

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

31 OCTOBER 2025

MFMA S71 REPORT

2025/2026 FINANCIAL YEAR

Table of Contents

GLOSSARY.....1

PART 1 – IN-YEAR REPORT3

- 1.1. MAYORS REPORT 3
- 1.2. COUNCIL RESOLUTION 3
- 1.3. EXECUTIVE SUMMARY 3
- 1.4. OPERATING REVENUE PERFORMANCE..... 6
- 1.5. OPERATING EXPENDITURE PERFORMANCE..... 9
- 1.6. CAPITAL EXPENDITURE AND FUNDING..... 13
- 1.7. IN-YEAR BUDGET TABLES..... 16
 - MBRR Table C2 – Monthly Budget Statement Financial Performance (revenue and expenditure by functional classification) 18
 - MBRR Table C4 - Monthly Budget Statement Financial Performance (revenue and expenditure by source)..... 20
 - MBRR Table C5 - Monthly Budget Statement Capital Expenditure by vote, functional classification and funding source 21
 - MBRR Table C6 - Monthly Budget Statement Financial Position 22
 - MBRR Table C7 - Monthly Budget Statement Cash Flow Statement 28

PART 2 – SUPPORTING DOCUMENTATION32

- 2.1.DEBTORS ANALYSIS..... 32
- 2.2 CREDITORS ANALYSIS..... 33
- 2.3 INVESTMENT PORTFOLIO..... 33
- 2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE 34
- 2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS..... 36
- 2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 38
- 2.7 PARENT MUNICIPALITY FINANCIAL PERFORMANCE 40
- 2.8 MUNICIPAL ENTITY FINANCIAL PERFORMANCE 40
- 2.9 CAPITAL PROGRAMME PERFORMANCE 41
- 2.10 OTHER SUPPORTING DOCUMENTS 43
- 2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES..... 45
- 2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION..... 46

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	343 611 475.57	273 904 357	69 707 118.91	25%	42%
Total Operating Expenditure	553 766 368	271 366 322.47	189 000 139	82 366 183.05	44%	49%
Surplus/(Deficit)	261 472 076	72 245 153.10	84 904 217	-12 659 064.14		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 October 2025** is **R343.6 million**, which is **42%** of the approved operating revenue budget. The **R343.6 million** year to date Actual is **above** the **four months** baseline projection or year-to-date budget of **R273.9 million**, a variance of **R69.7 million or 25% 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 **R23.6 million** which is **29** of the total generated service charges from 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 October 2025** is **R271.3 million** which is **49%** of the approved operating expenditure budget. The **R271.3 million** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R189 million**, a variance of **R82.3 million or 44% is observed**.

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

Reasons for variances can be attributed to contracted services moving at higher pace, and inventory consumed which are moving at a slower pace than year-to-date budget; remuneration of councilors moving at higher pace 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 OCTOBER 2025	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	268 969 000	179 000 000.00	76 417 556.72	192 551 443.28	28
Regional Bulk Infrastructure (RBIG)	544 478 000	217 700 000.00	131 375 833.08	413 102 166.92	24
Water services infrastructure Grant (WSIG)	100 000 000	70 000 000.00	20 345 302.74	79 654 697.26	20
Rural Roads Asset Managemnt Systems Grant	2 772 000	1 940 000.00	-	2 772 000.00	-
Indonsa Grant	1 719 000	2 331 100.00	-	1 719 000.00	-
FMG	1 300 000	1 300 000.00	494 298.76	805 701.24	38
EPWP	6 406 000	1 602 000.00	4 486 768.84	1 919 231.16	70
LGSETA Waste Water Employees	-	99 606.00	99 000.00	-99 000.00	
TS_O_M_PG_KZN_CAP BLD AVIATION	500 000	1 000 000.00	-	500 000.00	-
NSF		12 199 851.30	12 019 000.00		-
AMAFA		160 000.00	160 000.00		-
	926 144 000	487 232 951	245 298 760	693 024 240	181

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	742 877 267	194 672 414.65	251 467 765	-56 795 350.79	-23%	26%
Total Capital Financing	742 877 267	194 672 414.65	251 467 765	-56 795 350.79	-23%	26%

Grants receipts and expenditure

Total Capital Expenditure as at **31 October 2025** is **R194.6 million** which is **26%** of the approved capital budget. The **R194.6 million** year to date actual is **below** the **four months** baseline projection or year-to-date budget of **R251.6 million**, a variance of **R58.7 million or 23%**.

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 **28%**, **RBIG** is at **24%**, **WSIG** is at **20%** **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	263 675 714.71	39
Total non current assets	5 982 750 926	6 351 074 852.54	106
Total current liabilities	406 164 039	765 337 582.97	188
Total non current liabilities	254 145 896	129 892 990.62	51
TOTAL COMMUNITY WEALTH/ EQUITY	4 821 896 212	5 873 304 866.09	102.6%

The current assets year to date actual is **R263.6 million**, which is **39%** of the approved budget. **Non - Current assets** year to date actual is **R6.3 billion**, which is **106%** of the approved budget. **Current Liabilities** year to date actual is **R765.3 million** which is **188%** of the approved budget. **Non- Current Liabilities** year to date is **R129.8 million** which is **51%** of the approved budget. **Accumulated surplus** year to date actual is **R5.8 billion** which is **102.6%** of the approved budget.

Current assets amount to **R263.6 million**, included in the current assets is an investment of **R67 million**.

Current liabilities amount to **R765.3 million**, this includes unspent conditional grants amounting to **R416.9 million**.

The Current ratio is 0.34:1 [**263.6 million/765.3 million**], the current ratio norm is **2:1**

The municipality approved the funded budget, in the budget there was inclusion of debt relief from DWS, the main condition was to make sure that the municipality pays the current month expenditure.

Since the signing of agreement, the municipality has started to pay even though there is an issue that DWS does not put all invoices on time in their portal, that results to inconsistent payments.

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) - M04 October

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	5 508	18 122	21 318	(3 196)	-15%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 483	5 518	6 165	(647)	-10%	18 494
Service charges - Waste management										
Sale of Goods and Rendering of Services		627	800	800	0	340	267	73	27%	800
Agency services										
Interest										
Interest earned from Receivables		746	858	858	46	206	286	(80)	-28%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	246	1 380	2 667	(1 287)	-48%	8 000
Dividends										
Rent on Land										
Rental from Fixed Assets		463	504	504	39	154	168	(14)	-8%	504
Licence and permits		277	295	295	12	71	98	(27)	-27%	295
Special rating levies										
Operational Revenue		1 542	1 344	1 344	173	196	448	(252)	-56%	1 344
Non-Exchange Revenue										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits		449	605	605	11	136	202	(65)	-32%	605
Licence and permits										
Transfers and subsidies - Operational		722 619	720 384	739 809	13 337	317 489	242 286	75 203	31%	739 809
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	834 663	20 856	343 611	273 904	69 707	25%	834 663

The year-to-date actual indicates operating revenue of **R343.6 million** for **October**, The **R343.6 million** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R273.9 million**, a variance of **R69.7 million** or **25%** 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 **R18.1 million** which is **28 %** of the approved budget. The **R18.1 million** year to date actual is **below** the **Four months** baseline projection or year-to-date budget of **R21.3 million**. A variance of **R3.1 million** or **15%** is observed. For the month of **October**, the municipality started the process of replacing

estimates with prepaid meters, and for the month of October, the municipality have installed More prepaid meters that's why our monthly Actual is **R5.5 million**.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R5.5 million** which is **29%** of the approved budget. The **R5.5 million** year to date actual is **below** the **four months** baseline projection or year-to-date budget of **R6.1 million**. A variance of **R647 thousand** or **10%** is observed. Sanitation will for the month of **October** will have an effect since **Business have an excess charge** and it also affect our sanitation since we have changed billing from **estimates to Actual** for the month of **October**.

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 **R340 thousands** which is **43%** of the approved budget. The **R340 thousands** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R267 thousand**. A variance of **73 thousand** or **27%** is observed.

There was a Huge sale of tender documents for the month of **October 2025** 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 **R206 thousand**, which is **24%** of the approved budget. The **R206 thousand** year-to-date actual is **below** the **four months** baseline projection or year-to-date budget of **R286 thousand**. A variance of **R80 thousand** or **28%** is observed.

