

Umdoni Municipality



In-Year Report of the Municipality

Prepared in terms of the Local Government Municipal Finance Management Act
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Monthly Budget Statement

September 2025

2025/26 Financial Year

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Glossary

Accrual Accounting – An accounting method that measures the performance and position of the municipality by recognising events regardless of when cash transactions occur.

Adjustment Budget – Prescribed in section 28 of the MFMA

Allocations – Money received from other Municipalities, Provincial or National Government.

Budget – Financial Plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include credit control policy, rates policy, tariff policy and funding and reserves policy.

Capital Expenditure – Expenditure on items such as machinery, buildings, land, infrastructure (roads).

Cash Flow Statement – Provides aggregate data regarding all cash inflows the municipality receives from both its ongoing operations and external investment sources, as well as all cash outflows that pay for municipality's activities and investments during a month.

DORA – Division of Revenue Act. Annual legislation reflecting total allocations per municipality made by provincial and national governments.

Equitable Share – A general grant paid to municipalities predominantly targeted to help with free basic services.

Fruitless and Wasteful Expenditure – Expenditure made in vain, that would have been avoided had reasonable care been exercised.

MBRR – Local Government Municipal Budget and Reporting Regulations.

MIG – Municipal Infrastructure Grant

MTREF – Medium Term Revenue and Expenditure Framework.

Operating Expenditure – Day to day expenses of the Municipality such as salaries, repairs and maintenance and general expenses.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards achieving those objectives.

Unauthorised Expenditure – Spending without budget or in excess of the approved budget

Vote – A department

SECTION 1 – EXECUTIVE SUMMARY

1.1 Introduction

MFMA Accountability cycle begins with the preparation and approval of the IDP, MTERF and SDBIP, which is followed by in year reporting, Annual Financial Statements, Annual Audit (Audit Report) and ultimately Annual and Oversight Reports. The MFMA legislates what must be reported on, by when, and the MFMA Budget and Reporting Regulations prescribes the format of the reports.

MFMA Section 71 states that the Accounting Officer must within 10 working days of the end of each month, submit a report to the Mayor on the implementation of the budget and the financial state of affairs of the municipality.

Municipal budget regulations sub-heading 2.5 requires that this report must be in the Section 71 of the MFMA format, which requires that this report must be prepared in the following manner:

- Actual Revenue per revenue source;
- Actual expenditure per vote;
- Actual Capital Expenditure per vote;
- The amount of any allocations received,
- Actual Expenditure on allocations received,
- Actual Expenditure on those allocations,
- Where necessary, explanations on:
 - Any material variances from the municipality's projected revenue per source, and from the municipality's expenditure projections per vote.
 - Any material variances from the SDBIP, and
 - Remedial or corrective steps taken or to be taken by the municipality

The statement must include: -

- Projections of municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections;

The amounts reflected in the statement must in each case be compared with corresponding amounts budgeted for in the municipality's approved budget. This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognised by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is received or made. This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the municipality's current financial position.

Table C1 & C4 - Monthly Budget Statement Summary

Operating Revenue

In terms of financial performance, the actual year-to-date revenue accrued is R140, 7 million against year-to-date budget of 100,7 million giving rise to a variance of 40%. Variance contributing factors are explained in the sub headings of the revenue items.

Property Rates

The amount accrued on rates amounts to R47,8 million, against the expected R34,4 million. This has resulted to 39% variance. The variance is caused by the customers who opted for annual debit raising.

Refuse Removal

Amount accrued on refuse removal is R5,6 million against the expected R3,5 million. Variance is sitting at 61%. The variance is caused by the customers who opted for annual debit raising.

Investment Revenue

This relates to interests received on the call account deposits held. Interest recognised amounts to R1,5 million against the expected R3,2 million. The variance is 52%. This under performance is a result of change in interest rates and is still going to adjust itself during the course of the financial year.

Other Own Revenue

Rental of facilities and Equipment; R1,9 million has been recognised instead of the expected R 1,9 million. Variance is sitting 1%.

Fines; R330 122,52 has been recognised instead of the expected R 400 701,00 . Variance is 18%. This variance is still going to adjust itself as financial year progresses.

Licenses and permits; R872 046,82 has been recognised, and the municipality expected to recognised R 818 034,00 . Variance is sitting at 7%. This variance is insignificant as it's below 10%.

Agency Fees; The amount recognised amounts to R 566 553,02 and the municipality expected to recognise R 561 750,00. Variance is sitting at 1%.

Other operational Revenue; R112 008,71 has been recognised instead of the expected R 125 139,00 . This category includes general revenue sources like building plan fees, subdivisions revenue, campsite fees and scholar patrol revenue. The variance is 13%. This variance is lower than anticipated because it is still the end of the first quarter it is still going to adjust itself during the course of the financial year.

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Interest earned from receivables; R500 913,63 has been accrued instead of the expected R459 231,00 Variance is 9%. The variance is due to the increasing old debt and low collection rate.

Grants and Subsidies

All the grants have been received. However, in the statement of financial performance only revenue recognised based on conditions met is reported for conditional grants. For unconditional grants, like equitable share the total receipts are reported under this category. The amount recognised to date is R77,1 million instead of the expected R50,1 million Variance amounts to 54%. The main reason why this variance is so huge is the first trench of equitable share received in July 2025.

Operating Expenditure

On the operating expenditure, R87,6 million was spent against the year-to-date budget of R112,2 million giving rise to a variance of 22%. Major contributors to this variance are contracted services with a variance of 14,4 million, other bad debt written off with a variance of R10,1 million and other operational expenditure with a variance of 4,7 million.

Employee Costs

As at end of September 2025 the municipality has spent R44,1 million on employee related costs against the expected R44,4 million. The variance is sitting at 1%.

Remuneration of Councillors

Amount spent totals to R4,1 million against the year-to-date budget of R4,6 million. Variance is sitting at 10%. This variance is a result of upper limits that has not yet been effected.

Operational Costs

This line item includes all the other operating expenses like accommodation, telephone, electricity, protective clothing, audit fees etc. Expenditure is R11,8 million against the expected budget of R16,6 million. The variance is sitting at 29%. This is due to cost containment measures put in place to ensure that municipality spend with its budget and to avoid deficit with regards to performance statement.

Debt Impairment

Expenditure is (R8,3 million) against the expected budget of R 1,8 million. The variance is sitting at 560% and is a result of the debt relief programme (debt written-off).

Depreciation & Asset Impairment

Expenditure is R10,5 million against the expected budget of R10,7 million. The variance is 2%.

Inventory Consumed

This category includes budget for cleaning material, material for roads maintenance and stationery. Expenditure is R1,068 million against the expected budget of R1,8 million. Variance is sitting at 43%. Cleaning material and stationery are bought quarterly or as when needed.

Contracted Services

Expenditure is R15,7 million against the year-to-date budget of R30,2 million. Variance is 48%. The variance is at this stage because we have just finished the first quarter. It'll improve as the financial year progresses.

Transfers and Subsidies

Expenditure is R109 430,90 against the year-to-date budget of R1,1 million The variance is 91%. An amount of R 558 681,00 has been budgeted under this category for disaster relief expenses, no spending has been incurred.

Capital Expenditure

Capital Expenditure has an actual spent of R20,6 million against the expected R20,2 million budget to date. This will be explained more on table C5 where departmental expenditures are reflected.

CAPITAL EXPENDITURE (VAT EXCLUSIVE)

| Funding | Year-to Date Actual | Year-to Date Budget | Full Year Projection | Percentage Spent to Date |
|---|----------------------------|----------------------------|-----------------------------|---------------------------------|
| Conditional-MIG Capex | 10 860 409,60 | 7 709 046,00 | 30 836 174.00 | 35% |
| Municipal Disaster Response Grant (Opening Balance) | - | - | 10 278 027.55 | 0% |
| Small Town Rehabilitation Grant(Opening Balance) | - | - | 3 893.56 | 0% |
| Conditional-Provincial Grants | 606 065,26 | 217 392,00 | 869 565,00 | 70% |
| Unconditional-Own Funding | 9 203 628,11 | 12 303 261,00 | 49 213 043.00 | 19% |
| TOTAL | 20 670 102,97 | 20 229 699,00 | 80 918 782.00 | 26% |

CONDITIONAL OPERATIONAL GRANTS

| Funding | Allocation | Received | Year-to-date Expenditure | Percentage spent to date |
|--|-------------------|-----------------|---------------------------------|---------------------------------|
| MIG -Opex | 1 866 400.00 | 1 159 900,00 | 567 756,56 | 30% |
| EPWP | 1 385 000.00 | 300 869.57 | 918 351,90 | 66% |
| FMG | 2000 000.00 | 2000 000.00 | 103 935.26 | 5.2% |
| INEP | 4 451 000.00 | 2000 000.00 | - | 0% |
| Tittle Deeds Restoration Grant(Opening Balance) | 587 558.00 | - | - | 0% |
| Municipal Employment Initiative(Opening Balance) | 31 147.00 | - | - | 0% |
| Beach Infrastructure Grant (Opening Balance) | 321 415.00 | - | - | 0% |
| Municipal Disaster Response Grant (Opening Balance) | 123.29 | - | - | 0% |
| Energy Efficiency & Demand Side Management (Opening Balance) | 673 852.00 | - | - | 0% |
| Library Grant | 11 554 000.00 | - | 2 660 065.83 | 23% |

Financial Position

The municipality's current assets exceed the current liabilities. The municipality's ability to pay its short term liabilities is tested by taking the total current assets and dividing them by current liabilities (current ratio 4.28:1). The ratio is above the norm of 1,5 – 2:1, which reflects healthy financial state. This test is mainly used to give an idea of the municipality's ability to pay back its short term liabilities using the current assets.

| | |
|---------------------|-------------|
| | 9,38 |
| Current Assets | 350 315 392 |
| Current Liabilities | 37 348 990 |
| | 4,28 |
| Current Assets | 317 297 881 |
| Current Liabilities | 74 077 798 |

Cash Flows

The municipality ended the month with a positive cash and cash equivalents balance R183,8 million.

