

Harry Gwala District Municipality

MFMA s71 report for the period ending 31 August 2025.



In-Year Report of the Municipality

Prepared in terms of Section 71 & Section 52 (d) of the Local Government Municipal Finance Management Act, (Act 56 of 2003) and the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 June 2009.

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

AFS – Annual Financial Statements

Budget – The financial plan of the Municipality.

Capital expenditure - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant.

GRAP – Generally Recognised Accounting Practice. The 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.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

MTREF – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information. Harry Gwala District Municipality MFMA s71 Monthly Report Page 5

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.

Vote – one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

YTD – Year to date

YoY – Year on Year

DBSA – Development Bank of South Africa

PURPOSE

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 of the Municipal Finance Management Act (MFMA) for the period ending 31 August 2025.

LEGISLATIVE FRAMEWORK

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

Legislative Requirements

In terms of the section 71 of the MFMA the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a)* Actual revenue, per revenue source;
- (b)* actual borrowings;
- (c)* actual expenditure, per vote;
- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;

(f) actual expenditure on those allocations, excluding expenditure on—

- (i) its share of the local government equitable share; and
- (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and

(g) when necessary, an explanation of—

- (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- (ii) any material variances from the service delivery and budget implementation plan; and
- (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

1.2 Executive Summary

This report is a summary of the main budget issues arising from the in-year monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

Revenue by Source

The Year-to-Date actual revenue is 155% above the YTD budget. All the allocated conditional grants receipted as per Division of Revenue Bill, However the recognition as revenue only occur when the expenditure is incurred.

Borrowings

The balance of borrowings does not have the long term loans.

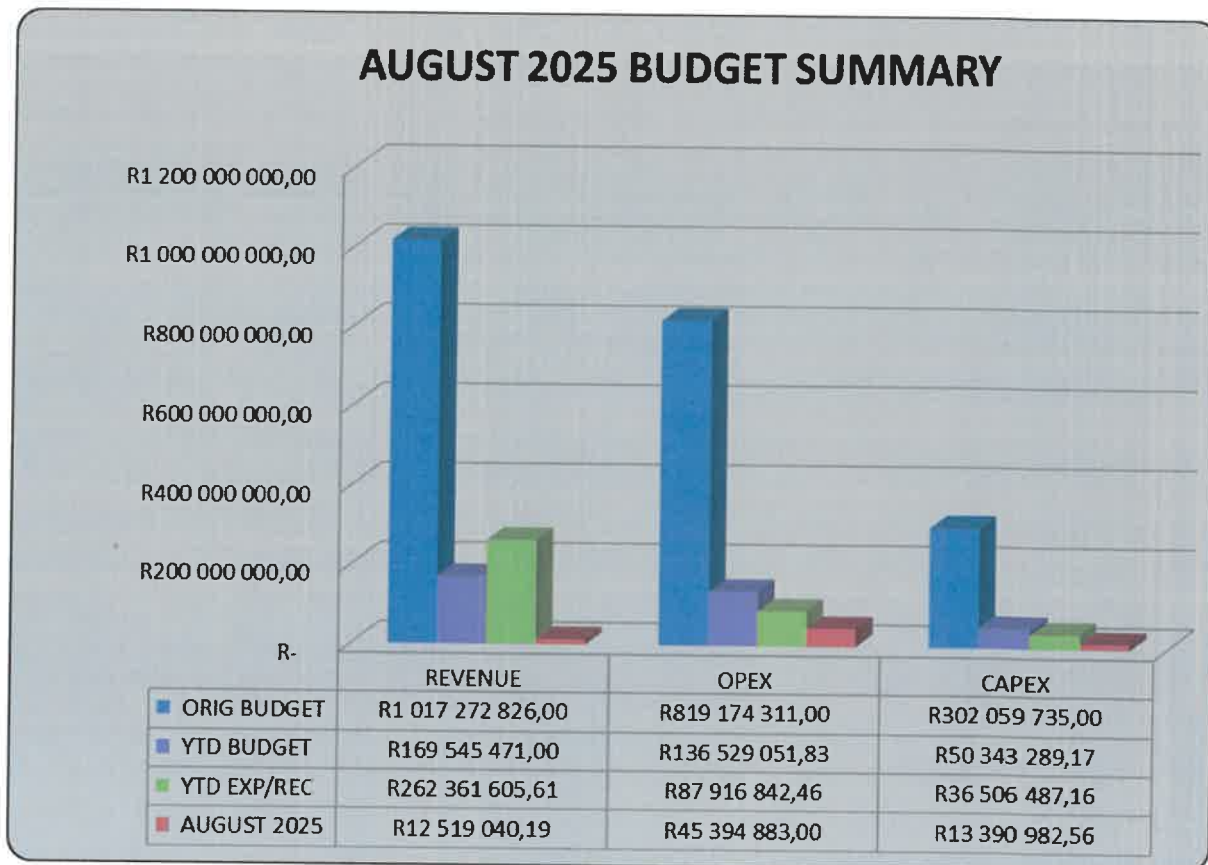
Operating expenditure by vote & type

The total operating budget for the current year amounts to R819, 1m. The YTD Operating expenditure for the month ended 31 August amounted to R87, 9m against a year to date (YTD) budget of R136, 5m. The actual YTD expenditure represented 64% of the year to date budget.

Capital expenditure

The total capital budget for the current year amounts to R322, 3m. The YTD expenditure on capital amounts to R36, 5million against year to date budget of R50, 3million, or 73% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

Chart 1: Budget vs. Expenditure Summary



Cash flows

The municipality started the year with a positive cashbook balance of R262, 9million. The closing cash and cash equivalents as at the end of August 2025 was R424, 1million. Refer to the table below for cash and cash equivalent register for more detail on the cash position.

CASH AND INVESTMENT REGISTER AS AT 31 AUGUST 2025

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Yrs/ Months							
Municipality								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	133 593	491	(22 575)	-	111 509
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	52	0	-	-	52
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	128 582	563	(44 821)	-	84 324
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	60	0	-	-	61
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	81	0	-	-	81
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	68 186	295	(4 034)	-	64 447
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 144	5	-	-	1 149
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	4	-	-	-	4
FNB BANK	M	FIXED DEPOSIT	Fixed	54 016	-	-	-	54 016
STANDARD BANK	M	FIXED DEPOSIT	Fixed	58 197	306	-	-	58 504
FIRST NATIONAL BANK	M	CURRENT ACCOUNT	Fixed	53 563	-	(3 581)	-	49 982
Municipality sub-total				497 478	1 661	(75 012)	-	424 128
TOTAL INVESTMENTS AND INTEREST				497 478	1 661	(75 012)	-	424 128

Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2025/2026 have been received as per payment schedule. The total grants received as at 31 August 2025 was R 311million. Conditional Grants amounting to R 94million, and the equitable share is R 217million. Three grants received in the month ending 31 August 2025.

Transfers Recognised – Operating

Three operational grants received for the month of August 2025 namely:

- Financial Management Grant- R 1 300 000
- Rural Road Asset Management Grant- R 1 827 000
- Expanded Public Works Program- R 915 000

Spending on Grants

Spending on grants amounted to R36, 5million or 73% for the month ending August 2025.

CONDITIONAL GRANTS REGISTER AS AT 31 AUGUST 2025

GRANTS	OPENING BALANCE	Total Receipts		ACCRUALS	ADJUSTMENT	TRANSFER TO	Expenditure	Val on Grant	Expenditure Total	Unspent Grants
		2025/2026	2025/2026 including opening balance							
CAPITAL										
Municipal Infrastructure Grant	-	50 000 000,00	50 000 000,00	-	-	(4 700 000,00)	(12 853 351,00)	(1 928 002,55)	(14 781 353,55)	30 518 646,35
WSIG - DWA	-	40 000 000,00	40 000 000,00	-	-	-	(19 588 656,00)	(2 938 298,70)	(22 526 954,70)	17 473 045,30
DWS	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL GRANT EXPENDITURE	-	90 000 000,00	90 000 000,00	-	-	(4 700 000,00)	(32 442 007,00)	(4 866 301,35)	(37 308 310,35)	47 991 683,65
GRANTS										
OPERATING										
Municipal Infrastructure Grant	-	-	-	-	-	4 700 000,00	(4 700 000,00)	-	(4 700 000,00)	-
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-	-
Financial Management Grant	-	1 300 000,00	1 300 000,00	-	-	-	(93 600,00)	-	(93 600,00)	1 206 400,00
Rural Transport Infrastructure Grant	-	1 827 000,00	1 827 000,00	-	-	-	-	-	-	1 827 000,00
Expanded Public Works Programme Grant	-	915 000,00	915 000,00	-	-	-	(1 308 089,00)	-	(1 308 089,00)	(393 089,00)
TOTAL OPERATING GRANT EXPENDITURE	-	4 042 000,00	4 042 000,00	-	-	4 700 000,00	(6 101 689,00)	-	(6 101 689,00)	2 640 311,00
GRANTS AND SUBSIDIES / UNSPENT CONDITIONAL GRANTS	-	94 042 000,00	94 042 000,00	-	-	-	(38 543 696,00)	(4 866 301,35)	(43 409 997,35)	50 632 002,65

Total unspent as at 31 August 2025 is sitting at R 50, 6million. Municipal Infrastructure Grant expenditure as at 31 August is R14, 7million representing 30 per cent of MIG receipts. Water services Infrastructure Grant is at 56 per cent against receipts as at 31 August 2025

1.3 Resolutions

This report will be tabled to Executive committee and therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

1.4 Monthly Budget Statement Tables

Monthly Budget Statements Summary

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table C1 Consolidated Monthly Budget Statement Summary - M02 August