Reasons for variances can be attributed to businesses' adherence to payment terms; the municipality must implement stringent measures for the Month of **October since** we have an **Actual of R46 thousand**, we must ensure that 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 **R1.3 million** which is **17%** of the approved budget. The **R1.3 million** year-to-date actual is **below the four-month** baseline projection or year-to-date budget of **R2.6 million**. A variance of **R1.2 million** or **48%** 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 **R154 thousand** which is **30%** of the approved budget. The **R154 thousand** year-to-date actual is **below** the **four months** baseline projection or year-to-date budget of **R168 thousand**. A variance of **R14 thousand** or **8%** is observed

The municipality will review and reconcile rent with the lease agreements for future forecast. The Rent on Facilities is Fixed

Licences and Permits

Licences and permits year-to-date actual is **R71 thousand** which is **24%** of the approved budget. the **R71 thousand** year to date actual is **below** the **four months** baseline projection or year-to-date budget of **R98 thousand**. A variance of **R27 thousand** or **27%** is observed. In the Month of **October** there were only health certificate issued.

Operational revenue

Operational revenue year-to-date actual is **R196 thousand** which is **15%** of the approved budget. the **R196 thousand** year to date actual is **below** the **four months** baseline projection or year-to-date budget of **R448 thousand**. A variance of **R252 thousands** or **56%** is observed.

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

NON-EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R136 thousand**, which is **23%** of the approved budget. The **R136 thousand** year to date is **below** the **four-month** baseline projection or year-to-date budget of **R202 thousand**. A variance of **R65 thousand** or **32%** is observed.

Reasons for variances highlight a negative indication that more consumers are illegally connected or a indication that some illegally connected consumers have been 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 **R317.4 million** which is **44** of the approved budget. The **R317.4 million** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R242.2 million**. A variance of **R75.2 million** or **31%** 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) - M04 October

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		343 349	302 013	302 013	30 224	121 427	100 672	20 755	21%	302 013
Remuneration of councillors		10 539	11 640	11 640	812	3 376	3 880	(504)	-13%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		57 950	10 250	9 977	(723)	(3 880)	3 342	(7 222)	-216%	9 977
Debt impairment		30 773	4 000	4 000	-	-	1 333	(1 333)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	7 917	31 667	31 667	(0)	0%	95 000
Interest		18 091	7 575	7 335	923	3 643	2 447	1 196	49%	7 335
Contracted services		318 600	87 677	106 832	5 980	52 537	33 593	18 944	56%	106 832
Transfers and subsidies		9 064	-	-	2	2	-	2	#DIV/0!	-
Irrecoverable debts written off		2 724	-	-	-	-	-	-		-
Operational costs		335 440	35 611	36 394	19 649	62 594	12 066	50 528	419%	36 394
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 249 551	553 766	573 191	64 785	271 366	189 000	82 366	44%	573 191

The year-to-date actuals indicate spending of **R271.3 million for four months**, which is **49%** of the approved operating expenditure budget. The **R271.3 million** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R189 million**, a variance of **R82.3 million** or less than **44%** 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 **R121.4 million** which is **40%** of the approved budget. The **R121.4 million** year to date actual is **above** the **four-month** baseline projection or year-to-date budget of **R100.6 million**. A variance of **R20.7 million** or **21%** is observed. The expenditure for the month is **R30.2 million**.

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R3.3 million** which is **29%** of the approved budget. The **R3.3 million** year-to-date actual is **below** the **four-month** baseline projection or year-to-date budget of **R3.8 million**. A variance of **R504 thousand** or **13%** is observed. The Expenditure for the Month is **R812 thousand**.

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 (**-R3.8 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 **R31.6 million** which is **33%** of the approved budget. The **R31.6 million** year-to-date actual **equals** the **four month** baseline projection or year-to-date budget of **R31.6 million**. A variance of **R0** or **0%** is observed. The movement for the month is **R7.9 million**.

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 **R3.6 million** which is **48%** of the approved budget. The **R3.6 million** year-to-date actual is **above** the **four-month** baseline projection or year-to-date budget of **R2.4 million**. A variance of **R1.1 million** or **49%** is observed. The movement for the month is **R923 thousand** resulting from interest on loan.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R52.5 million** which is **60%** of the approved budget. The **R52.5 million** year to date actual is **above** the **four-month** baseline projection or year-to-date budget of **R33.5 million**. A variance of **R18.9 million** or **56%** is observed. The movement for the month is **R5.9 million**, the major movements are noted in non employees training funded by NSF, Security services & Bulk maintenance.

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 **R62.5 million** which is **176%** of the approved budget. the **R62.5 million** year-to-date actual is **above** the **four months** baseline projection or year-to-date budget of **R12 million**. A variance of **R50.5 million** or **419%** is observed. The movement for the month is **R19.6 million**. Major movements are from Eskom, lease of fleet & wet fuel.

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	494 298.76	433 333	60 965.43	14%	38%
EPWP Incentive	6 406 000	4 486 768.84	2 135 333	2 351 435.51	110%	70%
Art centre Subsisies (Indonsa Grant)	1 719 000	-	573 000	-573 000.00	-100%	0%
Aviation Grant	500 000	-	166 667	-166 666.67	-100%	0%
LG SETA	99 606	-	33 202	-33 202.00	-100%	0%
Disaster Management Grant	7 125 285	6 043 987.73	2 375 095	3 668 892.73		
Total Operating Grant Expenditure	17 149 891	11 025 055.33	5 716 630.33	5 308 425.00	93%	64%

FMG **38%**, EPWP Incentive **70%**, Art center subsidies (Indonsa Grant) **0%**,LG SETA **0%**, Aviation Grant **0%** and NSF **0%**

Grants Rollovers

ROLLED OVER GRANTS FROM 2024/2025	APPROVED ROLLOVER	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %
TSUCM COGTA BOREHOLES:OPEN/B	1 445 896	-	481 965	-481 965.32	-
Disaster Management Grant	7 125 285	6 043 987.73	2 375 095	3 668 892.73	85%
Total Operating Grant Expenditure	8 571 181	6 043 987.73	2 857 060	3 186 927.41	85%

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) - M04 October

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	5 508	18 122	21 318	(3 196)	-15%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 483	5 518	6 165	(647)	-10%	18 494
Service charges - Waste management							-			
Sale of Goods and Rendering of Services		627	800	800	0	340	267	73	27%	800
Agency services							-			
Interest							-			
Interest earned from Receivables		746	858	858	46	206	286	(80)	-28%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	246	1 380	2 667	(1 287)	-48%	8 000
Dividends							-			
Rent on Land							-			
Rental from Fixed Assets		463	504	504	39	154	168	(14)	-8%	504
Licence and permits		277	295	295	12	71	98	(27)	-27%	295
Special rating levies							-			
Operational Revenue		1 542	1 344	1 344	173	196	448	(252)	-56%	1 344
Non-Exchange Revenue										
Property rates							-			
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	11	136	202	(65)	-32%	605
Licence and permits							-			
Transfers and subsidies - Operational		722 619	720 384	739 809	13 337	317 489	242 286	75 203	31%	739 809
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	834 663	20 856	343 611	273 904	69 707	25%	834 663
Expenditure By Type										
Employee related costs		343 349	302 013	302 013	30 224	121 427	100 672	20 755	21%	302 013
Remuneration of councillors		10 539	11 640	11 640	812	3 376	3 880	(504)	-13%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		57 950	10 250	9 977	(723)	(3 880)	3 342	(7 222)	-216%	9 977
Debt impairment		30 773	4 000	4 000	-	-	1 333	(1 333)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	7 917	31 667	31 667	(0)	0%	95 000
Interest		18 091	7 575	7 335	923	3 643	2 447	1 196	49%	7 335
Contracted services		318 600	87 677	106 832	5 980	52 537	33 593	18 944	56%	106 832
Transfers and subsidies		9 064	-	-	2	2	-	2	#DIV/0!	-
Irrecoverable debts written off		2 724	-	-	-	-	-	-		-
Operational costs		335 440	35 611	36 394	19 649	62 594	12 066	50 528	419%	36 394
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 249 551	553 766	573 191	64 785	271 366	189 000	82 366	44%	573 191
Surplus/(Deficit)		(439 449)	261 472	261 472	(43 929)	72 245	84 904	(12 659)	(0)	261 472
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	85 290	228 139	305 406	(77 268)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	(0)	1 177 691
Income Tax										
Surplus/(Deficit) after income tax		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	(0)	1 177 691
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	1 177 691	41 361	300 384	390 311	(89 927)	(0)	1 177 691
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	(0)	1 177 691

