



MUNICIPAL FINANCE MANAGEMENT ACT

56 OF 2003

SECTION 71 FINANCIAL REPORT

30 NOVEMBER 2025

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PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 30 NOVEMBER 2025
TO: THE HONOURABLE MAYOR
FROM: THE DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE

1. PURPOSE

The purpose of this report is to comply with section 71 of the Municipal Finance Management Act and its regulations for the submission of a monthly budget statement reporting on the monthly actual performance of the municipality's budget to the Executive Mayor or, National and Provincial Treasury containing prescribed financial performance particulars for the relevant reporting month and for the financial year up to the end of the relevant month, as legislated.

2. BACKGROUND

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

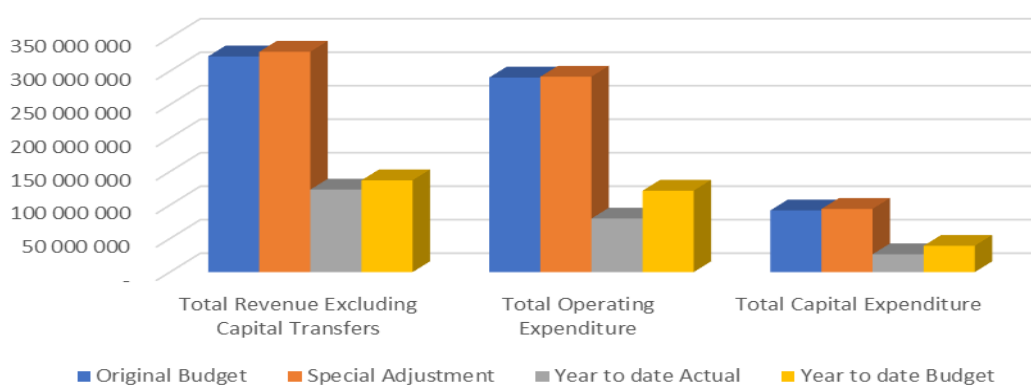
According to the Municipal Budget Reporting and Regulations (MBRR), 2009, "The monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of S168(1) of the Act" (MFMA). This report follows the legislative requirements of the Municipal Budget and Reporting Regulations (Schedule C format)

3. SUMMARY

The purpose of this report is to present the financial performance of the municipality for the fifth month of the 2025/26 financial year, as required by Section 71 of the MFMA. This summary highlights the overall budget implementation status and key areas of concern as the municipality closes off the financial year.

	Original Budget	Special Adjustment	Year to date Actual	Year to date Budget	% Special Adjustment Budget	% Year to date Budget
Total Revenue Excluding Capital Transfers	322 007 776	328 951 480	123 987 526	137 063 130	38%	90%
Total Operating Expenditure	290 496 561	291 714 004	81 380 191	121 547 535	28%	67%
Total Capital Expenditure	92 121 850	94 333 990	26 677 901	39 305 825	28%	68%

EXECUTIVE SUMMARY



Revenue Performance: Operating revenue (excluding capital transfers) amounted to R123 million which constitutes 90% of the year-to-date budget and 38% of the Approved Budget. The main sources of this revenue are as follows: Transfers and Subsidies contribute 51%, Service Charges 29%, Property Rates contribute 12%, and all other sources collectively make up the remaining 8%.

Expenditure Performance: Operating expenditure amounted to R81 million, which constitutes 67% of the year-to-date budget and 28% of the Approved Budget.

The main cost drivers behind this expenditure are Employee-Related Costs at 67%, Bulk Purchases at -22%, Debt Impairment at 28%, Operational Costs at 10%, Contracted Services at 10%, and Remuneration of Councilors at 7%. For the 4th month of the financial year, the municipality did not recognize any depreciation or debt impairment, as these will be accounted for at year-end. Additionally, there is low expenditure reported on Inventory Consumed and no expenditure on Other Losses as at yet in the financial year. The negative amounts in Bulk

purchases related to the Eskom debt write-off, a journal has been prepared to account for the negative amount.

Capital Expenditure: The Capital expenditure amounted to R26 million, which constitutes 68% of the year-to-date budget and 28% of the Approved Budget.

Cash Flow and Liquidity: The cash flow statement indicates that the municipality's operations generated a net cash inflow of R152 million by month-end, resulting in a closing cash balance of R136 million comprising call deposits and the primary municipal bank account.

Debtors and Creditors: The municipality is currently owed R268 million in outstanding debt, reflecting an increase of R2 million from the previous month's closing balance. Households remain the largest category of debtors, accounting for R171 million (1.4 million increase), followed by government debtors at R60.9 million (R700 thousand increase) and commercial accounts at R33. million (a very slight increase). The continued growth in consumer debt remains a concern and highlights the need for strengthened credit control measures.

The municipality's outstanding creditors' balance is R112 million which reflects R5 million decrease from the previous month, with Eskom accounting for the largest share at R65 million (R1 million decrease). In the 5th month of the financial year, the municipality paid R5.4 million to Eskom as part of its commitment under the Debt Relief agreement.

Grant Funding: Total receipts from transfers and grants excluding Equitable share amounted to R44 million to date. Grant expenditure amounts to R28.5 million; however, this is expected to increase in the coming months in line with planned targets, particularly for capital allocations.

Debt Relief Compliance: The municipality remains compliant with the Eskom Debt Relief Programme, consistently settling its monthly Eskom accounts in full. Implementation of the Smart Meter Grant is currently underway. Debt relief compliance for the year has averaged 93%, with required documentation submitted regularly to both the Provincial and National Treasury.

Overall Surplus: The municipality reported a surplus of R60 million after capital transfers. This is largely influenced by timing differences in expenditure recognition and outstanding month-end journals. Although financial performance reflects an overall surplus and underspending trends, structural challenges persist. These include rising debtor levels, incomplete recognition of non-

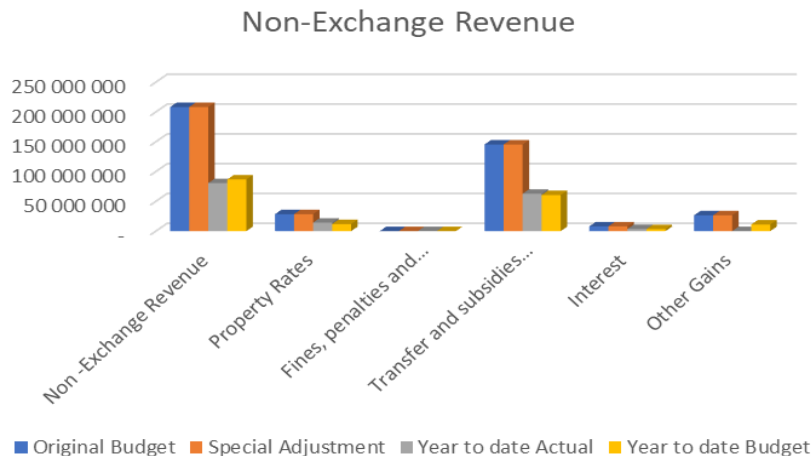
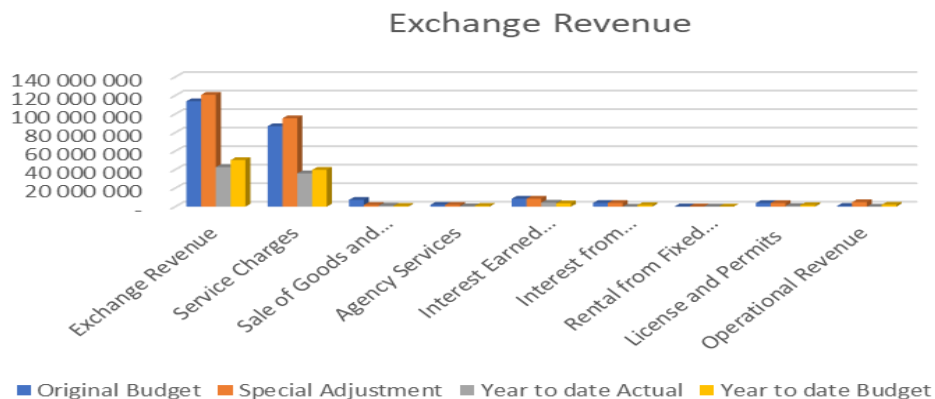
cash items, and sustainability risks associated with the municipality’s unfunded 2025/26 budget. A Financial Recovery Plan is in place, and its strict and consistent implementation is essential to address these concerns.

4. BUDGET PERFORMANCE OVERVIEW

4.1 Operating Revenue by source

The Summary Statement of Financial Performance shown below is prepared on a similar basis of the prescribed budget format, detailing revenue by source type and expenditure per vote.

