

ZULULAND DISTRICT MUNICIPALITY



QUARTELY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

30 SEPTEMBER 2025

MFMA S52D REPORT

2025/2026 FINANCIAL YEAR

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GLOSSARY

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

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

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

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

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

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

CFO – Chief Financial Officer

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

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

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

FMG – Financial Management Grant

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

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

MSCOA – Municipal Standard Chart of Accounts

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

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

LED – Local Economic Development

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

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

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

MWIG – Municipal Water Infrastructure Grant

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

R & M – Repairs and Maintenance

SCM - Supply Chain Management

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

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

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

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance

Revenue and Expenditure

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	815 238 444	322 755 508.51	203 809 539	118 945 969.51	58%	40%
Total Operating Expenditure	553 766 368	206 581 498.33	140 975 910	65 605 588.42	47%	37%
Surplus/(Deficit)	261 472 076	116 174 010.18	62 833 629	53 340 381.09		

Operating Revenue Performance

Total operating revenue generated by the Municipality for the **Quarter** is **R322.7 million**, which is **40%** of the approved operating revenue budget. The **R322.7 million** year to date Actual is **above** the **first quarter** baseline projection or year-to-date budget of **R203.8 million**, a variance of **R118.9 million or 58% 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 **R16.6 million** which is **20%** of the total exchange revenue generated.

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 for the **Quarter** is **R206.5 million**, which is **37%** of the approved operating expenditure budget. The **R206.5 million** year to date actual is **above** the **First Quarter** baseline projection or year-to-date budget of **R140.9 million**, a variance of **R65 million** or **47%** 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, transfers and subsidies 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 30 SEPTEMBER 2025	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	268 969 000	179 000 000.00	55 640 630.22	213 328 369.78	21
Regional Bulk Infrastructure (RBIG)	544 478 000	217 700 000.00	78 423 164.88	466 054 835.12	14
Water services infrastructure Grant (WSIG)	100 000 000	40 000 000.00	18 019 107.26	81 980 892.74	18
Rural Roads Asset Managemnt Systems Grant	2 772 000	-	-	2 772 000.00	-
Indonsa Grant	1 719 000	955 500.00	-	1 719 000.00	-
FMG	1 300 000	1 300 000.00	368 181.91	931 818.09	28
EPWP	6 406 000	1 602 000.00	3 345 992.30	3 060 007.70	52
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		
	926 144 000	453 757 351	167 816 077	770 346 923	134

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	742 877 267	121 102 431.54	190 041 569	-68 939 137.08	-36%	16%
Total Capital Financing	742 877 267	121 102 431.54	190 041 569	-68 939 137.08	-36%	16%

Grants receipts and expenditure

Total Capital Expenditure For the **quarter** is **R121.1 million** which is **16%** of the approved capital budget. The **R121.1 million** year to date actual is **below** the **first quarter** baseline projection or year-to-date budget of **R190 million**, a variance of **R68.9 million** or **36%**.

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 **21%**, **RBIG** is at **14%**, **WSIG** is at **18%** **RRAMG** is at **0%** and **Indonsa** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	%
Total current assets	677 146 297	189 367 781	382 556 061.43	56
Total non current assets	5 982 750 926	6 112 466 094	6 285 421 536.28	105
Total current liabilities	406 164 039	549 261 739	860 845 668.96	212
Total non current liabilities	254 145 896	116 837 619	128 973 121.59	51
TOTAL COMMUNITY WEALTH/ EQUITY	4 821 896 212	4 948 466 374	5 873 304 866.09	102.6%

The current assets year to date actual is **R382.5 million**, which is **56%** of the approved budget. **Non - Current assets** year to date actual is **R6.2 billion**, which is **105%** of the approved budget. **Current Liabilities** year to date actual is **R860.8 million** which is **212%** of the approved budget. **Non- Current Liabilities** year to date is **R128.9 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 **R382.5 million**, included in the current assets is an investment of **R179 million**.

Current liabilities amount to **R860.8 million**, this includes unspent conditional grants amounting to **R312.2 million**.

The Current ratio is 0.44:1 [**382.5 million/860.8 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) - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		55 414	63 954	63 954	4 556	12 613	15 988	(3 375)	-21%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 361	4 034	4 624	(589)	-13%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		627	800	800	274	340	200	140	70%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	59	159	215	(55)	-26%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	582	1 134	2 000	(866)	-43%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		463	504	504	39	115	126	(11)	-9%	504
Licence and permits		277	295	295	14	59	74	(14)	-20%	295
Special rating levies								-		
Operational Revenue		1 542	1 344	1 344	8	23	336	(313)	-93%	1 344
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	14	125	151	(26)	-17%	605
Licence and permits								-		
Transfers and subsidies - Operational		722 619	720 384	720 384	319	304 152	180 096	124 056	69%	720 384
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1 706	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		810 101	815 238	815 238	7 226	322 756	203 810	118 946	58%	815 238

The year-to-date actual indicates operating revenue of **R322.7 million** for **Quarter**, The **R322.7 million** year to date actual is **above** the **First quarter** baseline projection or year-to-date budget of **R203.8 million**, a variance of **R118.9 million** or **58%** 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 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, for the first **quarter** is **R12.6 million** which is **20%** of the approved budget. The **R12.6 million** year to date actual is **below** the **first quarter** baseline projection or year-to-date budget of **R15.9 million**. A variance of **R3.3 million** or **21%** is observed. For the First Quarter the municipality started the process of replacing estimates by installing prepaid meters.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the quarterly amount billed is **R4 million** which is **22%** of the approved budget. The **R4 million** year to date actual is **below** the **First quarter** baseline projection or year-to-date budget of **R4.6 million**. A variance of **R600 thousand** or **13%** is observed.

Sale of goods and rendering of service

This is the amount on sale of goods and rendering of services, the quarter amount is **R340 thousands** which is **43%** of the approved budget. The **R340 thousands** year to date actual is **above** the **first quarter** baseline projection or year-to-date budget of **R200 thousand**. A variance of **140 thousand** or **70%** is observed.

The municipality had sale of tender documents in the **First Quarter**.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual for the Quarter is **R159 thousand**, which is **19%** of the approved budget. The **R179 thousand** year- to-date actual is **below** the **First quarter months** baseline projection or year-to-date budget of **R215 thousand**. A variance of **R55 thousand** or **26%** is observed.

Reasons for variances can be attributed to businesses' adherence to payment terms; the municipality must implement stringent measures collection.

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual for the quarter is **R1.1 million** which is **14%** of the approved budget. The **R1.1 million** year-to-date actual is **below the first quarter** baseline projection or year-to-date budget of **R2 million**. A variance of **R866 thousand** or **43%** 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 quarter.

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual for the Quarter is **R115 thousand** which is **23%** of the approved budget. The **R115 thousand** year-to-date actual is **below** the **first quarter** baseline projection or year-to-date budget of **R126 thousand**. A variance of **R11 thousand** or **9%** is observed

The Rent on Facilities is Fixed; there has been Increment in the **first quarter**.

Licences and Permits

Licences and permits year-to-date actual for the quarter is **R59 thousand** which is **20%** of the approved budget. the **R59 thousand** year to date actual is **below** the **first quarter** baseline projection or year-to-date budget of **R74 thousand**. A variance of **R14 thousand** or **20%** is observed. In the first quarter the municipality received money only from issuing health certificate.

Operational revenue

Operational revenue year-to-date actual for the quarter is **R23 thousand** which is **2%** of the approved budget. the **R23 thousand** year to date actual is **below** the **first quarter** baseline projection or year-to-date budget of **R336 thousand**. A variance of **R313 thousands** or **93%** is observed.

The variance to this line item can be attributed the non-receipt of Insurance Refund, Registration Fees, Discounts & Early Settlement which is not benchmarked by the quarter.

