



MATATIELE
LOCAL MUNICIPALITY

**2025/2026
MONTHLY
SECTION 71
REPORT**

**MONTH ENDED
30 NOVEMBER 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.

Allocations (Transfers – see DORA) – Money received from Provincial or National Government.

Budget Related Policy(ies) – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

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 month 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 and to compensate loss of RSC levies.

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

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

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.

Operating Expenditure –The day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the Rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budgeted estimates.

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

Unauthorised Expenditure – Generally, spending without, or more than, an Approved Budget.

Virement – A transfer of funds within a vote.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In Garden Route District, this means the different GFS classification the budget is divided.

LEGISLATIVE FRAMEWORK

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

The municipal Finance Management Act No. 56 of 2003

Section 71: Monthly budget Statements

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

PART 1-IN-YEAR REPORT

Section 1-Resolutions

These are the resolutions being presented to Council in the monthly report on the implementation of budget and financial state of affairs of the municipality as required in terms of section 71 of the Municipal Finance Management Act 56 of 2003 and the Municipal Budget and Reporting Regulations

Regulation 28 of the Municipal Budget and Reporting Regulations states:

“The monthly budget statement of a municipality must be in the format specified in the Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”

Recommendations:

- That, Council takes note of the monthly budget statement and supporting documentation for the month ended 30 November 2025.
- That, the submission of section 71 reports and to Provincial and National Treasuries 10 days after the end of each month be noted by Council.

Section 2-Executive summary

2.1 Introduction

The aim of the Financial Monitoring Report (FMR) is to provide a monthly 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.

2.2 Consolidated Performance (Revenue & Expenditure)

Revenue by source

The total annual approved budget was **R 677,099,735** and this has been adjusted to an adjustments budget of **R 694,485, 402**. The municipality has recognised revenue of **35,056,489** for the month, this represents **5%**, and This is less than the performance expected for the month due to less operational transfers and subsidies recognised and other revenue items for the month. The total revenue received to date is **46%**

Operating Expenditure by type

The municipality incurred expenditure of **R 37,439,872** against the approved budget allocation of **R 594,623,647**, incurring **6%** expenditure for the month budget, The expenditure incurred is less than the expected performance for the month due to non-cash items that are recognised at the end of financial year and less operational payments made on operational items for the month under review. Expenditure incurred to date is **34%** of the approved operating expenditure budget.

Capital Expenditure

- The total approved capital budget was **R 163,364,950** and this has been adjusted to an adjustments budget of **R 180,750,617**. The municipality incurred expenditure of **R 11,052,780** ,this represents **6%** of the approved capital expenditure budget, this is below the expected performance for the month due to projects due to reports on procurement stage
- Monthly projections for year-to-date budgets is based on trend methodology, will be revised regularly and used for adjustment budget and future budget planning.
- The expenditure to date is **34%** of the approved capital expenditure budget.

Capital Funded Sources

- The MIG capital grant allocation for the financial year is **R 57,646,950** as per Dora, the spending for the month ending 30 November 2025 is **R 4,922,854** which represents **9%** of expenditure for the month ended (Vat exclusive). YTD expenditure is **48%** of the allocation.
- Disaster recovery grant has been allocated a budget amount of **R 24,543,000** this was adjusted to an adjusted budget of **R 41,928,666**; The grant reflects

R 2,141,214.95 spending at the end of 30 November 2025 (Vat exclusive), this represents 5%. YTD expenditure is 28% of the allocation.

- The Library Capital Grant allocation of R 300,000 was allocated. The grant reflects no spending at the end of 30 November 2025. (Vat exclusive), YTD expenditure represents 88% of the allocation.
- Capital Replacement Reserves (CRR) for the financial year of 80,875,000 is allocated. The spending for the month is R 3,988,710 which represent 5% spending for the month represents 27%.
- The municipality anticipates 100% spending of the total capital budget as at the end of the financial year.

The table below is an analysis per business unit –

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

Description	Total Budget	November 2025	Total Actual 2025
Community and Social Services: Community Governance(3096)	213,000.00	62,500.00	162,500.00
Community Halls and Facilities:Public Amenities (3005)	2,137,000.00	-	517,998.73
CORE FUNCTION: SOLID WASTE REMOVAL	2,850,000.00	-	106,924.33
Energy Sources: Electricity (4040)	14,420,000.00	-	10,406,018.36
Finance and Administration: Information Technology (2540)	2,600,000.00	-	-
Finance and Administration: Asset Management and Reporting (2015)	30,000.00	-	-
Finance and Administration: Council Support (2541)	490,000.00	-	358,022.89
Finance and Administration: Human Resources (2535)	150,000.00	-	111,045.77
Finance and Administration: SCM & Expenditure (2025)	2,660,000.00	-	52,173.91
Finance and Administration: Revenue and Debt Management (2020)	1,000,000.00	-	-
Finance:Budget & Treasury (2010)	80,000.00	-	58,845.77
Marketing; Customer Relations; Publicity and Media Co-ordination:communications and S	627,000.00	-	27,761.44
Planning and Development: LED (3520)	3,110,000.00	-	843,606.95
Planning and Development: Planning (3510)	4,240,000.00	119,000.00	219,217.50
Public Safety: Civil Defence (3074)	2,800,000.00	-	-
Road Transport: Project Operations & Maintnt(4010)	55,906,666.00	2,202,257.65	13,556,625.80
Roads:Project Management Unit	75,931,950.00	7,500,328.61	33,874,919.66
Town Planning; Building Regulations and Enforcement; and City Engineer:Human Settlemente	11,505,000.00	1,168,693.31	1,227,565.17
Grand Total	180,750,616.00	11,052,779.57	61,523,226.28

The approved capital budget includes Capital Replacement Reserve.

Grant Funded Projects (MIG PROJECTS)

MIG Capital Project	November 2025 status
Excavator	Project is at procurement stage
Harry Gwala Internal Streets	Project is under construction and is 78 % completed.
Construction of Cedarville Internal Streets Phase 4	Project is under construction and is 55 % completed.
Maluti Internal Streets Phase 5	Project is under construction and is 89 % completed.
Mahasheng Access Road & Bridge	Project 95 completed and is on defects liability period
Mafube-Nkosana Access Road & Bridge	Project is under construction and is 60 % completed.
Lekhalong via Magema-Outspan Access Road	Project is under construction and is 78 % completed.

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

INEP Capital Project	November 2025 status
Electrification of Motsekua Village	569 connections have been completed, The outage date is scheduled for 05 November 2025 and the expenditure is at 49%, awaiting for the second trench from DEE.