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Table C1- Monthly Budget Statement Summary

The table below reflects on the summary of the total municipality's budget against year to date collections/recognised or expenditures.

| KZN212 Umdoni - Table C1 Monthly Budget Statement Summary - M03 September | | | | | | | | | |
|---|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| Description | 2024/25 | Budget Year 2025/26 | | | | | | | |
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly Actual | YearTD Actual | YearTD Budget | YTD Variance | YTD Variance % | Full Year Forecast |
| Financial Performance | | | | | | | | | |
| Property rates | 129 634 | 137 803 | 137 803 | 9 865 | 47 803 | 34 451 | 13 353 | 39% | 137 803 |
| Service charges | 12 431 | 14 136 | 14 136 | 1 033 | 5 686 | 3 534 | 2 153 | 61% | 14 136 |
| Investment revenue | 14 037 | 13 000 | 13 000 | 547 | 1 559 | 3 250 | (1 691) | -52% | 13 000 |
| Transfers and subsidies - Operational | 203 943 | 200 570 | 200 570 | 201 | 77 125 | 50 143 | 26 982 | 54% | 200 570 |
| Other own revenue | 43 862 | 37 532 | 37 532 | 2 815 | 8 572 | 9 383 | (811) | -9% | 37 532 |
| Total Revenue (excluding capital transfers and | 403 908 | 403 041 | 403 041 | 14 461 | 140 745 | 100 760 | 39 985 | 40% | 403 041 |
| Employee costs | 162 165 | 177 968 | 177 968 | 14 022 | 44 131 | 44 492 | (361) | -1% | 177 968 |
| Remuneration of Councillors | 16 853 | 18 539 | 18 539 | 1 390 | 4 171 | 4 635 | (464) | -10% | 18 539 |
| Depreciation and amortisation | 42 286 | 42 917 | 42 917 | 3 524 | 10 532 | 10 729 | (198) | -2% | 42 917 |
| Interest | 1 178 | 2 367 | 2 367 | - | - | 592 | (592) | -100% | 2 367 |
| Inventory consumed and bulk purchases | 6 145 | 7 500 | 7 500 | 987 | 1 068 | 1 875 | (807) | -43% | 7 500 |
| Transfers and subsidies | 3 309 | 4 769 | 4 769 | 6 | 109 | 1 192 | (1 083) | -91% | 4 769 |
| Other expenditure | 194 035 | 194 882 | 194 882 | 1 183 | 27 663 | 48 720 | (21 057) | -43% | 194 882 |
| Total Expenditure | 425 971 | 448 943 | 448 943 | 21 112 | 87 674 | 112 236 | (24 561) | -22% | 448 943 |
| Surplus/(Deficit) | (22 064) | (45 901) | (45 901) | (6 651) | 53 071 | (11 475) | 64 547 | -562% | (45 901) |
| Transfers and subsidies - capital (monetary allocations) | 43 519 | 36 462 | 36 462 | - | 12 025 | 9 115 | 2 909 | 32% | 36 462 |
| Transfers and subsidies - capital (in-kind) | 85 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | 67 456 | -2858% | (9 440) |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | 67 456 | -2858% | (9 440) |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 51 540 | 80 919 | 80 919 | 857 | 20 670 | 20 230 | 440 | 2% | 80 919 |
| Capital transfers recognised | 37 921 | 31 706 | 31 706 | 857 | 11 466 | 7 926 | 3 540 | 45% | 31 706 |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 13 620 | 49 213 | 49 213 | - | 9 204 | 12 303 | (3 100) | -25% | 49 213 |
| Total sources of capital funds | 51 540 | 80 919 | 80 919 | 857 | 20 670 | 20 230 | 440 | 2% | 80 919 |
| Financial position | | | | | | | | | |
| Total current assets | 268 054 | 317 804 | 317 804 | | 317 298 | | | | 317 804 |
| Total non current assets | 673 640 | 725 484 | 725 484 | | 683 802 | | | | 725 484 |
| Total current liabilities | 79 768 | 189 199 | 189 199 | | 74 078 | | | | 189 199 |
| Total non current liabilities | 53 234 | 58 145 | 58 145 | | 53 234 | | | | 58 145 |
| Community wealth/Equity | 808 655 | 795 944 | 795 944 | | 873 788 | | | | 795 944 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 54 176 | 15 124 | 15 124 | (14 909) | 59 023 | 3 781 | (55 242) | -1461% | 15 124 |
| Net cash from (used) investing | (50 280) | (88 057) | (88 057) | (2 133) | (24 570) | (22 014) | 2 556 | -12% | (88 057) |
| Net cash from (used) financing | (915) | - | - | - | - | - | - | - | - |
| Cash/cash equivalents at the month/year end | 149 379 | 145 177 | 145 177 | - | 183 832 | 199 877 | 16 044 | 8% | 76 446 |
| 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 | 26 488 | 5 379 | 4 717 | 5 204 | 3 360 | 3 083 | 26 240 | 160 248 | 234 721 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | - | - | - | - | - | - | - | - | - |

Table C2: Statement of Financial Performance by Standard Classification

This table reflects the operating budget in the standard classification which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of organisational structures used by different institutions. The main functions are Governance and administration, Community and public safety, Economic and environmental services, and Trading Services. It is for this reason that the financial performance is reported in standard classification, Table C2 and by municipal vote, Table C3.

| KZN212 Umdoni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Description | Ref | 2024/25 | Budget Year 2025/26 | | | | | | | |
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly Actual | YearTD Actual | YearTD Budget | YTD Variance | YTD Variance % | Full Year Forecast |
| Revenue - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 351 029 | 357 087 | 357 087 | 12 304 | 131 441 | 89 272 | 42 169 | 47% | 357 087 |
| Executive and council | | 182 907 | 182 785 | 182 785 | 1 | 76 156 | 45 696 | 30 459 | 67% | 182 785 |
| Finance and administration | | 168 122 | 174 302 | 174 302 | 12 303 | 55 285 | 43 576 | 11 710 | 27% | 174 302 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 16 233 | 12 328 | 12 328 | 24 | 124 | 3 082 | (2 958) | -96% | 12 328 |
| Community and social services | | 15 805 | 11 777 | 11 777 | 8 | 35 | 2 944 | (2 909) | -99% | 11 777 |
| Sport and recreation | | 391 | 513 | 513 | 13 | 80 | 128 | (49) | -38% | 513 |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | 37 | 38 | 38 | 3 | 9 | 9 | 0 | 0% | 38 |
| Health | | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 65 764 | 54 114 | 54 114 | 935 | 15 018 | 13 529 | 1 489 | 11% | 54 114 |
| Planning and development | | 3 878 | 3 931 | 3 931 | 43 | 1 052 | 983 | 69 | 7% | 3 931 |
| Road transport | | 61 885 | 50 184 | 50 184 | 892 | 13 966 | 12 546 | 1 420 | 11% | 50 184 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 14 486 | 15 973 | 15 973 | 1 198 | 6 187 | 3 993 | 2 194 | 55% | 15 973 |
| Energy sources | | - | - | - | - | - | - | - | - | - |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 14 486 | 15 973 | 15 973 | 1 198 | 6 187 | 3 993 | 2 194 | 55% | 15 973 |
| <i>Other</i> | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 447 512 | 439 503 | 439 503 | 14 461 | 152 770 | 109 876 | 42 894 | 39% | 439 503 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 196 966 | 211 029 | 211 029 | 5 101 | 40 566 | 52 757 | (12 192) | -23% | 211 029 |
| Executive and council | | 42 240 | 48 130 | 48 130 | 3 366 | 10 456 | 12 033 | (1 577) | -13% | 48 130 |
| Finance and administration | | 153 433 | 160 719 | 160 719 | 1 587 | 29 790 | 40 180 | (10 389) | -26% | 160 719 |
| Internal audit | | 1 293 | 2 180 | 2 180 | 148 | 320 | 545 | (225) | -41% | 2 180 |
| <i>Community and public safety</i> | | 64 584 | 76 515 | 76 515 | 5 623 | 17 176 | 19 129 | (1 953) | -10% | 76 515 |
| Community and social services | | 26 339 | 30 189 | 30 189 | 2 047 | 6 570 | 7 547 | (978) | -13% | 30 189 |
| Sport and recreation | | 27 923 | 36 601 | 36 601 | 2 668 | 8 322 | 9 150 | (829) | -9% | 36 601 |
| Public safety | | 7 528 | 6 512 | 6 512 | 536 | 1 608 | 1 628 | (21) | -1% | 6 512 |
| Housing | | 2 792 | 3 213 | 3 213 | 372 | 677 | 803 | (126) | -16% | 3 213 |
| Health | | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 128 203 | 119 226 | 119 226 | 7 386 | 22 429 | 29 807 | (7 378) | -25% | 119 226 |
| Planning and development | | 15 279 | 21 855 | 21 855 | 1 142 | 4 885 | 5 464 | (579) | -11% | 21 855 |
| Road transport | | 112 925 | 97 371 | 97 371 | 6 244 | 17 544 | 24 343 | (6 799) | -28% | 97 371 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 36 218 | 42 172 | 42 172 | 3 002 | 7 504 | 10 543 | (3 039) | -29% | 42 172 |
| Energy sources | | 3 984 | 3 400 | 3 400 | - | - | 850 | (850) | -100% | 3 400 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | 645 | - | - | - | 26 | - | 26 | - | - |
| Waste management | | 31 589 | 38 772 | 38 772 | 3 002 | 7 478 | 9 693 | (2 215) | -23% | 38 772 |
| <i>Other</i> | | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Functional | 3 | 425 971 | 448 943 | 448 943 | 21 112 | 87 674 | 112 236 | (24 561) | -22% | 448 943 |
| Surplus/ (Deficit) for the year | | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | 67 456 | -2858% | (9 440) |