NON-EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual for the first quarter is **R125 thousand**, which is **21%** of the approved budget. The **R125 thousand** year to date is **below** the **first quarter** baseline projection or year-to-date budget of **R151 thousand**. A variance of **R26 thousand** or **17%** 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 for the quarter is **R304.1 million** which is **42%** of the approved budget. The **R304.1 million** year to date actual is **above** the **first quarter** baseline projection or year-to-date budget of **R180.09 million**. A variance of **R124.05 million** or **69%** 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) - M03 September

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	30 580	91 202	75 504	15 699	21%	302 013
Remuneration of councillors			10 539	11 640	11 640	872	2 564	2 910	(346)	-12%	11 640
Bulk purchases - electricity			—	—	—	—	—	—	—	—	—
Inventory consumed			57 950	10 250	9 977	(762)	(3 157)	2 513	(5 670)	-226%	9 977
Debt impairment			30 773	4 000	4 000	—	—	1 000	(1 000)	-100%	4 000
Depreciation and amortisation			122 743	95 000	95 000	7 917	23 750	23 750	(0)	0%	95 000
Interest			18 091	7 575	7 345	922	2 720	1 836	884	48%	7 345
Contracted services			318 600	87 677	106 882	31 013	46 557	24 432	22 126	91%	106 882
Transfers and subsidies			9 064	—	—	—	—	—	—	—	—
Irrecoverable debts written off			2 724	—	—	—	—	—	—	—	—
Operational costs			335 440	35 611	36 334	24 965	42 944	9 031	33 913	376%	36 334
Losses on Disposal of Assets			6	—	—	—	—	—	—	—	—
Other Losses			272	—	—	—	—	—	—	—	—
Total Expenditure			1 249 551	553 766	573 191	95 507	206 581	140 976	65 606	47%	573 191

The year-to-date actuals for the **Quarter** indicate spending of **R206.5 million** for which is **37%** of the approved operating expenditure budget. The **R206.5 million** year to date actual is **above** the **first quarter** baseline projection or year-to-date budget of **R140.9 million**, a variance of **R65.6 million** or less than **47%** is observed.

Employee Related Costs

Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual for the **First Quarter** is **R91.2 million** which is **30%** of the approved budget. The **R91.2 million** year to date actual is **above** the **quarter** baseline projection or year-to-date budget of **R75.5 million**. A variance of **R15.6 million** or **21%** is observed.

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual for the quarter is **R2.5 million** which is **22%** of the approved budget. The **R2.5 million** year-to-date actual is **below** the **first quarter** baseline projection or year-to-date budget of **R2.9 million**. A variance of **R346 thousand** or **12%** is observed.

Bulk purchases – electricity

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

Inventory Consumed

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is a negative amount (**-R3.1 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 for the quarter is **R23.7 million** which is **25%** of the approved budget. The **R23.7 million** year-to-date actual **equals** the **quarter** baseline projection or year-to-date budget of **R23.7 million**. A variance of **R0** or **0%** is observed.

Finance charges

Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual for the quarter is **R2.7 million** which is **36%** of the approved budget. The **R2.7 million** year-to-date actual is **above** the **first quarter** baseline projection or year-to-date budget of **R1.8 million**. A variance of **R884 thousand** or **48%** is observed. The movement for the quarter is resulting from interest on loan.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual for the quarter is **R46.5 million** which is **53.1%** of the approved budget. The **R46.5 million** year to date actual is **above** the **first quarter** baseline projection or year-to-date budget of **R24.4 million**. A variance of **R22.1 million** or **91%** is observed. The major movements are noted in non-employees training funded by NSF, Security services & Bulk maintenance for the quarter.

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 for the quarter is **R42.9 million** which is **121%** of the approved budget. the **R42.9 million** year-to-date actual is **above** the **first quarter** baseline projection or year-to-date budget of **R9 million**. A variance of **R33.9 million** or **376%** is observed. The movement for the quarter is **R24.9 million**. Major movements for quarter 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	368 181.91	325 000	43 181.91	13%	28%
EPWP Incentive	6 406 000	3 345 992.30	1 601 500	1 744 492.30	109%	52%
Art centre Subsisies (Indonsa Grant)	1 719 000	-	429 750	-429 750.00	-100%	0%
Aviation Grant	500 000	-	125 000	-125 000.00	-100%	0%
LG SETA	99 606	-	24 902	-24 901.50	-100%	0%
Total Operating Grant Expenditure	10 024 606	3 714 174.21	2 506 151.50	1 208 022.71	0.48	37%

FMG **28%**, EPWP Incentive **52%**, 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	-	361 474	-361 473.99	-
Disaster Management Grant	7 125 285	6 043 987.73	1 781 321	4 262 666.48	85%
Total Operating Grant Expenditure	8 571 181	6 043 987.73	2 142 795	3 901 192.49	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) - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		55 414	63 954	63 954	4 556	12 613	15 988	(3 375)	-21%	63 954
Service charges - Waste Water Management		18 129	18 494	18 494	1 361	4 034	4 624	(589)	-13%	18 494
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		627	800	800	274	340	200	140	70%	800
Agency services								-		
Interest								-		
Interest earned from Receivables		746	858	858	59	159	215	(55)	-26%	858
Interest from Current and Non Current Assets		8 129	8 000	8 000	582	1 134	2 000	(866)	-43%	8 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		463	504	504	39	115	126	(11)	-9%	504
Licence and permits		277	295	295	14	59	74	(14)	-20%	295
Special rating levies								-		
Operational Revenue		1 542	1 344	1 344	8	23	336	(313)	-93%	1 344
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		449	605	605	14	125	151	(26)	-17%	605
Licence and permits								-		
Transfers and subsidies - Operational		722 619	720 384	720 384	319	304 152	180 096	124 056	69%	720 384
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1 706	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		810 101	815 238	815 238	7 226	322 756	203 810	118 946	58%	815 238
Expenditure By Type										
Employee related costs		343 349	302 013	302 013	30 580	91 202	75 504	15 699	21%	302 013
Remuneration of councillors		10 539	11 640	11 640	872	2 564	2 910	(346)	-12%	11 640
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		57 950	10 250	9 977	(762)	(3 157)	2 513	(5 670)	-226%	9 977
Debt impairment		30 773	4 000	4 000	-	-	1 000	(1 000)	-100%	4 000
Depreciation and amortisation		122 743	95 000	95 000	7 917	23 750	23 750	(0)	0%	95 000
Interest		18 091	7 575	7 345	922	2 720	1 836	884	48%	7 345
Contracted services		318 600	87 677	106 882	31 013	46 557	24 432	22 126	91%	106 882
Transfers and subsidies		9 064	-	-	-	-	-	-		-
Irrecoverable debts written off		2 724	-	-	-	-	-	-		-
Operational costs		335 440	35 611	36 334	24 965	42 944	9 031	33 913	376%	36 334
Losses on Disposal of Assets		6	-	-	-	-	-	-		-
Other Losses		272	-	-	-	-	-	-		-
Total Expenditure		1 249 551	553 766	573 191	95 507	206 581	140 976	65 606	47%	573 191
Surplus/(Deficit)		(439 449)	261 472	242 047	(88 281)	116 174	62 834	53 340	0	242 047
Transfers and subsidies - capital (monetary allocations)		851 477	916 219	916 219	44 633	142 849	229 055	(86 206)	(0)	916 219
Transfers and subsidies - capital (in-kind)		8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266
Income Tax								-		
Surplus/(Deficit) after income tax		412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266
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	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266

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	121 102 431.54	190 041 569	-68 939 137.08	-36%	16%
Total Capital Financing	742 877 267	121 102 431.54	190 041 569	-68 939 137.08	-36%	16%

The capital expenditure amounts to **R121.1 million**, which is **16%** of the capital approved budget, after a **quarter**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		-	-	-	-	-	-	-		-
Vote 03 - Finance		511	-	-	-	-	-	-		-
Vote 04 - Community Development		-	-	-	-	-	-	-		-
Vote 05 - Planning & Wsa		-	-	30 670	2 160	2 160	7 668	(5 508)	-72%	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	2 160	7 668	(5 508)	-72%	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	-	-	22	(22)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	735 892	32 976	118 943	182 352	(63 409)	-35%	735 892
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		48 200	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	780 983	742 877	735 979	32 976	118 943	182 374	(63 431)	-35%	735 979
Total Capital Expenditure		781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Capital Expenditure - Functional Classification										
Governance and administration		712	-	-	-	-	-	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		712	-	-	-	-	-	-		-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	87	87	-	-	22	(22)	-100%	87
Community and social services		-	87	87	-	-	22	(22)	-100%	87
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		61	2 410	2 410	-	-	603	(603)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	603	(603)	-100%	2 410
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		780 722	740 380	764 152	35 136	121 102	189 417	(68 315)	-36%	764 152
Energy sources		-	-	-	-	-	-	-		-
Water management		780 722	740 380	764 152	35 136	121 102	189 417	(68 315)	-36%	764 152
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Funded by:										
National Government		732 522	742 790	766 563	35 136	121 102	190 020	(68 917)	-36%	766 563
Provincial Government		-	87	87	-	-	22	(22)	-100%	87
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations,		-	-	-	-	-	-	-		-
Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		732 522	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Borrowing		48 200	-	-	-	-	-	-		-
Internally generated funds		772	-	-	-	-	-	-		-
Total Capital Funding	6	781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650

Governance and administration

The municipality did not budget for Governance and administration.

