



MATATIELE
LOCAL MUNICIPALITY

**2025/2026
MONTHLY
SECTION 71
REPORT**

**MONTH ENDED
30 APRIL 2026**

TABLE OF CONTENTS

	PAGE
Glossary	3
Legislative Framework	4
PART 1-IN-YEAR REPORT	
Resolutions	5
Executive summary	6-13
In-year budget statement tables	14-25
PART 1-SUPPORTING DOCUMENTATION	
Debtors Analysis	26-27
Creditors Analysis	27
Investment Portfolio	28-29
Grants Management	30-31
Employee Related Costs & Remuneration of Councillors	32-33
Performance Indicators	34 -35
Municipal Manager's quality certificate	36

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 situation 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 April 2026.
- 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 revenue budget was **R677,099,735**, this was adjusted to an adjustments budget of **R 725,377,402**. For the month of April 2026, the municipality recognised revenue amounting to **R23,024,820**, representing **3%** of the adjusted revenue budget for the month. The revenue performance for the reporting period is below the anticipated monthly target, mainly due to lower-than-expected receipts generated from operational revenue as well as the sale of goods and services. Total Revenue collected to date represents **85%** of the approved adjusted revenue budget. The municipality will continue to monitor revenue collection trends and implement measures aimed at improving revenue performance in the remaining reporting periods of the financial year.

Operating Expenditure by type

The approved total operating expenditure budget of **R 594,623,647** was adjusted to an adjustments operating expenditure budget of **R 595,301,647** For the month under review, the municipality incurred operating expenditure amounting to **R17,434,781**, representing approximately **3%** of the total adjusted operating expenditure budget. Expenditure performance for the reporting period is below the anticipated monthly target, mainly due to delays in processing employee-related journals required to align system integrations between Munsoft and Payday. Expenditure incurred to date stands at **72%** of the approved operating expenditure budget.

Capital Expenditure

The total approved capital budget amounted to **R 163,364,950**, this was adjusted to an adjusted capital budget of **R210,964,616**. Municipality incurred capital expenditure of **R 8,481,610**, representing approximately **4%** of the total capital budget. This performance is below the anticipated monthly spending target, primarily due to lower levels of expenditure on capital projects funded disaster recovery grant during the reporting period. Capital expenditure incurred to date amounts to **50%** 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 April 2026 is **R 3,584,028** which represents **6%** of expenditure for the month ended (Vat exclusive). YTD expenditure is **78%** of the allocation.
- Disaster recovery grant was allocated a budget amount of **R 24,543,000** this was adjusted to a total adjusted budget of **R 72,142,666**. The grant reflects Monthly spending of **R 2,951,450** as at the end 30 April 2026 (at exclusive), this represents **4%**. YTD expenditure represents **31%** .
- The Library Capital Grant allocation of **R 300,000** was allocated. There was no spending at the end of 30 April 2026. YTD expenditure represents **56%** of the allocation.
- Capital Replacement Reserves (CRR) for the financial year of **R 80,875,000** is allocated. The spending for the month is **R 1,946,132** which represent **2%** spending for the month. YTD expenditure represents **46%**.
- 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.

Function	Total Budget	April Actuals	Total Expenditure
Community and Social Services: Community Governance(3096)	213,000.00	-	162,500.00
Community Halls and Facilities:Public Amenities (3005)	2,137,000.00	290,000.00	737,939.12
CORE FUNCTION: SOLID WASTE REMOVAL	2,850,000.00	-	322,819.42
Energy Sources: Electricity (4040)	14,420,000.00	1,222,539.44	11,628,557.80
Finance and Administration: Information Technology (2540)	2,600,000.00	-	-
Finance and Administration: Asset Mangement and Reporting (2015)	30,000.00	-	-
Finance and Administration: Council Support (2541)	490,000.00	-	382,163.28
Finance and Administration: Human Resources (2535)	150,000.00	-	135,186.16
Finance and Administration: SCM & Expenditure (2025)	2,660,000.00	290,000.00	342,173.91
Finance and Administration: Revenue and Debt Management (2020)	600,000.00	-	-
Finance:Budget & Treasury (2010)	480,000.00	-	58,845.77
Marketing; Customer Relations; Publicity and Media Co-ordination:communications and SPU (1020)	627,000.00	-	127,761.44
Planning and Development: LED (3520)	2,990,000.00	-	843,606.95
Planning and Development: Planning (3510)	4,360,000.00	-	759,344.20
Public Safety: Civil Defence (3074)	2,800,000.00	-	313,988.90
Road Transport: Project Operations & Mainnt(4010)	55,906,666.00	2,595,909.24	28,987,730.04
Roads:Project Management Unit	106,145,950.00	3,965,921.88	58,150,713.55
Town Planning; Building Regulations and Enforcement; and City Engineer:Human Settlements and Building Controls	11,505,000.00	117,239.50	1,725,404.68
Grand Total	210,964,616.00	8,481,610.06	104,678,735.22

Grant Funded Projects (MIG PROJECTS)

MIG Capital Project	April 2026 status
Excavator	Excavator has been procured and delivered (100 % completed).
Harry Gwala Internal Streets	Project is under construction and is 90 % completed.
Construction of Cedarville Internal Streets Phase 4	Project is under construction and is 65 % completed.
Maluti Internal Streets Phase 5	Project is under construction and is 89 % completed.
Mahasheng Access Road & Bridge	Project is under defects liability period (95%).
Mafube-Nkosana Access Road & Bridge	Project is under construction and is 85 % completed.
Lekhalong via Magema-Outspan Access Road	Project is under defects liability period (95%).

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

INEP Capital Project	April 2026 status
Electrification of Motsekua Village	569 connections have been completed, and the expenditure is at 95%

Disaster Response Grant

Disaster Capital Project	April 2026 status
Mvenyane Access Road and Bridge Recovery	
Lugada Mahlabathini AR Recovery	The project is under construction and progress is 87 %.
Tlakanelo Access Road & Bridge (MDRG)	The project is under construction and progress is 21 %.
Sifolweni Access Road (MDRG)	The project is under construction and progress is 22%.
Motsing Access Road (MDRG)	Contractor has been appointed and site handed over was held on 14th April 2026
Rholweni Access Road (MDRG)	RFQ issued and closed, evaluation in progress and contractor has been appointed
Tsita-Pehong Access Road (MDRG)	Contractor has been appointed and site handed over was held on 17th April 2026
Sekhutlong Access Road (MDRG)	Contractor has been appointed and site handed over was held on 14th April 2026
Mdeni Access Road and Bridge Recovery	Project is under defects liability period (95%)