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	194 672 414.65	251 467 765	-56 795 350.79	-23%	26%
Total Capital Financing	742 877 267	194 672 414.65	251 467 765	-56 795 350.79	-23%	26%

The capital expenditure amounts to **R194.6 million**, which is **26%** of the capital approved budget, after a period of **four months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 03 - Finance		511	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	30 670	-	2 160	10 223	(8 064)	-79%	30 670
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	511	-	30 670	-	2 160	10 223	(8 064)	-79%	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	-	-	29	(29)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	712 120	73 570	192 513	241 215	(48 703)	-20%	712 120
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	712 207	73 570	192 513	241 244	(48 732)	-20%	712 207
Total Capital Expenditure		781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Capital Expenditure - Functional Classification										
Governance and administration		712	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		712	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	87	87	-	-	29	(29)	-100%	87
Community and social services		-	87	87	-	-	29	(29)	-100%	87
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		61	2 410	2 410	-	-	803	(803)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	803	(803)	-100%	2 410
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		780 722	740 380	740 380	73 570	194 672	250 635	(55 963)	-22%	740 380
Energy sources		-	-	-	-	-	-	-	-	-
Water management		780 722	740 380	740 380	73 570	194 672	250 635	(55 963)	-22%	740 380
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Funded by:										
National Government		732 522	742 790	742 790	73 570	194 672	251 439	(56 766)	-23%	742 790
Provincial Government		-	87	87	-	-	29	(29)	-100%	87
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		732 522	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Borrowing	6	48 200	-	-	-	-	-	-	-	-
Internally generated funds		772	-	-	-	-	-	-	-	-
Total Capital Funding		781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877

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 **three months** baseline projection or year-to-date budget of **R29 thousand**. A variance of **R29 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 three-month** baseline projection or year-to-date budget of **R803 thousand**. A variance of **R803 thousand** or **100%** is observed.

Trading services

Trading services year-to-date actual is **R194.6 million** which is **26%** of the approved budget. the **R194.6 million** year-to-date actual is **below** the **four months** baseline projection or year-to-date budget of **R250.6 million**. A variance of **R55.9 million** or **22%** 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	66 753 173.98	77 962 029	-11 208 855.01	-14%	29%
Regional Bulk Infrastructure (RBIG)	473 459 130	114 865 119.15	157 819 710	-42 954 590.99	-27%	24%
Water services infrastructure Grant (WSIG)	86 956 522	17 933 349.50	28 985 507	-11 052 157.75	-38%	21%
Rural Roads Asset Managemnt Systems Grant	2 410 435	-	803 478	-803 478.26	-100%	0%
Art centre Subsisies (Indonsa Grant)	86 957	-	28 986	-28 985.67	-100%	0%
Total Operating Expenditure	796 799 131	199 551 642.63	265 599 710	-66 048 067.67	-25%	25%

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	76 417 556.72	89 656 333	-13 238 776.61	-15%	28%
Regional Bulk Infrastructure (RBIG)	544 478 000	131 375 833.08	181 492 667	-50 116 833.59	-28%	24%
Water services infrastructure Grant (WSIG)	100 000 000	20 345 302.74	33 333 333	-12 988 030.59	-39%	20%
Rural Roads Asset Managemnt Systems Grant	2 772 000	-	924 000	-924 000.00	-100%	0%
Indonsa Grant	100 001	-	33 334	-33 333.52	-100%	0%
Total Capital Grant Expenditure	916 319 001	228 138 693	305 439 667	-77 300 974	-25%	25%

Overall capital grant expenditure is sitting at **25%** of the approved capital budget, **MIG** is sitting at **28%**, **RBIG** at **24%**, **WSIG** at **20%**, **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 - M04 October

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	6 992	23 639	27 483	(3 843)	-14%	82 448
Investment revenue	8 129	8 000	8 000	246	1 380	2 667	(1 287)	-48%	8 000
Transfers and subsidies - Operafonal	722 619	720 384	739 809	13 337	317 489	242 286	75 203	0	739 809
Other own revenue	5 810	4 406	4 406	282	1 104	1 469	(365)	-25%	4 406
Total Revenue (excluding capital transfers and contributions)	810 101	815 238	834 663	20 856	343 611	273 904	69 707	25%	834 663
Employee costs	343 349	302 013	302 013	30 224	121 427	100 672	20 755	21%	302 013
Remuneration of Councilors	10 539	11 640	11 640	812	3 376	3 880	(504)	-13%	11 640
Depreciation and amortisation	122 743	95 000	95 000	7 917	31 667	31 667	(0)	-0%	95 000
Interest	18 091	7 575	7 335	923	3 643	2 447	1 196	49%	7 335
Inventory consumed and bulk purchases	57 950	10 250	9 977	(723)	(3 880)	3 342	(7 222)	-216%	9 977
Transfers and subsidies	9 064	-	-	2	2	-	2	#DIV/0!	-
Other expenditure	687 815	127 288	147 226	25 629	115 131	46 992	68 139	145%	147 226
Total Expenditure	1 249 551	553 766	573 191	64 785	271 366	189 000	82 366	44%	573 191
Surplus/(Deficit)	(439 449)	261 472	261 472	(43 929)	72 245	84 904	(12 659)	-15%	261 472
Transfers and subsidies - capital (monetary)	851 477	916 219	916 219	85 290	228 139	305 406	###	-25%	916 219
Transfers and subsidies - capital (in-kind)	8	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	-23%	1 177 691
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	-23%	1 177 691
Capital expenditure & funds sources									
Capital expenditure	781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Capital transfers recognised	732 522	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Borrowing	48 200	-	-	-	-	-	-	-	-
Internally generated funds	772	-	-	-	-	-	-	-	-
Total sources of capital funds	781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Financial position									
Total current assets	169 179	677 146	677 146		263 676				677 146
Total non current assets	6 188 069	5 982 751	5 982 751		6 351 075				5 982 751
Total current liabilities	811 894	406 164	406 164		765 338				406 164
Total non current liabilities	126 218	254 146	254 146		129 893				254 146
Community wealth/Equity	5 727 133	4 821 896	4 821 896		5 718 604				4 821 896
Cash flows									
Net cash from (used) operating	2 817 051	1 250 945	1 250 945	79 707	585 628	416 982	(168 646)	-40%	1 250 945
Net cash from (used) investing	(780 983)	(854 309)	(854 309)	(73 570)	(194 672)	(284 770)	(90 097)	32%	(854 309)
Net cash from (used) financing	(18 304)	(17 712)	(17 712)	0	(257)	(5 904)	(5 647)	96%	(17 712)
Cash/cash equivalents at the month/year end	2 074 834	367 748	367 748	413 801	413 801	115 132	(298 669)	-259%	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	8 578	6 037	5 788	5 165	5 484	3 947	27 296	223 570	285 865
Creditors Age Analysis									
Total Creditors	505	401	10 271	11 704	15 800	5 526	8 150	9 953	62 311