Table C3: Monthly Financial Performance (Revenue and Expenditure by vote)

Operating budget of the institution is approved by council on municipal vote level. The municipal votes are Council, Financial Services, Technical Services, Corporate Services, Community Services, and Strategic Planning and Development. Unauthorised expenditure occurs if the total budget in a vote is exceeded by expenditure. No department is overspending. Therefore, no unauthorised expenditure incurred.

| KZN212 Umdoni - 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 1 - COUNCIL GENERAL | | 182 907 | 182 012 | 182 012 | 1 | 76 156 | 45 503 | 30 653 | 67,4% | 182 012 |
| Vote 2 - FINANCIAL SERVICES | | 160 447 | 166 371 | 166 371 | 11 673 | 53 295 | 41 593 | 11 702 | 28,1% | 166 371 |
| Vote 3 - TECHNICAL SERVICES | | 68 292 | 58 562 | 58 562 | 1 402 | 18 183 | 14 641 | 3 542 | 24,2% | 58 562 |
| Vote 4 - CORPORATE SERVICES | | 7 674 | 7 931 | 7 931 | 630 | 1 991 | 1 983 | 8 | 0,4% | 7 931 |
| Vote 5 - COMMUNITY SERVICES | | 24 312 | 20 695 | 20 695 | 712 | 2 094 | 5 174 | (3 080) | -59,5% | 20 695 |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | 3 878 | 3 931 | 3 931 | 43 | 1 052 | 983 | 69 | 7,1% | 3 931 |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | - | - |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 447 512 | 439 503 | 439 503 | 14 461 | 152 770 | 109 876 | 42 894 | 39,0% | 439 503 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - COUNCIL GENERAL | | 44 125 | 51 924 | 51 924 | 3 514 | 10 775 | 12 981 | (2 206) | -17,0% | 51 924 |
| Vote 2 - FINANCIAL SERVICES | | 60 100 | 52 799 | 52 799 | (5 980) | 7 497 | 13 200 | (5 703) | -43,2% | 52 799 |
| Vote 3 - TECHNICAL SERVICES | | 136 358 | 122 239 | 122 239 | 8 077 | 21 527 | 30 560 | (9 033) | -29,6% | 122 239 |
| Vote 4 - CORPORATE SERVICES | | 69 367 | 81 545 | 81 545 | 5 479 | 16 028 | 20 386 | (4 358) | -21,4% | 81 545 |
| Vote 5 - COMMUNITY SERVICES | | 101 278 | 121 220 | 121 220 | 8 912 | 27 057 | 30 305 | (3 248) | -10,7% | 121 220 |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | 14 743 | 19 214 | 19 214 | 1 110 | 4 789 | 4 804 | (15) | -0,3% | 19 214 |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | - | - |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 425 971 | 448 943 | 448 943 | 21 112 | 87 674 | 112 236 | (24 561) | -21,9% | 448 943 |
| Surplus/ (Deficit) for the year | 2 | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | 67 456 | -2858,4% | (9 440) |

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Table C4- Statement of Financial Performance

The operating revenue and operating expenditure disclosed on table A1 emanates from this table. The explanations for variances have been provided on pages 5 to 7.

| KZN212 Umdoni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September | | | | | | | | | |
|---|---------|-----------------|---------------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|
| Description | Ref | 2024/25 | Budget Year 2025/26 | | | | | | |
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly Actual | YearTD Actual | YearTD Budget | YTD Variance | YTD Variance % |
| Revenue | | | | | | | | | |
| Exchange Revenue | | | | | | | | | |
| Service charges - Electricity | 1 | - | - | - | - | 0 | - | 0 | - |
| Service charges - Water | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | 12 430 | 14 136 | 14 136 | 1 033 | 5 686 | 3 534 | 2 152 | 61% | 14 136 |
| Sale of Goods and Rendering of Services | 13 664 | 7 761 | 7 761 | 240 | 688 | 1 940 | (1 252) | -65% | 7 761 |
| Agency services | 2 339 | 2 247 | 2 247 | 183 | 567 | 562 | 5 | 1% | 2 247 |
| Interest | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | 2 056 | 1 837 | 1 837 | 165 | 501 | 459 | 42 | 9% | 1 837 |
| Interest earned from Current and Non Current Assets | 14 037 | 13 000 | 13 000 | 547 | 1 559 | 3 250 | (1 691) | -52% | 13 000 |
| Dividends | - | - | - | - | - | - | - | - | - |
| Rent on Land | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | 7 340 | 7 644 | 7 644 | 629 | 1 922 | 1 911 | 11 | 1% | 7 644 |
| Licence and permits | 7 | 10 | 10 | - | 10 | 2 | 8 | 313% | 10 |
| Special rating levies | - | - | - | - | - | - | - | - | - |
| Operational Revenue | 484 | 501 | 501 | 17 | 112 | 125 | (13) | -10% | 501 |
| Non-Exchange Revenue | | | | | | | | | |
| Property rates | 129 634 | 137 803 | 137 803 | 9 865 | 47 803 | 34 451 | 13 353 | 39% | 137 803 |
| Surcharges and Taxes | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 1 330 | 1 603 | 1 603 | 201 | 330 | 401 | (71) | -18% | 1 603 |
| Licence and permits | 3 104 | 3 272 | 3 272 | 201 | 872 | 818 | 54 | 7% | 3 272 |
| Transfer and subsidies - Operational | 203 943 | 200 570 | 200 570 | 201 | 77 125 | 50 143 | 26 982 | 54% | 200 570 |
| Interest | 14 456 | 12 658 | 12 658 | 1 179 | 3 570 | 3 164 | 405 | 13% | 12 658 |
| Fuel Levy | - | - | - | - | - | - | - | - | - |
| Operational Revenue | (261) | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | (109) | - | - | - | - | - | - | - | - |
| Other Gains | (548) | - | - | - | - | - | - | - | - |
| Discontinued Operations | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and | | 403 908 | 403 041 | 403 041 | 14 461 | 140 745 | 100 760 | - | 403 041 |
| Expenditure By Type | | | | | | | | | |
| Employee related costs | 162 165 | 177 968 | 177 968 | 14 022 | 44 131 | 44 492 | (361) | -1% | 177 968 |
| Remuneration of councillors | 16 853 | 18 539 | 18 539 | 1 390 | 4 171 | 4 635 | (464) | -10% | 18 539 |
| Bulk purchases - electricity | - | - | - | - | - | - | - | - | - |
| Inventory consumed | 6 145 | 7 500 | 7 500 | 987 | 1 068 | 1 875 | (807) | -43% | 7 500 |
| Debt impairment | (1 502) | 7 280 | 7 280 | (9 067) | (8 366) | 1 820 | (10 186) | -560% | 7 280 |
| Depreciation and amortisation | 42 286 | 42 917 | 42 917 | 3 524 | 10 532 | 10 729 | (198) | -2% | 42 917 |
| Interest | 1 178 | 2 367 | 2 367 | - | - | 592 | (592) | -100% | 2 367 |
| Contracted services | 107 543 | 120 965 | 120 965 | 6 050 | 15 788 | 30 241 | (14 453) | -48% | 120 965 |
| Transfers and subsidies | 3 309 | 4 769 | 4 769 | 6 | 109 | 1 192 | (1 083) | -91% | 4 769 |
| Irrecoverable debts written off | 26 419 | - | - | 98 | 8 344 | - | 8 344 | - | - |
| Operational costs | 61 449 | 66 637 | 66 637 | 4 102 | 11 897 | 16 659 | (4 762) | -29% | 66 637 |
| Losses on Disposal of Assets | 127 | - | - | - | - | - | - | - | - |
| Other Losses | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 425 971 | 448 943 | 448 943 | 21 112 | 87 674 | 112 236 | (24 561) | -22% |
| Surplus/(Deficit) | | (22 064) | (45 901) | (45 901) | (6 651) | 53 071 | (11 475) | 24 561 | (0) |
| Transfers and subsidies - capital (monetary allocations) | 43 519 | 36 462 | 36 462 | - | - | 12 025 | 9 115 | 2 909 | 0 |
| Transfers and subsidies - capital (in-kind) | 85 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | | (9 440) |
| Income Tax | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | | (9 440) |
| Share of Surplus/Deficit attributable to Joint Venture | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | | (9 440) |
| Share of Surplus/Deficit attributable to Associate | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 21 540 | (9 440) | (9 440) | (6 651) | 65 096 | (2 360) | | (9 440) |