Lugada to Mahlabathini and Bridge Recovery	
	Bridge is under construction and 82.6 % completed and Access Road has been finally completed (100%) completed
Hillside - Ngcwengane A/R and Bridge Recovery	
Mngeni Bridge Recovery	

Internal Funded Capital Projects

<u>Capital Replacement Reserve Projects</u>	<u>April 2026 Status</u>
Phase 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 and progress is 94 %.
Nkululekweni Access Road	The project is under construction and progress is 94 %.
Maloto Access Road	The project is under construction and progress is 94 %.
Buxton Park Bridge	The project is under construction and progress is 94 %.
Harry Gwala Internal Streets CRR	The project is under construction and progress is 75 %
Phalane-Mbizweni Access Road	Project is practically completed with a snag list(95%)
Motsekoa Access Road	Project is under construction and is 70 % completed.
Mapateng Access Road	Project is completed and is on defects liability period(95%).
Storm Water Drainage	The project is under construction @ 90% complete
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 April 2026

**TENDER CONTROL
APRIL 2026**

SUMMARY: QUOTATIONS	April -26	TOTAL April 2026
Ghghz7 DAY TO DAY QUOTATIONS	R1,316,695.68	R1,316,695.68
FORMAL QUOTATIONS	R757,680.34	R757,680.34
TOTAL QUOTATIONS	R 2,074,376	R 2,074.376

BIDDING PROCESS	Bids Awarded vs Capital Budget	Capital Spending Year-To-Date	Orders Issued
Bids awarded	20,054,141.77	-	4.00
Bids in the process	-	-	-
Bids behind schedule	-	-	-
Bids cancelled or removed from budget	-	-	-
Bids to be awarded	-	-	-

Total Summary values of Procurements,	April -26	TOTAL APRIL 2026
Below R30 000 (SCM Orders) and travel & accommodation	R1,316,695.68	R1,316,695.68
R30 001 – 300 000 (Procurement Process above R 30 000.00)	R757,680.34	R757,680.34
Procurement above R300 000 (Competitive bidding)	20,054,141.77	20,054,141.77
Section 32 /National treasury transversal contract	R0.00	R0.00
Deviations (Section 36)	R3,444,934.60	R3,444,934.60

BIDS AND QUOTATIONS INVITED	APRIL -26	TOTAL APRIL 2026
Invited Quotations	19	19
Invited Bids	7	7
Awarded Quotations	5	5
Awarded Bids	0	0

BIDS INVITED					
NUMBER	NAME OF THE PROJECT	ADVERT DATE	CLOSING DATE	VALIDITY PERIOD	STATUS

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

3.1.1 Table C1: Monthly Budget Statement Summary – M10 – April

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - M10 - April

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	2 217	57 452	51 614	5 838	11%	61 937
Service charges	89 707	106 834	106 834	6 971	86 972	89 028	(2 056)	-2%	106 834
Investment revenue	15 316	28 813	28 813	1 727	15 916	24 011	(8 095)	-34%	28 813
Transfers and subsidies - Operational	330 510	331 654	332 332	451	333 223	276 785	56 438	20%	332 332
Other own revenue	61 572	65 372	65 372	4 509	47 150	54 477	(7 327)	-13%	65 372
Total Revenue (excluding capital transfers and contributions)	553 465	594 610	595 288	15 875	540 712	495 915	44 797	9%	595 288
Employee costs	162 964	186 701	186 701	(651)	147 306	155 584	(8 278)	-5%	186 701
Remuneration of Councillors	24 244	24 666	24 666	65	19 838	20 555	(717)	-3%	24 666
Depreciation and amortisation	63 816	22 322	22 322	-	32 626	18 602	14 024	75%	22 322
Interest	3 829	-	-	0	1 955	-	1 955	#DIV/0!	-
Inventory consumed and bulk purchases	92 699	105 033	105 463	6 990	78 398	87 785	(9 387)	-11%	105 463
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	214 199	255 903	256 151	11 031	149 088	213 401	(64 314)	-30%	256 151
Total Expenditure	561 751	594 624	595 302	17 435	429 210	495 927	(66 716)	-13%	595 302
Surplus/(Deficit)	(8 285)	(14)	(14)	(1 559)	111 502	(12)	111 513	-965736%	(14)
Transfers and subsidies - capital (monetary allocations)	82 541	82 490	130 090	7 149	77 655	101 095	(23 439)	-23%	130 090
Transfers and subsidies - capital (in-kind) contributions	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	82 476	130 076	5 590	189 157	101 083	88 074	87%	130 076
Surplus/ (Deficit) for the year	74 256	82 476	130 076	5 590	189 157	101 083	88 074	87%	130 076
Capital expenditure & funds sources									
Capital expenditure	132 486	163 365	210 965	8 482	104 679	168 490	(63 812)	-38%	210 965
Capital transfers recognised	70 274	82 490	130 090	6 535	67 555	101 095	(33 539)	-33%	130 090
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	62 211	80 875	80 875	1 946	37 123	67 396	(30 273)	-45%	80 875
Total sources of capital funds	132 486	163 365	210 965	8 482	104 679	168 490	(63 812)	-38%	210 965
Financial position									
Total current assets	416 110	430 240	430 240	-	542 986	-	-	-	430 240
Total non current assets	1 101 433	1 275 562	1 323 161	-	1 173 486	-	-	-	1 323 161
Total current liabilities	171 218	201 988	201 988	-	180 990	-	-	-	201 988
Total non current liabilities	43 933	22 501	22 501	-	43 933	-	-	-	22 501
Community wealth/Equity	1 302 392	1 481 313	1 528 913	-	1 491 549	-	-	-	1 528 913
Cash flows									
Net cash from (used) operating	432 426	131 401	179 000	12 299	445 018	141 854	(303 164)	-214%	179 000
Net cash from (used) investing	130 245	(163 365)	(210 965)	(9 564)	(109 407)	(168 490)	(59 084)	35%	(210 965)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	820 816	230 836	230 836	-	605 511	236 164	(369 347)	-156%	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 By Income Source	11 267	5 856	4 717	5 341	5 444	4 508	4 534	250 732	292 401
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) – M10 – April

