MATATIELE
LOCAL MUNICIPALITY

2025/2026 QUARTERLY SECTION 52(D) REPORT

1ST QUARTER ENDED 30 SEPTEMBER 2025

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GLOSSARY

Annual Budget – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.
Adjustment Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.
Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.
Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings – for example, when an invoice is received by the Municipality it is shown as expenditure in the Quarter it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.
MFMA – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management.
mSCOA – Municipal Standard Chart of Accounts.
MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years' budget allocations. Also includes details of the previous and current years' financial position.
Vote – One of the main segments into which a budget is divided.

LEGISTLATIVE FRAMEWORK

This report has been prepared in terms of the following enabling legislation:

The municipal Finance Management Act No. 56 of 2003
Section 52(d): Quarterly budget Statements

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations

1.1 RESOLUTIONS

This is the resolution being presented to Council in the quarterly report on the implementation of budget and financial state of affairs of the municipality as required in terms of section 52 of the Municipal Finance Management Act 56 of 2003.

Recommendations:

- That, the report on the implementation of the budget and the financial state of affairs of the municipality for the quarter ended 30 September 2025 be noted by council.
- That, the submission of section 52(d) reports and to Provincial and National Treasuries 30 days after the end of each quarter be noted by Council.
- That, the council note the withdrawal from the bank account, attached under 'Supporting Documents' in the report, in terms of Municipal Management Act, Sec11 (4)

1.2 EXECUTIVE SUMMARY

The aim if the Financial Monitoring Report (FMR) is to provide a Quarterly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances from Service delivery and Budget Implementation Plan (SDBIP) and provide any remedial action or corrective steps to be taken.

This report emphasizes the completeness and accuracy of all figures, guided by established procedures that ensure data is thoroughly verified and reconciled with the general ledger at month end. To support accuracy, the following month end reconciliations must be completed by the responsible sections:

- Cashbook/Bank reconciliation
- Investment Reconciliation
- Debtor's Reconciliation
- Creditor's Reconciliation
- Salary Reconciliation
- Grant Reconciliation
- Unallocated Deposit Reconciliation

The compiler is responsible for presenting these figures as they appear on the ledger, any discrepancies or irregularities identified are reported to the responsible officials for investigation and correction. The report is subsequently shared with stakeholders for input and review, incorporating their recommendations where applicable. Observations and findings that may necessitate budget adjustments are tracked and updated monthly, with planned adjustments for the mid-year review clearly indicated within the report.

Consolidated Performance (Revenue & Expenditure)

Operating Budget

Revenue by source

The total annual approved budget is **R 677,099,735** and this has been adjusted to an adjustments budget of **R 694,485,4028**, the Municipality recognised revenue to date of **R 255,672,948** including Capital transfers. The revenue recognised to date is **37%** of the total approved revenue budget, this is above the expected performance of **25%** for the quarter ended 30 September 2025. This is due to the transfers recognised in advance, Property rates and service charges billed or raised. The Municipality will also continue to enforce its credit control and debt collection policies as way of enhancing the collection of revenue from customers.

Operating Expenditure by type

The Municipality incurred expenditure of **R 120,161,412** year to date against the approved budget allocation of **R 594,623,647** million incurring approximately **20%** year to date expenditure for the quarter. The expenditure incurred is less than expected performance for the quarter, the variance is due to non-cash items that are recognised at the end of financial year and less operational payments made on operational items for the quarter under review.

Capital Expenditure

The total approved capital budget is **R 182,983,008** and this has been adjusted to a budget of **R 180,750,617**, the capital expenditure incurred for the quarter ended 30 September 2025 amounted to **R 37,996,457**. The expenditure incurred represents **21%** and this is less than expected performance for the quarter due to less capital payments made, and less revenue recognised on conditional grants capital projects which have not yet been implemented for the quarter ending 30 September 2025.

Quarterly projections for year-to-date budgets is based on trend methodology, will be revised regularly and used for adjustment budget and future budget planning.

Grants Funded Capital

- The MIG capital grant allocation for the financial year is **R 57,646,950** million as per Dora Allocation. The spending for quarter ending 30 September 2025 is **R 17,093,753** (Vat exclusive) which represent **30%** of expenditure to date.
- Disaster Response Grant of R **24,543,000** million was allocated and this was adjusted to an adjustment budget of **R 41,928,666**. The grant reflects **R 6,020,857** spending at the end of 30 September 2025 which represent **14%.**
- The Library Capital Grant allocation of **R 300,000** was allocated. The grant reflects **R 74,773** spending at the end of 30 September 2025 which represent **25%.**

- Capital Replacement Reserves (CRR) for the financial year **R 80,875,000** million is allocated, the total spending for the quarter ended 30 September 2025 is **R 14,807,074** which represent **18%** YTD.

Capital Expenditure material variances

The Capital Expenditure for the 2025/2026 financial year is which implies that the capital expenditure incurred is significantly below the projection, variance is due to delays in implementing projects and the spending will improve in the second quarter under review.

The table below is an analysis per business unit –

Summary of Capital Expenditure relate to 2025-2026 financial year.

Description	Total Budget	July Actuals	Septembr Actuals	September Actuals	YTD Total Actuals
Community and Social Services: Communit	150 000	-	-	-	-
Community Halls and Facilities:Public Amen	2 200 000	-	-	74 773	74 773
CORE FUNCTION: SOLID WASTE REMOVAL	2 850 000	-	-	83 284	83 284
Energy Sources: Electricity (4040)	14 420 000	-	8 437 668	1 968 350	10 406 018
Finance and Administration: Information Te	2 600 000	-	-	-	-
Finance and Administration: Asset Mangeme	30 000	-	-	-	-
Finance and Administration: Council Suppor	490 000	-	-	269 523	269 523
Finance and Administration: Human Resour	150 000	-	-	111 046	111 046
Finance and Administration: SCM & Expendit	2 660 000	-	-	52 174	52 174
Finance and Adminstration: Revenue and De	1 000 000	-	-	-	-
Finance:Budget & Treasury (2010)	80 000	-	-	58 846	58 846
Marketing; Customer Relations; Publicity an	627 000	-	-	27 761	27 761
Planning and Development: LED (3520)	3 110 000	791 433	-	52 174	843 607
Planning and Development: Planning (3510)	4 240 000	-	-	100 218	100 218
Public Safety: Civil Defence (3074)	2 800 000	-	-	-	-
Road Transport: Project Operations & Mainn	55 906 666	-	1 253 115	5 150 486	6 403 602
Roads:Project Management Unit	75 931 950	6 036 250	5 587 938	7 882 546	19 506 734
Town Planning; Building Regulations and Enf	11 505 000	-	-	58 872	58 872
Grand Total	**180 750 616**	**6 827 683**	**15 278 721**	**15 890 052**	**37 996 457**
				9%	**21%**

The approved capital budget includes Capital Replacement Reserve.

Grant Funded Projects (MIG PROJECTS)

MIG Capital Project	Quarter 1 status
Excavator	Procurement of the plant is facilitated by SCM
Harry Gwala Internal Streets	The project is under construction and progress is 75 %
Construction of Cedarville Internal Streets Phase 4	The project is under construction and progress is 47 %
Maluti Internal Streets Phase 5	The project is under construction and progress is 82 %
Mahasheng Access Road & Bridge	The project is practically completed at 95%
Mafube-Nkosana Access Road & Bridge	The project is under construction and progress is 60 %
Lekhalong via Magema-Outspan Access Road	The project is under construction and progress is 75 %

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

INEP Capital Project	Quarter 1 status
Electrification of Motsekua Village	569 connections have been completed, currently awaiting for the outage date from Eskom and the expenditure is at 49%.

Disaster Response Grant

Disaster Capital Project	Quarter 1 Status
Mvenyane Access Road and Bridge Recovery	The project is 10% complete and under construction
Lugada Mahlabathini AR Recovery	The project is 10% complete and under construction

Disaster Recovery Grant Rollover projects	Quarter 1 Status
Mdeni Access Road and Bridge Recovery	The project is 100% complete and final completion has been released.
Lugada to Mahlabathini and Bridge Recovery	The project is 20% complete.
Hillside - Ngcwengane A/R and Bridge Recovery	The project is 45% complete and under construction
Mngeni Bridge Recovery	The project is 85% complete and under construction

Internal Funded Capital Projects

Capital Replacement Rerseve Projects	Quarter 1 Status
f 2 silo facilities	The project is at tender stage
Municipal Fleet	The project is at tender stage
Licensing Offices	The project is at tender stage
Mphotshongweni Bridge (Rashule)	The project is at tender stage
Lunda Access Road	The project is under construction and progress is 20 %
Nkululekweni Access Road	The project is under construction and progress is 10 %
Maloto Access Road	A contractor has been appointed awaiting contractor to commence
Buxton Park Bridge	Request for RFQ issued. (Tender stage)
Harry Gwala Internal Streets CRR	The project is under construction and progress is 75 %
Phalane-Mbizweni Access Road	The project is under construction and progress is 41 %
Motsekoa Access Road	The project is under construction and progress is 30 %
Mapateng Access Road	The project is under construction and progress is 75 %
Storm Water Drainage	The project is at tender stage
Cherry Picker Truck	Appointment letter has been issued and awaiting delivery by 15 December 2025
Transformers Infrastructure	The project is completed and energised
FM TOWER LINE WIP	The project is completed and energised
Landfill Electrification	The project is completed and energised
Refurbishment of main office	The project is at tender stage
Renovation of Town Hall	The project is at tender stage

PART 2 –
IN-YEAR BUDGET STATEMENTS

2.1 Table C1 Monthly Budget Statement Summary

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - M03 - Quarter 1

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	56 360	61 937	61 937	42 477	42 477	15 484	26 993	174%	61 937
Service charges	89 707	106 834	106 834	27 493	27 493	26 708	784	3%	106 834
Investment revenue	22 318	28 813	28 813	6 124	6 124	7 203	(1 079)	-15%	28 813
Transfers and subsidies - Operational	330 510	331 654	331 654	138 277	138 277	82 914	55 364	67%	331 654
Other own revenue	54 570	65 372	65 372	15 634	15 634	16 343	(709)	-4%	65 372
Total Revenue (excluding capital transfers and contributions)	553 465	594 610	594 610	230 005	230 005	148 652	81 353	55%	594 610
Employee costs	162 964	186 701	186 701	43 293	43 293	46 675	(3 382)	-7%	186 701
Remuneration of Councillors	24 244	24 666	24 666	5 833	5 833	6 166	(333)	-5%	24 666
Depreciation and amortisation	63 816	22 322	22 322	–	–	5 580	(5 580)	-100%	22 322
Interest	3 829	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	92 699	105 033	105 033	25 407	25 407	26 258	(851)	-3%	105 033
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	214 199	255 903	255 903	45 627	45 627	63 976	(18 349)	-29%	255 903
Total Expenditure	561 751	594 624	594 624	120 161	120 161	148 655	(28 494)	-19%	594 624
Surplus/(Deficit)	(8 285)	(14)	(14)	109 844	109 844	(3)	109 847	-3171024%	(14)
Transfers and subsidies - capital (monetary allocations)	82 541	82 490	99 876	25 668	25 668	23 784	1 884	8%	99 876
Transfers and subsidies - capital (in-kind) contributions	–	–	–	–	–	–	–		–
	74 256	82 476	99 862	135 512	135 512	23 780	111 731	470%	99 862
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	74 256	82 476	99 862	135 512	135 512	23 780	111 731	470%	99 862
Capital expenditure & funds sources									
Capital expenditure	132 721	163 385	180 751	37 996	37 996	44 082	(6 086)	-14%	180 751
Capital transfers recognised	70 274	82 490	99 876	23 189	23 189	23 784	(594)	-2%	99 876
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	62 446	80 875	80 875	14 807	14 807	20 219	(5 412)	-27%	80 875
Total sources of capital funds	132 721	163 385	180 751	37 996	37 996	44 082	(6 086)	-14%	180 751
Financial position									
Total current assets	415 875	430 240	430 240		506 568				430 240
Total non current assets	1 101 668	1 275 562	1 292 947		1 139 665				1 292 947
Total current liabilities	176 837	201 988	201 988		170 015				201 988
Total non current liabilities	43 933	22 501	22 501		43 933				22 501
Community wealth/Equity	1 296 773	1 481 313	1 498 698		1 432 284				1 498 698
Cash flows									
Net cash from (used) operating	438 045	131 401	148 786	187 359	187 359	36 011	(151 348)	-420%	148 786
Net cash from (used) investing	130 245	(163 365)	(180 751)	(43 248)	(43 248)	(44 002)	(755)	2%	(180 751)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	826 435	230 836	230 836	–	414 011	254 810	(159 201)	-62%	237 836
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	10 536	11 365	37 010	3 274	2 529	2 832	3 069	218 773	289 388
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

The above table provides a concise overview of the quarterly actual, year-to-date actual of the operating expenditure, capital expenditure, and age analysis. The full year forecast as seen the table above takes in the account the original budget less the YTD budget plus the YTD actuals, this therefore gives a projection based on the TYD performance on how the municipality will perform for the financial year in terms of the original budget.

