



MUNICIPAL FINANCE MANAGEMENT ACT

56 OF 2003

SECTION 71 FINANCIAL REPORT

30 OCTOBER 2025

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PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 30 OCTOBER 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.

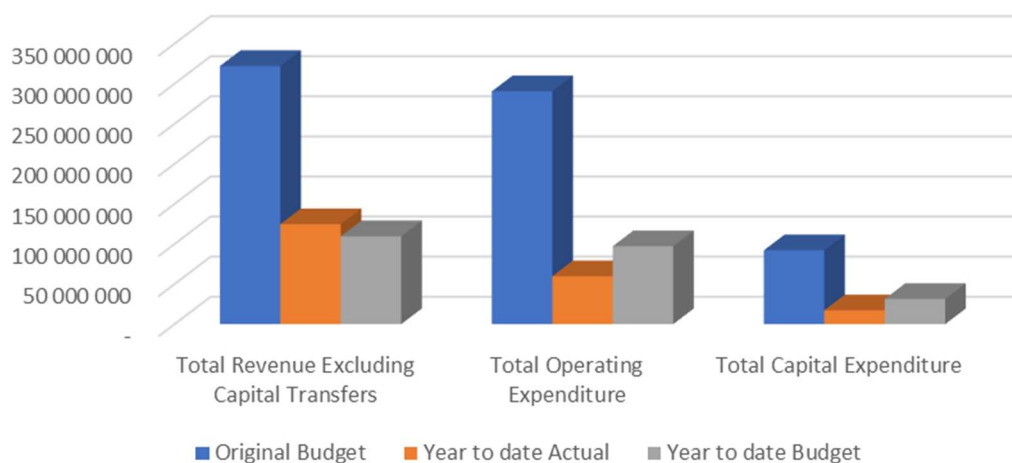
According to the Municipal Budget Reporting and Regulations (MBRR), 2009, "The monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms 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 second 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	% Original Budget	% Year to date Budget
Total Revenue Excluding Capital Transfers	322 007 776	328 951 480	124 756 676	109 650 504	39%	114%
Total Operating Expenditure	290 496 561	291 714 004	59 762 927	97 238 024	21%	61%
Total Capital Expenditure	92 121 850	94 333 990	17 289 154	31 444 660	19%	55%

EXECUTIVE SUMMARY



Revenue Performance: Operating revenue (excluding capital transfers) amounted to R124 Million which constitutes 114% of the year-to-date budget and 39% of the Approved Budget. The main sources of this revenue are as follows: Transfers and Subsidies contribute 50%, Service Charges 30%, Property Rates each contribute 13%, and all other sources collectively make up the remaining 7%.

Expenditure Performance: Operating expenditure amounted to R59 million, which constitutes 61% of the year-to-date budget and 21% of the Approved Budget.

The main cost drivers behind this expenditure are Employee-Related Costs at 71%, Bulk Purchases at -37%, Debt Impairment at 37%, Operational Costs at 10%, Contracted Services at 10%, and Remuneration of Councilors at 8%. 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 R17 million, which constitutes 55% of the year-to-date budget and 18% of the Approved Budget.

Cash Flow and Liquidity: The cash flow statement for the 4th month 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 R266 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 R170 million (R2 million increase), followed by government debtors at R60 million (R2 million increase) and commercial accounts at R33. million (R1.6 million decrease). 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 R117 million which reflects no increase or decrease from the previous month, with Eskom accounting for the largest share at R66 million (R3 million decrease). In the 4th month of the financial year, the municipality paid R5.8 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 R43 million to date in the 4th month of the financial year. Grant expenditure amounts to R20 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 R82 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.

