-	-	-	-	-	(602)	-	-	-
Total Cash Payments by Type		323 493	146 612	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	(107 437)	1 450 674	1 320 561	1 408 561
NET INCREASE/(DECREASE) IN CASH HELD		268 495	122 321	41 892	41 892	41 892	41 892	41 892	41 892	41 892	41 892	41 892	(265 141)	502 700	503 929	531 497
Cash/cash equivalents at the month/year beginning:		23 103	291 598	413 919	455 811	497 702	539 594	581 486	623 377	665 269	707 161	749 052	790 944	23 103	525 803	1 029 732
Cash/cash equivalents at the month/year end:		291 598	413 919	455 811	497 702	539 594	581 486	623 377	665 269	707 161	749 052	790 944	525 803	525 803	1 029 732	1 561 229

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M02 August

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	EXCHANGE REVENUE			
	Service charges – Water revenue	24%	This is the amounts billed on customers for water used, the year-to-date actual is R8.05 million which is 13% of the approved budget. The R8.05 million year to date actual is below the two months baseline projection or year-to-date budget of R10.6 million. A variance of R2.6 million or 24% is observed.	The municipality will monitor this line item to keep in track with the budget year forecast.
	Service charges – Sanitation revenue	13%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R2.6 million which is 14% of the approved budget. The R2.6 million year to date actual is below the two months baseline projection or year-to-date budget of R3.08 million. A variance of R409 thousand or 13% is observed.	
	Sale of goods and rendering of service	51%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R65 thousands which is 8% of the approved budget. The R65 thousands year to date actual is below the two months baseline projection or year-to-date budget of R133 thousand. A variance of R68 thousand or 51% is observed.	There was a small sale of tender documents in this period.
	Interest earned - outstanding debtors	29%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R101 thousand, which is 12% of the approved budget. The R101 thousand year-to-date actual is below the two months baseline projection or year-to-date budget of R143 thousand. A variance of R42 thousand or 29% 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	59%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R552 thousand which is 7% of the approved budget. The R552 thousand year-to-date actual is below the two months baseline projection or year-to-date budget of R1.3 million. A variance of R781 thousand or 59% is observed.	The reason for variance can be attributed to the fact that there were some investments which were not matured by the end of the reporting period.
	Rent of facilities	10%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R76 thousand which is 15% of the approved budget. The R76 thousand year-to-date actual is below the two months baseline projection or year-to-date budget of R84 thousand. A variance of R8 thousand or 10% is observed.	The municipality will review and reconcile rent with the lease agreements for future forecast.
	Licences and Permits	7%	Licences and permits year-to-date actual is R45.7 thousand which is 16% of the approved budget. the R45.7 thousand year to date actual is below the two months baseline projection or year-to-date budget of R49 thousand. A variance of R3 thousand or 7% is observed.	
	Operational revenue	93%	Operational revenue year-to-date actual is R15 thousand which is 1% of the approved budget. the R15 thousand year to date actual is below the two months baseline projection or year-to-date budget of R224 thousand. A variance of R209 thousands or 93% is observed.	The variance to this line item can be attributed the non-receipt of Insurance Refund which is not benchmarked by year to date.
	NON-EXCHANGE REVENUE			
	Fines, penalties, and forfeits	10%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R110.9 thousand, which is 18% of the approved budget. The R110.9 thousand year to date is above the two months baseline projection or year-to-date budget of R101 thousand. A variance of R10 thousand or 10% 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	153%	Transfers and subsidies year to date actual is R303.8 million which is 42% of the approved budget. The R303.8 million year to date actual is above the two months baseline projection or year-to-date budget of R120.06 million. A variance of R183.7 million or 153% 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 - M02 August