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M10 - April

Description	Ref	2024/25		Budget Year 2025/26						
		Approved Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		419 376	437 220	437 370	5 637	410 408	364 440	45 968	13%	437 370
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		418 776	437 220	437 370	5 637	410 408	364 440	45 968	13%	437 370
Internal audit		600	-	-	-	-	-	-	-	-
Community and public safety		12 147	17 474	17 502	3 083	15 649	14 579	1 070	7%	17 502
Community and social services		6 076	8 646	8 674	2 582	11 171	7 222	3 949	55%	8 674
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 072	8 828	8 828	501	4 478	7 357	(2 879)	-39%	8 828
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		86 431	90 736	138 836	7 304	83 620	108 266	(24 646)	-23%	138 836
Planning and development		3 592	5 502	6 002	15	2 843	4 885	(2 042)	-42%	6 002
Road transport		82 839	85 234	132 834	7 289	80 777	103 381	(22 604)	-22%	132 834
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		118 053	131 670	131 670	7 001	108 690	109 725	(1 034)	-1%	131 670
Energy sources		103 037	114 257	114 257	6 238	97 214	95 214	1 999	2%	114 257
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		15 015	17 413	17 413	762	11 477	14 511	(3 034)	-21%	17 413
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	636 007	677 100	725 377	23 025	618 368	597 010	21 358	4%	725 377
Expenditure - Functional										
Governance and administration		260 423	270 868	275 768	7 836	186 723	228 663	(41 940)	-18%	275 768
Executive and council		33 134	33 755	33 755	373	26 901	28 129	(1 228)	-4%	33 755
Finance and administration		222 724	232 129	237 130	7 297	156 406	196 445	(40 039)	-20%	237 130
Internal audit		4 564	4 984	4 883	166	3 416	4 089	(673)	-16%	4 883
Community and public safety		53 082	58 193	59 835	280	44 246	49 479	(5 233)	-11%	59 835
Community and social services		28 657	28 268	32 046	575	23 685	25 823	(2 139)	-8%	32 046
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		24 425	29 925	27 789	(294)	20 561	23 656	(3 095)	-13%	27 789
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		90 390	96 110	93 272	1 057	70 911	78 389	(7 478)	-10%	93 272
Planning and development		47 955	45 203	47 400	827	24 115	38 987	(14 872)	-38%	47 400
Road transport		42 435	50 908	45 873	229	46 796	39 402	7 394	19%	45 873
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		157 855	169 452	166 427	8 262	127 330	139 395	(12 065)	-9%	166 427
Energy sources		134 169	142 991	141 301	7 232	109 065	118 145	(9 080)	-8%	141 301
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		23 686	26 461	25 126	1 030	18 265	21 250	(2 985)	-14%	25 126
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	561 751	594 624	595 302	17 435	429 210	495 927	(66 716)	-13%	595 302
Surplus/ (Deficit) for the year		74 256	82 476	130 076	5 590	189 157	101 083	88 074	87%	130 076

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 April 2026. 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 month ending 30 April 2026 is **R 23,024,820** and revenue is **R 17,434,781**.

3.1.3 Table C3: Monthly Budget Statement –Financial Performance (revenue and expenditure by municipal vote) – M10 – April

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 - April

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Approved Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Estimate
R thousands										
Revenue by Vote										
Vote 1 - Executive Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		418 368	436 870	437 020	5 629	409 972	364 148	45 824	12.6%	437 020
Vote 3 - Corporate		408	350	350	9	436	292	144	49.5%	350
Vote 4 - Development and Planning		3 592	5 502	6 002	15	2 843	4 885	(2 042)	-41.8%	6 002
Vote 5 - Community		27 163	34 887	34 915	3 845	27 126	29 089	(1 963)	-6.7%	34 915
Vote 6 - Infrastructure		185 877	199 491	247 091	13 527	177 991	198 595	(20 604)	-10.4%	247 091
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	725 377	23 025	618 368	597 010	21 358	3.6%	725 377
Expenditure by Vote										
Vote 1 - Executive Council	1	33 134	33 755	33 755	373	26 901	28 129	(1 228)	-4.4%	33 755
Vote 2 - Finance and Admin		130 136	132 658	137 989	4 295	87 234	113 751	(26 517)	-23.3%	137 989
Vote 3 - Corporate		92 588	99 471	99 140	3 002	69 172	82 694	(13 522)	-16.4%	99 140
Vote 4 - Development and Planning		47 955	45 203	47 400	827	24 115	38 987	(14 872)	-38.1%	47 400
Vote 5 - Community		76 769	84 654	84 961	1 311	62 511	70 729	(8 218)	-11.6%	84 961
Vote 6 - Infrastructure		176 604	193 899	187 174	7 461	155 861	157 547	(1 687)	-1.1%	187 174
Vote 7 - Internal Audit		4 564	4 984	4 883	166	3 416	4 089	(673)	-16.5%	4 883
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	595 302	17 435	429 210	495 927	(66 716)	-13.5%	595 302
Surplus/ (Deficit) for the year	2	74 256	82 476	130 076	5 590	189 157	101 083	88 074	87.1%	130 076

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) – M10– April

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 - April

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										
Revenue										
Exchange Revenue										
Service charges - Electricity		77 914	91 308	91 308	5 974	77 060	76 090	971	1%	91 308
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		11 793	15 526	15 526	997	9 912	12 938	(3 026)	-23%	15 526
Sale of Goods and Rendering of Services		27 190	26 470	26 470	35	20 671	22 059	(1 388)	-6%	26 470
Agency services		1 539	1 800	1 800	126	1 264	1 500	(236)	-16%	1 800
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1 636	2 200	2 200	263	2 038	1 833	205	11%	2 200
Interest from Current and Non Current Assets		15 316	28 813	28 813	1 727	15 916	24 011	(8 095)	-34%	28 813
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		303	-	-	-	235	-	235	#DIV/0!	-
Rental from Fixed Assets		1 317	2 220	2 220	2 187	3 403	1 850	1 553	84%	2 220
Licence and permits		2 470	4 434	4 434	168	1 556	3 696	(2 139)	-58%	4 434
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		518	905	905	1	345	754	(410)	-54%	905
Non-Exchange Revenue										
Property rates		56 360	61 937	61 937	2 217	57 452	51 614	5 838	11%	61 937
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 127	3 048	3 048	211	1 698	2 540	(842)	-33%	3 048
Licence and permits		31	25	25	-	(0)	21	(21)	-100%	25
Transfers and subsidies - Operational		330 510	331 654	332 332	451	333 223	276 785	56 438	20%	332 332
Interest		23 294	24 270	24 270	1 518	15 940	20 225	(4 285)	-21%	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	595 288	15 875	540 712	495 915	44 797	9%	595 288
Expenditure By Type										
Employee related costs		162 964	186 701	186 701	(651)	147 305	155 584	(8 278)	-5%	186 701
Remuneration of councillors		24 244	24 666	24 666	65	19 838	20 555	(717)	-3%	24 666
Bulk purchases - electricity		87 487	98 000	98 000	6 707	74 362	81 667	(7 305)	-9%	98 000
Inventory consumed		5 212	7 033	7 463	282	4 037	6 119	(2 082)	-34%	7 463
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		63 816	22 322	22 322	-	32 626	18 602	14 024	75%	22 322
Interest		3 829	-	-	0	1 955	-	1 955	#DIV/0!	-
Contracted services		138 140	170 618	170 796	8 080	102 830	142 289	(39 458)	-28%	170 796
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		12 447	6 500	6 500	-	-	5 417	(5 417)	-100%	6 500
Operational costs		62 519	78 784	78 854	2 950	46 257	65 696	(19 439)	-30%	78 854
Losses on Disposal of Assets		1 065	-	-	-	-	-	-	-	-
Other Losses		27	-	-	-	-	-	-	-	-
Total Expenditure		561 751	594 624	595 302	17 435	429 210	495 927	(66 716)	-13%	595 302
Surplus/(Deficit)		(8 285)	(14)	(14)	(1 559)	111 502	(12)	111 513	-965736%	(14)
Transfers and subsidies - capital (monetary allocations)		82 541	82 490	130 090	7 149	77 655	101 095	(23 439)	-23%	130 090
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		74 256	82 476	130 076	5 590	189 157	101 083			130 076
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		74 256	82 476	130 076	5 590	189 157	101 083			130 076
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		74 256	82 476	130 076	5 590	189 157	101 083			130 076
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		74 256	82 476	130 076	5 590	189 157	101 083			130 076