Community and public safety

Community and public safety year-to-date actual for the quarter is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below the first quarter** baseline projection or year-to-date budget of **R22 thousand**. A variance of **R22 thousand** or **100%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual for the quarter is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below first quarter** baseline projection or year-to-date budget of **R603 thousand**. A variance of **R603 thousand** or **100%** is observed.

Trading services

Trading services year-to-date actual for the quarter is **R121.1 million** which is **16%** of the approved budget. the **R121.1 million** year-to-date actual is **below the first quarter** baseline projection or year-to-date budget of **R190.02 million**. A variance of **R68.9 million** or **36%** 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	48 546 078.62	58 471 522	-9 925 443.12	-17%	21%
Regional Bulk Infrastructure (RBIG)	473 459 130	68 760 634.06	118 364 783	-49 604 148.55	-42%	15%
Water services infrastructure Grant (WSIG)	86 956 522	15 910 570.82	21 739 130	-5 828 559.61	-27%	18%
Rural Roads Asset Managemnt Systems Grant	2 410 435	-	602 609	-602 608.70	-100%	0%
Art centre Subsisies (Indonsa Grant)	86 957	-	21 739	-21 739.25	-100%	0%
Total Operating Expenditure	796 799 131	133 217 283.50	199 199 783	-65 982 499.23	-33%	17%

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	55 640 630.22	67 242 250	-11 601 619.78	-17%	21%
Regional Bulk Infrastructure (RBIG)	544 478 000	78 423 164.88	136 119 500	-57 696 335.12	-42%	14%
Water services infrastructure Grant (WSIG)	100 000 000	18 019 107.26	25 000 000	-6 980 892.74	-28%	18%
Rural Roads Asset Managemnt Systems Grant	2 772 000	-	693 000	-693 000.00	-100%	0%
Indonsa Grant	100 001	-	25 000	-25 000.14	-100%	0%
Total Capital Grant Expenditure	916 319 001	152 082 902	229 079 750	-76 996 848	-34%	17%

Overall capital grant expenditure is sitting at **17%** of the approved capital budget, **MIG** is sitting at **21%**, **RBIG** at **14%**, **WSIG** at **18%**, **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 - M03 September

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	73 543	82 448	82 448	5 917	16 647	20 612	(3 965)	-19%	82 448
Investment revenue	8 129	8 000	8 000	582	1 134	2 000	(866)	-43%	8 000
Transfers and subsidies - Operational	722 619	720 384	720 384	319	304 152	180 096	124 056	0	720 384
Other own revenue	5 810	4 406	4 406	408	822	1 102	(280)	-25%	4 406
Total Revenue (excluding capital transfers and contributions)	810 101	815 238	815 238	7 226	322 756	203 810	118 946	58%	815 238
Employee costs	343 349	302 013	302 013	30 580	91 202	75 504	15 699	21%	302 013
Remuneration of Councillors	10 539	11 640	11 640	872	2 564	2 910	(346)	-12%	11 640
Depreciation and amortisation	122 743	95 000	95 000	7 917	23 750	23 750	(0)	-0%	95 000
Interest	18 091	7 575	7 345	922	2 720	1 836	884	48%	7 345
Inventory consumed and bulk purchases	57 950	10 250	9 977	(762)	(3 157)	2 513	(5 670)	-226%	9 977
Transfers and subsidies	9 064	–	–	–	–	–	–		–
Other expenditure	687 815	127 288	147 216	55 978	89 502	34 463	55 039	160%	147 216
Total Expenditure	1 249 551	553 766	573 191	95 507	206 581	140 976	65 606	47%	573 191
Surplus/(Deficit)	(439 449)	261 472	242 047	(88 281)	116 174	62 834	53 340	85%	242 047
Transfers and subsidies - capital (monetary)	851 477	916 219	916 219	44 633	142 849	229 055	##	-38%	916 219
Transfers and subsidies - capital (in-kind)	8	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	-11%	1 158 266
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	-11%	1 158 266
Capital expenditure & funds sources									
Capital expenditure	781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Capital transfers recognised	732 522	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Borrowing	48 200	–	–	–	–	–	–		–
Internally generated funds	772	–	–	–	–	–	–		–
Total sources of capital funds	781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Financial position									
Total current assets	169 179	677 146	677 146		382 556				677 146
Total non current assets	6 188 069	5 982 751	6 006 523		6 285 422				6 006 523
Total current liabilities	811 894	406 164	406 164		860 846				406 164
Total non current liabilities	126 218	254 146	254 146		128 973				254 146
Community wealth/Equity	5 727 133	4 821 896	4 821 896		5 677 370				4 821 896
Cash flows									
Net cash from (used) operating	2 817 051	1 250 945	1 250 945	29 075	505 921	312 736	(193 185)	-62%	1 250 945
Net cash from (used) investing	(780 983)	(854 309)	(854 309)	(35 136)	(121 102)	(213 577)	(92 475)	43%	(854 309)
Net cash from (used) financing	(18 304)	(17 712)	(17 712)	(194)	(257)	(4 428)	(4 171)	94%	(17 712)
Cash/cash equivalents at the month/year end	2 074 834	367 748	367 748	407 664	407 664	83 555	(324 109)	-388%	402 027
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	7 563	6 712	5 406	5 816	3 938	4 406	27 397	217 183	278 420
Creditors Age Analysis									
Total Creditors	5 613	10 081	11 716	16 187	17 677	7 906	13 752	6 564	89 495

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		727 592	722 663	722 663	1 232	298 227	180 666	117 562	65%	722 663
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		727 592	722 663	722 663	1 232	298 227	180 666	117 562	65%	722 663
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		2 874	2 118	2 118	14	6 103	530	5 574	1053%	2 118
Community and social services		2 578	1 719	1 719	—	6 044	430	5 614	1306%	1 719
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Health		296	399	399	14	59	100	(40)	-41%	399
Economic and environmental services		1 857	2 772	2 772	—	—	693	(693)	-100%	2 772
Planning and development		1 857	2 772	2 772	—	—	693	(693)	-100%	2 772
Road transport		—	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		929 225	1 003 344	1 003 344	50 606	161 252	250 836	(89 584)	-36%	1 003 344
Energy sources		—	—	—	—	—	—	—	—	—
Water management		910 913	984 607	984 607	49 238	157 196	246 152	(88 956)	-36%	984 607
Waste water management		18 312	18 738	18 738	1 368	4 056	4 684	(629)	-13%	18 738
Waste management		—	—	—	—	—	—	—	—	—
Other	4	38	560	560	7	22	140	(118)	-85%	560
Total Revenue - Functional	2	1 661 587	1 731 457	1 731 457	51 859	465 604	432 864	32 740	8%	1 731 457
Expenditure - Functional										
Governance and administration		469 090	157 805	170 105	37 585	77 886	40 690	37 197	91%	170 105
Executive and council		136 913	32 580	32 580	3 622	10 470	8 145	2 325	29%	32 580
Finance and administration		273 704	114 888	127 699	29 185	52 969	30 088	22 881	76%	127 699
Internal audit		58 473	10 338	9 826	4 777	14 447	2 457	11 991	488%	9 826
Community and public safety		28 017	26 183	33 308	2 139	11 569	7 841	3 727	48%	33 308
Community and social services		9 732	13 973	21 098	619	7 137	4 789	2 348	49%	21 098
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		7 663	—	—	688	1 904	—	1 904	#DIV/0!	—
Housing		—	—	—	—	—	—	—	—	—
Health		10 622	12 210	12 210	833	2 528	3 053	(524)	-17%	12 210
Economic and environmental services		23 672	20 747	20 747	1 891	5 589	5 187	403	8%	20 747
Planning and development		23 672	20 747	20 747	1 891	5 589	5 187	403	8%	20 747
Road transport		—	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		719 692	339 990	339 990	53 035	109 123	84 998	24 126	28%	339 990
Energy sources		—	—	—	—	—	—	—	—	—
Water management		703 694	326 178	329 178	52 172	106 580	82 295	24 285	30%	329 178
Waste water management		15 997	13 812	10 812	864	2 543	2 703	(160)	-6%	10 812
Waste management		—	—	—	—	—	—	—	—	—
Other		9 079	9 041	9 041	857	2 414	2 260	154	7%	9 041
Total Expenditure - Functional	3	1 249 551	553 766	573 191	95 507	206 581	140 976	65 606	47%	573 191
Surplus/ (Deficit) for the year		412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	-0.112597	1 158 266