EC124 Amahlathi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November										
Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		63 735	72 499	80 999	5 266	32 322	33 749	(1 428)	-4%	72 499
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		11 734	14 362	14 362	736	3 626	5 984	(2 358)	-39%	14 362
Sale of Goods and Rendering of Services		6 435	7 363	1 828	32	1 095	762	333	44%	7 363
Agency services		800	2 005	2 005	122	479	835	(356)	-43%	2 005
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		9 497	8 566	8 566	855	4 319	3 569	750	21%	8 566
Interest from Current and Non Current Assets		3 421	4 063	4 063	-	40	1 693	-	-	4 063
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		286	209	209	19	125	87	37	43%	209
Licence and permits		1 549	3 845	3 845	168	877	1 602	(725)	-45%	3 845
Special rating levies		-	-	-	-	-	-	-	-	-
Operational Revenue		3 507	891	4 869	0	0	2 029	(2 029)	-100%	891
Non-Exchange Revenue										
Property rates		22 003	28 350	28 350	1 648	14 176	11 813	2 364	20%	28 350
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		26	18	18	91	112	8	105	-	18
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		146 325	145 328	145 328	598	63 279	60 553	2 726	-	145 328
Interest		7 763	7 955	7 955	630	3 537	3 315	222	-	7 955
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		26 686	26 554	26 554	-	-	11 064	(11 064)	-	26 554
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		303 766	322 008	328 951	10 166	123 988	137 063	(13 076)	-10%	322 008

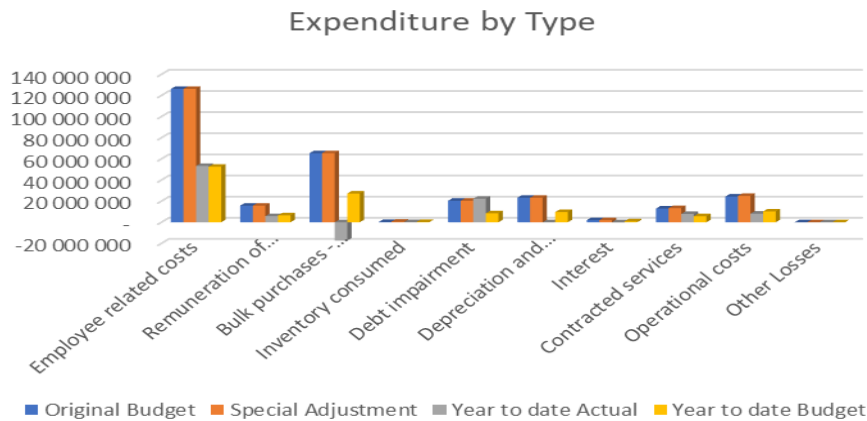


Revenue Variance Explanations against Planned Budget

- Electricity reflects an unfavorable variance of 4% which reflects a decrease of 20% from the previous month as result of smart meter installation.
- Waste management reflects an unfavourable variance of 39%. This variance is attributed to the opening of new businesses within the municipality.
- Sale of Goods and Rendering of Services shows a favorable variance of 44%, primarily driven by the high volume of tender documents, building plan approvals, burials, street markets and land use applications sold.
- Agency Services and Licenses & Permits show unfavorable variances of 43% and 55%, respectively. These variances are primarily due to a decline in traffic-related revenue than anticipated.
- Interest from receivables from exchange transactions reflects a favourable variance of 21%, This is attributed to the collection rate being more than projected due to customers.
- Rentals of facilities indicate a favourable variance of 43%, primarily resulting from increased demand for municipal hall rentals and steady lease income.
- Operational revenue reflects an unfavourable variance of 100%.
- Property rates reflect favourable variance of 20% due to growth in the property valuation roll, and improved billing and collection processes.

4.2 Operating Expenditure by Type

Expenditure By Type									
Employee related costs	124 980	126 195	126 195	10 583	53 292	52 581	710	1%	126 195
Remuneration of councillors	14 006	15 692	15 692	1 147	5 765	6 538	(774)	-12%	15 692
Bulk purchases - electricity	59 230	65 349	65 349	4 861	(17 306)	27 229	(44 535)		65 349
Inventory consumed	261	324	530	7	127	221	(94)		324
Debt impairment	–	20 385	20 385	–	22 275	8 494	13 781	162%	20 385
Depreciation and amortisation	30 529	23 217	23 217	–	–	9 674	(9 674)	-100%	23 217
Interest	7 069	2 000	2 000	12	(98)	833	(931)	-112%	2 000
Contracted services	17 729	13 003	13 391	1 998	9 175	5 740	3 435	60%	13 003
Transfers and subsidies	–	–	–	–	–	–	–		–
Irrecoverable debts written off	28 602	–	–	–	–	–	–		–
Operational costs	22 771	24 330	24 953	1 400	8 150	10 237	(2 086)	-20%	24 330
Losses on Disposal of Assets	1 581	–	–	–	–	–	–		–
Other Losses	(10)	1	1	–	–	0	(0)		1
Total Expenditure	306 748	290 497	291 714	20 008	81 380	121 548	(40 167)	-33%	290 497



Expenditure Variance Explanations against Planned Budget

- Cost containment and cash-flow management measures remain in effect and are reported separately Quarterly.
- Employee-related costs reflect an unfavorable variance of 1%, and remuneration of councilors with an unfavorable variance of 12%.
- Inventory Consumed shows an favourable variance of 40%, primarily due to cash flow projections being evenly distributed over the 12 months, rather than reflecting the timing of significant anticipated expenditure.
- Debt Impairment reflects an favourable variance of 162%, resulting from the R24 million Eskom debt write-off and the reversal of Interest Eskom Debt write-off.
- Interest Paid reflects a favourable variance of 112% primarily due to the interest reversal from bulk purchases of electricity.
- Depreciation reflect 100% favourable variance, as these items will be calculated and recognized at year-end.
- Contracted Services show a unfavourable variance of 37%, mainly due to the increased volume of maintenance work carried out on vehicles and equipment.
- Operational costs reflect a favourable variance of 20%.

The municipality tabled an unfunded budget for the 2025/26 Financial Year. A Financial Recovery Plan has been approved and is currently implemented.

4.3 Capital Expenditure by Municipal Vote

The following table provides a summary of the expenditure trends based on planned capital projects and actual spending. The percentage spending on capital projects continued to progress but remains below the targeted implementation level for this stage of the financial year. as at 30 November 2025 the total spending on Capital projects amount to R26 million (30 million including VAT) represents 68% of the year to date capital budget and 28% of the total capital budget. The table below reflects the capital expenditure performance by function.

This outcome is below the projection following the first-quarter benchmark, indicating that overall project implementation is lagging behind schedule. Furthermore, compared to the same period in the previous financial year, performance remains under 100% year to date and 28% on approved budget, signaling that the implementation momentum has not yet reached the anticipated pace.

EC124 Amahlathi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-		-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-		-
Vote 3 - Corporate Services		-	-	-	-	-	-	-		-
Vote 4 - Community Services		-	-	-	-	-	-	-		-
Vote 5 - Planning and Development		-	-	-	-	-	-	-		-
Vote 6 - Engineering Services		-	-	-	-	-	-	-		-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-		-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-		-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-		-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-		-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-		-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Executive & Council		594	-	-	-	-	-	-		-
Vote 2 - Budget and Treasury		33 324	-	-	-	-	-	-		-
Vote 3 - Corporate Services		4 809	2 800	4 495	316	1 620	1 873	(253)	-13%	2 800
Vote 4 - Community Services		117 822	-	-	-	82	-	82	#DIV/0!	-
Vote 5 - Planning and Development		(45)	-	-	-	-	-	-		-
Vote 6 - Engineering Services		621 172	89 322	89 839	8 203	24 976	37 433	(12 457)	-33%	89 322
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-		-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-		-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-		-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-		-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-		-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	777 677	92 122	94 334	8 518	26 678	39 306	(12 628)	-32%	92 122
Total Capital Expenditure		777 677	92 122	94 334	8 518	26 678	39 306	(12 628)	-32%	92 122
Capital Expenditure - Functional Classification										
Governance and administration		46 271	2 800	4 495	316	1 620	1 873	(253)	-13%	2 800
Executive and council		(989)	-	-	-	-	-	-		-
Finance and administration		45 677	2 800	4 495	316	1 620	1 873	(253)	-13%	2 800
Internal audit		1 583	-	-	-	-	-	-		-
Community and public safety		92 418	-	-	-	-	-	-		-
Community and social services		92 273	-	-	-	-	-	-		-
Sport and recreation		145	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		560 218	66 382	66 382	8 017	20 697	27 659	(6 962)	-25%	66 382
Planning and development		100 626	37 737	37 737	5 307	16 738	15 724	1 014	6%	37 737
Road transport		459 592	28 645	28 645	2 710	3 959	11 935	(7 976)	-67%	28 645
Environmental protection		-	-	-	-	-	-	-		-
Trading services		86 313	22 940	23 458	186	4 361	9 774	(5 413)	-55%	22 940
Energy sources		60 573	22 940	23 458	186	4 279	9 774	(5 495)	-56%	22 940
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		25 740	-	-	-	82	-	82	#DIV/0!	-
Other		1 127	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	786 348	92 122	94 334	8 518	26 678	39 306	(12 628)	-32%	92 122
Funded by:										
National Government		709 939	74 322	74 839	8 203	24 584	31 183	(6 599)	-21%	74 322
Provincial Government		4 135	15 000	15 000	-	474	6 250	(5 776)	-92%	15 000
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		714 074	89 322	89 839	8 203	25 058	37 433	(12 375)	-33%	89 322
Borrowing	6	670	-	-	-	-	-	-		-
Internally generated funds		71 603	2 800	4 495	316	1 620	1 873	(253)	-13%	2 800
Total Capital Funding		786 348	92 122	94 334	8 518	26 678	39 306	(12 628)	-32%	92 122

4.4 Cash Flows

The cash available as at 30 November 2025 amounts to R17.6 million; this consists of call deposits and cash available in the main account excluding the cash on hand.