The total annual approved operating revenue budget amounted to **R594,623,647**. This budget was adjusted to an adjusted operating revenue budget of **R595,301,647**. The municipality received revenue amounting to **R 15,875,423** for the month, representing **3%** of the approved budget. The revenue performance for the reporting period is below the anticipated monthly target, mainly due to lower-than-expected receipts generated from operational revenue as well as the sale of goods and services. Revenue received to date is **91%** of the approved revenue budget.

The total approved capital revenue budget amounted to **R 82,489,950** and this was adjusted to an adjustments budget of **130,089,617**. The municipality has recognised revenue of **R 7,149,397** for the month, this represents **5%** of the approved capital revenue budget, this is below the expected performance for the month, this is due to less capital projects being recognised for the month. The revenue to date is **60%** of the approved capital revenue budget.

The approved total operating expenditure budget of **R 594,623,647** was adjusted to an adjustments operating expenditure budget of **R 595,301,647**. For the month under review, the municipality incurred operating expenditure amounting to **R17,434,781**, representing approximately **3%** of the total adjusted operating expenditure budget. Expenditure performance for the reporting period is below the anticipated monthly target, mainly due to delays in processing employee-related journals required to align system integrations between Munsoft and Payday. Expenditure incurred to date stands at **72%** of the approved operating 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. During the month under review, property rates raised/billed amounted to **R2,217,228** against an approved budget of **R61,936,752**, representing approximately **3%** of the approved budget. The performance for the month is below the anticipated target due to lower billing raised during the reporting period.

Revenue received from property rates amounted to **R15,928,296**, which includes the collection of outstanding debt. The revenue collected represents approximately **718%** when compared to the property rates billed/raised for the month under review. Included in the amount collected is a payment of **R 14,414,880** received as a settlement from Public Works

Services Charges

Revenue from service charges amounted to **R 6,971,350** against the approved budget of **R 106,833,628**. This represent **7%** and the revenue performance for the month is below the anticipated monthly target, mainly due to lower-than-expected collections from electricity sales during the reporting period.. Total YTD revenue is **81%** 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. For the month under review, income received from agency services amounted to **R125,640**, representing approximately **7%** of the approved budget. The performance for the month is below the anticipated target due to lower revenue collections recorded under this category during the reporting period.Total YTD revenue is **70%**.

Rental of Facilities and equipment

Rental of facilities and equipment approved budget is **R 2,220,000**. For the month under review, revenue amounting to **R2,187,218** was recognised, representing approximately **99%** of the approved budget. This performance is above the anticipated monthly target, mainly due to an amount of **R1,955,031** relating to sundry services (legal fees raised for Human Settlements) recognised during the reporting period. Total YTD revenue is **153%**.

Interest earned on Investments.

The total approved budget Interest on investments is **R 28,812,996** and the interest received for the month of April 2026 is **R 1,726,542** which represent **6%** this is less than expected performance for the month due to less investments made reducing our interest on investment revenue, hence the variance. Total YTD revenue is **55%** 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 1,781,701** and it has been posted on the interest on arrears for refuse services and property rates with the approved budget allocation of **R 26,470,000** which represents **6%**, this is less than the expected performance when measured against the monthly projection due to less interest charged. Total YTD revenue is **62%** 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 revenue from traffic fines issued is **R 210,689** it represents almost **7%** this is less than expected performance for the month due to a decrease in disconnection fees and issuing of traffic fines, during the month under review. Total YTD revenue is **56%** 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. Revenue recognised from licenses and permits amounts to **R 168,393** and represents almost **4%** of the total revenue budget for this category. This is less than expected performance for the month due to an decrease in motor vehicle registration applications for the month under review. Total YTD revenue is **35%** of the revenue budget for this revenue source.

Transfers and Subsidies-Operational

Total approved budget on transfers and subsidies is **R 331,654,050**. This was adjusted to an adjusted budget of **R 332,332,050**, For the month ended **30 April 2026**, transfers recognised amounted to **R450,898**, representing almost **0%** of the total budget allocation for this revenue source. The performance for the month is below the anticipated monthly target, mainly because most operational transfers had already been received earlier in the financial year. Total YTD revenue is almost 100% 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 adjusted budget of **R130,089,617**. Revenue of **R 7,149,397** was recognised for the month, representing **5%** of the total budget. This performance is below the expected level for the month, mainly due to less recognition in conditional grants revenue. Total YTD revenue is **60%** the revenue budget for this revenue source.

Other Revenue

Other revenue amounted to **R 35,765** for the month ended 30 April 2026, when measured against the approved budget allocation of **R 27,375,252** this represents almost **0%** which is less than the expected performance for the month. This is due to no revenue recognised under merchandising and insurance refund. Total YTD revenue is **77%** 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 **16,873,263** salary costs at the end of April 2026 against the approved budget of **R 211,366,456**, incurring **8%** expenditure for the month. This level of spending is below the anticipated monthly target. The amount of **R 5 396 593** relates to journals processed for employee related to align system integrations between Mun soft and payday .Total YTD Expenditure is **79%** of the expenditure budget for this expenditure source.