Disaster Response Grant

Disaster Capital Project	November 2025 status
Mvenyane Access Road and Bridge Recovery	The project is under construction @ 17% complete
Lugada Mahlabathini AR Recovery	The project is under construction @ 19% complete

Disaster Recovery Grant Rollover projects	November 2025 status
Mdeni Access Road and Bridge Recovery	Completion stage under defects liability period
Lugada to Mahlabathini and Bridge Recovery	The project is under construction @ 19% complete
Hillside - Ngcwengane A/R and Bridge Recovery	Project is under construction and is 51 % completed.
Mngeni Bridge Recovery	Completion stage under defects liability period

Internal Funded Capital Projects

<u>Capital Replacement Reserve Projects</u>	<u>November 2025 Status</u>
f 2 silo facilities	Planning Stage
Municipal Fleet	Planning Stage
Licensing Offices	Planning Stage
Mphotshongweni Bridge (Rashule)	The project is at tender stage
Lunda Access Road	The project is under construction @ 20% complete
Nkululekweni Access Road	The project is under construction @ 40% complete
Maloto Access Road	The project is under construction @ 30% complete
Buxton Park Bridge	The project is under construction @ 10% complete
Harry Gwala Internal Streets CRR	The project is under construction and progress is 75 %
Phalane-Mbizweni Access Road	The project is under construction @ 49% complete
Motsekoa Access Road	The project is under construction @ 30% complete
Mapateng Access Road	The project is under construction @ 85% complete
Storm Water Drainage	
Cherry Picker Truck	The truck has been completed, the service provider is busy installing the crane on the truck
Transformers Infrastructure	Project has been completed
FM Tower line WIP	Completed
Landfill Electrification	Completed
Refurbishment of main office	The project is at tender stage
Renovation of Town Hall	The project is at tender stage

This information reflects on our tender control plan on November 2025

TENDER CONTROL November 2025

SUMMARY: QUOTATIONS	Nov-25	TOTAL NOVEMBER 2025
DAY TO DAY QUOTATIONS	R 1,952,528.53	R 1,952,528.53
FORMAL QUOTATIONS	R 43,700.00	R 43,700.00
TOTAL QUOTATIONS	R 1,996,229.53	R 1,996,229.53

BIDDING PROCESS	Bids Awarded vs Capital Budget	Capital Spending Year-To-Date	Order s Issued
Bids awarded	R 253,258	-	-
Bids in the process	-	-	-
Bids behind schedule	-	-	-
Bids cancelled or removed from budget	-	-	-
Bids to be awarded	-	-	-

Total Summary values of Procurements,	NOV-25	TOTAL November 2025
Below R30 000 (SCM Orders) and travel & accommodatio n	R 1,952,528.53	R 1,952,528.53
R30 001 – 300 000 (Procurement Process above R 30 000.00)	R 43,700.00	R 43,700.00
Procurement above R300 000 (Competitive	R 1,996,228	R 1,996,228

bidding)		
Capital Projects	-	-
Section 32 /National treasury transversal contract	-	-
Deviations (Section 36)	R 217,350.00	R 217,350.00

BIDS AND QUOTATIONS INVITED	Nov-25	TOTAL November 2025
Invited Quotations	7	7
Invited Bids	3	3
		-
Awarded Quotations	1	1
Awarded Bids	6	6

AWARD DATE	DESCRIPTION	CONTRACTOR/CONSULTANT/SERVICE PROVIDER	AWARDED AMOUNT
11/14/2025	Supply and delivery of 200, 15,15 and 50 Units 600MM, 45MM, 375MM AND 900MM Diameter Concrete Pipes	MSDR Projects	R 878,500.00
11/10/2025	Supply and Delivery of 6000 Bags of 25Kg tar Fix Weather	Elethu Trading Enterprise	R 891,000.00
11/18/2025	Swimming Pool Repairs and Maintenance	Amamayeza Roads & Earthworks	R 500,000.00

BIDS AWARDED					
BIDS INVITED					
NUMBER	NAME OF THE PROJECT	ADVERT DATE	CLOSING DATE	VALIDITY PERIOD	STATUS
1	Matatiele Local Municipality Data Centre Servers	7/11/2025	21/11/2025	14 days	Awaiting Evaluation
2	Refurbishment and replacement of infrastructure for the water supply system to Maggie Tsiu Resha building	14/11/2025	28/11/2025	14 Days	Awaiting Evaluation
3	Provision for banking services	14/11/2025	19/01/2026	48 Days	On Advert

2.3 Material variances from the SDBIP

The were no variances and deficiencies that were identified on the SDBIP under month under review.

2.4 Remedial or corrective steps

HODs and unit managers are sent monthly income and expenditure reports to monitor expenditure and revenue performance of each department, ensure spending is within budget and is aligned to the IDP’s Strategic Goals.

Section 3

IN-YEAR BUDGET STATEMENT TABLES

3.1 Monthly budget statements

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - M05 - November

Description	2024/25			Budget Year 2025/26					
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	56 360	61 937	61 937	2 256	46 956	25 807	21 149	82%	61 937
Service charges	89 707	106 834	106 834	8 096	44 849	44 814	335	1%	106 834
Investment revenue	15 316	28 813	28 813	720	8 034	12 005	(3 962)	-33%	28 813
Transfers and subsidies - Operational	330 510	331 654	331 654	2 157	142 887	138 189	4 698	3%	331 654
Other own revenue	61 572	65 372	65 372	12 605	31 330	27 238	4 091	15%	65 372
Total Revenue (excluding capital transfers and contributions)	553 465	594 610	594 610	25 834	274 846	247 754	26 292	11%	594 610
Employee costs	162 964	186 701	186 701	14 914	72 807	77 792	(4 985)	-6%	186 701
Remuneration of Councilors	24 244	24 666	24 666	1 934	9 700	10 277	(577)	-6%	24 666
Depreciation and amortisation	63 816	22 322	22 322	-	-	9 301	(9 301)	-100%	22 322
Interest	3 829	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	92 699	105 033	105 033	7 384	42 272	43 764	(1 492)	-3%	105 033
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	214 199	255 903	255 903	13 207	76 524	106 626	(30 102)	-28%	255 903
Total Expenditure	561 751	594 624	594 624	37 440	291 383	247 766	(46 457)	-19%	594 624
Surplus/(Deficit)	(8 285)	(14)	(14)	(11 606)	72 743	(6)	72 749	-1260055%	(14)
Transfers and subsidies - capital (monetary allocations)	82 541	82 490	99 876	9 222	45 396	40 693	4 703	12%	99 876
Transfers and subsidies - capital (in-kind) contributions	-	-	-	-	-	-	-	-	-
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	74 256	82 476	99 862	(2 383)	118 140	40 687	77 453	190%	99 862
Capital expenditure & funds sources									
Capital expenditure	132 721	163 365	180 751	11 053	61 523	74 391	(12 868)	-17%	180 751
Capital transfers recognised	70 274	82 490	99 876	7 064	39 980	40 693	(713)	-2%	99 876
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	62 446	80 875	80 875	3 989	21 543	33 698	(12 155)	-36%	80 875
Total sources of capital funds	132 721	163 365	180 751	11 053	61 523	74 391	(12 868)	-17%	180 751
Financial position									
Total current assets	415 875	430 240	430 240	-	443 329	-	-	-	430 240
Total non current assets	1 101 668	1 275 562	1 292 947	-	1 163 191	-	-	-	1 292 947
Total current liabilities	176 837	201 988	201 988	-	147 675	-	-	-	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	1 498 699	-	1 414 912	-	-	-	1 498 699
Cash flows									
Net cash from/(used) operating	438 045	131 401	148 786	13 188	197 287	61 072	(136 214)	-223%	148 786
Net cash from/(used) investing	130 245	(163 365)	(180 751)	(11 082)	(67 190)	(74 391)	(7 201)	10%	(180 751)
Net cash from/(used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	826 435	230 836	230 836	-	399 996	249 482	(150 514)	-60%	237 936
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 B; Income Source	9 679	6 616	5 230	9 443	35 545	3 163	2 355	218 817	251 047
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The above table provides a concise overview of the monthly 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.