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) - M03 September

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		43 316	977	977	7	22	244	(223)	-91.1%	977
Vote 03 - Finance		684 315	722 246	722 246	1 232	298 227	180 562	117 666	65.2%	722 246
Vote 04 - Community Development		2 874	2 118	2 118	14	6 103	530	5 574	1052.6%	2 118
Vote 05 - Planning & Wsa		856 704	922 625	922 625	44 633	144 451	230 656	(86 206)	-37.4%	922 625
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		56 066	64 754	64 754	4 605	12 745	16 188	(3 443)	-21.3%	64 754
Vote 09 - Waste Water		18 312	18 738	18 738	1 368	4 056	4 684	(629)	-13.4%	18 738
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	1 661 587	1 731 457	1 731 457	51 859	465 604	432 864	32 740	7.6%	1 731 457
Expenditure by Vote	1									
Vote 01 - Council		149 244	39 008	39 008	4 166	12 303	9 752	2 551	26.2%	39 008
Vote 02 - Corporate Services		238 796	70 945	83 245	29 652	54 707	18 975	35 733	188.3%	83 245
Vote 03 - Finance		73 307	45 795	45 795	3 678	10 597	11 449	(852)	-7.4%	45 795
Vote 04 - Community Development		59 143	49 235	56 360	4 185	17 529	13 604	3 925	28.9%	56 360
Vote 05 - Planning & Wsa		33 818	75 338	75 338	5 778	9 567	18 835	(9 268)	-49.2%	75 338
Vote 06 - Technical Services		4 870	6 413	6 413	840	2 636	1 603	1 033	64.4%	6 413
Vote 07 - Water Purification		53 728	48 672	48 672	4 815	14 160	12 168	1 992	16.4%	48 672
Vote 08 - Water Distribution		620 647	204 548	207 548	41 529	82 539	51 887	30 652	59.1%	207 548
Vote 09 - Waste Water		15 997	13 812	10 812	864	2 543	2 703	(160)	-5.9%	10 812
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	1 249 551	553 766	573 191	95 507	206 581	140 976	65 606	46.5%	573 191
Surplus/ (Deficit) for the year	2	412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	-11.3%	1 158 266

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) - M03 September

Description		Ref	2024/25	Budget Year 2025/26							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity								-			
Service charges - Water			55 414	63 954	63 954	4 556	12 613	15 988	(3 375)	-21%	63 954
Service charges - Waste Water Management			18 129	18 494	18 494	1 361	4 034	4 624	(589)	-13%	18 494
Service charges - Waste management								-			
Sale of Goods and Rendering of Services			627	800	800	274	340	200	140	70%	800
Agency services								-			
Interest								-			
Interest earned from Receivables			746	858	858	59	159	215	(55)	-26%	858
Interest from Current and Non Current Assets			8 129	8 000	8 000	582	1 134	2 000	(866)	-43%	8 000
Dividends								-			
Rent on Land								-			
Rental from Fixed Assets			463	504	504	39	115	126	(11)	-9%	504
Licence and permits			277	295	295	14	59	74	(14)	-20%	295
Special rating levies								-			
Operational Revenue			1 542	1 344	1 344	8	23	336	(313)	-93%	1 344
Non-Exchange Revenue											
Property rates								-			
Surcharges and Taxes			-	-	-	-	-	-		-	
Fines, penalties and forfeits			449	605	605	14	125	151	(26)	-17%	605
Licence and permits								-			
Transfers and subsidies - Operational			722 619	720 384	720 384	319	304 152	180 096	124 056	69%	720 384
Interest			-	-	-	-	-	-		-	
Fuel Levy								-			
Operational Revenue			-	-	-	-	-	-		-	
Gains on disposal of Assets			-	-	-	-	-	-		-	
Other Gains			1 706	-	-	-	-	-	-		-
Discontinued Operations								-			
Total Revenue (excluding capital transfers and contributions)			810 101	815 238	815 238	7 226	322 756	203 810	118 946	58%	815 238
Expenditure By Type											
Employee related costs			343 349	302 013	302 013	30 580	91 202	75 504	15 699	21%	302 013
Remuneration of councillors			10 539	11 640	11 640	872	2 564	2 910	(346)	-12%	11 640
Bulk purchases - electricity			-	-	-	-	-	-	-		-
Inventory consumed			57 950	10 250	9 977	(762)	(3 157)	2 513	(5 670)	-226%	9 977
Debt impairment			30 773	4 000	4 000	-	-	1 000	(1 000)	-100%	4 000
Depreciation and amortisation			122 743	95 000	95 000	7 917	23 750	23 750	(0)	0%	95 000
Interest			18 091	7 575	7 345	922	2 720	1 836	884	48%	7 345
Contracted services			318 600	87 677	106 882	31 013	46 557	24 432	22 126	91%	106 882
Transfers and subsidies			9 064	-	-	-	-	-	-		-
Irrecoverable debts written off			2 724	-	-	-	-	-	-		-
Operational costs			335 440	35 611	36 334	24 965	42 944	9 031	33 913	376%	36 334
Losses on Disposal of Assets			6	-	-	-	-	-	-		-
Other Losses			272	-	-	-	-	-	-		-
Total Expenditure			1 249 551	553 766	573 191	95 507	206 581	140 976	65 606	47%	573 191
Surplus/(Deficit)			(439 449)	261 472	242 047	(88 281)	116 174	62 834	53 340	0	242 047
Transfers and subsidies - capital (monetary allocations)			851 477	916 219	916 219	44 633	142 849	229 055	(86 206)	(0)	916 219
Transfers and subsidies - capital (in-kind)			8	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions			412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266
Income Tax									-		
Surplus/(Deficit) after income tax			412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266
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	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266
Share of Surplus/Deficit attributable to Associate									-		
Intercompany/Parent subsidiary transactions									-		
Surplus/ (Deficit) for the year			412 036	1 177 691	1 158 266	(43 648)	259 023	291 888	(32 866)	(0)	1 158 266

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) - M03 September

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		-	-	-	-	-	-	-		-
Vote 03 - Finance		511	-	-	-	-	-	-		-
Vote 04 - Community Development		-	-	-	-	-	-	-		-
Vote 05 - Planning & Wsa		-	-	30 670	2 160	2 160	7 668	(5 508)	-72%	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	2 160	7 668	(5 508)	-72%	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	-	-	22	(22)	-100%	87
Vote 05 - Planning & Wsa		732 582	742 790	735 892	32 976	118 943	182 352	(63 409)	-35%	735 892
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		48 200	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	780 983	742 877	735 979	32 976	118 943	182 374	(63 431)	-35%	735 979
Total Capital Expenditure		781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Capital Expenditure - Functional Classification										
Governance and administration		712	-	-	-	-	-	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		712	-	-	-	-	-	-		-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	87	87	-	-	22	(22)	-100%	87
Community and social services		-	87	87	-	-	22	(22)	-100%	87
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		61	2 410	2 410	-	-	603	(603)	-100%	2 410
Planning and development		61	2 410	2 410	-	-	603	(603)	-100%	2 410
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		780 722	740 380	764 152	35 136	121 102	189 417	(68 315)	-36%	764 152
Energy sources		-	-	-	-	-	-	-		-
Water management		780 722	740 380	764 152	35 136	121 102	189 417	(68 315)	-36%	764 152
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Funded by:										
National Government		732 522	742 790	766 563	35 136	121 102	190 020	(68 917)	-36%	766 563
Provincial Government		-	87	87	-	-	22	(22)	-100%	87
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons,		-	-	-	-	-	-	-		-
Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		732 522	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650
Borrowing	6	48 200	-	-	-	-	-	-		-
Internally generated funds		772	-	-	-	-	-	-		-
Total Capital Funding		781 494	742 877	766 650	35 136	121 102	190 042	(68 939)	-36%	766 650