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	-	-	-	-	-	-	-	-	-
Service charges	76 533	81 589	81 589	8 875	15 707	13 598	2 109	16%	81 589
Investment revenue	28 012	26 043	26 043	2 029	3 992	4 340	(348)	-8%	26 043
Transfers and subsidies - Operational	534 708	566 989	566 989	-	219 086	99 498	119 588	0	596 589
Other own revenue	16 989	19 194	19 194	1 615	2 973	3 199	(226)	-7%	19 194
Total Revenue (excluding capital transfers and contributions)	656 242	723 815	723 815	12 519	241 759	120 636	121 124	100%	723 815
Employee costs	261 756	291 721	291 721	22 207	45 242	49 621	(3 379)	-7%	291 721
Remuneration of Councillors	7 581	8 059	8 059	621	1 264	1 343	(79)	-6%	8 059
Depreciation and amortisation	116 317	107 788	107 788	-	-	17 965	(17 965)	-100%	107 788
Interest	-	54	54	-	-	9	(9)	-100%	54
Inventory consumed and bulk purchases	58 827	39 635	39 635	3 145	3 454	6 606	(3 151)	-48%	39 635
Transfers and subsidies	-	23 360	23 360	-	7 000	3 893	3 107	80%	23 360
Other expenditure	288 112	348 556	348 556	19 421	30 956	58 093	(27 137)	-47%	348 556
Total Expenditure	732 594	819 174	819 174	45 395	87 917	136 530	(48 613)	-36%	819 174
Surplus/(Deficit)	(76 351)	(95 360)	(95 360)	(32 876)	153 842	(15 894)	169 736	-1068%	(95 360)
Transfers and subsidies - capital (monetary allocations)	317 693	293 458	293 458	-	20 602	48 910	(28 307)	-58%	293 458
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	428%	198 099
Share of surplus/ (deficit) of associates	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	428%	198 099
Capital expenditure & funds sources									
Capital expenditure	349 075	302 060	302 060	13 391	36 506	50 343	(13 837)	-27%	302 060
Capital transfers recognised	276 005	260 147	269 147	11 840	32 442	43 191	(10 749)	-25%	269 147
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	73 070	41 912	42 912	1 551	4 064	7 152	(3 088)	-43%	42 912
Total sources of capital funds	349 075	302 060	302 060	13 391	36 506	50 343	(13 837)	-27%	302 060
Financial position									
Total current assets	308 752	219 492	219 492	-	453 705	-	-	-	219 492
Total non current assets	3 218 981	3 446 443	3 446 443	-	3 256 498	-	-	-	3 446 443
Total current liabilities	187 245	121 251	121 251	-	194 260	-	-	-	121 251
Total non current liabilities	34 976	30 536	30 536	-	34 976	-	-	-	30 536
Community wealth/Equity	3 363 258	3 514 683	3 514 683	-	3 479 974	-	-	-	3 514 683
Cash flows									
Net cash from (used) operating	1 475 617	357 947	357 947	29 854	519 134	59 658	(459 476)	-770%	357 947
Net cash from (used) investing	(349 075)	(346 012)	(346 012)	(12 917)	(36 033)	(57 669)	(21 636)	38%	(346 012)
Net cash from (used) financing	-	(1 831)	(1 831)	2	21	(305)	(326)	107%	(1 831)
Cash/cash equivalents at the month/year end	1 335 973	173 682	173 682	744 792	744 792	165 261	(579 531)	-351%	271 775
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	7 814	4 662	3 374	3 265	2 585	2 855	49 968	162 386	236 909
Creditors Age Analysis									
Total Creditors	6 011	711	-	-	-	-	-	-	6 722

Financial Performance

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

DC43 Harry Gwala - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M02 August

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									
Revenue - Functional									
<i>Governance and administration</i>	523 673	551 433	551 433	2 538	221 879	91 905	129 974	141%	551 433
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	523 673	551 433	551 433	2 538	221 879	91 905	129 974	141%	551 433
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	38	18	18	12	15	3	12	420%	18
Community and social services	38	18	18	12	15	3	12	420%	18
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	24 064	23 000	23 000	-	-	3 833	(3 833)	-100%	23 000
Planning and development	24 064	23 000	23 000	-	-	3 833	(3 833)	-100%	23 000
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	426 160	442 822	442 822	9 969	40 467	73 804	(33 336)	-45%	442 822
Energy sources	-	-	-	-	-	-	-	-	-
Water management	412 843	426 870	426 870	8 709	38 077	71 145	(33 068)	-46%	426 870
Waste water management	13 317	15 952	15 952	1 260	2 390	2 659	(269)	-10%	15 952
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	973 935	1 017 273	1 017 273	12 519	262 362	169 545	92 816	55%	1 017 273
Expenditure - Functional									
<i>Governance and administration</i>	268 214	308 803	308 803	23 041	40 929	51 468	(10 538)	-20%	308 803
Executive and council	35 024	52 195	52 195	5 886	7 904	8 699	(795)	-9%	52 195
Finance and administration	224 874	246 716	246 716	16 415	31 686	41 120	(9 433)	-23%	246 716
Internal audit	8 316	9 892	9 892	740	1 339	1 649	(310)	-19%	9 892
<i>Community and public safety</i>	18 204	22 765	22 765	1 260	2 702	3 794	(1 092)	-29%	22 765
Community and social services	18 204	22 765	22 765	1 260	2 702	3 794	(1 092)	-29%	22 765
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	200 808	217 958	217 958	5 149	17 775	36 327	(18 551)	-51%	217 958
Planning and development	200 808	217 958	217 958	5 149	17 775	36 327	(18 551)	-51%	217 958
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	245 367	269 549	269 549	15 945	26 511	44 925	(18 414)	-41%	269 549
Energy sources	-	-	-	-	-	-	-	-	-
Water management	245 183	260 256	260 256	15 936	26 485	43 376	(16 891)	-39%	260 256
Waste water management	185	9 292	9 292	9	25	1 549	(1 524)	-98%	9 292
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	100	100	-	-	17	(17)	-100%	100
Total Expenditure - Functional	732 594	819 174	819 174	45 395	87 917	136 530	(48 613)	-36%	819 174
Surplus/ (Deficit) for the year	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	4,2836629	198 099

This table assess the revenue by department and then the expenditure for the period ending 31 August 2025. Revenue receipts in August have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of August is 7% against original budget.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has the largest expenditure for the month of August as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R18, 2million.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote 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									
Revenue by Vote									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	523 056	549 507	549 507	2 532	221 784	91 584	130 200	142,2%	549 507
Vote 04 - Summary Corporate Services	393	410	410	-	-	68	(68)	-100,0%	410
Vote 05 - Summary Social Services & Development Planning	38	24 479	24 479	12	15	4 080	(4 065)	-99,6%	24 479
Vote 06 - Summary Infrastructure Services	361 419	350 081	350 081	339	23 324	58 347	(35 023)	-60,0%	350 081
Vote 07 - Summary Water Services	89 029	92 795	92 795	9 636	17 238	15 466	1 772	11,5%	92 795
Total Revenue by Vote	973 935	1 017 273	1 017 273	12 519	262 362	169 545	92 816	54,7%	1 017 273
Expenditure by Vote									
Vote 01 - Summary Council	17 788	20 567	20 567	4 108	5 270	3 428	1 842	53,7%	20 567
Vote 02 - Summary Municipal Manager	27 120	31 264	31 264	2 517	3 973	5 211	(1 238)	-23,8%	31 264
Vote 03 - Summary Budget And Treasury Office	69 768	64 749	64 749	6 330	11 141	10 792	350	3,2%	64 749
Vote 04 - Summary Corporate Services	106 316	110 299	110 299	7 761	15 032	18 383	(3 351)	-18,2%	110 299
Vote 05 - Summary Social Services & Development Planning	55 654	97 924	97 924	2 806	12 601	16 321	(3 720)	-22,8%	97 924
Vote 06 - Summary Infrastructure Services	162 332	165 408	165 408	3 646	7 963	27 568	(19 605)	-71,1%	165 408
Vote 07 - Summary Water Services	293 615	328 964	328 964	18 226	31 937	54 827	(22 891)	-41,8%	328 964
Total Expenditure by Vote	732 594	819 174	819 174	45 395	87 917	136 530	(48 613)	-35,6%	819 174
Surplus/ (Deficit) for the year	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	428,4%	198 099

