



ÉDUMBE MUNICIPALITY
**SECTION 72 MID-YEAR BUDGET AND
PERFORMANCE ASSESSMENT
REPORT
2025/2026-FINANCIAL YEAR**

CONTENT

	DESCRIPTION
Chapter 1	<p>1.1. Legislative Mandate</p> <p>1.2. Overview</p>
Chapter 2	<p>FINANCIAL SERVICES</p> <p>Section 54 outlines Budgetary Controls</p> <p>Operating Revenue</p> <p>Monthly Financial Performance by Expenditure type</p> <p>Monthly Budget statement– Capital expenditure</p> <p>Monthly cash flow</p> <p>Debtors Age report</p> <p>Creditors Age analysis</p> <p>Investment Register</p> <p>Grants Income and Expenditure</p> <p>Councilor and Staff benefits</p> <p>BTO Assessment</p> <p>Recommendations for Budget Statement</p> <p>Supply Chain Management</p>
Chapter 4	<p>Recommendations to the Mid-Year Budget and Performance</p> <p>Assessment Report</p>

1.1. LEGISLATIVE MANDATE

Section 72 of the Municipal Finance Management Act No 56 of 2003 states that, the Accounting Officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the year, taking into account the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

1.2 OVERVIEW

A Municipality's performance management system is the primary mechanism to monitor, review and to improve the implementation of the Municipal IDP, and to measure the progress made in achieving the objectives set out in the IDP. The performance system provides early warning on poor or non service delivery and facilitates decision-making. The Municipality should set out indicators and targets to compile a Municipal scorecard. Indicators are then cascaded onto Departmental SDBIP's and are to be set on a SMART principle as follows:

- Specific
- Measurable
- Achievable
- Relevant, and
- Time bound

The Key Performance Areas as appear and reported on eDumbe Municipal Scorecard and SDBIP are as follows:

- Basic Service Delivery
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Local Economic Development
- Municipal Institutional Development and Transformation

- Cross Cutting Interventions

Term and regular reporting of performance by Departments on the above KPA's is then crucial. It also allows for better preparation for audit. Section 56

Managers performance are evaluated based on these KPA's and will be weighted in components KPA-80% and Competencies -20% (a set of expectations on good management practice.

Purpose of the Report

The main purpose of this report is to account to the MEC for Local Government, Provincial legislature, NCOP, Minister of Cooperative Governance and Traditional Affairs, National Treasury, Auditor-General and to the citizens of South Africa on progress being made by municipalities towards achieving the mid-term goals of a “better life for all” Furthermore, the report is a key performance report to the communities and other stakeholders in keeping with the principles of transparency and accountability of government to the citizens. It subscribes to the South African developmental nature of participatory democracy and cooperative governance and responds to the principles of the Constitution, Batho Pele, White Paper on Local Government, MSA and the MFMA

The Assessment Process and the Methodology followed in Compiling the Report

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-year reports make up the municipalities annual performance report(Section 46 report), which are submitted to the Auditor-General, together with the financial statements, for auditing. After adoption of the audited performance report by the municipal council, it must then be submitted to the MEC for Local Government.

Compilation and Structure of the Report

The report should present the status of current progress on mid-term performance which has been conducted. This is followed by the SDBIP assessment attached as Annexure 1 showing the status of each Key Performance Indicator, Portfolio of evidence, Variances and Corrective measures on KPI's were not achieved.

1.1 Summary of the previous year's annual report

Whilst EDumbe has over years has been experiencing financial challenged it need to start maintaining a strong financial position through having sufficient reserves. Our reserves depleted for a long time as were financing long term contracts, capital,and operational projects internally. The municipality is experiencing a service delivery backlog and financial intervention is from National Treasury. Due to the rural nature of the municipality, we rely heavily on government grants as we have a low.

The below table is the Consolidated table of actual expenditure to date. It comprises of Adopted Budget for 2025/26 and Actual expenditure for 2025/26

Consolidated Overview of the final Budget 2025/26

	Original Budget	Year To Date budget	Actual as at 31/12/2025	YTD Variance	YTD variance %
Total Revenue	R 248 838 000.00	R 124 419 000.00	R 134 178 000.00	R 9 759 000.00	8%
Total Expenditure	R 226 057 000.00	R 113 029 000.00	R 113 744 000.00	R 715 000.00	1%
Total	R 22 781 000.00	R 11 390 000.00	R 20 434 000.00	R 9 044 000.00	

1.2 Financial problems or risks facing the municipality.

It is a known fact that due to the non-payment of debtors and endemic poverty in the area, the collection rate for municipal services and Rates debt recovery is low. This has a detrimental effect on the municipality's financial resources.

Financial administration should be the second most important focus point of municipality with basic service delivery as the most important. Any additional resources should be directed at developing a financial administration turnover strategy. It must concentrate on in-service training and assistance on every aspect of financial administration with detail to the lowest level and administrative powers be delegated to the lowest level without impeding on proper internal control.

1.3 Remedial Action Taken on Audit Outcomes of Prior Year

EDumbe Local Municipality had received the Unqualified Audit from Auditor General, with emphasis of Matter.

The Municipality put extensive effort into implementing the recommendations in respect of prior year's findings that were made during the previous audit. All the audit recommendations are within the Audit Action Plan where progress is regularly monitored. The Audit Action Plan form part of the 2025/26 Annual Report.

The annual report of the 2024/25 financial year is covered in a separate report to Council. Any problems and/or corrective actions identified in the oversight by Council will be monitored and action for correction in the current financial year.

1.4 Mid-Year Performance Assessment Municipal Adjustments Budgets

A municipality may revise an approved annual budget through an adjustments budget.

An adjustments budget—

- Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year.
- May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for.
- May, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality.
- May authorize the utilization of projected savings in one vote towards spending under another vote.
- May authorize the spending of funds that were unspent at the end of the past financial year where the under spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council.
- May correct any errors in the annual budget; and
- May provide for any other expenditure within a prescribed framework.

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”

3. BUDGET OVERVIEW–2025/26 MID-TERM BUDGET PERFORMANCE

OPERATING REVENUE

It should be noted that column full year forecast should be used as guidance for adjustments except for projects and programmes that are seasonal in nature. Line managers are expected to study their expenditure trends as they have an insight at this stage considering the duration and payment schedule for such projects. Under normal circumstances, Pro-rata expenditure should be around 100% and 110% as at December 2025 and departments need to analyse all votes that are against the norm to be considered during the adjustment budget.

Monthly Budget Statement Summary

Budget statement summary to the month up to December 2025, the municipality have realised a revenue of **R148.05 million** this is due to the grants received, an equitable trench as well as own revenue.

Operating expenditure year to date expenditure is **R113,74 million** against the budgeted expenditure of **R113.02 million** with a variance of **R0.72 million**

The total outstanding debtors amount to **R259 million**. Total amounts of creditors is **R18 million** which included prior year accruals.

The municipality is under spending when compared to their projections as per table General Expenditure. This is since Accrual was not taken care of when the budget was approved. The Available Cash received get allocated to creditors owed first before if get distributed to the approved Budget activities.