Table C5: Capital Expenditure (Municipal Vote, standard classification, and funding)

The overall actual expenditure incurred is R20,6 million whilst year to date expenditure is sitting at R20,2 million. The overall variance is sitting at 2%. Technical Services Department; the spending on MIG projects is on track.

Planning and Development; The EDTEA Funded project (Umzinto Informal Traders Project) on this project actual spent is R 606 065,26 while year to date budget is sitting at R 217 392,00. The variance is 179%.

Corporate Services; capex has an actual expenditure incurred of R 9,2 million while the year to date budget is sitting at R 12,3 million in the capex funded by municipal own funding. This results in a variance of 25%.

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| KZN212 Umdoni - 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 1 - COUNCIL GENERAL | | - | - | - | - | - | - | - | | - |
| Vote 2 - FINANCIAL SERVICES | | - | - | - | - | - | - | - | | - |
| Vote 3 - TECHNICAL SERVICES | | - | 1 647 | 1 647 | - | - | 412 | (412) | -100% | 1 647 |
| Vote 4 - CORPORATE SERVICES | | - | - | - | - | - | - | - | | - |
| Vote 5 - COMMUNITY SERVICES | | - | 3 083 | 3 083 | - | - | 771 | (771) | -100% | 3 083 |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | - | 870 | 870 | - | 606 | 217 | 389 | 179% | 870 |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | | - |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | | - |
| Total Capital Multi-year expenditure | 4,7 | - | 5 599 | 5 599 | - | 606 | 1 400 | (794) | -57% | 5 599 |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - COUNCIL GENERAL | | - | 87 | 87 | - | - | 22 | (22) | -100% | 87 |
| Vote 2 - FINANCIAL SERVICES | | 145 | 130 | 130 | - | - | 33 | (33) | -100% | 130 |
| Vote 3 - TECHNICAL SERVICES | | 39 933 | 55 277 | 55 277 | 857 | 10 860 | 13 819 | (2 959) | -21% | 55 277 |
| Vote 4 - CORPORATE SERVICES | | 5 007 | 18 652 | 18 652 | - | 9 204 | 4 663 | 4 541 | 97% | 18 652 |
| Vote 5 - COMMUNITY SERVICES | | 4 522 | 1 087 | 1 087 | - | - | 272 | (272) | -100% | 1 087 |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | 1 933 | 87 | 87 | - | - | 22 | (22) | -100% | 87 |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | | - |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | | - |
| Total Capital single-year expenditure | 4 | 51 540 | 75 320 | 75 320 | 857 | 20 064 | 18 830 | 1 234 | 7% | 75 320 |
| Total Capital Expenditure | 3 | 51 540 | 80 919 | 80 919 | 857 | 20 670 | 20 230 | 440 | 2% | 80 919 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 5 152 | 18 900 | 18 900 | - | 9 204 | 4 725 | 4 479 | 95% | 18 900 |
| Executive and council | | - | 87 | 87 | - | - | 22 | (22) | -100% | 87 |
| Finance and administration | | 5 152 | 18 813 | 18 813 | - | 9 204 | 4 703 | 4 500 | 96% | 18 813 |
| Internal audit | | - | - | - | - | - | - | - | | - |
| Community and public safety | | 18 119 | 18 674 | 18 674 | 857 | 2 607 | 4 669 | (2 062) | -44% | 18 674 |
| Community and social services | | 11 532 | 15 935 | 15 935 | 857 | 2 607 | 3 984 | (1 377) | -35% | 15 935 |
| Sport and recreation | | 2 608 | 2 739 | 2 739 | - | - | 685 | (685) | -100% | 2 739 |
| Public safety | | 3 978 | - | - | - | - | - | - | | - |
| Housing | | - | - | - | - | - | - | - | | - |
| Health | | - | - | - | - | - | - | - | | - |
| Economic and environmental services | | 28 168 | 40 736 | 40 736 | - | 8 860 | 10 184 | (1 324) | -13% | 40 736 |
| Planning and development | | 1 933 | 957 | 957 | - | 606 | 239 | 367 | 153% | 957 |
| Road transport | | 26 235 | 39 779 | 39 779 | - | 8 254 | 9 945 | (1 691) | -17% | 39 779 |
| Environmental protection | | - | - | - | - | - | - | - | | - |
| Trading services | | 101 | 2 609 | 2 609 | - | - | 652 | (652) | -100% | 2 609 |
| Energy sources | | - | - | - | - | - | - | - | | - |
| Water management | | - | - | - | - | - | - | - | | - |
| Waste water management | | - | - | - | - | - | - | - | | - |
| Waste management | | 101 | 2 609 | 2 609 | - | - | 652 | (652) | -100% | 2 609 |
| Other | | - | - | - | - | - | - | - | | - |
| Total Capital Expenditure - Functional Classification | 3 | 51 540 | 80 919 | 80 919 | 857 | 20 670 | 20 230 | 440 | 2% | 80 919 |
| Funded by: | | | | | | | | | | |
| National Government | | 36 036 | 30 836 | 30 836 | 857 | 10 860 | 7 709 | 3 151 | 41% | 30 836 |
| Provincial Government | | 1 884 | 870 | 870 | - | 606 | 217 | 389 | 179% | 870 |
| 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 | | 37 921 | 31 706 | 31 706 | 857 | 11 466 | 7 926 | 3 540 | 45% | 31 706 |
| Borrowing | 6 | - | - | - | - | - | - | - | | - |
| Internally generated funds | | 13 620 | 49 213 | 49 213 | - | 9 204 | 12 303 | (3 100) | -25% | 49 213 |
| Total Capital Funding | 7 | 51 540 | 80 919 | 80 919 | 857 | 20 670 | 20 230 | 440 | 2% | 80 919 |

Table C6: Statement of Financial Position

The table below depicts the financial position of the institution in a greater detail. Our current assets are more than the current liabilities, which then indicates strong liquidity position of the institution.