Description	Total Budget	April Actuals	Total Expenditure
<input type="checkbox"/> Employee Related Cost	186,700,555.00	(650,508.78)	147,306,089.06
Municipal Staff	178,637,163.00	(632,474.69)	142,286,471.22
Senior Management of Municipalities	8,063,392.00	(18,034.09)	5,019,617.84
<input type="checkbox"/> Remuneration of Councillors	24,665,901.00	64,760.38	19,837,633.58
Chief Whip	816,891.00	17,672.72	652,848.09
Executive Committee/Mayoral Committee	5,655,601.00	52,999.40	3,818,181.79
Executive Mayor/Mayor	1,072,684.00	(133,640.43)	913,985.38
Section 79 committee chairperson	801,471.00	79,059.24	1,409,850.97
Speaker	868,047.00	2,655.90	693,758.37
Total for All Other Councillors	15,451,207.00	46,013.55	12,349,008.98
Grand Total	211,366,456.00	(585,748.40)	167,143,722.64

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

No Expenditure relating to depreciation for the month ended 30 April 2026 the approved budget is **R 22,321,875**, which reflects a YTD expenditure of **146%**. The apparent over-expenditure is primarily due to the timing of the recognition of depreciation. Depreciation expenses were not recorded monthly from the beginning of the financial year but were only accounted for during the mid-year period. This resulted in a bulk catch-up adjustment to recognise accumulated depreciation for prior months.

Finance charges.

No interest expenditure has been incurred in April 2026. YTD is R **1,955,031** relating to court order of late payments from Human Settlement.

Bulk Purchases

Total approved budget on bulk electricity purchases is R **98,000,000** expenditure for the month is R **6,707,072** this represents **7%** and this is less than the expected value for the month due to lower seasonal demand for electricity usage. Total YTD expenditure is **79%** of the expenditure budget.

Other material

Total approved budget on other material is R **7,032,600** it was then adjusted to an adjusted budget of R **7,462,600**. Expenditure for month amounts to R **282,443** and represents **4%**. This is less - than-anticipated due to less requests on inventory goods across the 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 . Total YTD expenditure is **54%** of the expenditure budget for this expenditure source.

Contracted services

Total approved budget on contracted services is R **170,618,329** this was adjusted to an adjusted budget of R **170,796,329**. The spending for the month amounted to R **8,080,473** which represents **5%** of the budgeted amount. This is less than expected performance for the month due no payments made in contracted Safeguard & Security, Feasibility Study. Total YTD expenditure is **60%** of the expenditure budget for this expenditure 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 **2,950,487** for the month; this represents **4%** of the budget. This is less than the expected performance due to no spending on workmen's compensation, Provision for landfill site and public Amenities uniform. Total YTD expenditure is **59%** of the expenditure budget for this expenditure source.

1.5 Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote function classification and funding) – M10– April

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 - April

Vote Description	Ref	2024/25			Budget Year 2025/26			YTD	YTD	Variance
		Actual	Original	Revised	Monthly actual	YearTD actual	YearTD budget			
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		2 195	4 397	4 397	290	529	3 864	(3 135)	-86%	4 397
Vote 3 - Corporate		1 985	3 240	3 240	-	517	2 700	(2 183)	-81%	3 240
Vote 4 - Development and Planning		4 124	18 855	18 855	117	3 328	15 713	(12 384)	-70%	18 855
Vote 5 - Community		9 333	8 000	8 000	290	1 537	6 607	(5 126)	-77%	8 000
Vote 6 - Infrastructure		115 095	128 873	128 873	7 784	98 767	139 747	(40 980)	-29%	128 873
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	132 486	193 395	210 965	8 482	104 879	195 490	(88 812)	-38%	210 965
Total Capital Expenditure		132 486	193 395	210 965	8 482	104 879	195 490	(88 812)	-38%	210 965
Capital Expenditure - Functional Classification										
Governance and administration		8 988	7 687	7 687	290	1 048	8 984	(5 318)	-54%	7 687
Executive and council		53	-	-	-	-	-	-	-	-
Finance and administration		3 880	7 637	7 637	290	1 048	6 364	(5 318)	-64%	7 637
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		4 848	5 160	5 160	290	1 214	4 282	(3 077)	-72%	5 160
Community and social services		832	2 350	2 350	290	900	1 658	(1 058)	-54%	2 350
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 017	2 800	2 800	-	314	2 333	(2 019)	-67%	2 800
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		109 386	133 908	133 908	8 679	80 487	143 443	(52 076)	-37%	133 908
Planning and development		4 124	18 855	18 855	117	3 328	15 713	(12 384)	-70%	18 855
Road transport		105 281	114 453	114 453	8 582	87 138	127 730	(40 592)	-32%	114 453
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		14 919	17 270	17 270	1 223	11 861	14 982	(2 440)	-17%	17 270
Energy sources		9 835	14 420	14 420	1 223	11 829	12 017	(388)	-3%	14 420
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 485	2 850	2 850	-	323	2 375	(2 052)	-60%	2 850
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	132 486	193 395	210 965	8 482	104 879	195 490	(88 812)	-38%	210 965
Funded by:										
National Government		89 845	82 190	129 700	8 535	87 386	100 845	(33 458)	-33%	129 700
Provincial Government		829	300	300	-	169	250	(81)	-32%	300
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Deparm Agencies,		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		70 274	82 490	130 960	8 636	87 666	101 095	(38 638)	-38%	130 960
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		82 211	80 875	80 875	1 945	37 123	87 395	(30 273)	-45%	80 875
Total Capital Funding		132 486	193 395	210 965	8 482	104 879	195 490	(88 812)	-38%	210 965

The total approved capital budget amounted to **R 163,364,950**, this was adjusted to an adjusted capital budget of **R210,964,616**. Municipality incurred capital expenditure of **R 8,481,610**, representing approximately **4%** of the total capital budget. This performance is below the anticipated monthly spending target, primarily due to lower levels of expenditure on capital projects funded disaster recovery grants during the reporting period. Capital expenditure incurred to date amounts to **50%** of the approved capital expenditure budget.