The Monthly Financial Performance by Revenue Source municipality have managed to collect as per below

MID-TERM REVENUE ANALYSES - DECEMBER 2025						
SOURCE OF REVENUE	ORIGINAL BUDGET	MIDTERM PRORATA BUDGET	Mid-Year Actual	Variance	% Variance	COMMENTS
Rates	R35 964 000.00	R17 982 000.00	R14 198 000.00	-R3 784 000.00	-21%	The municipality needs to implement debt management and credit control policy to improve the collection rates on this items was under collection In midyear we need investigate valuation roll or also considered the adjustment. Municipal Revenue & Debt Collection Steering Committee has been resuscitated to monitor revenue collection from service charges.
Electricity	R64 621 000.00	R35 310 000.00	R25 186 000.00	-R7 125 000.00	-22%	Under perform on electricity because illegal connection at eDumbe Location (electricity losses). More split meters will be installed in this area which will assist to monitor illegal connections. Credit Control and Debt Management policy will be enforced extensively in this area. Municipal Revenue and Debt Collection Steering Committee is in place to address all challenges relating

						to the sale of electricity.
Refuse	R4 067 000.00	R2 034 000.00	R1 920 000.00	-R114 000.00	-6%	The municipality experienced challenges to constantly providing uninterrupted waste removal service from some of the areas due to vehicles' breakdowns. Refuse trucks had several breakdowns. Community behavior towards paying for services was badly affected. Significant investment on maintenance of vehicles used for service delivery will be considered during budget adjustment.
Fines	R3 553 000.00	R1 776 000.00	R834 000.00	-R943 000.00	53%	Road works are in progress on R33 for the whole past 12 months, hence it is not allowed to install speed trap cameras. Municipal traffic department identified R33 as a major contributor to traffic violations. Due to the possibility that these road works might take time beyond the current financial year, it is advisable that this line item be adjusted during adjustment budget.
Licenses and permits	R2 171 000.00	R1 086 000.00	R538 000.00	-R548 000.00	-50%	Compliance Report from Department of Transport has identified various non-compliance issues within the

						licensing centre that badly affected issuing of drivers' and learners' licenses. Service to repair air conditioner at traffic centre is under evaluation stage. Air conditioner will be fixed and traffic centre will return to its normal operation.
Rental From Fixed Assets	R1 667 000.00	R833 000.00	R897 000.00	R64 000.00	8%	
Other	R138 163 000.00	R69 081 000.00	R91 030 000.00	R23 132 000.00	-138%	Variance is due to corrections that need to be effected under this line item. The BTO is busy with the reconciliation to ensure that funds are receipted in the correct votes to ensure that we are not overstating our budget
TOTAL INCOME	R248 838 000.00	R124 419 000.00	R13 178 000.00	R9 759 000.00	8%	

KZN261 eDumbe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
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		45 014	64 621	-	4 017	25 186	32 310	(7 125)	-22%	64 621
Service charges - Water		-	-	-	-	-	-	-		-
Service charges - Waste Water Management		-	-	-	-	-	-	-		-
Service charges - Waste management		3 133	4 067	-	320	1 920	2 034	(114)	-6%	4 067
Sale of Goods and Rendering of Services		160	284	-	4	54	142	(88)	-62%	284

Agency services		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		5 668	6 828	-	480	2 859	3 414	(555)	-16%	6 828
Interest from Current and Non Current Assets		1 046	3 240	-	50	437	1 620			3 240
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		1 740	1 667	-	157	897	833	64	8%	1 667
Licence and permits		334	804	-	15	113	402	(289)	-72%	804
Special rating levies		-	-	-	-	-	-	-		-
Operational Revenue		(475)	10 306	-	10	2 058	5 153	(3 095)	-60%	10 306
Non-Exchange Revenue		-	-	-	-	-	-	-		-
Property rates		34 087	35 964	-	1 327	14 198	17 982	(3 784)	-21%	35 964
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		2 446	3 553	-	72	834	1 776	(943)		3 553
Licence and permits		837	1 367	-	29	425	684	(259)		1 367
Transfers and subsidies - Operational		115 277	112 000	-	31 393	82 670	56 000	26 670		112 000
Interest		4 799	4 138	-	436	2 535	2 069	466		4 138
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		(14)	-	-	(7)	(7)	-	(7)		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		214 051	248 838	-	38 302	134 178	124 419	9 759	8%	248 838

Income performance

Total revenue (Incl. grants)

- Above is the C4 – Financial Performance schedule for the Municipality. The actual total revenue including grants from July to December 2025/26 is at **R148 million** and Total expenditure is at **R 113 Million**. It shows that the council is operating at an actual projected of the year to date budget **R22.1 million**. The Financial Performance is prepared in the accrual basis.

Services charges

- Services charges: We have done a collection of -28% of the Mid Year budget. Refuse revenue collected is a -6% to date. Table indicates that from the Services charges actual collected from July to December is R 27 106 000.00 and refuse actual is R 1 920 000,00 which includes revenue from services rendered by the municipality including electricity, refuse. The major problem is that most customers from eDumbe Location that are not buying electricity which makes life difficult for the municipality to sustain the electricity business. Illegal connections resulting to electricity losses.
- **Licences and permits.**

Revenue from Exchange

Licences and permits for the mid-year budget (YearTD Budget) is R 402 000.00. The R 113 000.00 disclosed here is all actual cash received. **28%** collection rate is notable.

Revenue from Non-exchange

Licences and permits for the midyear budget (YearTD Budget) is R 684 000.00. The R 425 000.00 disclosed here is all actual cash received. **62%** collection rate is notable.

- **Revenue from operating grants**

Revenue from operating grants is at **45%** of the year-to-date budget. Operating grants received came to **R81 Million** out of the budgeted year to date of **R112 Million**, which we have received most of the operating grant that was due to us this mid-year.

- **Other revenue**

Other revenue collected is **R2 058 000.00** and year to date budget **R5 153 000.00** and variance **-60%** other revenue collected includes collections from eDumbe dam, Insurance claim, Clearance certificate, connection fee, re-connection fee, tender monies, burial fees, and hall hire fees.

- **Total revenue**

Total Revenue (excluding Capital transfers and contributions) came to **R134 million** (8% variance) compared to the budget year to date of **R124 Million** as at the end of the Mid Year. This includes revenue from services rendered by the municipality, which are electricity, refuse, Rates, Licences and permits, Traffic fine and rental facilities.

Expenditure performance

Operating Expenditure by type

In accordance with Municipal Finance Management Act No. 56 of 2003 section 99, this deals with expenditure management. Section 99(2) the accounting officer has taken all reasonable steps to ensure that – Internal controls are in place such as procedure for authorization, approval, withdrawals, and payment of funds.

This report includes other expenditure which are travel and subsistence claims, Advertising, Cleaning Materials, printing and stationery, Fuel, Telkom etc. A contracted service includes payments to Grass cutting, Security Services, Rental of office equipment and others. Council to note that Depreciation is non-cash item ,but provision must be made for it.

Employee related costs.

The municipality is currently spending **R44.6 million** on employee cost and **R4.6 million** remuneration for councillor.

Employee related costs and remuneration of councillors actual comes to only 0% of the budgeted year to date amount of **R49.2 million** for Employee related cost and Council for the Mid Year.

Based on the above analysis, the collection levels are very low meaning that the municipality is depending on grant funding. Therefore, the municipality needs to invest in Infrastructure Assets i.e., to priorities in Road and Electricity Infrastructure and look at other Sources of funding that may increase revenue base such as New Developments, Property Investments, Rental of Municipal Houses and revising existing lease agreements to identify if what we get is market related or not.

ACTUAL VS BILLING (Collections)						
DESCRIPTION	BILLING	INCOME RECEIVED	%	ESKOM PAYMENT	ELECTRICITY SALES	%
ELECTRICITY BILLING VS C	15 119 761.89	13 276 583.41	87.81	28 080 309.68	25 190 700.49	89.71
PREPAID SALES BUDGET	10 070 938.60	10 070 938.60	100.00			
RATES	14 198 292.49	8 560 160.40	60.29			
REFUSE REMOVAL	1 919 847.38	687 736.83	35.82			
TOTAL	41 308 840.36	32 595 419.24	78.91	28 080 309.68	25 190 700.49	89.71

Operating Revenue by Source

The table indicates billing for service charges for property rates, electricity, and refuse. Billing for property rates reflects expected revenue of R 14 198 292.49 from July to December 2025/26.

- The collection of billed amounts for rates remains a huge challenge. Most of the customers are not paying rates which have resulted to the increase on outstanding debtors. The revenue enhancement strategy has been developed and the Revenue Section is currently implementing the strategy which will be closely monitored by the department and reports will be sent to MANCO, EXCO and Council meetings. The MANCO have also established the Debt Steering Committee which also deals with the matters.
- Our Billing system needs to improve to work reasonably well. The audit needs to take place to identify gaps, errors and areas which are not being billed. This in the process of being addressed when we start employing the Debt Management and Credit Control Policy implementation.
- Electricity Meter readings- All queries need to be attended to and the fact that officials can't read some meters to access control.
- Credit control and debt management policy. This policy had been approved by the eDumbe Council and only needed to be promulgated into a bylaw. This would be done in the very near future.
- Indigent policy - The municipality has a policy and busy updating the indigent register and those listed would be double-checked once we have established a cheaper way of verification. Indigent Register will be verified before 31 March 2026.