EC124 Amahlathi - Table C6 Monthly Budget Statement - Financial Position - M05 November

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		12 563	39 757	50 404	(10 488)	39 757
Trade and other receivables from exchange transactions		44 707	22 570	15 186	82 186	22 570
Receivables from non-exchange transactions		32 588	9 188	9 188	15 742	9 188
Current portion of non-current receivables		–	–	–	–	–
Inventory		6	24	(182)	222	24
VAT		11 670	32 639	36 412	30 577	32 639
Other current assets		12 849	–	–	12 890	–
Total current assets		114 382	104 178	111 007	131 128	104 178
Non current assets						
Investments		–	–	–	–	–
Investment property		11 678	11 686	11 686	11 678	11 686
Property, plant and equipment		451 563	582 387	584 600	478 241	582 387
Biological assets		4 568	6 214	6 214	4 568	6 214
Living and non-living resources		–	–	–	–	–
Heritage assets		610	610	610	610	610
Intangible assets		9	(9)	(9)	9	(9)
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		468 429	600 889	603 101	495 107	600 889
TOTAL ASSETS		582 811	705 067	714 108	626 235	705 067
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 850	1 844	1 844	1 634	1 844
Trade and other payables from exchange transactions		137 794	64 065	67 380	90 183	64 065
Trade and other payables from non-exchange transactions		428	47 000	(47 000)	18 718	47 000
Provision		16 456	20 407	20 407	16 456	20 407
VAT		3 153	10 118	10 118	8 676	10 118
Other current liabilities		–	–	–	–	–
Total current liabilities		159 681	143 434	52 749	135 666	143 434
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		18 563	7 862	7 862	18 563	7 862
Long term portion of trade payables		42 094	–	–	42 094	–
Other non-current liabilities		31 078	–	–	31 078	–
Total non current liabilities		91 736	7 862	7 862	91 736	7 862
TOTAL LIABILITIES		251 417	151 296	60 611	227 402	151 296
NET ASSETS	2	331 394	553 771	653 498	398 834	553 771
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		331 391	553 771	559 498	398 834	553 771
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	331 391	553 771	559 498	398 834	553 771

5. IN-YEAR BUDGET STATEMENT TABLES

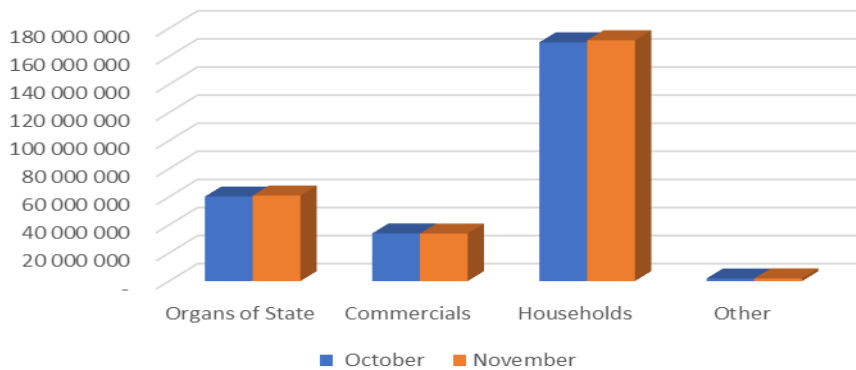
EC124 Amahlathi - Table C1 Monthly Budget Statement Summary - M05 November									
Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	22 003	28 350	28 350	1 648	14 176	11 813	2 364	20%	28 350
Service charges	75 469	86 861	95 361	6 002	35 948	39 734	(3 786)	-10%	86 861
Investment revenue	3 421	4 063	4 063	-	40	1 693	(1 653)	-98%	4 063
Transfers and subsidies - Operational	146 325	145 328	145 328	598	63 279	60 553	2 726	5%	145 328
Other own revenue	56 548	57 405	55 849	1 917	10 544	23 270	(12 727)	-55%	57 405
Total Revenue (excluding capital transfers and contributions)	303 766	322 008	328 951	10 166	123 988	137 063	(13 076)	-10%	322 008
Employee costs	124 980	126 195	126 195	10 583	53 292	52 581	710		126 195
Remuneration of Councillors	14 006	15 692	15 692	1 147	5 765	6 538	(774)		15 692
Depreciation and amortisation	30 529	23 217	23 217	-	-	9 674	(9 674)		23 217
Interest	7 069	2 000	2 000	12	(98)	833	(931)		2 000
Inventory consumed and bulk purchases	59 491	65 673	65 880	4 868	(17 179)	27 450	(44 629)		65 673
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	70 673	57 719	58 730	3 398	39 601	24 471	15 130	62%	57 719
Total Expenditure	306 748	290 497	291 714	20 008	81 380	121 548	(40 167)	-33%	290 497
Surplus/(Deficit)	(2 982)	31 511	37 237	(9 842)	42 607	15 516	27 092	175%	31 511
Transfers and subsidies - capital (monetary allocations)	77 657	89 322	89 322	7 207	25 290	37 217	###	-32%	89 322
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	74 676	120 833	126 559	(2 635)	67 898	52 733	15 165	29%	120 833
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	74 676	120 833	126 559	(2 635)	67 898	52 733	15 165	29%	120 833
Capital expenditure & funds sources									
Capital expenditure	777 677	92 122	94 334	8 518	26 678	39 306	(12 628)	-32%	92 122
Capital transfers recognised	714 074	89 322	89 839	8 203	25 058	37 433	(12 375)	-33%	89 322
Borrowing	670	-	-	-	-	-	-		-
Internally generated funds	71 603	2 800	4 495	316	1 620	1 873	(253)	-13%	2 800
Total sources of capital funds	786 348	92 122	94 334	8 518	26 678	39 306	(12 628)	-32%	92 122
Financial position									
Total current assets	114 382	104 178	111 007		131 101				104 178
Total non current assets	468 429	600 889	603 101		495 107				600 889
Total current liabilities	159 681	143 434	52 749		135 183				143 434
Total non current liabilities	91 736	7 862	7 862		91 736				7 862
Community wealth/Equity	331 391	553 771	559 498		399 288				553 771
Cash flows									
Net cash from (used) operating	(7 248)	108 806	120 497	16 977	170 253	63 284	(106 969)	-169%	108 806
Net cash from (used) investing	786 348	(91 874)	(94 418)	(8 518)	(26 678)	(39 341)	(12 663)	32%	(91 874)
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	780 659	47 757	56 904	8 458	145 134	54 768	(90 366)	-165%	-
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	14 940	(88)	5 538	5 880	9 744	4 728	32 159	195 354	268 254
Creditors Age Analysis									
Total Creditors	17 450	1 139	468	103	946	9 279	3 869	80 471	113 726

6. DEBTORS ANALYSIS

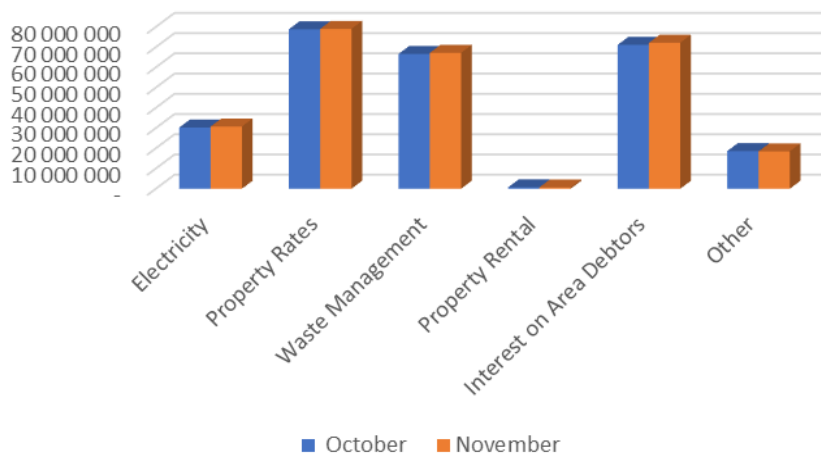
EC124 Amahlathi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	Budget Year 2025/26									
	NT Code	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
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	6 171	(13)	1 829	1 835	1 687	1 031	7 507	10 704	30 750
Receivables from Non-exchange Transactions - Property Rates	1400	3 315	(61)	1 132	1 035	5 149	947	5 870	61 640	79 025
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	2 249	(3)	975	966	953	837	5 706	55 485	67 168
Receivables from Exchange Transactions - Property Rental Debtors	1700	12	–	6	6	6	–	117	514	660
Interest on Arrear Debtor Accounts	1810	3 225	(0)	1 600	1 571	1 491	1 514	10 211	52 566	72 178
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–
Other	1900	(30)	(11)	(4)	468	458	399	2 750	14 444	18 474
Total By Income Source	2000	14 942	(88)	5 538	5 880	9 744	4 728	32 159	195 354	268 256
2024/25 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State	2200	4 240	(31)	2 114	2 332	6 315	1 598	11 330	33 017	60 916
Commercial	2300	4 728	(37)	789	737	679	563	3 536	22 889	33 884
Households	2400	5 856	(25)	2 591	2 769	2 697	2 527	17 019	138 076	171 510
Other	2500	118	5	43	42	53	40	275	1 372	1 947
Total By Customer Group	2600	14 942	(88)	5 538	5 880	9 744	4 728	32 159	195 354	268 256

