

MANDENI MUNICIPALITY

KZN291



BUDGET & TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR OCTOBER FOR THE PERIOD ENDED 2025/26 FINANCIAL YEAR

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2025/26 BUDGET FOR THE PERIOD ENDING 31 OCTOBER 2025.

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2025/26 Budget of the Mandeni Municipality for the period ending 31 October 2025 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71.

4. BACKGROUND

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ending 31 October is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Capital Expenditure
- 5.3 DORA Receipts
- 5.4 DORA Grants Expenditure
- 5.5 Debtors Age Analysis
- 5.6 Employee Costs and Councilors' Remuneration
- 5.7 Investment Portfolio
- 5.8 Long-term Borrowing
- 5.9 Performance Indicators
- 6. Creditor's Age Analysis
- 6.1 Bank Reconciliation Statement
- 7. Supporting Tables
- 8. Municipal Managers quality certificate

1.1 FINANCIAL PERFORMANCE

BUDGET SUMMARY

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M04 October								
Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Financial Performance								
Total Revenue (excluding capital transfers and	430 705	454 622	17 403	174 282	151 540	22 741	15%	454 622
Total Expenditure	473 964	487 944	36 998	143 694	167 300	(23 606)	-14%	487 944
Surplus/(Deficit)	(43 258)	(33 322)	(19 595)	30 588	(15 759)	46 347	-294%	(33 322)
Transfers and subsidies - capital / monetary	47 668	46 017	4 114	29 797	15 339	14 458	94%	46 017
Surplus/(Deficit) after capital transfers & surplus / (deficit) for the year	4 409	12 694	(15 481)	60 385	(421)	60 805	-14460%	12 694
	4 409	12 694	(15 481)	60 385	(421)	60 805	-14460%	12 694
Capital expenditure & funds sources								
Capital expenditure	126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
Capital transfers recognised	42 242	40 058	5 819	16 246	16 549	(304)	-2%	40 058
Borrowing	–	–	–	–	–	–	–	–
Internally generated funds	83 831	90 538	1 893	8 887	30 179	(21 292)	-71%	90 538
Total sources of capital funds	126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
TOTAL BUDGET	600 037	618 540	44 710	168 826	214 029	(45 202)	(0)	618 540

As can be seen from the table above, Actual surplus for the period ended 31 October 2025 is more than the Budgeted Surplus. Monthly budget statement summary (Table C1), for the period ending 31 October 2025 (year to date actual), shows a surplus of R60.4million against YTD budget of -R421thousand which reflects an over performance of more than 100%.

Currently there are no financial challenges and major risks facing the municipality.

Table 1

Table C1 below provides a summary of the overall performance of the municipality.

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M04 October								
Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							%	
Financial Performance								
Property rates	63 942	64 913	6 408	26 462	21 638	4 824	22%	64 913
Service charges	77 826	97 399	8 109	34 157	32 466	1 691	5%	97 399
Investment revenue	19 863	25 000	1 107	4 881	8 333	(3 452)	-41%	25 000
Transfers and subsidies - Op	253 010	254 956	1 003	106 164	84 985	21 178	25%	254 956
Other own revenue	16 064	12 353	776	2 618	4 118	(1 500)	-36%	12 353
Total Revenue (excluding capital transfers and	430 705	454 622	17 403	174 282	151 540	22 741	15%	454 622
Employee costs	160 030	167 901	13 878	54 135	55 967	(1 832)	-3%	167 901
Remuneration of Councillors	15 151	17 043	1 245	5 044	5 681	(637)	-11%	17 043
Depreciation and amortisation	42 700	36 240	3 369	13 335	12 080	1 255	10%	36 240
Interest	0	3 050	-	-	1 017	(1 017)	-100%	3 050
Inventory consumed and bulk	64 650	72 025	5 360	25 585	24 275	1 310	5%	72 025
Transfers and subsidies	-	-	-	-	-	-	-	-
Other expenditure	191 433	191 685	13 145	45 595	68 280	(22 685)	-33%	191 685
Total Expenditure	473 964	487 944	36 998	143 694	167 300	(23 606)	-14%	487 944
Surplus/(Deficit)	(43 258)	(33 322)	(19 595)	30 588	(15 759)	46 347	-294%	(33 322)
Transfers and subsidies - capital transfers	47 668	46 017	4 114	29 797	15 339	14 458	94%	46 017
Surplus/(Deficit) after capital transfers & surplus/(deficit) for the year	4 409	12 694	(15 481)	60 385	(421)	60 805	-14460%	12 694
	4 409	12 694	(15 481)	60 385	(421)	60 805	-14460%	12 694
Capital expenditure & funds sources								
Capital expenditure	126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
Capital transfers recognised	42 242	40 058	5 819	16 246	16 549	(304)	-2%	40 058
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	83 831	90 538	1 893	8 887	30 179	(21 292)	-71%	90 538
Total sources of capital funds	126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
Financial position								
Total current assets	252 271	178 561		269 239				178 561
Total non current assets	797 396	805 344		809 194				805 344
Total current liabilities	82 253	88 340		50 634				88 340
Total non current liabilities	22 198	25 770		22 198				25 770
Community wealth/Equity	945 216	869 795		1 005 601				869 795
Cash flows								
Net cash from (used) operating activities	(94 883)	67 799	(26 686)	49 884	37 638	(12 246)	-33%	62 299
Net cash from (used) investing activities	126 073	(150 185)	(8 869)	(28 903)	(53 738)	(24 835)	46%	(144 685)
Net cash from (used) financing activities	-	-	-	-	-	-	-	-
Cash/cash equivalents at the end of the year	261 378	9 822	(35 555)	152 881	76 108	(76 772)	-101%	-
Debtors & creditors analysis	0-30 Days	31-60 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis								
Total By Income Source	14 005	7 100	1 488	1 457	2 709	17 094	206 211	265 707
Creditors Age Analysis								
Total Creditors	-	-	-	-	-	-	-	-

1.1.1 Table 2

Table C2 provides the statement of financial performance by standard classification.

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October									
Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1							%	
Revenue - Functional									
Governance and administration		339 132	342 170	7 895	135 090	114 057	21 033	18%	342 170
Executive and council		–	8 365	–	–	2 788	(2 788)	-100%	8 365
Finance and administration		339 132	333 805	7 895	135 090	111 268	23 822	21%	333 805
Internal audit		–	–	–	–	–	–	–	–
Community and public safety		6 994	6 128	601	1 916	2 043	(126)	-6%	6 128
Community and social services		5 270	5 719	393	1 706	1 906	(201)	-11%	5 719
Sport and recreation		1 707	–	204	204	–	204	#DIV/0!	–
Public safety		17	408	3	7	136	(129)	-95%	408
Housing		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
Economic and environmental services		51 516	52 717	4 917	32 166	17 572	14 593	83%	52 717
Planning and development		47 129	48 740	3 298	26 750	16 247	10 504	65%	48 740
Road transport		4 387	3 977	1 619	5 415	1 326	4 090	309%	3 977
Environmental protection		–	–	–	–	–	–	–	–
Trading services		80 731	99 623	8 104	34 906	33 208	1 698	5%	99 623
Energy sources		66 249	83 081	6 743	29 451	27 694	1 757	6%	83 081
Water management		–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–
Waste management		14 482	16 543	1 361	5 455	5 514	(59)	-1%	16 543
Other	4	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	478 373	500 638	21 517	204 078	166 879	37 199	22%	500 638
Expenditure - Functional									
Governance and administration		244 105	240 817	17 380	64 458	80 272	(15 814)	-20%	240 817
Executive and council		66 751	79 879	5 993	22 020	26 626	(4 606)	-17%	79 879
Finance and administration		177 354	160 937	11 387	42 437	53 646	(11 208)	-21%	160 937
Internal audit		–	–	–	–	–	–	–	–
Community and public safety		57 060	51 805	4 392	18 763	17 535	1 228	7%	51 805
Community and social services		41 974	36 398	3 432	14 807	12 400	2 407	19%	36 398
Sport and recreation		13 472	13 045	960	3 599	4 348	(749)	-17%	13 045
Public safety		1 462	2 148	–	327	716	(389)	-54%	2 148
Housing		152	214	–	30	71	(42)	-58%	214
Health		–	–	–	–	–	–	–	–
Economic and environmental services		83 723	92 410	7 583	27 102	30 764	(3 662)	-12%	92 410
Planning and development		23 312	26 477	1 548	6 120	8 999	(2 880)	-32%	26 477
Road transport		55 834	60 311	5 615	19 189	20 104	(915)	-5%	60 311
Environmental protection		4 577	5 622	420	1 794	1 661	133	8%	5 622
Trading services		88 785	102 391	7 624	33 257	38 555	(5 297)	-14%	102 391
Energy sources		72 643	75 903	6 179	28 760	26 837	1 923	7%	75 903
Water management		–	–	–	–	–	–	–	–
Waste water management		3 063	3 048	257	1 018	1 016	2	0%	3 048
Waste management		13 078	23 440	1 188	3 479	10 701	(7 223)	-67%	23 440
Other		292	522	20	114	174	(60)	-35%	522
Total Expenditure - Functional	3	473 964	487 944	36 998	143 694	167 300	(23 606)	-14%	487 944
Surplus/ (Deficit) for the year		4 409	12 694	(15 481)	60 385	(421)	60 805	-14460%	12 694

Table 3

Table C3 provides the statement of financial performance by standard classification.

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October									
Vote Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote		1							
Vote 1 - Executive and council		-	8 365	-	-	2 788	(2 788)	-100.0%	8 365
Vote 2 - Finance and administration		339 132	333 805	7 895	135 090	111 268	23 822	21.4%	333 805
Vote 3 - Internal audit		-	-	-	-	-	-		-
Vote 4 - Community and social services		5 287	6 128	396	1 712	2 043	(330)	-16.2%	6 128
Vote 5 - Sport and Recreation		1 707	-	204	204	-	204	#DIV/0!	-
Vote 6 - Public safety		-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-		-
Vote 8 - Planning and Development		47 129	48 740	3 298	26 750	16 247	10 504	64.6%	48 740
Vote 9 - Road transport		4 387	3 977	1 619	5 415	1 326	4 090	308.5%	3 977
Vote 10 - Energy sources		66 249	83 081	6 743	29 451	27 694	1 757	6.3%	83 081
Vote 11 - Waste Management		14 482	16 543	1 361	5 455	5 514	(59)	-1.1%	16 543
Vote 12 - Environmental Protection		-	-	-	-	-	-		-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-		-
Total Revenue by Vote	2	478 373	500 638	21 517	204 078	166 879	37 199	22.3%	500 638
Expenditure by Vote		1							
Vote 1 - Executive and council		66 751	79 879	5 993	22 020	26 626	(4 606)	-17.3%	79 879
Vote 2 - Finance and administration		177 354	160 624	11 387	42 437	53 541	(11 104)	-20.7%	160 624
Vote 3 - Internal audit		-	313	-	-	104	(104)	-100.0%	313
Vote 4 - Community and social services		41 974	36 398	3 432	14 807	12 400	2 407	19.4%	36 398
Vote 5 - Sport and Recreation		13 472	13 045	960	3 599	4 348	(749)	-17.2%	13 045
Vote 6 - Public safety		1 462	2 148	-	327	716	(389)	-54.3%	2 148
Vote 7 - Housing		152	214	-	30	71	(42)	-58.2%	214
Vote 8 - Planning and Development		23 604	26 998	1 568	6 233	9 173	(2 940)	-32.1%	26 998
Vote 9 - Road transport		58 897	63 359	5 872	20 207	21 120	(913)	-4.3%	63 359
Vote 10 - Energy sources		72 643	75 903	6 179	28 760	26 837	1 923	7.2%	75 903
Vote 11 - Waste Management		13 078	23 440	1 188	3 479	10 701	(7 223)	-67.5%	23 440
Vote 12 - Environmental Protection		4 577	5 622	420	1 794	1 661	133	8.0%	5 622
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-		-
Total Expenditure by Vote	2	473 964	487 944	36 998	143 694	167 300	(23 606)	-14.1%	487 944
Surplus/ (Deficit) for the year	2	4 409	12 694	(15 481)	60 385	(421)	60 805	-14459.8%	12 694

Table 4 provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 October 2025.