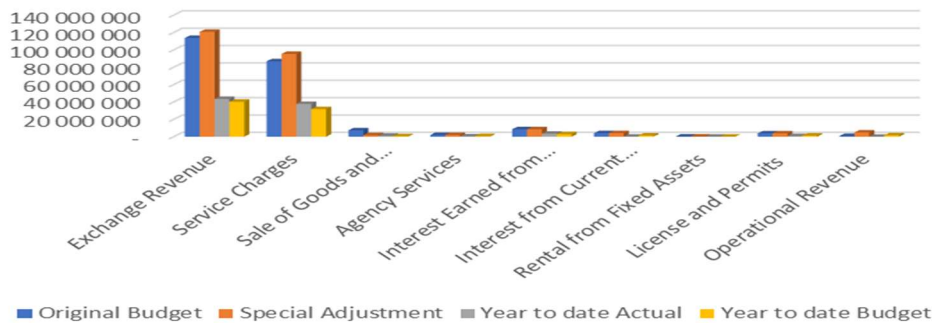
4. BUDGET PERFORMANCE OVERVIEW

4.1 Operating Revenue by source

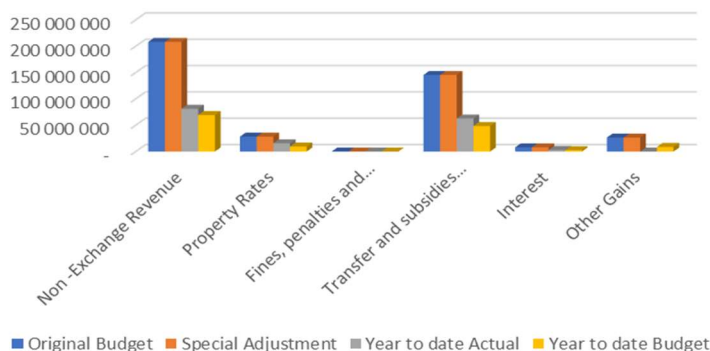
The Summary Statement of Financial Performance shown below is prepared on a similar basis of the prescribed budget format, detailing revenue by source type and expenditure per vote.

EC124 Amahlathi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October										
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	5 303	33 581	27 000	6 582	24%	72 499
Service charges - Water		—	—	—	—	—	—	—	—	—
Service charges - Waste Water Management		—	—	—	—	—	—	—	—	—
Service charges - Waste management		11 734	14 362	14 362	722	4 182	4 787	(605)	-13%	14 362
Sale of Goods and Rendering of Services		6 435	7 363	1 828	(17)	1 061	609	451	74%	7 363
Agency services		800	2 005	2 005	78	357	668	(311)	-47%	2 005
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		9 497	8 566	8 566	873	3 464	2 855	609	21%	8 566
Interest from Current and Non Current Assets		3 421	4 063	4 063	—	40	1 354	—	—	4 063
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		286	209	209	26	102	70	32	46%	209
Licence and permits		1 549	3 845	3 845	179	709	1 282	(572)	-45%	3 845
Special rating levies		—	—	—	—	—	—	—	—	—
Operational Revenue		6 369	891	4 869	—	0	1 623	(1 623)	-100%	891
Non-Exchange Revenue										
Property rates		22 003	28 350	28 350	1 868	15 651	9 450	6 201	66%	28 350
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		26	18	18	5	21	6	15	—	18
Licence and permits		—	—	—	—	—	—	—	—	—
Transfers and subsidies - Operational		146 325	145 328	145 328	566	62 681	48 443	14 239	—	145 328
Interest		7 763	7 955	7 955	747	2 906	2 652	255	—	7 955
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—
Other Gains		26 686	26 554	26 554	—	—	8 851	(8 851)	—	26 554
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		306 628	322 008	328 951	10 351	124 757	109 651	15 106	14%	322 008