Debt by Customer



Debt by Source

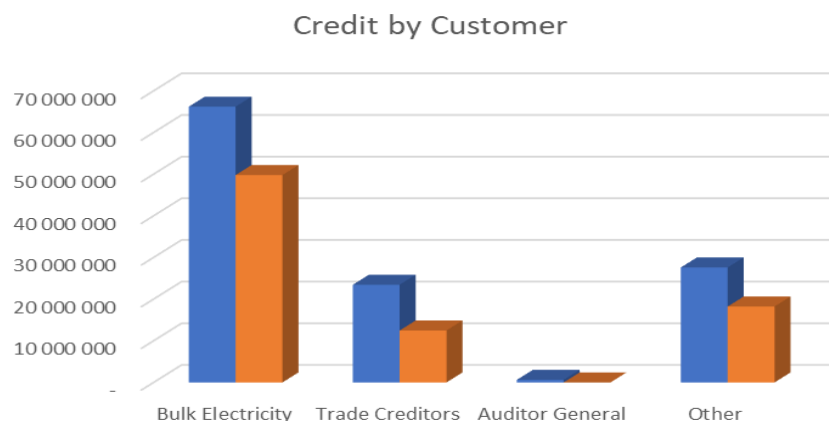


The debtors report above provides the total amount owed to the municipality by income source and by debtor type. Total outstanding debt for the month ending 30 November 2025 is R268 million. a R2 million increase from the previous month. The biggest contributor being the households that owe R171 million which is an increase of R1.4 million from previous month; followed by government departments owing R60 million which is an increase of R600 thousand from previous month and business that owe R33 million, which is an increase of R82 thousand. Household and Government debt is growing significantly on a monthly basis, which is of concern.

7. CREDITORS ANALYSIS

Section 65 of the Municipal Finance management Act requires that municipalities should pay its creditors within 30 days. The municipality strives to pay its creditors within 30 days, however delays are experienced due to cash flow challenges the municipality is faced with. Below is the list of trade creditors as at 30 November 2025 amounts to R112 million.

EC124 Amahlathi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November										
Description	NT Code	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	0100	11 276	–	14	47	1 227	27	3 510	49 790	65 891
Bulk Water	0200	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	655	11	456	7	–	8 671	78	12 462	22 340
Auditor General	0800	975	–	–	–	–	–	–	–	975
Other	0900	3 033	1 128	(3)	50	(281)	582	281	18 219	23 009
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	15 939	1 139	468	103	946	9 279	3 869	80 471	112 214




Creditors age

Accounts Payable Age Analysis								
Amahlathi Local Municipality								
Accounts Payable Age Analysis 30 November 2025								
Supplier	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
SOND001 (SONDLO & KNOPP ADVERTISING)						3 679.63		3 679,63
3RDPAR04 (3rd Party GARNISHHES)							0.03	0,03
3RDPAR02 (3rd Party PENSIONS)							1 912 103.32	1 912 103,32
A2AK001 (A2A KOPANO INVESTMENT INCORPORATED)					456 167.00			456 167,00
ABANTU01 (ABANTU ENVIRONMENTAL CONSULTANTS)						58 650.00	81 190.00	139 840,00
ABNEAR01 (ABN EARTHMOVING CONSULTING SERVICES)							11 960.00	11 960,00
ALOE0001 (ALOE OFFICE & BUSINESS EQUIPMENT)						48 724.90	43 426.49	92 151,39
ALOE001 (ALOE TRAVEL)	22 677.26					6 881.60	27 109.60	56 668,46
AMAN001 (AMANTLO GENERAL TRADING)							99 160.00	99 160,00
AMAT0002 (AMATHOLE DISTRICT MUNICIPALITY)	10 033 501.20	7 025 095.96						17 058 597,16
SOMA001 (ANDILE SOMACA)							1 800.00	1 800,00
ANDYIN01 (ANDY & INDIE GENERAL TRADING)							22 055.00	22 055,00
ATHABI01 (ATHABISO TRADING)							20 315.19	20 315,19
AUDI001 (AUDITOR - GENERAL)						975 183.18		975 183,18
BEECON01 (BEECON HOLDINGS (PTY)LTD)		102 655.22						102 655,22
BOAR001 (BOARDMANS HARDWARE)							26 086.60	26 086,60
BOSE0001 (BOSE TYRES)				6 748.83				6 748,83
CABH0001 (CAB HOLDINGS)							16 673.42	16 673,42
CAME0001 (CCG SYSTEMS)	203 975.02	2 700.00					38 500.00	245 175,02
COPY0001 (COPY WORLD)						622.84		622,84
DABIN01 (DABINI PTY LTD)							11 250.00	11 250,00
EASTL002 (EAST LONDON INDUSTRIAL DEVELOPMENT ZONE)							6 210.00	6 210,00
ECPGPR01 (ECPG PROVINCE)							201 129.63	201 129,63
ECPGRT01 (ECPG RTMC)							8 352.00	8 352,00
ELIT0001 (ELITE STATIONERS)							1 747.20	1 747,20
ENGINN01 (Engineering Council of South Africa)							5 713.00	5 713,00
EPWPCA01 (EPWP CASUALS)							2 831.47	2 831,47
ESKOMB01 (ESKOM (BULK))	53 300 086.36	26 760.16	1 226 874.68	46 786.64	14 340.97	5 703 370.42	5 572 435.81	65 890 655,04
ESKOME01 (ESKOM (ELECTRICITY & LIGHTS))							135 749.11	135 749,11
ESKOMF01 (ESKOM (FBE))							123.87	123,87
GREE0001 (GREEN DOT MEDIA)							108 720.43	108 720,43
INGCAM01 (INGCAMBU CIVIL (PTY) LTD)							299 250.00	299 250,00
JAMICM01 (JEMIC MOTORS)				47 004.31				47 004,31
LATE0001 (LATERAL UNISON INSURANCE BROKERS (PTY)LTD)				2 500.00	-2 500.00		25 680.33	25 680,33
MABECE01 (MABECE TILANA INC)							84 251.92	84 251,92
MAGQ001 (MAGQABI SETH ZITHA INC)							14 683.20	14 683,20
MEDI001 (MEDIA MAESTRO)							12 500.00	12 500,00
MICROS01 (MICROSOFT IRELAND OPERATIONS LIMITED)	26 378.93							26 378,93
MOBILE01 (MOBILE TELEPHONE NETWORK)						133 551.60	157 189.87	290 741,47
MSASSO01 (MSAS SOLUTIONS)							55 500.00	55 500,00
NEWGEN01 (NEW GENERATION ADVERTISING SOLUTIONS)							9 989.82	9 989,82
NKISEN01 (NKISENG SOLUTIONS)						70 253.13		70 253,13
NORT0001 (NORTH & ROBERTSON PTY LTD)							4 142.59	4 142,59
OPENFO01 (OPENFORM STUDIO)							18 860.00	18 860,00
PROD001 (PRODIBA)							56 959.00	56 959,00
SALG0001 (SALGA)	2 280 394.20	1 643 110.56						3 923 504,76
SNRE0001 (SNR Electrical CC)	120 784.71							120 784,71
SPCAAM01 (SPCA AMAHLATHI)							45 000.00	45 000,00
SPECIA01 (SPECIAL INVESTIGATION UNIT)	10 537 432.33							10 537 432,33
STUT002 (STUTT MECHANICAL t/a STUTTERHEIM GARAGE)							5 522.97	5 522,97
TALENI01 (TALENI GODI KUPISO INC)						99 475.00		99 475,00
TITANS01 (TITANSTUTT)							32 025.00	32 025,00
TRIP001 (TRIPLE STREAMS)							1 896.23	1 896,23
VITSHA01 (VITSHA TRADING)		478 915.37						478 915,37
VODACO01 (VODACOM)							20 734.14	20 734,14
WCADEP01 (WCA (Departmemnt of Labour))	7 026 968.75					766 343.79		7 793 312,54
WIND0001 (WINDEED)							1 490.02	1 490,02
WCCOUR01 (WYNAND BARENDT BOTHA)							1 430.00	1 430,00
XLAL001 (XL ALOE TRAVEL)							8 980.60	8 980,60
YANDEE01 (YANDE ENGINEERING AND PROJECTS)	788 488.52		-280 963.52					507 525,00
Totals:	84 340 687,28	9 279 237,27	945 911,16	103 039,78	468 007,97	7 866 736,09	9 210 727,86	112 214 347,41

8. INVESTMENT PORTFOLIO ANALYSIS

The table below details the Call Deposits made by the Municipality for the period ending November 2025.