This report analyses each major component under following headings;

- Revenue by Source
- Operational Expenditure by Type,

KZN291 Mandeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue									
Exchange Revenue									
Service charges - Electricity		64 753	82 686	6 972	29 555	27 562	1 993	7%	82 686
Service charges - Water		—	—	—	—	—	—	—	—
Service charges - Waste Water Ma		—	—	—	—	—	—	—	—
Service charges - Waste managem		13 073	14 713	1 136	4 602	4 904	(302)	-6%	14 713
Sale of Goods and Rendering of S		2 282	1 513	93	357	504	(147)	-29%	1 513
Agency services		—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—
Interest earned from Receivables		1 487	2 016	128	506	672	(166)	-25%	2 016
Interest from Current and Non Curr		19 863	25 000	1 107	4 881	8 333	(3 452)	-41%	25 000
Dividends		—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—
Rental from Fixed Assets		593	755	59	211	252	(40)	-16%	755
Licence and permits		—	—	—	—	—	—	—	—
Special rating levies		—	—	—	—	—	—	—	—
Operational Revenue		1 355	1 252	51	355	417	(62)	-15%	1 252
Non-Exchange Revenue									
Property rates		63 942	64 913	6 408	26 462	21 638	4 824	22%	64 913
Surcharges and Taxes		—	—	—	—	—	—	—	—
Fines, penalties and forfeits		3 569	1 367	42	63	456	(393)	-86%	1 367
Licence and permits		969	998	105	310	333	(23)	-7%	998
Transfers and subsidies - Operatio		253 010	254 956	1 003	106 164	84 985	21 178	25%	254 956
Interest		3 570	4 453	298	816	1 484	(668)	-45%	4 453
Other Gains		2 239	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—
Total Revenue (excluding capital		430 705	454 622	17 403	174 282	151 540	22 741	15%	454 622
Expenditure By Type									
Employee related costs		160 030	167 901	13 878	54 135	55 967	(1 832)	-3%	167 901
Remuneration of councillors		15 151	17 043	1 245	5 044	5 681	(637)	-11%	17 043
Bulk purchases - electricity		58 515	66 107	5 164	25 185	22 036	3 150	14%	66 107
Inventory consumed		6 135	5 918	196	399	2 239	(1 840)	-82%	5 918
Debt impairment		27 504	32 077	—	—	15 117	(15 117)	-100%	32 077
Depreciation and amortisation		42 700	36 240	3 369	13 335	12 080	1 255	10%	36 240
Interest		0	3 050	—	—	1 017	(1 017)	-100%	3 050
Contracted services		82 382	89 650	7 309	23 934	29 844	(5 910)	-20%	89 650
Transfers and subsidies		—	—	—	—	—	—	—	—
Irrecoverable debts written off		10 696	6 637	—	—	2 212	(2 212)	-100%	6 637
Operational costs		71 150	62 722	5 836	21 651	20 907	743	4%	62 722
Losses on Disposal of Assets		965	600	—	—	200	(200)	-100%	600
Other Losses		(1 264)	—	—	11	—	11	#DIV/0!	—
Total Expenditure		473 964	487 944	36 998	143 694	167 300	(23 606)	-14%	487 944
Surplus/(Deficit)		(43 258)	(33 322)	(19 595)	30 588	(15 759)	46 347	(0)	(33 322)
Transfers and subsidies - capital (monetary		47 668	46 017	4 114	29 797	15 339	14 458	0	46 017
Surplus/(Deficit) after capital transfers &		4 409	12 694	(15 481)	60 385	(421)			12 694
Income Tax		—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax		4 409	12 694	(15 481)	60 385	(421)			12 694
Share of Surplus/Deficit attributable		—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable		—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to		4 409	12 694	(15 481)	60 385	(421)			12 694
Share of Surplus/Deficit attributable		—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary tra		—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		4 409	12 694	(15 481)	60 385	(421)			12 694

The above revenue and expenditure sources can be graphically presenting in figure 1 and 2 below:

Figure 1

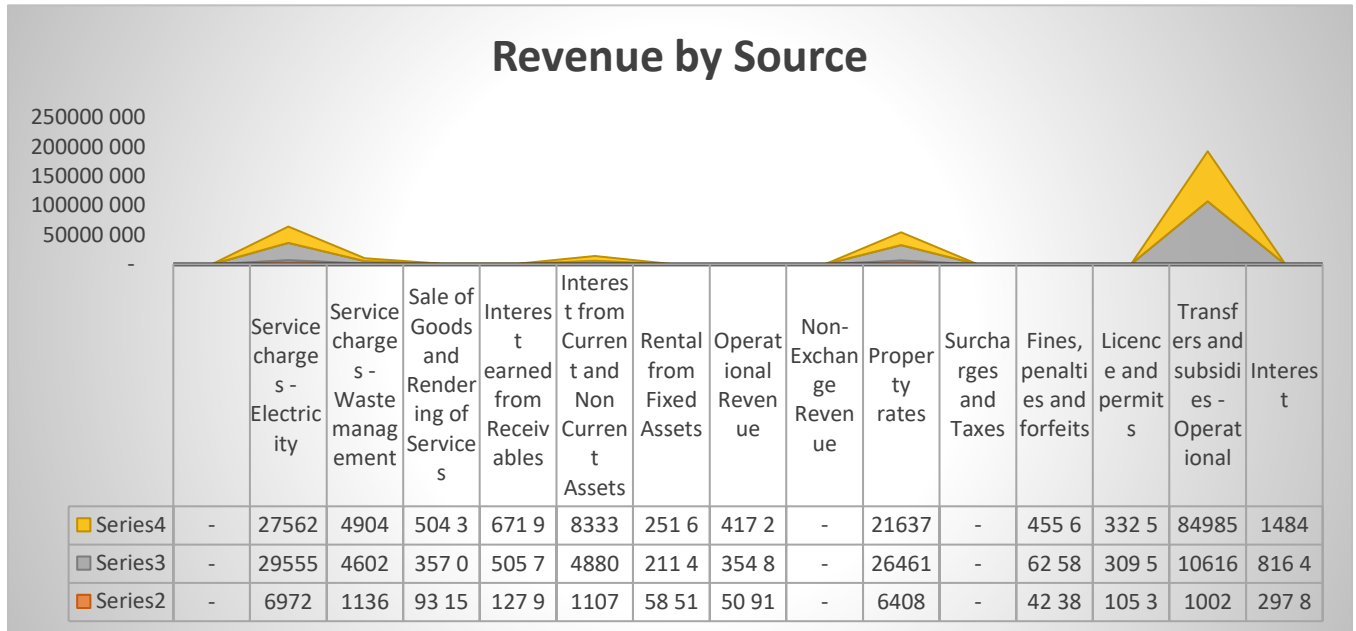
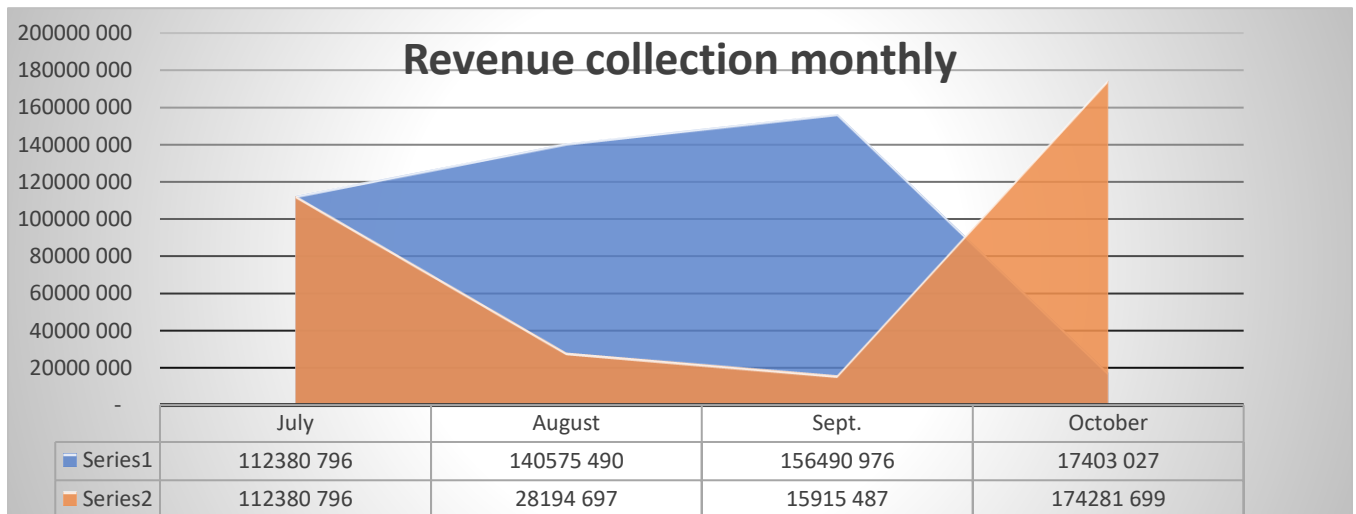


Figure 2



Revenue:

- The Year-to-Date (YTD) total revenue amounted to R174.3 million for the period ending 31 October 2025, excluding capital conditional grant income. The YTD budget of R151.5 million reflects an over-performance of 15percent. This variance is primarily due to the Equitable Share allocation, where R101.7 million of the total R244.2 million was received as the first of three tranches. Since the budget is apportioned evenly over 12 months, the timing of this receipt has resulted in the current over-performance. The municipality expects this variance to normalize by the end of the Second quarter.

EXCHANGE REVENUE

Service Charges: Electricity

- Revenue for electricity service charges is recognized on an invoice basis, with a total amount of R29.6 million billed against a pro-rata budget of R27.6million, resulting in an over-performance of 7percent. This variance is mainly due to the installation of new meters, which has improved billing levels.
- The actual cash collected amounted R6.9million for the month ended 31 October 2025.

Service Charges: Refuse

- The actual revenue from Service Charges Refuse as of 31 October 2025 is R4.6million against the budgeted income of R4.9million which is under performance by 6percent. This variance is due to a decrease in the actual collection of Skips and Bins.
- The actual cash collected amounted R397thousand for the month of 31 October 2025.

Sale of Goods and rendering services

- Sale of Goods and Services amounted to R357 thousand, compared to the year-to-date budget of R504 thousand, resulting in an under-performance of R147 thousand or 29%. The variance is influenced by the nature of the revenue items under this vote, which are difficult to project and measure in advance. These include income from tender document sales, town planning fees, clearance certificates, library fines for overdue books, and building plan fees. Performance in this category is largely dependent on walk-in customers.

Interest earned from receivables.

- Interest earned from receivables amounts to R506thousand in comparison with the year-to-date budget of R506thousand, which is an under-performance by 25percent. The variance of R166 thousand is mainly due to customers honoring their credit agreements, which has resulted in lower interest charges than anticipated.

Interest from Current and Non-Current assets

- Interest earned on external investments amounts to R4.9million in comparison with the year-to-date budget of R8.3million, thus indicating an under performance by R3.5million or 41percent, The variance is because the municipality had Lowered Investments that anticipated due to higher operational cash requirement during this period

Rental from fixed assets

- Revenue from the Rental of Facilities amounted to R211 thousand, compared to the year-to-date budget of R252 thousand, resulting in an under-performance of R40 thousand or 16%.

This vote comprises a combination of rental income streams, including Municipal Halls, Municipal Stadiums, and Staff Houses. The variance for the quarter is mainly due to lower-than-anticipated lease rentals from staff housing, which has reduced overall revenue performance.

Operational Revenue

- The majority of the Council own funded sources are budgeted under this category.

The year-to-date performance in Operational Revenue amounts to R355thousand under a pro-rata budget of R417thousand, the variance of R62thousand or -15%. This vote comprises collection charges, insurance refund and handling fees.

NON-EXCHANGE REVENUE

Property Rates

- The municipality accounts for Property Rates on an invoice basis in line with GRAP requirements.
The Year-to-Date (YTD) actual revenue for Rates amounts to R26.5 million, compared to a YTD budget of R21.6million. This represents an over-billing of R4.8million, or 22%. This variance is primarily due to the posting of both annual and monthly billings within the period.
- The actual cash collected amounted R3million for the month ended 31 October 2025.

Fines, Penalties and forfeits

- Fines for the month of 31 October is underperformed by -86%, amounting to R63thousand below the pro-rata budget of R456thousand. The underperformance is primarily attributed to a prevailing culture of non-payment and adverse economic conditions. It is important to note that revenue reported to date is on a cash basis, as the municipality accounts for fines in accordance with iGRAP 1 at year-end. This vote also includes library fine fees for overdue books.

Licences and permits.

- The variance of R23 thousand or -7% underspend is mainly due to the department relying on walk-in customers who require services at the time. Additional contributing factors include network issues within the building and poor connectivity of the eNatis system when customers are present.

Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R106.2million YTD Actual in comparison with the pro-rata budget of R85million, thus indicating an over performance by R21.2million or 25percent. The variance is mainly attributable to the Municipality receiving the first tranche of the Equitable Share amounting to R101.7 million, where Equitable share is received over 3tranches.

- Transfers and subsidies capital amounts to R29.8million in comparison with the pro-rata budget of R15.3 million, thus indicating an over performance by R14.5 million variance is mainly attributable by expenditure in MIG. *(Detailed report on MIG expenditure has been provided below)*

Interest earned from receivables.

- In line with council adopted credit control policy, the municipality charges interest on arrear debtors.
- Interest earned from receivables amounts to R816thousand in comparison with the pro-rata budget of R1.5million, thus indicating an under performance by R668thousand or 45percent.

Operating Expenditure from 31 October 2025

The table below reflects trend of expenditure for the period ended 31 October 2025