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 August 2025.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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									
Revenue									
Exchange Revenue									
Service charges - Electricity							-		
Service charges - Water	63 688	68 071	68 071	7 600	13 300	11 345	1 955	17%	68 071
Service charges - Waste Water Management	12 845	13 518	13 518	1 276	2 407	2 253	154	7%	13 518
Service charges - Waste management							-		
Sale of Goods and Rendering of Services	141	791	791	7	44	132	(88)	-67%	791
Agency services							-		
Interest							-		
Interest earned from Receivables	14 599	16 055	16 055	1 103	2 202	2 676	(473)	-18%	16 055
Interest from Current and Non Current Assets	28 012	26 043	26 043	2 029	3 992	4 340	(348)	-8%	26 043
Operational Revenue	678	706	706	31	53	118	(64)	-55%	706
Non-Exchange Revenue									
Property rates							-		
Surcharges and Taxes							-		
Fines, penalties and forfeits	786	1 643	1 643	-	200	274	(74)	-27%	1 643
Licence and permits							-		
Transfers and subsidies - Operational	534 708	596 989	596 989	-	219 086	99 498	119 588	120%	596 989
Gains on disposal of Assets	-	-	-	474	474	-	474	#DIV/0!	-
Other Gains	785	-	-	-	-	-	-		-
Discontinued Operations									
Total Revenue (excluding capital transfers and contributions)	658 242	723 815	723 815	12 519	241 759	120 636	121 124	100%	723 815
Expenditure By Type									
Employee related costs	261 756	291 721	291 721	22 207	45 242	48 621	(3 379)	-7%	291 721
Remuneration of councillors	7 581	8 059	8 059	621	1 264	1 343	(79)	-6%	8 059
Bulk purchases - electricity	-	-	-	-	-	-	-		-
Inventory consumed	58 827	39 635	39 635	3 145	3 454	6 606	(3 151)	-48%	39 635
Debt impairment	2 907	31 530	31 530	-	-	5 255	(5 255)	-100%	31 530
Depreciation and amortisation	116 317	107 788	107 788	-	-	17 965	(17 965)	-100%	107 788
Interest	-	54	54	-	-	9	(9)	-100%	54
Contracted services	159 115	173 856	173 856	9 625	17 853	28 976	(11 123)	-38%	173 856
Transfers and subsidies	-	23 360	23 360	-	7 000	3 893	3 107	80%	23 360
Irrecoverable debts written off	17 551	42 327	42 327	321	351	7 054	(6 704)	-95%	42 327
Operational costs	108 540	100 844	100 844	9 474	12 753	16 807	(4 054)	-24%	100 844
Total Expenditure	732 594	819 174	819 174	45 395	87 917	136 530	(48 613)	-36%	819 174
Surplus/(Deficit)	(76 351)	(95 360)	(95 360)	(32 876)	153 842	(15 894)	169 736	(0)	(95 360)
Transfers and subsidies - capital (monetary allocations)	317 693	293 458	293 458	-	20 602	48 910	(28 307)	(0)	293 458
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	0	198 099
Income Tax							-		
Surplus/(Deficit) after Income tax	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	0	198 099
Share of Surplus/Deficit attributable to Joint Venture							-		
Surplus/(Deficit) attributable to municipality	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	0	198 099
Share of Surplus/Deficit attributable to Associate							-		
Surplus/ (Deficit) for the year	241 342	198 099	198 099	(32 876)	174 445	33 016	141 429	0	198 099

Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M02 August

Vote 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									
Multi-Year expenditure appropriation									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	1 364	1 364	-	-	227	(227)	-100%	1 364
Vote 03 - Summary Budget And Treasury Office	-	2 279	2 279	53	53	360	(327)	-86%	2 279
Vote 04 - Summary Corporate Services	11 900	3 374	3 374	-	270	562	(292)	-52%	3 374
Vote 05 - Summary Social Services & Development Planning	-	7 101	7 101	-	-	1 184	(1 184)	-100%	7 101
Vote 06 - Summary Infrastructure Services	136 524	99 656	99 656	9 966	19 589	16 609	2 979	18%	99 656
Vote 07 - Summary Water Services	198 273	177 670	177 670	3 372	16 594	29 612	(13 017)	-44%	177 670
Total Capital Multi-year expenditure	346 697	291 443	291 443	13 391	36 506	48 574	(12 067)	-25%	291 443
Single Year expenditure appropriation									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	-	180	180	-	-	30	(30)	-100%	180
Vote 04 - Summary Corporate Services	101	5 136	5 136	-	-	856	(856)	-100%	5 136
Vote 05 - Summary Social Services & Development Planning	-	-	-	-	-	-	-	-	-
Vote 06 - Summary Infrastructure Services	-	2 000	2 000	-	-	333	(333)	-100%	2 000
Vote 07 - Summary Water Services	2 278	3 300	3 300	-	-	550	(550)	-100%	3 300
Total Capital single-year expenditure	2 378	10 616	10 616	-	-	1 769	(1 769)	-100%	10 616
Total Capital Expenditure	349 075	302 060	302 060	13 391	36 506	50 343	(13 837)	-27%	302 060
Capital Expenditure - Functional Classification									
Governance and administration									
Executive and council	12 001	17 434	17 434	53	323	2 906	(2 582)	-89%	17 434
Finance and administration	-	-	-	-	-	-	-	-	-
Internal audit	12 001	16 071	16 071	53	323	2 678	(2 355)	-88%	16 071
Community and public safety									
Community and social services	-	-	-	-	-	-	-	-	-
Sport and recreation	-	1 364	1 364	-	-	227	(227)	-100%	1 364
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services									
Planning and development	134 763	95 891	95 891	9 966	19 589	15 982	3 607	23%	95 891
Road transport	134 763	95 891	95 891	9 966	19 589	15 982	3 607	23%	95 891
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services									
Energy sources	202 311	188 734	188 734	3 372	16 594	31 456	(14 861)	-47%	188 734
Water management	182 256	188 473	188 473	2 086	15 309	31 412	(16 103)	-51%	188 473
Waste water management	20 055	261	261	1 285	1 285	43	1 242	2856%	261
Waste management	-	-	-	-	-	-	-	-	-
Other									
Total Capital Expenditure - Functional Classification	349 075	302 060	302 060	13 391	36 506	50 343	(13 837)	-27%	302 060
Funded by:									
National Government	255 079	259 997	258 997	11 840	32 442	43 166	(10 724)	-25%	258 997
Provincial Government	20 926	-	-	-	-	-	-	-	-
District Municipality	-	150	150	-	-	25	(25)	-100%	150
Transfers recognised - capital	276 005	260 147	259 147	11 840	32 442	43 191	(10 749)	-25%	259 147
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	73 070	41 912	42 912	1 551	4 064	7 152	(3 088)	-43%	42 912
Total Capital Funding	349 075	302 060	302 060	13 391	36 506	50 343	(13 837)	-27%	302 060

As alluded to above, the capital expenditure programme for the period ending 31 August 2025 was R36, 5m which represents 73% of capital expenditure against year to date budget of R50, 3million.

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

Chart 1: 2025/2026 CAPEX

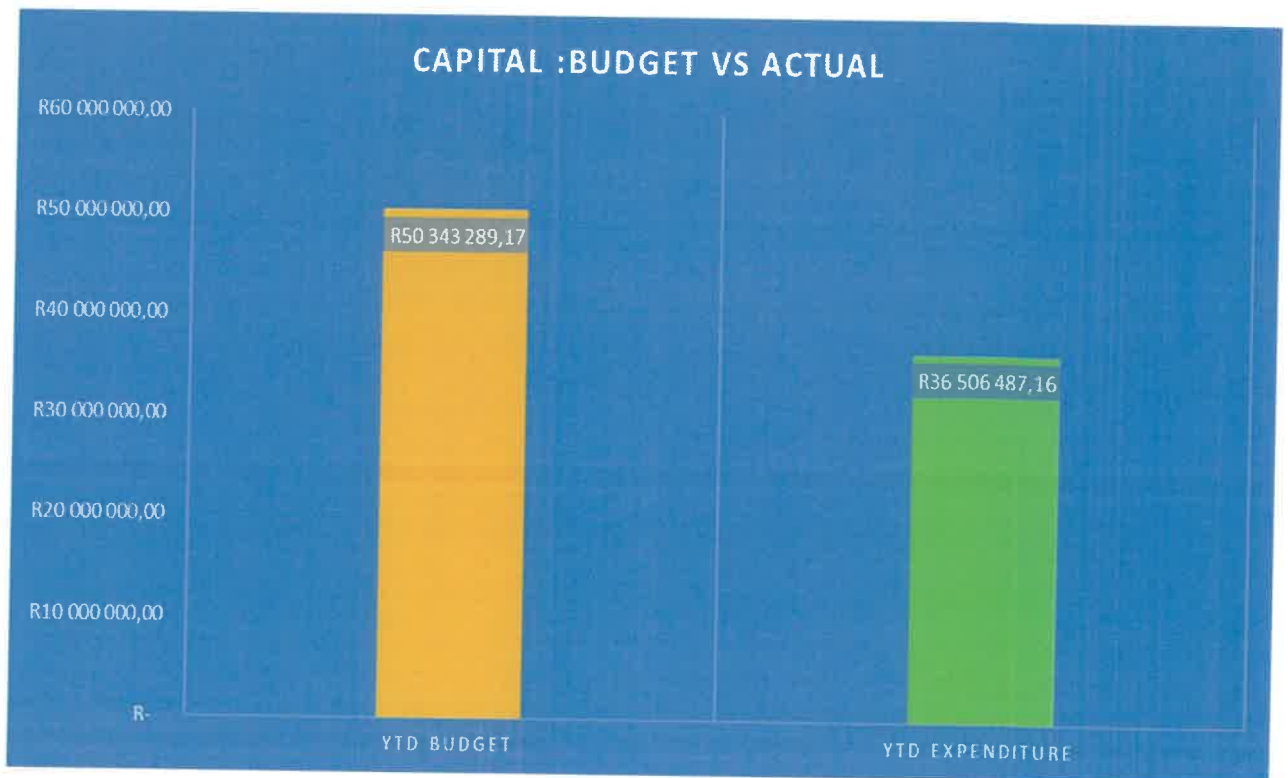


Table C6 displays the financial position of the municipality as at 31 August 2025.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M02 August