- Municipal Revenue and Debt Collection Steering Committee – The Steering committee is being resuscitated. Terms of Reference (TORs) document is under development to be finalized and adopted by 31 March 2026.
- Cleaning up of data – This project is on the pipeline. With the Compilation of Final Valuation Roll was done to be release for consumers inspection and Debt Management in place, it will address done

C5: Monthly Budget Statement -Capital Expenditure

Vote Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands								%
Single Year expenditure appropriation								
Vote 1 - Executive & Council	-	-	-	-	-	-	-	
Vote 2 - Finance and Admin	541 616	846	-	-	(128)	423	(551)	-130%
Vote 3 - Internal Audit	-	-	-	-	-	-	-	
Vote 4 - Community and Social Services	(0)	-	-	-	-	-	-	
Vote 5 - [NAME OF VOTE 5]	-	-	-	-	-	-	-	
Vote 6 - Public Safety	-	-	-	-	-	-	-	
Vote 7 - Housing	-	-	-	-	-	-	-	
Vote 8 - Health	(14 906)	-	-	-	-	-	-	
Vote 9 - Planning & Development	30 631	17 297	-	2 460	11 706	8 648	3 057	35%
Vote 10 - Road Transport	0	-	-	-	-	-	-	
Vote 11 - Energy Sources	(0)	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]	-	-	-	-	-	-	-	
Vote 13 - Waste Management	0	-	-	-	-	-	-	
Vote 14 - Other	-	-	-	-	-	-	-	
Vote 15 - Finance and Admin2	-	-	-	-	-	-	-	
Total Capital single-year expenditure	557 341	18 143	-	2 460	11 578	9 071	2 506	28%
Total Capital Expenditure	557 341	18 143	-	2 460	11 578	9 071	2 506	28%
Capital Expenditure - Functional Classification								
<i>Governance and administration</i>	541 616	846	-	-	(128)	423	(551)	-130%
Executive and council	-	-	-	-	-	-	-	
Finance and administration	541 616	846	-	-	(128)	423	(551)	-130%
Internal audit	-	-	-	-	-	-	-	
<i>Community and public safety</i>	0	-	-	-	-	-	-	
Community and social services	(0)	-	-	-	-	-	-	
Sport and recreation	0	-	-	-	-	-	-	
Public safety	-	-	-	-	-	-	-	
Housing	0	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>	30 631	17 297	-	2 460	11 706	8 648	3 057	35%
Planning and development	30 631	17 297	-	2 460	11 706	8 648	3 057	35%
Road transport	(0)	-	-	-	-	-	-	

Environmental protection	-	-	-	-	-	-	-	
Trading services	(14 906)	-	-	-	-	-	-	
Energy sources	(14 906)	-	-	-	-	-	-	
Water management	-	-	-	-	-	-	-	
Waste water management	-	-	-	-	-	-	-	
Waste management	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Total Capital Expenditure - Functional Classification	557 341	18 143	-	2 460	11 578	9 071	2 506	28%
Funded by:								
National Government	15 725	17 297	-	2 460	11 706	8 648	3 057	35%
Provincial Government	(0)	-	-	-	-	-	-	
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	15 725	17 297	-	2 460	11 706	8 648	3 057	35%
Borrowing	-	-	-	-	-	-	-	
Internally generated funds	541 616	846	-	-	(128)	423	(551)	-130%
Total Capital Funding	557 341	18 143	-	2 460	11 578	9 071	2 506	28%

Table above C5 indicates the year actual expenditure on capital expenditure for all votes of Capital expenditure amounts to **R11.5 million** were realized against the budgeted amount of **R9.07 million** as at the end December 2025. This expenditure is in a form of infrastructure projects and motor vehicles. The municipality only budget for Laptops under furniture and equipment due to adverse cash flow.

Monthly Statement Cash Flow

CFA: CASH FLOW STATEMENT ACTUALS - DECEMBER 2025						
Detail	Jul	Aug	Sep	Oct	Nov	Dec
Cash Receipts By Source						
Property rates	11 306 000	2 446 000	2 753 000	2 693 000	3 959 000	2 402 000
Service charges - Electricity revenue	9 454 000	1 712 000	1 717 000	1 845 000	2 913 000	1 842 000
Service charges - Waste Management	466 000	93 000	86 000	91 000	133 000	75 000
Rental of facilities and equipment	–	290 000	302 000	296 000	290 000	314 000
Interest earned - external investments	9 999 000	–	–	–	–	–
Fines, penalties and forfeits	–	391 000	53 000	92 000	63 000	72 000
Licences and permits	–	102 000	55 000	132 000	64 000	44 000
Transfers and Subsidies - Operational	30 860 000	372 000	–	6 639 000	669 000	–
Other revenue	46 775 000	14 000	2 016 000	19 000	22 000	13 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5 000 000	–	–	14 000 000	–	5 000 000
Total Cash Receipts by Source	113 860 000	5 420 000	6 982 000	25 807 000	8 113 000	9 761 000
Cash Payments by Type						
Employee related costs	(10 372 000)	(8 674 000)	(8 576 000)	(6 521 000)	(8 931 000)	(12 050 000)
Bulk purchases - Electricity	(15 070 000)	(7 588 000)	(1 717 000)	–	(500)	(9 049 000)
Contracted services	(3 911 000)	(2 009 000)	(729 000)	(951 000)	(4 709 000)	(2 830 000)
Other expenditure	–	–	–	–	–	(31 874 000)
Total Cash Payments by Type	(29 353 000)	(18 271 000)	(11 022 000)	(7 472 000)	(14 139)	(55 802 000)
NET INCREASE/(DECREASE) IN CASH HELD	84 507 000	(12 851 000)	(4 040 000)	18 335 000	(6 027 000)	(46 041 000)
Cash/cash equivalents at the month/year beginning:	5 867 000	90 375 000	77 524 000	73 484 000	91 819 000	85 792 000
Cash/cash equivalents at the month/year end:	90 375 000	77 524 000	73 484 000	91 819 000	85 792 000	39 751 000

The municipality's cash flow is positive currently, which shows that the municipality still has recover its financial stability, but the current status has improved as compared to the previous years; this is due to the approved cost cutting measures that the municipality is strongly applying. The second tranche of the equitable share and other conditional grants have also contributed on revenue increase. Also, the monies that are not used immediately are being invested in call accounts to attract. There are no Borrowing that exist within the institution except money owed by creditors.

Debtors' ageing report

AGE ANALYSIS OF DEBTORS -December 2025							
Detail	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-Over 1Yr	Total	%
Debtors Age Analysis By Income Source							
Water	-	-	-	-	-	-	
Electricity	4 431 000	1 631 000	1 317 000	552 000	89 94 000	16 925 000	
Property Rates	1 370 000	1 006 000	2 269 000	2 350 000	85 762 000	92 757 000	
Waste Water Management	-	-	-	-	-	-	
Waste Management	916 000	884 000	868 000	857 000	85 804 000	89 329 000	
Property Rental Debtors	11 000	9 000	9 000	9 000	231 000	269 000	
Interest on Arrear Debtor Accounts	933 000	910 000	898 000	883 000	57 053 000	60 677 000	
Other	(1 000)	(2 000)	(0)	-	2 000	(1 000)	
Total By Income Source	7 661 000	4 439 000	5 362 000	4 651 000	237 844 000	259 957 000	
Debtors Age Analysis By Customer Group							
Organs of State	696 000	613 000	1 375 000	1 340 000	44 593 000	48 617 000	
Commercial	2 621 000	1 431 000	839 000	1 020 000	39 443 000	45 354 000	
Households	1 806 000	1 661 000	1 677 000	1 636 000	138 435 000	145 087 000	
Other	2 538 000	733 000	1 471 000	655 000	15 502 000	20 899 000	
Total By Customer Group	7 661 000	4 439 000	5 362 000	4 651 000	237 844 000	259 957 000	

The total debtor's book continues to grow and to-date, total debtors amount to **R259 million**.