Exchange Revenue



Non - Exchange Revenue

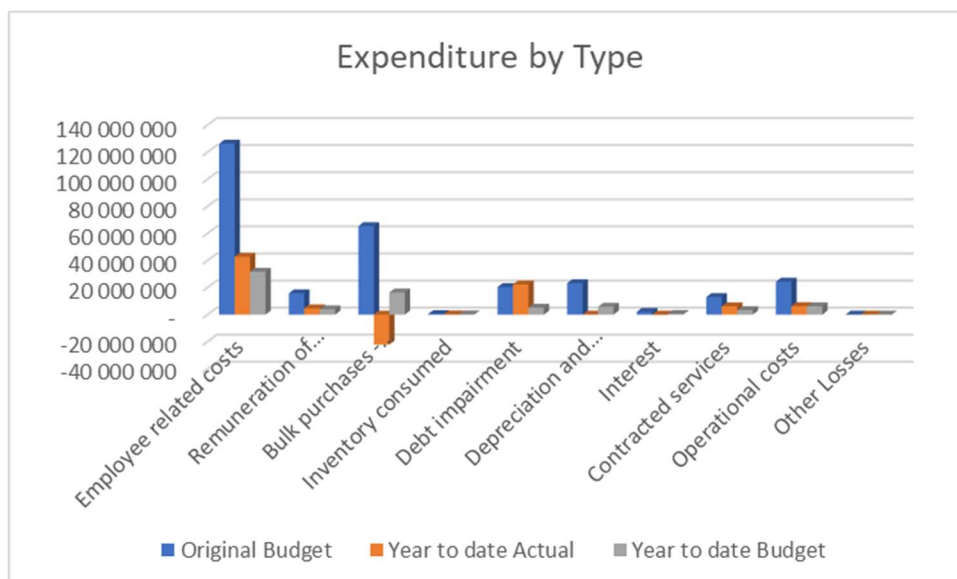


Revenue Variance Explanations against Planned Budget

- Electricity reflects a favorable variance of 24% due Electricity billing that is more than projected billing to date.
- Waste management reflects a unfavourable variance of 13%. 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 74%, primarily driven by the high volume of tender documents and land use applications sold.
- Agency Services and Licenses & Permits show unfavorable variances of 47% and 45%, 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.
- Rentals of facilities indicate a favourable variance of 45%, 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 66% due to certain customers requesting to be billed annually at various months during the financial year and growth in the property valuation roll, and improved billing and collection processes

4.2 Operating Expenditure by Type

Expenditure By Type										
Employee related costs		127 073	126 195	126 195	10 728	42 704	42 065	639	2%	126 195
Remuneration of councillors		14 006	15 692	15 692	1 150	4 618	5 231	(613)	-12%	15 692
Bulk purchases - electricity		59 230	65 349	65 349	4 953	(22 167)	21 783	(43 950)		65 349
Inventory consumed		378	324	530	98	105	177	(72)		324
Debt impairment		–	20 385	20 385	–	22 275	6 795	15 480	228%	20 385
Depreciation and amortisation		30 705	23 217	23 217	–	–	7 739	(7 739)	-100%	23 217
Interest		6 485	2 000	2 000	85	(111)	667	(777)	-117%	2 000
Contracted services		16 770	13 003	13 391	1 437	6 104	4 464	1 641	37%	13 003
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		27 359	–	–	–	–	–	–		–
Operational costs		23 209	24 330	24 953	1 383	6 234	8 318	(2 084)	-25%	24 330
Losses on Disposal of Assets		1 581	–	–	–	–	–	–		–
Other Losses		(10)	1	1	–	–	0	(0)		1
Total Expenditure		306 786	290 497	291 714	19 834	59 763	97 238	(37 475)	-39%	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 2%, and remuneration of councilors with a favorable 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 228%, resulting from the R22 million debt relief of bulk purchases of electricity and through the municipality's commitment of making full monthly payments to Eskom as per the agreed arrangement.
- Interest Paid reflects a favourable variance primarily due to the interest reversal from Eskom's debt relief programme.
- 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 25%.

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 October 2025 the total spending on Capital projects amount to R17 million (19 million including VAT) represents 55% of the year to date capital budget and 19% 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 36% 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) - M04 October

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	-	1 305	1 498	(194)	-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	5 407	15 903	29 946	(14 044)	-47%	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	5 407	17 289	31 445	(14 156)	-45%	92 122
Total Capital Expenditure		777 677	92 122	94 334	5 407	17 289	31 445	(14 156)	-45%	92 122
Capital Expenditure - Functional Classification										
Governance and administration		46 271	2 800	4 495	-	1 305	1 498	(194)	-13%	2 800
Executive and council		(989)	-	-	-	-	-	-		-
Finance and administration		45 677	2 800	4 495	-	1 305	1 498	(194)	-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	1 706	11 810	22 127	(10 318)	-47%	66 382
Planning and development		100 626	37 737	37 737	770	10 561	12 579	(2 018)	-16%	37 737
Road transport		459 592	28 645	28 645	936	1 249	9 548	(8 299)	-87%	28 645
Environmental protection		-	-	-	-	-	-	-		-
Trading services		86 313	22 940	23 458	3 701	4 175	7 819	(3 644)	-47%	22 940
Energy sources		60 573	22 940	23 458	3 701	4 093	7 819	(3 726)	-48%	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	5 407	17 289	31 445	(14 156)	-45%	92 122
Funded by:										
National Government		709 939	74 322	74 839	5 407	15 511	24 946	(9 436)	-38%	74 322
Provincial Government		4 135	15 000	15 000	-	474	5 000	(4 526)	-91%	15 000
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		714 074	89 322	89 839	5 407	15 985	29 946	(13 962)	-47%	89 322
Borrowing	6	670	-	-	-	-	-	-		-
Internally generated funds		71 603	2 800	4 495	-	1 305	1 498	(194)	-13%	2 800
Total Capital Funding		786 348	92 122	94 334	5 407	17 289	31 445	(14 156)	-45%	92 122

4.4 Cash Flows

The cash available as at 30 October 2025 amounts to R20.1 million; this consists of call deposits and cash available in the main account excluding the cash on hand.