Figure 3

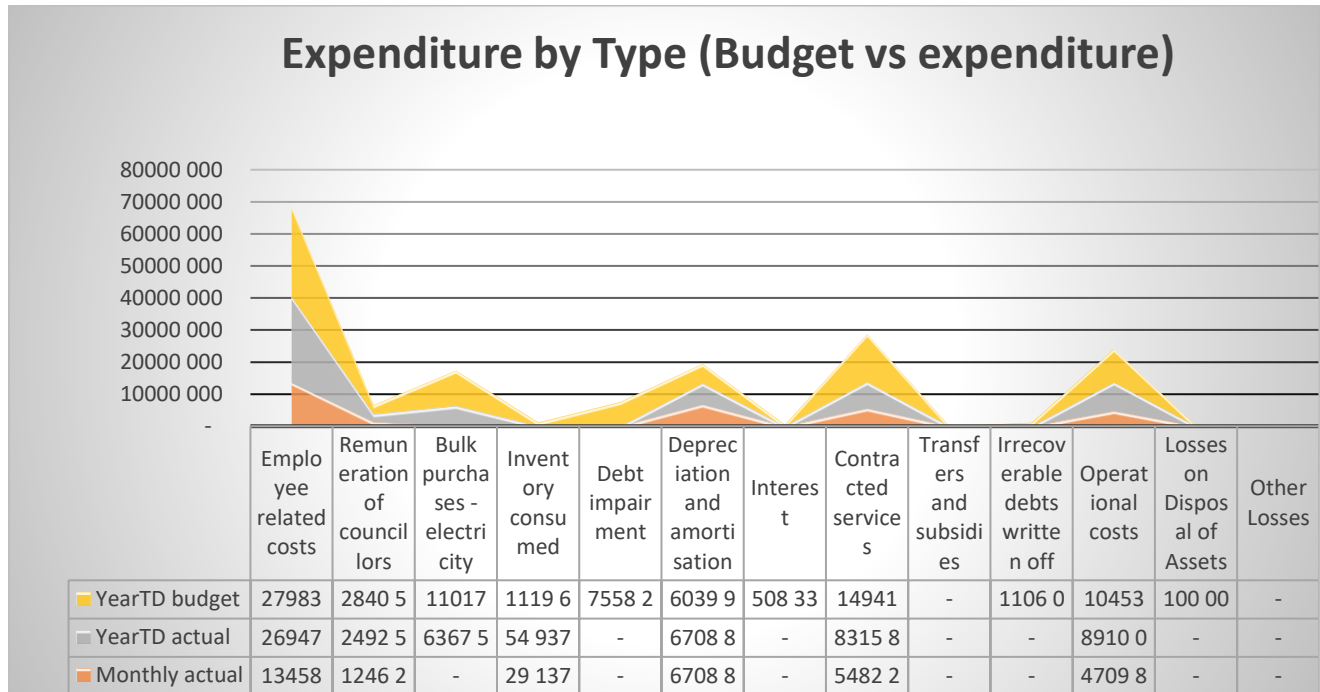
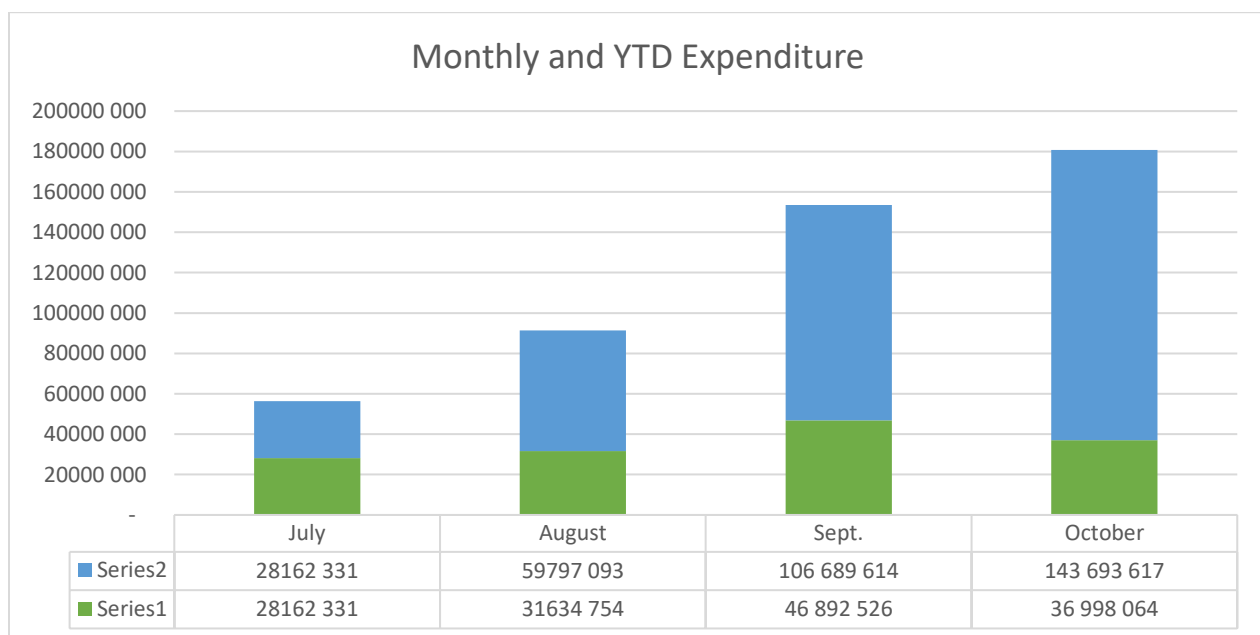


Figure 4



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 31st October 2025 amounted to R143.7million against the planned target of R167.3million. As at the end of 31st October the operational expenditure budget has been under spent by -14% or -R23.6million. *Detailed expenditure analysis is below:*

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 31st October 2025 amounted to R54.1million while the pro-rata budget of R56million with an underspending of R1.8million or -3%. The variance in this vote is considered immaterial.
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.

Remuneration of Councilors

- Councilors' allowances pro-rata budget as of 31 October 2025 was under spent by R637thousand or 11percent. when comparing YTD of R5.0million to YTD budget of R5.7million. The variance is mainly attributed to savings in July and August, as the approved increases were only implemented in September 2025.

Bulk Purchases

- The YTD on Bulk purchases amounts to R22.0million which is an over performance when compared to pro-rata budget of R25.2million. The variance of R3.2million or 14% over projected budget is caused by the increase in tariff rates.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 82% or R1.8million, when compared to pro-rata budget of R2.2million against the Actual amount of R400thousand. This vote comprises items held in Stores, mainly for maintenance and repairs as well as stationery for the municipality. Performance in this vote is largely demand-driven, as consumption occurs only when requests are made and the need arises.

Debt Impairment

- The provision for bad debt is reflecting an under performance by 100percent. A journal to this vote is done bi-annually **(January and June 2026)**

When the provision for debt impairment is calculated, the following assumptions must be taken into consideration.

- Each debtor's account per age analysis must be analyzed.
- The frequency of payment must be analyses on each debtor.
- Indigent debtors, debtors with take on balances which cannot be explained, insolvent and

- debtors under administration of estate should be impaired 100%.
- The Municipality is guided by a write off policy when the assumptions are determined.
 - Different services must be impaired separately.
 - Different customers must be impaired separately.

Depreciation and Asset Impairment

- The YTD for Depreciation and Asset impairment is reflecting an over performance by 10percent. The depreciation variance is due to an increase in acquisitions of assets and commissioning of capital projects at year-end. The estimates were made before the later were taken into consideration.

Interest

- Finance charges reflect an underperformance by -100percent, this line item is journalized at year-end, in June 2026.
- Another contributing factor to finance charges is the reclassification of retirement benefit obligation interest costs in accordance with GRAP 25, this calculation will be done during year end after assessment by Actuarial Report has been completed for the year.

Contracted Services

- Contracted Services Expenditure reflects an underspending of 20% or R5.9 million, with a YTD actual of R23.9 million against a pro-rata budget of R29.8million. This vote includes all contracted and outsourced services procured by the municipality, such as catering, transport, accommodation, and professional services. Expenditure in this category largely depends on the implementation of public programmes.

Irrecoverable debts written off

- Irrecoverable debts written off have underperformed by 100% when compared to pro-rata budget of R2.2million. A journal entry will be processed in due time.

Operational Cost

- Other expenditure is under spent this month by 4% or R134thousand when compared to pro-rata budget of R20.9million or R743thousand, This variance is immaterial.

Loss on disposal of assets

- The vote shows a 100% under-expenditure, primarily because disposal transactions are typically recorded at the end of the financial year

2. Capital Expenditure

Table C5 Monthly Budget Statement – Capital Expenditure

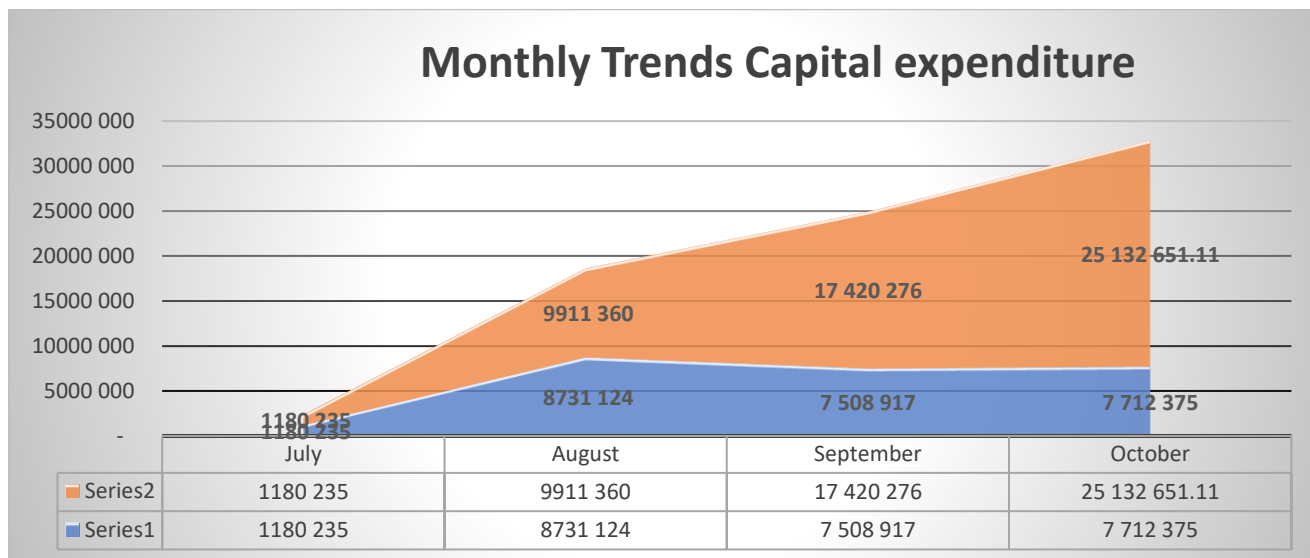
KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October									
Vote Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Single Year expenditure at	2								
Vote 1 - Executive and council		12 470	30 000	–	3 168	10 000	(6 832)	-68%	30 000
Vote 2 - Finance and administration		14 806	4 549	199	267	1 516	(1 249)	-82%	4 549
Vote 3 - Internal audit		–	–	–	–	–	–	–	–
Vote 4 - Community and social services		4 026	17 738	644	2 626	5 913	(3 287)	-56%	17 738
Vote 5 - Sport and Recreation		7 487	8 836	552	856	2 945	(2 090)	-71%	8 836
Vote 6 - Public safety		817	70	–	–	23	(23)	-100%	70
Vote 7 - Housing		–	–	–	–	–	–	–	–
Vote 8 - Planning and Development		7 313	7 522	–	988	2 507	(1 519)	-61%	7 522
Vote 9 - Road transport		75 205	55 386	5 920	16 830	21 659	(4 828)	-22%	55 386
Vote 10 - Energy sources		2 389	4 869	–	–	1 623	(1 623)	-100%	4 869
Vote 11 - Waste Management		1 560	1 626	397	397	542	(145)	-27%	1 626
Vote 12 - Environmental Protection		–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–
Total Capital single-year expenditure	4	126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
Total Capital Expenditure		126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
Capital Expenditure - Functional Classification									
Governance and administration		27 275	34 549	199	3 435	11 516	(8 082)	-70%	34 549
Executive and council		12 470	30 000	–	3 168	10 000	(6 832)	-68%	30 000
Finance and administration		14 806	4 549	199	267	1 516	(1 249)	-82%	4 549
Internal audit		–	–	–	–	–	–	–	–
Community and public safety		12 330	26 644	1 196	3 482	8 881	(5 400)	-61%	26 644
Community and social services		4 026	8 664	644	2 626	2 888	(262)	-9%	8 664
Sport and recreation		7 487	8 836	552	856	2 945	(2 090)	-71%	8 836
Public safety		817	9 143	–	–	3 048	(3 048)	-100%	9 143
Housing		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
Economic and environmental services		82 519	62 038	5 920	17 819	23 876	(6 057)	-25%	62 038
Planning and development		7 313	7 522	–	988	2 507	(1 519)	-61%	7 522
Road transport		75 205	54 517	5 920	16 830	21 369	(4 538)	-21%	54 517
Environmental protection		–	–	–	–	–	–	–	–
Trading services		3 949	7 365	397	397	2 455	(2 058)	-84%	7 365
Energy sources		2 389	4 869	–	–	1 623	(1 623)	-100%	4 869
Water management		–	–	–	–	–	–	–	–
Waste water management		–	870	–	–	290	(290)	-100%	870
Waste management		1 560	1 626	397	397	542	(145)	-27%	1 626
Other		–	–	–	–	–	–	–	–
Total Capital Expenditure	3	126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596
Funded by:									
National Government		41 421	39 884	5 638	16 065	16 491	(427)	-3%	39 884
Provincial Government		821	174	181	181	58	123	213%	174
District Municipality		–	–	–	–	–	–	–	–
Transfers recognised - capital		42 242	40 058	5 819	16 246	16 549	(304)	-2%	40 058
Borrowing	6	–	–	–	–	–	–	–	–
Internally generated funds		83 831	90 538	1 893	8 887	30 179	(21 292)	-71%	90 538
Total Capital Funding		126 073	130 596	7 712	25 133	46 729	(21 596)	-46%	130 596

Capital Expenditure of 31 October 2025:

The YTD capital expenditure budget is R25.1million against YTD actual Capital expenditure amounting to R46.7million resulting in an under performance of (46%) on capital expenditure. The variance in capital expenditure were due to different reason (detail report on the progress on all capital projects has been provided below).

The capital expenditure year to date can be graphically presented as follows:

Capital Expenditure reported as at 31 October 2025



- Capital grants funded by National Government are actual for R16.1million versus pro-rata Budget of R16.5million, expenditure reported has been underspent by (-3%). A monthly expenditure of R5.6million is noticed this month. This allocation reached its budget as at 31 October 2025.
- Capital grants funded by Provincial Government under-performed by 213%, which expenditure to date is R181thousand. a monthly expenditure of R181thousand is noticed this month for Library allocations.
- Capital grants funded Internally actual is R8.9million versus pro-rata Budget of R30.2million variance of 71% reflects and under expenditure on this item. A monthly expenditure of R2million is noticed this month.

2.2 Monthly Budget Statement – expenditure on Repairs and Maintenance

KZN291 Mandeni - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04 October

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		13 925	16 237	-	1 912	4 464	5 412	948	17.5%	16 237
Roads Infrastructure		8 864	8 426	-	1 183	2 931	2 809	(122)	-4.3%	8 426
Roads		8 569	7 948	-	1 183	2 931	2 649	(282)	-10.6%	7 948
Road Structures		269	304	-	-	-	101	101	100.0%	304
Road Furniture		26	174	-	-	-	58	58	100.0%	174
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 246	3 913	-	423	867	1 304	437	33.5%	3 913
Drainage Collection		1 246	3 913	-	423	867	1 304	437	33.5%	3 913
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 614	3 148	-	111	184	1 049	865	82.5%	3 148
Power Plants		40	130	-	(5)	3	43	40	92.5%	130
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		169	870	-	-	50	290	240	82.8%	870
MV Substations		(3)	61	-	40	51	20	(31)	-152.7%	61
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		143	87	-	-	-	29	29	100.0%	87
LV Networks		949	1 130	-	-	4	377	373	99.0%	1 130
Capital Spares		1 317	870	-	75	75	290	214	74.0%	870
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1 201	750	-	195	483	250	(233)	-93.1%	750
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		1 201	750	-	195	483	250	(233)	-93.1%	750
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		1 914	2 885	-	120	428	962	534	55.5%	2 885
Community Facilities		66	363	-	32	248	121	(127)	-105.1%	363
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		46	213	-	-	46	71	25	35.4%	213
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Purfs		20	150	-	32	202	50	(152)	-304.7%	150
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 847	2 522	-	88	180	841	661	78.6%	2 522
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		1 847	2 522	-	88	180	841	661	78.6%	2 522
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-

<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
Other assets		-	348	-	29	55	116	61	52.4%	348
Operational Buildings		-	348	-	29	55	116	61	52.4%	348
Municipal Offices		-	348	-	29	55	116	61	52.4%	348
Pay/Enquiry Points		-	-	-	-	-	-	-		-
Machinery and Equipment		8 094	10 438	-	666	1 458	3 479	2 021	58.1%	10 438
Machinery and Equipment		8 094	10 438	-	666	1 458	3 479	2 021	58.1%	10 438
<i>Policing and Protection</i>		-	-	-	-	-	-	-		-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	23 933	29 907	-	2 727	6 406	9 969	3 563	35.7%	29 907

The ratio for Repairs and Maintenance measures the level of repairs to ensure adequate maintenance and to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of service.