3.1.2 Table C2: Monthly Budget Statement –Financial Performance (Functional Classification) - M05 – November

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 - November

Description	Ref	Budget Year 2025/26								
		2024/25 Approved Revenue	Original Budget	Revised Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Functional										
Governance and administration		419 876	437 220	437 220	4 364	194 698	182 176	14 421	6%	437 220
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		418 770	437 220	437 220	4 304	192 598	182 176	14 421	6%	437 220
Internal audit		600	-	-	-	-	-	-	-	-
Community and public safety		12 547	17 474	17 474	2 201	9 796	7 289	2 514	35%	17 474
Community and social services		8 076	8 046	8 046	1 873	7 515	3 903	3 612	100%	8 046
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		8 076	8 028	8 028	509	2 290	3 878	(1 588)	-38%	8 028
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		94 481	80 734	108 122	8 711	44 164	44 120	4 025	0%	108 122
Planning and development		3 502	5 502	5 502	178	1 902	3 292	(1 391)	-25%	5 502
Road transport		82 839	65 234	102 620	9 533	42 462	41 830	6 632	11%	102 620
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		118 063	131 070	131 070	10 341	84 888	64 862	10 026	18%	131 070
Energy services		103 037	114 257	114 257	17 116	58 827	47 807	11 020	21%	114 257
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		15 015	17 413	17 413	1 225	4 271	7 255	(3 044)	-14%	17 413
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	698 087	877 980	884 486	36 968	819 443	288 447	38 898	11%	884 486
Expenditure - Functional										
Governance and administration		280 423	270 868	270 868	16 147	83 898	112 862	(24 154)	-21%	270 868
Executive and council		33 134	33 755	33 755	2 321	13 877	14 265	(388)	-3%	33 755
Finance and administration		222 724	232 129	232 129	12 501	73 333	98 721	(23 347)	-24%	232 129
Internal audit		4 584	4 984	4 984	320	1 987	2 278	(349)	-19%	4 984
Community and public safety		68 082	68 183	68 183	4 486	21 827	24 247	(2 420)	-12%	68 183
Community and social services		28 057	28 208	28 208	2 507	11 444	11 778	(332)	-3%	28 208
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		24 425	29 925	29 925	1 978	9 381	12 489	(3 108)	-21%	29 925
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		80 280	84 110	84 110	7 376	23 718	43 348	(19 630)	-41%	84 110
Planning and development		47 955	45 203	45 203	6 021	15 387	18 834	(3 447)	-18%	45 203
Road transport		42 435	50 908	50 908	1 254	4 330	21 211	(12 881)	-61%	50 908
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		167 866	189 462	189 462	8 922	87 680	78 806	(8 874)	-4%	189 462
Energy services		134 180	142 991	142 991	8 000	58 352	53 580	(4 772)	-2%	142 991
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		23 686	26 461	26 461	1 223	3 208	11 220	(7 917)	-15%	26 461
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	681 761	684 824	684 824	37 440	201 303	247 780	(48 457)	-19%	684 824
Surplus / (Deficit) for the year		74 258	82 478	89 882	(2 488)	118 140	48 887	77 463	180%	89 882

The table provides an overview of the monthly actual, year to date actual and year to date budget of revenue by source and expenditure by type for the period ended 30 November 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 expenditure for the period ending 30 November 2025 is **R 37,439,872** and revenue is **R 35,056,489.43**

3.1.3 Table C3: Monthly Budget Statement –Financial Performance (revenue and expenditure by municipal vote) - M05– November

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 - November

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Revenue	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Executive Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		418 368	436 870	436 870	4 800	196 530	182 029	14 501	8.0%	436 870
Vote 3 - Corporate		408	350	350	4	66	146	(80)	-55.0%	350
Vote 4 - Development and Planning		3 592	5 502	5 502	178	1 692	2 292	(601)	-26.2%	5 502
Vote 5 - Community		27 163	34 887	34 887	3 427	16 066	14 535	1 529	10.5%	34 887
Vote 6 - Infrastructure		185 877	199 491	216 877	26 648	105 089	89 443	15 646	17.5%	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	35 056	319 443	288 447	30 996	10.7%	694 485
Expenditure by Vote										
Vote 1 - Executive Council	1	33 134	33 755	33 755	2 321	13 677	14 065	(388)	-2.8%	33 755
Vote 2 - Finance and Admin		130 136	132 658	132 658	6 112	38 169	55 274	(17 106)	-30.9%	132 658
Vote 3 - Corporate		92 588	99 471	99 471	6 388	35 165	41 446	(6 282)	-15.2%	99 471
Vote 4 - Development and Planning		47 955	45 203	45 203	6 021	15 387	18 834	(3 447)	-18.3%	45 203
Vote 5 - Community		76 769	84 654	84 654	6 408	30 536	35 273	(4 737)	-13.4%	84 654
Vote 6 - Infrastructure		176 604	193 899	193 899	9 864	66 682	80 791	(14 109)	-17.5%	193 899
Vote 7 - Internal Audit		4 564	4 984	4 984	326	1 687	2 076	(389)	-18.7%	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	37 440	201 303	247 760	(46 457)	-18.8%	594 624
Surplus/ (Deficit) for the year	2	74 256	82 476	99 862	(2 383)	118 140	40 687	77 453	190.4%	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

3.1.4 Table C4: Monthly Budget Statement-Financial Performance (revenue by source and expenditure by type) - M05– November