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

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

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		23 103	479 180	479 180	233 162	479 180
Trade and other receivables from exchange transactions		16 131	99 976	99 976	24 770	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	12 233	3 966
VAT		99 250	64 744	64 744	85 397	64 744
Other current assets		26 669	23 584	23 584	26 405	23 584
Total current assets		169 179	677 146	677 146	382 556	677 146
Non current assets						
Investments						
Investment property						
Property, plant and equipment		6 180 244	5 974 921	5 998 693	6 277 602	5 998 693
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		8	3	3	2	3
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		1	10	10	1	10
Total non current assets		6 188 069	5 982 751	6 006 523	6 285 422	6 006 523
TOTAL ASSETS		6 357 248	6 659 897	6 683 670	6 667 978	6 683 670
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	485 825	345 272
Trade and other payables from non-exchange transactions		9 219	1 446	1 446	312 213	1 446
Provision		37 937	27 940	27 940	37 937	27 940
VAT		2 073	9 725	9 725	3 803	9 725
Other current liabilities		—	—	—	—	—
Total current liabilities		811 894	406 164	406 164	860 846	406 164
Non current liabilities						
Financial liabilities		75 704	59 706	59 706	78 459	59 706
Provision		50 514	51 070	51 070	50 514	51 070
Long term portion of trade payables		—	143 370	143 370	—	143 370
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		126 218	254 146	254 146	128 973	254 146
TOTAL LIABILITIES		938 112	660 310	660 310	989 819	660 310
NET ASSETS	2	5 419 136	5 999 587	6 023 360	5 678 159	6 023 360
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 727 133	4 821 896	4 821 896	5 677 370	4 821 896
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	5 727 133	4 821 896	4 821 896	5 677 370	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 for the end of **First Quarter** indicates a Bank balance of **R36.1 million**

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the **First Quarter** is **R24.7 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R277.5 million**. Consumer debtors' amount to **R284.7 million** and **R2.2 million** is for shared services cast in Other Debtors.

Gross Consumer debtors	R284.7 million
Less Impairment	(R259.9 million)
Net Consumer Debtors	R24.7 million

Classification of Consumer Debtors per Service type

Water Debtors	R15.8 million
Sanitation Debtors	R3.2 million
Property Rentals Debtors	R413.07 thousand
Other Consumer debtors	R205.4 thousand
Receivables from non-exchange	R5.4 million
Total	R24.7 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R15.8 million**.
Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R221.9 million
Less Impairment	(R206.02 million)
Net Water Debtors	R15.8 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R3.2 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R55.7 million
Less Impairment	(R52.7 million)
Net Sanitation Debtors	R3.2 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amounted to **R65 thousand**

Property Rental	R466 thousand
Less Impairment	(R400 thousand)
Net Property rental	R65 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R205 thousand**, these are sundry debtors.

Gross Other Debtors	R1.03 million
Less Impairment	(R829 thousand)
Net Other Debtors	R205 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	R220.1 million
Commercial/Businesses	R 20.1 million
Organs of State (excl shared services of R3.3 mill)	R 42.5 million
Total	R282.7 million

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

Gross Households debtors	R220.1 million
Commercial/Businesses	R 20.1 million
Less Impairment	(R259.9 million)
Net Household debtors	-R24.7 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 **R12.2 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R85.3 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 **R6.2 billion**

Opening balance	R6.1 billion
Additions	R85.9 million
Depreciation	(R15.8 million)
Closing Balance	R6.2 billion

Heritage Assets

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

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R2 thousand**

Opening balance	R2 thousand
Additions	R 0
Depreciation	(R)
Closing Balance	R2 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 **R485.8 million**.

Trade Creditors	R173.3 million
Retention	R125 million
Department of Water & Sanitation	R91.4 million
Employee related cost	R1.2 million
Advance Payments	R1.9 million
Salary Suspense Accounts	R49 thousand
Leave accrual	R788 thousand
Unpaid cheques	R3.4 million
Refund	R2.2 thousand
Over/Under Banking	R10 Rands
Inventory	R349 thousand
Eskom	R1.4 Million
Fleet Horizon	R16.2 Million
WSSA	R67.4 million
Closing Balance	R485.8 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 **R312.2 million**.

Current Provision

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

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

VAT Payables

VAT payable amount to **R3.8 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 **R78.4 million**.

Long term loan	R77.3 million
Operating lease LUMD	R973 thousand
Operating lease long term BCX	R136 thousand

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

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

Non-current Provisions

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

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

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.6 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 - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		42 771	58 477	58 477	3 945	10 097	14 619	(4 522)	-31%	58 477
Other revenue		1 568 934	126 002	126 002	62 737	248 029	31 501	216 529	687%	126 002
Transfers and Subsidies - Operational		729 726	720 384	720 384	-	313 182	180 096	133 086	74%	720 384
Transfers and Subsidies - Capital		851 477	916 219	916 219	81 000	436 700	229 055	207 645	91%	916 219
Interest		5 345	8 516	8 516	595	1 189	2 129	(940)	-44%	8 516
Dividends								-		
Payments										
Suppliers and employees		(381 202)	(578 653)	(578 653)	(119 201)	(503 277)	(144 663)	358 613	-248%	(578 653)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 817 051	1 250 945	1 250 945	29 075	505 921	312 736	(193 185)	-62%	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)	(35 136)	(121 102)	(213 577)	(92 475)	43%	(854 309)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(780 983)	(854 309)	(854 309)	(35 136)	(121 102)	(213 577)	(92 475)	43%	(854 309)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		511	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(8)	-	-	(4)	(4)	-	(4)	#DIV/0!	-
Payments										
Repayment of borrowing		(18 807)	(17 712)	(17 712)	(190)	(253)	(4 428)	(4 175)	94%	(17 712)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(18 304)	(17 712)	(17 712)	(194)	(257)	(4 428)	(4 171)	94%	(17 712)
NET INCREASE/ (DECREASE) IN CASH HELD		2 017 763	378 924	378 924	(6 254)	384 561	94 731			378 924
Cash/cash equivalents at beginning:		57 071	(11 176)	(11 176)	413 919	23 103	(11 176)			23 103
Cash/cash equivalents at month/year end:		2 074 834	367 748	367 748	407 664	407 664	83 555			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 **R10 million** to date. This is **17%** 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 **R313.1 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

Equitable share	R296.02 million
Indonsa Grant	R955 thousand
LG SETA	R99 thousand
Aviation Grant	R1 million
NSF	R12 million
TOTAL	R313.1 million

Transfers and subsidies – Capital

Transfers and subsidies - Capital is expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R436.7 million**. This amount includes MIG, RBIG and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R179 million
Water Services Infrastructure Grant	R257.7 million
TOTAL	R436.7 million

Interest

Interest on the investment budget is **R1.1 million**, this estimate is based on the approved budget interest income, the interest includes interest on investments made and interest on bank balance.

Year to date actual Interest is **R595 thousand**. Interest in investment revenue on table C4 is **R552 thousand**.

Payments - Suppliers and employees

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

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R121.1 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 **R233.1 million** in the financial position but in the cash flow, it is **R407.6 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 30 September 2025

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description		NT Code	Budget Year 2025/26										Total over 90 days	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				
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	6 000	5 330	4 292	4 821	3 087	3 578	21 832	171 236	220 176	204 553	-	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	1 486	1 312	1 047	927	782	760	5 114	44 417	55 845	52 001	-	52 703		
Receivables from Exchange Transactions - Waste Management	1600									-	-				
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	12	11	11	11	11	94	266	436	394	-	401		
Interest on Arrear Debtor Accounts	1810	59	57	55	56	58	56	358	1 264	1 963	1 792	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-				
Other	1900									-	-				
Total By Income Source	2000	7 563	6 712	5 406	5 816	3 938	4 406	27 397	217 183	278 420	258 740	-	259 131		
2024/25 - totals only		9192362	7215699	6442594	6581997	5291756	4660848	25648239	183983630	249 017	226 166	0	227668690 2/5		
Debtors Age Analysis By Customer Group															
Organs of State	2200	2 600	1 962	1 547	1 902	593	685	8 099	25 114	42 503	36 394	-	-		
Commercial	2300	1 108	912	544	477	502	585	2 849	13 141	20 117	17 553	-	-		
Households	2400	3 871	3 901	3 435	3 458	3 017	3 154	16 663	182 625	220 124	208 916	-	-		
Other	2500									-	-				
Total By Customer Group	2600	7 579	6 775	5 527	5 837	4 112	4 424	27 610	220 880	282 743	262 863	-	-		

Total debtors' amount to **R282.7 million**, the debtors over 90 days amount to **R262.8 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 30 September 2025

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	-
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	5 613	10 081	11 716	16 187	17 677	7 906	13 752	6 564	89 495	44 960
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions	0950									-	
Total By Customer Type	1000	5 613	10 081	11 716	16 187	17 677	7 906	13 752	6 564	89 495	44 960