4.1 Projects under The Municipal Infrastructure Grant (MIG) Funding:

2025/26 Financial Year MIG Allocation	R48 228 000
Less: Total Expenditure (incl. Retention)	R13 597 356.16
Balance	R34 630 643.84
Expenditure of as a %	R28.19%

Projects under Construction Stage for MIG

- Construction of a Sportsfield in Hlomendlini
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).
- Nyoni Taxi Route Phase 4
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)
- The Rehabilitation of Bumbanani Road in Sundumbili: Ward 13, 14 & 15 - Phase1

- Upgrade of Machibini Link Road to Isithebe in Ward 10 and 12 Phase 2
- Construction of a Soccer Field and Combo Court in Khenana Township, Ward 10
- Construction of Community Hall in Ward 8
- Upgrade of Nhlalohle, Downtown and Khuthala Roads and Stormwater in Ward 14

Projects that are in the planning stage for MIG and awaiting registration

- Rehabilitation of Quartz Road and Portion of Platinum Road in Ward 4
- Construction of a Sportsfield in Ward 2, Mandeni
- Construction of a Sportsfield in Ward 1, Mandeni

4.2. Projects under Municipal Internal Funding

Projects under planning

- Completion of Extension of Mechanical / Technical Services Building Phase 1: Finalisation of document to procure new service provider.
- Construction of a Community Hall in Ward 3: Consultant has been appointed. Identified site has been identified as belonging to Department of Public Works. Alternative site is to be identified.
- Construction of a Community Hall in Ward 17: Awaiting appointment of consultant.
- Establishment of new Emergency Centre: Preliminary report completed, awaiting Municipality's approval
- Planning for installation of high masts in ward 1, 2, 6, 7, 13, 14 and 15: Preliminary report completed, awaiting Municipality's approval

4.3 Municipal Disaster Response Grant

2024/25 Financial Year MIG Allocation	R5 180 500
Less: Total Expenditure (incl. Retention)	R5 180 500
Balance	R0
Expenditure of as a %	100%

Projects under Construction

- The Re-gravelling of Thengela to Nazareth Temple in Ward 8, Mandeni

- Re-gravelling of Road Thulas to Ematsheketseni road in Ward 12.

5. **PROGRESS ON PROJECTS AND EXPENDITURE**

5.1 Municipal Infrastructure Grant

a) **Construction of a Hlomendlini Sportfield - Ward 4**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 333 210.46	R 1 333 210.46
Construction Cost (incl. Retention)	R 7 951 934.33	R 5 059 345.48
Internal Funding (Professional and construction Fees)	R1 547 441.12	R 1 286 866.10
TOTALS (Incl. Vat)	R 10 832 585.91	R 7 679 422.04

Project Details

Name of Consultant: Siyazenzela Consulting
Name of Contractor: Sihawusethu Trading (Pty) Ltd
Project Commencement Date: January 2025
Contractual Completion Date: 5 May 2025
Revised Completion date: 25 September 2025

Project Scope

- Site Establishment and Setting out of works.
- Bulk earthworks to the various elements of infrastructure on site.
- Construction of a soccer field (110m x 75m).
- Construction of a combi court (38m x 19.5m).
- Construction of an ablution facility (10 toilet units), with change rooms (3 toilet units), public toilets (2 toilet units) and office/first aid room including water, sewage, and electrical supply.
- Construction of a grandstand with a minimum of 5 rows of seats (length of 25m).
- Installation of fencing including gate house (pedestrian and vehicle gates).
- Construction of an unpaved parking area.

Current Status of Construction Progress 45% (Overall Progress 80%): Site Handover, Site Establishment 100%, Setting Out 100%, Site Clearance 90%, Subsoil 90%, Bulk Earthworks (Combo Court, Ablution & Guardhouse) 90%, Layerworks to Sportsfield 65%, Layerworks to Combo Court 50%, Access Road & Parking 30%, Grandstand 40%, Guardhouse 20%.

Performance of the Contractor remains unsatisfactory as the contractor is failing to achieve their set targets as per the approved E.O.T Claim No.2 (Expired 25th September 2025) and the revised Construction Programme. The Contractor was issued a Notice of Final Termination dated **Wednesday, 8th October 2025**.

Challenges: Poor performance by the Contractor due to poor workmanship caused by lack of supervision, planning and inadequate allocation of resources to execute the project accordingly. This has been a recurring issue that has been noted in the previous months with signs of minimal improvements that has not been enough to steer the project back on track to ensure project completion within time and quality. Poor quality of works and non-compliance towards their contractual and site obligations remains an area

b) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 352 795.17	R 2 256 723.50
Construction Cost (incl. Retention)	R 16 257 859.82	R 16 126 099.66
Internal Funding (Professional/construction Fees)	R 400 352.92	R 400 352.92
TOTALS (Incl Vat)	R 19 011 007.91	R 18 783 176.08

Project Details

Name of Consultant: Singh Govender & Associates cc
Name of Contractor: MVI-SSSS Trading Enterprise cc
Project Commencement Date: August 2023
Contractual Completion Date: April 2024

Revised Practical Completion date: September 2024

Final Termination of Contract: February 2025

Project Scope

- Site Establishment: Establishment of offices, tools, plant, etc.
- General requirements for construction activities: Employment of Local Labour and CLO.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- The implementation of Traffic Accommodation facilities.
- Milling of the existing road asphalt to spoil.
- Excavation of the existing road layerworks to stockpile and spoil.
- Subgrade treatment: 300mm undercut to spoil and replace with G7 backfill at unsuitable founding conditions.
- Rip and recompact Roadbed (Subgrade) in preparation for layerworks.
- Installation of cable ducts - and protection to existing services where necessary.
- Import G5 and G2 material from commercial sources for layerworks.
- Construction of a 150mm Subbase layer with G5 material obtained from commercial sources.
- Construction of a 150mm Base layer with G2 material obtained from commercial sources.
- Pre-pulverising cement stabilising of the existing Base layer for areas with minimal degree of surface failures.
- Construction of concrete V-Drains and Kerbing and Channelling.
- Construction of a 40mm Asphalt layer- Mix D, obtained from commercial sources.
- Construction of speed humps.
- Construction of Stormwater pipelines utilising 600mmØ and 450mmØ concrete pipes. The installation of Sub-soil drains for subsurface drainage.
- Construction of Side Inlet Manholes along the roadways. Installation of Guardrails.
- Installation of Gabions.
- Installation of Retaining walls.
- Installation of Road Signs and painting of Road Markings.
- Clearing of the road reserve

Current Status Overall Construction progress 99%: Site establishment 90%, Setting Out of works is 100%, Traffic Accommodation 100%, Site Clearance 100% and Roadbed Preparation 100%, Stormwater Installation 100%, Manhole Construction 97%, Subsoil installation 95%, service crossing ducts 92%, Subsoil Drainage G5 material layer 100% for

our subbase layer, G2 Base layer 100%, Asphalt Surfacing 100%, Road Signs & Marking 85%, Speed Humps 100%, Guardrails 100%, Kerbing and Channel 97.5%, Gabion Retaining Wall 60%.

Practical Completion was achieved on the **12th of September 2024** with Final Completion still outstanding as a result of the Contractor's Poor Performance in completing the identified snag list. Subsequent to the Contractor's failure to complete the project and an Intention to Terminate the Contract a Final Termination to the Contractor has since been served dated **Friday, 21st February 2025**.

Bid Document for completion of outstanding works has been approved by SCM with a briefing session having taken place on **Thursday, 30th October 2025** and tenders are planned to close on **Friday, 7th November 2025**.

c) Rehabilitation of Bumbanani Road in Sundumbili - Wards 13, 14 & 15 Phase 1

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 243 837.65	R 2 243 764.93
Construction Cost (incl. Retention)	R 10 679 964.34	R 10 679 964.34
Internal Funds (Professional/construction fees)	R 4 629 230.16	R 3 707 772.29
TOTALS (Incl. Vat)	R 17 553 032.15	R 16 631 501.56

Project Details

Name of Consultant: Kukhanya Projects (Pty) Ltd
Name of Contractor: Iqhawe Elihle Trading
Project Commencement Date: May 2024
Contractual Completion Date: 10 February 2025
Revised Completion date: 31 July 2025

Project Scope

- Site establishment
- Site clearance
- Finishing Construction of 1km long, 7m width asphalt surface road.
- Construction of Kerb and channel where required.
- Construction of Kerb inlet, headwall and manholes where required.
- Construction of 967m stormwater pipes ranging from 450mm-900mm diameter.

- Construction of 874m long, 2m width asphalt finished sidewalk.
- Construction and preparation of bell mouth to tie in the existing internal access road in the vicinity of the proposed road.
- Milling of existing asphalt (to be stockpiled and re-used by the client) Construction of subsoil drain where required.

Current Status Overall Construction Progress 91%: Contractual Submissions 100%, Site Establishment 100%, Accommodation of Traffic 90% Road Construction Works 90%, Stormwater 99%, Kerb & Channel Works 98%, Sidewalk Construction 34% and Asphalt Laying 100%.

There has been some improvements in terms of works done but progress of works remains to be minimal within the month of October 2025 as the performance of the Contractor remains unsatisfactory as the contractor has failed to achieve set targets as per the approved E.O.T Claim (expired 31 July 2025) and current Construction programme. The Municipality imposed penalties from the 1st August 2025, reviewed them on the 31st August 2025 to extend them until the 30th September 2025. The Contractor was then served with an Intention to Terminate on **Monday, 29th September 2025** as a result of failure to meet their contractual obligation in bring the project to a Completion. Contractor's risk assessment is being evaluated to consider Termination Process being activated at this stage.

Challenges: Theft of Survey Pegs being a continuous issue on site along with water pipe bursts infrastructure due to the damages this causes to the road layer works because of leakages. Contractor has been issued with a Notice of slow progress because of the rate of construction works, poor planning and inadequate resource allocation on their end remains a recurring issue in delivery of the project. Inadequate resources and workmanship of appointed local Subcontractors have also contributed to the slow progress of works. The Transnet Gas Pipeline intersecting with the proposed stormwater along with an existing sewer line challenge has been resolved with the contractor being issued a site instruction to execute works.

d) Upgrade of Machibini Link Road to Isithebe in Ward 10 and 12 - Phase 2

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees (MIG)	R 2 743 191.52	R 2 696 436.49

Construction Cost (MIG)	R 17 536 070.12	R 17 535 975.10
Internal Funds Professional/construction fees)	R 3 932 538.28	R 2 860 021.25
TOTALS (Incl. Vat)	R 24 211 799.92	R 23 092 342.84

Name of Consultant: Urbanru (Pty) LTD
Name of Contractor: Silo Construction
Project Commencement Date: September 2024
Contractual Completion Date: 26 June 2025
Revised Completion date: 26 September 2025

Project Scope

- Establishment on site.
- Clearing & grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use. (Earthworks)
- Demolish existing culverts.
- Construction of stormwater infrastructure.
- Construction of sidewalks.
- Construction of layer works
- Erection of Kerbing and Channel.
- Clearing of road reserve.
- Road marking, including road signs.
- Traffic calming measures.
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

Current Status Overall Construction progress 97%: Contractor has established on site 100%. Contractor has planned alternate routes for traffic accommodation 100%. Clear and grub 100%. Removal of existing asphalt 100%. Earthworks 100%. Demolishing of existing concrete culverts at Ch 3+050 and Ch 3+500 100%. Portal Culvert at 3+050 earthworks 100%, portal culverts installation 100%, wingwalls 100%. Dump rock layer 100%. Importing of fill material to formation 100%. Layerworks G7 100%, G5 100%, G2 100%, Asphalt 100%. Concrete 1200mm diameter culvert installation at Ch 3+500 installation 100%, concrete wingwalls 100%. Stormwater concrete pipe culverts 100%. Kerb and channel 100%. Gabion

baskets and reno mattresses 100%. Finishing off 25%. Performance of the contractor is satisfactory.

Challenges: N/A

e) Construction of a Sportsfield and Combo Court in Khenana: Ward 10 - Phases 1 & 2

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 441 758.19	R 1 072 692.41
Construction Cost (incl. Retention & Surety)	R 10 600 230.99	R 5 014 673.19
TOTALS (Incl. Vat)	R 12 041 989.18	R 6 087 365.60

Project Details

Name of Consultant: Impumelelo Consulting Engineers

Name of Contractor: Nikeresa Construction

Project Commencement Date: January 2025

Contractual Completion Date: March 2026

Revised Completion date: N/A

Project Scope

- Site establishment
- Site clearance
- Bulk earthworks / civils works
- Install Clear View Fencing Complete including gates
- Construction of a Guardhouse and Ablution Facility
- Construction of a Soccer Field
- Construction of a Open Brickwork and Concrete Grandstands
- Construction of a Outdoor Gym inclusive of gym equipment
- Construction of a Combo Court
- Stormwater Control Measures
- Installation of Highmast

Current Status Overall Construction progress 50%: Site Handover / Technical Meeting - 100%, Contractual Submissions 100%, Site Establishment - 100%, Clearing & Grubbing -

100%, Setting Out - 100%, Bulk Earthworks - 100%, Civil Works (Stormwater & Sewer) - 85%, Fencing 80%, Parking 10%, Combo Court 5%, Change room 5% and Grandstand 5%.