Investment Schedule for 2025 / 2026										
										
Institution	Investments	Opening Balance	New Investment	Withdrawals	INTEREST					Total
					July	August	Sept	Oct	Nov	
FNB 62774382966	DEDEAT	417 813,89		- 166 372,07	1 801,80	1 312,89	1 277,00	1 304,42	1 250,47	258 388,40
FNB 62063171351	Disaster	3 304 716,81	14 421 875,00	- 17 492 567,07	13 441,80	7 363,50	27 410,87	32 217,02	6 025,85	320 483,78
FNB 63127290730	EEDSM	80 111,96		- 1 234,86	425,25	410,41	399,20	408,64	391,58	80 912,18
FNB 62774381009	FMG	2 061,22	2 200 000,00	- 2 201 485,48	10,94	1 457,13	17,41	10,75	10,07	2 082,04
FNB 62774381413	INEP	18 758,05	18 348 000,00	- 15 346 023,44	99,58	26 948,48	33 668,08	30 892,64	19 473,77	3 131 817,16
FNB 63127288686	Inhouse projects	12 543,55	3 596 456,83	- 3 607 113,03	5 583,10	1 450,85	79,08	48,20	44,00	9 092,58
FNB 61381739619	Insurance	1 787 108,47	3 719 090,14	- 4 326 695,56	10 588,72	5 553,61	6 365,37	5 582,59	5 277,02	1 212 870,36
FNB 62774382445	LG Seta	2 405,29	106 200,00	- 52 565,14	12,76	56,71	295,67	287,49	275,70	56 968,48
FNB 62135193770	MIG	160528,12	29 957 000,00	- 26 546 632,04	8 949,32	60 793,82	35 288,99	7 062,27	40 689,47	3 723 679,95
FNB 62774383592	Salaries	766171,49	62 100 000,00	- 62 947 444,51	99 546,46	11 200,64	8 524,95	193,64	185,73	38 378,40
FNB 62774381942	Retention	301549,71	-	- 300 542,75	521,92	10,56	10,27	7,98	7,58	1 565,27
FNB 63127292538	STR	1053,85	450 884,32	- 451 789,98	5,60	5,39	894,67	79,79	5,51	1 139,15
FNB 74568809858	FNB Guarantee	5142095,16		- 396 039,60	33 388,40	34 725,37	33 830,67	29 080,14	29 823,68	4 906 903,82
	Payroll short term investments		9 000 000,00	- 9 183 449,59				183 449,59		-
		11 996 917,57	143 899 506,29	- 143 019 955,12	174 375,65	151 289,36	148 062,23	290 625,16	103 460,43	13 744 281,57

9. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

The table below presents grant receipts and expenditures, excluding Equitable Share.

	Grant Allocation	Grant Received	Grant Spent	Grant Unspent	% Spent on Allocation	% Unspent on Allocation
Finance Management Grant	2 200 000	2 200 000	1 482 991	717 009	67%	33%
EPWP Grant	1 799 000	1 260 000	2 673 348	- 874 348	149%	-49%
Intergrated National Electrification Program Grant	17 440 000	7 848 000	4 470 056	12 969 944	26%	74%
MIG	39 723 000	25 122 000	14 882 810	24 840 190	37%	63%
Municipal Disaster Recovery Grant	19 145 000	5 743 000	4 552 859	14 592 141	24%	76%
Eastern Cape Capacity Building (OG)	1 823 000	1 823 000	-	-	0%	100%
Small Town Revitalization Grant	15 000 000	450 884	450 884	14 549 116	3%	97%
	97 130 000	44 446 884	28 512 947	66 794 053	29%	71%

EC124 Amahlathi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M05 November

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		526 644	143 505	–	810	69 153	59 794	133	0,2%	143 505
EPWP Incentive	–	6 905	1 799	–	810	1 710	750	960	128,1%	1 799
Finance Management	–	10 935	2 200	–	–	4 400	917			2 200
Local Government Equitable Share	–	–	137 520	–	–	57 300	57 300			137 520
Metro Informal Settlements Partnership Grant	–	477 996	–	–	–	–	–			–
Municipal Drought Relief	–	30 808	–	–	–	5 743	–			–
Municipal Infrastructure Grant	–	–	1 986	–	–	–	828	(828)	-100,0%	1 986
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		16 536	1 823	–	–	3 646	760	2 886	380,0%	1 823
Eastern Cape_Capacity Building and Other_Specify (Add grant description)	–	16 536	1 823	–	–	3 646	760	2 886	380,0%	1 823
								–		
								–		
Other transfers and grants [insert description]	4							–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		1 403	–	–	–	–	–	–		–
Unspecified_Specify (Replace with the name of the Entity)_Receipts	–	1 403	–	–	–	–	–	–		–
								–		
Total Operating Transfers and Grants	5	544 583	145 328	–	810	72 799	60 553	3 019	5,0%	145 328
Capital Transfers and Grants										
National Government:		162 987	74 322	–	–	32 970	15 013	9 398	62,6%	74 322
Municipal Infrastructure Grant (MIG)	–	162 987	37 737	–	–	25 122	15 724	9 398	59,8%	37 737
Integrated National Electrification Programme Grant	–	–	17 440	–	–	7 848	7 267			17 440
Municipal Disaster Relief Grant	–	–	19 145	–	–	–	(7 977)			19 145
								–		
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	15 000	–	–	999	6 250	(5 251)	-84,0%	15 000
Eastern Cape_Infrastructure_Infrastructure_RECEIPTS	–	–	15 000	–	–	999	6 250	(5 251)	-84,0%	15 000
								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Capital Transfers and Grants	5	162 987	89 322	–	–	33 969	21 263	4 148	19,5%	89 322
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	707 569	234 650	–	810	106 768	81 817	7 167	8,8%	234 650

The conditional and unconditional grants allocation budgeted for 2025/26 reflected an amount of R234 million. An amount of R106 million has been received, and R22 million reported as expenditure to the period ending 30 November 2025.

EC124 Amahlathi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		500 066	5 985	–	3 715	8 709	2 494	6 215	249,2%	5 985
Expanded Public Works Programme Integrated Grant	–	6 028	1 799	–	575	2 673	750	1 924	256,6%	1 799
Local Government Financial Management Grant	–	10 935	2 200	–	23	1 483	917	566	61,8%	2 200
Metro Informal Settlements Partnership Grant	–	477 996	–	–	–	–	–	–		–
Municipal Disaster Relief Grant	–	5 107	–	–	3 117	4 553	–	4 553	#DIV/0!	–
Municipal Infrastructure Grant	–	–	1 986	–	–	–	828	(828)	-100,0%	1 986
Municipal Infrastructure Grant								–		
Other transfers and grants [insert description]								–		
Provincial Government:		14 831	1 823	–	–	1 823	760	1 063	140,0%	1 823
Eastern Cape	–	14 831	1 823	–	–	1 823	760	1 063	140,0%	1 823
								–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Other grant providers:		1 403	–	–	–	–	–	–		–
Unspecified-Specify (Replace with the name of the Entity)-Transfer	–	1 403	–	–	–	–	–	–		–
Unspecified-Specify (Replace with the name of the Entity)-Receipts								–		
Total operating expenditure of Transfers and Grants:		516 299	7 808	–	3 715	10 532	3 253	7 279	223,7%	7 808
Capital expenditure of Transfers and Grants										
National Government:		164 441	74 322	–	4 541	20 287	30 967	(10 681)	-34,5%	74 322
Integrated National Electrification Programme Grant	–	–	17 440	–	–	4 470	7 267	(2 797)	-38,5%	17 440
Municipal Disaster Relief Grant	–	11 281	19 145	–	–	–	7 977	(7 977)	-100,0%	19 145
Municipal Infrastructure Grant	–	153 160	37 737	–	4 541	15 817	15 724	93	0,6%	37 737
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	15 000	–	(451)	843	6 250	(5 407)	-86,5%	15 000
Eastern Cape	–	–	15 000	–	(451)	843	6 250	(5 407)	-86,5%	15 000
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
Total capital expenditure of Transfers and Grants		164 441	89 322	–	4 090	21 130	37 217	(16 088)	-43,2%	89 322
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		680 740	97 130	–	7 805	31 662	40 471	(8 809)	-21,8%	97 130

10. COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

The expenditure on employee related costs and councillors allowance is detailed in the table below.