2.1.2 Table C2 Monthly Budget Statement –Financial Performance (Functional Class)

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 - Quarter 1

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		419 376	437 220	437 220	186 228	186 228	109 305	76 923	70%	437 220
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		418 776	437 220	437 220	186 228	186 228	109 305	76 923	70%	437 220
Internal audit		600	–	–	–	–	–	–		–
Community and public safety		12 147	17 474	17 474	5 274	5 274	4 369	906	21%	17 474
Community and social services		6 075	8 646	8 646	3 906	3 906	2 162	1 745	81%	8 645
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		6 072	8 828	8 828	1 368	1 368	2 207	(839)	-38%	8 828
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		86 431	90 736	108 122	27 314	27 314	25 845	1 469	6%	108 122
Planning and development		3 592	5 502	5 502	1 010	1 010	1 375	(365)	-27%	5 502
Road transport		82 839	85 234	102 620	26 304	26 304	24 470	1 834	7%	102 620
Environmental protection		–	–	–	–	–	–	–		–
Trading services		118 853	131 670	131 670	36 856	36 856	32 917	3 939	12%	131 670
Energy sources		103 037	114 257	114 257	33 028	33 028	28 564	4 454	16%	114 257
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		15 015	17 413	17 413	3 828	3 828	4 353	(525)	-12%	17 413
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	636 007	677 190	694 485	255 673	255 673	172 436	83 237	48%	694 485
Expenditure - Functional										
Governance and administration		260 423	270 868	270 868	52 638	52 638	67 717	(15 079)	-22%	270 868
Executive and council		33 134	33 755	33 755	8 954	8 954	8 439	515	6%	33 755
Finance and administration		222 724	232 129	232 129	42 670	42 670	58 032	(15 362)	-26%	232 129
Internal audit		4 564	4 984	4 984	1 014	1 014	1 246	(232)	-19%	4 984
Community and public safety		53 082	58 193	58 193	12 530	12 530	14 548	(2 019)	-14%	58 193
Community and social services		28 657	28 268	28 268	6 384	6 384	7 067	(683)	-10%	28 268
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		24 425	29 925	29 925	6 146	6 146	7 481	(1 335)	-18%	29 925
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		90 390	96 110	96 110	9 408	9 408	24 028	(14 619)	-61%	96 110
Planning and development		47 955	45 203	45 203	4 412	4 412	11 301	(6 889)	-61%	45 203
Road transport		42 435	50 906	50 906	4 996	4 996	12 727	(7 731)	-61%	50 906
Environmental protection		–	–	–	–	–	–	–		–
Trading services		157 855	169 452	169 452	45 585	45 585	42 363	3 222	8%	169 452
Energy sources		134 169	142 991	142 991	40 243	40 243	35 748	4 495	13%	142 991
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		23 686	26 461	26 461	5 342	5 342	6 615	(1 273)	-19%	26 461
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	561 751	594 624	594 624	120 161	120 161	148 656	(28 494)	-19%	594 624
Surplus/ (Deficit) for the year		74 256	82 476	99 862	135 512	135 512	23 780	111 731	470%	99 862

The table provides an overview of the quarterly actual, year to date actual and year to date budget of revenue by source and expenditure by type for the period ended 30 September 2025. The full year forecast provides a guideline in terms of overall performance, and it gives an overview of whether the municipality will be able to spend as per the budget. The revenue for the period ending 30th September 2025 is **R 255,672,948** and expenditure is **R 120,161,412**.

2.1.3 C3 Monthly Budget Statement –Financial Performance (revenue and expenditure by municipal vote)

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 - Quarter 1

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Executive Council		–	–	–	–	–	–	–		–
Vote 2 - Finance and Admin		418 368	436 870	436 870	186 180	186 180	109 218	76 962	70.5%	436 870
Vote 3 - Corporate		408	350	350	49	49	88	(39)	-44.5%	350
Vote 4 - Development and Planning		3 592	5 502	5 502	1 010	1 010	1 375	(365)	-26.5%	5 502
Vote 5 - Community		27 163	34 887	34 887	9 103	9 103	8 722	381	4.4%	34 887
Vote 6 - Infrastructure		185 877	199 491	216 877	59 332	59 332	53 034	6 298	11.9%	216 877
Vote 7 - Internal Audit		600	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	636 007	677 100	694 485	255 673	255 673	172 436	83 237	48.3%	694 485
Expenditure by Vote	1									
Vote 1 - Executive Council		33 134	35 755	35 755	8 954	8 954	8 439	515	6.1%	35 755
Vote 2 - Finance and Admin		130 136	132 658	132 658	21 132	21 132	33 165	(12 033)	-36.3%	132 658
Vote 3 - Corporate		92 588	99 471	99 471	21 539	21 539	24 868	(3 329)	-13.4%	99 471
Vote 4 - Development and Planning		47 955	45 203	45 203	4 412	4 412	11 301	(6 888)	-61.0%	45 203
Vote 5 - Community		76 769	84 654	84 654	17 872	17 872	21 164	(3 292)	-15.6%	84 654
Vote 6 - Infrastructure		176 604	193 899	193 899	45 239	45 239	48 475	(3 235)	-6.7%	193 899
Vote 7 - Internal Audit		4 564	4 984	4 984	1 014	1 014	1 246	(232)	-18.6%	4 984
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	561 751	594 624	594 624	120 161	120 161	148 656	(28 494)	-19.2%	594 624
Surplus/ (Deficit) for the year	2	74 256	82 476	99 862	135 512	135 512	23 780	111 731	469.9%	99 862

Reporting per municipal Vote provides details on the spending over the various functions. Revenue is mainly budgeted under the Finance & Admin Function and therefore most of the revenue will be reflected under this function.

Expenditure by functional classification presents the expenditures by the departments.

2.1.4 C4 Monthly Budget Statement –Financial Performance (revenue and Expenditure)

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - Quarter 1

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		77 914	91 308	91 308	24 509	24 509	22 827	1 682	7%	91 308
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		11 793	15 526	15 526	2 984	2 984	3 881	(897)	-23%	15 526
Sale of Goods and Rendering of Services		27 190	26 470	26 470	9 200	9 200	6 618	2 583	39%	26 470
Agency services		1 539	1 800	1 800	400	400	450	(50)	-11%	1 800
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 536	2 200	2 200	475	475	550	(75)	-14%	2 200
Interest from Current and Non Current Assets		22 518	28 813	28 813	6 124	6 124	7 203	(1 079)	-15%	28 813
Dividends		–	–	–	–	–	–	–		–
Rent on Land		333	–	–	–	–	–	–		–
Rental from Fixed Assets		1 317	2 220	2 220	473	473	555	(82)	-15%	2 220
Licence and permits		2 470	4 434	4 434	619	619	1 108	(489)	-44%	4 434
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		518	905	905	2	2	226	(224)	-99%	905
Non-Exchange Revenue										
Property rates		56 360	61 937	61 937	42 477	42 477	15 484	26 993	174%	61 937
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		2 127	3 048	3 048	359	359	762	(403)	-53%	3 048
Licence and permits		31	25	25	0	0	6	(6)	-96%	25
Transfers and subsidies - Operational		330 510	331 654	331 654	138 277	138 277	82 914	55 364	67%	331 654
Interest		16 293	24 270	24 270	4 106	4 106	6 068	(1 962)	-32%	24 270
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		1 120	–	–	–	–	–	–		–
Other Gains		28	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		553 465	594 610	594 610	230 005	230 005	148 652	81 353	55%	594 610
Expenditure By Type										
Employee related costs		162 964	186 701	186 701	43 293	43 293	46 675	(3 382)	-7%	186 701
Remuneration of councillors		24 244	24 666	24 666	5 833	5 833	6 166	(333)	-5%	24 666
Bulk purchases - electricity		87 487	98 000	98 000	24 717	24 717	24 500	217	1%	98 000
Inventory consumed		5 212	7 033	7 033	690	690	1 758	(1 068)	-61%	7 033
Debt impairment		–	–	–	–	–	–	–		–
Depreciation and amortisation		63 816	22 322	22 322	–	–	5 580	(5 580)	-100%	22 322
Interest		3 829	–	–	–	–	–	–		–
Contracted services		138 140	170 618	170 618	32 449	32 449	42 655	(10 206)	-24%	170 618
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		12 447	6 500	6 500	–	–	1 625	(1 625)	-100%	6 500
Operational costs		62 519	78 784	78 784	13 179	13 179	19 696	(6 517)	-33%	78 784
Losses on Disposal of Assets		1 065	–	–	–	–	–	–		–
Other Losses		27	–	–	–	–	–	–		–
Total Expenditure		561 751	594 624	594 624	120 161	120 161	148 655	(28 494)	-19%	594 624
Surplus/(Deficit)		(8 285)	(14)	(14)	109 844	109 844	(3)	109 847	-3171824%	(14)
Transfers and subsidies - capital (monetary allocations)		82 541	82 490	99 876	25 668	25 668	23 784	1 884	8%	99 876
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		74 256	82 476	99 862	135 512	135 512	23 780			99 862
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		74 256	82 476	99 862	135 512	135 512	23 780			99 862
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		74 256	82 476	99 862	135 512	135 512	23 780			99 862
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		74 256	82 476	99 862	135 512	135 512	23 780			99 862

In terms of the first Quarter Budget & Performance assessment, the revenue recognised to date is **R 230,005,407** inclusive of operational transfers against approved revenue budget of **R 594,609,785**, this represents **39%**, is above the expected performance for the for the quarter due to annual property rates billing that is done in July, Service Charges, operational transfers and subsidies grants recognised for the quarter.

The operating expenditure budget as at 30th September 2025 is **R 120,161,412** against approved Expenditure budget of **R 594,623,647**, this represents **20%** of the total operating budget, the variance is due to non-cash items that are recognised at the end of financial year and less operational payments made on operational items for the quarter under review.

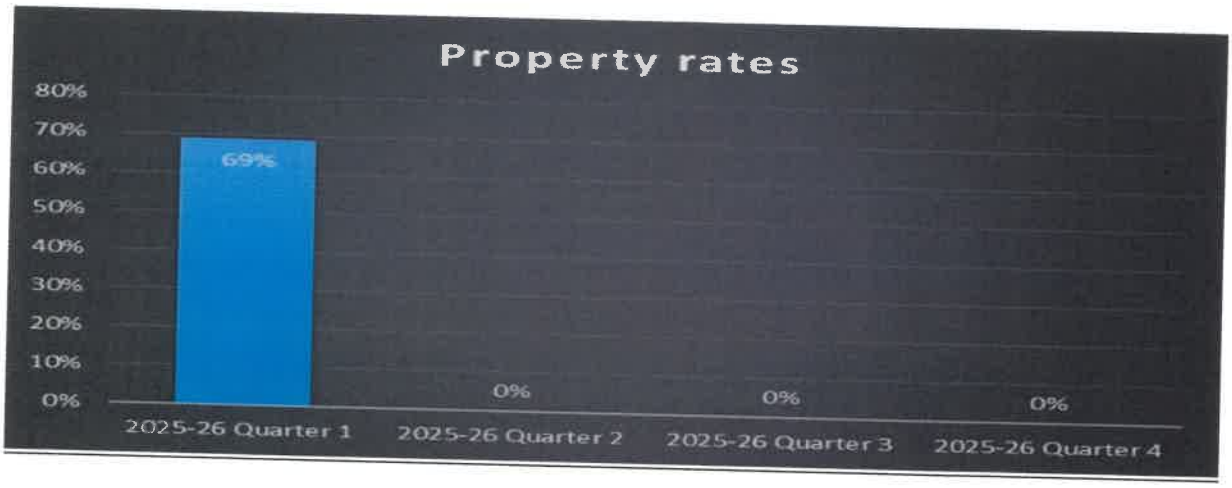
Capital Transfers and subsidies revenue recognised for the Quarter is **R 37,996,457** against budget of **R 99,875,617,** this represents **20%** which is less than expected performance for the quarter less Capital transfers recognised for the quarter.

Quarterly projections for year-to-date budgets, based on trend methodology, will be revised regularly and used for adjustment budgets and future budget planning.

Revenue by Source
Property Rates

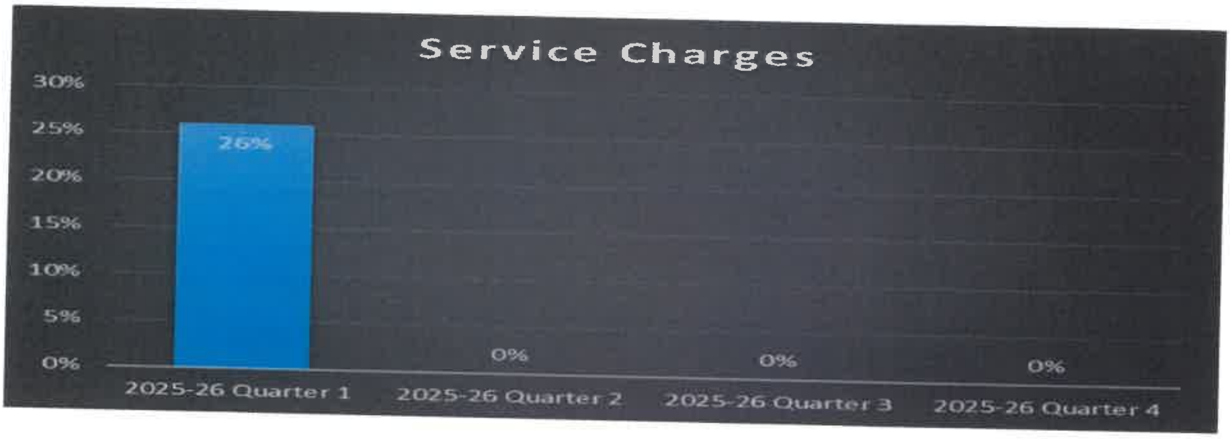
Property Rates is the major part of the municipal own revenue and represents **9%** of total own revenue budget. Property Rates – Property rates are billed for 10 months starting from July 2025 to April 2026 for both annual and quarterly rates, the. Billing for the quarter 1 amounted to **R 42,476,811.**

The total property rates billed amounted to **R 42,476,811**, income received from property rates amounted to **R 16,370,863** for the 1st Quarter ended 30th September 2025 against approved budget of **R 61,936,751** this represents **69%** of received revenue by source which is more than anticipated **25%.** More collection is due to government departments who made payments for arrear departments, the collection rate to-date is **31%**. The revenue stream will be closely monitored to ensure revenue targets are met by year end.