| KZN212 Umdoni - Table C6 Monthly Budget Statement - Financial Position - M03 September | | | | | | |
|--|-----|-----------------|---------------------|------------------|------------------|--------------------|
| Description | Ref | 2024/25 | Budget Year 2025/26 | | | |
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | YearTD Actual | Full Year Forecast |
| ASSETS | 1 | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 149 379 | 144 813 | 144 813 | 183 832 | 144 813 |
| Trade and other receivables from exchange transactions | | 17 943 | 29 758 | 29 758 | 22 026 | 29 758 |
| Receivables from non-exchange transactions | | 81 869 | 115 639 | 115 639 | 92 376 | 115 639 |
| Current portion of non-current receivables | | — | — | — | — | — |
| Inventory | | — | — | — | — | — |
| VAT | | 18 717 | 26 806 | 26 806 | 18 916 | 26 806 |
| Other current assets | | 147 | 789 | 789 | 147 | 789 |
| Total current assets | | 268 054 | 317 804 | 317 804 | 317 298 | 317 804 |
| Non current assets | | | | | | |
| Investments | | — | — | — | — | — |
| Investment property | | 7 118 | 6 815 | 6 815 | 7 020 | 6 815 |
| Property, plant and equipment | | 666 224 | 718 427 | 718 427 | 676 493 | 718 427 |
| Biological assets | | — | — | — | — | — |
| Living and non-living resources | | — | — | — | — | — |
| Heritage assets | | 261 | 261 | 261 | 261 | 261 |
| Intangible assets | | 36 | (19) | (19) | 28 | (19) |
| Trade and other receivables from exchange transactions | | — | — | — | — | — |
| Non-current receivables from non-exchange transactions | | — | — | — | — | — |
| Other non-current assets | | — | — | — | — | — |
| Total non current assets | | 673 640 | 725 484 | 725 484 | 683 802 | 725 484 |
| TOTAL ASSETS | | 941 694 | 1 043 289 | 1 043 289 | 1 001 100 | 1 043 289 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | — | — | — | — | — |
| Financial liabilities | | 344 | 301 | 301 | 344 | 301 |
| Consumer deposits | | 2 540 | 2 526 | 2 526 | 2 537 | 2 526 |
| Trade and other payables from exchange transactions | | 56 284 | 171 470 | 171 470 | 36 751 | 171 470 |
| Trade and other payables from non-exchange transactions | | 11 528 | 3 255 | 3 255 | 25 075 | 3 255 |
| Provision | | 5 417 | 3 339 | 3 339 | 5 306 | 3 339 |
| VAT | | 3 656 | 8 307 | 8 307 | 4 065 | 8 307 |
| Other current liabilities | | — | — | — | — | — |
| Total current liabilities | | 79 768 | 189 199 | 189 199 | 74 078 | 189 199 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 89 | 175 | 175 | 89 | 175 |
| Provision | | 25 515 | 26 763 | 26 763 | 25 515 | 26 763 |
| Long term portion of trade payables | | — | — | — | — | — |
| Other non-current liabilities | | 27 631 | 31 207 | 31 207 | 27 631 | 31 207 |
| Total non current liabilities | | 53 234 | 58 145 | 58 145 | 53 234 | 58 145 |
| TOTAL LIABILITIES | | 133 003 | 247 345 | 247 345 | 127 312 | 247 345 |
| NET ASSETS | 2 | 808 692 | 795 944 | 795 944 | 873 788 | 795 944 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated Surplus/(Deficit) | | 805 068 | 792 581 | 792 581 | 870 200 | 792 581 |
| Reserves and funds | | 3 587 | 3 363 | 3 363 | 3 587 | 3 363 |
| Other | | — | — | — | — | — |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 808 655 | 795 944 | 795 944 | 873 788 | 795 944 |

Table C7: Cash flow

The table below reflects positive cash flow position. The closing balance of cash and cash equivalents as at end of September 2025 is R183,8 million. This is less than the budgeted R199,8 million. Narrations per category are as follows;

Property Rates

Collections are R42,054 million to date are more than the anticipated year to date budget of R29,2 million. Variance is sitting at 44%. Annual ratepayers have paid for their rates for the year. The payment received is more than what was anticipated. It should be noted that the increased collection levels do not necessarily mean that the collection rate has increased by the same percentage. The comparison to the budget in the statement of cash flows is merely based on the projections made during budget preparation period looking at the trend at that time.

Service Charges

The amount collected on service charges amounts to R 3,6 million against the expected R3,4 million. The variance is 5% and this because of the residents who have paid for their annual refuse collection.

Other Revenue

The variance is due to the anticipated refunds from SARS. The municipality has appointed the consultant to assist in resolving the vat issues.

Interest

An amount of R1,5 million was recognised against the expected interest of R3,2 million which results in a variance of R52%.

Transfers and Subsidies - Operational

All grants and subsidies operational that were expected to be received were received as per NT payment schedule.

Suppliers and Employees

Payments to suppliers and employees have a variance of 7% this variance is very insignificant.

Transfers and Grants

Actual amount spent on transfers and subsidies paid is R627 503,06 against the year-to-date budget of R 1,5 million which results in a variance of 59%.

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Capital Assets

Payments are more than the budget because the accelerated spending rate which was more than anticipated.

Consumer deposits

The budget under this category is meant for movements in the consumer deposits of which the municipality does not have control over those deposits i.e. verge deposits.

| KZN212 Umdoni - 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 | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | 1 | | | | | | | | % | |
| Receipts | | | | | | | | | | |
| Property rates | | 143 192 | 117 132 | 117 132 | 10 268 | 42 054 | 29 283 | 12 771 | 44% | 117 132 |
| Service charges | | | 13 818 | 13 818 | 975 | 3 610 | 3 454 | 156 | 5% | 13 818 |
| Other revenue | | 3 675 | 60 655 | 60 655 | 849 | 7 692 | 15 164 | (7 472) | -49% | 60 655 |
| Transfers and Subsidies - Operational | | 236 636 | 200 570 | 200 570 | - | 79 098 | 50 143 | 28 955 | 58% | 200 570 |
| Transfers and Subsidies - Capital | | | 35 462 | 35 462 | - | 23 598 | 8 865 | 14 733 | 166% | 35 462 |
| Interest | | 28 109 | 13 000 | 13 000 | 547 | 1 559 | 3 250 | (1 691) | -52% | 13 000 |
| Dividends | | | - | - | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (353 133) | (419 365) | (419 365) | (27 547) | (97 961) | (104 841) | (6 881) | 7% | (419 365) |
| Interest | | (1 397) | - | - | - | - | - | - | | - |
| Transfers and Subsidies | | (2 906) | (6 149) | (6 149) | - | (628) | (1 537) | (910) | 59% | (6 149) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 54 176 | 15 124 | 15 124 | (14 909) | 59 023 | 3 781 | (55 242) | -1461% | 15 124 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | 1 | - | - | - | - | - | - | | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Capital assets | | (50 281) | (88 057) | (88 057) | (2 133) | (24 570) | (22 014) | 2 556 | -12% | (88 057) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (50 280) | (88 057) | (88 057) | (2 133) | (24 570) | (22 014) | 2 556 | -12% | (88 057) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | 10 | - | - | - | - | - | - | | - |
| Borrowing long term/refinancing | | (926) | - | - | - | - | - | - | | - |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | - | - | - | - | - | - | - | | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (915) | - | - | - | - | - | - | | - |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 2 981 | (72 933) | (72 933) | (17 042) | 34 453 | (18 233) | | | (72 933) |
| Cash/cash equivalents at beginning: | | 146 398 | 218 110 | 218 110 | | 149 379 | 218 110 | | | 149 379 |
| Cash/cash equivalents at month/year end: | | 149 379 | 145 177 | 145 177 | | 183 832 | 199 877 | | | 76 446 |

PART 2: SUPPORTING DOCUMENTATION

Table SC1: Material Variances and explanations

| KZN212 Umdoni - Supporting Table SC1 Material variance explanations - M03 September | | | | |
|---|---------------------------------------|----------|--|---|
| Ref | Description R thousands | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
| 1 | Revenue | | | |
| | Property rates | 39% | The variance is caused by the customers who opted for annual debit raising. | The variance will be monitored every month. |
| | Service charges - Waste management | 61% | The variance is caused by the customers who opted for annual debit raising. | The variance will be monitored every month. |
| | Investment Revenue | -52% | This under performance is a result of change in interest rates that was not anticipated | The variance will be monitored every month. |
| | Rental of facilities | 1% | N/A | N/A |
| | Fines | -18% | This variance is still going to adjust itself as financial year progresses | N/A |
| | Licenses and permits | 7% | Variance is sitting at 7% . This variance is insignificant as it's below 10% . | The variance will be monitored every month. |
| | Agency Fees | 1% | N/A | N/A |
| | Operational Revenue | -10% | This variance will change as the financial year progresses | The variance will be monitored every month. |
| | Interest earned from receivables | 9% | The variance is due to the increasing old debt and low collection rate. | The variance will be monitored every month. |
| | Grants and subsidies | 54% | The variance is caused by the first tech receive for Equitable share | The variance will be monitored every month. |
| 2 | Expenditure By Type | | | |
| | Employee Costs | -1% | N/A | N/A |
| | Remuneration of Councillors | -10% | This variance is a result of upper limits that has not yet been implemented. | The variance will be monitored every month. |
| | Operational Costs (Other expenditure) | -29% | This is due to cost containment measures put in place to ensure that municipality spend with its budget | The variance will be monitored every month. |
| | Debt Impairment | -560% | The variance is caused by the debt write-off | The variance will be monitored every month. |
| | Depreciation & Asset Impairment | -2% | N/A | N/A |
| | Inventory Consumed | -43% | Cleaning material and stationery are bought quarterly or as when needed. | The variance will be monitored every month. |
| | Contracted Services | -48% | The variance is at this stage because the financial year has just started. | The variance will be monitored every month. |
| | Transfers and Subsidies | -91% | An amount of R 558 681,00 has been budgeted under this category for disaster relief expenses, no spending has been incurred. | The variance will be monitored every month. |
| 3 | Capital Expenditure | | | |
| | Capital Assets | 2% | N/A | N/A |

UMDONI MUNICIPALITY IN-YEAR REPORT FOR SEPTEMBER (M03) 2025/26 FINANCIAL YEAR

Table SC3: Aged Debtors

The municipality is being owed a total amount of R234,7 million, of which the biggest portion is owed by households sitting at R167,8 million.