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 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	734 963	12 816	311 043	242 254	68 789	28%	734 963
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		727 592	722 663	734 963	12 816	311 043	242 254	68 789	28%	734 963
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 874	2 118	9 243	991	7 095	1 498	5 597	374%	9 243
Community and social services		2 578	1 719	8 844	979	7 023	1 365	5 658	415%	8 844
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		296	399	399	12	71	133	(62)	-46%	399
<i>Economic and environmental services</i>		1 857	2 772	2 772	-	-	924	(924)	-100%	2 772
Planning and development		1 857	2 772	2 772	-	-	924	(924)	-100%	2 772
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		929 225	1 003 344	1 003 344	92 326	253 578	334 448	(80 870)	-24%	1 003 344
Energy sources		-	-	-	-	-	-	-	-	-
Water management		910 913	984 607	984 607	90 836	248 032	328 202	(80 170)	-24%	984 607
Waste water management		18 312	18 738	18 738	1 490	5 546	6 246	(700)	-11%	18 738
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	38	560	560	13	35	187	(152)	-81%	560
Total Revenue - Functional	2	1 661 587	1 731 457	1 750 882	106 146	571 750	579 311	(7 561)	-1%	1 750 882
Expenditure - Functional										
<i>Governance and administration</i>		469 090	157 805	170 215	24 517	102 404	55 069	47 334	86%	170 215
Executive and council		136 913	32 580	32 682	3 577	14 047	10 859	3 188	29%	32 682
Finance and administration		273 704	114 888	127 699	19 245	72 214	40 934	31 280	76%	127 699
Internal audit		58 473	10 338	9 834	1 696	16 143	3 276	12 867	393%	9 834
<i>Community and public safety</i>		28 017	26 183	33 308	2 963	14 531	10 671	3 860	36%	33 308
Community and social services		9 732	13 973	21 098	1 565	8 702	6 601	2 101	32%	21 098
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		7 663	-	-	536	2 440	-	2 440	#DIV/0!	-
Housing		-	-	-	-	-	-	-	-	-
Health		10 622	12 210	12 210	862	3 390	4 070	(680)	-17%	12 210
<i>Economic and environmental services</i>		23 672	20 747	20 747	2 060	7 650	6 916	734	11%	20 747
Planning and development		23 672	20 747	20 747	2 060	7 650	6 916	734	11%	20 747
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		719 692	339 990	339 880	34 471	143 595	113 330	30 264	27%	339 880
Energy sources		-	-	-	-	-	-	-	-	-
Water management		703 694	326 178	329 054	33 529	140 109	109 725	30 384	28%	329 054
Waste water management		15 997	13 812	10 826	942	3 486	3 606	(120)	-3%	10 826
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		9 079	9 041	9 041	773	3 187	3 014	173	6%	9 041
Total Expenditure - Functional	3	1 249 551	553 766	573 191	64 785	271 366	189 000	82 366	44%	573 191
Surplus/ (Deficit) for the year		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	-0.230398	1 177 691

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) - M04 October

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	13 277	12 289	12 310	1 692	10 618	627.4%	13 277
Vote 03 - Finance		684 315	722 246	722 246	540	298 767	240 749	58 019	24.1%	722 246
Vote 04 - Community Development		2 874	2 118	9 243	991	7 095	1 498	5 597	373.7%	9 243
Vote 05 - Planning & Wsa		856 704	922 625	922 625	85 290	229 741	307 542	(77 801)	-25.3%	922 625
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		56 066	64 754	64 754	5 546	18 291	21 584	(3 293)	-15.3%	64 754
Vote 09 - Waste Water		18 312	18 738	18 738	1 490	5 546	6 246	(700)	-11.2%	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	1 750 882	106 146	571 750	579 311	(7 561)	-1.3%	1 750 882
Expenditure by Vote	1									
Vote 01 - Council		149 244	39 008	39 118	4 185	16 488	13 003	3 485	26.8%	39 118
Vote 02 - Corporate Services		238 796	70 945	83 245	15 895	70 602	26 116	44 486	170.3%	83 245
Vote 03 - Finance		73 307	45 795	45 795	4 177	14 773	15 265	(492)	-3.2%	45 795
Vote 04 - Community Development		59 143	49 235	56 360	5 370	22 900	18 355	4 545	24.8%	56 360
Vote 05 - Planning & Wsa		33 818	75 338	75 338	2 601	12 168	25 113	(12 945)	-51.5%	75 338
Vote 06 - Technical Services		4 870	6 413	6 413	971	3 607	2 138	1 470	68.7%	6 413
Vote 07 - Water Purification		53 728	48 672	48 672	4 740	18 900	16 224	2 676	16.5%	48 672
Vote 08 - Water Distribution		620 647	204 548	207 424	25 903	108 442	69 181	39 261	56.8%	207 424
Vote 09 - Waste Water		15 997	13 812	10 826	942	3 486	3 606	(120)	-3.3%	10 826
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 249 551	553 766	573 191	64 785	271 366	189 000	82 366	43.6%	573 191
Surplus/ (Deficit) for the year	2	412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)	-23.0%	1 177 691

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) - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 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	5 508	18 122	21 318	(3 196)	-15%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 483	5 518	6 165	(647)	-10%	18 494
Service charges - Waste management										
Sale of Goods and Rendering of Services		627	800	800	0	340	267	73	27%	800
Agency services										
Interest										
Interest earned from Receivables		746	858	858	46	206	286	(80)	-28%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	246	1 380	2 667	(1 287)	-48%	8 000
Dividends										
Rent on Land										
Rental from Fixed Assets		463	504	504	39	154	168	(14)	-8%	504
Licence and permits		277	295	295	12	71	98	(27)	-27%	295
Special rating levies										
Operational Revenue		1 542	1 344	1 344	173	196	448	(252)	-56%	1 344
Non-Exchange Revenue										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits		449	605	605	11	136	202	(65)	-32%	605
Licence and permits										
Transfers and subsidies - Operational		722 619	720 384	739 809	13 337	317 489	242 286	75 203	31%	739 809
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	834 663	20 856	343 611	273 904	69 707	25%	834 663
Expenditure By Type										
Employee related costs		343 349	302 013	302 013	30 224	121 427	100 672	20 755	21%	302 013
Remuneration of councillors		10 539	11 640	11 640	812	3 376	3 880	(504)	-13%	11 640
Bulk purchases - electricity										
Inventory consumed		57 950	10 250	9 977	(723)	(3 880)	3 342	(7 222)	-216%	9 977
Debt impairment		30 773	4 000	4 000			1 333	(1 333)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	7 917	31 667	31 667	(0)	0%	95 000
Interest		18 091	7 575	7 335	923	3 643	2 447	1 196	49%	7 335
Contracted services		318 600	87 677	106 832	5 980	52 537	33 593	18 944	56%	106 832
Transfers and subsidies		9 064			2	2		2	#DIV/0!	
Irrecoverable debts written off		2 724								
Operational costs		335 440	35 611	36 394	19 649	62 594	12 066	50 528	419%	36 394
Losses on Disposal of Assets		6								
Other Losses		272								
Total Expenditure		1 249 551	553 766	573 191	64 785	271 366	189 000	82 366	44%	573 191
Surplus/(Deficit)		(439 449)	261 472	261 472	(43 929)	72 245	84 904	(12 659)		261 472
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	85 290	228 139	305 406	(77 268)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8							(0)	
Surplus/(Deficit) after capital transfers & contributions		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)		1 177 691
Income Tax										
Surplus/(Deficit) after income tax		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)		1 177 691
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	1 177 691	41 361	300 384	390 311	(89 927)		1 177 691
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		412 036	1 177 691	1 177 691	41 361	300 384	390 311	(89 927)		1 177 691

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) - M04 October

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 03 - Finance		511	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	30 670	-	2 160	10 223	(8 064)	-79%	30 670
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	511	-	30 670	-	2 160	10 223	(8 064)	-79%	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	-	-	29	(29)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	712 120	73 570	192 513	241 215	(48 703)	-20%	712 120
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	712 207	73 570	192 513	241 244	(48 732)	-20%	712 207
Total Capital Expenditure		781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Capital Expenditure - Functional Classification										
Governance and administration		712	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		712	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	87	87	-	-	29	(29)	-100%	87
Community and social services		-	87	87	-	-	29	(29)	-100%	87
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		61	2 410	2 410	-	-	803	(803)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	803	(803)	-100%	2 410
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		780 722	740 380	740 380	73 570	194 672	250 635	(55 963)	-22%	740 380
Energy sources		-	-	-	-	-	-	-	-	-
Water management		780 722	740 380	740 380	73 570	194 672	250 635	(55 963)	-22%	740 380
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Funded by:										
National Government		732 522	742 790	742 790	73 570	194 672	251 439	(56 766)	-23%	742 790
Provincial Government		-	87	87	-	-	29	(29)	-100%	87
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		732 522	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877
Borrowing	6	48 200	-	-	-	-	-	-	-	-
Internally generated funds		772	-	-	-	-	-	-	-	-
Total Capital Funding		781 494	742 877	742 877	73 570	194 672	251 468	(56 795)	-23%	742 877