3.1.6 C6 Monthly Budget Statement –Financial Position – M10– April

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - M10 - April

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		269 900	230 836	230 836	362 785	230 836
Trade and other receivables from exchange transactions		(47 211)	54 254	54 254	(30 960)	54 254
Receivables from non-exchange transactions		158 812	125 528	125 528	182 538	125 528
Current portion of non-current receivables		-	-	-	-	-
Inventory		3 832	3 784	3 784	3 399	3 784
VAT		24 911	10 438	10 438	19 638	10 438
Other current assets		5 866	5 400	5 400	5 586	5 400
Total current assets		416 110	430 240	430 240	542 986	430 240
Non current assets						
Investments		-	-	-	-	-
Investment property		4 960	4 960	4 960	4 960	4 960
Property, plant and equipment		1 094 554	1 267 568	1 315 568	1 166 607	1 315 568
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		1 543	1 543	1 543	1 543	1 543
Intangible assets		377	1 491	1 091	377	1 091
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		1 101 433	1 275 562	1 323 161	1 173 486	1 323 161
TOTAL ASSETS		1 517 543	1 705 802	1 753 401	1 716 472	1 753 401
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		1 803	528	528	1 886	528
Trade and other payables from exchange transactions		68 936	65 900	65 900	44 094	65 900
Trade and other payables from non-exchange transactions		20 481	29 800	29 800	53 259	29 800
Provision		24 184	43 950	43 950	24 184	43 950
VAT		55 815	61 810	61 810	57 568	61 810
Other current liabilities		-	-	-	-	-
Total current liabilities		171 218	201 988	201 988	180 990	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		215 151	224 489	224 489	224 923	224 489
NET ASSETS	2	1 302 392	1 481 313	1 528 913	1 491 549	1 528 913
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		918 022	1 400 438	1 448 038	1 107 179	1 448 038
Reserves and funds		384 370	80 875	80 875	384 370	80 875
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 302 392	1 481 313	1 528 913	1 491 549	1 528 913

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 April 2026. Total assets are **R 1,173,486** over the total liabilities of **R 224,923** this is therefore means the municipality is still able to meet its financial obligations

3.1.7 C7 Monthly Budget Statement –Cash Flow – M10– April

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M10 - April

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		67 797	52 646	52 646	20 776	48 469	43 872	4 597	10%	52 646
Service charges		96 392	90 809	90 809	8 446	87 012	75 674	11 338	15%	90 809
Other revenue		22 800	84 321	84 321	1 543	36 906	70 267	(33 361)	-47%	84 321
Transfers and Subsidies - Operational		338 711	331 654	332 332	20	327 739	276 785	50 954	18%	332 332
Transfers and Subsidies - Capital		179 429	82 490	130 090	-	168 972	101 095	67 877	67%	130 090
Interest		24 647	55 283	55 283	1 775	17 291	46 069	(28 778)	-62%	55 283
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(297 351)	(565 802)	(566 480)	(20 261)	(241 371)	(471 908)	230 538	-49%	(566 480)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		432 426	131 401	179 000	12 299	445 018	141 854	(303 164)	-214%	179 000
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)	(210 965)	(9 564)	(109 407)	(168 490)	59 084	-35%	(210 965)
NET CASH FROM/(USED) INVESTING ACTIVITIES		130 245	(163 365)	(210 965)	(9 564)	(109 407)	(168 490)	(59 084)	35%	(210 965)
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		562 672	(31 964)	(31 964)	2 735	335 611	(26 637)			(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:		820 816	230 836	230 836		605 511	236 164			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 April 2026.

EC461 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 - April

Description	MT Code	Budget Year 2025/06									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts (i.e. Council Policy)	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days - 1 yr	Over 1Yr	Total				
Debtors														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	—	—	—	—	—	—	—	—	—	—	—	—	—
Trade and Other Receivables from Exchange Transactions - Electricity	1200	4 354	2 117	1 385	1 906	2 254	1 915	1 538	8 838	24 609	14 754	—	—	
Receivables from Non-exchange Transactions - Property Rates	1400	2 027	1 802	779	885	644	638	811	97 958	104 330	100 522	—	—	
Receivables from Exchange Transactions - Waste Water Management	1500	—	—	—	—	—	—	—	—	—	—	—	—	
Receivables from Exchange Transactions - Waste Management	1600	889	555	476	444	431	435	415	32 851	35 686	33 767	—	—	
Receivables from Exchange Transactions - Property Rental Debtors	1700	—	—	—	—	—	—	—	7	7	7	—	—	
Interest on Asset Debtor Accounts	1810	1 783	1 871	1 942	1 934	1 879	1 853	1 888	48 728	81 815	78 278	—	—	
Receivable unauthorised, irregular, null and voidful expenditure	1820	—	—	—	—	—	—	—	—	—	—	—	—	
Other	1900	2 289	212	133	202	253	93	85	42 458	45 792	43 232	—	—	
Total By Income Source	2000	11 267	5 856	4 717	5 381	5 444	4 388	4 534	258 732	292 481	278 568	—	—	
290425 - totals only		10 033	5 286	4 277	3 947	4 764	4 006	4 589	229 583	267 738	248 188	—	—	
Debtors Age Analysis By Customer Group														
Organ of State	2200	4 447	2 251	2 812	3 472	3 771	3 006	3 045	109 703	133 890	123 080	—	—	
Commercial	2300	5 934	1 838	1 141	1 211	1 828	803	842	74 391	87 327	78 314	—	—	
Households	2400	887	887	884	858	853	855	847	88 558	71 185	68 187	—	—	
Other	2500	—	—	—	—	—	—	—	—	—	—	—	—	
Total By Customer Group	2600	11 267	5 856	4 717	5 381	5 444	4 388	4 534	258 732	292 481	278 568	—	—	

The total debt book for April 2026 of **R 292 401 303** inclusive to **R 4,174,876** advance payments.

The total debt for April 2026 of **288,226,427** (including current of **R (11,169,358)** which is not yet due) has decreased by **26,520,031** from the previous month closing balance of **R 303,577,099**

Debt is made up of the following:

- **Residential debt:**
R 45,756,435
- **Commercial debt**
R 35,285,780
- **Government debt**
R 142,845,338
- **Other**
R 468,201

The municipality implements the credit control and debt collection policy. There are two areas in which the municipality cannot collect and the debt totals to **R 99,668,867**

- **Maluti**
R 79,394,979 (including current)
- **Cedarville**
R 20,273,888 (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 70,862,644

Business H/O R 3,421,057

Churches H/O R 126,051

Farms H/O R 4,655,200

R 26,925,148 was collected for April 2026.

SECTION 5 -CREDITORS' ANALYSIS

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 April 2026.