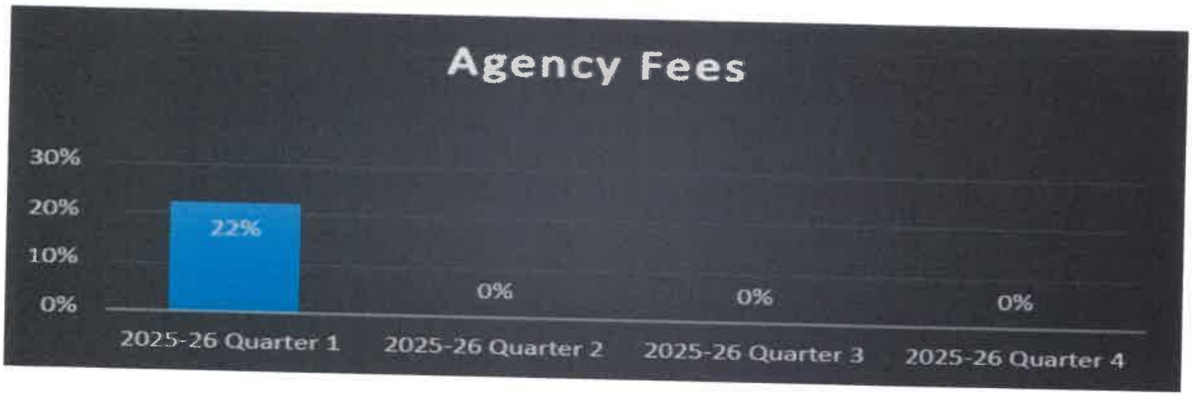
Service Charges

Revenue from Service charges amounted to **R 27,492,733** which is made of **R 2,983,982** and **R 24,508,751** for Refuse and Electricity for the 1st quarter ended 30 September 2025 against the approved budget of **R 106,833,628**, This represents **26%** of the revenue budget for this source. This is above the expected performance for the quarter on this category due to more collection on Prepaid electricity sales and refuse collection.



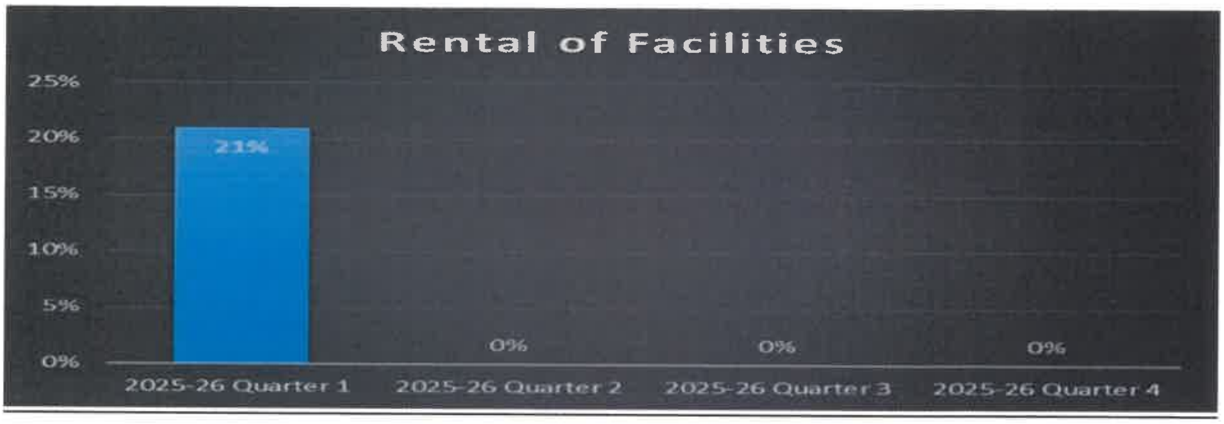
Agency Fees

The budget for agency fees amounts to **R 1,800,000** relating to commission received from department of transport. The income received from agency fees for the quarter amounted to **R 400,055**, this represents **22%** of the budget, the variance is due to less commission received than anticipated.



Rental from facilities

Revenue from rental of facilities amounted to **R 473,388** for the 1st quarter ended 30th September 2025 against the approved budget of **R 2,220,000** and this represents **21%.** Th variance is less than expected performance for the quarter due to less revenue rental of facilities received due closure of the town hall. The revenue will be monitored to measure if any adjustments are required during the adjustment budget process.

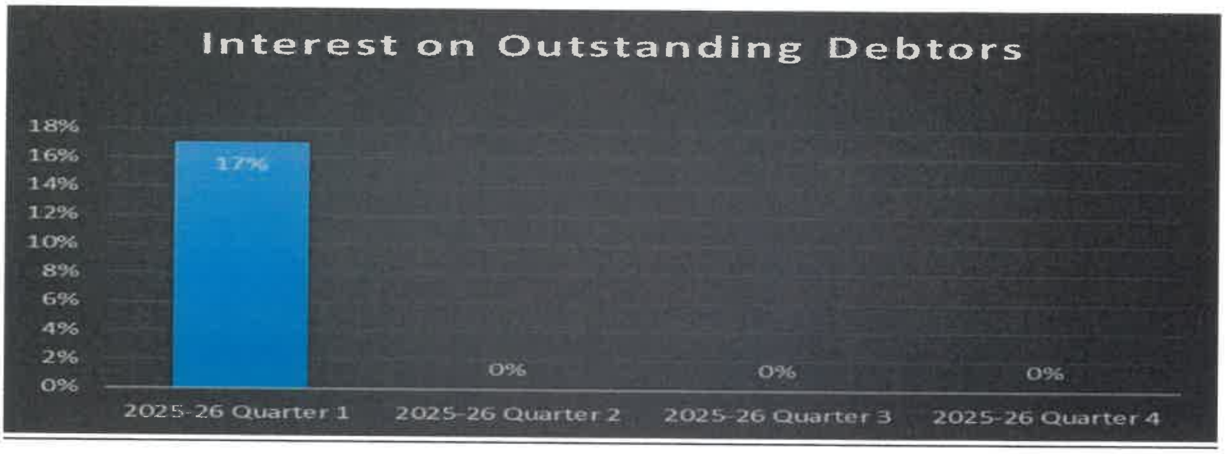


Interest on Investments

The total Interest on investments approved budget is **R 28,812,996** and the interest received for the quarter 1 ending September 2025 is **R 6,124,184** which represents **21%** of the total budget from this source. This is less than expected performance for the quarter due to capital projects that have not yet been implemented hence the variance as the interest received resulted to the unfavourable and will improve at mid-term.

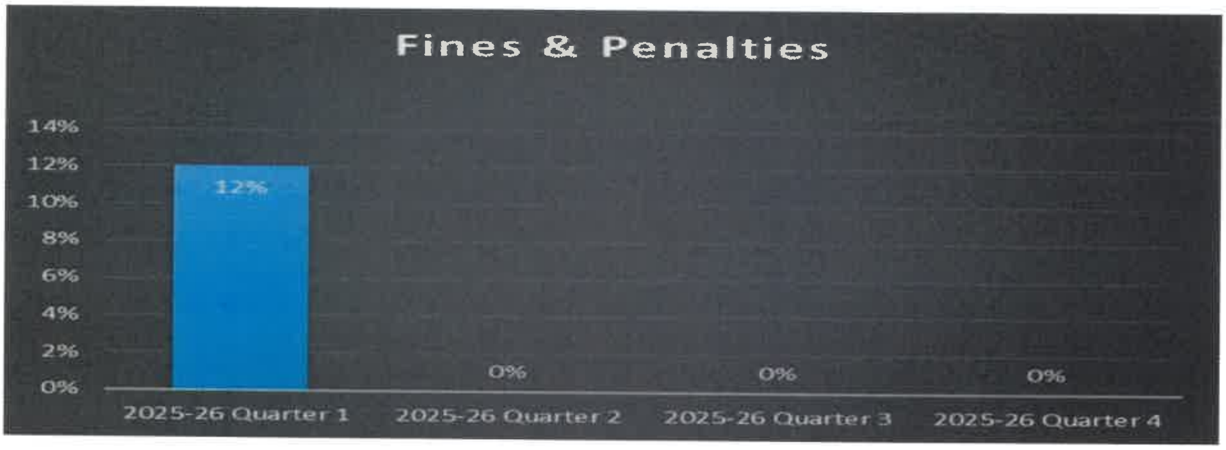
Interest on Outstanding Debtors

Interest on non-payment of electricity has been raised quarter which amounts to **R 4,580,200** has been posted on the interest on arrears for refuse services with the approved budget allocation of **R 26,470,000** which represents **17%**, This is less than the expected performance when measured against the quarterly projection due to less sales under electricity and Interest billed on outstanding electricity payments. This increased interest is because of non-payment of the principal debt owed to the Municipality. These rising arrears are a cause for concern, as they indicate a declining ability among residents to afford escalating costs.



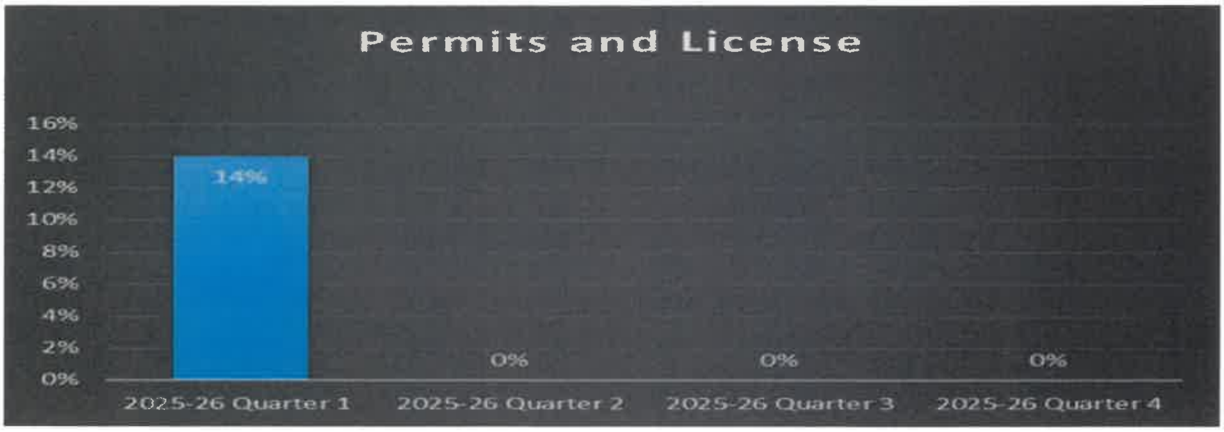
Fines & Penalties

Revenue from fines and penalties amounted to **R 359,173** for the quarter ended 30 September 2025 against approved budget of **R 3,048,000** for the quarter under review and this represents **12%** and the variance is due to less municipal traffic fines raised/issued as not all fines issued by the traffic officers have been captured on the system.



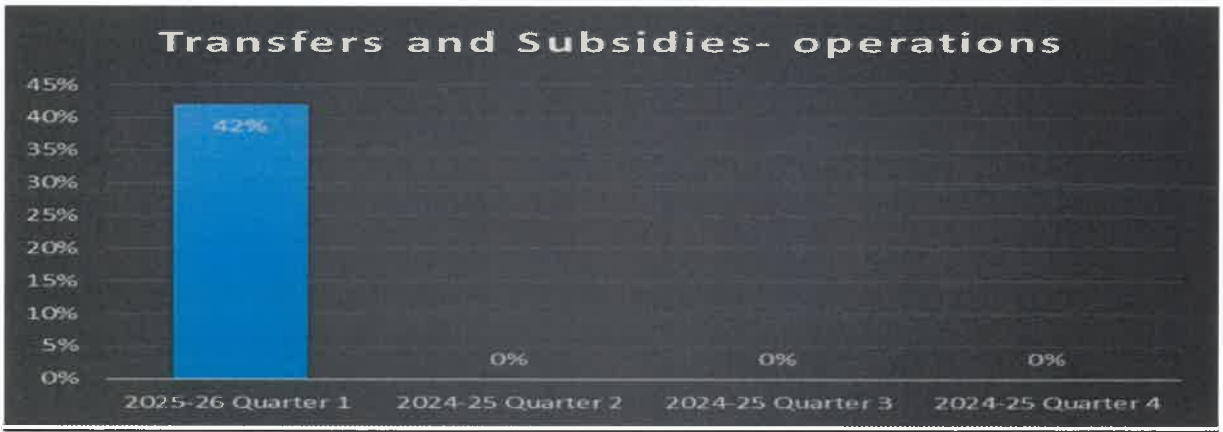
Licenses and Permits

Revenue from licenses and permits amounted to **R 619,293** against approved **R 4,459,108** for the quarter ended 30 September 2025. This represents **14%** revenue for the quarter against the budget from this source, this is less than expected performance due to a decrease in Learner's licence and motor vehicle registration application for the quarter under review.