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 - November

Description	Ref	2024/25		Budget Year 2025/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD Budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		77 914	91 308	91 308	7 100	39 675	38 045	1 630	5%	91 308
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		11 793	15 526	15 526	996	4 975	6 469	(1 494)	-23%	15 526
Sale of Goods and Rendering of Services		27 190	26 470	26 470	10 022	19 735	11 029	8 706	79%	26 470
Agency services		1 539	1 800	1 800	236	740	750	(10)	-1%	1 800
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1 636	2 200	2 200	186	678	917	(238)	-4%	2 200
Interest from Current and Non Current Assets		15 316	28 813	28 813	720	6 024	12 005	(3 982)	-33%	28 813
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		303	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 317	2 220	2 220	172	682	925	(243)	-5%	2 220
Licence and permits		2 470	4 434	4 434	210	1 005	1 848	(842)	-46%	4 434
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		510	905	905	-	3	377	(374)	-99%	905
Non-Exchange Revenue										
Property rates		56 360	61 937	61 937	2 256	46 956	25 807	21 149	82%	61 937
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 127	3 048	3 048	87	552	1 270	(718)	-57%	3 048
Licence and permits		31	25	25	-	(0)	10	(10)	-100%	25
Transfers and subsidies - Operational		330 510	331 654	331 654	2 157	142 667	138 189	4 478	3%	331 654
Interest		23 294	24 270	24 270	1 692	7 533	10 113	(2 579)	-26%	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	25 834	274 046	247 754	26 292	11%	594 610
Expenditure By Type										
Employee related costs		162 964	186 701	186 701	14 914	72 807	77 792	(4 985)	-6%	186 701
Remuneration of councillors		24 244	24 666	24 666	1 934	9 700	10 277	(577)	-6%	24 666
Bulk purchases - electricity		67 487	98 000	98 000	7 145	41 104	40 833	271	1%	98 000
Inventory consumed		5 212	7 033	7 033	239	1 167	2 930	(1 763)	-60%	7 033
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		63 816	22 322	22 322	-	-	9 301	(9 301)	-100%	22 322
Interest		3 829	-	-	-	-	-	-	-	-
Contracted services		136 140	170 618	170 618	9 506	55 000	71 091	(16 091)	-23%	170 618
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		12 447	6 500	6 500	-	-	2 708	(2 708)	-100%	6 500
Operational costs		62 519	78 784	78 784	3 700	21 525	32 827	(11 302)	-34%	78 784
Losses on Disposal of Assets		1 065	-	-	-	-	-	-	-	-
Other Losses		27	-	-	-	-	-	-	-	-
Total Expenditure		561 751	594 624	594 624	37 480	201 303	247 760	(46 457)	-19%	594 624
Surplus/(Deficit)		(8 285)	(14)	(14)	(11 646)	72 743	(6)	72 749	-1260055%	(14)
Transfers and subsidies - capital (monetary allocations)		82 541	82 490	99 876	9 222	45 396	40 593	4 703	12%	99 876
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		74 256	82 476	99 862	(2 383)	118 148	40 687	-	-	99 862
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		74 256	82 476	99 862	(2 383)	118 148	40 687	-	-	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	(2 383)	118 148	40 687	-	-	99 862
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		74 256	82 476	99 862	(2 383)	118 148	40 687	-	-	99 862

The annual approved revenue budget was R 677,099,735 and this has been adjusted to an adjustments budget of R 694,485, 402. The Municipality has recognised R 35,056,489 for the month, this represents 5%. This is less than the performance expected for the month due to less operational transfers and subsidies recognised and other revenue items for the month. The total revenue received to date is 46% of the revenue budget.

The Municipality incurred operational expenditure of R 37,439,872 against the approved budget of R 594,623,647, incurring 6% expenditure for the month. The expenditure incurred is less than the expected performance for the month due to non-cash items that are accounted to the end of financial year and less operational payments and made on operational items for the month under review. The total Expenditure to date is 34% of the approved operating expenditure budget.

The total approved capital budget was **R 163,364,950** and this has been adjusted to an adjustments budget of **R 180,750,617**. The Municipality incurred expenditure of **R 11,052,7 80** this represents **6%** of the approved capital expenditure budget, this is below the expected performance for the month due to projects under procurement processes . The total Expenditure to date is **34%** of the approved capital expenditure budget.

Revenue by Source

Revenue by source explains the types of income budgeted for and the performance of these individually.

Property Rates

Property Rates – Property rates are billed for 10 months starting from July 2025 to April 2026 for both annual and monthly rates, hence there is variance. The total property rates raised/billed amounted to **R2,255,797** against approved budget of **R 61,936,752** this represents **4%** of the received revenue by source, which is less than anticipated for the month, the income received from property rates amounted to **R 10,023,613** which includes outstanding debt collected, and it represents **100%** when measured against the property rates billed or raised. The revenue stream will be closely monitored to ensure revenue targets are met by year end.

Services Charges

Revenue from service charges amounted to **R 8,095,903** revenue from service charges against the approved budget of **R 106,833,628**. This represent **8%** and this is more than expected performance for the month when measured against the monthly projection due to increase in electricity sales & service charges for the month. Total YTD revenue is **42%** of the revenue budget.

Agency Services

Agency Services has been budgeted separately from licences and permits with an amount of **R 1,800,000** relating to commission received from department of transport. The income received from agency fees for the month amount to **R 236,060**. This represents **13%** this is more than expected performance for the month due to more revenue collected on this category. Total YTD revenue is **41%**.

Rental of Facilities and equipment

Rental of facilities and equipment approved budget is **R 2,220,000**. The revenue for the month amounted to **R 171,777** has been recognised, this represent **8%** which is within the expected performance for the month. Total YTD revenue is **40%** of the revenue budget for this revenue source.

Interest earned on Investments.

The total approved budget Interest on investments is **R 28,812,996** and the interest received for the month of November 2025 is **R 720,032** which represent **2%** this is less than expected performance for the month due to cash withdrawals reducing our investment revenue, hence the variance. Total YTD revenue is **28%** of the revenue budget for this revenue source.

Interest on Outstanding Debtors

Interest on non-payment of electricity has been raised monthly which amounts to **R 1,878,094** has been posted on the interest on arrears for refuse services with the approved budget allocation of **R 26,470,000** which represents **7%** is less expected performance when measured against the monthly projection due to less sales under electricity and Interest billed on outstanding electricity payments. This decreased 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. Total YTD revenue is **32%** of the revenue budget for this revenue source.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an approved budget of **R 3,048,000**. The cash receipts for traffic fines issued is **R 86,929**, it represents almost **3%** this is less than expected performance for the month due to less fines and penalties issued/raised for the month. Total YTD revenue is **18%** of the revenue budget for this revenue source.

Licences and permits.

The total approved budget for licences and permits is **R 4,459,108** for budget year. The cash receipts for traffic fines issued was **R 210,289** and represents **5%** of the total revenue budget for this category. This is less than expected performance due to a decrease in motor vehicle registration application for the month under review. Total YTD revenue is **23%** of the revenue budget for this revenue source.