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 - M04 October

Description	Ref	Budget Year 2025/26				
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents		23 103	479 180	479 180	115 105	479 180
Trade and other receivables from exchange transactions		16 131	99 976	99 976	28 307	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	13 623	3 966
VAT		99 250	64 744	64 744	79 647	64 744
Other current assets		26 669	23 584	23 584	26 405	23 584
Total current assets		169 179	677 146	677 146	263 676	677 146
Non current assets						
Investments						
Investment property						
Property, plant and equipment		6 180 244	5 974 921	5 974 921	6 343 257	5 974 921
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		8	3	3	1	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	5 982 751	6 351 075	5 982 751
TOTAL ASSETS		6 357 248	6 659 897	6 659 897	6 614 751	6 659 897
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		17 951	18 318	18 318	17 698	18 318
Consumer deposits		3 372	3 463	3 463	3 369	3 463
Trade and other payables from exchange transactions		741 342	345 272	345 272	454 841	345 272
Trade and other payables from non-exchange transactions		9 219	1 446	1 446	247 176	1 446
Provision		37 937	27 940	27 940	37 937	27 940
VAT		2 073	9 725	9 725	4 316	9 725
Other current liabilities		–	–	–	–	–
Total current liabilities		811 894	406 164	406 164	765 338	406 164
Non current liabilities						
Financial liabilities		75 704	59 706	59 706	79 379	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	129 893	254 146
TOTAL LIABILITIES		938 112	660 310	660 310	895 231	660 310
NET ASSETS	2	5 419 136	5 999 587	5 999 587	5 719 520	5 999 587
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 727 133	4 821 896	4 821 896	5 718 604	4 821 896
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	5 727 133	4 821 896	4 821 896	5 718 604	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 October 2025 indicates a Bank balance of **R48.1 million**

Call Investments Deposits

Call investments as at 31 October 2025 is **R67 million**.

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R28.3 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R285.6 million**. Consumer debtors' amount to **R288.2 million** and **R2.2 million** is for shared services cast in Other Debtors.

Gross Consumer debtors	R288.2 million
Less Impairment	(R259.9 million)
Net Consumer Debtors	R28.3 million

Classification of Consumer Debtors per Service type

Water Debtors	R18.6 million
Sanitation Debtors	R3.7 million
Property Rentals Debtors	R425.7 thousand
Other Consumer debtors	R422.8 thousand
Receivables from non-exchange	R5.4 million
Total	R28.3 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R18.6 million**.
Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R224.7 million
Less Impairment	(R206 million)
Net Water Debtors	R18.6 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R3.7 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R56.4 million
Less Impairment	(R52.7 million)
Net Sanitation Debtors	R3.7 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amounted to **R79.5 thousand**

Property Rental	R480.3 thousand
Less Impairment	(R400.8 thousand)
Net Property rental	R79.5 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R422.8 thousand**, these are sundry debtors.

Gross Other Debtors	R1.2 million
Less Impairment	(R829.8 thousand)
Net Other Debtors	R422.8 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	R222.7 million
Commercial/Businesses	R 19.9 million
Organs of State (excl shared services of R3.3 mill)	R 43.1 million
Total	R285.6 million

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

Gross Households debtors	R222.7 million
Commercial/Businesses	R 19.9 million
Less Impairment	(R259.9 million)
Net Household debtors	-R17.2 million

Receivables from non – exchange

Fruitless expenditure

Amount to be recovered amounting to **R589 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 **R13.3 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R79.6 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 **R26.4 million**.

Deposits Made	R26.2 million
Refunds & under/over banking	R56 thousand
Overpayment/Accrued income/UIFW	R873 thousand
Operating lease	R8 thousand
Salary Advance	R47 thousand
Insurance claims	R284 thousand
Total	R26.4 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 **R6.3 billion**

Opening balance	R6.1 billion
Additions	R194.6 million
Depreciation	(R0)
Closing Balance	R6.3 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 **R1 thousand**

Opening balance	R1 thousand
Additions	R 0
Depreciation	(R)
Closing Balance	R1 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 **R17.6 million**.

Long Term Loan	R17.4 million
Finance lease BCX	R206.3 thousand
Total Financial liabilities	R17.6 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 **R454.8 million**.

Trade Creditors	R145.9 million
Retention	R125 million
Department of Water & Sanitation	R91.4 million
Employee related cost	R1.2 million
Advance Payments	R1.8 million
Salary Suspense Accounts	R148 thousand
Leave accrual	R788 thousand
Unpaid cheques	R3.4 million
Refund	R137 thousand
Over/Under Banking	R9 Rands
Inventory	R349 thousand
Other Creditors	R546 thousand
Fleet Horizon	R15.8 Million
WSSA	R67.4 million
Closing Balance	R454.8 million

Trade and other payables from non-exchange transactions

This is the amount of unspent conditional grants which will be recognized when the conditions are met. Unspent conditional grants amount to **R247.1 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 **R4.3 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 **R79.3 million**.

Long term loan	R78.2 million
Operating lease LUMD	R997 thousand
Operating lease long term BCX	R143 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 - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 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	4 077	14 175	19 492	(5 318)	-27%	58 477
Other revenue		1 568 934	126 002	126 002	150 321	398 350	42 001	356 349	848%	126 002
Transfers and Subsidies - Operational		729 726	720 384	720 384	1 536	314 718	240 128	74 590	31%	720 384
Transfers and Subsidies - Capital		851 477	916 219	916 219	31 940	468 640	305 406	163 234	53%	916 219
Interest		5 345	8 516	8 516	260	1 449	2 839	(1 390)	-49%	8 516
Dividends										
Payments										
Suppliers and employees		(381 202)	(578 653)	(578 653)	(108 427)	(611 703)	(192 884)	418 819	-217%	(578 653)
Interest										
Transfers and Subsidies										
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 817 051	1 250 945	1 250 945	79 707	585 628	416 982	(168 646)	-40%	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)	(73 570)	(194 672)	(284 770)	(90 097)	32%	(854 309)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(780 983)	(854 309)	(854 309)	(73 570)	(194 672)	(284 770)	(90 097)	32%	(854 309)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing		511								
Increase (decrease) in consumer deposits		(8)			0	(4)		(4)	#DIV/0!	
Payments										
Repayment of borrowing		(18 807)	(17 712)	(17 712)		(253)	(5 904)	(5 651)	96%	(17 712)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(18 304)	(17 712)	(17 712)	0	(257)	(5 904)	(5 647)	96%	(17 712)
NET INCREASE/ (DECREASE) IN CASH HELD		2 017 763	378 924	378 924	6 137	390 698	126 308			378 924
Cash/cash equivalents at beginning:		57 071	(11 176)	(11 176)	407 664	23 103	(11 176)			23 103
Cash/cash equivalents at month/year end:		2 074 834	367 748	367 748	413 801	413 801	115 132			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 **R14.1 million** to date. This is **24%** of budgeted collection and **61%** 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 **R314.7 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	R2.3 million
LG SETA	R99 thousand
Aviation Grant	R1 million
NSF	R12 million
TOTAL	R314.7 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 **R468.6 million**. This amount includes MIG, RBIG and WSIG which were received thus far under Transfers and subsidies - Capital.