Description	2024/25	Budget Year 2025/26			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash and cash equivalents	261 670	173 668	173 668	457 098	173 668
Trade and other receivables from exchange transactions	12 773	23 719	23 719	13 034	23 719
Receivables from non-exchange transactions	1 570	2 312	2 312	1 570	2 312
Current portion of non-current receivables	-	-	-	-	-
Inventory	963	858	858	963	858
VAT	32 083	19 165	19 165	26 177	19 165
Other current assets	(307)	(229)	(229)	(316)	(229)
Total current assets	308 752	219 492	219 492	498 526	219 492
Non current assets					
Investments					
Investment property	-	-	-	-	-
Property, plant and equipment	3 218 685	3 443 615	3 443 615	3 255 192	3 443 615
Biological assets					
Living and non-living resources					
Heritage assets					
Intangible assets	296	2 827	2 827	296	2 827
Trade and other receivables from exchange transactions	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-
Other non-current assets	0	0	0	0	0
Total non current assets	3 218 981	3 446 443	3 446 443	3 255 488	3 446 443
TOTAL ASSETS	3 527 733	3 665 935	3 665 935	3 754 014	3 665 935
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Financial liabilities	12 806	8 006	8 006	12 806	8 006
Consumer deposits	3 441	3 748	3 748	3 462	3 748
Trade and other payables from exchange transactions	147 817	86 356	86 356	81 482	86 356
Trade and other payables from non-exchange transactions	(0)	1 483	1 483	71 382	1 483
Provision	16 527	16 385	16 385	16 527	16 385
VAT	6 655	5 282	5 282	8 601	5 282
Other current liabilities	-	-	-	-	-
Total current liabilities	187 245	121 261	121 261	194 260	121 261
Non current liabilities					
Financial liabilities	(0)	-	-	(0)	-
Provision	34 976	30 536	30 536	34 976	30 536
Long term portion of trade payables	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Total non current liabilities	34 976	30 536	30 536	34 976	30 536
TOTAL LIABILITIES	222 221	151 797	151 797	229 236	151 797
NET ASSETS	3 305 512	3 514 138	3 514 138	3 524 778	3 514 138
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)	3 305 512	3 514 138	3 514 138	3 524 778	3 514 138
Reserves and funds	-	-	-	-	-
Other	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	3 305 512	3 514 138	3 514 138	3 524 778	3 514 138

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

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M02 August

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									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	69 696	71 563	71 563	8 086	16 869	11 927	4 941	41%	71 563
Other revenue	1 507 411	70 300	70 300	79 037	384 662	11 717	372 946	3183%	70 300
Transfers and Subsidies - Operational	499 995	573 989	573 989	4 042	221 071	95 665	125 406	131%	573 989
Transfers and Subsidies - Capital	341 906	293 458	293 458	-	90 000	48 910	41 090	84%	293 458
Interest	28 012	26 046	26 046	2 029	3 992	4 341	(349)	-8%	26 046
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(971 403)	(677 355)	(677 355)	(63 339)	(197 460)	(112 892)	84 568	-75%	(677 355)
Interest	-	(54)	(54)	-	-	(9)	(9)	100%	(54)
Transfers and Subsidies	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 475 617	357 947	357 947	29 854	519 134	59 658	(459 476)	-770%	357 947
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	-	-	474	474	-	474	#DIV/0!	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(349 075)	(346 012)	(346 012)	(13 391)	(36 506)	(57 669)	(21 162)	37%	(346 012)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(349 075)	(346 012)	(346 012)	(12 917)	(36 033)	(57 669)	(21 636)	38%	(346 012)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	569	569	2	21	95	(74)	-78%	569
Payments									
Repayment of borrowing	-	(2 400)	(2 400)	-	-	(400)	(400)	100%	(2 400)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	(1 831)	(1 831)	2	21	(305)	(326)	107%	(1 831)
NET INCREASE/ (DECREASE) IN CASH HELD	1 126 542	10 105	10 105	16 939	483 122	1 684			10 105
Cash/cash equivalents at beginning:	209 430	163 577	163 577	727 854	261 670	163 577			261 670
Cash/cash equivalents at month/year end:	1 335 973	173 682	173 682	744 792	744 792	165 261			271 775

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 August 2025.

Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

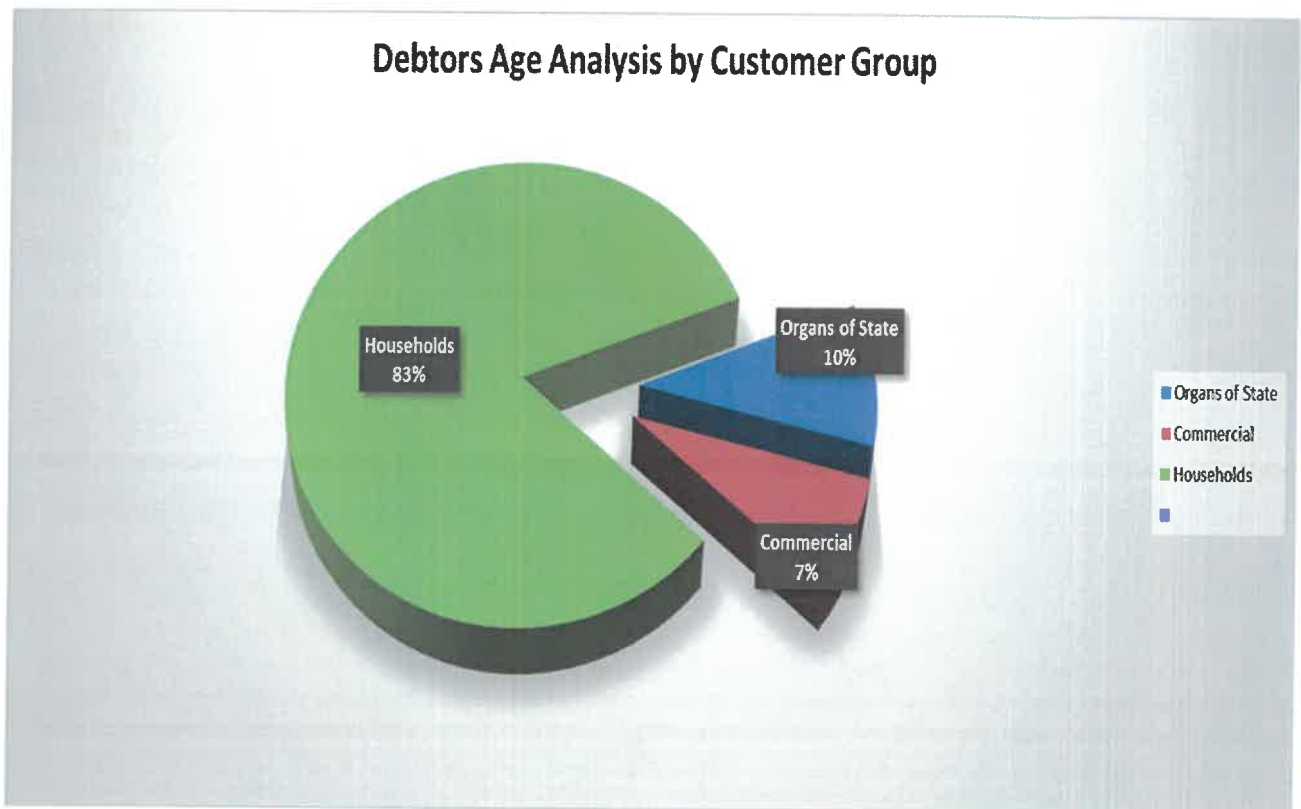
Description	Budget Year 2025/26									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	5 016	2 993	2 166	2 096	1 660	1 833	32 075	104 239	152 077	141 903
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management	1 960	1 169	846	819	648	716	12 531	40 722	59 411	55 436
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts	838	500	362	360	277	306	5 362	17 424	25 421	23 720
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other									-	-
Total By Income Source	7 814	4 662	3 374	3 265	2 585	2 855	49 968	162 386	236 909	221 059
2024/25 - totals only	7937271	6115713	4969603	4495511	5463743	3606707	16351803	177041451	225 972	206 949
Debtors Age Analysis By Customer Group										
Organs of State	5 209	2 180	1 042	717	606	531	7 657	5 548	23 491	15 060
Commercial	693	630	339	472	241	305	4 470	10 562	17 711	16 050
Households	1 911	1 853	1 994	2 076	1 738	2 020	37 840	146 276	195 707	189 949
Other									-	-
Total By Customer Group	7 814	4 662	3 374	3 265	2 585	2 855	49 968	162 386	236 909	221 059

The municipal consumer debt is currently decreasing as the municipality implementing amnesty and installing prepaid meters as it has a direct impact on municipal cash flows.

Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 83%
- ✓ Government 10%
- ✓ Business 7%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

The table that follows below unpacks the revenue receipts per Local Municipality in the District