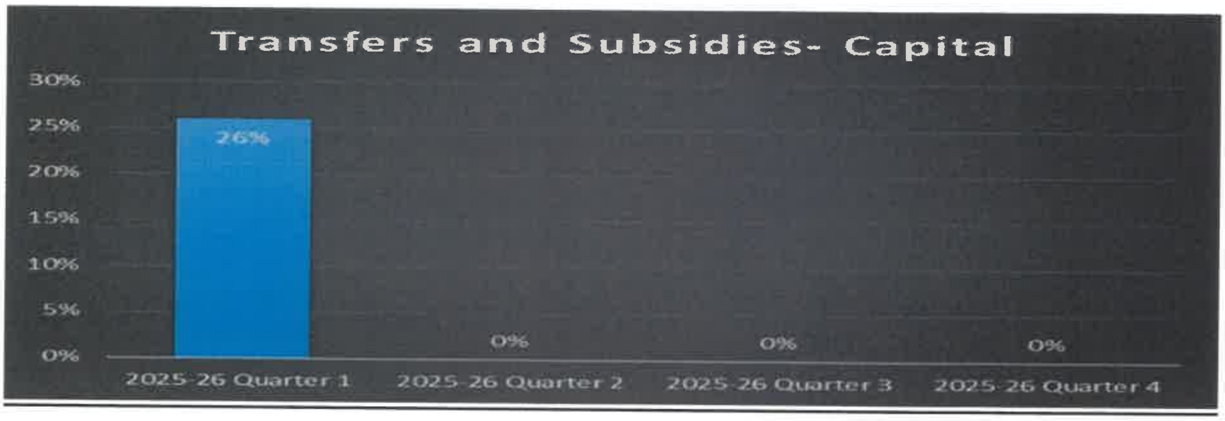
Transfers and Subsidies-Operational

Total approved budget amount on transfers and subsidies is **R 360,244,200** and the transfers recognised for the quarter amounted to **R 138,277,265**, this is representing **42%** of the total budget allocation which is above the expected performance for the quarter due to the operating grants received in advance this include Equitable Share, MIG, INEP and FMG recognised for the quarter,



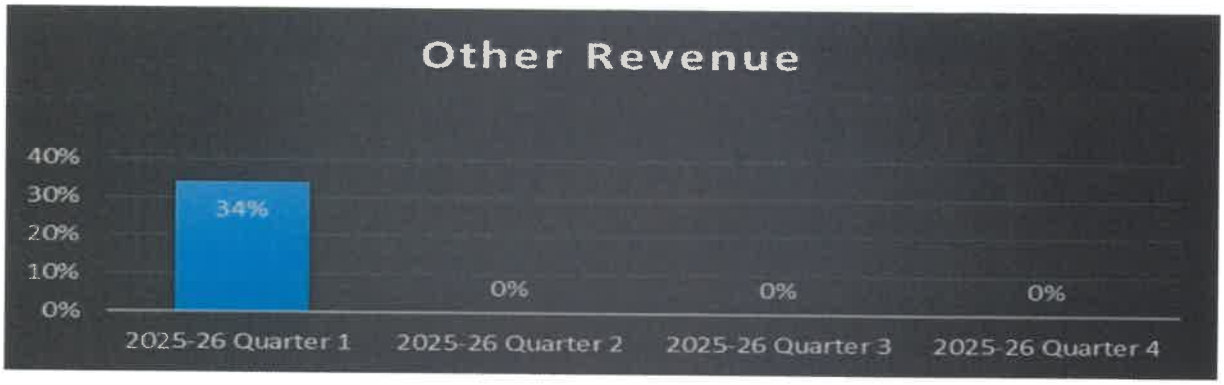
Transfers and Subsidies- Capital

Total approved budget on transfers and subsidies is **R 96,747,180** and the total revenue of **R 25,667,542** was recognised for the quarter ended 30 September 2025 and it represents **26%** of total budget. This is above the expected performance for the quarter; due to more Revenue recognised under MIG.



Other Revenue

Other revenue reflects an amount of **R 9,202,303** for the 1st quarter ended 30th September 2025 against approved budget of **R 27,375,252,** this represents **34%** of the budget allocated for this category, this is more than expected performance for the quarter due to more revenue recognised on INEP projects under the quarter under review.



Expenditure by Type

Expenditure by type reflects operational budget per type/category of expenditure

Employee Related Costs

Salary costs incurred – the Municipality incurred **R 38,900,686** million salary costs at the end of September 2025, incurring **23%** expenditure for the quarter salary against the approved budget allocation of **R 174,999,456**, this is less than expected performance as reflected in the table below. The variance is attributable to employee dismissal, resignation, retirement and vacant posts anticipated to be filled in the 2025/2026 financial year. The process of filling posts is continuous hence there is a variance.

Description	Total Budget	July Actuals	August Actuals	September Actuals	YTD Total Actual
Employee Related Cost	**186 700 555**	**13 775 922**	**15 143 781**	**14 373 721**	**43 293 424**
Municipal Staff	178 157 163	13 289 407	14 657 383	13 884 090	41 830 881
Senior Management	8 543 392	486 515	486 398	489 631	1 462 543
Grand Total	186 700 555	13 775 922	15 143 781	14 373 721	43 293 424
				8%	**23%**

Councillors Remuneration

The Remuneration of Councillors amounted to **R 5,833,470** for the for the quarter ended 30 September 2025 against budget of **R 26,401,344** this represents **24%** of the budget allocated to this category. This is less than expected performance for the quarter due to awaiting councillors' salary increment as gazetted.

Description	Total Budget	July Actuals	August Actuals	September Actuals	YTD Total Actual
Remuneration of Councillors	**24 665 901**	**1 974 473**	**1 930 882**	**1 928 115**	**5 833 470**
Chief Whip	816 891	49 465	49 465	64 648	163 578
Executive Committee/Mayoral Committee	5 655 601	320 442	324 649	382 931	1 028 021
Executive Mayor/Mayor	1 072 684	227 187	227 187	84 891	539 264
Section 79 committee chairperson	801 471	63 111	63 111	137 033	263 255
Speaker	868 047	68 696	68 696	68 696	206 089
Total for All Other Councillors	15 451 207	1 245 572	1 197 774	1 189 916	3 633 262
Grand Total	24 665 901	1 974 473	1 930 882	1 928 115	5 833 470
				8%	**24%**

Debt impairment

Debt Impairment is processed annually. Testing of impairment is processed quarterly but adjusted on an annual basis.

Irrecoverable debts written off

Note that no council approved write-offs as at date of reporting.

Depreciation and Asset Impairment

Depreciation and asset impairment reflects an anticipated YTD negative variance of **R 5,580,469** million. The variance is because of delays in completion of projects which has influenced the capitalization and subsequent depreciation of these assets. The depreciation Journal will be passed in December and will be inclusive of July and November transactions. This process ensures that only completed and operational assets are depreciated in accordance with the Municipal Asset Management Framework and GRAP 17 (Property, Plant and Equipment). Further depreciation will be posted in the 13th period of the financial year.

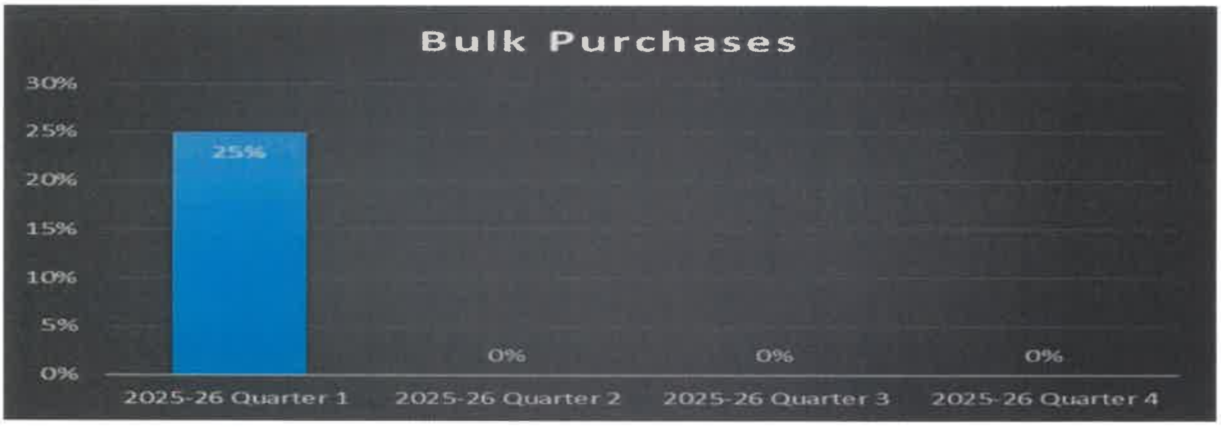
The other contributing factor to this variance is related to asset impairment, the journal will be processed at year end in accordance with GRAP.

Finance Costs

No expenditure relating to interest charges has been incurred for the quarter. The municipality is not yet obliged to make interest payment as anticipated during the budget stage as invoice are paid within 30 days and where is the difference will be the timing in terms of billing by Eskom and the time the municipality is expected to make a payment.

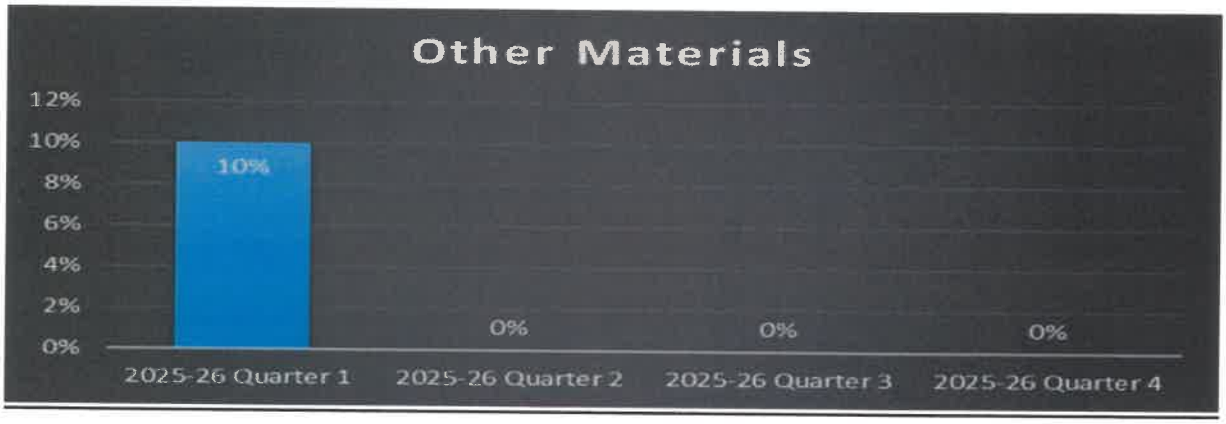
Bulk Purchases

Expenditure on electricity bulk purchases amounted to **R 24,717,384** for the quarter ended 30 September 2025 against approved budget of **R 98,000,000** this represents **25%**, this is within the expected performance for the quarter.



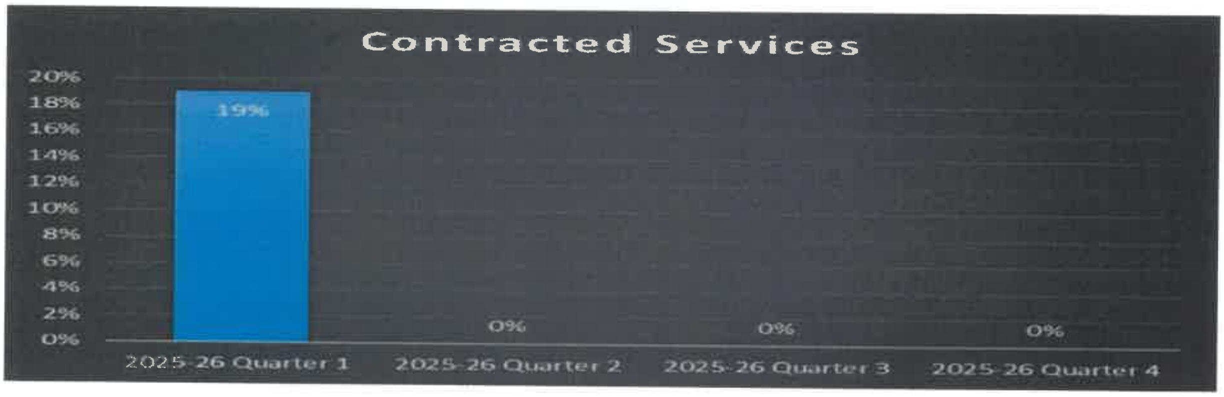
Other Material

The expenditure amounted to **R 689,769** for the quarter ended 30 September 2025 against approved budget of **R 7,032,600**. This represents **10%** of budget. The variance is primarily attributable to the lower-than-anticipated consumption of inventories across various municipal departments. Inventories typically include consumable goods such as stationery, cleaning materials, maintenance supplies, and other operational materials required for day-to-day municipal activities and service delivery.



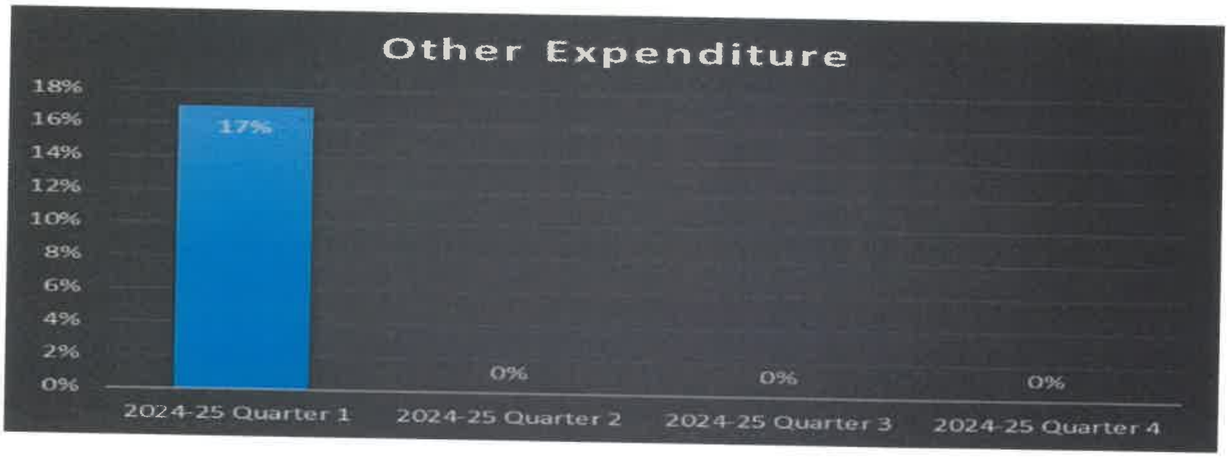
Contracted Services

The spending in this expenditure category is **R 32,448,745** against approved Budget of **R 170,618,329**; this represents **19%** of the budget. This is less than expected performance for the quarter due to less work undertaken under Electrification of Motsekua Village, refuse removal, cash cropping programme, security services, consulting fees and smart metering.