EC124 Amahlathi - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(14 845)	31 710	31 710	1 182	4 890	10 570	(5 680)	-54%	31 710
Service charges		(47 262)	76 998	95 361	6 124	21 334	31 787	(10 453)	-33%	76 998
Other revenue		15 465	14 330	8 796	271	2 250	2 932	(682)	-23%	14 330
Transfers and Subsidies - Operational		66 246	145 328	145 328	–	66 246	48 443	17 803	37%	145 328
Transfers and Subsidies - Capital		(21 958)	89 322	89 322	12 011	33 969	29 774	4 195	14%	89 322
Interest		20 680	12 629	12 629	1 620	6 411	4 210	2 201	52%	12 629
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(10 704)	(259 511)	(260 648)	5 407	17 289	(76 421)	(93 711)	123%	(259 511)
Interest		–	(2 000)	(2 000)	–	–	(667)	(667)	100%	(2 000)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		7 621	108 806	120 497	26 615	152 389	50 627	(101 762)	-201%	108 806
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		786 348	(91 874)	(94 418)	(5 407)	(17 289)	(31 473)	(14 184)	45%	(91 874)
NET CASH FROM/(USED) INVESTING ACTIVITIES		786 348	(91 874)	(94 418)	(5 407)	(17 289)	(31 473)	(14 184)	45%	(91 874)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		793 968	16 932	26 079	21 208	135 100	19 154			–
Cash/cash equivalents at beginning:		1 559	30 825	30 825	–	1 559	30 825			1 559
Cash/cash equivalents at month/year end:		795 527	47 757	56 904	21 208	136 659	49 979			–

5. IN-YEAR BUDGET STATEMENT TABLES

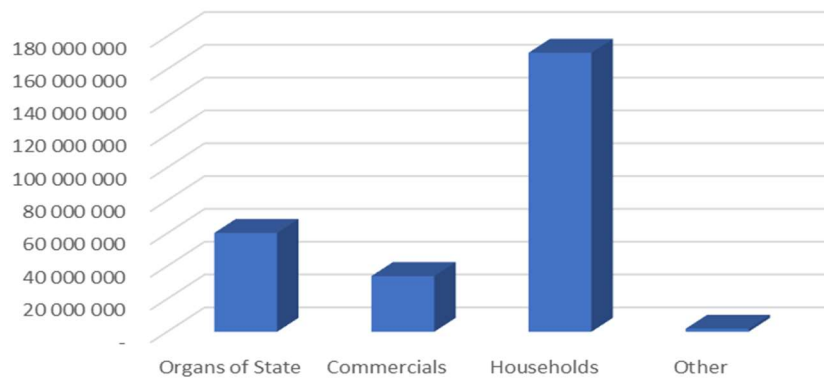
EC124 Amahlathi - Table C1 Monthly Budget Statement Summary - M04 October									
Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	22 003	28 350	28 350	1 868	15 651	9 450	6 201	66%	28 350
Service charges	75 469	86 861	95 361	6 025	37 763	31 787	5 977	19%	86 861
Investment revenue	3 421	4 063	4 063	-	40	1 354	(1 314)	-97%	4 063
Transfers and subsidies - Operational	146 325	145 328	145 328	566	62 681	48 443	14 239	29%	145 328
Other own revenue	59 410	57 405	55 849	1 891	8 621	18 616	(9 996)	-54%	57 405
Total Revenue (excluding capital transfers and contributions)	306 628	322 008	328 951	10 351	124 757	109 651	15 106	14%	322 008
Employee costs	127 073	126 195	126 195	10 728	42 704	42 065	639		126 195
Remuneration of Councillors	14 006	15 692	15 692	1 150	4 618	5 231	(613)		15 692
Depreciation and amortisation	30 705	23 217	23 217	-	-	7 739	(7 739)		23 217
Interest	6 485	2 000	2 000	85	(111)	667	(777)		2 000
Inventory consumed and bulk purchases	59 608	65 673	65 880	5 052	(22 062)	21 960	(44 022)		65 673
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	68 910	57 719	58 730	2 819	34 614	19 577	15 037	77%	57 719
Total Expenditure	306 786	290 497	291 714	19 834	59 763	97 238	(37 475)	-39%	290 497
Surplus/(Deficit)	(158)	31 511	37 237	(9 484)	64 994	12 412	52 581	424%	31 511
Transfers and subsidies - capital (monetary allocations)	77 657	89 322	89 322	7 384	17 419	29 774	###	-41%	89 322
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	77 499	120 833	126 559	(2 100)	82 412	42 186	40 226	95%	120 833
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	77 499	120 833	126 559	(2 100)	82 412	42 186	40 226	95%	120 833
Capital expenditure & funds sources									
Capital expenditure	777 677	92 122	94 334	5 407	17 289	31 445	(14 156)	-45%	92 122
Capital transfers recognised	714 074	89 322	89 839	5 407	15 985	29 946	(13 962)	-47%	89 322
Borrowing	670	-	-	-	-	-	-		-
Internally generated funds	71 603	2 800	4 495	-	1 305	1 498	(194)	-13%	2 800
Total sources of capital funds	786 348	92 122	94 334	5 407	17 289	31 445	(14 156)	-45%	92 122
Financial position									
Total current assets	115 428	104 178	111 007		169 056				104 178
Total non current assets	468 429	600 889	603 101		485 718				600 889
Total current liabilities	157 366	143 434	52 749		145 875				143 434
Total non current liabilities	91 736	7 862	7 862		91 736				7 862
Community wealth/Equity	334 751	553 771	559 498		417 164				553 771
Cash flows									
Net cash from (used) operating	7 621	108 806	120 497	26 615	152 389	50 627	(101 762)	-201%	108 806
Net cash from (used) investing	786 348	(91 874)	(94 418)	(5 407)	(17 289)	(31 473)	(14 184)	45%	(91 874)
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	795 527	47 757	56 904	21 208	136 659	49 979	(86 679)	-173%	-
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	9 043	6 190	6 586	10 605	4 772	4 755	32 808	191 396	266 155
Creditors Age Analysis									
Total Creditors	16 041	7 135	108	946	9 279	28	4 322	79 991	117 849