An intensive collection drive aimed at ensuring that collection of outstanding debtors is improved is underway and this will be implemented during the current financial year. This process will start by ensuring that debtors are encouraged to ensure that their current monthly account is settled by implementing the credit control and debt management policy. Also, a Revenue Enhancement Strategy is currently being developed it will include projects such as meter audit, customer care line, correctness of billing and will ensure that queries are attended to timorously, faulty meters are being fixed to ensure the correctness and to avoid customer dissatisfaction. This will ensure Statements to the customers are issued monthly.

Arrears – we have lot of queries relating to customer account. The municipality needs to tackle to 100 debtors and to deal with problematic government accounts.

Customer care we need to improve on this can find a way of providing a service to customers with a 'one-stop shop' where all accounts could be paid to allow accounts to be paid at banks, the Post Office, retail chain stores, etc.

4. Table SC4- Creditors Age Analysis

Description	Budget Year 2025/26								
	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
Creditors Age Analysis By Customer Type									
Bulk Electricity	-	-	-	-	-	-	54 000	-	54 000
Bulk Water	-	-	-	-	-	-	163 000	286 000	449 000
PAYE deductions	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-
Trade Creditors	1 222 000	-	-	386 000	-	787 000	240 000	363 000	2 999 000
Auditor General	1 122 000	-	-	-	-	-	-	-	1 122 000
Other	4 547 000	-	4 953 000	4 507 000	-	-	-	-	14 006 000
Medical Aid deductions	-	-	-	-	-	-	-	-	-
Total By Customer Type	6 891 000	-	4 953 000	4 893 000	-	787 000	457 000	648 000	18 629 000

Table SC4 shows the amount of Creditors ageing as at 31 December 2025.

An amount of **R18.6 million** remains a liability at the end of the month; the table also shows how the municipality arrived to this amount. Even though the municipality is not paying its creditors within 30 days as required by the MFMA, the ageing of the creditors has been reduced as compared to the previous years.

It should be noted that withdrawals in terms of Section 11(1) (b) to (j) of the Local Government Municipal Finance Management Act, 2003 are prohibited and the municipality made no such withdrawals during the midterm from July 2025 to December 2025.

The following information should be noted:

Section 11(1) (b): Expenditure that was authorised in terms of Section 26(4)

- No withdrawals in terms of this section

Section 11(1) (c) Unforeseeable and unavoidable expenditures

- No withdrawals

Section 11(1) (d): Withdrawals in respect of Trust and so forth

- No withdrawals

Overpayments on monies received on behalf of a person or state body

- No withdrawals

Section 11: Withdrawals 11(1) (f): Monies erroneously deposited into bank account

- No withdrawals

Section 11 (1) (g): Guarantees, sureties and security deposits refunded

- No withdrawals

Investment Portfolio

Investment revenue is the amount of interest earned on the amount invested with various financial institutions registered with South African Banking Council. The total amount of money in the bank amounts to **R11.8 million** as at the end of December 2025.

In line with the investment policy, funds are invested only on call accounts with FNB institutions. The municipality is still dealing with its financial state which does not allow us to start looking for better interest rates as cash is needed now and then and has no reserves.

eDUMBE LOCAL MUNICIPALITY

INVESTMENT REGISTER

SUMMARY INVESTMENT REGISTER (Regulation 3(1)(g)) 2025/2026

INSTITUTION	OPENING BALANCE 2025/07/01	Bank charges	INVESTED in current year	Withdrawal	INTEREST	BALANCE 2026/06/30	INTEREST Earned
FNB - 62033660376	41 436.96	-	48 400 000.00	43 550 700.00	186 185.53	5 076 922.49	186 185.53
FNB - 624218433807	3 949 527.21	-	19 000 000.00	17 065 500.00	129 798.10	6 013 825.31	129 798.10
FNB - 61328003233	590 368.29	-	2 600 000.00	2 700 000.00	58 067.12	548 435.41	58 067.12
FNB - 62219848746	161 987.38	-	-	-	4 264.33	166 251.71	4 264.33
TOTAL	4 743 319.84	-	70 000 000.00	63 316 200.00	378 315.08	11 805 434.92	378 315.08

Summary

Total interest received from this investments (for the period 1 July 2025 to 30 June 2026)	378 315.08
Total amount on current investments & call account (as at 31 December 2025)	11 805 434.92

Grants Income and Expenditure December 2025

EDUMBE MUNICIPALITY - GRANTS REGISTER DECEMBER 2025						
GRANT	GRANT' BUDGET(DORA) 2025-2026	AMOUNT RECEIVED	YEAR-TO-DATE PAYMENTS	UNSPENT CLOSING BLANCE	% Spent	COMMENTS
Equitable Share	103 723 000	70 298 361.66	74 045 000	3 746 638.34	95%	The amount was received as per Dora allocation financial year 2025/26. The R3,74 million was withheld by National Treasury as unspent conditional grant as at 30 June 2025. The amount was fully spent by 31 August 2025. Various engagements are in process with NT to provide evidence that the amount was fully spent during August 2025.
FMG	3,000,000	3 000 000	2 149 996.00	850 004.00	71.67%	The expenditure is above 50%. Positive spending on FMG.
Energy	0	0	0	0	0%	N/A
MIG	21 420 000	19 000 000	13 958 443.56	5 041 556.44	73.47%	The expenditure is above 50%. Positive spending on MIG.
EPWP	1 487 000	1 041 000	575 093.63	465 906.37	55.24%	The expenditure is above 50%. Positive spending on EPWP.
Art & Culture	3 790 000	3 639 000	2 153 831.34	1 485 168.66	59.19%	The expenditure is above 50%. Positive spending on Art and Culture Grant.
Municipal Disaster Relief	3 746 638.34	3 746 638.34	3 746 335.47	302.87	99.99%	The amount was reported as unspent as at 30 June 2025 and was subsequently spent fully by 31 August 2025. Refer Equitable Share matter above.

It should be noted that some of the operational grants have low percentage in terms of their spending; this due to the nature of the grant and some expenditures will be reflected in the following months once they are included the approved budget