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 - April

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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Apr-26					
Investment Management					
Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	10,501,406.39	25,375.24	-4,720,765.51	-25,375.24	5,806,016.12
INEP	1,152,068.65	6,115.37	-1,142,068.65	-6115.37	16,115.37
EPWP	-			-	-
Disaster Management	49,970,795.56	1,060,909.64	-1,429,816.10	-268,840.95	49,601,889.10
Finance Management Grant		5.06		-5.06	5.06
Establishment Plan	245,698.91				245,698.91
Housing Development Fund	2,510,089.70				2,510,089.70
Dedea	762,143.17				762,143.17
Total Conditional Investments	65,142,202	1,092,405	- 7,292,650	- 300,337	58,941,957
Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	193,544,582.18			-859,019.79	193,544,582.18
Call ACC FNB Surplus Cash	6,805,395.80				6,805,395.80
Nedbank 32 Days	8,852,608.67	52,630.56		-52,630.56	8,905,239.23
Nedbank	62,292,455.59	29,383,974.03	-36,800,000.00	-350,284.47	54,876,429.62
Nedbank Retention	24,600,674.94	1,272,654.29		-130,585.64	25,873,329.23
Termination Guarantee	144,640.82			-767.87	144,640.82
Account Gaurantee	6,202,000.00			-32,921.69	6,202,000.00
Total Unconditional Investments	302,442,358	30,709,259	- 36,800,000	- 1,426,210	296,351,617
Total Investment	367,584,560	31,801,664	- 44,092,650	- 1,726,547	355,293,574

The investment portfolio of the municipality as at 30 April 2026 is as follows:

As at 30 April 2026 the conditional investments amounted to **R 58,941,957** and unconditional investments amounted to **R 296,351,617**. Total investments as at 30 April 2026 amounted to **R 355,293,574**

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 April 2026 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 April 2026

Description	April 2026
Nedbank Primary Account:	1,961,699
Standard bank Account:	11,681,585
FNB Money Market Account:	853,474
Total Cash held as at 30 April 2026	16,458,457

Unreconciled items for the month amount to **R 7,006,959** 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 16,485,457** and investment balance of **R 355,293,574** and the total cash book balance and investment is **R 371 779 031**

SECTION 7_ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6 – M10 - April

Description	2025-2026 Medium Term Revenue & Expenditure Framework						
	R thousand	Approved Budget Year 2025/26	Adjustment Budget	Monthly actual	YearTD actual	YearTD budget	Performance %
RECEIPTS:							
Operating Transfers and Grants							
National Government:	347,687	347,687	-	347,687	289,739	100%	
Local Government Equitable Share	319,324	319,324	-	319,324	266,103	100%	
Expanded Public Works Programme Integrated Grant	2,980	2,980	-	2,980	2,483	100%	
Local Government Financial Management Grant	1,800	1,800	-	1,800	1,500	100%	
Integrated National Electrification Programme	20,549	20,549	-	20,549	17,124	100%	
Municipal Infrastructure Grant (MIG)	3,034	3,034	-	3,034	2,528	100%	
Provincial Government:	2,616	3,144	-	3,019	2,620	96%	
Capacity Building and Other : Library	950	978	-	978	815	100%	
Human Settlement	-	500	-	375	417	75%	
DEDEAT	1,666	1,666	-	1,666	1,388	100%	
District Municipality:	-	150	-	150	125	0	
IDP roadshows	-	150	-	150	125	100%	
Total Operating Transfers and Grants	350,303	350,981	-	350,706	292,359	100%	
Capital Transfers and Grants	82,490	112,704	-	115,738	93,920	103%	
Municipal Infrastructure Grant (MIG)	57,647	57,647	-	60,681	48,039	105%	
Disaster Response Grant	24,543	54,757	-	54,757	45,631	100%	
Capacity Building and Other : Library	300	300	-	300	250	100%	
Total Capital Transfers and Grants	82,490	112,704	-	115,738	93,920	103%	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	432,793	463,685	-	466,444	386,279	0	

The Municipality has not received grants allocations for both operational and capital grants.

7.2 Supporting Table SC7 – M10– April

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 - April

Description	Ref	2024/25			Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		8 282	7 814	7 814	513	11 551	6 512	5 039	77.4%	7 814
Expanded Public Works Programme Integrated Grant		3 880	2 980	2 980	353	7 468	2 483	4 984	200.7%	2 980
Municipal Disaster Relief Grant		1 631	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	3	1 700	1 800	1 800	20	792	1 500	(708)	-47.2%	1 800
Municipal Infrastructure Grant		1 071	3 034	3 034	140	3 291	2 528	763	30.2%	3 034
Provincial Government:		3 560	4 516	5 044	(212)	2 198	4 080	(1 882)	-46.1%	5 044
Specify (Add grant description)		-	-	500	-	349	300	49	16.3%	500
Specify (Add grant description)		466	2 850	2 878	28	393	2 392	(1 999)	-83.6%	2 878
Specify (Add grant description)		3 095	1 666	1 666	(240)	1 456	1 388	68	4.9%	1 666
District Municipality:		150	-	150	150	150	90	60	66.7%	150
Specify (Add grant description)		150	-	150	150	150	90	60	66.7%	150
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants		11 992	12 330	13 008	451	13 899	10 682	3 217	30.1%	13 008
Capital Transfers and Grants										
National Government:		80 137	82 190	129 790	7 149	77 486	100 845	(23 358)	-23.2%	129 790
Municipal Disaster Relief Grant		6 604	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		56 513	57 647	57 647	3 844	51 952	48 039	3 913	8.1%	57 647
Municipal Disaster Recovery Grant		17 020	24 543	72 143	3 306	25 535	52 806	(27 271)	-51.6%	72 143
Provincial Government:		601	300	300	1 617	(476)	250	(726)	-290.4%	300
Specify (Add grant description)		-	300	300	-	-	250	(250)	-100.0%	300
Specify (Add grant description)		(29)	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	1 617	(645)	-	(645)	#DIV/0!	-
Specify (Add grant description)		629	-	-	-	169	-	169	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		80 738	82 490	130 090	8 767	77 010	101 095	(24 084)	-23.8%	130 090
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		92 730	94 820	143 098	9 218	90 909	111 777	(20 868)	-18.7%	143 098

The municipality has expenditure of **R 9,2 million** for both total operating and capital transfers grants

SECTIONS 8

Table SC8 presents the expenditure of councillor and staff benefits at 30 April 2026