Regional Infrastructure Grant	R217 million
Municipal Infrastructure Grant	R179 million
Water Services Infrastructure Grant	R70 million
TOTAL	R468.6 million

Interest

Interest on the investment budget is **R1.4 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 **R260 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 **R194.6 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 **R115.1 million** in the financial position but in the cash flow, it is **R413.8 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 October 2025

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 727	4 756	4 604	4 025	4 516	2 966	21 746	173 321	222 662	206 574	-	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	1 537	1 194	1 060	954	879	746	4 972	44 873	56 216	52 425	-	52 703
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	12	12	11	11	11	89	263	448	406	-	401
Interest on Arrear Debtor Accounts	1810	58	58	57	55	56	58	354	1 305	2 001	1 828	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	238	16	54	120	21	165	136	3 788	4 537	4 229	-	-
Total By Income Source	2000	8 578	6 037	5 788	5 165	5 484	3 947	27 296	223 570	285 865	265 462	-	259 131
2024/25 - totals only		7755971	7307258	6115190	5940982	5808525	5160022	25686021	187534150	251 308	230 130	0	227668690 2/5
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 092	1 977	1 670	1 409	1 710	559	7 415	26 356	43 187	37 448	-	-
Commercial	2300	1 223	490	410	451	425	480	2 994	13 460	19 933	17 811	-	-
Households	2400	5 263	3 571	3 708	3 306	3 348	2 908	16 887	183 753	222 745	210 203	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	8 578	6 037	5 788	5 165	5 484	3 947	27 296	223 570	285 865	265 462	-	-

Total debtors' amount to **R285.8 million**, the debtors over 90 days amount to **R265.4 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 October 2025

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

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									-	8 979
Bulk Water	0200									-	6 101
PAYE deductions	0300									-	
VAT (output less input)	0400									-	9
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	9
Trade Creditors	0700	505	401	10 271	11 704	15 800	5 526	8 150	9 953	62 311	112 150
Auditor General	0800									-	
Other	0900									-	27 710
Medical Aid deductions	0950									-	
Total By Customer Type	1000	505	401	10 271	11 704	15 800	5 526	8 150	9 953	62 311	154 959

2.3 INVESTMENT PORTFOLIO

Investments as at 31 October 2025

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October 2025

Investments by maturity	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	-	57 750.00	-	9 000	9 058
ABSA - 9373372771		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	15 August 2025	9 000 000.00	628 833.33		98 000	107 629
ABSA - 9400175919		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	26 August 2025	107 000 000.00			40 000	147 000
ABSA - 9373372771		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	30 September 2025				50 000	50 000
ABSA - 9400175919		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	09 October 2025	60 000.00			60	120
ABSA - 9400175919		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	10 October 2025	50 000.00			50	100
ABSA - 9400175919		1	Investment Tracker	Yes	Variable Interest Rate	0.077	0	N/A	23 October 2025	20 000.00			20	40
Municipality sub-total										-	686 583.33	-	67 017	67 017
Entities														-
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS A	2									-	686 583.33	-	67 017	67 017

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

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:										
Operating Transfers and Grants										
National Government:	1,2	678 574	718 165	725 290	1 105	305 144	240 180	64 964	27.0%	725 290
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		670 187	710 459	710 459	-	296 025	236 820	59 205	25.0%	710 459
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	-	1 602	2 135	(533)	-25.0%	6 406
Local Government Financial Management Grant		1 200	1 300	1 300	126	494	433	61	14.1%	1 300
Municipal Disaster Relief Grant		1 960	-	7 125	979	7 023	792	6 231	787.1%	7 125
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	113	226	740	(513)	-69.4%	2 219
Capacity Building and Other Grants		1 285	2 219	2 219	113	226	740	(513)	-69.4%	2 219
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		42 760	-	12 299	12 118	12 118	1 367	10 751	786.7%	12 299
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		724	-	100	99	99	11	88	794.5%	100
National Skills Fund		42 037	-	12 200	12 019	12 019	1 356	10 663	786.7%	12 200
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	722 619	720 384	739 809	13 337	317 489	242 286	75 203	31.0%	739 809
Capital Transfers and Grants										
National Government:		851 477	916 219	916 219	85 290	228 139	305 406	(77 268)	-25.3%	916 219
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		262 939	268 969	268 969	20 777	76 418	89 656	(13 239)	-14.8%	268 969
Regional Bulk Infrastructure Grant		431 247	544 478	544 478	58 776	131 376	181 493	(50 117)	-27.6%	544 478
Rural Road Asset Management Systems Grant		1 857	2 772	2 772	-	-	924	(924)	-100.0%	2 772
Water Services Infrastructure Grant		155 434	100 000	100 000	5 737	20 345	33 333	(12 988)	-39.0%	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	85 290	228 139	305 406	(77 268)	-25.3%	916 219
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 574 105	1 636 603	1 656 028	98 627	545 628	547 693	(2 065)	-0.4%	1 656 028

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 - M04 October

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	57 635	230 648	155 893	74 755	48.0%	468 973
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		1 038 729	400 220	400 220	54 627	214 715	133 407	81 307	60.9%	400 220
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	1 141	4 487	2 135	2 351	110.1%	6 406
Local Government Financial Management Grant		1 189	1 300	1 300	116	461	433	27	6.3%	1 300
Municipal Disaster Relief Grant		1 704	-	7 125	851	6 107	1 943	4 164	214.3%	7 125
Municipal Infrastructure Grant		12 233	53 922	53 922	901	4 879	17 974	(13 095)	-72.9%	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	-	-	706	(706)	-100.0%	2 119
Capacity Building and Other Grants		618	2 119	2 119	-	-	706	(706)	-100.0%	2 119
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		42 760	-	12 299	-	12 118	2 467	9 651	391.2%	12 299
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		724	-	100	-	99	27	72	264.4%	100
National Skills Fund		42 037	-	12 200	-	12 019	2 440	9 579	392.6%	12 200
Total operating expenditure of Transfers and Grants:		1 104 087	463 967	483 392	57 635	242 766	159 067	83 700	52.6%	483 392
Capital expenditure of Transfers and Grants										
National Government:		732 522	742 790	742 790	73 570	194 672	251 439	(56 766)	-22.6%	742 790
Municipal Infrastructure Grant		218 473	179 964	179 964	17 307	61 874	63 830	(1 956)	-3.1%	179 964
Regional Bulk Infrastructure Grant		377 830	473 459	473 459	51 235	114 865	157 820	(42 955)	-27.2%	473 459
Rural Road Asset Management Systems Grant		-	2 410	2 410	-	-	803	(803)	-100.0%	2 410
Water Services Infrastructure Grant		136 219	86 957	86 957	5 029	17 933	28 986	(11 052)	-38.1%	86 957
Provincial Government:		-	87	87	-	-	29	(29)	-100.0%	87
Capacity Building and Other Grants		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	87	87	-	-	29	(29)	-100.0%	87
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		732 522	742 877	742 877	73 570	194 672	251 468	(56 795)	-22.6%	742 877
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 836 609	1 206 844	1 226 269	131 205	437 439	410 535	26 904	6.6%	1 226 269

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		588	-	-	49	197	-	197	#DIV/0!	-
Medical Aid Contributions		58	-	-	7	25	-	25	#DIV/0!	-
Motor Vehicle Allowance		2 322	2 257	2 257	182	744	752	(8)	-1%	2 257
Cellphone Allowance		781	778	778	61	255	259	(5)	-2%	778
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		6 789	8 605	8 605	514	2 156	2 868	(713)	-25%	8 605
Sub Total - Councillors		10 539	11 640	11 640	812	3 376	3 880	(504)	-13%	11 640
% increase	4		10.4%	10.4%						10.4%
Senior Managers of the Municipality										
Basic Salaries and Wages		7 612	7 986	7 986	640	2 560	2 662	(102)	-4%	7 986
Pension and UIF Contributions		275	275	275	18	72	92	(20)	-21%	275
Medical Aid Contributions		97	71	71	6	24	24	0	0%	71
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		628	381	381	-	507	127	380	299%	381
Motor Vehicle Allowance		1 981	1 934	1 934	161	645	645	(0)	0%	1 934
Cellphone Allowance		284	277	277	23	92	92	-	-	277
Housing Allowances		13	14	14	1	5	5	(0)	0%	14
Other benefits and allowances		263	249	249	21	111	83	28	33%	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	870	4 015	3 729	286	8%	11 188
% increase	4		0.1%	0.1%						0.1%
Other Municipal Staff										
Basic Salaries and Wages		217 141	193 530	193 530	19 615	77 874	64 510	13 364	21%	193 530
Pension and UIF Contributions		30 151	32 031	32 031	2 774	10 871	10 677	193	2%	32 031
Medical Aid Contributions		18 984	19 155	19 155	1 714	6 903	6 385	518	8%	19 155
Overtime		10 127	5 314	5 314	851	3 297	1 771	1 526	86%	5 314
Performance Bonus		14 860	15 389	15 389	1 212	5 636	5 130	506	10%	15 389
Motor Vehicle Allowance		23 937	22 652	22 652	2 228	8 576	7 551	1 026	14%	22 652
Cellphone Allowance		861	827	827	74	297	276	21	8%	827
Housing Allowances		1 750	1 772	1 772	149	594	591	4	1%	1 772
Other benefits and allowances		3 899	155	155	263	1 063	52	1 011	1957%	155
Payments in lieu of leave		5 645	-	-	193	1 342	-	1 342	#DIV/0!	-
Long service awards		1 961	-	-	209	730	-	730	#DIV/0!	-
Post-retirement benefit obligations		1 899	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		961	-	-	70	227	-	227	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		332 176	290 825	290 825	29 354	117 411	96 942	20 469	21%	290 825
% increase	4		-12.4%	-12.4%						-12.4%
Total Parent Municipality		353 888	313 653	313 653	31 036	124 803	104 552	20 251	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 - M04 October