SC8- Councillor and Staff benefits

Definition Description	July	August	September	October	November	December	Total
Bargaining Council	3 074.75	3 137.50	3 150.05	3 099.85	3 087.30	3 087.30	18 636.75
Medical Aid BonCap PHA	1 138.20	1 138.20	1 138.20	1 138.20	1 138.20	1 138.20	6 829.20
Medical Aid Bonitas	114 398.61	115 029.81	115 661.01	115 029.81	115 029.81	115 029.81	690 178.86
Medical Aid Key Health	27 571.15	27 571.15	27 571.15	27 571.15	27 571.15	27 571.15	165 426.90
Medical Aid LA Health	97 326.50	99 757.70	99 757.70	102 149.90	102 149.90	106 346.30	607 488.00
Medical Aid SAMWUMD	18 402.26	18 402.26	18 402.26	18 402.26	18 402.26	18 402.26	110 413.56
Pension	273 660.89	274 512.97	234 390.18	234 390.18	231 799.13	231 799.13	1 480 552.48
Provident Fund	556 521.66	570 195.81	570 904.67	572 447.31	577 158.63	584 915.49	3 432 143.57
Skills Development Levy	72 729.84	70 993.70	71 377.09	69 655.52	75 130.13	72 216.91	432 103.19
Unemployment Insurance Fund	35 867.25	36 538.85	36 542.17	36 457.76	36 614.46	36 219.91	218 240.40
4% Allowance	9 382.83	9 382.83	9 382.83	9 382.83	9 382.83	9 382.83	56 296.98
Acting Allowance	14 067.68	14 067.68	15 885.84	14 067.68	14 067.68	14 067.68	86 224.24
Annual Bonus	405 052.59	430 455.12	445 347.74	265 066.35	864 249.05	355 885.01	2 766 055.86
BackPay	10 720.71	0.00	0.00	22 052.46	0.00	244 679.74	277 452.91
Basic Salary	5 351 715.99	5 452 054.07	5 459 561.86	5 452 746.28	5 441 465.76	5 452 079.51	32 609 623.47
Cellphone	106 400.00	106 400.00	106 400.00	107 400.00	107 400.00	107 400.00	641 400.00
Councilor Allowance	652 882.70	652 882.70	652 882.70	652 882.70	652 882.70	667 572.46	3 931 985.96
Data Bundles	6 023.00	6 023.00	6 023.00	6 023.00	6 023.00	6 023.00	36 138.00
Housing	40 900.45	40 900.45	40 900.45	40 900.45	40 900.45	40 900.45	245 402.70
Long Service	199 275.10	60 022.30	81 028.00	45 511.90	69 916.18	9 432.00	465 185.48
Med Aid Allowance	10 269.32	10 269.32	10 269.32	10 269.32	10 269.32	10 269.32	61 615.92
Motor Vehicle	48 956.75	48 956.75	48 956.75	48 956.75	48 956.75	48 956.75	293 740.50
Overtime & Standby BackPay	152 290.77	0.00	0.00				152 290.77
Overtime 1.5	66 787.23	77 144.55	74 662.74	87 967.28	69 460.83	75 272.94	451 295.57
Overtime 2.0	21 961.31	16 901.99	23 269.03	40 036.30	17 794.42	18 673.59	138 636.64
PENSION PORTION	2 608.08	2 608.08	2 608.08	2 608.08	2 608.08	2 608.08	15 648.48
Protective Clothing	16 604.48	16 604.48	16 604.48	16 604.48	16 604.48	16 604.48	99 626.88
Reimbursement	6 366.00	11 455.35	5 005.10	41 483.55	468.00	67.00	64 845.00
Reimbursive KM TX	56 214.23	27 880.76	34 973.43	49 605.74	17 682.62	63 705.32	250 062.10
Responseable Per	3 500.00	3 500.00	3 500.00	3 500.00	3 500.00	3 500.00	21 000.00
Risk Allowance	49 813.63	49 813.63	49 813.63	49 813.63	49 813.63	49 813.63	298 881.78
S&T Under	5 850.00	4 950.00	6 000.00	5 100.00	35 750.00	3 350.00	61 000.00
Standby Allowance	100 816.20	101 149.58	99 264.89	99 844.35	100 059.81	96 425.01	597 559.84
Standby Allowance Saturday	19 179.33	18 086.37	14 651.40	19 203.27	18 719.98	19 219.24	109 059.59
Standby Allowance Sunday	27 251.86	24 115.14	33 066.50	32 090.28	24 959.98	25 625.62	167 109.38
Travel Allowance	157 947.08	157 947.08	157 947.08	157 947.08	157 947.08	157 947.08	947 682.48
Unpaid Leave	0.00	-1 411.51	0.00	-6 062.13	0.00	0.00	-7 473.64
Bargaining Council	37.65	0.00	0.00	0.00	0.00	0.00	37.65
Provident Fund	3 207.38	0.00	0.00	0.00	0.00	0.00	3 207.38
Skills Development Levy	357.43	624.52	0.00	0.00	0.00	0.00	981.95
Unemployment Insurance Fund	368.78	177.12	0.00	0.00	0.00	0.00	545.90
Annual Bonus	0.00	10 631.37	0.00	0.00	0.00	0.00	10 631.37
Basic Salary	37 391.87	0.00	0.00	0.00	0.00	0.00	37 391.87
Leave Sold	0.00	41 281.19	0.00	0.00	0.00	0.00	41 281.19
Long Service	0.00	10 539.88	0.00	0.00	0.00	0.00	10 539.88
Totals	8 784 891.54	8 622 691.75	8 576 899.33	8 455 343.57	8 968 963.60	8 696 187.20	52 104 976.99

In terms of section 66 of the Municipal Finance Management Act number 56 of 2003, the Accounting Officer of a Municipality must report to the council on all expenditure incurred by the municipality on staff salaries, allowances, and benefit.

Employee related costs

The expenditure to date for employee related costs amounts to **R44.6 million** against the expected expenditure of **R44.6 million** the variance of 0 of which is good for the Municipality. The percentage variance **0%** is noted.

Remuneration of Councillors

The expenditure to date for remuneration of Councillors amounts to **R4.63 million** against the expected budget of **R4.64 million**. No overspending on this item.

CHALLENGES: IN YEAR MONITORING (IYM)

- The in-year reporting (IYM) or Schedule C template is not adhered to nor completed; only returns are submitted to treasury. We are still using the manual format when submitting our report
- Cash flow projections for the municipality are prepared on the straight-line basis, therefore not realistic.
- The creditors report which is AC of appendix B and Schedule C report submitted are often not aligned.
- Municipal commitments are also understated as the municipal orders are not all disclosed; therefore, the contracts register, and commitments register not updated monthly.

1. 2025/26 MID-TERM BUDGET PERFORMANCE: RECOMMENDATIONS

- The In Year Reporting (IYR) which is schedule C must be submitted monthly and report be submitted to all portfolio using the format not the manual format
- More effort should be put in reviewing the IYM submission made to PT.
- The municipality is advised to revise cash flows to align with municipal procurement plans.
- The municipality must always align AC of appendix B and Schedule C reports.
- The municipality needs to state names of the top 10 creditors. However, the municipality is commended for paying its creditors within 30 days.
- Municipality must update the contracts register and commitments register on monthly basis.
- The municipality is advised to have a schedule of meetings for all bid committees and honor the dates.
- The opening cash flow balance at the beginning of the month must always be captured in the CFA return; and
- The municipality is urged to adhere to submission dates and times and to submit credible reviewed work.

BUDGET PERFORMANCE vs. ADJUSTMENT BUDGET

Factors that inform the need for adjustment of the budget

Having considered the financial performance for the half year period, the following factors informed the need for the adjustment

- Under collection on own revenue
- Recognition of grants and income that were not budgeted for during the approved 2025/26 final budget
- Over/under spending on general expenditure

2025-26 BUDGET FOCUS AREAS

The local government equitable share will grow at an average annual rate of above 9 per cent over the MTEF, this is because of funds that will be added in 2025/26 to offset the cost pressures of electricity purchases which continue to grow faster than inflation.

The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, we must consider the following when compiling their 2025/26 MTREF budgets:

- Cost Containment Measures are affected and that non-core items as outlined in Circular 82 are kept at a ceiling or reduced.
- Improving the effectiveness of revenue management processes and procedures.
- Ensure locative efficiency and the protection of core service delivery items; and
- The affordability of providing free basic services to all households.
- Implementation of Incentive Scheme

3.SCM ISSUES

Irregular expenditure

The Municipality reported, through the SCM policy implementation report, an irregular expenditure is yet to be investigated and recovered or written-off by the municipality. The irregular expenditure is caused, inter alia, by non-compliance to the PPPFA and SCM regulations.

It is therefore recommended that:

- Compliance to the relevant legislations and regulations is always adhered to minimize and stop the irregular expenditure.
- Recovery of irregular expenditure.

SCM Reg. 36 Deviations from normal procurement processes

The municipality reported a very minimum number of procurements done through SCM Reg. 36. The municipality is applauded for keeping a very minimum number of procurements done through regulation 36.

Compliance issues

- **Website information**

The website of the municipality does not show up to date bid information as required in terms of Supply Chain Management Regulations. For example, the advertisement of all bid invitation, Bid received register & awarded bids.

It is recommended that all the required information be published on the website to achieve the transparency of the procurement system and fairness as envisaged by the MFMA and SCM policy of the municipality.

- **Other matters**
 - Model SCM Policy for infrastructure (MFMA circular 77)
 - Procurement Plan vs. SDBIP & IDP.

Procurement Plan implementation is reported regularly to MANCO meetings. SDBIP Reports are issued quarterly to assess performance of budget implementation while delivering service to the community.

- Centralised supplier database (CSD) and adverting of tender as per MFMA circular 83. CSD which is used as a tool to assess the tax affairs of the prospective companies is working very well for the most of the time of operations to assess tax compliance status of that particular prospective service provider.

ANNUAL REPORT FOR 2024/25

AUDIT OUTCOME

The financial statements were submitted on time and Final audit Outcome is Unqualified for eDumbe Municipality with Auditor General.