Transfers and Subsidies-Operational

Total approved budget amount on transfers and subsidies is **R 331,654,050**, and the transfers recognised represents **R 2,157,476** was recognised for the month ended 31 November 2025. The recognised transfers represent **1%** of the approved allocation, this is less than the expected performance for the month due to less operational grants recognised for the month under review. Total YTD revenue is **43%** of the revenue budget for this revenue source.

Transfers and Subsidies- Capital

Total approved budget on transfers and subsidies is **R 82,489,950** and this was adjusted to an adjustment budget of **R 99,875,617**. Total revenue of **R 9,222,377** recognised for the month; this represents **9%** of total budgets and is more than the expected performance for the month due to more capital grants recognised for the month MIG, Municipal Disaster Recovery Grant. Total YTD revenue is **45%** the revenue budget for this revenue source.

Other Revenue

Other revenue amounted to **R 10,021,756** for the month ended 30 November 2025, when measured against the approved budget allocation of **R 27,375,252** this represents **37%** which is more than the expected performance for the month. This is due to more Expenditure on INEP projects. Total YTD revenue is **72%** of the revenue budget for this revenue source.

Operating Expenditure by type

Employee related costs/Remuneration of Councillors

Salary costs incurred – the Municipality incurred **R 16,848,854** salary costs at the end of November 2025 against the approved budget allocation of **R 211,366,456**, incurring **8%** expenditure for the month and this is within the expected performance as reflected in the table below. Total YTD Expenditure is **39%** of the revenue budget for this revenue source.

Description	Total Budget	November 2025	Total Expenditure
Employee Related Cost	186,700,555.00	14,914,388.72	72,807,127.64
Municipal Staff	178,157,163.00	14,422,197.27	70,329,684.42
Senior Management	8,543,392.00	492,191.45	2,477,443.22
Remuneration of Councillors	24,665,901.00	1,934,465.64	9,699,989.19
Chief Whip	816,891.00	64,647.83	292,873.73
Executive Committee/Mayoral Committee	5,655,601.00	382,930.58	1,793,882.50
Executive Mayor/Mayor	1,072,684.00	84,891.17	709,046.57
Section 79 committee chairperson	801,471.00	143,383.73	547,610.46
Speaker	868,047.00	68,696.42	343,482.10
Total for All Other Councillors	15,451,207.00	1,189,915.91	6,013,093.83
Grand Total	211,366,456.00	16,848,854.36	82,507,116.83

Debt impairment

Debt Impairment is processed annually. Testing of impairment will be 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

Depreciation and asset impairment reflects an anticipated YTD negative variance of **R 9,300,781**. The variance is as a result 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 charges

No interest expenditure incurred in November as this transaction is processed at year end. 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

Total approved budget on bulk electricity purchases is **R 98,000,000** expenditure for the month relating to October invoice is **R 7,144,990** this represents **7%** and this is less than the expected value for the month due to lower seasonal electricity usage. Total YTD expenditure is **42%** of the revenue budget for this revenue source.

Other material

Total approved budget on other material is **R 7,032,600**. Expenditure for month amounts to **R 239,282** and represents **3%**. 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. Shortage of stock at stores also contributes to the biggest effect on the difference caused by the delay in appointment of service providers. Total YTD expenditure is **17%** of the revenue budget for this revenue source.

Contracted services

Total approved budget on contracted services is **R 170,618,329**. The spending for the month amounted to **R 9,506,387** which represents **6%** of the budgeted amount. This is less than expected performance for the month due slow spending in some contracted projects and timing of the targets . Total YTD expenditure is **32%** of the revenue budget for this revenue source.

Other Expenditure

Other expenditure includes all other general operational costs of the Municipality. Total approved Budget on Other expenditure is **R 78,784,387**. this expenditure amounted to **R 3,700,358** for the month; this represents **5%** of the budget. This is less than the expected performance due to slow spending in certain budgeted expenditures relating to the protective clothing, Internships and learnerships, insurance premium provisions, Audit fees and workers compensation, employee achievements and some would only be accounted for at year end. Total YTD expenditure is **27%** of the revenue budget for this revenue source.

1.5 Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote function classification and funding) - M05– November

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - B04 - October

Vote Description	Rair	2024/25			5 - Oct Year 2025/26			Diff	Diff %	Percent
R thousands	1	Approved	Actual	Monthly actual	Year TD actual	Year TD budget				
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		83								
Vote 2 - Finance and Admin		2 196	4 397	4 397		1 199	1 468	1 327	-91%	
Vote 3 - Corporate		1 646	2 242	2 242	89	469	1 050	815	-87%	
Vote 4 - Development and Planning		4 124	13 856	18 268		1 003	5 286	6 282	-64%	
Vote 5 - Community		9 333	8 090	8 090	567	725	2 667	1 942	-73%	
Vote 6 - Infrastructure		115 532	128 873	146 299	11 815	48 136	47 699	438	1%	
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	163 366	180 751	12 474	50 470	89 197	8 729	-15%	
Total Capital Expenditure		132 721	163 366	180 751	12 474	50 470	89 197	8 729	-15%	
Capital Expenditure - Functional Classification										
Overseas and administration		3 933	7 637	7 637	89	898	2 946	1 938	-76%	
Executive and council		83								
Finance and administration		3 850	7 637	7 637	89	898	2 946	1 938	-76%	
Internal audit										
Community and public safety		4 848	5 199	5 199	543	538	1 717	1 099	-64%	
Community and social services		832	2 395	2 395	543	542	783	1 965	-71%	
Sport and recreation										
Public works		4 017	2 800	2 800			833	1 933	-100%	
Housing										
Health										
Economic and environmental services		189 386	133 368	158 894	11 815	38 732	49 178	10 446	-21%	
Planning and development		4 124	13 856	18 268		1 003	5 286	6 282	-64%	
Road transport		106 261	1 14 453	131 839	11 815	37 729	42 893	5 164	-12%	
Environmental protection										
Trading services		14 884	17 376	17 376	24	18 533	5 737	4 754	-83%	
Energy services		15 088	14 430	14 430		10 406	4 807	5 595	-118%	
Water management										
Waste water management										
Waste management		4 486	2 880	2 880	24	107	960	1 643	-89%	
Other										
Total Capital Expenditure - Functional Classification	3	132 721	163 366	180 751	12 474	50 470	89 197	8 729	-15%	
Funded by										
National Government		89 648	82 130	99 574	9 538	32 653	32 138	516	2%	
Provincial Government		629	360	308	188	262	100	162	163%	
District Municipality										
Transfers and subsidies - capital (municipal allocations) (incl. Prov. Deparmt. Agencies)										
Transfers recognised - capital		79 274	82 498	88 875	9 727	32 916	32 238	678	2%	
Borrowing										
Internally generated funds	5	63 446	89 878	80 875	2 747	17 564	26 988	9 404	-36%	
Total Capital Funding		132 721	163 366	180 751	12 474	50 470	89 197	8 729	-15%	

The total approved capital budget is R 163,364,950 and this has been adjusted to an adjustments budget of R 180,750,617. The Municipality incurred expenditure of R 11,052,780 this represents 6% of the approved capital expenditure budget, this is below the expected performance for the month due to projects under procurement process

The total Expenditure to date is 34% of the revenue budget for this revenue source.