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	Outcome	Outcome	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	2 862	2 974	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	8 152	44 350	46 390
Service charges - Waste Water Management		733	929	1 082	1 103	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	2 038	14 127	14 777
Service charges - Waste Management														-		
Rental of facilities and equipment		41	40	40	40	48	48	48	48	48	48	48	48	81	580	580
Interest earned - external investments		-	552	582	246	667	667	667	667	667	667	667	667	1 954	8 000	8 368
Interest earned - outstanding debtors		21	22	12	14	43	43	43	43	43	43	43	43	146	516	540
Dividends received														-		
Fines, penalties and forfeits		85	25	14	11	50	50	50	50	50	50	50	50	116	605	633
Licences and permits		29	17	14	12	25	25	25	25	25	25	25	25	51	295	308
Agency services														-		
Transfers and Subsidies - Operational		298 080	15 102	-	1 536	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	(14 558)	720 384	757 969
Other revenue		153 072	31 983	62 669	150 257	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	(346 097)	124 523	131 585
Cash Receipts by Source		453 989	51 233	67 276	156 193	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	(348 116)	913 379	961 150
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National/ Provincial and District)		138 000	217 700	81 000	31 940	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	(86 882)	916 219	756 953
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		-	-	(4)	0	-	-	-	-	-	-	-	-	4	-	-
VAT Control (receipts)		-	-	-	-	10 315	10 315	10 315	10 315	10 315	10 315	10 315	10 315	51 573	123 776	106 387
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		591 989	268 933	148 272	188 133	162 781	162 781	162 781	162 781	162 781	162 781	162 781	162 781	(383 421)	1 953 374	1 824 489
Cash Payments by Type																
Employee related costs		31 133	31 157	31 664	30 803	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	1 082	302 013	315 906
Remuneration of councillors		899	908	976	874	970	970	970	970	970	970	970	970	1 193	11 640	12 176
Interest														-		
Bulk purchases - Electricity		23 855	3 627	12 967	58 694	-	-	-	-	-	-	-	-	(99 142)	-	-
Acquisitions - water & other inventory		-	1 559	5 183	423	982	982	982	982	982	982	982	982	(2 254)	11 788	12 311
Contracted services		(4 648)	(27 782)	(6 675)	(55 000)	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	182 547	212 260	172 013
Transfers and subsidies - other municipalities														-		
Transfers and subsidies - other														-		
Other expenditure		220 420	102 347	74 771	70 983	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	(451 457)	40 953	42 736
Cash Payments by Type		271 658	111 816	118 886	106 777	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	(368 032)	578 653	555 142
Other Cash Flows/Payments by Type																
Capital assets		51 836	34 131	35 136	73 570	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	161 290	854 309	747 707
Repayment of borrowing		-	63	190	-	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	7 127	17 712	17 712
Other Cash Flows/Payments		-	602	315	1 649	-	-	-	-	-	-	-	-	(2 566)	-	-
Total Cash Payments by Type		323 493	146 612	154 526	181 997	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	(202 181)	1 450 674	1 320 561
NET INCREASE/(DECREASE) IN CASH HELD		268 495	122 321	(6 254)	6 137	41 892	41 892	41 892	41 892	41 892	41 892	41 892	41 892	(181 240)	502 700	503 929
Cash/cash equivalents at the monthly/year beginning:		23 103	291 598	413 919	407 664	413 801	455 693	497 585	539 476	581 368	623 260	665 152	707 043	23 103	525 803	1 029 732
Cash/cash equivalents at the monthly/year end:		291 598	413 919	407 664	413 801	455 693	497 585	539 476	581 368	623 260	665 152	707 043	525 803	525 803	1 029 732	1 561 229

2.6 MATERIAL VARIANCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M04 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue			
	Service charges – Water revenue	15%	This is the amounts billed on customers for water used, the year-to-date actual is R18.1 million which is 28 % of the approved budget. The R18.1 million year to date actual is below the Four months baseline projection or year-to-date budget of R21.3 million. A variance of R3.1 million or 15% is observed. For the month of October, the municipality started the process of replacing estimates with prepaid meters, and for the month of October, the municipality have installed More prepaid meters that's why our monthly Actual is R5.5 million.	
	Service charges – Sanitation revenue	10%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R5.5 million which is 29% of the approved budget. The R5.5 million year to date actual is below the four months baseline projection or year-to-date budget of R6.1 million. A variance of R647 thousand or 10% is observed. Sanitation will for the month of October will have an effect since Business have an excess charge and it also affect our sanitation since we have changed billing from estimates to Actual for the month of October.	
	Sale of goods and rendering of service	27%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R340 thousands which is 43% of the approved budget. The R340 thousands year to date actual is above the four months baseline projection or year-to-date budget of R267 thousand. A variance of 73 thousand or 27% is observed.	There was a Huge sale of tender documents for the month of October 2025 in this period
	Interest earned - outstanding debtors	28%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R340 thousands which is 43% of the approved budget. The R340 thousands year to date actual is above the four months baseline projection or year-to-date budget of R267 thousand. A variance of 73 thousand or 27% is observed.	we must ensure that businesses Pay on time
	Interest on investment	48%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R1.3 million which is 17% of the approved budget. The R1.3 million year-to-date actual is below the four-month baseline projection or year-to-date budget of R2.6 million. A variance of R1.2 million or 48% 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	8%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R154 thousand which is 30% of the approved budget. The R154 thousand year-to-date actual is below the four months baseline projection or year-to-date budget of R168 thousand. A variance of R14 thousand or 8% is observed	
	Licences and Permits	27%	Licences and permits year-to-date actual is R71 thousand which is 24% of the approved budget, the R71 thousand year to date actual is below the four months baseline projection or year-to-date budget of R98 thousand. A variance of R27 thousand or 27% is observed. In the Month of October there were only health certificate issued	
	Operational revenue	56%	Operational revenue year-to-date actual is R196 thousand which is 15% of the approved budget, the R196 thousand year to date actual is below the four months baseline projection or year-to-date budget of R448 thousand. A variance of R252 thousands or 56% is observed. The variance to this line item can be attributed the non-receipt of Insurance Refund, Registration Fees, Handling Fees which is not benchmarked by year to date.	
	Fines, penalties, and forfeits	32%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R136 thousand, which is 23% of the approved budget. The R136 thousand year to date is below the four-month baseline projection or year-to-date budget of R202 thousand. A variance of R65 thousand or 32% is observed	Municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	31%	Transfers and subsidies year to date actual is R317.4 million which is 44 of the approved budget. The R317.4 million year to date actual is above the four months baseline projection or year-to-date budget of R242.2 million. A variance of R75.2 million or 31% is observed.	