2.3 INVESTMENT PORTFOLIO

Investments as at 30 September 2025

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September 2025

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Com mission Paid (Ran ds)	Commi ssion Recipie nt	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Mont hs												
Municipality														
ABSA - 9378134528		1	Investment Tracker	Yes	Variable InterestRate	0.077	0	N/A	02 August 2025	-	58	-	9 000	9 058
ABSA - 9373372771		1	Investment Tracker	Yes	Variable InterestRate	0.077	0	N/A	15 August 2025	9 000	629		98 000	107 629
ABSA - 9400175919		1	Investment Tracker	Yes	Variable InterestRate	0.077	0	N/A	26 August 2025	107 000			40 000	147 000
ABSA - 9373372771		1	Investment Tracker	Yes	Variable InterestRate	0.077	0	N/A	30 September 2025				50 000	50 000
ABSA - 9400175919		1											17	17
Municipality sub-total										-	687	-	197 017	197 017
Entities														
														-
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS	2									-	687	-	197 017	197 017

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		678 574	718 165	718 165	263	304 039	179 541	124 498	69.3%	718 165
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		670 187	710 459	710 459	–	296 025	177 615	118 410	66.7%	710 459
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	–	1 602	1 601	1	0.0%	6 406
Local Government Financial Management Grant		1 200	1 300	1 300	263	368	325	43	13.3%	1 300
Municipal Disaster Relief Grant		1 960	–	–	–	6 044	–	6 044		–
Municipal Infrastructure Grant	3	–	–	–	–	–	–	–		–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–		–
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
Provincial Government:		1 285	2 219	2 219	56	113	555	(442)	-79.6%	2 219
Capacity Building and Other Grants		1 285	2 219	2 219	56	113	555	(442)	-79.6%	2 219
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
Other grant providers:		42 760	–	–	–	–	–	–		–
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		724	–	–	–	–	–	–		–
National Skills Fund		42 037	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	722 619	720 384	720 384	319	304 152	180 096	124 056	68.9%	720 384
Capital Transfers and Grants										
National Government:		851 477	916 219	916 219	44 633	142 849	229 055	(86 206)	-37.6%	916 219
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		262 939	268 969	268 969	6 691	55 641	67 242	(11 602)	-17.3%	268 969
Regional Bulk Infrastructure Grant		431 247	544 478	544 478	30 340	72 600	136 119	(63 520)	-46.7%	544 478
Rural Road Asset Management Systems Grant		1 857	2 772	2 772	–	–	693	(693)	-100.0%	2 772
Water Services Infrastructure Grant		155 434	100 000	100 000	7 602	14 608	25 000	(10 392)	-41.6%	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	44 633	142 849	229 055	(86 206)	-37.6%	916 219
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 574 105	1 636 603	1 636 603	44 952	447 001	409 151	37 850	9.3%	1 636 603

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

GRANTS RECEIPTS AND EXPENDITURE

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

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	76 338	173 014	116 758	56 255	48.2%	468 973
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		1 038 729	400 220	400 220	71 014	160 088	100 056	60 033	60.0%	400 220
Expanded Public Works Programme Integrated Grant		5 227	6 406	6 406	1 104	3 346	1 602	1 744	108.9%	6 406
Local Government Financial Management Grant		1 189	1 300	1 300	241	345	325	20	6.2%	1 300
Municipal Disaster Relief Grant		1 704	–	7 125	–	5 256	1 296	3 960	305.7%	7 125
Municipal Infrastructure Grant		12 233	53 922	53 922	3 979	3 979	13 480	(9 502)	-70.5%	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	–	–	530	(530)	-100.0%	2 119
Capacity Building and Other Grants		618	2 119	2 119	–	–	530	(530)	-100.0%	2 119
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		42 760	–	12 299	12 019	12 118	1 238	10 880	878.8%	12 299
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		724	–	100	–	99	18	81	446.7%	100
National Skills Fund		42 037	–	12 200	12 019	12 019	1 220	10 799	885.2%	12 200
Total operating expenditure of Transfers and Grants:		1 104 087	463 967	483 392	88 357	185 132	118 526	66 606	56.2%	483 392
Capital expenditure of Transfers and Grants										
National Government:		732 522	742 790	766 563	35 136	121 102	190 020	(68 917)	-36.3%	766 563
Municipal Infrastructure Grant		218 473	179 964	203 737	1 839	44 567	49 313	(4 746)	-9.6%	203 737
Regional Bulk Infrastructure Grant		377 830	473 459	473 459	26 581	63 630	118 365	(54 735)	-46.2%	473 459
Rural Road Asset Management Systems Grant		–	2 410	2 410	–	–	603	(603)	-100.0%	2 410
Water Services Infrastructure Grant		136 219	86 957	86 957	6 716	12 905	21 739	(8 834)	-40.6%	86 957
Provincial Government:		–	87	87	–	–	22	(22)	-100.0%	87
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
Infrastructure Grant		–	87	87	–	–	22	(22)	-100.0%	87
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		732 522	742 877	766 650	35 136	121 102	190 042	(68 939)	-36.3%	766 650
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 836 609	1 206 844	1 250 041	123 493	306 234	308 568	(2 334)	-0.8%	1 250 041

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration R thousands	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
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		588	–	–	49	148	–	148	#DIV/0!	–
Medical Aid Contributions		58	–	–	7	18	–	18	#DIV/0!	–
Motbr Vehicle Allowance		2 322	2 257	2 257	186	562	564	(2)	0%	2 257
Cellphone Allowance		781	778	778	64	193	194	(1)	-1%	778
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		6 789	8 605	8 605	566	1 642	2 151	(509)	-24%	8 605
Sub Total - Councillors		10 539	11 640	11 640	872	2 564	2 910	(346)	-12%	11 640
% increase	4		10.4%	10.4%						10.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		7 612	7 986	7 986	640	1 920	1 997	(77)	-4%	7 986
Pension and UIF Contributions		275	275	275	18	54	69	(15)	-21%	275
Medical Aid Contributions		97	71	71	6	18	18	0	1%	71
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		628	381	381	–	507	95	412	432%	381
Motbr Vehicle Allowance		1 981	1 934	1 934	161	483	483	(0)	0%	1 934
Cellphone Allowance		284	277	277	23	69	69	–		277
Housing Allowances		13	14	14	1	4	4	(0)	0%	14
Other benefits and allowances		263	249	249	46	90	62	27	44%	249
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and postrelated allowance		20	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		11 173	11 188	11 188	895	3 145	2 797	348	12%	11 188
% increase	4		0.1%	0.1%						0.1%
Other Municipal Staff										
Basic Salaries and Wages		217 141	193 530	193 530	19 500	58 259	48 383	9 877	20%	193 530
Pension and UIF Contributions		30 151	32 031	32 031	2 720	8 097	8 008	89	1%	32 031
Medical Aid Contributions		18 984	19 155	19 155	1 737	5 189	4 789	400	8%	19 155
Overtime		10 127	5 314	5 314	822	2 446	1 328	1 117	84%	5 314
Performance Bonus		14 860	15 389	15 389	1 706	4 424	3 847	577	15%	15 389
Motbr Vehicle Allowance		23 937	22 652	22 652	2 166	6 348	5 663	685	12%	22 652
Cellphone Allowance		861	827	827	75	223	207	16	8%	827
Housing Allowances		1 750	1 772	1 772	149	445	443	2	1%	1 772
Other benefits and allowances		3 899	155	155	276	800	39	761	1963%	155
Payments in lieu of leave		5 645	–	–	173	1 149	–	1 149	#DIV/0!	–
Long service awards		1 961	–	–	324	521	–	521	#DIV/0!	–
Post-retirement benefit obligations		1 899	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and postrelated allowance		961	–	–	39	157	–	157	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		332 176	290 825	290 825	29 685	88 058	72 707	15 351	21%	290 825
% increase	4		-12.4%	-12.4%						-12.4%
Total Parent Municipality		353 888	313 653	313 653	31 452	93 767	78 414	15 353	20%	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 - M03 September