Revenue receipts per Area

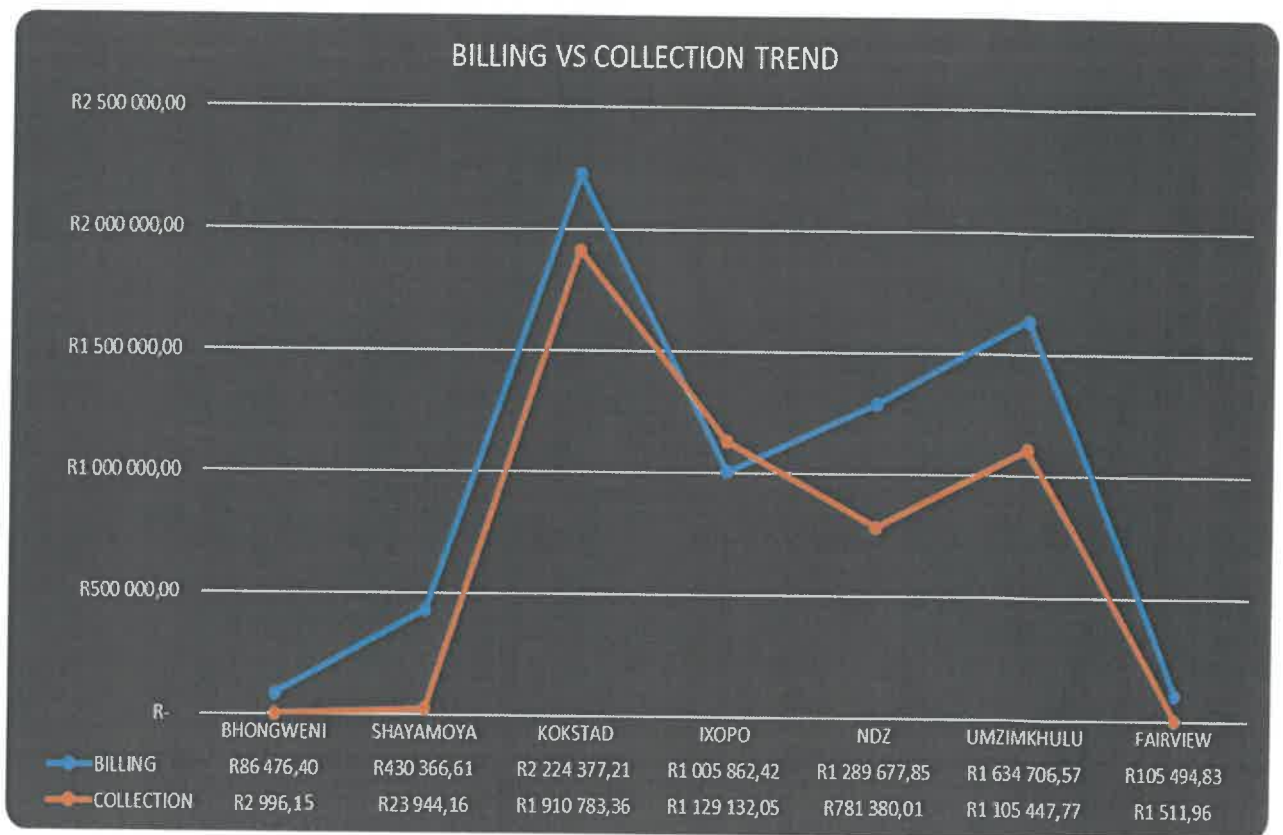
AREA	AMOUNT		
		AUGUST 2025	JULY 2025
Unallocated receipts	R 13 399	0%	2%
Bhongweni	R 2 996	0%	0%
Shayamoya	R 23 944	0%	1%
Kokstad	R 1 910 783	38%	11%
Ixopo	R 1 129 132	23%	12%
NDZ	R 781 380	16%	14%
Umzimkulu	R 1 105 448	22%	61%
Fairview	R 1 512	0%	0%
TOTAL RECEIPTS INCL VAT	R 4 968 595	100%	100%

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for August 2025 is R4, 9million. The collection for prepaid in the month of August is R 1 426 898. Total cash collected including prepaid for the month ending 31 August 2025 is R 6,395,493.

BILLING VS COLLECTION

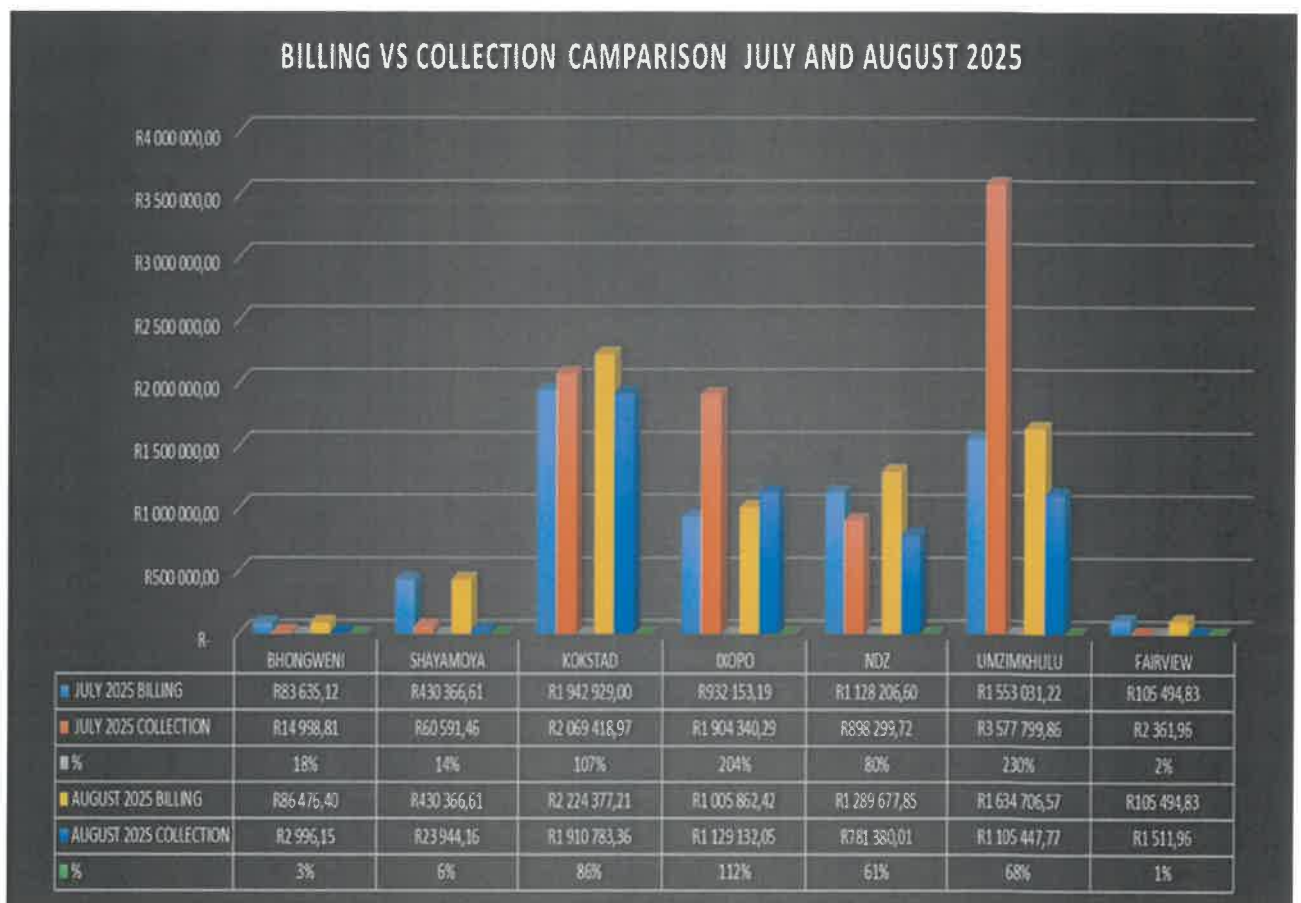
Billing vs Collection trend for August 2025

The chart that follows below shows the comparison between billing and collection trend for the period ending 31 August 2025.



BILLING VS COLLECTION (COMPARISON BETWEEN JULY AND AUGUST 25)

The chart that follows below shows the comparison between billing and collection for the period ending 31 August 2025



Debtors age analysis per service

The municipality's total outstanding debtors amounted to R 236,908,829 as at 31 August 2025 compared with the R 235,636,514 as at 31 July 2025. Current debt represents 3% of the total outstanding debt compared with the 3% of July 2025; 30 days and older debt 2% compared with the 3% for July 2025; 60 days and older debt 1% compared with the 1% of July 2025; and 90 days 1% compared with the 1% of July 2025; 120 days to History and older 94% compared with the 100% for August 2025.

Current debt decreased with R 1,272,315 to R 236,908,829 in the month ending 31 August compared with the R 235,636,514 as at 31 July 2025; 30 days + debt decreased with R 994,561; 60 days + increased with R 3,380; 90 days + debt decreased with R 642,660 and 120 + days and older debt as at 31 August 2025 has increased with R 1,529,391 to R 217,794,081 compared with the R 216,264,690 for July 2025.

Debtors age analysis per debtor type

Business debtors owes the municipality R 17,203,743 (7%); Municipal debtors R 631,277 (0%); domestic debtors R 180,392,275 (76%); Government accounts R 22,798,324 (10%); Indigent debtors R 9,693,808 (4%); Deceased R 1,231,979 (1%) and other debtors R 4,957,322 (2%) of the total outstanding debt of R 236,908,829.

2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 August 2025

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	Budget Year 2025/26								
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands									
Creditors Age Analysis By Customer Type									
Bulk Electricity	-	-	-	-	-	-	-	-	-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	6 011	711	-	-	-	-	-	-	6 722
Auditor General									-
Other									-
Medical Aid deductions									-
Total By Customer Type	6 011	711	-	-	-	-	-	-	6 722

2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short-term investments balances broken down per investment type as at 31 August 2025.