EC124 Amahlathi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November										
Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		9 463	10 834	10 834	771	3 869	4 514	(645)	-14%	10 834
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		460	619	619	36	197	258	(61)	-23%	619
Cellphone Allowance		1 416	1 777	1 777	119	593	740	(148)	-20%	1 777
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2 666	2 462	2 462	221	1 106	1 026	80	8%	2 462
Sub Total - Councillors		14 006	15 692	15 692	1 147	5 765	6 538	(774)	-12%	15 692
% increase	4		12,0%	12,0%						12,0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 562	5 980	5 980	441	2 132	2 492	(360)	-14%	5 980
Pension and UIF Contributions		9	9	9	1	4	4	0	13%	9
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		200	431	431	37	158	180	(22)	-12%	431
Cellphone Allowance		67	71	71	8	37	30	7	24%	71
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1	1	1	0	0	0	0	11%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4 838	6 493	6 493	486	2 331	2 705	(374)	-14%	6 493
% increase	4		34,2%	34,2%						34,2%
Other Municipal Staff										
Basic Salaries and Wages		82 534	79 503	79 503	6 824	34 637	33 126	1 511	5%	79 503
Pension and UIF Contributions		14 109	14 621	14 621	1 237	6 134	6 092	42	1%	14 621
Medical Aid Contributions		6 099	6 665	6 665	532	2 542	2 777	(235)	-8%	6 665
Overtime		1 387	1 219	1 219	89	586	508	78	15%	1 219
Performance Bonus		(0)	6 807	6 807	613	3 051	2 836	215	8%	6 807
Motor Vehicle Allowance		4 533	3 409	3 409	366	1 759	1 420	339	24%	3 409
Cellphone Allowance		818	889	889	72	358	371	(12)	-3%	889
Housing Allowances		2 430	2 661	2 661	205	1 024	1 109	(84)	-8%	2 661
Other benefits and allowances		621	518	518	68	299	216	83	39%	518
Payments in lieu of leave		-	163	163	9	225	68	157	231%	163
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	6 945	2 813	2 813	-	-	1 172	(1 172)	-100%	2 813
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		667	435	435	83	345	181	164	90%	435
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		120 142	119 703	119 703	10 097	50 961	49 876	1 085	2%	119 703
% increase	4		-0,4%	-0,4%						-0,4%
Total Parent Municipality		138 986	141 887	141 887	11 730	59 057	59 120	(63)	0%	141 887

The municipality allocated a budget of R15.6 million for Councilors and has spent R5.7 million which constitutes 30% as of the fifth month of the financial year.

The municipality allocated a budget of R6.4 million for Senior Managers and spent R2.7 million, which constitutes 28% as of the fifth month of the financial year.

The municipality have allocated a budget of R119.7 million for Other Municipal Staff and have spent R50 million which constitutes 33% for the fourth month of the financial year.

11. MATERIAL VARIANCES TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

Refer to bullet no.4

12. CAPITAL PROGRAMME PERFORMANCE

	2025/26		
	Budget	Expenditure	Available
Xholorha Paving Phase 2	15 000 000	2 552 410	12 447 590
Ngamngeni Roads and Stormwater	4 145 000	2 000 449	2 144 551
Cathcart 22/11kv 2x2,5 MVA Substation	12 440 000	4 049 933	8 390 067
Upgrading Stutterheim Main Intake Su	5 000 000	420 123	4 579 877
Building Plan Offices	8 000 000	55 710	7 944 290
Mlungisi Sportfield	5 600 000	4 426 205	1 173 795
STR KKH Roads	5 500 000	-	5 500 000
Phumlani Community Hall	4 651 162	486 974	4 164 188
Langdraai Community Hall	4 501 288	-	4 501 288
STR Stutterheim Electricity	4 000 000	450 884	3 549 116
STR Stutterheim Roads	4 000 000	-	4 000 000
Nqenge Internal Roads	3 462 969	3 845 639	- 382 670
Waste Collection Compactor Truck	3 283 196	3 283 195	1
Izidenge Internal Roads	3 326 149	203 296	3 122 853
Infrastructure plans	1 697 050	-	1 697 050
STR KKH Electricity	1 500 000		1 500 000
Vehicles	3 300 000	1 220 185	2 079 815
Paving of Xholorha Internal Roads	1 000 000	2 181 792	- 1 181 792
Keilands Roads	700 000	218 483	481 517
Sutterheim - Streets Paving	400 000	399 999	1
KeiskammahoekTown Paving	400 000	400 000	0
Furniture and Office Equipment	794 640	451 958	342 681
Cathcart Town Hall Upgrade	400 000		400 000
Amabele Paving	315 036		315 036
Computer Equipment	400 000	191 128	208 872
MV Substations	517 500	-	517 500
	94 333 990	26 677 901	67 495 627

13. SUMMARY OF STATEMENT OF FINANCIAL POSITION

The financial position reflects the position of Amahlathi Local Municipality having considered the assets; liabilities and equity as at 30 November 2025.

EC124 Amahlathi - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash and cash equivalents		12 563	39 757	50 404	(10 488)	39 757
Trade and other receivables from exchange transactions		44 707	22 570	15 186	82 186	22 570
Receivables from non-exchange transactions		32 588	9 188	9 188	15 742	9 188
Current portion of non-current receivables		–	–	–	–	–
Inventory		6	24	(182)	194	24
VAT		11 670	32 639	36 412	30 577	32 639
Other current assets		12 849	–	–	12 890	–
Total current assets		114 382	104 178	111 007	131 101	104 178
Non current assets						
Investments		–	–	–	–	–
Investment property		11 678	11 686	11 686	11 678	11 686
Property, plant and equipment		451 563	582 387	584 600	478 241	582 387
Biological assets		4 568	6 214	6 214	4 568	6 214
Living and non-living resources		–	–	–	–	–
Heritage assets		610	610	610	610	610
Intangible assets		9	(9)	(9)	9	(9)
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		468 429	600 889	603 101	495 107	600 889
TOTAL ASSETS		582 811	705 067	714 108	626 207	705 067
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 850	1 844	1 844	1 634	1 844
Trade and other payables from exchange transactions		137 794	64 065	67 380	90 183	64 065
Trade and other payables from non-exchange transactions		428	47 000	(47 000)	18 235	47 000
Provision		16 456	20 407	20 407	16 456	20 407
VAT		3 153	10 118	10 118	8 676	10 118
Other current liabilities		–	–	–	–	–
Total current liabilities		159 681	143 434	52 749	135 183	143 434
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		18 563	7 862	7 862	18 563	7 862
Long term portion of trade payables		42 094	–	–	42 094	–
Other non-current liabilities		31 078	–	–	31 078	–
Total non current liabilities		91 736	7 862	7 862	91 736	7 862
TOTAL LIABILITIES		251 417	151 296	60 611	226 919	151 296
NET ASSETS	2	331 394	553 771	653 498	399 288	553 771
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated surplus/(deficit)		331 391	553 771	559 498	399 288	553 771
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	331 391	553 771	559 498	399 288	553 771

a. CURRENT ASSETS

- **Cash** – The cash balance of R3.9 million comprises of the cashbook balance for the main primary bank account as at 30 November 2025.
- **Call Investments Deposits** – Call investment deposits comprises of investments of call deposits made with various financial institutions when there is surplus cash available in the main account. These monies are invested in line with municipal investment policy. The table below details the Cash Balance in the Main Account and Call Deposits made by the Municipality for the period ending 30 November 2025.

Date	Account Description	Type	Total
30 November 2025	DEDEAT	Call Investment Deposit	258 388,40
30 November 2025	Disaster	Call Investment Deposit	320 483,78
30 November 2025	EEDSM	Call Investment Deposit	80 912,18
30 November 2025	FMG	Call Investment Deposit	2 082,04
30 November 2025	INEP	Call Investment Deposit	3 131 817,16
30 November 2025	Inhouse projects	Call Investment Deposit	9 092,58
30 November 2025	Insurance	Call Investment Deposit	1 212 870,36
30 November 2025	LG Seta	Call Investment Deposit	56 968,48
30 November 2025	MIG	Call Investment Deposit	3 723 679,95
30 November 2025	Salaries	Call Investment Deposit	38 378,40
30 November 2025	Retention	Call Investment Deposit	1 565,27
30 November 2025	STR	Call Investment Deposit	1 139,15
30 November 2025	FNB Guarantee	Call Investment Deposit	4 906 903,82
30 November 2025	Main Account	Call Investment Deposit	3 914 526,79
			17 658 808,36

- The total cash available as at 30 November 2025 indicates a total balance of R17 million.
- **Inventory** – The value of inventory as at 30 November 2025 amounts to R222 611.
- **Investment Property: Biological Assets and Intangible Assets** – The depreciation will be calculated during the Second quarter FAR compilation.

b. NON-CURRENT ASSETS

- The non-current assets amount to R495 million with the biggest contributor being the Property; Plant and Equipment of the municipality amounting to R478 million.

c. CURRENT LIABILITIES

- Section 65 of the Municipal Finance management Act requires that municipalities should pay its creditors within 30 days. The municipality strives to pay its creditors within 30 days,

however delays are experienced due to cash flow challenges the municipality is faced with. Below is the list of trade creditors as at 30 November 2025.

- **Trade and other Payables** – The trade and other payables are currently at R90 million which indicates a R7 million decrease when compared to October 2025.
- **Unspent Grant** – The unspent grants amount to R18 million as at 30 November 2025.

14. OTHER SUPPORTING DOCUMENTS

REPAIRS AND MAINTENANCE

The table below reflects expenditure on repairs by asse class. The expenditure on repairs and maintenance is at 0% of annual budget.