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
		Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
R thousands	1															
Cash Receipts By Source																
Property rates													-			
Service charges - Electricity revenue													-			
Service charges - Water revenue		1 927	2 564	2 862	3 696	3 696	3 696	3 696	3 696	3 696	3 696	3 696	7 431	44 350	46 390	48 432
Service charges - Waste Water Management		733	929	1 082	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 177	1 964	14 127	14 777	15 427
Service charges - Waste Management													-			
Rental of facilities and equipment		41	40	40	48	48	48	48	48	48	48	48	73	580	580	580
Interest earned - external investments		-	552	582	667	667	667	667	667	667	667	667	1 533	8 000	8 368	8 736
Interest earned - outstanding debtors		21	22	12	43	43	43	43	43	43	43	43	117	516	540	563
Dividends received													-			
Fines, penalties and forfeits		85	25	14	50	50	50	50	50	50	50	50	77	605	633	661
Licences and permits		29	17	14	25	25	25	25	25	25	25	25	39	295	308	322
Agency services													-			
Transfers and Subsidies - Operational		298 080	15 102	-	60 032	60 032	60 032	60 032	60 032	60 032	60 032	60 032	(73 054)	720 384	757 969	792 384
Other revenue		153 072	31 983	62 669	10 377	10 377	10 377	10 377	10 377	10 377	10 377	10 377	(206 217)	124 523	131 585	154 075
Cash Receipts by Source		453 989	51 233	67 276	76 115	76 115	76 115	76 115	76 115	76 115	76 115	76 115	(268 038)	913 379	961 150	1 021 179
Other Cash Flows by Source													-			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		138 000	217 700	81 000	76 352	76 352	76 352	76 352	76 352	76 352	76 352	76 352	####	916 219	756 953	800 198
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)													####			
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 000
Short term loans													-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits				(4)									4			
VAT Control (receipts)		-	-		10 315	10 315	10 315	10 315	10 315	10 315	10 315	10 315	41 259	123 776	106 387	114 681
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments													-	-	-	-
Total Cash Receipts by Source		591 989	268 933	148 272	162 781	162 781	162 781	162 781	162 781	162 781	162 781	162 781	(358 068)	1 953 374	1 824 489	1 940 059
Cash Payments by Type													-			
Employee related costs		31 133	31 157	31 664	25 168	25 168	25 168	25 168	25 168	25 168	25 168	25 168	6 717	302 013	315 906	329 805
Remuneration of councillors		899	908	976	970	970	970	970	970	970	970	970	1 097	11 640	12 176	12 711
Interest													-			
Bulk purchases - Electricity		23 855	3 627	12 967	-	-	-	-	-	-	-	-	(40 448)	-	-	-
Acquisitions - water & other inventory		-	1 559	5 183	982	982	982	982	982	982	982	982	(2 813)	11 788	12 311	12 835
Contracted services		(4 648)	(27 782)	(6 675)	17 688	17 688	17 688	17 688	17 688	17 688	17 688	17 688	109 858	212 260	172 013	187 345
Transfers and subsidies - other municipalities													-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		220 420	102 347	74 771	3 413	3 413	3 413	3 413	3 413	3 413	3 413	3 413	(383 887)	40 953	42 736	44 569
Cash Payments by Type		271 658	111 816	118 886	48 221	48 221	48 221	48 221	48 221	48 221	48 221	48 221	(309 475)	578 653	555 142	587 266
Other Cash Flows/Payments by Type																
Capital assets		51 836	34 131	35 136	71 192	71 192	71 192	71 192	71 192	71 192	71 192	71 192	163 667	854 309	747 707	803 584
Repayment of borrowing		-	63	190	1 476	1 476	1 476	1 476	1 476	1 476	1 476	1 476	5 651	17 712	17 712	17 712
Other Cash Flows/Payments		-	602	315	-	-	-	-	-	-	-	-	(917)	-	-	-
Total Cash Payments by Type		323 493	146 612	154 526	120 889	120 889	120 889	120 889	120 889	120 889	120 889	120 889	(141 074)	1 450 674	1 320 561	1 408 561
NET INCREASE/(DECREASE) IN CASH HELD		268 495	122 321	(6 254)	41 892	41 892	41 892	41 892	41 892	41 892	41 892	41 892	(216 995)	502 700	503 929	531 497
Cash/cash equivalents at the month/year beginning:		23 103	291 598	413 919	407 664	449 556	491 448	533 340	575 231	617 123	659 015	700 906	742 798	23 103	525 803	1 029 732
Cash/cash equivalents at the month/year end:		291 598	413 919	407 664	449 556	491 448	533 340	575 231	617 123	659 015	700 906	742 798	525 803	525 803	1 029 732	1 561 229

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Service charges – Water revenue	21%	This is the amounts billed on customers for water used, the year-to-date actual is R12.6 million which is 20% of the approved budget. The R12.6 million year to date actual is below the three months baseline projection or year-to-date budget of R15.9 million. A variance of R3.3 million or 21% is observed. For the month of August, the municipality started the process of replacing estimates with prepaid meters, and for the month of September they have installed More prepaid meters that's why our monthly Actual is R4.5 million	
	Service charges – Sanitation revenue	42%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R4 million which is 22% of the approved budget. The R4 million year to date actual is below the three months baseline projection or year-to-date budget of R4.6 million. A variance of R1.9 million or 42% is observed. Sanitation will for the month of September 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 September.	The Reason For the bill of sanitation being High is based on the fact that we charge businesses an Access charge-Sewerage of 40kl when they have used more than Basic sewer Charge.
	Sale of goods and rendering of service	70%	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 below the three months baseline projection or year-to-date budget of R200 thousand. A variance of 140 thousand or 70% is observed.	There was a Huge sale of tender documents for the month of September 2025 in this period.
	Interest earned - outstanding debtors	26%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R159 thousand, which is 19% of the approved budget. The R179 thousand year- to-date actual is below the three months baseline projection or year-to-date budget of R215 thousand. A variance of R55 thousand or 26% is observed.	Reasons for variances can be attributed to businesses' adherence to payment terms; the municipality must implement stringent measures for the Month of September since we have an Actual of R59 thousand, we must ensure that businesses Pay on time
	Interest on investment	43%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R1.1 million which is 14% of the approved budget. The R1.1 million year-to-date actual is below the three-month baseline projection or year-to-date budget of R2 million. A variance of R866 thousand or 43% 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.
	Rental from Fixed Assets	9%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R115 thousand which is 23% of the approved budget. The R115 thousand year-to-date actual is below the three months baseline projection or year-to-date budget of R126 thousand. A variance of R11 thousand or 9% is observed	The municipality will review and reconcile rent with the lease agreements for future forecast. The Rent on Facilities is Fixed, there has been Increment in August and September.
	Licences and Permits	20%	Licences and permits year-to-date actual is R59 thousand which is 20% of the approved budget the R59 thousand year to date actual is below the three months baseline projection or year-to-date budget of R74 thousand. A variance of R14 thousand or 20% is observed. In the Month of September there were only health certificate issued.	
	Operational revenue	93%	Operational revenue year-to-date actual is R23 thousand which is 2% of the approved budget the R23 thousand year to date actual is below the three months baseline projection or year-to-date budget of R336 thousand. A variance of R313 thousands or 93% is observed. The variance to this line item can be attributed the non-receipt of Insurance Refund, Registration Fees, Discounts & Early Settlement which is not benchmarked by year to date	
	Fines, penalties, and forfeits	17%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R125 thousand, which is 21% of the approved budget. The R125 thousand year to date is above the three-month baseline projection or year-to-date budget of R151 thousand. A variance of R26 thousand or 17% 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	69%	Transfers and subsidies year to date actual is R304.1 million which is 42% of the approved budget. The R304.1 million year to date actual is above the three months baseline projection or year-to-date budget of R180.09 million. A variance of R124.05 million or 69% is observed.	

DC26 Zululand - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
2	Expenditure By Type			
	Employee Related Costs	21%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R91.2 million which is 30% of the approved budget. The R91.2 million year to date actual is above the three-month baseline projection or year-to-date budget of R75.5 million. A variance of R15.6 million or 21% is observed. The expenditure for the month is R30.5 million.	
	Remuneration of Councillors	12%	Remuneration of Councillors is paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R2.5 million which is 22% of the approved budget. The R2.5 million year-to-date actual is below the three-month baseline projection or year-to-date budget of R2.9 million. A variance of R346 thousand or 12% is observed. The Expenditure for the Month is R872 thousand.	
	Inventory Consumed	0%	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 (-R3.1 million), which means there were transaction performed incorrectly. The municipality will prepare a journal to correct the error	
	Depreciation	0%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R23.7 million which is 25% of the approved budget. The R23.7 million year-to-date actual equals the three month baseline projection or year-to-date budget of R23.7 million. A variance of R0 or 0% is observed. The movement for the month is R7.9 million.	
	Finance charges	48%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R2.7 million which is 36% of the approved budget. The R2.7 million year-to-date actual is above the three months baseline projection or year-to-date budget of R1.8 million. A variance of R884 thousand or 48% is observed. The movement for the month is R922 thousand resulting from interest on loan.	
	Contracted services	91%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R46.5 million which is 53.1% of the approved budget. The R46.5 million year to date actual is above the three month baseline projection or year-to-date budget of R24.4 million. A variance of R22.1 million or 91% is observed. The movement for the month is R31 million, the major movements are noted in non employees training funded by NSF, Security services & Bulk maintenance.	
	Transfers and subsidies paid.	62%	Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is R551 thousand which is 26% of the approved budget. The R551 thousand year to date actual is below the Seven months baseline projection or year-to-date budget of R1.4 million. A variance of R910 thousand or 62% is observe. It depends on the assistance given to community based on their requests.	
	Operational costs	376%	Operational costs are all other expenditure not classified above. The year-to-date actual is R42.9 million which is 121% of the approved budget. the R42.9 million year-to-date actual is above the three months baseline projection or year-to-date budget of R9 million. A variance of R33.9 million or 376% is observed. The movement for the month is R24.9 million. Major movements are from Eskom, lease of fleet & wet fuel.	