- Expenditure Management
- Procurement and Contract Management
- Grant Management
- Asset Management and
- Human Resource Management

BTO ASSESSMENT

The functionality of the BTO within our municipality has such challenges:

- Approved of the Organogram and Filling of vacant post on the organogram especially the Asset Management and Contract Management Units.
- Lack of implementation of internal controls (Weak internal controls) and accountability.
- Inability to attract skills that results to heavily dependency on consultants.
- Highly depend on grant funding due to insufficient sources of revenue.
- Limited cash resources that results to the municipality not meeting its financial obligations on time (negative current ratio),

N O.	CHALLENGES / PROGRAMMES IDENTIFIED	PROGRESS ON RESOLVING PROBLEMS
1.	The municipality does not collect revenue to its maximum level	<p>Debt incentive is open with closing date of 28 February 2026.</p> <p>The municipality developed Municipal Revenue and Debt Collection Steering Committee for adoption.</p> <p>Procurement of 200 spit meters has been submitted as an input during budget adjustment process.</p> <p>Indigent application register is being finalized. The register will be verified during February 2026.</p>
2.	Non-Payment of Service providers and Inadequate Spending Against Capital Budget.	<p>The municipality is looking at other source of financial modeling to speed up the implementation of projects and to strengthen the municipal cash flows. Several tenders have been advertised for Source of funding</p> <p>The municipality has multi projects that have not been completed affecting the service delivery and this should be addressed in the next two years once as our financial situation is improving</p>
3.	Grants Expenditure not in line with DORA requirements.	<p>The normally affects and reduces grant allocation for outer year. The municipality to fast-track and accelerate projects and to utilise entire funding as allocated to avoid holding of funds by NT. Application for Change Control is under review by the Department of Energy.</p>
4.	Inadequate funding for Repairs and Maintenance. The budget does not provide enough funding to meet the demand of repairing existing water infrastructure asset.	<p>Funding should be made available for the Development of Asset Maintenance and Replacement plan. This will assist the municipality to budget accordingly to meet the challenges faced for un-maintained infrastructure assets</p>
5.	Multi Year projects not completed on time and poor contract management	<p>The issue of work in progress remains a challenge even the audit has vast of issues raised for projects not completed on time, non-performing Service Providers (SP's) not charged penalties and extension of Contract now and then</p> <p>The projects which are under construction to be completed within time frames and be capitalised; and nonperforming SP be charged penalties The project files be updated monthly with financial and non-financial information, and this will assist in compiling credible Contract Management Register.</p>
6.	Supply Chain Management – Non sitting of bid committees causing delay in the implementation of projects	<p>The bid committees to adhere to the calendar for bid schedule meeting. The report for sitting of bids and implementation of procurement plans be submitted to Municipal Manager monthly. Procurement Plan is reported regularly to MANCO. The report is also used as a tool to drive sitting of Bid Committee meetings.</p>
7.	Supply Chain Management – non implementation of SCM policy resulting to deviation from SCM regulations	<p>The deviation reports are being compiled on monthly bases but on investigations have taken place as per the Municipal Public Accounting Committee.</p> <p>SCM policy was last amended in September 2025.</p>
8.	Lack of Office Space	<p>ANDM need to source funding for the construction or of municipal office space, this will ensure that service delivery is appropriately implemented and improve performance</p>
9.	No Standard Operating Procedures (SOP's)	<p>The SOPs are currently being reviewed to assist with the segregation of duties within the Budget and Treasury Office (BTO). The document should be ready for implementation by end of January 2026 and are in the stage of finalisation.</p>

10.	Non-Implementation of audit action plan	Audit action plan has been developed for implementation and was also tabled before MPAC on 15 th January 2026. The audit action plan will be tabled before Council together with draft Annual Report on 23 January 2026.
11.	Delay in implementation of Data Cleansing project due to planning	The municipality need to launch the Data Cleansing exercise ASAP. Community outreach and other source of communication will be utilised to communicate this project to all communities. The revenue to perform reconciliation between billing system, data collected to date as well valuation roll information
12	Non – implementation of Standard Chart of Accounts (SCOA)	The current financial system has been upgraded to be SCOA compliant. This is an ongoing process, and everyone need to participate and be trained to ensure that everyone understand their requirements

2. RECOMMENDATIONS

RECOMMENDATIONS ON PLANNING AND BUDGET PROCESS

- The municipality must put added effort in ensuring that all the information that is indicated as not submitted/populated in the budget check list is fully submitted and or populated to achieve full compliance.
- The municipality's grant budget must be captured as per DoRA and gazette Provincial allocations.
- The executive summary must encompass all the critical components of the budget.
- Clear and sufficient information on measurable performance objectives and indicators must be included in the budget report.
- An explanation on movements that are above or below the norm must be provided in the municipality's budget report.
- An allocation towards repairs and maintenance budget must be increased.
- The MTREF budget and IDP must be fully aligned and SA tables A4 to A6 must be fully populated.
- The municipality must state clear and measurable objectives and populate Table SA7.
- There must be clear information on how the municipality's SDF, IDP priorities, SDBIP and budget are aligned.
- Previous years' figures must be submitted to the LG-database; and the municipality must always ensure when preparing its budget that it is fully funded budget and realistic in accordance with Circular 28.

RECOMMENDED for THE BUDGET ADJUSTMENT THAT:

- 1) The Mid-year Budget and Performance Assessment Report of eDumbe Municipality for the period ended 31 December 2025 as referred to in S72 of the MFMA be and are hereby NOTED.
- 2) The Monthly Budget Statement for the month of December 2025 and the supporting documents as referred to in S71 of the MFMA be and is hereby NOTED.
- 3) The Quarterly Budget Implementation Report and supporting documents as referred to in S52 (d) of the MFMA be and is hereby NOTED.
- 4) The Consolidated Report of withdrawals from municipal bank account be and is hereby NOTED.
- 5) The Mid-Year Budget and Performance Assessment 2025/26be submitted to the Provincial and National Treasury in both electronic and hard copies.
- 6) The revision to the Service Delivery and Budget Implementation plan as referred to in S54(c) of the MFMA be and is hereby APPROVED.
- 7) The service delivery targets and performance indicators in the SDBIP will only be approved by Council following the approval of the adjustment budget.
- 8) The financial problems facing the municipality including any pending financial problems be and is hereby NOTED.
- 9) Instructions as referred to in S54(d)(i) of the MFMA be and is hereby given to the Municipal Manager to ensure that the budget is implemented in accordance with the service delivery and budget implementation plan be NOTED.
- 10) Instructions as referred to in S54 (d) (ii) of the MFMA be and hereby given to the Municipal Manager that spending of funds and revenue collection proceed in accordance with the budget be NOTED.
- 11) The municipality as referred to in S54(2)(a) of the MFMA be and is hereby committing to: -
 - i. Introduce steps spending since revenue anticipated is less than the projected in the municipality's approved budget.
 - ii. Steps in terms of section Chapter 13 of MFMA is and hereby NOTED.
- 12) The MEC for the Department of Co-operative Governance and Traditional affairs as referred to in S54 (2) (b) of the MFMA be and is hereby alerted to the financial problems facing EDumbe Local Municipality

**See the attached
C-Schedule for
Mid-year
2025-2026
below.**

KZN261 eDumbe - Tabl C1 Monthly Budget Statement Summary - M06 December

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	34 087	35 964	–	1 327	14 198	17 982	(3 784)	-21%	35 964
Service charges	48 147	68 688	–	4 337	27 106	34 344	(7 238)	-21%	68 688
Investment revenue	1 046	3 240	–	50	437	1 620	(1 183)	-73%	3 240
Transfers and subsidies - Operational	115 277	112 000	–	31 393	82 670	56 000	26 670	48%	112 000
Other own revenue	15 494	28 947	–	1 195	9 767	14 473	(4 706)	-33%	28 947
Total Revenue (excluding capital transfers and contributions)	214 051	248 838	–	38 302	134 178	124 419	9 759	8%	248 838
Employee costs	87 335	89 224	–	7 502	44 612	44 612	(0)		89 224
Remuneration of Councillors	8 902	9 283	–	985	4 635	4 641	(6)		9 283
Depreciation and amortisation	19 065	20 506	–	–	8 917	10 253	(1 336)		20 506
Interest	1 845	1 562	–	270	632	781	(149)		1 562
Inventory consumed and bulk purchases	48 447	50 716	–	3 773	28 080	25 358	2 722		50 716
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	78 326	54 766	–	5 214	26 867	27 383	(516)	-2%	54 766
Total Expenditure	243 920	226 057	–	17 745	113 744	113 029	715	1%	226 057
Surplus/(Deficit)	(29 869)	22 781	–	20 558	20 434	11 390	9 044	79%	22 781
Transfers and subsidies - capital (monetary allocations)	20 507	21 420	–	2 871	13 872	10 710	3 162	30%	21 420
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(9 362)	44 201	–	23 428	34 306	22 100	12 205	55%	44 201
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(9 362)	44 201	–	23 428	34 306	22 100	12 205	55%	44 201
Capital expenditure & funds sources									
Capital expenditure	557 341	18 143	–	2 460	11 578	9 071	2 506	28%	18 143