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
2	Expenditure By Type			
	Employee Related Costs	20%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R60.6 million which is 20% of the approved budget. The R60.6 million year to date actual is above the two months baseline projection or year-to-date budget of R50.3 million. A variance of R10.2 million or 20% is observed.	
	Remuneration of Councillors	13%	Remuneration of Councillors is paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R1.6 million which is 15% of the approved budget. The R1.6 million year-to-date actual is below the two months baseline projection or year-to-date budget of R1.9 million. A variance of R248 hundreds or 13% is observed.	
	Bulk purchases – electricity	0%	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 a negative amount (-R2.3 million), which means there were transaction performed incorrectly.	The municipality will prepare a journal to correct the error.
	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	0%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R15.8 million which is 17% of the approved budget. The R15.8 million year-to-date actual equals the two months baseline projection or year-to-date budget of R15.8 million. A variance of R0 or 0% is observed.	
	Finance charges	47%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R1.7 million which is 24% of the approved budget. The R1.7 million year-to-date actual is above the two month baseline projection or year-to-date budget of R1.2 million. A variance of R574 thousand or 47% is observed.	
	Contracted services	2%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R15.5 million which is 18% of the approved budget. The R15.5 million year to date actual is above the two months baseline projection or year-to-date budget of R15.2 million. A variance of R274 thousand or 2% 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	200%	Operational costs are all other expenditure not classified above. The year-to-date actual is R17.9 million which is 50% of the approved budget. the R17.9 million year-to-date actual is above the two months baseline projection or year-to-date budget of R5.9 million. A variance of R11.9 million or 200% is observed.	

DC26 Zululand - Supporting Table SC1 Material variance explanations - M02 August

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 R14 thousand. A variance of R14 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 R402 thousand. A variance of R402 thousand or 100% is observed.	
	Trading services	32%	Trading services year-to-date actual is R85.9 million which is 12% of the approved budget. the R85.9 million year-to-date actual is below the two months baseline projection or year-to-date budget of R125.5 million. A variance of R39.5 million or 32% 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 - M02 August

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	34 131	34 131	125 974	91 843	72.9%	4%
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	85 966					

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 - M02 August

Description	Ref	2024/25	Budget Year 2025/26							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		732 522	742 790	766 563	34 131	85 966	125 960	39 993	31.8%	766 563
Roads Infrastructure		–	2 410	2 410	–	–	402	402	100.0%	2 410
Roads		–	2 410	2 410	–	–	402	402	100.0%	2 410
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Power Plants		–	–	–	–	–	–	–		–
Water Supply Infrastructure		732 522	740 380	764 152	34 131	85 966	125 558	39 591	31.5%	764 152
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		32 532	28 016	51 788	5 667	9 851	6 830	(3 020)	-44.2%	51 788
Reservoirs		3 379	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		136 848	101 224	101 224	2 802	20 586	16 871	(3 715)	-22.0%	101 224
Bulk Mains		526 548	568 552	568 552	25 322	43 975	94 759	50 783	53.6%	568 552
Distribution		33 215	31 526	31 526	340	11 554	5 254	(6 300)	-119.9%	31 526
Distribution Points		–	11 061	11 061	–	–	1 844	1 844	100.0%	11 061
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
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		48 200	87	87	–	–	14	14	100.0%	87
Machinery and Equipment		48 200	87	87	–	–	14	14	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	781 494	742 877	766 650	34 131	85 966	125 974	40 008	31.8%	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 - M02 August

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		169 973	45 389	51 750	5 256	5 256	8 143	2 887	35.5%	51 750
Roads Infrastructure		-	-	-	-	-	-	-		-
Roads		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Power Plants		-	-	-	-	-	-	-		-
Water Supply Infrastructure		169 973	45 389	51 750	5 256	5 256	8 143	2 887	35.5%	51 750
Bulk Mains		64 246	30 389	36 750	5 256	5 256	5 643	387	6.9%	36 750
Distribution		-	-	-	-	-	-	-		-
Distribution Points		105 727	15 000	15 000	-	-	2 500	2 500	100.0%	15 000
Sanitation Infrastructure		-	-	-	-	-	-	-		-
Waste Water Treatment Works		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Landfill Sites		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Rail Lines		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Sand Pumps		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Data Centres		-	-	-	-	-	-	-		-
Community Assets		435	-	-	-	-	-	-		-
Community Facilities		435	-	-	-	-	-	-		-
Airports		435	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Indoor Facilities		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Monuments		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Improved Property		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Improved Property		-	-	-	-	-	-	-		-
Other assets		62	-	-	-	-	-	-		-
Operational Buildings		62	-	-	-	-	-	-		-
Municipal Offices		62	-	-	-	-	-	-		-
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	-	-	33	33	100.0%	200
Furniture and Office Equipment		-	200	200	-	-	33	33	100.0%	200
Machinery and Equipment		-	-	-	-	-	-	-		-
Machinery and Equipment		-	-	-	-	-	-	-		-
Transport Assets		10 988	-	-	-	-	-	-		-
Transport Assets		10 988	-	-	-	-	-	-		-
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	181 458	45 589	51 950	5 256	5 256	8 176	2 921	35.7%	51 950