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 - April

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		15 467	13 855	13 855	60	11 640	11 540	94	1%	13 855
Pension and UIF Contributions		920	958	958	8	788	798	(10)	-1%	958
Medical Aid Contributions		537	91	91	1	(100)	76	(185)	-244%	91
Motor Vehicle Allowance		15	2 178	2 178	104	1 603	1 615	(212)	-12%	2 178
Cellphone Allowance		2 551	2 673	2 673	-	2 115	2 227	(112)	-5%	2 673
Housing Allowances		4 734	4 912	4 912	(176)	3 800	4 063	(263)	-7%	4 912
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		24 244	24 666	24 666	66	19 898	20 666	(717)	-3%	24 666
% increase	4		1.7%	1.7%						1.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 638	2 782	2 432	(35)	1 500	2 108	(608)	-22%	2 432
Pension and UIF Contributions		124	489	489	(1)	381	408	(126)	-31%	489
Medical Aid Contributions		98	343	343	2	211	286	(75)	-25%	343
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		15	580	580	(4)	4	483	(480)	-99%	580
Motor Vehicle Allowance		1 774	2 905	2 775	3	2 013	2 343	(330)	-14%	2 775
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		754	904	904	8	688	753	(65)	-9%	904
Other benefits and allowances		0	1	1	0	1	1	(0)	-34%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		202	540	540	9	303	450	(127)	-23%	540
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4 604	8 543	8 068	(16)	5 020	6 681	(1 612)	-27%	8 068
% increase	4		85.6%	75.1%						75.1%
Other Municipal Staff										
Basic Salaries and Wages		109 138	124 147	124 927	1 485	103 258	103 924	(666)	-1%	124 927
Pension and UIF Contributions		16 493	21 380	21 060	86	15 802	17 820	(1 818)	-10%	21 060
Medical Aid Contributions		8 512	8 001	8 001	59	5 853	6 667	(815)	-12%	8 001
Overtime		4 279	3 980	4 000	27	3 026	3 329	(303)	-9%	4 000
Performance Bonus		10 412	9 305	9 305	(1 414)	6 036	7 754	(1 719)	-22%	9 305
Motor Vehicle Allowance		8 808	7 080	7 040	(85)	4 934	5 872	(938)	-15%	7 040
Cellphone Allowance		6	6	6	-	5	5	(0)	-7%	6
Housing Allowances		3 091	3 221	3 221	(136)	1 667	2 684	(1 017)	-38%	3 221
Other benefits and allowances		1 544	1 076	1 076	(875)	(98)	897	(996)	-111%	1 076
Payments in lieu of leave		(1 159)	-	-	211	1 380	-	1 380	#DIV/0!	-
Long service awards		1 145	-	-	31	428	-	428	#DIV/0!	-
Post-retirement benefit obligations		94	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		168 961	178 167	178 687	(622)	142 288	148 752	(6 466)	-4%	178 687
% increase	4		12.6%	12.6%						12.6%
Total Parent Municipality		187 209	211 866	211 866	(586)	187 144	178 138	(8 995)	-5%	211 866

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** April amounted **R 16,873,263** of which the expenditure **R 1,507,241** relates to Remuneration of Councillors and **R 15,365,995** to Managers and staff against approved budget of **R211, 366, 456** incurring **8%** expenditure for the month salary budget allocation and it is within the expected performance for the month . Total YTD Expenditure is **79%** the revenue budget for this expenditure type.

8.1 Performance Indicators

EC441 Matatiele - Supporting Table EC2 Monthly Budget Statement - performance indicators - M10 - April

Description of financial indicator	Basis of calculation	Ref	Budget Year 2025/26				
			2025/26 Forecast	2025/26 Budget	2025/26 Actual	YTD/25/26 Actual	2025/26 Budget
Operative Expenditure							
Capital charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		3.7%	3.0%	3.7%	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%
State of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/Long Term Borrowing Funds & Reserves		0.2%	0.5%	0.2%	7.7%	0.2%
Gearing			0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	242.0%	213.0%	213.0%	200.0%	213.0%
Liquidity Ratio	Necessary Assets/Current Liabilities		107.0%	114.3%	114.3%	200.0%	114.3%
Revenue Management							
Annual Default Collection Rate	Less 12 Mths Receipts/ Less 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 to Revenue	Debtors > 12 Mths Received/Total Debtors >		0.0%	0.0%	0.0%	0.0%	0.0%
Provision Management							
Overdue Provisions to Revenue	% of Debtors Paid Within Terms (within MFMA's 60 day)						
Percentage of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution losses	% Volume (units purchased and generated into units sold)/Units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source into units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		30.4%	31.4%	31.4%	27.2%	31.4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.7%	4.0%	4.0%	3.5%	4.0%
Interest & Depreciation	ICD/Total Revenue - capital revenue		10.2%	0.0%	3.7%	0.4%	4.1%
ICD - Indicator: financial stability 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 available from investments/property based operational						
III. Debt coverage							

1. Customer debtors > 12 months old are excluded from current assets.
2. All other vehicles to be explained

Calculations					
Forecast liabilities					
Total Assets	1 517 543	1 705 902	1 733 401	1 710 473	1 733 401
Employee related costs	163 264	166 701	166 701	147 305	166 701
Repairs & maintenance	16 273	26 240	23 760	10 313	23 760
Interest (finance charges)	3 020			1 305	
Provision paid					
Depreciation	83 616	22 320	22 320		26 696
Operating expenditure	591 751	594 624	595 300	420 210	595 300
Total Capital Expenditure	103 486	103 365	210 965	0 463	136 670
Borrowed funding for capital					
Debt	107 345	95 700	95 700	115 261	95 700
Equity	1 303 350	1 481 313	1 528 913	1 481 546	1 528 913
Reserves and funds					
Borrowing					
Current assets	410 110	430 240	430 240	542 986	430 240
Current liabilities	171 218	201 988	201 988	80 380	201 988
Necessary assets	269 900	230 036	230 036	362 705	230 036
Total Revenue (excluding capital transfers and contributions)	503 405	549 910	595 089	540 710	595 089
Transfers and subsidies - Operational	330 010				
Transfers and subsidies - capital (proceeds of sales)	82 541	40 496	130 090	77 605	130 090
Debt service payments	24 047	50 283	50 283		
Outstanding debtors (operatives)	117 467				
Annual services revenue	140 060	150 770	150 770	0 000	149 424
Debt - investments	269 900	230 036	230 036	362 705	230 036
Fixed operational expenses (monthly)					
Longstanding debtors outstanding					
Longstanding debtors received					
Monthly collections					

Borrowing Management

The municipality does not have any loans.

Liquidity

4.2 Liquidity Management

4.2.1 Cash Coverage April 2026

Purpose/ Use of the Ratio

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

The Municipality as at end of April 2026 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 201,988,000 = R 2.13:1

Actual Current Ratio as 30 April 2026: R 542,986,000 / R 180,990,000 = 3:1

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 3:1** ratio and actual ratio as **30 April 2026 is: R 3: 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 201,988,000 = 2.11:1

Actual Acid Test Ratio as at 30 April 2026:(R 572,738,000 – R 3,399,000) / R 180 990 = 3:1

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, **Nokhanyo Nosisa Zembe**, the Acting 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 April 2026 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print Name: Nokhanyo Nosisa Zembe

Acting Municipal Manager of Matatiele Local Municipality

Signature: 

Date: 12 / 05 / 2026