The second biggest is government departments that are sitting at R35,2 million. Business debtors owing just over R27,4 million.

| KZN212 Umdoni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September | | | | | | | | | | | | | |
|--|---------|---------------------|------------|------------|-------------|-------------|-------------|--------------|----------|---------|--------------------|--|---|
| Description | NT Code | Budget Year 2025/26 | | | | | | | | | | | |
| | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o Council Policy |
| R thousands | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | - | - | - | - | - | - | - | - | - | - | - | - |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | - | - | - | - | - | - | - | - | - | - | - | - |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 27 169 | 4 025 | 2 495 | 2 418 | 2 170 | 2 074 | 17 426 | 77 843 | 135 619 | 101 930 | - | - |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | 6 | 6 | 6 | - | - |
| Receivables from Exchange Transactions - Waste Management | 1600 | 3 799 | 447 | 318 | 338 | 265 | 248 | 1 729 | 8 934 | 16 078 | 11 514 | - | - |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | 1 270 | 592 | 687 | 569 | 568 | 541 | 3 425 | 16 554 | 24 207 | 21 658 | - | - |
| Interest on Arrear Debtor Accounts | 1810 | 63 | 101 | 113 | 136 | 153 | 174 | 2 195 | 42 228 | 45 162 | 44 885 | - | - |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 1900 | (5 813) | 215 | 1 104 | 1 744 | 204 | 47 | 1 464 | 14 683 | 13 648 | 18 142 | - | - |
| Total By Income Source | 2000 | 26 488 | 5 379 | 4 717 | 5 204 | 3 360 | 3 083 | 26 240 | 160 248 | 234 721 | 198 136 | - | - |
| 2024/25 - totals only | | | | | | | | | | | | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 3 281 | 1 323 | 278 | 311 | 251 | 217 | 6 127 | 23 420 | 35 208 | 30 326 | - | - |
| Commercial | 2300 | 6 256 | 593 | 696 | 458 | 443 | 389 | 2 444 | 16 123 | 27 403 | 19 857 | - | - |
| Households | 2400 | 16 749 | 3 437 | 3 701 | 4 408 | 2 640 | 2 452 | 17 379 | 117 043 | 167 810 | 143 922 | - | - |
| Other | 2500 | 201 | 26 | 42 | 27 | 26 | 26 | 290 | 3 662 | 4 300 | 4 030 | - | - |
| Total By Customer Group | 2600 | 26 488 | 5 379 | 4 717 | 5 204 | 3 360 | 3 083 | 26 240 | 160 248 | 234 721 | 198 136 | - | - |

Table SC4: Aged Creditors

The municipality owes suppliers an amount of R0.00 there are instances of delays in payment where work still needs to be verified and when there are queries relating to the payment and discrepancies in the invoice.

| KZN212 Umdoni - 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 | - | - | - | - | - | - | - | - | - | - |
| Auditor General | 0800 | - | - | - | - | - | - | - | - | - | - |
| Other | 0900 | - | - | - | - | - | - | - | - | - | - |
| Medical Aid deductions | 0950 | - | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | - | - | - | - | - | - | - | - | - | - |

Table SC5: Investment Portfolio Analysis

All the call deposits are highly liquid short-term investments and are held for the purpose of meeting short-term commitments rather than the purpose of earning a return (interest).

The table below reflects on account balances (excluding the main account) as at the end of September 2025. Total cash available was R164,4 million. The cash coverage is 06 months.

| | 6 Month |
|--------------------------------------|-------------|
| Cash and cash equivalents | 19 419 406 |
| Unspent Conditional Grants | 26 043 956 |
| Overdraft | - |
| Short Term Investments | 164 412 790 |
| Total Annual Operational Expenditure | 303 642 240 |

| KZN212 Umdoni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September | | | | | | | | | | | | | | |
|--|-----|-------------------------|-----------------------|-----------------------------------|---------------------------------------|--------------------|----------------------------|-------------------------|------------------------------|--------------------|----------------------------|---|----------------------|--------------------|
| Investments by maturity Name of institution & investment ID | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate * | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
| R thousands | | Yrs/Months | | | | | | | | | | | | |
| Municipality | | | | | | | | | | | | | | |
| ABSA :92-3600-6170 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 24 533 | 123 | | | 24 656 |
| ABSA :2081 665 687 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | - | | | | - |
| ABSA :2081 665 726 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 0 | | | | 0 |
| FNB :6 222 5155 391 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 25 293 | 140 | | | 25 432 |
| STD BANK :5876 211 6/007 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 3 301 | 18 | (18) | | 3 301 |
| STD BANK 5 876 211 6/015 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 24 420 | 132 | | 18 | 24 570 |
| STD BANK 058762116/028 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 6 487 | 76 | | | 6 564 |
| STD BANK 058762116/029 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 3 587 | 42 | | | 3 629 |
| STD BAK 058762116/035 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 1 454 | 16 | | | 1 470 |
| STD BANK 058762116/036 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | - | | | | - |
| STD BANK 058762116/037 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 30 000 | | | | 30 000 |
| NEDBANK : 7881017759/94 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 31/12/2025 | 6 556 | | | | 6 556 |
| NEDBANK : 1766000029 | | No specified ter | Fixed deposit | Yes | | 0 | No | No | 31/12/2025 | 38 234 | | | | 38 234 |
| - | | - | | | | | | | | - | | | | - |
| Municipality sub-total | | | | | | | | | | | | | | |
| | | | | | | | | | | 163 866 | 547 | (18) | 18 | 164 413 |

Table SC6: Grants Receipts

All grants that were expected to be received were received as per in the NT payment schedule, and only MIG was received in September 2025.

| KZN212 Umdoni - 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: | | 200 892 | 188 016 | 188 016 | 560 | 79 613 | 47 004 | 32 609 | 69,4% | 188 016 |
| Operational Revenue: General Revenue: Equitable Share | | 182 890 | 182 765 | 182 765 | - | 76 152 | 45 691 | 30 461 | 66,7% | 182 765 |
| Operational Revenue: General Revenue: Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Energy Efficiency and Demand-side [Schedule 5B] | | - | - | - | - | - | - | - | - | - |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | 1 249 | 1 385 | 1 385 | - | 301 | 346 | (45) | -13,1% | 1 385 |
| Infrastructure Skills Development Grant [Schedule 5B] | | - | - | - | - | - | - | - | - | - |
| Local Government Financial Management Grant [Schedule 5B] | | 1 900 | 2 000 | 2 000 | - | 2 000 | 500 | 1 500 | 300,0% | 2 000 |
| Municipal Disaster Grant [Schedule 5B] | | 14 853 | - | - | - | - | - | - | - | - |
| Municipal Systems Improvement Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Disaster Recovery Grant | | - | - | - | - | - | - | - | - | - |
| Public Transport Network Operations Grant [Schedule 5B] | | - | - | - | - | - | - | - | - | - |
| Rural Road Asset Management Systems Grant | | - | - | - | - | - | - | - | - | - |
| Integrated City Development Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Demarcation Transition Grant | | - | - | - | - | - | - | - | - | - |
| Neighbourhood Development Partnership Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant [Schedule 5B] | | - | 1 866 | 1 866 | 560 | 1 160 | 467 | 693 | 148,6% | 1 866 |
| Water Services Infrastructure Grant | | - | - | - | - | - | - | - | - | - |
| Urban Settlement Development Grant | | - | - | - | - | - | - | - | - | - |
| Integrated National Electrification Programme Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Rehabilitation Grant | | - | - | - | - | - | - | - | - | - |
| Regional Bulk Infrastructure Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Emergency Housing Grant | | - | - | - | - | - | - | - | - | - |
| Metro Informal Settlements Partnership Grant | | - | - | - | - | - | - | - | - | - |
| Integrated Urban Development Grant | | - | - | - | - | - | - | - | - | - |
| Programme and Project Preparation Support Grant | | - | - | - | - | - | - | - | - | - |
| Provincial Government: | | 10 976 | 11 554 | 11 554 | - | - | 2 889 | (2 889) | -100,0% | 11 554 |
| Specify (Add grant description) | | 10 976 | 11 554 | 11 554 | - | - | 2 889 | (2 889) | -100,0% | 11 554 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | - | - |
| Total Operating Transfers and Grants | 5 | 211 868 | 199 570 | 199 570 | 560 | 79 613 | 49 893 | 29 720 | 59,6% | 199 570 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 39 729 | 35 462 | 35 462 | 10 638 | 22 038 | 8 865 | 13 173 | 148,6% | 35 462 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 38 529 | 35 462 | 35 462 | 10 638 | 22 038 | 8 865 | 13 173 | 148,6% | 35 462 |
| Neighbourhood Development Partnership Grant [Schedule 5B] | | - | - | - | - | - | - | - | - | - |
| Integrated Urban Development Grant | | 1 200 | - | - | - | - | - | - | - | - |
| Provincial Government: | | - | 1 000 | 1 000 | - | 1 000 | 250 | 750 | 300,0% | 1 000 |
| Specify (Add grant description) | | - | 1 000 | 1 000 | - | 1 000 | 250 | 750 | 300,0% | 1 000 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | - | - |
| Transfer from Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Total Capital Transfers and Grants | 5 | 39 729 | 36 462 | 36 462 | 10 638 | 23 038 | 9 115 | 13 923 | 152,7% | 36 462 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 251 597 | 236 032 | 236 032 | 11 198 | 102 651 | 59 258 | 43 643 | 73,6% | 236 032 |