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M02 August

Description	Ref	2024/25	Budget Year 2025/26							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		113 626	85 014	85 014	14 169	14 169	14 169	0	0.0%	85 014
Roads Infrastructure		—	762	762	127	127	127	0	0.0%	762
Roads		—	762	762	127	127	127	0	0.0%	762
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	39	39	6	6	6	0	0.0%	39
LV Networks		—	39	39	6	6	6	0	0.0%	39
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		111 606	81 842	81 842	13 640	13 640	13 640	0	0.0%	81 842
Dams and Weirs		2 199	2 959	2 959	493	493	493	0	0.0%	2 959
Boreholes		1 768	500	500	83	83	83	—	—	500
Reservoirs		9 358	7 438	7 438	1 240	1 240	1 240	0	0.0%	7 438
Pump Stations		6 426	4 729	4 729	788	788	788	0	0.0%	4 729
Water Treatment Works		8 386	7 037	7 037	1 173	1 173	1 173	0	0.0%	7 037
Bulk Mains		56 098	36 425	36 425	6 071	6 071	6 071	—	—	36 425
Distribution		27 297	22 668	22 668	3 778	3 778	3 778	0	0.0%	22 668
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations		75	86	86	14	14	14	0	0.0%	86
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		2 020	2 371	2 371	395	395	395	0	0.0%	2 371
Pump Station		203	205	205	34	34	34	—	—	205
Reticulation		1 026	1 824	1 824	304	304	304	0	0.0%	1 824
Waste Water Treatment Works		790	342	342	57	57	57	0	0.0%	342
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Community Assets		1 210	905	905	151	151	151	0	0.0%	905
Community Facilities		1 075	660	660	110	110	110	0	0.0%	660
Markets		344	—	—	—	—	—	—	—	—
Airports		731	660	660	110	110	110	0	0.0%	660
Sport and Recreation Facilities		135	244	244	41	41	41	0	0.0%	244
Outdoor Facilities		135	244	244	41	41	41	0	0.0%	244
Capital Spares		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Monuments		—	—	—	—	—	—	—	—	—
Historic Buildings		—	—	—	—	—	—	—	—	—
Works of Art		—	—	—	—	—	—	—	—	—
Conservation Areas		—	—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Other assets		1 246	1 451	1 451	242	242	242	0	0.0%	1 451
Operational Buildings		1 246	1 451	1 451	242	242	242	0	0.0%	1 451
Municipal Offices		1 246	1 394	1 394	232	232	232	0	0.0%	1 394
Stores		—	57	57	9	9	9	0	0.0%	57
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		20	21	21	4	4	4	0	0.0%	21
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		20	21	21	4	4	4	0	0.0%	21
Computer Software and Applications		18	21	21	4	4	4	0	0.0%	21
Load Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		2	—	—	—	—	—	—	—	—
Computer Equipment		1 368	1 046	1 046	174	174	174	0	0.0%	1 046
Computer Equipment		1 368	1 046	1 046	174	174	174	0	0.0%	1 046
Furniture and Office Equipment		556	609	609	101	101	101	0	0.0%	609
Furniture and Office Equipment		556	609	609	101	101	101	0	0.0%	609
Machinery and Equipment		1 818	388	388	65	65	65	0	0.0%	388
Machinery and Equipment		1 818	388	388	65	65	65	0	0.0%	388
Transport Assets		2 898	5 568	5 568	928	928	928	0	0.0%	5 568
Transport Assets		2 898	5 568	5 568	928	928	928	0	0.0%	5 568
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Living resources		—	—	—	—	—	—	—	—	—
Mature		—	—	—	—	—	—	—	—	—
Poling and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—	—
Poling and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Total Depreciation	1	122 743	95 000	95 000	15 833	15 833	15 833	0	0.0%	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: 2025/09/12