DC26 Zululand - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
3	Capital Expenditure			
	Governance and administration	0%	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 months baseline projection or year-to-date budget of R22 thousand. A variance of R22 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 R603 thousand. A variance of R603 thousand or 100% is observed.	
	Trading services	36%	Trading services year-to-date actual is R121.1 million which is 16% of the approved budget, the R121.1 million year-to-date actual is below the three months baseline projection or year-to-date budget of R190.02 million. A variance of R68.9 million or 36% 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 - M03 September

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									
<u>Monthly expenditure performance trend</u>									
July	93 315	61 906	61 906	51 836	51 836	61 906	10 071	16.3%	7%
August	64 218	64 068	64 068	34 131	34 131	125 974	91 843	72.9%	4%
September	59 111	64 068	64 068	35 136	35 136	190 042	154 906	81.5%	5%
October	74 889	64 068	64 068	–	–	254 109	254 109	100.0%	0%
November	54 560	64 068	64 068	–	–	318 177	318 177	100.0%	0%
December	68 273	64 068	64 068	–	–	382 244	382 244	100.0%	0%
January	–	64 068	64 068	–	–	446 312	446 312	100.0%	0%
February	14 786	64 068	64 068	–	–	510 379	510 379	100.0%	0%
March	32 878	64 068	64 068	–	–	574 447	574 447	100.0%	0%
April	181 413	64 068	64 068	–	–	638 515	638 515	100.0%	–
May	79 738	64 068	64 068	–	–	702 582	702 582	100.0%	–
June	28 731	64 067	64 067	–	–	766 650	766 650	100.0%	–
Total Capital expenditure	751 911	766 650	766 650	121 102					

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 - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		732 522	742 790	766 563	35 136	121 102	190 020	68 917	36.3%	766 563
Roads Infrastructure		–	2 410	2 410	–	–	603	603	100.0%	2 410
Roads		–	2 410	2 410	–	–	603	603	100.0%	2 410
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Water Supply Infrastructure		732 522	740 380	764 152	35 136	121 102	189 417	68 315	36.1%	764 152
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		32 532	28 016	51 788	1 090	10 941	11 326	386	3.4%	51 788
Reservoirs		3 379	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		136 848	101 224	101 224	749	21 335	25 306	3 971	15.7%	101 224
Bulk Mains		526 548	568 552	568 552	33 297	77 272	142 138	64 866	45.6%	568 552
Distribution		33 215	31 526	31 526	–	11 554	7 882	(3 673)	-46.6%	31 526
Distribution Points		–	11 061	11 061	–	–	2 765	2 765	100.0%	11 061
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
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	–	–	22	22	100.0%	87
Machinery and Equipment		48 200	87	87	–	–	22	22	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		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	781 494	742 877	766 650	35 136	121 102	190 042	68 939	36.3%	766 650

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		169 973	45 389	51 750	9 473	14 729	12 504	(2 225)	-17.8%	51 750
Roads Infrastructure		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Water Supply Infrastructure		169 973	45 389	51 750	9 473	14 729	12 504	(2 225)	-17.8%	51 750
Bulk Mains		64 246	30 389	36 750	444	5 700	8 754	3 054	34.9%	36 750
Distribution Points		105 727	15 000	15 000	9 029	9 029	3 750	(5 279)	-140.8%	15 000
Sanitation Infrastructure		-	-	-	-	-	-	-		-
Waste Water Treatment Works		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Community Assets		435	-	-	-	-	-	-		-
Community Facilities		435	-	-	-	-	-	-		-
Airports		435	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Other assets		62	-	-	-	-	-	-		-
Operational Buildings		62	-	-	-	-	-	-		-
Municipal Offices		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	-	-	50	50	100.0%	200
Furniture and Office Equipment		-	200	200	-	-	50	50	100.0%	200
Machinery and Equipment		-	-	-	-	-	-	-		-
Machinery and Equipment		-	-	-	-	-	-	-		-
Transport Assets		10 988	-	-	-	-	-	-		-
Transport Assets		10 988	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological/plants and animals		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological/plants and animals		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	181 458	45 589	51 950	9 473	14 729	12 554	(2 175)	-17.3%	51 950

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	Ref	2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2025/26 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	21 253	21 253	0	0.0%	85 014
Roads Infrastructure		—	762	762	64	191	191	0	0.0%	762
Roads		—	762	762	64	191	191	0	0.0%	762
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	39	39	3	10	10	0	0.0%	39
LV Networks		—	39	39	3	10	10	0	0.0%	39
Water Supply Infrastructure		111 606	81 842	81 842	6 820	20 460	20 461	0	0.0%	81 842
Dams and Weirs		2 199	2 959	2 959	247	740	740	0	0.0%	2 959
Boreholes		1 768	500	500	42	125	125	—	—	500
Reservoirs		9 358	7 438	7 438	620	1 860	1 860	0	0.0%	7 438
Pump Stations		6 426	4 729	4 729	394	1 182	1 182	0	0.0%	4 729
Water Treatment Works		8 386	7 037	7 037	586	1 759	1 759	0	0.0%	7 037
Bulk Mains		56 098	36 425	36 425	3 035	9 106	9 106	—	—	36 425
Distribution		27 297	22 668	22 668	1 889	5 667	5 667	0	0.0%	22 668
PRV Stations		75	86	86	7	22	22	0	0.0%	86
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		2 020	2 371	2 371	198	593	593	0	0.0%	2 371
Pump Station		203	205	205	17	51	51	—	—	205
Reticulation		1 026	1 824	1 824	152	456	456	0	0.0%	1 824
Waste Water Treatment Works		790	342	342	29	86	86	0	0.0%	342
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Community Assets		1 210	905	905	75	226	226	0	0.0%	905
Community Facilities		1 075	660	660	55	165	165	0	0.0%	660
Halls		—	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Parks		—	—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		344	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		731	660	660	55	165	165	0	0.0%	660
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		135	244	244	20	61	61	0	0.0%	244
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		135	244	244	20	61	61	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	363	363	0	0.0%	1 451
Operational Buildings		1 246	1 451	1 451	121	363	363	0	0.0%	1 451
Municipal Offices		1 246	1 394	1 394	116	348	348	0	0.0%	1 394
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—	—
Stores		—	57	57	5	14	14	0	0.0%	57
Laboratories		—	—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		20	21	21	2	5	5	0	0.0%	21
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		20	21	21	2	5	5	0	0.0%	21
Computer Software and Applications		18	21	21	2	5	5	0	0.0%	21
Lease Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		2	—	—	—	—	—	—	—	—
Computer Equipment		1 368	1 046	1 046	87	261	261	0	0.0%	1 046
Computer Equipment		1 368	1 046	1 046	87	261	261	0	0.0%	1 046
Furniture and Office Equipment		556	609	609	51	152	152	0	0.0%	609
Furniture and Office Equipment		556	609	609	51	152	152	0	0.0%	609
Machinery and Equipment		1 818	388	388	32	97	97	0	0.0%	388
Machinery and Equipment		1 818	388	388	32	97	97	0	0.0%	388
Transport Assets		2 898	5 568	5 568	464	1 392	1 392	0	0.0%	5 568
Transport Assets		2 898	5 568	5 568	464	1 392	1 392	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	23 750	23 750	0	0.0%	95 000

2.10 OTHER SUPPORTING DOCUMENTS

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

2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality doesn't have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

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



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

Date: 14/10/2025