Other Expenditure

Other expenditure for the quarter ended 30th September 2025 amounted to **R 13,178,620** against approved budget of **R 78,784,387** and represents **17%,** reflects variance which is below the budgeted due to less expenditure is identified relating Internships and learnerships, insurance premium, workman's Compensation and employee achievements and awards that are planned to be spent in the 3rd and 4th quarter of the financial year and work's man compensation and Audit fees are accounted for at year end.



2.1.5 C5 Monthly Budget Statement –Capital Expenditure (municipal vote, functional classification and funding)

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 - Quarter 1

Vote Description	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Executive Council		–	–	–	–	–	–	–		–
Vote 2 - Finance and Admin		–	–	–	–	–	–	–		–
Vote 3 - Corporate		–	–	–	–	–	–	–		–
Vote 4 - Development and Planning		–	–	–	–	–	–	–		–
Vote 5 - Community		–	–	–	–	–	–	–		–
Vote 6 - Infrastructure		–	–	–	–	–	–	–		–
Vote 7 - Internal Audit		–	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 1 - Executive Council		53	–	–	–	–	–	–		–
Vote 2 - Finance and Admin		2 196	4 397	4 397	139	139	1 099	(960)	-87%	4 397
Vote 3 - Corporate		1 685	3 240	3 240	381	381	810	(429)	-53%	3 240
Vote 4 - Development and Planning		4 124	18 855	18 855	1 003	1 003	4 714	(3 711)	-79%	18 855
Vote 5 - Community		9 333	8 000	8 000	158	158	2 000	(1 842)	-92%	8 000
Vote 6 - Infrastructure		115 330	128 873	146 259	36 316	36 316	35 379	937	3%	146 259
Vote 7 - Internal Audit		–	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	132 721	163 365	180 751	37 996	37 996	44 002	(6 006)	-14%	180 751
Total Capital Expenditure		132 721	163 365	180 751	37 996	37 996	44 002	(6 006)	-14%	180 751
Capital Expenditure - Functional Classification										
Governance and administration		3 933	7 637	7 637	519	519	1 909	(1 390)	-73%	7 637
Executive and council		53	–	–	–	–	–	–		–
Finance and administration		3 880	7 637	7 637	519	519	1 909	(1 390)	-73%	7 637
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		4 849	5 150	5 150	75	75	1 288	(1 213)	-94%	5 150
Community and social services		832	2 350	2 350	75	75	588	(513)	-87%	2 350
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		4 017	2 800	2 800	–	–	700	(700)	-100%	2 800
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		109 385	133 308	150 694	26 913	26 913	36 488	(9 575)	-26%	150 694
Planning and development		4 124	18 855	18 855	1 003	1 003	4 714	(3 711)	-79%	18 855
Road transport		105 261	114 453	131 839	25 910	25 910	31 774	(5 864)	-18%	131 839
Environmental protection		–	–	–	–	–	–	–		–
Trading services		14 554	17 270	17 270	10 489	10 489	4 318	6 172	143%	17 270
Energy sources		10 069	14 420	14 420	10 406	10 406	3 605	6 801	189%	14 420
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		4 485	2 850	2 850	83	83	713	(629)	-88%	2 850
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	132 721	163 365	180 751	37 996	37 996	44 002	(6 006)	-14%	180 751
Funded by:										
National Government		69 845	82 190	99 576	23 115	23 115	23 709	(594)	-3%	99 576
Provincial Government		629	300	300	75	75	75	(0)	0%	300
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		70 374	82 490	99 876	23 190	23 190	23 784	(594)	-2%	99 876
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		62 445	80 875	80 875	14 807	14 807	20 219	(5 412)	-27%	80 875
Total Capital Funding		132 721	163 365	180 751	37 996	37 996	44 002	(6 006)	-14%	180 751

The approved annual capital budget for the financial year amounts to **R 163,364,950** and this was adjusted to an adjusted budget of **R 180,750,617**. The Municipality incurred expenditure of **R 37,996,457.** This represents **21%** of the approved capital expenditure budget, The expenditure incurred is less the expected performance for the quarter due to less payments made on capital projects funded by disaster grant and internal funding.

2.1.6 C6 Monthly Budget Statement –Financial Position

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - M03 - Quarter 1

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		269 900	230 836	230 836	324 704	230 836
Trade and other receivables from exchange transactions		(47 211)	54 254	54 254	(39 957)	54 254
Receivables from non-exchange transactions		158 812	125 528	125 528	188 522	125 528
Current portion of non-current receivables		–	–	–	–	–
Inventory		3 832	3 784	3 784	3 449	3 784
VAT		24 677	10 438	10 438	23 984	10 438
Other current assets		5 866	5 400	5 400	5 866	5 400
Total current assets		415 875	430 240	430 240	506 568	430 240
Non current assets						
Investments		–	–	–	–	–
Investment property		4 960	4 960	4 960	4 960	4 960
Property, plant and equipment		1 094 786	1 267 568	1 284 954	1 132 785	1 284 954
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1 543	1 543	1 543	1 543	1 543
Intangible assets		377	1 491	1 491	377	1 491
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		1 101 666	1 275 562	1 292 947	1 139 665	1 292 947
TOTAL ASSETS		1 517 543	1 705 802	1 723 187	1 646 232	1 723 187
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 803	528	528	1 832	528
Trade and other payables from exchange transactions		68 936	65 900	65 900	40 880	65 900
Trade and other payables from non-exchange transactions		20 481	29 800	29 800	40 768	29 800
Provision		24 184	43 950	43 950	24 184	43 950
VAT		61 434	61 810	61 810	62 351	61 810
Other current liabilities		–	–	–	–	–
Total current liabilities		176 837	201 988	201 988	170 015	201 988
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		26 005	22 501	22 501	26 005	22 501
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		17 928	–	–	17 928	–
Total non current liabilities		43 933	22 501	22 501	43 933	22 501
TOTAL LIABILITIES		220 770	224 489	224 489	213 948	224 489
NET ASSETS	2	1 296 773	1 481 313	1 498 699	1 432 284	1 498 699
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		912 403	1 400 438	1 417 824	1 047 914	1 417 824
Reserves and funds		384 370	80 875	80 875	384 370	80 875
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1 296 773	1 481 313	1 498 699	1 432 284	1 498 699

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 30 September 2025. Total assets are **R 506,568,000** over the total liabilities of **R 213,948,000** this is therefore means the municipality will be able to meet its financial obligations.

2.1.7 C7 Monthly Budget Statement –Cash Flow

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M03 - Quarter 1

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		67 797	52 646	52 646	16 743	16 743	13 162	3 582	27%	52 646
Service charges		96 392	90 809	90 809	26 398	26 398	22 702	3 696	16%	90 809
Other revenue		22 800	84 321	84 321	14 111	14 111	21 080	(6 969)	-33%	84 321
Transfers and Subsidies - Operational		338 711	331 654	331 654	137 325	137 325	82 914	54 411	66%	331 654
Transfers and Subsidies - Capital		179 429	82 490	99 876	63 573	63 573	23 784	39 789	167%	99 876
Interest		24 647	55 283	55 283	6 204	6 204	13 821	(7 617)	-55%	55 283
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(291 732)	(565 802)	(565 802)	(76 995)	(76 995)	(141 450)	64 456	-46%	(565 802)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		438 045	131 401	148 786	187 359	187 359	36 011	(151 348)	-420%	148 786
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		130 245	(163 365)	(180 751)	(43 248)	(43 248)	(44 002)	755	-2%	(180 751)
NET CASH FROM/(USED) INVESTING ACTIVITIES		130 245	(163 365)	(180 751)	(43 248)	(43 248)	(44 002)	(755)	2%	(180 751)
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		568 291	(31 964)	(31 964)	144 111	144 111	(7 991)			(31 964)
Cash/cash equivalents at beginning:		258 146	262 801	262 801		269 900	262 801			269 900
Cash/cash equivalents at month/year end:		826 435	230 836	230 836		414 011	254 810			237 936

A cash flow statement provides data regarding all cash inflows a municipality receives from its ongoing operations and external investment sources.

PART 3 –SUPPORTING DOCUMENTATION

DEBTORS' ANALYSIS

Supporting Table SC3 _Monthly Budget statement Aged Debtors _ 1st quarter

EC441 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 - Quarter 1

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5 549	4 990	2 906	1 386	[illegible]	214	883	[illegible]	21 392	8 016	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	1 970	2 510	32 174	28	14	622	530	[illegible]	116 539	79 885	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	916	564	476	412	403	394	400	30 327	33 861	31 937	(70)	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	7	7	7	–	–
Interest on Arrear Debtor Accounts	1810	1 887	1 460	1 409	1 304	1 408	1 432	1 420	64 269	74 780	70 014	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	208	1 872	82	77	145	170	135	40 091	42 779	40 618	(104)	–
Total By Income Source	2000	19 536	11 305	37 010	3 274	2 529	2 832	3 099	218 773	289 388	230 477	(104)	–
2024/25 - totals only		30 774	[illegible]	2 724	2 751	3 259	3 544	[illegible]	198 046	263 387	216 995	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	3 555	9 029	34 980	2 246	1 474	1 250	1 559	85 885	139 107	91 534	–	–
Commercial	2300	6 302	1 675	1 353	826	504	920	888	70 577	82 764	73 434	(104)	–
Households	2400	679	661	687	602	501	662	[illegible]	63 101	67 517	55 509	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	10 536	11 305	37 010	3 274	2 529	2 832	3 099	218 773	289 388	230 477	(104)	–

The total debt book for September 2025 of R 289,388,439, inclusive of R 5,212,168 advance payments.

The total debt for the quarter 2025 of R 284,176,271 (including current of R 9,325,321) which is not yet due) has increased by R 40,756,122 from the previous quarter closing balance of R 243,420,149.

Debt is made up of the following:

- **Residential debt:**
  R 108,935,070
  Commercial debt
  R 37,191,179
- **Government debt**
  R 132,837,716
  Other
  R 5,212,307

The municipality implements the credit control and debt collection policy. There are two areas in which the municipality is not able to collect and the debt totals to R 94,525,611.

- **Maluti**
  R 75,122,331 (including current)
- **Cedarville**
  R 19,403,280 (including current)

The municipality makes use of debt collectors in implementing the credit and debt collection policy.

The credit control measures for collection are implemented especially for old debt, the municipality has attorneys to assist with collection of long outstanding debt when all internal processes have been exhausted.

The following has been handed over:

Residential H/O R 67,209 035.27

Business H/O R 3,164,487.08

Churches H/O R 117 627.88

Farms H/O R 4,647,139.34

R 31,380,405.28 was collected as at 30 September 2025.

CREDITORS' ANALYSIS

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 - Quarter 1

Description R thousands	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	–	–	–	–	–	–	–	–	–	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	7
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	–	–	–	–	–	–	–	–	–	7

The municipality makes an extra effort that creditors are paid within 30 days as per MFMA, therefore municipality paid its creditors within 30 days for the quarter ended 30 September 2025.

INVESTMENT POTFOLIO ANALYSIS

Sept-25

Investment Management

Conditional Investments -Description	Opening Balance	Deposits	WITHDRAWALS	Interest Earned	Closing Balance
Municipal Infrastructure Grant	11 815 591.51	16 004 471.06	-7 419 293.37	-67 471.06	20 400 769.20
INEP	9 280 767.66	39 707.83	-9 246 174.28	-39707.83	74 301.21
EPWP	-			-	-
Disaster Management	15 730 930.60	7 457 647.16	-3 139 543.20	-95 647.16	20 049 034.56
Finance Management Grant	1 258.08	6.82		-6.82	1 264.90
Establishment Plan	238 548.69	1 029.36		-1 029.36	239 578.05
Housing Development Fund	2 434 928.97	10 807.09		-10 807.09	2 445 736.06
Dedea	739 857.68	3 298.96		-3 298.96	743 156.64
Total Conditional Investments	**40 241 883**	**23 516 968**	- **19 805 011**	- **217 968**	**43 953 841**

Sept-25

Unconditional Investments -Description	Openning Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	168 244 582.18	7 900 000.00		-1 616 699.35	176 144 582.18
Call ACC FNB Surplus Cash	6 805 395.80			-31 211.59	6 805 395.80
Nedbank 32 Days	8 494 423.05	52 304.75		-52 304.75	8 546 727.80
Nedbank	60 920 846.92	22 521 654.95	-46 100 000.00	-521 654.95	37 342 501.87
Nedbank Retention	9 974 324.29	55 063.75		-55 063.75	10 029 388.04
Termination Guarantee	144 640.82			-798.56	144 640.82
Account Gaurantee	6 202 000.00			-34 238.57	6 202 000.00
Standard bank	40 191 068.49	460 301.37		-460 301.37	40 651 369.86
	300 977 282	**30 529 023**	- **46 100 000**	- **2 772 273**	**285 866 606**
Total Investment as at 31 September 2025					**329 820 447**

It must be noted that the municipality does not have entities hence no investment that must be recognised on their behalf.

The municipality invests surplus funds in order to maximise the interest and to have cash readily available when needed and is done in line with the Cash Management and Investments policy. This indicates that the municipality as at 30 September 2025 had sufficient cash to operate for a period more than 3 months without receiving grants to cover operating costs.

As at 30 September 2025 the conditional investments amounted to **R 43,953,841** and unconditional investments amounted to **R 285,866,606**. Total investments as at 30 September 2025 amounted to **R 329,820,447**.