EC124 Amahlathi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M05 November

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1 158	1 880	1 880	163	1 187	783	(403)	-51,5%	1 880
Roads Infrastructure		325	1 150	1 150	140	609	479	(130)	-27,2%	1 150
Roads		325	1 150	1 150	140	609	479	(130)	-27,2%	1 150
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		25	30	30	1	21	13	(8)	-66,0%	30
Drainage Collection		25	30	30	1	21	13	(8)	-66,0%	30
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		807	700	700	22	557	292	(265)	-90,8%	700
Power Plants		-	100	100	-	-	42	42	100,0%	100
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		807	600	600	22	557	250	(307)	-122,7%	600
Community Assets		-	100	100	-	17	42	25	59,2%	100
Community Facilities		-	100	100	-	17	42	25	59,2%	100
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	100	100	-	17	42	25	59,2%	100
Other assets		352	400	105	-	-	44	44	100,0%	400
Operational Buildings		352	400	105	-	-	44	44	100,0%	400
Municipal Offices		344	300	5	-	-	2	2	100,0%	300
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		8	100	100	-	-	42	42	100,0%	100
Computer Equipment		-	-	50	-	-	21	21	100,0%	-
Computer Equipment		-	-	50	-	-	21	21	100,0%	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		33	50	50	-	30	21	(10)	-45,6%	50
Machinery and Equipment		33	50	50	-	30	21	(10)	-45,6%	50
Transport Assets		1 065	545	545	37	455	435	(20)	-4,6%	545
Transport Assets		1 065	545	545	37	455	435	(20)	-4,6%	545
Total Repairs and Maintenance Expenditure	1	2 608	2 975	2 730	201	1 689	1 346	(343)	-25,5%	2 975

15. RESOLUTIONS AND RECOMMENDATIONS

It is recommended that that the Mayoral Committee / Mayoral Committee meeting take note of

-

1. The monthly section 71 report for period ending 30 November 2025 **BE NOTED AND ACCEPTED**.
2. The non-compliance emanating from the municipality's debt relief self-assessment as well as the Provincial Treasury's independent assessment set-out.
3. The following remedial actions necessary and / or undertaken to improve the municipality's monthly compliance in terms of debt relief conditions.
4. The balance of the Eskom bulk account and the municipality's reconciliation of these accounts.


16. CONCLUSION

The collection rate for November 2025 stands at 60%. Since the inception of the Debt Relief Programme, the municipality has remained committed and has not missed a single payment to Eskom. Compliance for November 2025 was recorded at 95%, while the self-assessed compliance for 2025 has improved to 100%. This improvement comes despite challenges related to the municipality operating under an unfunded budget.

17. ANNEXURE A: SCHEDULE A

18. ANNEXURE B: Compliance with the Conditions for Municipal Debt Relief

18.1 MFMA Circular 124 – Municipal Compliance Self-Assessment

Annexure A2 - Monthly	
 <div> National Treasury Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 56 of 2003 </div>	
Eastern Cape Provincial Treasury	
Certificate of Compliance: Municipal Debt Relief Conditions for Application	
Period National Financial Year Demarcation Code of Municipality being assessed	<div>Nov'25</div> <div>2025/26</div> <div>EC124</div>
District Demarcation Description	<div>Amathole</div> <div>Amahlathi</div>
<p>I, <u>Ms Gugu Mashiteng</u>, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:</p>	

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list


Condition	6,3 + 6.12	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):	
1	6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - refer condition 6.12 .2	Does not have function
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	Does not have function
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Does not have function
4	6.3.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.	Yes
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	Yes
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes
	6.4	Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)	2025/26 Adopted MTREF
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx ?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
		Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes

		Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".	
11	6.4.2	- If the municipality's MTREF is not funded , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	Yes
		Note - if the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.	
12	6.4.2	- If the municipality's MTREF is not funded and it has an FRP per the legislative framework , does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.	N/a
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)	Yes
14	6.5	Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes
	6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:	
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	Does not have function
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.	Yes
	6.6	Supporting evidence : The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.	
	6.7	Maintain a minimum average quarterly collection of property rates and services charges –	
19	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	Not yet end of quarter
		Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following :	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1.	not yet the end of a quarter

21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	Does not have function ▾
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed <u>and</u> the reason(s) for the failure?	Yes ▾
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes ▾
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes ▾
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes ▾
	6,8	Municipality's Completeness of the revenue base –	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes ▾
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement</i>	Yes ▾
28	6.8.2	- For the latest ending Quarter -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za ?	Yes ▾
	6,9	Monitor and report on implementation –	
29	6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes ▾
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? <i>Note - condition 6.9.2 has a typing error and must refer to 6.9.1.</i>	6.9.1 = Yes ▾
31	6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No FRP ▾
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	Yes ▾

		<i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>	
	6.10	<i>Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:</i>	
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	<input type="text" value="Yes"/>
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ? <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i>	<input type="text" value="Yes"/>
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	<input type="text" value="No"/>
		<i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i>	
36	6.11	Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	<input type="text" value="No"/>
		<i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.</i>	
	6.12	For the duration of the Municipal Debt Relief (to ensure proper management of resources):	
37	6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	<input type="text" value="Yes"/>
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	<input type="text" value="Yes"/>
		<i>Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).</i>	
39		Supporting evidence : Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	<input type="text" value="Yes"/>
40	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? <i>Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.</i>	<input type="text" value="Yes"/>
41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	<input type="text" value="Yes"/>
		<i>Note: By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.</i>	

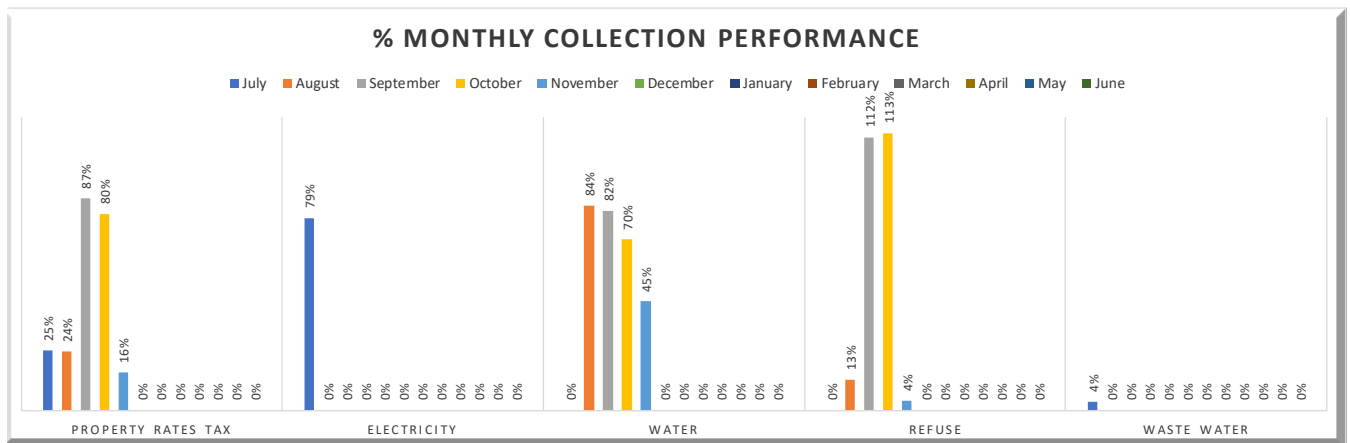
18.2 Municipal Debt Relief Performance across the period of debt relief participation

	National Treasury																Province																							
	Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 56 of 2003																EC																							
																	Code								District								Code Description							
EC124								Amathole								Amahlathi																								

Monthly Performance Report																																																	
Municipal Details			Part A						Part B					Part C			Part D				Part C										Maximization of Revenue Base		Part E												Scoring and Rating				
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRP/BFP & Tariff Assessment			Electricity and water as collection tools				Quarterly collection of property rates and services charges												Oversight																
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating				
25.July25	Amahlathi	EC124	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	100%	Full Compliance		
26.August25	Amahlathi	EC124	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	100%	Full Compliance	
27.September25	Amahlathi	EC124	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	No	No	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Above Moderate	
28.October25	Amahlathi	EC124	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	100%	Full Compliance
29.November25	Amahlathi	EC124	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	100%	Full Compliance
30.December25	Amahlathi	EC124							No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	100%	Full Compliance	
31.January26	Amahlathi	EC124																																											0%	Not completed			
32.February26	Amahlathi	EC124																																											0%	Not completed			
33.March26	Amahlathi	EC124																																											0%	Not completed			
34.April26	Amahlathi	EC124																																											0%	Not completed			
35.May26	Amahlathi	EC124																																											0%	Not completed			
36.June26	Amahlathi	EC124																																											0%	Not completed			
37.July26	Amahlathi	EC124																																											0%	Not completed			
38.August26	Amahlathi	EC124																																											0%	Not completed			
39.September26	Amahlathi	EC124																																											0%	Not completed			
40.October26	Amahlathi	EC124																																											0%	Not completed			
41.November26	Amahlathi	EC124																																											0%	Not completed			

The template appears inconsistent, as the previous months are marked as 100%, despite the municipality having responded 'No' to related questions..