Capital transfers recognised	15 725	17 297	–	2 460	11 706	8 648	3 057	35%	17 297
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	541 616	846	–	–	(128)	423	(551)	-130%	846
Total sources of capital funds	557 341	18 143	–	2 460	11 578	9 071	2 506	28%	18 143
Financial position									
Total current assets	137 665	61 541	–		164 717				61 541
Total non current assets	459 145	406 221	–		462 745				406 221
Total current liabilities	204 496	38 337	–		201 348				38 337
Total non current liabilities	391	–	–		391				–
Community wealth/Equity	391 924	429 465	–		425 724				429 465
Cash flows									
Net cash from (used) operating	(261 876)	37 890	–	172 090	87 055	28 228	(58 827)	-208%	37 890
Net cash from (used) investing	557 341	(20 864)	–	(2 460)	(11 578)	(10 432)	1 146	-11%	(20 864)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	297 673	28 170	–	169 629	81 345	28 940	(52 405)	-181%	–
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	7 661	4 439	5 362	4 651	4 310	3 937	15 423	214 175	259 957
Creditors Age Analysis									
Total Creditors	6 891	–	4 953	4 893	–	787	457	648	18 629

13)

KZN261 eDumbe - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

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		142 782	179 743	-	20 624	85 125	89 871	(4 746)	-5%	179 743
Executive and council		15 629	15 558	-	4 624	13 107	7 779	5 328	68%	15 558
Finance and administration		127 154	164 184	-	16 000	72 018	82 092	(10 074)	-12%	164 184
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		27 489	24 691	-	6 595	20 736	12 345	8 391	68%	24 691
Community and social services		27 479	24 682	-	6 595	20 726	12 341	8 385	68%	24 682
Sport and recreation		10	9	-	-	10	4	5	125%	9
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		61 822	62 356	-	13 930	41 622	31 178	10 443	33%	62 356
Planning and development		60 022	60 332	-	13 895	41 155	30 166	10 989	36%	60 332
Road transport		1 800	2 024	-	35	466	1 012	(546)	-54%	2 024
Environmental protection		-	-	-	-	-	-	-		-
Trading services		37	42	-	5	18	21	(3)	-13%	42
Energy sources		37	42	-	5	18	21	(3)	-13%	42
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other	4	2 428	3 426	-	20	549	1 713	(1 165)	-68%	3 426
Total Revenue - Functional	2	234 558	270 258	-	41 173	148 050	135 129	12 921	10%	270 258
Expenditure - Functional	-									
Governance and administration		140 307	121 695	-	10 012	59 291	60 847	(1 556)	-3%	121 695
Executive and council		24 784	25 807	-	2 998	13 963	12 903	1 060	8%	25 807
Finance and administration		115 523	95 888	-	7 015	45 328	47 944	(2 616)	-5%	95 888

Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		21 323	23 129	-	1 744	10 668	11 564	(897)	-8%	23 129
Community and social services		21 293	22 275	-	1 744	10 668	11 137	(470)	-4%	22 275
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		30	854	-	-	-	427	(427)	-100%	854
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		27 457	28 087	-	2 141	12 683	14 043	(1 360)	-10%	28 087
Planning and development		25 516	26 547	-	2 133	11 563	13 273	(1 711)	-13%	26 547
Road transport		1 941	1 540	-	8	1 120	770	350	45%	1 540
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		55 414	53 187	-	3 847	31 103	26 593	4 509	17%	53 187
Energy sources		55 414	53 187	-	3 847	31 103	26 593	4 509	17%	53 187
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	244 501	226 097	-	17 745	113 744	113 049	696	1%	226 097
Surplus/ (Deficit) for the year		(9 942)	44 161	-	23 428	34 306	22 080	12 225	55%	44 161

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance

Statement

3. Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'

4. All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

KZN261 eDumbe - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

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 - Executive & Council		15 629	15 558	–	4 624	13 107	7 779	5 328	68.5%	15 558
Vote 2 - Finance and Admin		127 154	164 184	–	16 000	72 018	82 092	(10 074)	-12.3%	164 184
Vote 3 - Internal Audit		3 053	–	–	–	3 746	–	3 746	#DIV/0!	–
Vote 4 - Community and Social Services		24 435	24 691	–	6 595	16 990	12 345	4 645	37.6%	24 691
Vote 5 - [NAME OF VOTE 5]		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health		37	42	–	5	18	21	(3)	-13.4%	42
Vote 9 - Planning & Development		58 540	58 845	–	13 800	40 580	29 422	11 158	37.9%	58 845
Vote 10 - Road Transport		–	–	–	–	–	–	–		–
Vote 11 - Energy Sources		4 228	5 451	–	54	1 015	2 725	(1 710)	-62.8%	5 451
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - Waste Management		–	–	–	–	–	–	–		–
Vote 14 - Other		1 482	1 487	–	95	575	744	(168)	-22.7%	1 487
Vote 15 - Finance and Admin2		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	234 558	270 258	–	41 173	148 050	135 129	12 921	9.6%	270 258
Expenditure by Vote	1									
Vote 1 - Executive & Council		24 784	25 807	–	2 998	13 963	12 903	1 060	8.2%	25 807
Vote 2 - Finance and Admin		115 523	95 888	–	7 015	45 328	47 944	(2 616)	-5.5%	95 888
Vote 3 - Internal Audit		–	30	–	–	–	15	(15)	-100.0%	30
Vote 4 - Community and Social Services		21 323	22 726	–	1 744	10 668	11 363	(695)	-6.1%	22 726
Vote 5 - [NAME OF VOTE 5]		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health		55 414	53 187	–	3 847	31 103	26 593	4 509	17.0%	53 187
Vote 9 - Planning & Development		25 516	26 547	–	2 133	11 563	13 273	(1 711)	-12.9%	26 547
Vote 10 - Road Transport		–	–	–	–	–	–	–		–
Vote 11 - Energy Sources		1 941	1 913	–	8	1 120	956	164	17.1%	1 913
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - Waste Management		–	–	–	–	–	–	–		–

Vote 14 - Other		-	-	-	-	-	-	-	-	-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	244 501	226 097	-	17 745	113 744	113 049	696	0.6%	226 097
Surplus/ (Deficit) for the year	2	(9 942)	44 161	-	23 428	34 306	22 080	12 225	55.4%	44 161

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure
2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