A significant portion of this is being ring fenced for various statutory and constructive obligations and may therefore not being considered as unencumbered cash.

Bank Balances

The following reflects bank balances 30 September 2025 (Quarter 1)

Description	July 2025	August 2025	September 2025
Nedbank Primary Account:	712,089	1,151,670	4,939,654
Standard bank Account:	1,974,351	7,908,079	5,768,519
FNB Money Market Account:	322,301	392 030	468,209
Total Cash held at quarter 1 ending 30 September 2025	**3 008 741**	**9,451,779**	**11,176,383**

Unreconciled items for the quarter amount to **R 16,823,883** which is made up of the receipts not yet banked and payments that reflects on the following quarter.

The above tables reflect the Cashbook balance of **R 11,176,383**and investment balance of **R 329,820,447** and the total cash book balance and investment is **R 340,099,683.**

ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

EC441 Matatiele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 - Quarter 1

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		383 485	327 138	327 138	169 531	169 531	81 785	87 746	107.3%	327 138
Expanded Public Works Programme Integrated Grant		3 880	2 980	2 980	2 545	2 545	745	1 800	241.6%	2 980
Local Government Financial Management Grant	3	1 700	1 800	1 800	–	–	450	(450)	-100.0%	1 800
Municipal Infrastructure Grant		57 584	3 034	3 034	33 934	33 934	759	33 175	4373.8%	3 034
Equitable Share		320 321	319 324	319 324	133 052	133 052	79 831	53 221	66.7%	319 324
Provincial Government:		–	4 516	4 516	–	–	1 129	(1 129)	-100.0%	4 516
Specify (Add grant description)		–	2 850	2 850	–	–	713	(713)	-100.0%	2 850
Specify (Add grant description)		–	1 666	1 666	–	–	416	(416)	-100.0%	1 666
District Municipality:		150	–	–	–	–	–	–		–
Specify (Add grant description)		150	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		383 635	331 654	331 654	169 531	169 531	82 914	86 617	104.5%	331 654
Capital Transfers and Grants										
National Government:		24 542	82 190	99 576	7 362	7 362	23 709	(16 347)	-68.9%	99 576
Municipal Infrastructure Grant		–	57 647	57 647	–	–	14 412	(14 412)	-100.0%	57 647
Municipal Disaster Recovery Grant		24 542	24 543	41 929	7 362	7 362	9 297	(1 935)	-20.8%	41 929
Provincial Government:		4 316	300	300	1 666	1 666	75	1 591	2121.3%	300
Specify (Add grant description)		3 066	–	–	1 666	1 666	–	1 666	#DIV/0!	–
Specify (Add grant description)		1 250	300	300	–	–	75	(75)	-100.0%	300
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		28 858	82 490	99 876	9 028	9 028	23 784	(14 756)	-62.0%	99 876
TOTAL RECEIPTS OF TRANSFERS & GRANTS		412 493	414 144	431 530	178 559	178 559	106 697	71 862	67.4%	431 530

All trenches allocated to be received in the quarter under review have been received in advance and will be reduced when the year progresses in the financial year under review.

Supporting Table C7

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 - Quarter 1

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		8 282	7 814	7 814	4 330	4 330	1 954	2 377	121.7%	7 814
Expended Public Works Programme Integrated Grant		3 880	2 980	2 980	3 352	3 352	745	2 607	349.9%	2 980
Municipal Disaster Relief Grant		1 631	–	–	–	–	–	–		–
Local Government Financial Management Grant	3	1 700	1 800	1 800	268	268	450	(182)	-40.5%	1 800
Municipal Infrastructure Grant		1 071	3 034	3 034	711	711	759	(48)	-6.3%	3 034
Provincial Government:		3 560	4 516	4 516	895	895	1 129	(234)	-20.7%	4 516
Specify (Add grant description)		465	2 850	2 850	80	80	713	(632)	-88.7%	2 850
Specify (Add grant description)		3 095	1 666	1 666	815	815	416	398	95.6%	1 666
District Municipality:		150	–	–	–	–	–	–		–
Specify (Add grant description)		150	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		11 992	12 330	12 330	5 225	5 225	3 083	2 143	69.5%	12 330
Capital Transfers and Grants										
National Government:		80 137	82 190	99 576	25 593	25 593	23 709	1 884	7.9%	99 576
Municipal Disaster Relief Grant		6 604	–	–	–	–	–	–		–
Municipal Infrastructure Grant		56 513	57 647	57 647	19 572	19 572	14 412	5 160	35.8%	57 647
Municipal Disaster Recovery Grant		17 020	24 543	41 929	6 021	6 021	9 297	(3 276)	-35.2%	41 929
Provincial Government:		601	300	300	(5 599)	(5 599)	75	(5 674)	-7564.9%	300
Specify (Add grant description)		–	300	300	–	–	75	(75)	-100.0%	300
Specify (Add grant description)		(29)	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	(5 673)	(5 673)	–	(5 673)	#DIV/0!	–
Specify (Add grant description)		629	–	–	75	75	–	75	#DIV/0!	–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		85 738	82 490	99 876	19 994	19 994	23 784	(3 789)	-15.9%	99 876
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		92 730	94 820	112 206	25 219	25 219	26 866	(1 647)	-6.1%	112 206

Expenditure performance on operational grants to date represents **42%** of the approved budget and this is above the performance for the quarter.

Capital Expenditure on capital grants to date represents is **20%** of the approved budget on capital grants, expenditure on capital grants is less the expected performance This is due to less capital payments made and less revenue was recognised on conditional grant.

EMPLOYEE RELATED COSTS AND COUNCILLOR'S REMUNERATION

Section 66 of the MFMA requires that the accounting officer of a municipality must report to Council in a prescribed format all expenditure incurred by the municipality on staff salaries, wages and benefits in a manner that discloses expenditure per type such as salaries, contributions for pensions etc.

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 - Quarter 1

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		13 478	13 856	13 856	3 288	3 288	3 464	(176)	-5%	13 856
Pension and UIF Contributions		930	958	958	222	222	239	(17)	-7%	958
Medical Aid Contributions		337	91	91	67	67	23	44	192%	91
Motor Vehicle Allowance		15	2 178	2 178	191	191	544	(353)	-65%	2 178
Cellphone Allowance		2 561	2 673	2 673	635	635	669	(34)	-5%	2 673
Housing Allowances		6 742	4 912	4 912	1 431	1 431	1 228	203	17%	4 912
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		24 244	24 666	24 666	5 833	5 833	6 166	(333)	-5%	24 666
% increase	4		1.7%	1.7%						1.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 696	2 782	2 782	545	545	695	(150)	-22%	2 782
Pension and UIF Contributions		124	489	489	60	60	122	(62)	-51%	489
Medical Aid Contributions		98	343	343	55	55	86	(31)	-36%	343
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		15	580	580	7	7	145	(138)	-95%	580
Motor Vehicle Allowance		1 774	2 906	2 906	542	542	726	(184)	-25%	2 906
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		754	904	904	175	175	226	(51)	-23%	904
Other benefits and allowances		0	1	1	0	0	0	(0)	-56%	1
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		202	540	540	77	77	135	(58)	-43%	540
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		4 694	8 543	8 543	1 463	1 463	2 136	(673)	-32%	8 543
% increase	4		85.6%	85.6%						85.6%
Other Municipal staff										
Basic Salaries and Wages		109 136	124 147	124 147	27 845	27 845	31 037	(3 192)	-10%	124 147
Pension and UIF Contributions		16 493	21 360	21 360	4 692	4 692	5 340	(648)	-12%	21 360
Medical Aid Contributions		6 512	8 001	8 001	1 701	1 701	2 000	(299)	-15%	8 001
Overtime		4 279	3 980	3 980	932	932	995	(63)	-6%	3 980
Performance Bonus		10 412	9 305	9 305	3 210	3 210	2 326	883	38%	9 305
Motor Vehicle Allowance		6 808	7 060	7 060	1 581	1 581	1 765	(185)	-10%	7 060
Cellphone Allowance		6	6	6	2	2	2	(0)	-7%	6
Housing Allowances		3 098	3 221	3 221	749	749	806	(57)	-7%	3 221
Other benefits and allowances		1 544	1 076	1 076	1 071	1 071	269	802	298%	1 076
Payments in lieu of leave		(1 159)	–	–	32	32	–	32	#DIV/0!	–
Long service awards		1 145	–	–	17	17	–	17	#DIV/0!	–
Post-retirement benefit obligations	2	94	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		158 361	178 157	178 157	41 831	41 831	44 539	(2 708)	-6%	178 157
% increase	4		12.5%	12.5%						12.5%
Total Parent Municipality		187 299	211 366	211 366	49 127	49 127	52 842	(3 715)	-7%	211 366

EMPLOYEE RELATED COST

The employee related cost expenditure for the quarter under review amounted to **R 43,293,424** against budget of **R 186,700,555** and represents **23%** performance of the budget, this is less than expected performance as reflected in the table below. The variance is attributable to employee dismissal, resignation, retirement and vacant posts anticipated to be filled in the 2025/2026 financial year. The process of filling posts is continuous hence there is a variance.

COUNCIL REMUNERATION

The expenditure from remuneration of Councillors amounted to **R 5,833,470** for the ended 30 September 2025 against the approved budget of **R 24,665,901**, this represents **24%** of the budget allocated This is less than expected performance for the quarter due to awaiting councillors' salary increment as gazetted.

Performance Indicators

EC441 Matatiele - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 - Quarter 1

Description of financial indicator	Basis of calculation	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.7%	3.8%	3.8%	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/		8.3%	6.5%	6.4%	7.0%	6.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	235.2%	213.0%	213.0%	298.0%	213.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		152.6%	114.3%	114.3%	191.0%	114.3%
Revenue Management							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		21.2%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		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		29.4%	31.4%	31.4%	18.8%	31.4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.1%	4.8%	4.8%	1.1%	4.8%
Interest & Depreciation	I&D/Total Revenue - capital revenue		12.2%	3.8%	3.8%	0.0%	4.1%
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						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational						

References

1. Consumer debtors > 12 months old are excluded from current assets.
2. Material variances to be explained.

Calculations							
Financial liabilities							
Total Assets							
Employee related costs		1 517 543	1 705 800	1 723 187	1 646 232	1 723 187
Repairs & Maintenance		162 964	186 701	186 701	43 293	186 701
Interest (finance charges)		16 973	28 250	28 250	2 448	28 250
Principal paid		3 829				
Depreciation						
Operating expenditure		63 816	22 322	22 322		24 666
Total Capital Expenditure		551 751	594 624	594 624	120 161	594 624
Borrowed funding for capital		132 721	163 365	180 751	37 996	37 996
Debt						
Equity		107 345	95 700	95 700	99 577	95 700
Reserves and funds		1 296 773	1 481 313	1 498 699	1 432 204	1 498 699
Borrowing						
Current assets						
Current liabilities		415 875	430 240	430 240	506 568	430 240
Monetary assets		176 837	201 986	201 986	170 915	201 986
Total Revenue (excluding capital transfers and contributions)		269 900	230 836	230 836	324 794	230 836
Transfers and subsidies - Operational		553 465	594 610	594 610	230 935	594 610
Transfers and subsidies - capital (monetary allocations)		330 510				
Debt service payments		82 541	82 490	99 876	25 663	99 876
Outstanding debtors (receivables)		24 647	55 283	55 283		
Annual services revenue		117 467				
Cash + investments	Including LT investments	146 068	168 770	168 770	69 970	69 970
Fixed operational expend. (monthly)		269 900	230 836	230 836	324 794	230 836
Longstanding debtors outstanding						
Longstanding debtors recovered						
Attorney collections						

The above table gives an overview of the financial indicators of the municipality for the period ended 30 September 2025 and the indicators are broken down below.

Borrowing Management

The municipality does not have any loans.

Liquidity

4.2 Liquidity Management

4.2.1 Cash Coverage September 2025

Purpose/ Use of the Ratio

Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)

The Municipality as at end of Quarter 1 2025 could take 28 months to pay for its day-to-day expenses using just its cash reserves as per the information reported in the monthly financial statements.

Current Ratio: is calculated by a total of Current Assets/ Current Liabilities.

Budgeted Current Ratio: R 430,240,000/ R 176,837,000 = **R 2.43:1**

Actual Current Ratio as at 30 September 2025: R 506,568,000 / R 170,015,000 = **2.98:1**

The current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A good ratio is 1.5-2:1 R 2 for every R 1 owed. The budget showed a **R 2.43:1** ratio and actual ratio as 30 September 2025 is: R 2.98: R 1 which is above the norm.

Acid test Ratio: (Current Assets – Inventory) / Current Liabilities

Budgeted Acid test Ratio: R 430,240,000 – R 3,784,000) / R 170,015,000 = **2.51:1**

Actual Acid Test Ratio as at 30 September 2025:(R 506,568,000 – R 3,449,000) / R 170,015,000 = **2.96:1**

The Acid test ratio, commonly known as the quick ratio, uses an organisation's balance sheet data as a indicator of whether it has sufficient short-term assets to cover its short-term liabilities. The acid test ratio disregards current assets that are difficult to quickly liquidate such as inventory. The acid test ratio may not give a reliable picture of an organisation's financial condition if the municipality has accounts receivable that take longer than usual to collect or current liabilities that are due to the municipality but have no immediate payment needed. A good ratio is R1 for every R1 owed. Which shows that the municipality would be able to pay it short term liabilities with its easy liquidated short-term assets.