3.1.6 C6 Monthly Budget Statement –Financial Position - M06 – November

Description	Ref	Budget Year 2025/26				Full Year Forecast
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		269 900	230 836	230 836	263 792	230 836
Trade and other receivables from exchange transactions		147 211	54 254	54 254	(41 718)	54 254
Receivables from non-exchange transactions		158 812	125 528	125 528	191 942	125 528
Current portion of non-current receivables		-	-	-	-	-
Inventory		3 832	3 784	3 784	3 560	3 784
VAT		24 677	10 438	10 438	19 887	10 438
Other current assets		5 866	5 400	5 400	5 866	5 400
Total current assets		415 875	430 240	430 240	443 329	430 240
Non-current assets						
Investments		-	-	-	-	-
Investment property		4 960	4 960	4 960	4 960	4 960
Property, plant and equipment		1 094 788	1 267 568	1 284 954	1 156 312	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		1 101 668	1 275 562	1 292 947	1 163 191	1 292 947
TOTAL ASSETS		1 517 543	1 705 802	1 723 187	1 606 520	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	41 734	65 900
Trade and other payables from non-exchange transactions		20 481	29 800	29 800	17 695	29 800
Provision		24 184	43 950	43 950	24 184	43 950
VAT		61 434	61 810	61 810	62 231	61 810
Other current liabilities		-	-	-	-	-
Total current liabilities		176 837	201 988	201 988	147 675	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	191 608	224 489
NET ASSETS	2	1 296 773	1 481 313	1 498 698	1 414 912	1 498 698
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		912 403	1 400 438	1 417 824	1 030 542	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	1 498 698	1 414 912	1 498 698

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 November 2025. Total assets are R 1,606,520 over the total liabilities of R 147,675 this is therefore means the municipality is still able to meet its financial obligations.

3.1.7 C7 Monthly Budget Statement –Cash Flow - M05 – November

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M05 - November

Description	Ref	2024/25			Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
<i>Receipts</i>										
Property rates		67 797	52 646	52 646	1 596	20 638	21 935	(1 298)	-6%	52 646
Service charges		96 392	90 809	90 809	11 764	46 674	37 837	8 838	23%	90 809
Other revenue		22 800	84 321	84 321	13 183	29 009	35 134	(6 125)	-17%	84 321
Transfers and Subsidies - Operations		338 711	331 654	331 654	3 148	140 486	138 189	2 297	2%	331 654
Transfers and Subsidies - Capital		179 429	82 490	99 876	3 461	79 434	40 693	38 741	95%	99 876
Interest		24 647	55 283	55 283	1 183	8 689	23 035	(14 346)	-62%	55 283
Dividends		-	-	-	-	-	-	-	-	-
Payments		-	-	-	-	-	-	-	-	-
Suppliers and employees		(291 732)	(565 802)	(565 802)	(21 146)	(127 643)	(235 751)	108 108	-46%	(565 802)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		438 045	131 401	148 788	13 188	197 287	61 072	(136 214)	-223%	148 786
CASH FLOWS FROM INVESTING ACTIVITIES										
<i>Receipts</i>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<i>Payments</i>										
Capital assets		130 245	(163 365)	(180 751)	(11 082)	(67 190)	(74 391)	7 201	-10%	(180 751)
NET CASH FROM/(USED) INVESTING ACTIVITIES		130 245	(163 365)	(180 751)	(11 082)	(67 190)	(74 391)	(7 201)	10%	(180 751)
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Receipts</i>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<i>Payments</i>										
Repayment of borrowings		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		568 291	(31 964)	(31 964)	2 106	130 097	(13 318)			(31 964)
Cash/cash equivalents at beginning:		258 145	262 801	262 801		269 900	262 801			269 900
Cash/cash equivalents at month/year end:		826 435	230 836	230 836		399 996	249 482			237 936

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

**PART 2 –SUPPORTING DOCUMENTATION
SECTION 4**

Debtors Analysis

Table SC3 presented below summarises the Debtors Age Analysis as at 30 November 2025.

EC441 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 - November															
Description	BT Code	Budget Year 2025/26									Actual over 90 days	Actual 90 Days Written Off against Debtors	Impairment - Bad Debts La Cour 6 Policy		
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Tr	Over 1Tr	Total					
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5 044	2 875	1 702	3 489	6 642	1 303	416	2 951	19 510	6 704	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1 958	1 254	898	2 202	3 751	28	13	78 014	116 803	110 957	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	900	587	475	441	420	384	378	39 481	34 002	32 151	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Advance Deposit Accounts	1810	1 808	1 231	1 860	1 438	1 205	1 175	1 408	66 456	77 755	72 007	-	-	-	-
Receivable unauthorised, irregular, useless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	81	80	226	1 871	30	72	44	40 206	42 844	42 487	-	-	-	-
Total By Income Source	2900	9 879	6 816	5 290	8 443	16 646	3 169	2 966	218 837	291 847	290 828	(586)	-	-	-
292426 - social only		18 808	24 724	4 936	4 295	2 506	2 391	3 250	189 537	252 251	290 869	-	-	-	-
Debtors Age Analysis By Customer Group															
Organ of State	2100	3 782	3 352	3 184	7 803	13 875	2 177	1 319	83 052	138 643	128 235	-	-	-	-
Commercial	2300	5 442	2 904	1 280	884	1 018	493	524	71 821	84 280	74 859	(123)	-	-	-
Household	2400	670	861	950	841	652	492	463	63 844	68 115	68 118	(472)	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2910	9 879	6 816	5 290	8 443	16 646	3 169	2 966	218 817	291 847	290 828	(586)	-	-	-

The total debt book for November 2025 of R 291,047,189 inclusive to R 4,474,939 advance payments.

The total debt for November 2025 of R 286,572,250 (including current of R 10,082,922 which is not yet due) has decreased by R 11,139,127 from the previous month closing balance of R 287,628,454

Debt is made up of the following:

- **Residential debt:**
R 42,765,842
- **Commercial debt**
R 35,180,056
- **Government debt**
R 132,368,383
- **Other**
R 435,206

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 84,542,297

- **Maluti**
R 68,812,965 (including current)
- **Cedarville**
R 15,729,332 (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 67,839,098

Business H/O R 3,241,091.25

Churches H/O R 120,034.62

Farms H/O R 4,622,540

R 10,023,613 was collected for November 2025.