Cash and Bank Balances (Investments)

Monthly budget statement- Investment Portfolio

CASH AND INVESTMENT REGISTER AS AT 31 AUGUST 2025

Investments by maturity Name of institution & investment ID	Period of Investment	Type of investment	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Yrs/Months							
R thousands								
Municipality								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	133 593	481	(22 575)	-	111 509
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	52	0	-	-	52
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	128 582	563	(44 821)	-	84 324
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	60	0	-	-	61
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	81	0	-	-	81
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	68 186	295	(4 034)	-	64 447
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 144	5	-	-	1 149
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	4	-	-	-	4
FNB BANK	M	FIXED DEPOSIT	Fixed	54 016	-	-	-	54 016
STANDARD BANK	M	FIXED DEPOSIT	Fixed	58 197	306	-	-	58 504
FIRST NATIONAL BANK	M	CURRENT ACCOUNT	Fixed	53 563	-	(3 581)	-	49 982
Municipality sub-total				497 478	1 661	(75 012)	-	424 128
TOTAL INVESTMENTS AND INTEREST				497 478	1 661	(75 012)	-	424 128

2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
RECEIPTS:								
Operating Transfers and Grants								
National Government:	534 708	573 989	573 989	219 086	95 665	123 422	129,0%	573 989
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-
Equitable Share	491 837	520 871	520 871	217 029	86 812	130 217	150,0%	520 871
Expanded Public Works Programme Integrated Grant	4 460	3 660	3 660	-	610	(610)	-100,0%	3 660
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 300	1 300	-	217	(217)	-100,0%	1 300
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	33 363	45 548	45 548	2 057	7 591	(5 534)	-72,9%	45 548
Rural Road Asset Management Systems Grant	2 498	2 610	2 610	-	435	(435)	-100,0%	2 610
Water Services Infrastructure Grant	1 350	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-
District Municipality:	-	23 000	23 000	-	3 833	(3 833)	-100,0%	23 000
Specify (Add grant description)	-	23 000	23 000	-	3 833	(3 833)	-100,0%	23 000
Other grant providers:	-	-	-	-	-	-	-	-
Chemical Industry Sets	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	534 708	596 989	596 989	219 086	99 498	119 588	120,2%	596 989
Capital Transfers and Grants								
National Government:	293 629	293 458	293 458	20 602	48 910	(28 307)	-57,9%	293 458
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	194 979	193 458	193 458	10 980	32 243	(21 263)	-65,9%	193 458
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	98 650	100 000	100 000	9 622	16 667	(7 044)	-42,3%	100 000
Provincial Government:	24 064	-	-	-	-	-	-	-
Infrastructure Grant	24 064	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	317 693	293 458	293 458	20 602	48 910	(28 307)	-57,9%	293 458
TOTAL RECEIPTS OF TRANSFERS & GRANTS	852 401	890 447	890 447	239 688	148 408	91 281	61,5%	890 447

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

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									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	609 928	658 649	658 649	41 753	80 936	109 776	(28 839)	-26,3%	658 649
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	589 368	600 318	600 318	38 990	74 834	100 054	(25 219)	-25,2%	600 318
Expanded Public Works Programme Integrated Grant	5 270	8 988	8 988	574	1 308	1 498	(190)	-12,7%	8 988
Local Government Financial Management Grant	1 129	1 120	1 120	49	94	187	(93)	-49,9%	1 120
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	30 815	45 613	45 613	2 140	4 700	7 602	(2 902)	-38,2%	45 613
Rural Road Asset Management Systems Grant	2 172	2 610	2 610	-	-	435	(435)	-100,0%	2 610
Water Services Infrastructure Grant	1 174	-	-	-	-	-	-	-	-
Provincial Government:	-	228	228	-	-	38	(38)	-100,0%	228
Capacity Building and Other Grants	-	228	228	-	-	38	(38)	-100,0%	228
District Municipality:	-	4 869	4 869	-	-	812	(812)	-100,0%	4 869
Specify (Add grant description)	-	4 869	4 869	-	-	812	(812)	-100,0%	4 869
Other grant providers:	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	609 928	663 747	663 747	41 753	80 936	110 625	(29 689)	-26,8%	663 747
Capital expenditure of Transfers and Grants									
National Government:	255 079	259 997	258 997	11 840	32 442	43 166	(10 724)	-24,8%	258 997
Local Government Financial Management Grant	-	4 816	3 816	-	-	636	(636)	-100,0%	3 816
Municipal Infrastructure Grant	169 198	168 224	168 224	1 874	12 853	28 037	(15 184)	-54,2%	168 224
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	85 882	86 957	86 957	9 966	19 589	14 493	5 096	35,2%	86 957
Provincial Government:	20 926	-	-	-	-	-	-	-	-
Infrastructure Grant	20 926	-	-	-	-	-	-	-	-
District Municipality:	-	150	150	-	-	25	(25)	-100,0%	150
Specify (Add grant description)	-	150	150	-	-	25	(25)	-100,0%	150
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	276 005	260 147	259 147	11 840	32 442	43 191	(10 749)	-24,9%	259 147
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	885 933	923 894	922 894	53 593	113 378	153 816	(40 438)	-26,3%	922 894

Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 31 August 2025.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	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	5 095	5 349	5 349	418	836	892	(56)	-6%	5 349
Pension and UIF Contributions	84	56	56	-	-	9	(9)	-100%	56
Medical Aid Contributions	2	3	3	(1)	(1)	1	(2)	-338%	3
Cellphone Allowance	518	545	545	43	86	91	(4)	-5%	545
Housing Allowances									
Other benefits and allowances	1 881	2 105	2 105	161	344	351	(7)	-2%	2 105
Sub Total - Councillors	7 581	8 059	8 059	621	1 264	1 343	(79)	-4%	8 059
% Increase		6,3%	6,3%						6,3%
Senior Managers of the Municipality									
Basic Salaries and Wages	5 145	5 710	5 779	389	778	958	(180)	-19%	5 779
Pension and UIF Contributions	-	4	4	-	-	1	(1)	-100%	4
Medical Aid Contributions	48	54	54	4	8	9	(1)	-10%	54
Performance Bonus	69	166	166	-	-	26	(28)	-100%	166
Motor Vehicle Allowance	1 235	1 240	1 273	87	183	210	(27)	-13%	1 273
Cellphone Allowance	109	126	126	8	16	21	(5)	-23%	126
Housing Allowances	456	418	418	30	60	70	(10)	-15%	418
Other benefits and allowances	303	328	338	21	46	56	(10)	-18%	338
Payments in lieu of leave	85	109	109	93	93	18	74	408%	109
Sub Total - Senior Managers of Municipality	7 449	8 156	8 267	631	1 182	1 369	(187)	-14%	8 267
% Increase		9,5%	11,0%						11,0%
Other Municipal Staff									
Basic Salaries and Wages	158 894	177 508	178 113	13 857	27 977	29 640	(1 663)	-6%	178 113
Pension and UIF Contributions	24 041	26 745	26 851	2 133	4 262	4 467	(205)	-5%	26 851
Medical Aid Contributions	11 462	14 199	14 243	1 001	1 993	2 370	(377)	-16%	14 243
Overtime	24 078	7 174	7 199	2 043	4 214	1 198	3 016	252%	7 199
Performance Bonus	11 323	12 138	12 120	1 137	2 219	2 021	198	10%	12 120
Motor Vehicle Allowance	9 371	21 865	20 750	584	1 414	3 543	(2 129)	-60%	20 750
Cellphone Allowance	1 131	1 187	1 198	94	189	199	(10)	-5%	1 198
Housing Allowances	647	679	679	56	112	113	(1)	-1%	679
Other benefits and allowances	5 530	6 437	6 565	478	958	1 085	(127)	-12%	6 565
Payments in lieu of leave	1 756	2 329	2 329	70	333	388	(55)	-14%	2 329
Long service awards	642	1 205	1 205	106	372	201	171	85%	1 205
Postretirement benefit obligations	5 225	-	-	-	-	-	-	-	-
Acting and postrelated allowance	207	376	476	17	17	72	(55)	-76%	476
Sub Total - Other Municipal Staff	254 308	271 841	271 729	21 576	44 080	45 297	(1 237)	-3%	271 729
% Increase		6,9%	6,9%						6,9%
Total Parent Municipality	269 338	288 056	288 056	22 829	46 506	48 010	(1 504)	-3%	288 056
		6,9%	6,9%						6,9%
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Basic Salaries and Wages	-	320	320	-	-	53	(53)	-100%	320
Sub Total - Executive members Board	-	320	320	-	-	53	(53)	-100%	320
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Other Staff of Entities									
Basic Salaries and Wages	-	9 108	9 108	-	-	1 518	(1 518)	-100%	9 108
Pension and UIF Contributions	-	1 165	1 165	-	-	194	(194)	-100%	1 165
Medical Aid Contributions	-	418	418	-	-	70	(70)	-100%	418
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	429	429	-	-	71	(71)	-100%	429
Payments in lieu of leave	-	153	153	-	-	26	(26)	-100%	153
Acting and postrelated allowance	-	132	132	-	-	22	(22)	-100%	132
Sub Total - Other Staff of Entities	-	11 405	11 405	-	-	1 901	(1 901)	-100%	11 405
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Total Municipal Entities	-	11 725	11 725	-	-	1 954	(1 954)	-100%	11 725
TOTAL SALARY, ALLOWANCES & BENEFITS	269 338	299 781	299 781	22 829	46 506	49 964	(3 458)	-7%	299 781
% Increase		11,3%	11,3%						11,3%
TOTAL MANAGERS AND STAFF	261 756	291 401	291 401	22 207	45 242	48 567	(3 325)	-7%	291 401