Table SC7: Grants expenditure

The table below reflects expenditure on grants' expenditures as at September 2025. Also, these amounts are inclusive of VAT.

| KZN212 Umdoni - 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: | | 192 510 | 188 016 | 188 016 | 501 | 1 590 | 47 004 | (45 414) | -96,6% | 188 016 |
| Operational Revenue:General Revenue:Equitable Share | | 182 890 | 182 765 | 182 765 | | | 45 691 | (45 691) | -100,0% | 182 765 |
| Operational Revenue:General Revenue:Fuel Levy | | - | - | - | | | - | - | | - |
| Energy Efficiency and Demand-side [Schedule 5B] | | 895 | - | - | | | - | - | | - |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | 1 249 | 1 385 | 1 385 | 299 | 918 | 346 | 572 | 165,2% | 1 385 |
| Infrastructure Skills Development Grant [Schedule 5B] | | - | - | - | | | - | - | | - |
| Local Government Financial Management Grant [Schedule 5B] | | 1 900 | 2 000 | 2 000 | - | 104 | 500 | (396) | -79,2% | 2 000 |
| Municipal Disaster Grant [Schedule 5B] | | - | - | - | | | - | - | | - |
| Municipal Systems Improvement Grant | | - | - | - | | | - | - | | - |
| Municipal Disaster Recovery Grant | | 3 899 | - | - | | | - | - | | - |
| Public Transport Network Operations Grant [Schedule 5B] | | - | - | - | | | - | - | | - |
| Neighbourhood Development Partnership Grant | | - | - | - | | | - | - | | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 1 677 | 1 866 | 1 866 | 201 | 568 | 467 | 101 | 21,7% | 1 866 |
| Water Services Infrastructure Grant | | - | - | - | | | - | - | | - |
| Programme and Project Preparation Support Grant | | - | - | - | | | - | - | | - |
| Provincial Government: | | 10 976 | 12 554 | 12 554 | 1 099 | 3 759 | 3 139 | 621 | 19,8% | 12 554 |
| Specify (Add grant description) | | - | 1 000 | 1 000 | - | - | 250 | (250) | -100,0% | 1 000 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | 10 976 | 11 554 | 11 554 | 1 099 | 3 759 | 2 889 | 871 | 30,1% | 11 554 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Higher Educational Institutions | | - | - | - | - | - | - | - | | - |
| Parent Municipality / Entity | | - | - | - | - | - | - | - | | - |
| Total operating expenditure of Transfers and Grants: | | 203 486 | 200 570 | 200 570 | 1 600 | 5 349 | 50 143 | (44 793) | -89,3% | 200 570 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 41 427 | 35 462 | 35 462 | 985 | 12 404 | 8 865 | 3 539 | 39,9% | 35 462 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | - | - | - | - | - | - | - | | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 36 852 | 35 462 | 35 462 | 985 | 12 404 | 8 865 | 3 539 | 39,9% | 35 462 |
| Neighbourhood Development Partnership Grant [Schedule 5B] | | - | - | - | - | - | - | - | | - |
| Infrastructure Skills Development Grant [Schedule 5B] | | - | - | - | - | - | - | - | | - |
| Municipal Disaster Relief Grant | | 4 575 | - | - | - | - | - | - | | - |
| Municipal Emergency Housing Grant | | - | - | - | - | - | - | - | | - |
| Metro Informal Settlements Partnership Grant | | - | - | - | - | - | - | - | | - |
| Integrated Urban Development Grant | | - | - | - | - | - | - | - | | - |
| Provincial Government: | | 2 092 | 1 000 | 1 000 | - | 606 | 250 | 356 | 142,4% | 1 000 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | 2 092 | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Specify (Add grant description) | | - | 1 000 | 1 000 | - | 606 | 250 | 356 | 142,4% | 1 000 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | | - |
| Parent Municipality / Entity | | - | - | - | - | - | - | - | | - |
| Transfer from Operational Revenue | | - | - | - | - | - | - | - | | - |
| Total capital expenditure of Transfers and Grants | | 43 519 | 36 462 | 36 462 | 985 | 13 010 | 9 115 | 3 895 | 42,7% | 36 462 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | | | | | | | | | |
| | | 247 005 | 237 032 | 237 032 | 2 585 | 18 359 | 59 258 | (40 899) | -69,0% | 237 032 |

UMDONI MUNICIPALITY IN-YEAR REPORT FOR SEPTEMBER (M03) 2025/26 FINANCIAL YEAR

Table SC8: Councillor and Staff benefits

The table below reflects on councillor's benefits, senior managers and other municipal staff. Total amount spent on salaries and councillors remuneration as at September 2025 is R48,3 million.

| KZN212 Umdoni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Summary of Employee and Councillor remuneration | Ref | 2024/25 | Budget Year 2025/26 | | | | | | | |
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly Actual | YearTD Actual | YearTD Budget | YTD Variance | YTD Variance % | Full Year Forecast |
| R thousands | | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | 14 939 | 16 158 | 16 158 | 1 223 | 3 674 | 4 039 | (366) | -9% | 16 158 |
| Pension and UIF Contributions | | - | - | - | - | - | - | - | - | - |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | 287 | 593 | 593 | 33 | 93 | 148 | (55) | -37% | 593 |
| Cellphone Allowance | | 1 627 | 1 788 | 1 788 | 135 | 404 | 447 | (43) | -10% | 1 788 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | - | - | - | - | - | - | - | - | - |
| Sub Total - Councillors | | 16 853 | 18 539 | 18 539 | 1 390 | 4 171 | 4 635 | (464) | -10% | 18 539 |
| % increase | 4 | | 10,0% | 10,0% | | | | | | 10,0% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | | 5 192 | 6 007 | 6 007 | 455 | 1 383 | 1 502 | (119) | -8% | 6 007 |
| Pension and UIF Contributions | | 10 | 13 | 13 | 1 | 3 | 3 | 0 | 0% | 13 |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | 27 | 366 | 366 | 19 | 38 | 91 | (53) | -58% | 366 |
| Cellphone Allowance | | 37 | 57 | 57 | 7 | 24 | 14 | 10 | 69% | 57 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | 1 | 1 | 1 | 0 | 0 | 0 | (0) | -25% | 1 |
| Payments in lieu of leave | | - | - | - | - | - | - | - | - | - |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 5 266 | 6 443 | 6 443 | 482 | 1 448 | 1 611 | (163) | -10% | 6 443 |
| % increase | 4 | | 22,4% | 22,4% | | | | | | 22,4% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 98 582 | 109 260 | 109 260 | 9 501 | 30 540 | 27 315 | 3 225 | 12% | 109 260 |
| Pension and UIF Contributions | | 16 448 | 20 095 | 20 095 | 1 588 | 5 041 | 5 024 | 17 | 0% | 20 095 |
| Medical Aid Contributions | | 7 419 | 8 007 | 8 007 | 700 | 2 038 | 2 002 | 37 | 2% | 8 007 |
| Overtime | | 16 380 | 11 947 | 11 947 | 1 480 | 3 965 | 2 987 | 978 | 33% | 11 947 |
| Performance Bonus | | 7 299 | 9 022 | 9 022 | - | 80 | 2 255 | (2 176) | -96% | 9 022 |
| Motor Vehicle Allowance | | 106 | 78 | 78 | - | - | 20 | (20) | -100% | 78 |
| Cellphone Allowance | | 236 | 249 | 249 | 23 | 69 | 62 | 7 | 10% | 249 |
| Housing Allowances | | 521 | 1 967 | 1 967 | 44 | 129 | 492 | (362) | -74% | 1 967 |
| Other benefits and allowances | | 1 496 | 3 337 | 3 337 | 6 | (15) | 834 | (849) | -102% | 3 337 |
| Payments in lieu of leave | | 2 489 | 1 800 | 1 800 | 2 | 488 | 450 | 38 | 9% | 1 800 |
| Long service awards | | 1 608 | 1 485 | 1 485 | - | - | 371 | (371) | -100% | 1 485 |
| Post-retirement benefit obligations | | 4 316 | 4 278 | 4 278 | 196 | 346 | 1 069 | (723) | -68% | 4 278 |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | 156 899 | 171 525 | 171 525 | 13 540 | 42 682 | 42 881 | (199) | 0% | 171 525 |
| % increase | 4 | | 9,3% | 9,3% | | | | | | 9,3% |
| Total Parent Municipality | | 179 018 | 196 507 | 196 507 | 15 412 | 48 301 | 49 127 | (825) | -2% | 196 507 |
| Unpaid salary, allowances & benefits in arrears: | | | | | | | | | | |
| Sub Total - Other Staff of Entities | | - | - | - | - | - | - | - | - | - |
| % increase | 4 | | | | | | | | | |
| Total Municipal Entities | | - | - | - | - | - | - | - | - | - |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 179 018 | 196 507 | 196 507 | 15 412 | 48 301 | 49 127 | (825) | -2% | 196 507 |
| % increase | 4 | | 9,8% | 9,8% | | | | | | 9,8% |
| TOTAL MANAGERS AND STAFF | | 162 165 | 177 968 | 177 968 | 14 022 | 44 131 | 44 492 | (361) | -1% | 177 968 |