SECTION 5 -CREDITORS' ANALYSIS

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 - November

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	450
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	450

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 month ended 30 November 2025.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Nov-25

Investment Management

Conditional Investments -Description	Opening Balance	Deposits	WITHDRAWALS	Interest Earned	Closing Balance
Municipal Infrastructure Grant	9,851,535.79	85,978.48	-6,065,505.76	-85,978.48	3,872,008.51
INEP	74,698.11	11,302,412.30		-412.3	11,377,110.41
EPWP	-			-	-
Disaster Management	15,895,134.18	100,468.95	-1,768,257.95	-100,468.95	14,227,345.18
Finance Management Grant	1,271.80	7.13		-7.13	1,278.93
Establishment Plan	240,646.30	1,021.92		-1,021.92	241,668.22
Housing Development Fund	2,456,952.94	10,736.55		-10,736.55	2,467,689.49
Dedea	746,470.30	3,067.69		-3,067.69	749,537.99
Total Conditional Investments	29,266,709	11,503,693	- 7,833,764	- 201,693	32,936,639

Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	181,844,582.18				181,844,582.18
Call ACC FNB Surplus Cash	6,805,395.80			-31,211.60	6,805,395.80
Nedbank 32 Days	8,597,657.00	52,940.25		-52,940.25	8,650,597.25
Nedbank	31,896,664.70	16,376,423.79	-38,500,000.00	-376,423.79	9,773,088.49
Nedbank Retention	10,082,969.84	3,087,532.70		-55,663.60	13,170,502.54
Termination Guarantee	144,640.82			-798.56	144,640.82
Account Gaurantee	6,202,000.00			-34,238.57	6,202,000.00
Total Unconditional Investments	245,573,910	19,516,897	- 38,500,000	- 551,276	226,590,807
Total Investment	274,840,620	31,020,590	- 46,333,764	- 752,969	259,527,446

The investment portfolio of the municipality as at 30 November 2025 is as follows :

As at 30 November 2025 the conditional investments amounted to **R 32,936,639** and unconditional investments amounted to **R 226,590,807**. Total investments as at 30 November 2025 amounted to **R 259,527,446**

These invested funds are those funds for the capital projects that have not yet been implemented. The interest raised from these short-term investments is already included in the budget at an estimate.

This indicates that the municipality as at 30 November 2025 had sufficient cash to operate for a period more than 3 months without receiving grants to cover operating costs.

The following reflects bank balances at 30 November 2025

Description	November 2025
Nedbank Primary Account:	4 749 316.50
Standard bank Account:	3 ,990,950.50
FNB Money Market Account:	603,908,03
Total Cash held as at 30 November 2025	9,344,175.03

Unreconciled items for the month amount to R 5,082,028 which is made up of the receipts not yet banked and payments that reflects on the following month.

The above tables reflect the Cashbook balance of R 9,344,175.03 and investment balance of R 259,527,446 and the total cash book balance and investment is R 268,871,621

SECTION 7 _ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6 – M05 - November

Operating Transfers and Grants						
National Government:	347 687	347 687	12 643	157 487	144 870	45%
Local Government Equitable Share	319 324	319 324	-	133 052	133 052	42%
Expanded Public Works Programme Integrated Grant	2 980	2 980	1 341	2 086	1 242	70%
Local Government Financial Management Grant	1 800	1 800	-	1 800	750	100%
Intergrated National Electrification Programme	20 549	20 549	11 302	20 549	8 562	100%
Municipal Infrastructure Grant (MIG)	3 034	3 034	-	-	1 264	0%
Provincial Government:	2 616	2 616	-	2 644	396	101%
Capacity Building and Other : Library	950	950	-	978	396	103%
DEDEAT	1 666	1 666	-	1 666	694	100%
Total Operating Transfers and Grants	350 303	350 303	12 643	160 131	145 285	46%
Capital Transfers and Grants	82 490	99 876	-	41 596	41 615	50%
Municipal Infrastructure Grant (MIG)	57 647	57 647	-	33 934	24 020	59%
Disaster Response Grant	24 543	41 929	-	7 362	17 470	18%
Capacity Building and Other : Library	300	300	-	300	125	0%
Total Capital Transfers and Grants	82 490	99 876	-	41 596	41 615	50%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	432 793	450 179	12 643	201 727	186 880	47%

The Municipality has received the conditional grant and unconditional grants allocations amounting to R 12,6 Million for both operational and capital grants.

7.2 Supporting Table SC7 - M05 – November

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 - November

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		8 282	7 814	7 814	1 913	8 371	3 256	5 115	157.1%	7 814
Expanded Public Works Programme Integrated Grant		3 880	2 980	2 980	1 556	6 457	1 242	5 215	420.0%	2 980
Municipal Disaster Relief Grant		1 631	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	3	1 700	1 800	1 800	47	585	750	(165)	-22.0%	1 800
Municipal Infrastructure Grant		1 071	3 034	3 034	310	1 329	1 264	65	5.1%	3 034
Provincial Government:		3 560	4 516	4 516	245	1 464	1 882	(417)	-22.2%	4 516
Specify (Add grant description)		466	2 850	2 850	29	218	1 188	(970)	-81.7%	2 850
Specify (Add grant description)		3 095	1 666	1 666	216	1 247	694	552	79.6%	1 666
District Municipality:		150	-	-	-	-	-	-	-	-
Specify (Add grant description)		150	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants		11 992	12 330	12 330	2 157	9 835	5 138	4 698	91.4%	12 330
Capital Transfers and Grants										
National Government:		80 137	82 190	99 576	9 222	45 133	40 568	4 565	11.3%	99 576
Municipal Disaster Relief Grant		6 604	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		58 513	57 647	57 647	5 664	31 781	24 020	7 761	32.3%	57 647
Municipal Disaster Recovery Grant		17 020	24 543	41 929	3 558	13 352	16 548	(3 196)	-19.3%	41 929
Provincial Government:		601	300	300	(1 160)	(4 056)	125	(4 181)	-3344.8%	300
Specify (Add grant description)		-	300	300	-	-	125	(125)	-100.0%	300
Specify (Add grant description)		(28)	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	(1 160)	(4 319)	-	(4 319)	#DIV/0!	-
Specify (Add grant description)		629	-	-	-	263	-	263	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		80 738	82 490	99 876	8 062	41 077	40 693	384	0.9%	99 876
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		92 730	94 820	112 206	10 220	50 912	45 830	5 082	11.1%	112 206

The municipality has expenditure of **R 10,220,000** for both total operating and capital transfers grants

SECTIONS 8

Table SC8 presents the expenditure of councillor and staff benefits at 30 November 2025

EC441 Matabelle - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 - November