18.3 Provincial Treasury Debt Relief Compliance Assessment



18.4 Collection Performance

18.4.1 Monthly/Quarterly Collection per Ward

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Municipal Details				
Eastern Cape				
Code	District	Municipality	Period Monitored	No. Of Wards
EC124		Amahlathi	November	15

Collection Rate Assessment																			
Aggregate Collection		Summary - Quarter 1				Summary - Quarter 2				Summary - Quarter 3				Summary - Quarter 4					
		Billing	Collection	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection		
1.Collection for whole demarcation		41 829 196	21 089 493	20 739 703	50%	17 562 805	9 701 241	7 861 564	55%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
2.Collection <u>excl Eskom supplied areas</u>		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
3.Collection: Property Rates		11 243 555	5 319 355	5 925 210	47%	3 327 794	2 050 000	1 277 794	62%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
4.Total average collection: Electricity (Municipal supplied areas)		21 364 635	14 228 732	7 135 904	67%	10 415 709	6 300 237	4 115 472	60%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
5.Total average collection: Water		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
6.Total average collection: Wastewater		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
7.Total average collection: Refuse		4 475 685	1 008 192	3 457 493	23%	2 194 141	1 202 688	991 453	55%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
8.Total average collection: Interest		4 745 311	534 214	4 211 097	11%	1 525 150	148 315	1 476 845	9%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		

Total Aggregate Collection		4.October - Reporting for September in October				5.November - Reporting for October in November			
		Billing For September	Collection in October	R - Billing not collected	% Collection	Billing For October	Collection in November	R - Billing not collected	% Collection
1.Collection for whole demarcation	Summary	10 733 852	8 639 299	2 818 341	80%	6 828 953	1 061 942	5 869 505	16%
2.Collection <u>excl Eskom supplied areas</u>		-	-	-	#DIV/0!	-	-	-	#DIV/0!
3.Collection: Property Rates		2 236 703	1 564 074	672 628	70%	1 091 091	485 925	605 166	45%
4.Total average collection: Electricity (Municipal supplied areas)		5 383 442	6 107 230	0	113%	5 032 267	193 007	4 839 260	4%
5.Total average collection: Water		-	-	-	#DIV/0!	-	-	-	#DIV/0!
6.Total average collection: Wastewater		-	-	-	#DIV/0!	-	-	-	#DIV/0!
7.Total average collection: Refuse		1 488 547	922 173	566 373	62%	705 595	280 515	425 080	40%
8. 7.Total average collection: Interest		1 625 160	45 821	1 579 339	3%	-	102 494	0	#DIV/0!

Quarter 2 Performance Per Ward

[illegible]

18.4.2 Monthly – Restriction of Free Basic Services to Indigent Households

National Treasury

Municipal Debt Relief
MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Municipal Debt Relief - Monthly Reporting - Indigent Households Information (MFMA Circular 124 (Condition 6.6))

Instruction - complete only with information of the current households registered as indigent with the municipality (Do NOT include the information of all households unless explicitly stated otherwise)

Description	Ref	As Per Debt Relief Application	Current Year 2025/26				2025/2026 - Monthly Reporting											
			Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12
Indigent Household service targets	1																	
Water: (Include All Indigent households also in Eskom supplied areas)																		
Indigent HH's with piped water inside dwelling																		
Indigent HH's with piped water inside yard (but not in dwelling)																		
Indigent HH's using public tap (at least min.service level)																		
Indigent HH's with other water supply (at least min.service level)																		
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total																		
Indigent HH's using public tap (< min.service level)																		
Indigent HH's with other water supply (< min.service level)																		
Indigent HH's with No water supply																		
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total																		
Total number of registered indigent households																		
Status of Water meters:																		
Number of Indigent HH's with prepaid Water																		
Number of Indigent HH's with conventional metered Water																		
Number of Indigent HH's NOT metered currently - Water																		
Number of Indigent HH's with NO Water supply - No metering																		
Total number of registered indigent households																		
Status of unlimited supply of Water:																		
Number of Indigent HH's with conventional metered Water - where the municipality is NOT physically restricting Water to the national free basic limit of 6 kilolitres per household per month																		
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water																		
Total number of registered indigent households receiving unlimited supply - Water																		
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's billed for consumption above the 6 kilolitres																		
Energy: (Include All Indigent households also in Eskom supplied areas)																		
Indigent HH's with Electricity (at least min.service level)																		
Indigent HH's with Electricity - prepaid (min.service level)																		
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total																		
Indigent HH's with Electricity (< min.service level)																		
Indigent HH's with Electricity - prepaid (< min. service level)																		
Indigent HH's with other energy sources																		
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total																		
Total number of registered indigent households																		
Status of Electricity meters:																		
Number of Indigent HH's with prepaid Electricity																		
Number of Indigent HH's with conventional metered Electricity																		
Number of Indigent HH's NOT metered currently - Electricity																		
Number of Indigent HH's with other energy sources - No metering																		
Total number of registered indigent households																		
Status of unlimited supply of Electricity:																		
Number of Indigent HH's with conventional metered Electricity - where the municipality is NOT physically restricting Electricity to the national free basic limit of 50kwh per household per month																		
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity																		
Total number of registered indigent households receiving unlimited supply - Electricity																		
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh																		
Number of ALL Households receiving Free Basic Service (including registered Indigent Households)	7																	
Water (6 kilolitres per household per month)																		
Electricity/other energy (50kwh per household per month)																		
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)																		
Water (6 kilolitres per household per month)																		
Electricity/other energy (50kwh per household per month)																		
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)																		
Water (6 kilolitres per household per month)																		
Electricity/other energy (50kwh per household per month)																		
Total cost of FBS Water and Electricity provided to ALL Households	8																	
Highest level of free service provided per household (ALL Households)																		
Property rates (R value threshold)																		
Water (kilolitres per household per month)																		
Sanitation (kilolitres per household per month)																		
Sanitation (Rand per household per month)																		
Electricity (kwh per household per month)																		
Refuse (average litres per week)																		
Revenue cost of subsidised services provided for ALL Households (R'000)	9																	
Residential Category - Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	14(a)																	
PSI Category - Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	14(b)																	
Additional Subsidies: Property rates exemptions, reductions and rebates in excess of section 17 of MPRA																		
Water (in excess of 6 kilolitres per indigent household per month)	15																	
Sanitation (in excess of free sanitation service to indigent households)	16																	
Electricity/other energy (in excess of 50 kwh per indigent household per month)																		
Refuse (in excess of one removal a week for indigent households)																		
Municipal Housing - rental rebates																		
Housing - top structure subsidies																		
Other																		
Total revenue cost of subsidised services provided																		

18.5 Completeness of Revenue Base

Property Rates Reconciliation							
Province	EC						
District	Amathole District						
Type	LM						
Municipal Name	Amahlali						
GV Period	01/07/2025 - 30/06/2030						
Financial Year	2025/2026						
Reconciliation Period	Quarter 2						
Reconciliation Overview							
High Level Reconciliation							
Property Categories	# of Properties				Market Values		
Property Categories	GV	MFS	Variance		GV Market Values	MFS Market Values	Variance
Residential	8 768	8 770	- 2		1 366 295 324,00	1 370 781 824,00	- 4 486 500,00
Industrial	16	16	-		36 427 700,00	36 427 700,00	-
Business and Commercial	235	235	-		328 846 491,00	328 846 491,00	-
Agricultural	3 754	3 751	3		4 007 325 299,07	4 005 138 799,07	2 186 500,00
Mining	2	2	-		487 000,00	487 000,00	-
State Owned for Public Purpose	80	76	4		383 271 502,00	323 981 502,00	59 290 000,00
PSI	320	319	1		1 940 977,00	1 939 977,00	1 000,00
PBO	58	58	-		35 708 504,00	35 708 504,00	-
Multi Use	-	-	-		-	-	-
Vacant	-	-	-		-	-	-
POW	135	134	1		56 377 466,00	56 345 966,00	31 500,00
Municipal	1 299	1 289	10		413 453 506,46	268 321 506,46	145 132 000,00
Other	107	107	-		4 650 104,00	4 650 104,00	-
	14 774	14 757	17		6 634 783 873,53	6 432 629 373,53	202 154 500,00
Detailed Reconciliation							
Property Categories	Monthly Billing				Quarterly		
Property Categories	GV	MFS	Variance		GV	MFS	Variance
Residential	980 484	928 222	52 263		2 941 453,04	2 784 664,79	156 788,24
Industrial	29 987	29 992	- 5		89 961,85	89 976,36	- 14,51
Business and Commercial	270 706	270 750	- 44		812 119,29	812 250,89	- 131,60
Agricultural	592 349	591 046	1 303		1 777 048,40	1 773 138,05	3 910,35
Mining	401	401	- 0		1 202,70	1 202,88	- 0,18
State Owned for Public Purpose	315 509	266 745	48 764		946 527,30	800 234,27	146 293,03
PSI	280	395	- 115		838,85	1 184,69	- 345,84
PBO	5 278	5 267	11		15 834,94	15 801,66	33,28
Multi Use	-	-	-		-	-	-
Vacant	-	-	-		-	-	-
POW	-	-	-		-	-	-
Municipal	-	-	-		-	-	-
Other	-	-	-		-	-	-
Total	R2 194 995,46	R2 092 817,87	R102 177,59		6 584 986,37	6 278 453,59	306 532,77

18.6 Maintaining the Eskom bulk current account

Eskom accounts are paid prior to the due date. Last payment amounting to R5.4 million was made on 30 November 2025.

The municipality is also keeping up with the Third Party payments.

19. MUNICIPAL MANAGERS QUALITY CERTIFICATE

QUALITY CERTIFICATE

I, **Dr. Z Shasha** Municipal Manager of **Amahlathi Municipality**, hereby certify that -

(Mark as appropriate)

☒ the monthly budget statement

☐ Quarterly report on the implementation of the budget and financial state of affairs of the municipality

☐ Mid-year budget and performance assessment

for the month of November 2025 of 2025/2026 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: Dr. Z Shasha

Municipal Manager of Amahlathi Municipality (EC124)

Signature _____

Date: 12 December 2025