Performance of the Contractor remains as unsatisfactory with minimal improvements and little progress in the current month of reporting as this has been a continuous challenge. Notices of poor planning resulting in slow progress, non-compliance and inadequate resource allocation have been issued to the Contractor on **Monday, 6th October 2025** and **Monday, 27th October 2025**.

Challenges: Poor planning, Slow Progress, Non-Compliance, inadequate resource allocation have contributed to the Contractor's poor performance.

f) **Construction of a Community Hall in the Wangu Area, Ward 8.**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 281 229.81	R 1 059 585.20
Construction Cost (incl. Retention & Surety)	R 7 180 245.34	R 3 894 782.20
TOTALS (Incl. Vat)	R 8 461 475.15	R 4 954 367.40

Project Details

Name of Consultant: GIBB (Pty) LTD
Name of Contractor: Siyaroro Trading
Project Commencement Date: June 2025
Contractual Completion Date: March 2026
Revised Completion date: N/A

Project Scope

- Establishment on site
- Site clearance
- Concrete work (Foundations and floor slabs)
- Brickwork
- Plaster
- Painting
- Installation of ironmongery
- Ceiling installation

- Installation of sanitary fittings
- Installation of doors and windows
- Tiling
- Plumbing and drainage.
- Electrical installations
- HVAC installations
- Timber roof trusses and roof sheeting.
- Roadworks
- Asphalt surfacing for parking area
- Installation of kerbs
- Landscaping
- Fencing
- Specialist signage
- Borehole
- General cleaning

Current Status Overall Construction progress 45%: Establishment on site 100%, Site Clearance 100%, Hall Superstructure Earthworks 100%, Hall Superstructure Foundations including Concrete 100%, Hall Superstructure Floor Slab 100%, Hall Superstructure Brickwork 60%, Guardhouse earthworks 80%, Guardhouse foundations including concrete 50%, Guardhouse Floor Slab 0%, Guardhouse Brickwork 0%, Plaster 0%, Painting 0%, Installation of ironmongery 0%, Ceiling installation 0%, Installation of sanitary fittings 0%, Installation of doors and windows 0%, Tiling 0%, Plumbing and drainage 0%, Septic tank & sewer pipes 20%, Electrical installations 0%, HVAC installations 0%, Timber roof trusses 0%, Roof sheeting 0%, Roadworks 0%, Asphalt surfacing 0%, Installation of kerbs 0%, Stormwater drainage 20%, Water reticulation 50%, Landscaping 0%, Fencing 25%, Specialist signage 0% and Borehole installation 0%. Performance of the contractor is satisfactory

Challenges: Nil

G) Installation of High Mast Lights in Mandeni, Phase 2 (Ward 3, 5, 9, 11 and 12x2)

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 067 105.27	R 1 022 364.28
Construction Cost (incl. Retention + VAT) (V.O : R 367 004.50)	R 5 413 316.30	R 5 308 779.36
TOTALS (Incl. Vat)	R 6 480 421.57	R 6 331 143.64

Project Details

Name of Consultant: Africoast JBFE Project Manager
Name of Contractor: R Busisiwe (Pty) Ltd
Project Commencement Date: January 2023
Contractual Completion Date: July 2023
Revised Completion date: 20 May 2024

Project Scope

- Supply and install 6 x 30m high mast lighting.
- Installation and Commissioning of street and high mast lighting.
- Certifying all the installations for compliance.
- Submitting project report, designs/drawings and quality stacks on project handover.

Current Status Overall Construction progress 100%: All six high masts have been commissioned and energized. Final completion certificate and Certificate of Compliance issued.

Challenges: N/A

H) Upgrade of Nhlalohle, Downtown and Khuthala Roads and Stormwater in Ward 14

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 554 123.29	R 953 319.18

Construction Cost Incl. (Retention)	R 12 312 111.04	R 0.00
TOTALS (Incl. Vat)	R 13 866 234.33	R 953 319.18

Project Details

Name of Consultant:	Ngeja Consulting Engineers
Name of Contractor:	Progressive Choice Trading
Project Commencement Date:	10 October 2025
Contractual Completion Date:	10 July 2026
Revised Completion date:	N/A

Project Scope:

- Establishment on site.
- Clearing and grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use. (Earthworks)
- Construction of stormwater infrastructure.
- Construction of layer works.
- Erection of kerbing and channel.
- Clearing of road reserve.
- Road marking, including road signs.
- Traffic calming measures.
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

Current Status Overall Construction progress 20%: Establishment on site 90%, Setting out ongoing. Clearing and grubbing 30%

Challenges: Removal and destroying of Surveyor pegs by the community.

5.2 Municipal Disaster Response Grant

(a) The Re-gravelling of Thengela to Nazareth Temple in Ward 8, Mandeni

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 499 441.40	R 499 441.40

Construction Cost (Including retention)	R 1 979 445.84	R 1 979 445.84
TOTAL	R 2 478 887.24	R 2 478 887.24

Project Details

Name of Consultant: Libeko (Pty) Ltd
Name of Contractor: Musa and Sons Trading Enterprise (Pty) Ltd
Project Commencement Date: June 2025
Anticipated Completion Date: October 2025
Revised Completion Date: Nil

Project Scope:

- Site establishment
- Clearing and grabbing.
- Mass Earthworks (Cut to borrow to fill, cut to spoil)
- Layer works consisting of (G9, G7 & G5 Gravel materials)
- Concrete V-Drains and Subsoils
- Prefabricated Culverts
- Road signs
- Landscaping works, topsoiling and grassing

Current Status Overall Construction progress 100%: Site Establishment 100%, Setting out - 100 %, Clearing and grabbing - 100%, Installation of sub soil - 100%, Overhaul - 100%, concrete pipe installation and construction of Structure (Stormwater), Bulk earthworks (cut to fill & cut to spoil) - 100%, Preparation of the roadbed - 100%, Gravel subbase layer (G7) - 100%, Gravel wearing course (G5), - 100%, Installation of gabions and mattresses - 100%, Installation of signages - 100%, Clearing of road reserve 100% . Performance of the Contractor is satisfactory. Practical Completion Certificate was issued to the Contractor on **Friday, 26th September 2025** and subsequently the Completion Certificate was issued to the Contractor on **Wednesday, 8th October 2025**.

Challenges: n/a

(b) Re-gravelling of Thulas to Ematsheketshehi road in Ward 12

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 548 662.38	R 548 662.38
Construction Cost	R 2 206 084.81	R 2 206 084.81
TOTAL	R 2 800 000.0	R 2 754 747.19

Project Details

Name of Consultant: FDKL Engineering Consultants

Name of Contractor: Amathokozamahle (Pty) LTD

Project Commencement Date: June 2025

Completion Date: October 2025

Revised Completion Date: Nil

Project Scope:

- Site Establishment
- Temporary works including services relocation / protection, and traffic accommodation
- Clear and grubbing for roadworks
- Mass Earthworks (Cut to borrow to fill, cut to spoil)
- Layer works consisting of (G9, G7 & G5 Gravel materials)
- Concrete V-Drains and Subsoils
- Prefabricated Culverts
- Concrete Surfacing (25 MPa) of Steep areas
- Landscaping works, topsoiling and grassing

Current Status Overall Construction progress: Construction 100%: Site Establishment 100%, Clear and grubbing for roadworks 100%, Mass Earthworks 100%, Road formation 100%. Layer works consisting of (G9 - 100%, G7- 100% & G5 - 100% Gravel materials), Concrete V-Drains 100% and Subsoils 100%, Prefabricated Pipe Culverts including headwalls 95%, Concrete Surfacing (25 MPa) of Steep areas 100%, Landscaping works, topsoiling and grassing 60%. Finishing off 95%. Performance of the contractor is satisfactory. Completion certificate was issued to the Contractor on **Friday, 17 October 2025**.

Challenges: n/a

5.2 Municipal Internal Funding

(a) Establishment of new office building at the Municipality's Main Office

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 27 520 466.21	R13 409 689.07 (2024/25FY) R1 552 944.36 (2025/26FY)
2025/26 FY Construction Cost (Including retention)	R33 500 000.0	R 2 234 621.58
Total Construction Cost (Including retention)	R112 455 957.18	R 2 234 621.58
TOTAL	R139 976 423.4	R 22 601 329.33

Project Details

Name of Consultant:	DLV Project Managers and Engineers
Name of Contractor:	High end JV Nap Holdings
Project Commencement Date:	1 September 2025
Anticipated Completion Date:	30 November 2027
Revised Completion Date:	N/A

Project Scope:

- Site establishment
- Site clearance
- Completion of Mass Earthworks
- Foundation excavations
- Pouring of reinforced concrete footings, slabs, and pile foundations
- Basement Construction
- Underground Services Installation
- Structural Framing
- Building construction
- Floor slabs
- Roofing
- Windows

- Cladding
- Door installation
- Mechanical, electrical and plumbing
- Floor finishes
- Ceiling systems
- HVAC systems
- Fire protection systems
- Wall and floor finishes
- MEP Testing
- Parking and External works
- Cleaning
- Finishing

Current Status Overall Construction progress 10%: Contractor appointed on the 29th of Jul

2025. Technical site handover meeting was conducted on 11th August 2025. Access to site to be granted on the 1st September 2025. Current progress achieved is as follows:- Contractual Matters 100%, Site Establishment 100%, Exposing Services 50%, Relocation of Existing Offices 100%, Survey Setting Out 100%, Clearing of Site 100% and Stormwater 2%.

Challenges: N/A

5.3 INEP GRANT

a) Okhovothe Electrification Project

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R210 983.83	R128 424.94
Construction Cost Incl. (Retention)	R 899 998.72	R 582 773.82
TOTAL (Excl. Vat)	R1 363 717.39	R 814 698.63

Project Details

Name of Consultant: BVI Engineers
Name of Contractor: Onombuthu (Pty) Ltd
Project Commencement Date: May 2023
Completion Date: August 2023
Revised Completion Date: June 2024

Project Scope: Electrification of 100 households

Current Status: Overall construction progress is at 100%. project note electrified due to change in Key Change Tokens. Municipality has submitted application to DMRE for funding for purchasing of 105 meters.

Challenges: The commissioning of this project was scheduled to commence on the 14th of July 2025. This date was agreed upon at a preplanning meeting held on the 1st of July 2025. The commissioning has been unsuccessful because the Key Change Tokens for this project were issued in 2023 which back then Eskom was still using an old Supply Group Code (SGC) 100405 and Key Revision Number 1 (KRN1). The business has now migrated to KRN2 and to a new Supply Group Codes (100841, 100842 & 100843). The Eskom System has been blocked and can no longer allow meters to be reconfigured to KRN 2 and to the new SGC. The system also can no longer create any KRN1 tokens & old SGC's. This means that the meters could not be commissioned as planned.

5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October									
Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original 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:		271 476	250 223	-	106 489	62 556	1	0.0%	250 223
EPWP Incentive	-	1 815	1 714	-	429	428	1	0.1%	1 714
Finance Management	-	1 850	1 900	-	1 900	475			1 900
Integrated National Electrification P	-	7 200	-	-	-	-			-
Local Government Equitable Share	-	243 588	244 198	-	101 749	61 049			244 198
Municipal Infrastructure Grant	-	17 023	2 411	-	2 411	603			2 411
	-						-		
	-						-		
	-						-		
	-						-		
Other transfers and grants [insert description]							-		
Provincial Government:		4 501	4 933	-	-	1 233	(1 233)	-100.0%	4 933
KwaZulu-Natal_Capacity Building	-	4 501	4 933	-	-	1 233	(1 233)	-100.0%	4 933
	4						-		
							-		
							-		
Total Operating Transfers and Grants	5	275 977	255 156	-	107 989	63 789	(1 233)	-1.9%	255 156
Capital Transfers and Grants									
National Government:		132 244	45 817	-	30 100	11 454	14 135	123.4%	45 817
Municipal Infrastructure Grant (MI	-	128 668	45 817	-	25 589	11 454	14 135	123.4%	45 817
Integrated National Electrification P	-	3 576	-	-	-	-			-
DISASTER GRANT	-	-	4 511		4 511				
							-		
Total Capital Transfers and Grants	5	132 244	45 817	-	30 100	11 454	14 135	123.4%	45 817
TOTAL RECEIPTS OF TRANSFER	5	408 221	300 973	-	138 089	75 243	12 902	17.1%	300 973

5.4 Division of Revenue Act on Grants Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October									
Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		271 476	251 013	30 301	133 771	83 671	50 100	59.9%	6 025
Expanded Public Works Programme	–	1 815	1 714	390	1 071	571	500	87.5%	1 714
Local Government Financial Management	–	1 850	1 900	103	1 126	633	493	77.8%	1 900
Integrated National Electrification Programme	–	7 200	–	–	–	–	–	–	–
Municipal Disaster Relief Grant	–	243 588	244 988	29 630	130 824	81 663	49 161	60.2%	–
Municipal Infrastructure Grant	–	17 023	2 411	178	750	804	(54)	-6.7%	2 411
0									
Other transfers and grants [insert description]									
Provincial Government:		4 282	4 933	332	1 468	1 644	(177)	-10.8%	4 933
KwaZulu-Natal_Capacity Building and Other_Specify (Add grant description)_Receipts									
KwaZulu-Natal	–	4 282	4 933	332	1 468	1 644	(177)	-10.8%	4 933
0									
0									
Other transfers and grants [insert description]									
District Municipality:		–	–	–	848	–	848	#DIV/0!	–
KwaZulu-Natal-DC 29 - Ilembe-Infrastructure					848		848	#DIV/0!	
[insert description]									
Other grant providers:		–	–	–	–	–	–	–	–
[insert description]									
Total operating expenditure of Transfers		275 758	255 946	30 633	136 086	85 315	50 771	59.5%	10 958
Capital expenditure of Transfers and Grants									
National Government:		135 667	50 328	3 498	16 656	16 776	(120)	-0.7%	45 817
Integrated National Electrification Programme	–	2 553	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant	–	15 556	4 511	1 083	3 982	1 504	2 479	164.8%	–
Municipal Infrastructure Grant	–	117 558	45 817	2 415	12 674	15 272	(2 598)	-17.0%	45 817
0									
0									
Other capital transfers [insert description]									
Provincial Government:		44 303	–	–	–	–	–	–	–
KwaZulu-Natal	–	44 303	–	–	–	–	–	–	–
0									
District Municipality:		–	–	–	549	–	549	#DIV/0!	–
KwaZulu-Natal-DC 29 - Ilembe-Inf	–	–	–	–	549	–	549	#DIV/0!	–
0									
Other grant providers:		–	–	–	–	–	–	–	–
0									
Total capital expenditure of Transfers and Grants		179 970	50 328	3 498	17 205	16 776	430	2.6%	45 817
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		455 728	306 274	34 131	153 292	102 091	51 200	50.2%	56 775