SUPPLY CHAIN MANAGEMENT

a. Progress on Procurement Plan 2025/26

PROCUREMENT PLAN	Total Project Cost	Mode of Procurement	Project Description	Budget Confirmation and TORs submission date	SPEC Date	Advert Date	Closing Date	BEC Date	BAC Date	Appointment Date	Status
BUDGET & TREASURY OFFICE											
Revenue & Expenditure Unit											
Revenue & Expenditure Unit	1 000 000.00	Competitive Bidding	Indigent verication	30-May-25	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)
Revenue & Expenditure Unit	6 500 000.00	Competitive Bidding	Split meters	30-May-25	RFQ cancelled	RFQ cancelled	RFQ cancelled	RFQ cancelled	RFQ cancelled	RFQ cancelled	RFQ cancelled

Revenue & Expenditure Unit	700 000.00	Competitive Bidding	Valuation roll reconciliation/supplementary valuation roll	30-May-25	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)	To be procured through schedule M(Munsoft)
Revenue & Expenditure Unit	1 000 000.00	Competitive Bidding	Ratepayers day	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	TORs submitted
SCM & Fleet Unit											
SCM & Fleet Unit	2 000 000.00	Competitive Bidding	Procurement of municipal fleet	30-May-25	09/09/2025	19-Sept-25	03-Oct-25	N/A	N/A	N/A	Awaiting Evaluation
SCM & Fleet Unit	300 000.00	Request for Quotations	Tender Documents Shelves	30-May-25	17-Sept-25	22-Sept-25	30-Sept-25	N/A	N/A	N/A	Awaiting Evaluation
Budget & Investment Unit											
Budget & Investment Unit	300 000.00	Request for Quotations	Budget Outreach Grocery Vouchers	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented
Financial											

Reporting & Asset Management Unit											
Financial Reporting & Asset Management Unit	3 500 000.00	Competitive Bidding	Panel for Accounting and Financial Management Professional Services	07-Feb-25	11-Feb-25	21-Feb-25	24-Mar-25	09-May-25	13-May-25	30-May-25	Awarded
COMMUNITY SERVICES											
Environment & Waste Unit											
Environment & Waste Unit	800 000.00	Competitive Bidding	Cemetery Establishment	30-May-25	TORs presented (awaiting budget confirmation)	TORs presented (awaiting budget confirmation)	TORs presented (awaiting budget confirmation)	TORs presented (awaiting budget confirmation)	TORs presented (awaiting budget confirmation)	TORs presented (awaiting budget confirmation)	TORs presented (awaiting budget confirmation)
Environment & Waste Unit	500 000.00	Competitive Bidding	Waste Recepticles	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Environment & Waste Unit	800 000.00	Competitive Bidding	Grass cutting machines	30-May-25	12/08/2025	29/08/2025	12/09/2025	02-Oct-25	N/A	N/A	Evaluation stage
Environment & Waste Unit	200 000.0	Request for Quota	Laptops	30-May-	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted

	0	tions		25							
Environment & Waste Unit	50 000.0 0	Reque st for Quota tions	Office Furniture	30-Ma y-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Environment & Waste Unit	500 000.0 0	Comp etitive Biddi ng	Nature Reserve Fencing	30-Ma y-25	12/08/20 25	29/08/20 25	12/09/20 25	02-Oct-25	N/A	N/A	Evaluatio n stage
Environment & Waste Unit	6 500 000.0 0	Comp etitive Biddi ng	Refuse Removal	30-Ma y-25	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)
Environment & Waste Unit	6 000 000.0 0	Comp etitive Biddi ng	Landfill Site	30-Ma y-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Environment & Waste Unit	480 000.0 0	Comp etitive Biddi ng	Protective Clothing	30-Ma y-25	12/08/20 25	29/08/20 25	12/09/20 25	02-Oct-25	N/A	N/A	Evaluatio n stage
Public Safety Unit											
Public Safety Unit	1 500 000.0 0	Comp etitive Biddi ng	Uniform for Traffic Officers,Fire Fighters and Pound Staff	30-Ma y-25	15-Jul-25	25-Jul-25	01-Aug-25	06-Sept-25	08-Sept-25	22-Sept-25	Intention Stage
Public Safety Unit	2 800 000.0	Comp etitive Biddi	Construction of Licensing Office Blocks	30-Ma y-	12/08/20 25	29/08/20 25	12/09/20 25	Cancelle d	Cancelle d	Cancelle d	Cancelle d

	0	ng		25							
Public Safety Unit	800 000.0 0	Comp etitive Biddi ng	Auctineers	30-Ma y-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Public Amenities & EPWP Unit											
Public Amenities & EPWP Unit	800 000.0 0	Comp etitive Biddi ng	Fencing of Coffee Pot	30-Ma y-25	10/09/20 25	01/10/20 25	07/10/20 25	N/A	N/A	N/A	Advert Stage
Public Amenities & EPWP Unit	300 000.0 0	Reque st for Quota tions	Community Halls Heavy Duty Plastic Chairs	30-Ma y-25	12/08/20 25	12/08/20 25	19/08/20 25	N/A	N/A	N/A	Awarded
Public Amenities & EPWP Unit	500 000.0 0	Comp etitive Biddi ng	Swimming Pool Maintenance	30-Ma y-25	12/08/20 25	29/08/20 25	12/09/20 25	N/A	N/A	N/A	Awaiting Evaluatio n
Public Amenities & EPWP Unit	800 000.0 0	Comp etitive Biddi ng	Sigoga Community Hall Fence and Renovation	30-Ma y-25	10/09/20 25	01/10/20 25	07/10/20 25	N/A	N/A	N/A	Advert Stage
Public Amenities & EPWP Unit	300 000.0 0	Reque st for Quota tions	Library and Aircons Maintenance	30-Ma y-25	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs submitted	Advert Stage
Public Amenities & EPWP Unit	100 000.0 0	Reque st for Quota tions	Laptops	30-Ma y-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted

Public Amenities & EPWP Unit	150 000.00	Request for Quotations	North-End Stadium Borehole	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Public Amenities & EPWP Unit	1 000 000.00	Competitive Bidding	Uniform and Protective for Public Amenities & EPWP Beneficiaries	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
CORPORATE SERVICES											
HRM&D Unit											
HRM&D Unit	100 000.00	Request for Quotation	Khanya Naledi Decoration	07-Oct-25	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs submitted	Not presented
HRM&D Unit	110 000.00	Request for Quotation	Sound System & Audio Visual for Khanya Naledi	30-May-25	25/07/2025	08/08/2025	18/08/2025	N/A	N/A	N/A	Awarded
HRM&D Unit	100 000.00	Request for Quotation	Programme Director & Artists for Khanya Naledi	30-May-25	25/07/2025	08/08/2026	18/08/2026	N/A	N/A	N/A	Awarded
HRM&D Unit	130 000.00	Request for Quotation	Wellness Events	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented
HRM&D Unit	150 000.0	Request for Quota	Laptops	30-May-	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted

	0	tion		25							
Adiministrative Support Unit											
Adiministrative Support Unit	300 000.00	Request for Quotations	Supply and Delivery of Protective Clothing	30-May-25	TORs presented	TORs presented	TORs presented	TORs presented	TORs presented	TORs presented	BSC Stage
Adiministrative Support Unit	18 000 000.00	Competitive Bidding	Security Services	25-Oct-24	08-Oct-24	24-Oct-24	24-Nov-24	24-Apr-25	13-May-25	On Hold	On Hold
ICT Unit											
ICT Unit	3 500 000.00	Competitive Bidding	Licensing and Maintenance of EDRMS	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
ICT Unit	300 000.00	Request for Quotations	AD Audit Software	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
ICT Unit	900 000.00	Competitive Bidding	Server Replacement	30-May-25	2025/10/02	N/A	N/A	N/A	N/A	N/A	TORs presented
ICT Unit	850 000.00	Competitive Bidding	Penetration Testing (Safeguard)	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted

ICT Unit	300 000.00	Request for Quotations	ICT Strategy (Safeguard)	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Public Participation and Customer Care Unit											
Public Participation and Customer Care Unit	900 000.00	Competitive Bidding	Customer Satisfaction Survey	30-May-25	16-Jul-25	18-Jul-25	30-Jul-25	06/08/2025	12/08/2025	27/08/2025	Awarded
Public Participation and Customer Care Unit	400 000.00	Competitive Bidding	Supply and Delivery of Furniture	30-May-25	16-Jul-25	18-Jul-25	30-Jul-25	06/08/2025	12/08/2025	27/08/2025	Awarded
Public Participation and Customer Care Unit	90 000.00	Request for Quotations	Laptops	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
ECONOMIC DEVELOPMENT& PLANNING											
Planning and Development Unit											
Planning and Development Unit	580 000.0	Competitive Biddi	Survey equipment	30-May-	15-Jul-25	01/08/2025	15/08/2025	N/A	N/A	N/A	Awaiting Evaluation

	0	ng		25							
Planning and Development Unit	1 000 000.00	Competitive Bidding	Development of LSDF	30-May-25	08-Jul-25	18-Jul-25	31-Jul-25	Panel	Panel	2025/08/15	Awarded
Planning and Development Unit	300 000.00	Request for Quotations	Valuation of land parcels	30-May-25	10-Jul-25	21-Oct-25	31-Oct-25	Panel	Panel	2025/11/17	Awarded
Planning and Development Unit	2 000 000.00	Competitive Bidding	Land Survey services	30-May-25	10-Jul-25	18-Jul-25	31-Jul-25	Panel	Panel	2025/08/15	Awarded
Planning and Development Unit	3 500 000.00	Competitive Bidding	Small Town Revitilisation Programme(STR)	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	TORs submitted
Planning and Development Unit	160 000.00	Request for Quotations	Laptops	30-May-25	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs submitted	TORs not submitted
LED Unit											
LED Unit	3 500 000.00	Competitive Bidding	Matatiele Music Festival	30-May-25	2025/06/17	18-Jul-25	18-Aug-25	N/A	N/A	N/A	Intention Stage
LED Unit	720 000.00	Competitive Bidding	Agricultural Show	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	TORs submitted

LED Unit	500 000.00	Competitive Bidding	General Dealer Support	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	TORs submitted
LED Unit	200 000.00	Competitive Bidding	SMMEs Funding Support	30-May-25	05/08/2025	14/08/2025	22/08/2025	N/A	N/A	N/A	Awarded
LED Unit	900 000.00	Competitive Bidding	Horse Racing and Fashion Show	30-May-25	08/09/2025	2025/09/19	2025/10/03	N/A	N/A	N/A	Awating Evaluation
Human Settlements & Building Control Unit											
Human Settlements & Building Control Unit	120 000.00	Request for Quotations	Office Furniture	30-May-25	12/08/2025	22/08/2025	29/08/2025	N/A	N/A	N/A	Awaiting Evaluation
Human Settlements & Building Control Unit	375 000.00	Competitive Bidding	Tools & Equipment	30-May-25	15/08/2025	29/08/2025	12/09/2025	N/A	N/A	N/A	Awaiting Evaluation
Human Settlements & Building Control Unit	90 000.00	Request for Quotations	Laptops	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Human Settlements & Building	6 000 000.0	RFQ(Panel)	Renovations of Town hall	30-May-	RFQ Submitted	RFQ Submitted	RFQ Submitted	RFQ Submitted	RFQ Submitted	RFQ Submitted	Awarded

Control Unit	0			25							
Human Settlements & Building Control Unit	4 000 000.00	RFQ(Panel)	Refurbishment of Main office	30-May-25	RFQ Submitted	RFQ Submitted	RFQ Submitted	RFQ Submitted	RFQ Submitted	RFQ Submitted	Awarded
Human Settlements & Building Control Unit	920 000.00	Competitive Bidding	Refurbishment of water system at Meggie Resha	30-May-25	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)
Human Settlements & Building Control Unit	500 000.00	Competitive Bidding	Servicing of Elevator at Maggie Resha	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Human Settlements & Building Control Unit	500 000.00	Competitive Bidding	Servicing of Airconditioners	30-May-25	15/08/2025	29/08/2025	12/09/2025	N/A	N/A	N/A	Awaiting Evaluation
INFRASTRUCTURE/ TECHNICAL SERVICES											
Electricity Unit											
Electricity Unit	7 319 410.00	Competitive Bidding	Replacement of the existing 4 Transfomers & 1 RMU	2025/04/24	N/A	N/A	08-Apr-25	N/A	N/A	2025/05/30(Panel)	Awarded
Electricity Unit	3 000 000.00	Competitive Bidding	Procurement of Cherry Picker Truck	2025/04/02	2025/04/15	09-May-25	06-Jun-25	17-Jun-25	27-Jun-25	2025/07/25	Awarded

Electricity Unit	2 600 590.00	Ongoing Project	Construction of 1,5 KM link line FM Tower	N/A	N/A	N/A	N/A	N/A	N/A	2025/07/03(Panel)	Awarded
Electricity Unit	1 500 000.00	Ongoing Project	Electrification of Land fill site	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Awarded
Electricity Unit	350 000.00	Competitive Bidding	Protective Clothing for Electricity Unit	2025/05/30	2025/06/03	03-Jul-25	11-Jul-25	16-Jul-25	21-Jul-25	2025/08/05	Awarded
Operations and Maintenance Unit											
Operations and Maintenance Unit	2 000 000.00	RFQ(Panel)	Rhashule Bridge	01/04/2025	N/A	11/04/2025	25/04/2025	N/A	N/A	12/05/2025	Awarded (consultant)
Operations and Maintenance Unit	1 400 000.00	RFQ(Panel)	Lunda Access Road	01/04/2025	N/A	11/04/2025	25/04/2025	N/A	N/A	12/05/2025	Awarded
Operations and Maintenance Unit	3 500 000.00	RFQ(Panel)	Nkululekweni Access Road	01/04/2025	N/A	11/04/2025	25/04/2025	N/A	N/A	12/05/2025	Awarded
Operations and Maintenance Unit	3 798 000.0	RFQ(Panel)	Maloto Access Road	30-May-	N/A	12-Jun-25	25-Jun-25	N/A	N/A	27-Jun-25	Awarded