KZN261 eDumbe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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		45 014	64 621	-	4 017	25 186	32 310	(7 125)	-22%	64 621
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		3 133	4 067	-	320	1 920	2 034	(114)	-6%	4 067
Sale of Goods and Rendering of Services		160	284	-	4	54	142	(88)	-62%	284
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		5 668	6 828	-	480	2 859	3 414	(555)	-16%	6 828
Interest from Current and Non Current Assets		1 046	3 240	-	50	437	1 620	-	-	3 240
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 740	1 667	-	157	897	833	64	8%	1 667
Licence and permits		334	804	-	15	113	402	(289)	-72%	804
Special rating levies		-	-	-	-	-	-	-	-	-
Operational Revenue		(475)	10 306	-	10	2 058	5 153	(3 095)	-60%	10 306
Non-Exchange Revenue										
Property rates		34 087	35 964	-	1 327	14 198	17 982	(3 784)	-21%	35 964
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 446	3 553	-	72	834	1 776	(943)	-	3 553
Licence and permits		837	1 367	-	29	425	684	(259)	-	1 367
Transfers and subsidies - Operational		115 277	112 000	-	31 393	82 670	56 000	26 670	-	112 000
Interest		4 799	4 138	-	436	2 535	2 069	466	-	4 138
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		(14)	-	-	(7)	(7)	-	(7)	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		214 051	248 838	-	38 302	134 178	124 419	9 759	8%	248 838
Expenditure By Type										
Employee related costs		87 335	89 224	-	7 502	44 612	44 612	(0)	0%	89 224
Remuneration of councillors		8 902	9 283	-	985	4 635	4 641	(6)	0%	9 283
Bulk purchases - electricity		48 447	50 716	-	3 773	28 080	25 358	2 722	-	50 716
Inventory consumed		-	-	-	-	-	-	-	-	-
Debt impairment		2 188	4 411	-	-	-	2 206	(2 206)	-100%	4 411
Depreciation and amortisation		19 065	20 506	-	-	8 917	10 253	(1 336)	-13%	20 506

Interest	1 845	1 562	-	270	632	781	(149)	-19%	1 562
Contracted services	31 475	29 091	-	2 979	16 213	14 546	1 667	11%	29 091
Transfers and subsidies	-	-	-	-	-	-	-		-
Irrecoverable debts written off	25 989	4 282	-	298	1 370	2 141	(771)		4 282
Operational costs	18 674	16 981	-	1 938	9 285	8 491	794	9%	16 981
Losses on Disposal of Assets	-	-	-	-	-	-	-		-
Other Losses	-	-	-	-	-	-	-		-
Total Expenditure	243 920	226 057	-	17 745	113 744	113 029	715	1%	226 057
Surplus/(Deficit)	(29 869)	22 781	-	20 558	20 434	11 390	9 044	0	22 781
Transfers and subsidies - capital (monetary allocations)	20 507	21 420	-	2 871	13 872	10 710	3 162	0	21 420
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	(9 362)	44 201	-	23 428	34 306	22 100			44 201
Income Tax	-	-	-	-	-	-			-
Surplus/(Deficit) after income tax	(9 362)	44 201	-	23 428	34 306	22 100			44 201
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality	(9 362)	44 201	-	23 428	34 306	22 100			44 201
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-			-
Surplus/ (Deficit) for the year	(9 362)	44 201	-	23 428	34 306	22 100			44 201

References

1. Material variances to be explained on Table SC1

KZN261 eDumbe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

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 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		541 616	846	-	-	(128)	423	(551)	-130%	846
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-

Vote 4 - Community and Social Services		(0)	-	-	-	-	-	-		-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		(14 906)	-	-	-	-	-	-		-
Vote 9 - Planning & Development		30 631	17 297	-	2 460	11 706	8 648	3 057	35%	17 297
Vote 10 - Road Transport		0	-	-	-	-	-	-		-
Vote 11 - Energy Sources		(0)	-	-	-	-	-	-		-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - Waste Management		0	-	-	-	-	-	-		-
Vote 14 - Other		-	-	-	-	-	-	-		-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	557 341	18 143	-	2 460	11 578	9 071	2 506	28%	18 143
Total Capital Expenditure		557 341	18 143	-	2 460	11 578	9 071	2 506	28%	18 143
<u>Capital Expenditure - Functional Classification</u>										
Governance and administration		541 616	846	-	-	(128)	423	(551)	-130%	846
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		541 616	846	-	-	(128)	423	(551)	-130%	846
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		0	-	-	-	-	-	-		-
Community and social services		(0)	-	-	-	-	-	-		-
Sport and recreation		0	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		0	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		30 631	17 297	-	2 460	11 706	8 648	3 057	35%	17 297
Planning and development		30 631	17 297	-	2 460	11 706	8 648	3 057	35%	17 297
Road transport		(0)	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-

Trading services		(14 906)	-	-	-	-	-	-		-
Energy sources		(14 906)	-	-	-	-	-	-		-
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	557 341	18 143	-	2 460	11 578	9 071	2 506	28%	18 143
Funded by:										
National Government		15 725	17 297	-	2 460	11 706	8 648	3 057	35%	17 297
Provincial Government		(0)	-	-	-	-	-	-		-
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		15 725	17 297	-	2 460	11 706	8 648	3 057	35%	17 297
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		541 616	846	-	-	(128)	423	(551)	-130%	846
Total Capital Funding		557 341	18 143	-	2 460	11 578	9 071	2 506	28%	18 143

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment
3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations
4. Include expenditure on investment property, intangible and biological assets

14)

KZN261 eDumbe - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2024/25	Budget Year	Adjusted	YearTD	Full Year
		Audited	2025/26			
R thousands	1	Outcome	Original	Budget		
ASSETS						
Current assets						
Cash and cash equivalents		5 867	43 926	–	12 268	43 926
Trade and other receivables from exchange transactions		13 943	20 684	–	19 947	20 684
Receivables from non-exchange transactions		163	132	–	9 435	132
Current portion of non-current receivables		–	–	–	–	–
Inventory		77	354	–	70	354
VAT		117 426	(3 555)	–	122 817	(3 555)
Other current assets		190	–	–	180	–
Total current assets		137 665	61 541	–	164 717	61 541
Non current assets						
Investments		–	–	–	–	–
Investment property		21 330	21 004	–	21 330	21 004
Property, plant and equipment		437 788	384 849	–	441 309	384 849
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	154	–	–	154
Intangible assets		27	214	–	107	214
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		459 145	406 221	–	462 745	406 221
TOTAL ASSETS		596 810	467 762	–	627 463	467 762
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		253	408	–	253	408
Trade and other payables from exchange transactions		33 148	438	–	24 116	438
Trade and other payables from non-exchange transactions		13 992	–	–	18 175	–
Provision		37 309	34 096	–	34 981	34 096
VAT		119 794	3 395	–	123 823	3 395
Other current liabilities		–	–	–	–	–
Total current liabilities		204 496	38 337	–	201 348	38 337
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		–	–	–	–	–
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		391	–	–	391	–
Total non current liabilities		391	–	–	391	–
TOTAL LIABILITIES		204 887	38 337	–	201 739	38 337
NET ASSETS	2	391 924	429 425	–	425 724	429 425
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		391 823	429 465	–	425 623	429 465
Reserves and funds		100	–	–	100	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	391 924	429 465	–	425 724	429 465

References

1. Material variances to be explained in Table SC1
2. Net assets must balance with Total Community Wealth/Equity

KZN261 eDumbe - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2024/25	Budget Year 2025/26	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget							
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(19 962)	26 404	–	11 306	13 611	13 202	409	3%	26 404
Service charges		(46 939)	58 185	–	9 920	16 617	29 093	(12 476)	-43%	58 185
Other revenue		6 781	30 080	–	46 775	70 575	15 040	55 535	369%	30 080
Transfers and Subsidies - Operational		(99 758)	112 395	–	30 827	81 727	56 198	25 530	45%	112 395
Transfers and Subsidies - Capital		67 448	21 420	–	5 000	19 000	10 710	8 290	77%	21 420
Interest		10 467	627	–	9 999	10 007	314	9 694	3092%	627
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(179 913)	(211 221)	–	58 263	(124 482)	(96 328)	28 154	-29%	(211 221)
Interest		–	–	–	–	–	–	–	–	–
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		(261 876)	37 890	–	172 090	87 055	28 228	(58 827)	-208%	37 890
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		557 341	(20 864)	–	(2 460)	(11 578)	(10 432)	1 146	-11%	(20 864)
NET CASH FROM/(USED) INVESTING ACTIVITIES		557 341	(20 864)	–	(2 460)	(11 578)	(10 432)	1 146	-11%	(20 864)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		295 465	17 026	–	169 629	75 477	17 796			–
Cash/cash equivalents at beginning:		2 208	11 144	–	–	5 867	11 144			5 867
Cash/cash equivalents at month/year end:		297 673	28 170	–	169 629	81 345	28 940			–

References

1. Material variances to be explained in Table SC1

15)