2.5 Material Variances to the SDBIP

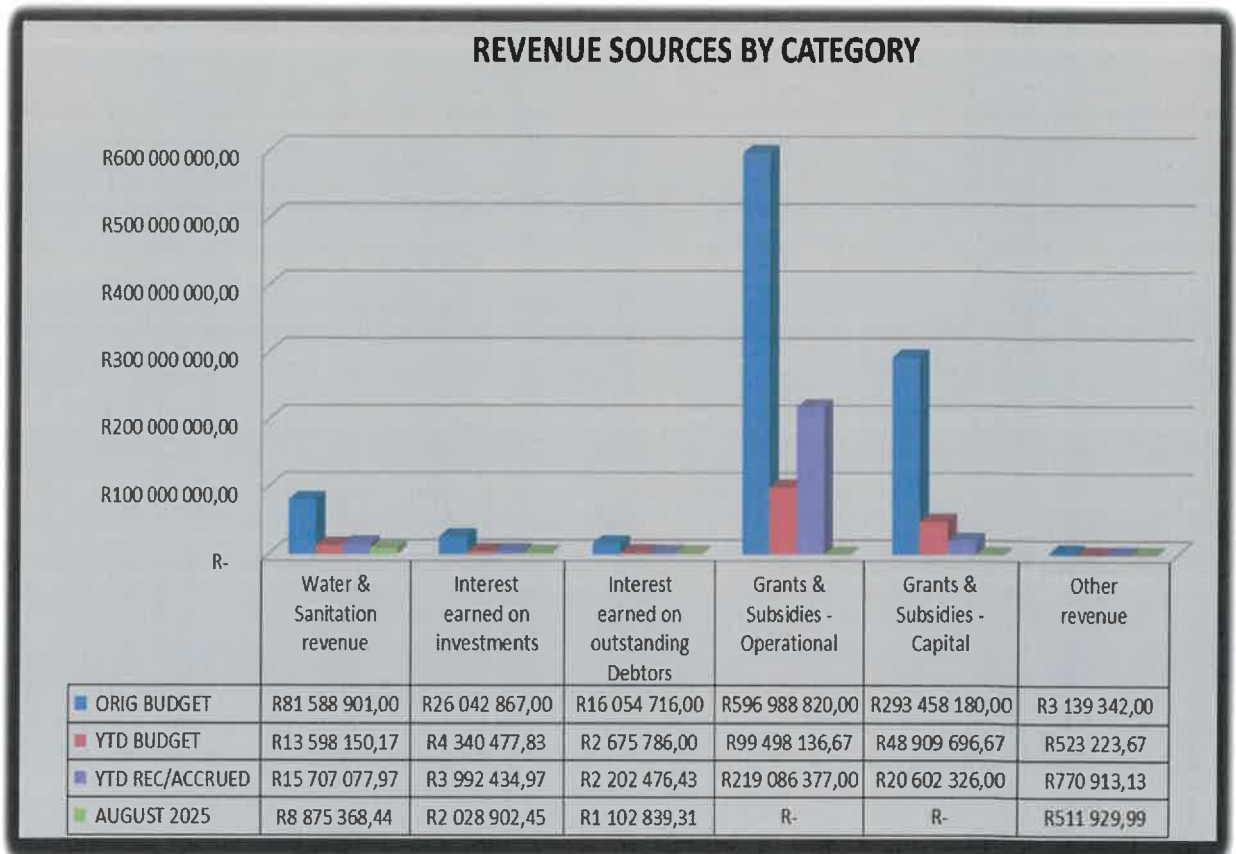
The following section analyses material variances between the actual targets as at 31 August 2025 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

REVENUE

The chart displays a comparison between the 202526 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to “performance” rather than “cash movements” in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

Chart 3: Revenue Analysis



Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 31 August 2025 was R15, 7million against a year to date **budget** of R13, 5million which is 116 per cent of year to date budget.

Interest Earned on External Investments

The interest earned on external investments year to date actual is R2, 2m against year to budget of R2, 6m representing 92 per cent of the year to date budget.

Transfers Recognised - Operational

The operational grants revenue of R219million against a year to date budget of R48, 9million is largely attributable to the YTD equitable share received.

Transfers Recognised – Capital

The total year to date actual on capital budget for the current year amounts to R20, 6million against year to date budget on capital amounts to R20, 6million, or 42% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

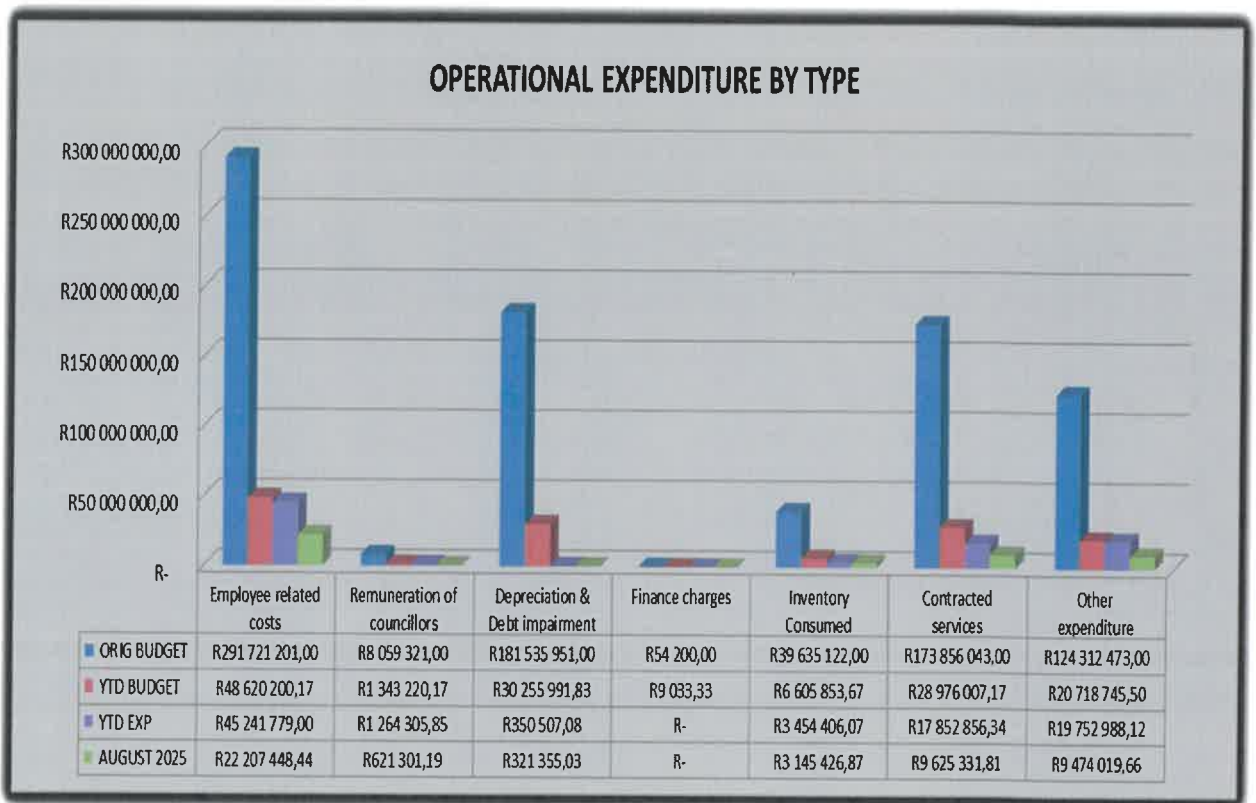
Other Revenue

The YTD performance of other revenue is R 770 913 against YTD budget of R 523 224 which is made up of tender documents and clearance certificates.

OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

Chart 4: 2025/26 financial year Opex



Employee Related Costs

The YTD actual for employee related costs is R45, 2million against a YTD budget of R48, 6million which is 93% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor's year to date expenditure is at R1, 2million against a YTD budget of R1, 3million representing 94% of the year to date budget.

Finance Charges

The YTD budget for finance charges is R9 033. There was no movement in the month ending August 2025.

Inventory Consumed

The inventory consumed has the original budget of R39, 6m. The year to date expenditure for inventory is R3, 4million against a YTD budget of R6, 6million representing 52 per cent expenditure of the year to date budget.

Contracted Services

The original budget for contracted services is R 173, 8million. The year to date expenditure for Contracted Services is R17, 8million against a YTD budget of R28, 9million representing 62 per cent of planned expenditure.

Other Expenditure

The YTD budget for operational costs was at R20, 7million against a YTD expenditure of R 19, 7million or 95 per cent of the planned expenditure.

Performance assessment

The Performance Assessment Report will be available on the fourth quarter in terms of Sec 52 (d) of the Municipal Finance Management Act.

Actual and revised targets for cash receipts

DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August

R thousands	Description	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework			
		July Outcome	August Outcome	Sept Budget	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
	Cash Receipts By Source																
	Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Service charges - Electricity revenue	7 805	7 227	4 969	4 969	4 969	4 969	4 969	4 969	4 969	4 969	(124)	59 632	65 452	69 379		
	Service charges - Water revenue	978	858	994	994	994	994	994	994	994	994	1 147	11 932	12 920	13 655		
	Service charges - Waste Water Management	1 964	2 029	2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 519	25 046	27 586	29 242		
	Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Interest earned - outstanding debtors	200	-	137	137	137	137	137	137	137	137	211	1 643	-	-		
	Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Transfers and Subsidies - Operational	217 029	4 042	47 832	47 832	47 832	47 832	47 832	47 832	47 832	47 832	(77 574)	573 989	606 254	633 881		
	Other revenue	305 425	79 037	5 721	5 721	5 721	5 721	5 721	5 721	5 721	5 721	(367 299)	68 657	71 098	66 402		
	Cash Receipts by Source	533 401	93 194	61 825	61 825	61 825	61 825	61 825	61 825	61 825	61 825	(441 120)	741 838	783 310	812 559		
	Other Cash Flows by Source																
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	90 000	-	24 455	24 455	24 455	24 455	24 455	24 455	24 455	24 455	(16 635)	253 458	325 980	341 871		
	Proceeds on Disposal of Fixed and Intangible Assets	-	474	-	-	-	-	-	-	-	-	(474)	-	-	-		
	Increase (decrease) in consumer deposits	19	2	47	47	47	47	47	47	47	47	121	569	569	569		
	VAT Control (receipts)	-	-	7 646	7 646	7 646	7 646	7 646	7 646	7 646	7 646	22 939	91 758	91 758	91 758		
	Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Total Cash Receipts by Source	623 420	93 669	93 974	93 974	93 974	93 974	93 974	93 974	93 974	93 974	(435 169)	1 127 684	1 201 617	1 246 797		
	Cash Payments by Type																
	Employee related costs	23 483	12 404	24 212	24 212	24 212	24 212	24 212	24 212	24 212	24 212	36 749	290 541	305 719	318 018		
	Remuneration of councillors	357	337	672	672	672	672	672	672	672	672	1 321	8 059	8 482	8 928		
	Interest	-	-	5	5	5	5	5	5	5	5	14	54	57	16		
	Bulk purchases - Electricity	-	-	2 819	2 819	2 819	2 819	2 819	2 819	2 819	2 819	8 457	33 828	35 868	38 009		
	Acquisitions - water & other inventory	-	-	14 813	14 813	14 813	14 813	14 813	14 813	14 813	14 813	44 438	177 752	195 927	207 775		
	Contracted services	-	-	13 098	13 098	13 098	13 098	13 098	13 098	13 098	13 098	(120 902)	157 174	163 776	140 125		
	Transfers and subsidies - other municipalities	109 972	50 223	13 098	13 098	13 098	13 098	13 098	13 098	13 098	13 098	(120 902)	157 174	163 776	140 125		
	Other expenditure	133 812	62 864	55 617	55 617	55 617	55 617	55 617	55 617	55 617	55 617	(29 924)	667 409	709 819	712 871		
	Cash Payments by Type	133 812	62 864	55 617	55 617	55 617	55 617	55 617	55 617	55 617	55 617	(29 924)	667 409	709 819	712 871		
	Other Cash Flows/Payments by Type																
	Capital assets	23 116	13 391	28 834	28 834	28 834	28 834	28 834	28 834	28 834	28 834	49 996	346 012	371 355	388 819		
	Repayment of borrowing	-	-	200	200	200	200	200	200	200	200	600	2 400	2 400	2 400		
	Other Cash Flows/Payments	308	375	833	833	833	833	833	833	833	833	1 816	10 000	13 000	14 200		
	Total Cash Payments by Type	157 236	76 730	85 485	85 485	85 485	85 485	85 485	85 485	85 485	85 485	22 488	1 025 821	1 096 574	1 118 291		
	NET INCREASE/(DECREASE) IN CASH HELD	466 184	16 939	8 489	8 489	8 489	8 489	8 489	8 489	8 489	8 489	(457 657)	101 863	105 044	128 507		
	Cash/cash equivalents at the month/year beginning:	261 670	727 854	744 792	753 281	761 770	770 258	778 747	787 235	796 724	804 212	821 190	861 670	963 533	1 068 577		
	Cash/cash equivalents at the month/year end:	727 854	744 792	753 281	761 770	770 258	778 747	787 235	796 724	804 212	812 701	821 190	861 670	963 533	1 068 577		