3. Debtors Age Analysis

Table SC3 Monthly Budget Statement_ Debtors Age Analysis

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October												
Description	NT Code	Budget Year 2025/26									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivab	1200	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivab	1300	2 473	2 978	419	141	78	81	482	2 701	9 353	3 482	
Receivables from Non-exch	1400	5 215	2 681	15 151	(6)	56	1 347	8 080	103 303	135 827	112 780	
Receivables from Exchang	1500	–	–	–	–	–	–	–	–	–	–	
Receivables from Exchang	1600	1 172	1 009	996	934	936	871	5 752	60 599	72 270	69 093	
Receivables from Exchang	1700	34	15	(1 335)	(13)	(20)	(4)	(28)	125	(1 226)	60	
Interest on Arrear Debtor A	1810	471	402	403	420	398	414	2 809	34 056	39 372	38 096	
Recoverable unauthorised,	1820	–	–	–	–	–	–	–	–	–	–	
Other	1900	4 641	14	8	12	10	(0)	(0)	5 428	10 111	5 449	
Total By Income Source	2000	14 005	7 100	15 643	1 488	1 457	2 709	17 094	206 211	265 707	228 960	
2024/25 - totals only												
Debtors Age Analysis By Customer Group												
Organs of State	2200	2 632	728	286	150	149	247	1 386	33 418	38 995	35 349	
Commercial	2300	6 906	2 702	12 493	131	262	521	3 028	27 012	53 055	30 954	
Households	2400	4 205	3 521	2 658	1 070	893	1 808	11 774	139 918	165 847	155 462	
Other	2500	261	149	205	137	154	133	906	5 864	7 810	7 194	
Total By Customer Group	2600	14 005	7 100	15 643	1 488	1 457	2 709	17 094	206 211	265 707	228 960	

The total Consumer debtors outstanding as 31st October is **R 265.7million**

- **Debt book indicates 3% decrease from 1st July 2025 to 31 October 2025; within a month the debt book has accumulated a 1% decrease.**
- Debtor's collection rate at 31 October 2025 is 94%

The culture of non-payment by ordinary households due to poor database and sanctioning tools is still a contributing factor to our poor revenue collection.

The growing municipal debt book is a cause for concern, with management focusing on data collection and cleansing as part of a broader strategy to enhance debt collection. By the end of the current financial year (2025/2026), the database is expected to reflect an accurate view of outstanding debts. Management plans to implement a debt collection strategy that includes engaging a third-party debt collection service, targeting debts older than 90 days (excluding government debt). To encourage timely payments, the Municipality is exploring the possibility of offering discounts to prompt-paying consumers.

As part of the revenue enhancement strategy, door-to-door visits are being conducted to collect outstanding debts, verify consumer data, and serve Section 129 demands. The indigent office is also actively engaging in an outreach program to collect indigent applications and ensure access to Free Basic Electricity. and will be expanded to other wards. Our visitations have resulted into serious dialogues with our community members, wherein they have raised serious concerns about refuse bags dispatching methodologies, non-existent of our satellite offices which are much closer to our people and high legal costs for property transfers.

The analysis of vacant properties is underway; the aim is to exhaust all necessary steps before the abandoned vacant properties are advertised for sale in execution.

Management have initiated the outreach program where Quarterly visits are carried out on different wards, the program is aimed at adding a number of indigent households who face challenge to access municipal Office.

The municipality has adopted the revenue enhancement strategy. This is being implemented. This strategy is a process that is mainly supported by external stakeholders. Its impact will be assessed going forward. At this point in time, it is important that an opportunity is given for its support.

Planned Interventions to Increase Collections (Property rates and Service Charges)

- On a weekly basis, a list of top 20 debtors (businesses, government and domestic) is extracted from the debtors list.
- Debtors selected are encouraged to come and make arrangements for payment;
- In the event that they still default on payments, these debtors are written final demand letters and if no positive response is received, a process of effecting service disconnections ensues in line with our credit control policy.

ACCOUNTS WITH LETTERS OF FINAL DEMAND FOR PAYMENT SENT OUT

ACC. NO.	address	ERF NO.	DEBTORS NAME	DEBT TYPE	AMOUNT R
009904701	MANDENI	47	CELE	RATES/REFUSE	R43 298.39
009911761	MANDENI	1176	MZIMELA	RATES/REFUSE	R514 147.46
009907542	MANDENI	754	SOMTSEWU	RATES/REFUSE	R30 881.09
009906321	MANDENI	632	SHEMBE	RATES/REFUSE	R20 684.18

002400202	MANDENI	322	MAPHANGA	REFUSE/RATES	R27 210.00
008300731	MANDENI	487	MORGAN	RATES/REFUSE	R56 299.20
009900821	MANDENI	82	THABETHE	RATES/REFUSE	R37 314.69
008006139	MANDENI	613	NENE	RATES/REFUSE	R17 681.33
009900611	MANDENI	61	NAIDOO	RATES/REFUSE	R22 478.15
009401651	MANDENI	396	NGCOBO	RATES/REFUSE	R56 534.43
009933821	MANDENI	3382	SITHOLE	RATES/REFUSE	R17 751.45
009904491	MANDENI	449	MTHEMBU	RATES/REFUSE	R25 212.48
008800021	MANDENI	329	PANDARUM	RATES/REFUSE	R13 528.07
009910101	MANDENI	1010	GOVENDER	RATES/REFUSE	R32 687.60
009702121	MANDENI	794	NZIMANDE	RATES/REFUSE	R25 624.22
009903071	MANDENI	307	MBUYISA	RATES/REFUSE	R41 371.80
009909671	MANDENI	967	CELE	RATES/REFUSE	R22 388.36
009901561	MANDENI	156	GABELA	RATES/REFUSE	R10 999.64
009800801	MANDENI	690	MATHONSI	RATES/REFUSE	R24 282.09
009500781	MANDENI	994	SIBIYA	RATES/REFUSE	R164 910.90
TOTAL					R1 205 285.53

DISCONNECTIONS OCTOBER 2025

NO.	ACCOUNT NO.	TOWN	ADDRESS	NAME	DEBT TYPE	AMOUNT R
1	008700781	MANDENI	131 ANDERSON	ZANGWA	RATES/ELECTRICITY	R84 570.39
2	004001281	MANDENI	7 UMSINSI	TSHABALALA	RATES/ELECTRICITY	R4 977.85
3	009701331	MANDENI	22 KUDU	THABETHE	RATES/ELECTRICITY	R26 266.17
4	009910421	MANDENI	3 ARUM PLACE	SIBIYA	RATES/ELECTRICITY	R60 510.35
5	009908211	MANDENI	82 PATRYS	GUMEDE	RATES/ELECTRICITY	R70 750.06
6	008000601	MANDENI	9 JOHNSTON	MTHEMBU	RATES/ELECTRICITY	R24 354.06
7	002100241	MANDENI	9 ORIBI RD	MEWALAL	RATES/ELECTRICITY	R2 496.10
8	009200251	MANDENI	8 DUIKER RD	MSWELI	RATES/ELECTRICITY	R2 942.82
9	009900611	MANDENI	9 RICHARD CIRCLE	NAIDOO	RATES/ELECTRICITY	R24 426.21
10	009056891	MANDENI	9 LEONARD JOB CIRCLE	SHABANGU INVESTMENT	RATES/ELECTRICITY	R4 346.84
11	009908011	MANDENI	81 PATRYS ROAD	DLAMINI	RATES/ELECTRICITY	R19 915.47
12	009401621	MANDENI	8 RICHARD CIRCLE	DLAMINI	RATES/ELECTRICITY	R28 941.54
13	009907461	MANDENI	8 IMPUNZI ROAD	MCHUNU	RATES/ELECTRICITY	R4 618.83
14	009910141	MANDENI	8 ACACIA AVENUE	SPYROPOLOS	RATES/ELECTRICITY	R3 100.87
15	009901081	MANDENI	75 ANDERSON ROAD	XULU	RATES/ELECTRICITY	R19 442.50
16	009600601	MANDENI	7 PATRYS ROAD	VEKER	RATES/ELECTRICITY	R13 215.54
17	009600501	MANDENI	7 INNIALA ROAD	EUSHEN	RATES/ELECTRICITY	R184 035.14
18	009600241	MANDENI	7 IMPUNZI ROAD	BRITS	RATES/ELECTRICITY	R110 804.86
19	009981051	MANDENI	7 GAZELLE PLACE	ZIKHALI	RATES/ELECTRICITY	R25 975.69
20	009909122	MANDENI	7 DUBE ROAD	VENTER (ALLROUND TOOLING)	RATES/ELECTRICITY	R6 818.25
21	008600181	MANDENI	61 PATRYS ROAD	MHLUNGU	RATES/ELECTRICITY	R16 250.21
22	009902701	MANDENI	60 GREIG ROAD	MKHWANAZI	RATES/ELECTRICITY	R28 345.15
23	009900821	MANDENI	60 ANDERSON ROAD	THABETHE	RATES/ELECTRICITY	R39 326.14
24	008300671	MANDENI	6 IMPALA ROAD	SOKHULU	RATES/ELECTRICITY	R45 438.08
25	009908091	MANDENI	6 SPRINGBOK ROAD	SHANDU	RATES/ELECTRICITY	R5 410.26
26	009701611	MANDENI	6 ORIBI ROAD	LIN,XUE	RATES/ELECTRICITY	R57 177.90
27	008801787	MANDENI	57 GREIG ROAD	VAN RENSBURG	RATES/ELECTRICITY	R110 539.19
28	009902731	MANDENI	54 GREIG ROAD	MZIMELA	RATES/ELECTRICITY	R15 543.19
29	008907042	MANDENI	5 DUBE ROAD	RADEBE	RATES/ELECTRICITY	R141 447.56
30	009910391	MANDENI	5 ALOE ROAD	MNGADI	RATES/ELECTRICITY	R5 627.14
31	009905161	MANDENI	49 TROGON ROAD	WYNNE	RATES/ELECTRICITY	R5 919.00
32	009701301	MANDENI	37 O'HARA ROAD	KUBHEKA	RATES/ELECTRICITY	R64 067.54
33	009900891	MANDENI	46 ANDERSON ROAD	KUBHEKA	RATES/ELECTRICITY	R20 612.05
34	009702121	MANDENI	42 ANDERSON ROAD	NZIMANDE	RATES/ELECTRICITY	R27 561.65
35	009908461	MANDENI	40 INYATHI ROAD	MTHEMBU, NGEMA	RATES/ELECTRICITY	R24 231.89
36	009902801	MANDENI	40 GREIG ROAD	MENYUKA	RATES/ELECTRICITY	R3 911.05

37	009901541	MANDENI	33 ANDERSON ROAD	SANGWENI	RATES/ELECTRICITY	R8 962.69
38	008400771	MANDENI	30 TEKWANE CRESCENT	HORSELY-DALIL	RATES/ELECTRICITY	R4 747.08
39	008802721	MANDENI	30 PATRYS ROAD	MBUTHU	RATES/ELECTRICITY	R37 392.48
40	009900971	MANDENI	30 ANDERSON ROAD	GUMEDE	RATES/ELECTRICITY	R10 735.07
41	004000331	MANDENI	3 TALBOT ROAD	MAPHANGA	RATES/ELECTRICITY	R28 150.70
42	009910241	MANDENI	3 ERICA PLACE	QHOSHA	RATES/ELECTRICITY	R35 015.56
43	009801632	MANDENI	29 TROGON ROAD	COETZEE	RATES/ELECTRICITY	R30 556.73
44	009901301	MANDENI	28 FARROW ROAD	NDWANDWE	RATES/ELECTRICITY	R12 083.00
45	009910041	MANDENI	28 ACACIA AVENUE	NTOMBELA	RATES/ELECTRICITY	R3 117.26
46	009901371	MANDENI	27 FARROW ROAD	YEKANI	RATES/ELECTRICITY	R10 322.85
47	009906241	MANDENI	23 KUDU ROAD	MBATHA	RATES/ELECTRICITY	R18 183.70
48	009701121	MANDENI	23 INYALA ROAD	LIAO	RATES/ELECTRICITY	R77 188.42
49	009301371	MANDENI	23 ANDERSON ROAD	MDLALOSE	RATES/ELECTRICITY	R3 118.00
50	009980381	MANDENI	22 UMDONI PLACE	ZONDI	RATES/ELECTRICITY	R3 003.96
51	009801431	MANDENI	22 READ ROAD	MASONDO	RATES/ELECTRICITY	R16 252.91
52	009701331	MANDENI	22 KUDU ROAD	THABETHE	RATES/ELECTRICITY	R27 627.64
53	002900931	MANDENI	22 IMPUNZI ROAD	ZIBANE	RATES/ELECTRICITY	R8 109.27
54	009500051	MANDENI	22 DUBE ROAD	PRINSLOO	RATES/ELECTRICITY	R27 796.37
55	008078619	MANDENI	20 SUNDANCE FLATS	NAIDOO	RATES/ELECTRICITY	R4 244.85
56	002500102	MANDENI	20 GREIG ROAD	ROOD	RATES/ELECTRICITY	R10 581.57
57	009901261	MANDENI	20 FARROW ROAD	NTULI	RATES/ELECTRICITY	R11 356.75
58	009904181	MANDENI	19 PATRYS ROAD	NAICKEN	RATES/ELECTRICITY	R3 299.00
59	008907592	MANDENI	19 INYATHI ROAD	MTHETHWA	RATES/ELECTRICITY	R3 762.66
60	009902161	MANDENI	19 FYRE ROAD	SHANGE	RATES/ELECTRICITY	R38 141.93
61	009903731	MANDENI	17 TROGON ROAD	NGWANE	RATES/ELECTRICITY	R5 510.26
62	009903001	MANDENI	17 TALBOT ROAD	DUBE	RATES/ELECTRICITY	R22 132.56
63	009909691	MANDENI	17 MIMOSA PLACE	RIVERA	RATES/ELECTRICITY	R28 395.64
64	009700861	MANDENI	16/18 IMPUNZI ROAD	HOLTHAUSEN	RATES/ELECTRICITY	R5 323.66
65	009981311	MANDENI	16 KUDU ROAD	NGCOBO PRISCA	RATES/ELECTRICITY	R12 566.09
66	009901241	MANDENI	16 FARROW ROAD	MBUYISA	RATES/ELECTRICITY	R17 302.45
67	009906501	MANDENI	14 SPRINGBOK ROAD	ROUILLON	RATES/ELECTRICITY	R12 015.47
68	009907801	MANDENI	14 KUDU ROAD	SITHOLE	RATES/ELECTRICITY	R28 038.37
69	002901742	MANDENI	14 INYALA ROAD	MSWELI	RATES/ELECTRICITY	R54 750.69
70	009903581	MANDENI	13 WHIRLMBREL ROAD	DLUDLA	RATES/ELECTRICITY	R50 127.31
71	009908221	MANDENI	13 SPRINGBOK ROAD	DUMAKO	RATES/ELECTRICITY	R11 426.36
72	009905201	MANDENI	12 SANDPIPER ROAD	NHLUMAYO	RATES/ELECTRICITY	R14 180.80
73	008061312	MANDENI	12 KARAMI FLATS	HLABISA/MTSHALI	RATES/ELECTRICITY	R7 743.38
74	009903141	MANDENI	12 JOHNSTON ROAD	MASINGA	RATES/ELECTRICITY	R7 561.56
75	008902032	MANDENI	12 INYATHI ROAD	KHUMALO	RATES/ELECTRICITY	R26 477.79
76	008100711	MANDENI	12 IMPUNZI ROAD	SWART	RATES/ELECTRICITY	R12 502.84
77	009002041	MANDENI	12 IMPALA ROAD	ZULU	RATES/ELECTRICITY	R6 418.08
78	002200312	MANDENI	12 GREIG ROAD	BUTHELEZI	RATES/ELECTRICITY	R6 004.56
79	008902282	MANDENI	12 DUIKER ROAD	NAIDOO	RATES/ELECTRICITY	R8 587.16
80	009600111	MANDENI	10 PLOVER CRESCENT	KANNIGAN	RATES/ELECTRICITY	R135 033.28
81	009907821	MANDENI	10 KUDU ROAD	PRINSLOO	RATES/ELECTRICITY	R89 602.13
			TOTAL			R2 329 368.43