	0			25							
Operations and Maintenance Unit	2 000 000.00	Competitive Bidding	Road sidewalks	30-May-25	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted	TORs not submitted
Operations and Maintenance Unit	3 725 000.00	Competitive Bidding	Phalane to Mbizweni Access Road	30-May-25	03-Jun-25	06-Jun-25	20-Jun-25	02-Jul-25	08-Jul-25	30-Jul-25	Awarded
Operations and Maintenance Unit	2 880 000.00	Competitive Bidding	Motsekuoa Access Road	30-May-25	03-Jun-25	06-Jun-25	20-Jun-25	02-Jul-25	08-Jul-25	30-Jul-25	Awarded
Operations and Maintenance Unit	3 590 000.00	Competitive Bidding	Mapateng Access Road	30-May-25	03-Jun-25	06-Jun-25	20-Jun-25	02-Jul-25	08-Jul-25	30-Jul-25	Awarded
Project Management Unit											
Project Management Unit	20 000 000.00	RFQ(Panel) Ongoing Project	Construction of Cedarville Internal Streets Phase 4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Awarded
Project Management Unit	20 000 000.00	RFQ(Panel) Ongoing Projec	Construction of Maluti Internal Streets Phase 5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Awarded

		t									
Project Management Unit	3 547 736.00	RFQ(Panel) Ongoing Project	Mahasheng Access Road & Bridge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Project Management Unit	2 116 564.00	RFQ(Panel) Ongoing Project	Lekhalong via Magema to Outspan Access Road	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Awarded
Project Management Unit	3 982 650.00	RFQ(Panel) Ongoing Project	Mafube-Nkosana Access Road & Bridge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Awarded
Project Management Unit	3 725 000.00	RFQ(Panel)	Mbizweni-Phalane Access Road	N/A	N/A	30-May-25	09-Jun-25	N/A	N/A	20-Jun-25	Awarded
Project Management Unit	2 880 000.00	RFQ(Panel)	Motsekoa Access Road	N/A	N/A	30-May-25	09-Jun-25	N/A	N/A	20-Jun-25	Awarded
Project Management Unit	3 590 000.00	RFQ(Panel)	Mapateng Access Road	N/A	N/A	30-May-25	09-Jun-25	N/A	N/A	20-Jun-25	Awarded

Project Management Unit	2 000 000.00	RFQ(Panel)	Upgrading of Stormwater	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Awarded (Consultant)
Project Management Unit	2 000 000.00	Transversal Contract	Specialized vehicle	N/A	N/A	N/A	N/A	N/A	N/A	N/A	This will be procured through RT57 Contract
Project Management Unit	212 880.00	Request for Quotations	Protective Clothing	30-May-25	07/08/2025	14/08/2025	22/08/2025	N/A	N/A	N/A	Awaiting Evaluation
MUNICIPAL MANAGER'S OFFICE											
Communications and SPU Unit											
Communications and SPU Unit	1 300 000.00	Request for Quotations	Mayoral Cup Prizes	30-May-25	2025/09/02	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	TORs presented (Not finalised)	On hold (Budget matters)
Communications and SPU Unit	150 000.00	Request for Quotations	Miss Matatiele Prizes	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented
Communications and SPU Unit	150 000.0	Request for Quota	Burial Services	30-May-	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented

	0	tions		25							
Communications and SPU Unit	100 000.00	Request for Quotations	Matric Awards Prizes	30-May-25	12-Sept-25	2025/10/09	2025/10/15	N/A	N/A	N/A	Advert stage
Communications and SPU Unit	250 000.00	Request for Quotations	Mayor`s Recognition Awards	30-May-25	28-Aug-25	N/A	N/A	N/A	N/A	N/A	On hold
Communications and SPU Unit	150 000.00	Request for Quotations	Gifts and Promotional Items for Golf Day	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented
Communications and SPU Unit	110 000.00	Request for Quotations	Video Camera and Stabilizer	30-May-25	10-Sept-25	N/A	N/A	N/A	N/A	N/A	On hold(Cost containment)
Communications and SPU Unit	150 000.00	Request for Quotations	Multi-media Box for Streaming and Podcast	30-May-25	11-Sept-25	2025/10/09	2025/10/15	N/A	N/A	N/A	Advert stage
Communications and SPU Unit	50 000.00	Request for Quotations	Camera LED video light kit	30-May-25	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented	Not presented
Communications and SPU Unit	50 000.00	Request for Quotations	Podium	30-May-25	25-Sept-25	N/A	N/A	N/A	N/A	N/A	On hold (Costcontainment)
Communications and SPU Unit	50 000.0	Request for Quota	Sound System	30-May-	21-Aug-25	N/A	N/A	N/A	N/A	N/A	The project will be

	0	tions		25							procured through written quotation s.

BIDS AWARDED IN THE FIRST QUARTER ENDED 30 SEPTEMBER 2025

DATE OF AWARD	PROJECT NAME	CONTRACTOR/SERVICE PROVIDER	AWARD AMOUNT
08/07/2025	Electrical service maintenance	A1 Electrical	4 869 353.00
09/7/2025	Construction of Mbizweni-Phalane access road	MVI Construction and Maintenance JV SV Gqagqane Trading	3 592 373.28
09/07/2025	Construction of Motsekooan accees road	Ngcombela Civils and Plant Hire	2 751 998.65
09/07/2025	Construction of Mapateng access road	Manong Construction and Projects	3 590 000.00
11/07/2025	Compilation of 30 June 2025 annual financial statements	Tamac Consulting JV KMH Chartered Accountants	1 889 910.00
14/07/2025	Perform alignment of receivables and payroll	Tamac Consulting JV KMH Chartered Accountants	722 200.00
28/07/2025	RFQ Schedule No.1 Emergency Breakdown (Cable Fault)	Zama Traffic Signals	196 589.26
31/07/2025	Re-gravelling of Maloto access road	Masilo Projects	3 620 214.95
31/07/2025	Re-gravelling of Nkululekweni access road	Maboka Contractors	3 459 047.63
31/07/2025	Re-gravelling of Lunda access road	MVI Construction and Maintenance JV SV Gqagqane Trading	1 400 000.00
19/08/2025	Construction of Mvenyane Cast In Situ Bridge and access road	Ngcombela Civils and Plant Hire	12 950 589.77

19/08/2025	Construction of Lugada Mahlabathini access road	Manong Construction and Projects	8 111 200.00
20/08/2025	Refurmbishment to the existing Matatiele main office for Matatiele Local Municipality	SV Gqagqane Trading	4 211 673.65
11/08/2025	Undertaking services for road closure subdivision and rezoning of municipal land parcels	Likamva Geomatics	776 250.00
11/08/2025	Undertaking Local Spatial Development Frame work for the municipality	Eco South Partnership	713 589.15
20/08/2025	Review of special adjustments budget 2025/2026 and pre-assessment of funding	Tamac Consulting JV KMH Chartered Accountants	356 500.00
17/09/2025	Mignating Employee Directorship Conflicts in Tender Awarded Componies System	Tamac Consulting JV KMH Chartered Accountants	195 445.00
19/09/2025	Design and Construction of Rhashule Bridge	BI Infrastructure Consultants (Pty) Ltd	688 348.21
25/09/2025	Construction of Buxton Park Bridge and All Stormwater Related	Maboka Contractors and Projects	1 681 837.74
25/09/2025	Construction of Mafube Housing Units- Ward 08 of Matatiele Local Municipality	Docraine Development Construction	60 856 415.70
25/09/2025	11KV PILC Cable Repairs between Eskom Sub-Station and Matatiele Sub-Station	Zama Traffic Signals High Voltage Systems	99 560.17
26/09/2025	Refurbishment to the existing Matatiele Town Hall for Matatiele Local Municipality	S Inanda (Pyt) Ltd JV Flourish World (Pty) Ltd	5 398 176.74
02/09/2025	Appointment for Panel of (3) Three service Providers for the Provision of Mechanical Repairs, Towing, Supply of Spares and Maintenance of Municipal on Request for Municipal Plant, and Equipment for a Period of Three years	Dave and Son Mechanical Repairs	Based on Rates
18/09/2025	Appointment for Panel of (3) Three service Providers for the Provision of Mechanical Repairs, Towing, Supply of Spares and Maintenance of Municipal on Request for Municipal Plant, and Equipment for a Period of Three years	Matatiele Panel and Paint	Based on Rates

IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

No irregular, fruitless and wasteful expenditure incurred for quarter ended 30 September 2025 be noted by Council.

INDIGENT MANAGEMENT

The indigent register for the 2025/26 has 3,524 beneficiaries registered to date. A total of R 897,395.81 has been incurred as expenditure for indigent benefits as follows for quarter ended 30 September 2025:

Electricity	R 171 045.63
Rates and refuse	R 288,123.29
Alternative energy (Solar; and gas and stoves)	R 438,226.89

Challenges experienced during registration processes

- Applications submitted with incomplete information
- Delays in submitting applications for capturing.
- Returned applications forms not re-submitted for verification and capturing
- Delays / or slow pace in registering newly electrified beneficiaries by ESKOM

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTICATE

I, **Lizo Matiwane**, the Municipal Manager of Matatiele Local Municipality do hereby certify that-

The quarterly budget statement (Section 52(d) Report) on the implementation of the budget and financial state of affairs of the municipality for the first quarter ended 30 September 2025 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print Name: Lizo Matiwane

Municipal Manager of Matatiele Local Municipality

Signature: ____________________

Date: 28|10|2025

MATATIELE LOCAL MUNICIPALITY

COUNCIL RESOLUTIONS

RESOLUTION NUMBER	***DATE OF THE MEETING***	***ITEM DISCUSSED***	***RESOLUTIONS TAKEN***
CR 947/29/10/2025	29 October 2025	**BUDGET PLANNING AND INVESTMENTS UNIT PERFORMANCE REPORT FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2025 RELATING TO 2025/2026**	1. That, the report on the implementation of the budget and the financial state of affairs of the municipality for the quarter ended 30 September 2025 be noted and approved by council. 2. That, the municipality's approved revenue budget amounted to R 677,1 million and this has been adjusted to an adjustments budget of R 694,5. The revenue recognized for the quarter ended 31 September 2025 amounted to R 256,6 million, the revenue recognized for the quarter is 37% of the total approved revenue budget. This is above the performance expected for the quarter due to more property rates, services charge billed /

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COUNCIL RESOLUTIONS

RESOLUTION NUMBER	*DATE OF THE MEETING*	*ITEM DISCUSSED*	*RESOLUTIONS TAKEN*
			Collected more operational and capital transfers and subsidies recognised for the quarter under review. 3. That, the municipality's approved expenditure budget was R 594,6 and the expenditure incurred for the quarter ended 31 September 2025 amounted to R 52,1 million. The expenditure incurred for the quarter is 20% of the total approved expenditure budget. The expenditure incurred is less than the expected performance for the quarter due to less operational payments made on operational items as per the above table. 4. That, the municipality's approved capital expenditure budget amounted to R 163,4

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COUNCIL RESOLUTIONS

RESOLUTION NUMBER	***DATE OF THE MEETING***	***ITEM DISCUSSED***	***RESOLUTIONS TAKEN***
			million and this was adjusted to an adjustment budget of R 180,8. Capital Expenditure incurred for the quarter ended 30 September 2025 amounted to R 37,9 million. Capital expenditure to date is 21% of the total capital expenditure budget and 21% relates to the 1st quarter, this is less than the expected performance for the month due to capital projects that have not yet been implemented. ○ Capital expenditure funded by the Municipal infrastructure grant is at 30% of the allocation as at 30 September 2025.

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COUNCIL RESOLUTIONS

RESOLUTION NUMBER	***DATE OF THE MEETING***	***ITEM DISCUSSED***	***RESOLUTIONS TAKEN***
			○ Capital expenditure funded by Municipal Disaster Response grant is at 14% of the allocation as at 30 September 2025. ○ Capital expenditure funded by Library grant is at 25% of the allocation as at 30 September 2025. ○ Capital expenditure funded by the capital replacement reserves (CRR) is at 18% of the budget as at 30 September 2025. 5. That, total Grants allocated to the municipality as per approved budget amounts to R 456,9 million, this has been adjusted to

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COUNCIL RESOLUTIONS

RESOLUTION NUMBER	***DATE OF THE MEETING***	***ITEM DISCUSSED***	***RESOLUTIONS TAKEN***
			an adjustment budget of R 450,2 million and the municipality has received following trenches as Gazetted by National and Provincial treasury for quarter 1. o 42% has been received for equitable share, 100% for Finance Management grant has been received, o 32% for the Municipal infrastructure grant, and 31% for the INEP grant has been received. o 25% has been received for the Expanded Public Works Incentive and 100% has been

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COUNCIL RESOLUTIONS

RESOLUTION NUMBER	***DATE OF THE MEETING***	***ITEM DISCUSSED***	***RESOLUTIONS TAKEN***
			received for the Library support grant and 25% for the DEDEAT has been received and 52% has been received for Municipal Disaster Response grant. 6. That, the total investments amounting to R 329,8 m (Conditional: R 43,9 m: Unconditional R 285,9 m) as at 30 September 2025 be noted by council. 7. The Total Cash held reflects bank balances as at 30 September 2025 is R 11,176,383 consist of the following bank balances as at September 2025. Standard Bank R 5,768,519

COUNCIL RESOLUTIONS

RESOLUTION NUMBER	***DATE OF THE MEETING***	***ITEM DISCUSSED***	***RESOLUTIONS TAKEN***
			FNB R 468,209 Nedbank R 4,939,654 8. That, the municipality is transacting on mSCOA on a monthly basis. 9. That, no virements were approved on both operating and capital budget for the month ended 30 September 2025. 10. That, the submission of section 71 and Section 52d reports and returns to Provincial and National Treasuries be noted.