Capital Expenditure on New Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August

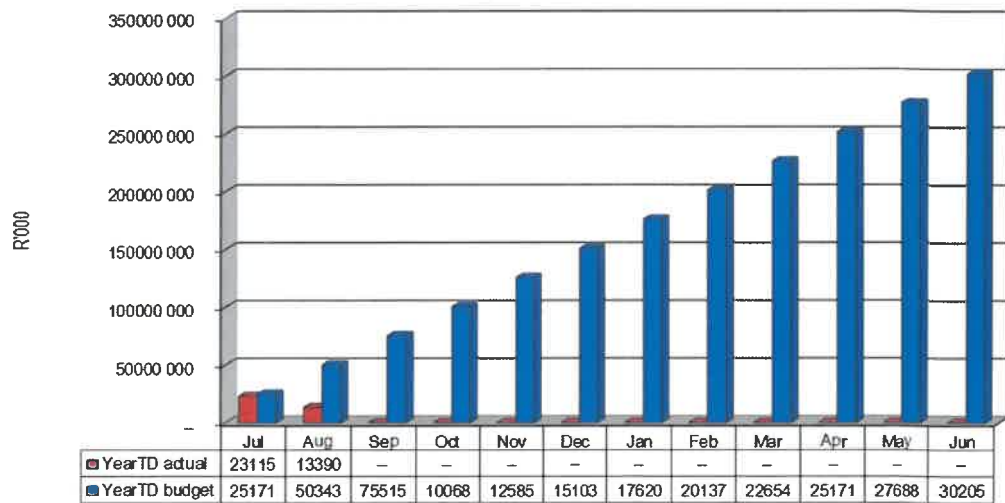
Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	299 786	240 171	240 171	13 338	35 383	40 029	4 646	11,6%	240 171
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	279 731	239 910	239 910	12 053	34 098	39 985	5 887	14,7%	239 910
Dams and Weirs	33 386	53 150	53 150	340	3 618	8 858	5 240	59,2%	53 150
Boreholes	14 333	-	-	-	-	-	-	-	-
Reservoirs	-	435	435	-	-	72	72	100,0%	435
Pump Stations	32 805	87	87	-	-	14	14	100,0%	87
Water Treatment Works	-	3 300	3 300	-	-	550	550	100,0%	3 300
Bulk Mains	82 290	59 807	59 807	8 934	18 557	9 968	(8 589)	-86,2%	59 807
Distribution	116 917	123 131	123 131	2 778	11 923	20 522	8 599	41,9%	123 131
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	20 055	261	261	1 285	1 285	43	(1 242)	-285,9%	261
Pump Station	1 234	87	87	-	-	14	14	100,0%	87
Reticulation	18 821	174	174	1 285	1 285	29	(1 256)	-433,8%	174
Waste Water Treatment Works	-	-	-	-	-	-	-	-	-
Other assets	2 310	8 901	8 901	-	-	1 484	1 484	100,0%	8 901
Operational Buildings	1 268	6 901	6 901	-	-	1 150	1 150	100,0%	6 901
Municipal Offices	1 268	6 901	6 901	-	-	1 150	1 150	100,0%	6 901
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	1 042	2 000	2 000	-	-	333	333	100,0%	2 000
Staff Housing	1 042	2 000	2 000	-	-	333	333	100,0%	2 000
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	955	955	-	-	159	159	100,0%	955
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	955	955	-	-	159	159	100,0%	955
Computer Software and Applications	-	955	955	-	-	159	159	100,0%	955
Computer Equipment	2 029	2 859	2 859	-	50	477	427	89,5%	2 859
Computer Equipment	2 029	2 859	2 859	-	50	477	427	89,5%	2 859
Furniture and Office Equipment	2 178	5 288	5 288	53	273	881	608	69,0%	5 288
Furniture and Office Equipment	2 178	5 288	5 288	53	273	881	608	69,0%	5 288
Machinery and Equipment	4 767	2 360	2 360	-	-	393	393	100,0%	2 360
Machinery and Equipment	4 767	2 360	2 360	-	-	393	393	100,0%	2 360
Total Capital Expenditure on new assets	311 070	260 534	260 534	13 391	35 706	43 422	7 716	17,8%	260 534

Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M02 August

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									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	23 573	9 503	9 503	-	-	1 584	1 584	100,0%	9 503
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	21 914	7 764	7 764	-	-	1 294	1 294	100,0%	7 764
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Bulk Mains</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	21 914	7 764	7 764	-	-	1 294	1 294	100,0%	7 764
<i>Distribution Points</i>	-	-	-	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	1 658	1 739	1 739	-	-	290	290	100,0%	1 739
<i>Pump Station</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>	1 658	1 739	1 739	-	-	290	290	100,0%	1 739
<i>Outfall Sewers</i>	-	-	-	-	-	-	-	-	-
Other assets	-	3 874	3 874	-	-	646	646	100,0%	3 874
Operational Buildings	-	3 874	3 874	-	-	646	646	100,0%	3 874
<i>Municipal Offices</i>	-	3 874	3 874	-	-	646	646	100,0%	3 874
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-	-	-	-
Transport Assets	6 841	8 595	8 595	-	800	1 433	632	44,1%	8 595
Transport Assets	6 841	8 595	8 595	-	800	1 433	632	44,1%	8 595
Total Capital Expenditure on renewal of existing assets	30 413	21 973	21 973	-	800	3 662	2 862	78,1%	21 973

Chart C2 2025/26 Capital Expenditure: YTD actual v YTD target



Expenditure on Repairs and Maintenance by Asset Class

DC43 Harry Gwala - Supporting Table SC13c Consolidated Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M02 August

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									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	35 932	40 241	40 241	-	963	6 707	5 744	85,6%	40 241
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>									
Water Supply Infrastructure	35 932	40 241	40 241	-	963	6 707	5 744	85,6%	40 241
<i>Dams and Weirs</i>									
<i>Boreholes</i>									
<i>Reservoirs</i>	21 341	20 650	20 650	-	413	3 442	3 029	88,0%	20 650
<i>Pump Stations</i>	8 961	9 473	9 473	-	550	1 579	1 029	65,2%	9 473
<i>PRV Stations</i>									
<i>Capital Spares</i>	5 629	10 118	10 118	-	-	1 686	1 686	100,0%	10 118
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	77	273	273	20	20	45	26	56,9%	273
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	77	273	273	20	20	45	26	56,9%	273
<i>Indoor Facilities</i>	77	273	273	20	20	45	26	56,9%	273
<i>Outdoor Facilities</i>									
<i>Capital Spares</i>									
Other assets	3 939	4 269	4 269	139	139	712	572	80,4%	4 269
Operational Buildings	3 939	4 269	4 269	139	139	712	572	80,4%	4 269
<i>Municipal Offices</i>	3 939	4 269	4 269	139	139	712	572	80,4%	4 269
<i>Pay/Enquiry Points</i>									
Computer Equipment	41	77	77	-	-	13	13	100,0%	77
Computer Equipment	41	77	77	-	-	13	13	100,0%	77
Transport Assets	478	332	332	0	0	55	55	99,9%	332
Transport Assets	478	332	332	0	0	55	55	99,9%	332
Total Repairs and Maintenance Expenditure	40 466	45 192	45 192	159	1 121	7 532	6 411	85,1%	45 192

2.7 Municipal Manager's Quality's Certificate

Quality Certificate

I, Gamakulu Ma'art Sineke, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement

For the month of August 2025 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Gamakulu Ma'art Sineke

Municipal Manager of: Harry Gwala District Municipality

Signed _____

Date 11/09/2025