Repairs and Maintenance

The table below depicts the total budget for repairs and maintenance and the spending for the month of September 2025. Total amount spent to date equals to R1,4 million against the expected budget of R 11,097 million. The variance is sitting at 878,3%. The maintenance of some assets is corrective maintenance rather than preventative maintenance. Therefore, spending will be incurred when the need arises.

UMDONI MUNICIPALITY IN-YEAR REPORT FOR SEPTEMBER (M03) 2025/26 FINANCIAL YEAR

| KZN212 Umdoni - 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 | | | | | | | | | | |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 41 812 | 31 640 | 31 640 | 423 | 452 | 7 910 | (7 458) | -94,3% | 31 640 |
| Roads Infrastructure | | 2 252 | 3 140 | 3 140 | 423 | 452 | 785 | (333) | -42,4% | 3 140 |
| Roads | | 2 252 | 3 140 | 3 140 | 423 | 452 | 785 | (333) | -42,4% | 3 140 |
| Road Structures | | - | - | - | - | - | - | - | - | - |
| Road Furniture | | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - |
| Drainage Collection | | - | - | - | - | - | - | - | - | - |
| Storm water Conveyance | | - | - | - | - | - | - | - | - | - |
| Attenuation | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | 3 393 | 2 500 | 2 500 | - | - | 625 | (625) | -100,0% | 2 500 |
| Power Plants | | - | - | - | - | - | - | - | - | - |
| HV Substations | | - | - | - | - | - | - | - | - | - |
| HV Switching Station | | - | - | - | - | - | - | - | - | - |
| HV Transmission Conductors | | - | - | - | - | - | - | - | - | - |
| MV Substations | | - | - | - | - | - | - | - | - | - |
| MV Switching Stations | | - | - | - | - | - | - | - | - | - |
| MV Networks | | - | - | - | - | - | - | - | - | - |
| LV Networks | | 2 157 | 2 500 | 2 500 | - | - | 625 | (625) | -100,0% | 2 500 |
| Capital Spares | | 1 236 | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | 36 167 | 26 000 | 26 000 | - | - | 6 500 | (6 500) | -100,0% | 26 000 |
| Sand Pumps | | - | - | - | - | - | - | - | - | - |
| Piers | | - | - | - | - | - | - | - | - | - |
| Revetments | | - | - | - | - | - | - | - | - | - |
| Promenades | | - | - | - | - | - | - | - | - | - |
| Capital Spares | | 36 167 | 26 000 | 26 000 | - | - | 6 500 | (6 500) | -100,0% | 26 000 |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Data Centres | | - | - | - | - | - | - | - | - | - |
| Core Layers | | - | - | - | - | - | - | - | - | - |
| Distribution Layers | | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - |
| Community Assets | | 1 199 | 2 673 | 2 673 | 78 | 235 | 668 | (434) | -64,9% | 2 673 |
| Community Facilities | | 580 | 1 827 | 1 827 | 30 | 90 | 457 | (367) | -80,3% | 1 827 |
| Halls | | - | - | - | - | - | - | - | - | - |
| Centres | | - | - | - | - | - | - | - | - | - |
| Crèches | | - | - | - | - | - | - | - | - | - |
| Clinics/Care Centres | | - | - | - | - | - | - | - | - | - |
| Fire/Ambulance Stations | | - | - | - | - | - | - | - | - | - |
| Testing Stations | | - | - | - | - | - | - | - | - | - |
| Museums | | - | - | - | - | - | - | - | - | - |
| Galleries | | - | - | - | - | - | - | - | - | - |
| Theatres | | - | - | - | - | - | - | - | - | - |
| Libraries | | 189 | 252 | 252 | - | - | 63 | (63) | -100,0% | 252 |
| Cemeteries/Crematoria | | - | 315 | 315 | - | - | 79 | (79) | -100,0% | 315 |
| Police | | - | - | - | - | - | - | - | - | - |
| Parks | | - | 400 | 400 | - | - | 100 | (100) | -100,0% | 400 |
| Public Open Space | | - | - | - | - | - | - | - | - | - |
| Nature Reserves | | 307 | 360 | 360 | 30 | 90 | 90 | - | - | 360 |
| Public Ablution Facilities | | 84 | 500 | 500 | - | - | 125 | (125) | -100,0% | 500 |
| Markets | | - | - | - | - | - | - | - | - | - |
| Stalls | | - | - | - | - | - | - | - | - | - |
| Abattoirs | | - | - | - | - | - | - | - | - | - |
| Airports | | - | - | - | - | - | - | - | - | - |
| Taxi Ranks/Bus Terminals | | - | - | - | - | - | - | - | - | - |
| Capital Spares | | - | - | - | - | - | - | - | - | - |
| Sport and Recreation Facilities | | 619 | 846 | 846 | 48 | 145 | 212 | (67) | -31,6% | 846 |
| Indoor Facilities | | - | - | - | - | - | - | - | - | - |
| Outdoor Facilities | | 619 | 846 | 846 | 48 | 145 | 212 | (67) | -31,6% | 846 |
| Capital Spares | | - | - | - | - | - | - | - | - | - |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Monuments | | - | - | - | - | - | - | - | - | - |
| Historic Buildings | | - | - | - | - | - | - | - | - | - |
| Works of Art | | - | - | - | - | - | - | - | - | - |
| Conservation Areas | | - | - | - | - | - | - | - | - | - |
| Other Heritage | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Improved Property | | - | - | - | - | - | - | - | - | - |
| Unimproved Property | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Improved Property | | - | - | - | - | - | - | - | - | - |
| Unimproved Property | | - | - | - | - | - | - | - | - | - |
| Other assets | | 4 921 | 4 050 | 4 050 | 233 | 233 | 1 012 | (779) | -77,0% | 4 050 |
| Operational Buildings | | 4 921 | 4 050 | 4 050 | 233 | 233 | 1 012 | (779) | -77,0% | 4 050 |
| Municipal Offices | | 4 921 | 4 050 | 4 050 | 233 | 233 | 1 012 | (779) | -77,0% | 4 050 |
| Pay/Enquiry Points | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | 24 | 24 | - | - | 6 | (6) | -100,0% | 24 |
| Computer Equipment | | - | 24 | 24 | - | - | 6 | (6) | -100,0% | 24 |
| Furniture and Office Equipment | | - | 29 | 29 | - | - | 7 | (7) | -100,0% | 29 |
| Furniture and Office Equipment | | - | 29 | 29 | - | - | 7 | (7) | -100,0% | 29 |
| Machinery and Equipment | | 1 082 | 2 843 | 2 843 | 346 | 411 | 711 | (299) | -42,1% | 2 843 |
| Machinery and Equipment | | 1 082 | 2 843 | 2 843 | 346 | 411 | 711 | (299) | -42,1% | 2 843 |
| Transport Assets | | 2 186 | 3 130 | 3 130 | 23 | 82 | 782 | (701) | -89,5% | 3 130 |
| Transport Assets | | 2 186 | 3 130 | 3 130 | 23 | 82 | 782 | (701) | -89,5% | 3 130 |
| 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 | 51 200 | 44 389 | 44 389 | 1 104 | 1 413 | 11 097 | 9 684 | 87,3% | 44 389 |



I, _____ (Full Names), the Municipal Manager of Umdoni Municipality hereby certify that the **Section 71 Report** for the Month ended 30th September 2025 has been prepared in accordance with the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

Mr W.T. GUMEDE

ACTING MUNICIPAL MANAGER

DATE