DC26 Zululand - Supporting Table SC1 Material variance explanations - M04 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
2	<u>Expenditure By Type</u>			
	Employee Related Costs	21%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R121.4 million which is 40% of the approved budget. The R121.4 million year to date actual is above the four-month baseline projection or year-to-date budget of R100.6 million. A variance of R20.7 million or 21% is observed. The expenditure for the month is R30.2 million.	
	Remuneration of Councilors	13%	Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is R3.3 million which is 29% of the approved budget. The R3.3 million year-to-date actual is below the four-month baseline projection or year-to-date budget of R3.8 million. A variance of R504 thousand or 13% is observed. The Expenditure for the Month is R812 thousand.	
	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 (-R3.8 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 R31.6 million which is 33% of the approved budget. The R31.6 million year-to-date actual equals the four month baseline projection or year-to-date budget of R31.6 million. A variance of R0 or 0% is observed. The movement for the month is R7.9 million.	
	Finance charges	49%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R3.6 million which is 48% of the approved budget. The R3.6 million year-to-date actual is above the four-month baseline projection or year-to-date budget of R2.4 million. A variance of R1.1 million or 49% is observed. The movement for the month is R923 thousand resulting from interest on loan.	
	Contracted services	56%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R52.5 million which is 60% of the approved budget. The R52.5 million year to date actual is above the four-month baseline projection or year-to-date budget of R33.5 million. A variance of R18.9 million or 56% is observed. The movement for the month is R5.9 million, the major movements are noted in non employees training funded by NSF, Security services & Bulk maintenance.	
	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 costs	419%	Operational costs are all other expenditure not classified above. The year-to-date actual is R62.5 million which is 176% of the approved budget the R62.5 million year-to-date actual is above the four months baseline projection or year-to-date budget of R12 million. A variance of R50.5 million or 419% is observed. The movement for the month is R19.6 million. Major movements are from Eskom, lease of fleet & wet fuel.	

DC26 Zululand - Supporting Table SC1 Material variance explanations - M04 October

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 three-month baseline projection or year-to-date budget of R29 thousand. A variance of R29 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 three-month baseline projection or year-to-date budget of R803 thousand. A variance of R803 thousand or 100% is observed.	
	Trading services	22%	Trading services year-to-date actual is R194.6 million which is 26% of the approved budget. The R194.6 million year-to-date actual is below the four-month baseline projection or year-to-date budget of R250.6 million. A variance of R55.9 million or 22% 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 - M04 October

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%	5%
September	59 111	64 068	64 068	35 136	35 136	190 042	154 906	81.5%	5%
October	74 889	61 426	61 426	73 570	73 570	251 468	177 898	70.7%	10%
November	54 560	61 426	61 426	-	-	312 894	312 894	100.0%	0%
December	68 273	61 426	61 426	-	-	374 320	374 320	100.0%	0%
January	-	61 426	61 426	-	-	435 746	435 746	100.0%	0%
February	14 786	61 426	61 426	-	-	497 173	497 173	100.0%	0%
March	32 878	61 426	61 426	-	-	558 599	558 599	100.0%	0%
April	181 413	61 426	61 426	-	-	620 025	620 025	100.0%	-
May	79 738	61 426	61 426	-	-	681 451	681 451	100.0%	-
June	28 731	61 426	61 426	-	-	742 877	742 877	100.0%	-
Total Capital expenditure	751 911	742 877	742 877	194 672					

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 - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		732 522	742 790	742 790	73 570	194 672	251 439	56 766	22.6%	742 790
Roads Infrastructure		-	2 410	2 410	-	-	803	803	100.0%	2 410
Roads		-	2 410	2 410	-	-	803	803	100.0%	2 410
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		732 522	740 380	740 380	73 570	194 672	250 635	55 963	22.3%	740 380
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		32 532	28 016	39 077	4 513	15 454	14 410	(1 044)	-7.2%	39 077
Reservoirs		3 379	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		136 848	101 224	101 024	5 726	27 061	33 719	6 658	19.7%	101 024
Bulk Mains		526 548	568 552	568 752	56 263	133 535	189 540	56 004	29.5%	568 752
Distribution		33 215	31 526	31 526	7 067	18 622	10 509	(8 113)	-77.2%	31 526
Distribution Points		-	11 061	-	-	-	2 458	2 458	100.0%	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
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	-	-	29	29	100.0%	87
Machinery and Equipment		48 200	87	87	-	-	29	29	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	742 877	73 570	194 672	251 468	56 795	22.6%	742 877

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 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	51 640	851	15 580	16 864	1 284	7.6%	51 640
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		169 973	45 389	51 640	851	15 580	16 864	1 284	7.6%	51 640
<i>Bulk Mains</i>		64 246	30 389	36 640	851	6 551	11 864	5 313	44.8%	36 640
<i>Distribution</i>		-	-	-	-	-	-	-	-	-
<i>Distribution Points</i>		105 727	15 000	15 000	-	9 029	5 000	(4 029)	-80.6%	15 000
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets		435	-	-	-	-	-	-	-	-
Community Facilities		435	-	-	-	-	-	-	-	-
<i>Airports</i>		435	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Other assets		62	-	-	-	-	-	-	-	-
Operational Buildings		62	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>		62	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	200	200	-	-	67	67	100.0%	200
Furniture and Office Equipment		-	200	200	-	-	67	67	100.0%	200
Machinery and Equipment		-	-	-	27	27	-	(27)	#DIV/0!	-
Machinery and Equipment		-	-	-	27	27	-	(27)	#DIV/0!	-
Transport Assets		10 988	-	-	1 802	1 802	-	(1 802)	#DIV/0!	-
Transport Assets		10 988	-	-	1 802	1 802	-	(1 802)	#DIV/0!	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	181 458	45 589	51 840	2 680	17 409	16 931	(478)	-2.8%	51 840

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		113 626	85 014	85 014	7 084	28 338	28 338	0	0.0%	85 014
Roads Infrastructure		-	762	762	64	254	254	0	0.0%	762
Roads		-	762	762	64	254	254	0	0.0%	762
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	39	39	3	13	13	0	0.0%	39
LV Networks		-	39	39	3	13	13	0	0.0%	39
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		111 606	81 842	81 842	6 820	27 281	27 281	0	0.0%	81 842
Dams and Weirs		2 199	2 959	2 959	247	986	986	0	0.0%	2 959
Boreholes		1 768	500	500	42	167	167	-	-	500
Reservoirs		9 358	7 438	7 438	620	2 479	2 479	0	0.0%	7 438
Pump Stations		6 426	4 729	4 729	394	1 576	1 576	0	0.0%	4 729
Water Treatment Works		8 386	7 037	7 037	586	2 346	2 346	0	0.0%	7 037
Bulk Mains		56 098	36 425	36 425	3 035	12 142	12 142	-	-	36 425
Distribution		27 297	22 668	22 668	1 889	7 556	7 556	0	0.0%	22 668
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		75	86	86	7	29	29	0	0.0%	86
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		2 020	2 371	2 371	198	790	790	0	0.0%	2 371
Pump Station		203	205	205	17	68	68	-	-	205
Reticulation		1 026	1 824	1 824	152	608	608	0	0.0%	1 824
Waste Water Treatment Works		790	342	342	29	114	114	0	0.0%	342
Community Assets		1 210	905	905	75	302	302	0	0.0%	905
Community Facilities		1 075	660	660	55	220	220	0	0.0%	660
Markets		344	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		731	660	660	55	220	220	0	0.0%	660
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		135	244	244	20	81	81	0	0.0%	244
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		135	244	244	20	81	81	0	0.0%	244
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Other assets		1 246	1 451	1 451	121	484	484	0	0.0%	1 451
Operational Buildings		1 246	1 451	1 451	121	484	484	0	0.0%	1 451
Municipal Offices		1 246	1 394	1 394	116	465	465	0	0.0%	1 394
Stores		-	57	57	5	19	19	0	0.0%	57
Intangible Assets		20	21	21	2	7	7	0	0.0%	21
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		20	21	21	2	7	7	0	0.0%	21
Computer Software and Applications		18	21	21	2	7	7	0	0.0%	21
Unspecified		2	-	-	-	-	-	-	-	-
Computer Equipment		1 368	1 046	1 046	87	349	349	0	0.0%	1 046
Computer Equipment		1 368	1 046	1 046	87	349	349	0	0.0%	1 046
Furniture and Office Equipment		556	609	609	51	203	203	0	0.0%	609
Furniture and Office Equipment		556	609	609	51	203	203	0	0.0%	609
Machinery and Equipment		1 818	388	388	32	129	129	0	0.0%	388
Machinery and Equipment		1 818	388	388	32	129	129	0	0.0%	388
Transport Assets		2 898	5 568	5 568	464	1 856	1 856	0	0.0%	5 568
Transport Assets		2 898	5 568	5 568	464	1 856	1 856	0	0.0%	5 568
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	122 743	95 000	95 000	7 917	31 667	31 667	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.



Date: 13/11/2025

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