Figure 5

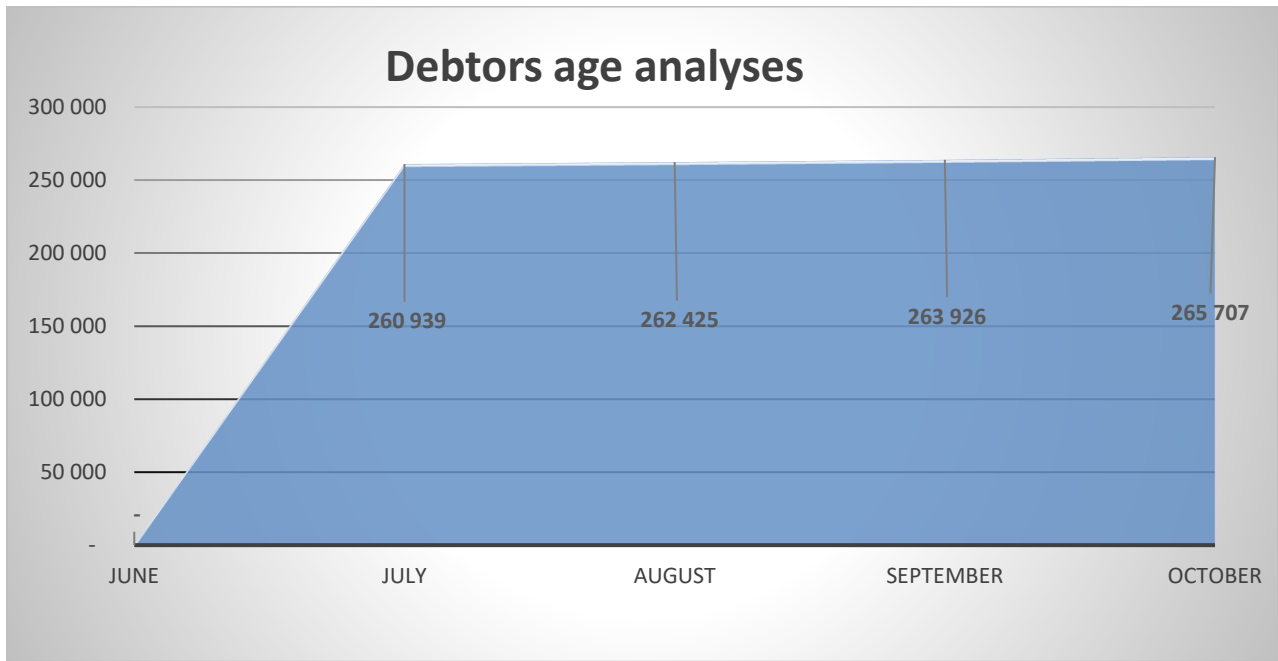
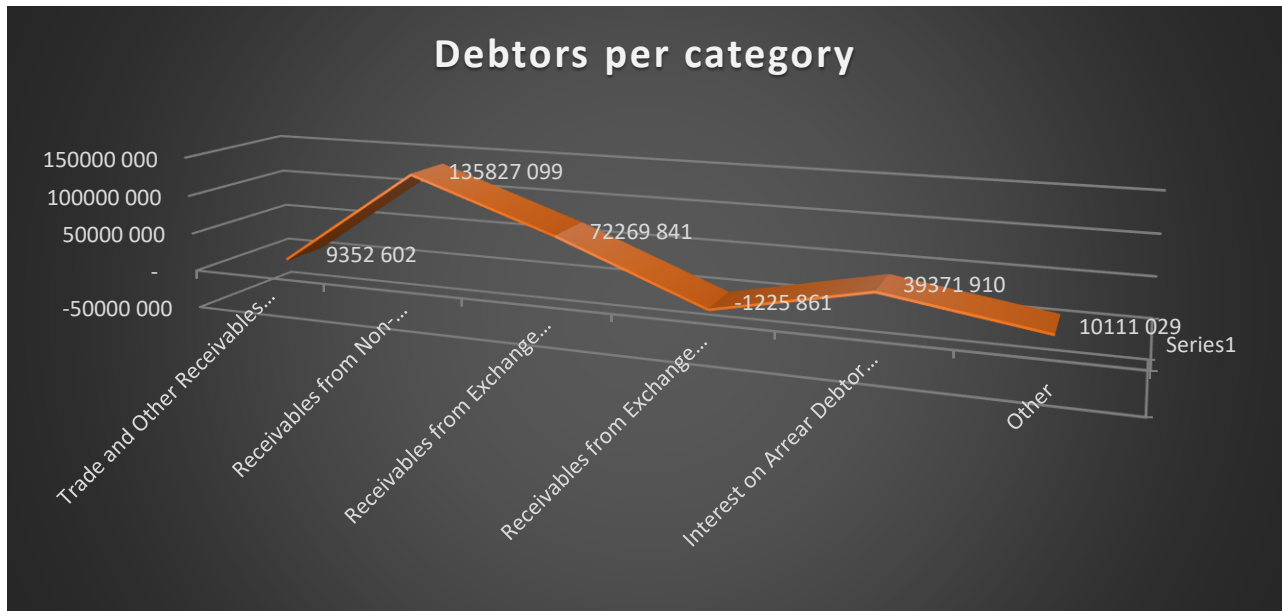


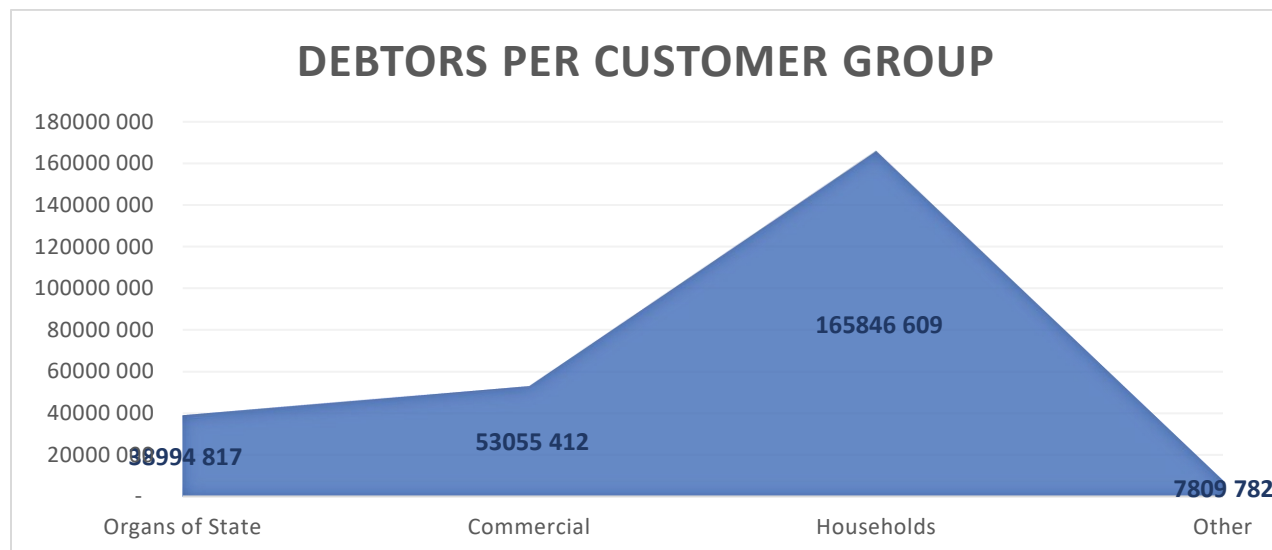
Figure 6



The municipal debtors have increased from R260.9 million to R265.7 million that is from July 2025 until 31 October 2025. This increase is between Household debtors of 65% and it is followed by Organs of State by 17% and Business Commercial is 16% and lastly the other debtors with a percentage of 2%.

- **Total Outstanding Debtors from 31 October 2025**

Figure 7



Councillors and Employees in Arrear

- Debt outstanding on Staff as of 31 October is R72,741.99
- Councillors Accounts in arrears as of 31 October is R172,556.95
- However, it should be noted that both Councillors and Staff have made arrangement with the municipality to settle these outstanding debts.

4. CREDITOR’S AGE ANALYSIS

Table SC4 Monthly Budget Statement_ Creditors Age Analysis

KZN291 Mandeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October										
Description	NT Code	Budget Year 2025/26								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less i	0400	-	-	-	-	-	-	-	-	-
Pensions / Retiree	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Medical Aid deduc	0950	-	-	-	-	-	-	-	-	-
Total By Customer	1000	-	-	-	-	-	-	-	-	-

- Creditors aged at Nil as at 31 October 2025. (Age analysis listing attached)

Top 10 Creditors (October 2025)

Name	Amount
ESKOM HOLDING	R 13 818 867.22
EMALANGENI	R 847 826.30
DCLM	R 344 577.17
BAMBHANANI ENTERPRISE	R 224 227.71
MALUTHULI TRADING	R 247 026.00
EZAMALUNQA	R 1 504 799.84
CCG SYSTEME	R 109 570.41
CITY OF CHOICE	R 388 123.72
ILEMBE MUNICIPALITY	R 114 015.66
MBD CONSULTING	R 196 687.03

5. MONTHLY BUDGET STATEMENT - FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 31 October 2025

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		131 927	9 811	–	152 881	9 811
Trade and other receivables from exchange transactions		55 838	43 899	–	58 719	43 899
Receivables from non-exchange transactions		18 164	44 829	–	11 232	44 829
Current portion of non-current receivables		–	–	–	–	–
Inventory		41 639	41 799	–	41 604	41 799
VAT		4 478	38 224	–	4 577	38 224
Other current assets		225	–	–	225	–
Total current assets		252 271	178 561	–	269 239	178 561
Non current assets						
Investments		–	–	–	–	–
Investment property		44 152	41 913	–	44 152	41 913
Property, plant and equipment		751 120	761 503	–	762 918	761 503
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		2 124	1 928	–	2 124	1 928
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		797 396	805 344	–	809 194	805 344
TOTAL ASSETS		1 049 667	983 905	–	1 078 433	983 905
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		9 025	–	–	9 025	–
Consumer deposits		196	162	–	232	162
Trade and other payables from exchange transactions		56 364	46 847	–	25 553	46 847
Trade and other payables from non-exchange transactions		5 292	2 058	–	1 958	2 058
Provision		5 380	17 141	–	5 380	17 141
VAT		5 997	22 133	–	8 487	22 133
Other current liabilities		–	–	–	–	–
Total current liabilities		82 253	88 340	–	50 634	88 340
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		–	–	–	–	–
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		22 198	25 770	–	22 198	25 770
Total non current liabilities		22 198	25 770	–	22 198	25 770
TOTAL LIABILITIES		104 451	114 110	–	72 832	114 110
NET ASSETS	2	945 216	869 795	–	1 005 601	869 795
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		742 544	867 662	–	802 929	867 662
Reserves and funds		202 672	2 133	–	202 672	2 133
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	945 216	869 795	–	1 005 601	869 795

RATIOS FOR THE MONTH

Current ratio: The municipality's current assets are (5) times that of current liabilities.

The ratio measures the short-term liquidity, that is, the extent to which the current liabilities can be paid from current assets. The higher the ratio, the healthier is the situation. The ratio of 5.32:0.19c is favorable as it is above the norm of 1:1 normally set for municipalities.

This indicates that there is sufficient cash to meet creditor obligations.

Liquidity ratio: The cash and cash equivalents are the current liabilities, R5.32c

Creditors' system efficiency: 100 percent of the creditors outstanding are less than 30 days.

Creditor's payment: it takes the municipality 0 days to pay its creditors.