Summary of Employee and Councillor remuneration	Ref	2024/25			Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		15 487	13 855	13 855	1 000	5 480	5 773	(293)	-5%	13 855
Pension and UIF Contributions		920	958	958	74	370	389	(19)	-7%	958
Medical Aid Contributions		537	31	31	7	51	38	13	113%	31
Motor Vehicle Allowance		15	2 178	2 178	184	510	907	(392)	-43%	2 178
Telephone Allowance		2 551	2 873	2 873	212	1 058	1 114	(56)	-5%	2 873
Housing Allowances		4 734	4 912	4 912	382	2 195	2 247	(52)	-7%	4 912
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		24 244	24 988	24 988	1 934	9 700	9 237	(463)	-8%	24 988
% increase	4		1.7%	1.7%						1.7%
Senior Managers of the Municipality										
Basic Salaries and Wages		1 636	2 782	2 782	157	480	1 150	(670)	-20%	2 782
Pension and UIF Contributions		234	489	489	22	104	204	(100)	-40%	489
Medical Aid Contributions		96	343	343	22	100	143	(44)	-30%	343
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		15	580	580	-	7	342	(324)	-37%	580
Motor Vehicle Allowance		1 774	2 905	2 905	183	940	1 210	(270)	-22%	2 905
Telephone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		754	904	904	73	321	377	(56)	-15%	904
Other benefits and allowances		0	1	1	0	0	0	0	-47%	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Aiding and post related allowance		202	540	540	34	146	225	(79)	-35%	540
Travel benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4 684	8 643	8 643	482	2 477	3 580	(1 103)	-80%	8 643
% increase	4		86.8%	86.8%						86.8%
Other Municipal Staff										
Basic Salaries and Wages		103 130	124 147	124 147	10 324	48 290	51 728	(3 438)	-6%	124 147
Pension and UIF Contributions		12 423	21 380	21 380	1 590	7 462	8 200	(738)	-12%	21 380
Medical Aid Contributions		8 512	8 201	8 201	590	2 223	3 334	(1 111)	-15%	8 201
Overtime		4 279	3 380	3 380	251	1 405	1 858	(453)	-15%	3 380
Performance Bonus		10 412	9 305	9 305	877	4 427	3 877	550	14%	9 305
Motor Vehicle Allowance		8 828	7 080	7 080	503	2 820	2 942	(122)	-11%	7 080
Telephone Allowance		6	6	6	3	3	3	0	-7%	6
Housing Allowances		3 091	3 221	3 221	190	1 107	1 342	(235)	-18%	3 221
Other benefits and allowances		1 544	1 076	1 076	85	1 240	448	792	177%	1 076
Payments in lieu of leave		(1 150)	-	-	35	388	-	388	303%	-
Long service awards		1 145	-	-	15	84	-	84	303%	-
Post-retirement benefit obligations		94	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Aiding and post related allowance		-	-	-	-	-	-	-	-	-
Travel benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		168 381	178 167	178 167	14 422	78 830	74 282	(4 548)	-6%	178 167
% increase	4		12.6%	12.6%						12.6%
Total Parents Municipality		187 289	211 388	211 388	19 349	82 507	80 809	(1 698)	-6%	211 388

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.

Remuneration related expenditure for the month ended 30 November 2025 amounted **R 16,848,854** of which the expenditure **R 1,934,465** relates to Remuneration of Councillors and **R 14,914,389**, to Managers and staff, incurring **8%** expenditure for the month salary budget

allocation and this is within the expected performance as reflected in the table below. However, it is anticipated that the costs may increase when the year progress when all vacant positions are filled. Total YTD Expenditure is **39%** the revenue budget for this expenditure type.

8.1 Performance Indicators

EC441 Matatiele - Supporting Table SC2 Monthly Budget Statement - performance indicators - M05 - November

Description of financial indicator	Basis of calculation	Ref	Budget Year 2025/26				
			2024/25 Actual	2025/26 Budget	2025/26 Budget	YearTD actual	YearTD Estimate
Accounting Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.7%	3.0%	3.2%	0.2%	4.1%
Borrowed funding of own capital expenditure	Borrowings/Capital expenditure etc. transfers and grants		0.0%	0.0%	0.2%	0.2%	0.2%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provisions		0.3%	0.5%	0.4%	5.5%	0.4%
Gearing	Long Term Borrowing, Funds & Reserves		0.0%	0.0%	0.2%	0.2%	0.2%
Liquidity							
Current Ratio	Current assets/current liabilities		235.0%	213.0%	213.0%	300.0%	213.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		152.0%	114.3%	114.3%	178.0%	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%	0.2%	0.2%	0.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		0.0%	0.0%	0.2%	0.2%	0.2%
Provisions Management							
Creditors System Efficiency	% of Creditors Paid Within Terms within MFLA + 05 etc						
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		20.4%	31.4%	31.4%	21.0%	31.4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.1%	4.8%	4.8%	1.2%	4.8%
Interest & Depreciation	I&D/Total Revenue - capital revenue		15.2%	3.8%	3.8%	0.2%	4.1%
ICP regulation financial viability indicators							
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within finance 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 Results					
Total Assets		1 517 543	1 705 802	1 723 187	1 608 520
Employee related costs		180 964	180 701	180 701	72 807
Repairs & Maintenance		15 973	28 250	28 250	4 487
Interest finance charges		3 209			
Principal paid					34 008
Depreciation		62 810	20 320	20 320	
Operating expenditure		581 751	594 824	594 824	221 303
Total Capital Expenditure		130 721	183 365	180 751	11 053
Borrowed funding for capital					
Debt		107 345	95 700	95 700	77 357
Equity		1 206 773	1 481 313	1 406 506	1 414 912
Revenues and funds:					
Borrowing					
Current assets		415 875	430 340	430 340	443 325
Current liabilities		178 837	251 366	251 366	147 075
Monetary assets		269 900	230 836	230 836	282 122
Total Revenue (including capital transfers and contributions)		553 465	594 810	594 810	274 048
Transfers and subsidies - Operational					
Transfers and subsidies - capital (monetary allocations)		330 510			
Debt service payments		80 541	20 490	20 490	45 398
Outstanding debtors (receivables)		24 947	55 283	55 283	
Annual services revenue		117 487			
Cash + Investments	Including LT Investments	146 068	188 770	188 770	92 352
Fixed operations expend. (monthly)		200 900	230 836	230 836	253 722
Longstanding debtors outstanding					
Longstanding debtors recovered					
Estimates collections					

Borrowing Management

The municipality does not have any loans.

Liquidity

4.2 Liquidity Management

4.2.1 Cash Coverage November 2025

Purpose/ Use of the Ratio

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

The Municipality as at end of November 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 November 2025: R 443,329,000/ R 147,675,000 = **3.98:1**

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 November 2025 is: R 3.98 : 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 November 2025:(R 443,329,000 – R 3,560,000) / R 147,675,000 = **3.51:1**

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.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

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

The monthly budget statements (Section 71 Report) on the implementation of the budget and financial state of affairs of the municipality for the month ended 30 November 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: 09/12/2025