Outstanding debtors: billing far exceeds the collection on outstanding debt at the rate of 94%.

Collection days: 558days it takes the municipality to collect outstanding debt.

Cost coverage: on average the municipality has sustained its existence for the period of 3 months without any grant funding.

Debtors collection rate: as at the 04 month of 2025/26 at 94%

	94.12255327
Gross Debtors closing balance	265 706 626.59
Gross Debtors opening balance	262 266 700.32
Bad debts written Off	
Billed Revenue	58 527 561.74

55 087 635.48

	-
Consumer Debtors Bad debts written off	
Consumer Debtors Current bad debt Provision	176 266 598.48

	557.78
Gross debtors	265 706 626.59
Bad debts Provision	176 266 598.48
Billed Revenue	58 527 561.74

	15%
Total Operating Expenditure	143 693 617
Taxation Expense	
Total Capital Expenditure	25 132 651

	0%
PPE, Investment Property and Intangible Impairment	-
PPE at carrying value	762 918 104
Investment at carrying value	47 600 810
Intangible Assets at carrying value	2 123 913

	1%
Total Repairs and Maintenance Expenditure	6 406 090
PPE at carrying value	762 918 104
Investment Property at Carrying value	47 600 810

	3 Month
Cash and cash equivalents	10 540 561
Unspent Conditional Grants	13 382 919
Overdraft	-
Short Term Investments	142 600 783
Total Annual Operational Expenditure	487 943 906

	5.32
Current Assets	269 238 524
Current Liabilities	50 633 673

	41%
Employee/personnel related cost	54 135 286
Councillors Remuneration	5 043 707
Total Operating Expenditure	143 693 617
Taxation Expense	-

	17%
Contracted Services	23 934 084
Total Operating Expenditure	143 693 617
Taxation Expense	-

6. MONTHLY BUDGET STATEMENT -CASH FLOW

Table C7 below display the Cash Flow Statement for the period ending 31 OCTOBER 2025

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - M04 October										
Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Properly rates		(52 856)	49 972	-	11 202	43 109	16 657	26 451	159%	49 972
Service charges		(63 804)	98 454	-	1 951	11 537	32 818	(21 281)	-65%	98 454
Other revenue		8 768	26 748	-	350	1 295	8 916	(7 621)	-85%	26 748
Transfers and Subsidies - Operational		314 621	254 956	-	-	104 078	84 985	19 093	22%	254 956
Transfers and Subsidies - Capital		167 894	46 017	-	416	28 000	15 339	12 661	83%	46 017
Interest		-	25 232	-	-	-	8 411	(8 411)	-100%	25 232
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(469 507)	(430 531)	-	(40 606)	(138 135)	(128 472)	9 663	-8%	(436 031)
Interest		-	(3 050)	-	-	-	(1 017)	(1 017)	100%	(3 050)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(94 883)	67 799	-	(26 686)	49 884	37 638	(12 246)	-33%	62 299
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		126 073	(150 185)	-	(8 869)	(28 903)	(53 738)	(24 835)	-53%	(144 685)
NET CASH FROM/(USED) INVESTING ACTIVITIES		126 073	(150 185)	-	(8 869)	(28 903)	(53 738)	(24 835)	46%	(144 685)
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		31 190	(82 386)	-	(35 555)	20 982	(16 100)			-
Cash/cash equivalents at beginning:		230 188	92 208	-	-	131 899	92 208			131 899
Cash/cash equivalents at month/year end:		261 378	9 822	-	(35 555)	152 881	76 108			-

The net increase in cash for the period ending 31 OCTOBER 2025 is R21million. The municipality opened the financial year with cash and cash equivalents of R131.9 million as per the unaudited AFS and closed the month of OCTOBER with a balance of R152.9 million.

Table C7 provides a projection of the anticipated cash inflows and outflows, illustrating the cash flow patterns likely to result from the implementation of the approved budget.


Revenue -Receipts

- The property collection rate to date is over-performed by 15% or R26.4million of the collected revenue in C7-as of 31st October 2025.
- Service Charges: Electricity and Refuse cash receipts are over collected by 65% or R21.3million from the revenue budget.
- Other Revenue collected form VAT refunds received as of 31st October totals R8.6million. and Other Revenue receipt of R1.3million.
- Government grants received YTD total of R132.1million as of 31 October 2025 which includes Government grant Capital of R28million.
- Interest earned on external investments amounts to R4.9million in comparison with the pro-rata budget of R8.3million which is an under performance of 41%.

Payments


- Suppliers and employees for cash outflows of R138.1million.
- Finance charges reflect underperformance by 100 percent.
- Capital Assets of R28.9million with VAT for the month of 31st October 2025 shows an under-performance of 46% as of 31st October 2025.

6.1. BANK RECONCILIATION STATEMENT AS AT 31 OCTOBER 2025

 Mandeni Municipality		
BANK RECONCILIATION STATEMENT FOR OCTOBER 2025		
Main Account :52940480587		
Opening FNB Bank Balance as on OCTOBER 2025	3 542 347.08	3 542 347.08
PLUS: Deposits Banked	15 440 717.61	
PLUS: Interest received	18 005.68	
PLUS: Transfers In	42 068 877.96	
PLUS:Interest received From Call 1	66 346.57	
PLUS:Unpaid	5 150.00	
PLUS: MATURED INVESTMENTS	51 117 029.92	
PLUS: SARS REFUND	1 710 322.00	
PLUS: GRANTS RECEIVED	-	
Total Deposits	110 426 449.74	110 426 449.74
Less:Total payments	- 103 476 907.86	- 103 476 907.86
LESS: EFT Payments	- 54 963 237.19	
LESS: Bank Charges	- 21 176.67	
LESS: Transfers Out	- 47 600 000.00	
LESS: NEW INVESTMENTS	-	
LESS: Debit Orders	- 892 494.00	
Closing FNB Bank Balance as on 31 OCTOBER 2025		10 491 888.96
Cashbook Reconciliation for 31 OCTOBER 2025		
OPENING BALANCE 1/07/2025	2 810 099 045.12	
OPENING BALANCE 1/07/2025	96 176 000.00	
OPENING BALANCE 1/07/2025	- 2 889 322 530.36	
OPENING BALANCE 1/07/2025-INTEREST	1 007 168.74	
OPENING BALANCE-1/7/2025 -BANK CHARGES	- 1 660 778.29	
TOTAL OPENING BALANCE 1/07/2025	16 298 905.21	
Cashbook Balance as on 1 OCT 2025-D0001/IA09567/F0001/X049/R0099/001/FIN	175 386 604.66	
Less:Cashbook Balance as on 1 OCT 2025-D0001/IA09850/F0001/X049/R0099/001/FIN	- 188 205 005.69	
Corrections to be made (JNL CR)	-	
Corrections to be made (JNL DR)	-	
PLUS: Deposits Banked for OCTOBER 2025	15 445 867.61	
LESS: EFT Payments for OCTOBER 2025	- 55 264 116.11	
Plus SEPT 2025 outstanding (reconciled)	49 112.19	
Less: Bank Charges to date	- 85 249.99	
PLUS: Grant received	-	
Less : New investment	-	
Less: Payments not yet paid during OCTOBER 2025	-	
PLUS: Interest received to date	94 809.91	
PLUS:Interest received From Call 1-OCTOBER 2025	66 346.57	
PLUS MATURED INVESTMENT	51 117 029.92	
PLUS :SARS REFUND	1 710 322.00	
PLUS :TRANSFER IN	42 068 877.96	
LESS:TRANSFER OUT	- 47 600 000.00	
LESS: Debit Orders for -OCTOBER 2025	- 892 494.00	
Closing Cashbook Balance as on 31 OCTOBER 2025	10 191 010.24	10 191 010.24
		300 878.92
Reconciling Items	Amount	
ADD: Journal Debits - on Cashbook not on Bank Statement	300 878.92	
ADJUSTED MONTH END CASHBOOK BALANCE- 31 OCTOBER 2025		10 491 889.16
MONTH END BALANCE PER BANK STATEMENT- 31 OCTOBER 2025		10 491 888.96
DIFFERENCE		0.20

6.2. MONTHLY BUDGET STATEMENT- INVESTMENT PORTFOLIO

The following information presents the short-term investments balances broken down per investment type as of 31 OCTOBER 2025

 INVESTMENT REGISTER FOR OCTOBER 2025									
Name of grant	Bank account number	INTEREST RATES	Opening Balance as at	Re-Investments	Expenditure	interest	bank charges	Closing Balance as at	TOTAL INTEREST EARNED TO DATE
			2025/10/01					2025/10/31	
		%	R	R	R	R	R	R	R
call 1-internal grant	61294217372	7.20	6 563 609.19	45 000 000.00	29 629 955.76	66 346.57	-	22 000 000.00	679 568.10
Call account 2 - HOUSING	62028673219	7.20	2 187 516.66	-	-	10 697.86	-	2 198 214.52	43 977.18
Call account 3-MIG	62812286400	7.20	19 064 309.54	2 000 000.00	7 051 498.08	70 976.34	-	14 083 787.80	199 659.48
Call account 5-TMT	62113325882	7.20	561 267.31	3 810.00	3 000.00	2 834.78	93.88	564 818.21	11 163.59
Call account 6-INEP	62527527462	7.20	1 114.91	-	-	5.28	-	1 120.19	1 120.19
Call account 7-AR	62538203449	7.20	4 201 212.16	600 000.00	4 154 908.80	3 436.22	-	649 739.58	69 351.67
Call account 8-Title Deed	62812286963	7.20	2 254 590.71	-	512 384.72	10 391.10	-	1 752 597.09	43 897.38
Call account 9-Disaster Recovery	63048438097	7.20	2 129 233.58	-	(786 477.17)	7 749.61	-	1 350 506.02	59 906.33
ABSA BANK	208168-2978	9.78	-		-	-		-	-
NEDBANK	03/7881155450/000038	7.87	50 000 000.00		(50 000 000.00)	200 660.06		-	1 117 029.92
ABSA BANK	208213-3077	7.92	100 000 000.00	-	-	716 054.79	-	100 000 000.00	2 560 438.35
FNB-MAIN BANK	52940480587		-			18 005.68		-	94 809.91
TOTAL			186 962 854.06	47 603 810.00	9 434 729.81	1 107 158.29	(93.88)	142 600 783.41	4 880 922.10

7. MONTHLY BUDGET STATEMENT - Employee costs and councilors benefits (Section 66 MFMA)

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October										
Summary of Employee and Councilor remuneration	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		13 079	14 319	-	1 073	4 346	4 773	(427)	-9%	14 319
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		452	702	-	39	158	234	(76)	-32%	702
Cellphone Allowance		1 493	1 754	-	122	498	585	(87)	-15%	1 754
Housing Allowances		126	269	-	11	42	90	(47)	-53%	269
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		15 151	17 043	-	1 245	5 044	5 681	(637)	-11%	17 043
% increase	4		12.5%							12.5%
Senior Managers of the Municipality										
Basic Salaries and Wages		8 755	5 833	-	971	2 408	1 944	464	24%	5 833
Pension and UIF Contributions		-	11	-	-	-	4	(4)	-100%	11
Medical Aid Contributions		268	153	-	19	88	51	37	73%	153
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		570	399	-	-	-	133	(133)	-100%	399
Motor Vehicle Allowance		716	909	-	60	239	303	(64)	-21%	909
Cellphone Allowance		342	281	-	29	114	94	20	22%	281
Housing Allowances		170	292	-	14	57	97	(41)	-42%	292
Other benefits and allowances		482	485	-	40	161	162	(1)	-1%	485
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		5 617	3 923	-	-	-	1 308	(1 308)	-100%	3 923
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		16 920	12 285	-	1 133	3 066	4 095	(1 029)	-25%	12 285
% increase	4		-27.4%							-27.4%
Other Municipal Staff										
Basic Salaries and Wages		96 503	105 238	-	8 835	35 038	35 079	(41)	0%	105 238
Pension and UIF Contributions		15 787	17 150	-	1 375	5 503	5 717	(214)	-4%	17 150
Medical Aid Contributions		7 748	7 271	-	692	2 780	2 424	356	15%	7 271
Overtime		4 129	3 191	-	268	1 371	1 064	307	29%	3 191
Performance Bonus		8 019	5 711	-	790	2 735	1 904	831	44%	5 711
Motor Vehicle Allowance		4 999	6 161	-	428	1 712	2 054	(341)	-17%	6 161
Cellphone Allowance		758	832	-	68	274	277	(4)	-1%	832
Housing Allowances		340	405	-	30	119	135	(16)	-12%	405
Other benefits and allowances		2 185	1 052	-	238	989	351	639	182%	1 052
Payments in lieu of leave		3 327	2 798	-	-	383	933	(549)	-59%	2 798
Long service awards		439	1 498	-	21	166	499	(334)	-67%	1 498
Post-retirement benefit obligations		(1 123)	4 310	-	-	-	1 437	(1 437)	-100%	4 310
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		143 111	155 617	-	12 745	51 070	51 872	(802)	-2%	155 617
% increase	4		8.7%							8.7%
Total Parent Municipality		175 181	184 944	-	15 124	59 179	61 648	(2 469)	-4%	184 944

8. External Loan

NONE

9. Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M04 October							
Description of financial indicator	Basis of calculation	Ref	2024/25	Budget Year 2025/26			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	8.1%	0.0%	0.0%	4.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		9.8%	8.6%	0.0%	5.8%	8.6%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	306.7%	202.1%	0.0%	531.7%	202.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		160.4%	11.1%	0.0%	301.9%	11.1%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		17.2%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		37.2%	36.9%	0.0%	31.1%	36.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.6%	6.6%	0.0%	3.7%	6.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		9.9%	8.6%	0.0%	0.0%	4.4%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

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QUALITY CERTIFICATE

Regulation 27 prescribes that the Municipal Manager must sign a quality certificate in the format prescribed below;

I, Sizwe G. Khuzwayo the Municipal Manager of Mandeni Municipality KZN291, hereby certify that:

▪ **Monthly Budget Statements**

for the month of **October 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations under that Act.

Print Name **Mr. Sizwe.G. Khuzwayo**

Municipal manager of Mandeni Municipality (KZN 291)

Signature_____

Date **17 November 2025**