6. DEBTORS ANALYSIS

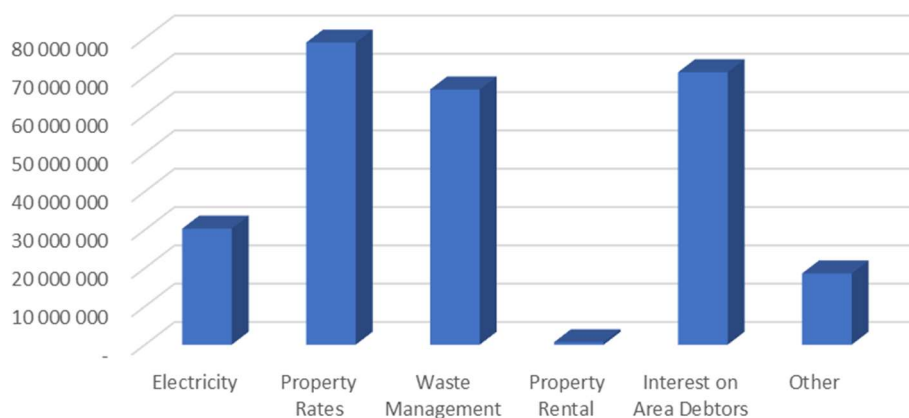
EC124 Amahlathi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

	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	Total over 90 days
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	4 498	2 298	2 381	1 804	1 042	1 045	7 606	9 616	30 291	21 113
Receivables from Non-exchange Transactions - Property Rates	1400	1 751	1 252	1 116	5 863	964	911	6 511	60 489	78 857	74 738
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 175	1 032	1 004	966	839	837	5 698	55 063	66 613	63 403
Receivables from Exchange Transactions - Property Rental Debtors	1700	5	6	6	6	-	-	137	508	668	651
Interest on Arrear Debtor Accounts	1810	1 625	1 608	1 601	1 499	1 524	1 557	10 103	51 601	71 119	66 285
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	(11)	(5)	478	466	403	405	2 754	14 119	18 607	18 146
Total By Income Source	2000	9 043	6 190	6 586	10 605	4 772	4 755	32 808	191 396	266 155	244 336
2024/25 - totals only											
Debtors Age Analysis By Customer Group											
Organs of State	2200	2 038	2 178	2 654	7 030	1 616	1 641	12 045	31 034	60 236	53 366
Commercial	2300	3 833	1 244	1 032	773	570	558	3 497	22 459	33 966	27 857
Households	2400	3 112	2 723	2 851	2 740	2 546	2 516	16 983	136 571	170 042	161 356
Other	2500	60	44	49	62	40	41	282	1 333	1 911	1 758
Total By Customer Group	2600	9 043	6 190	6 586	10 605	4 772	4 755	32 808	191 396	266 155	244 336

Debt by Customer



Debt by Source

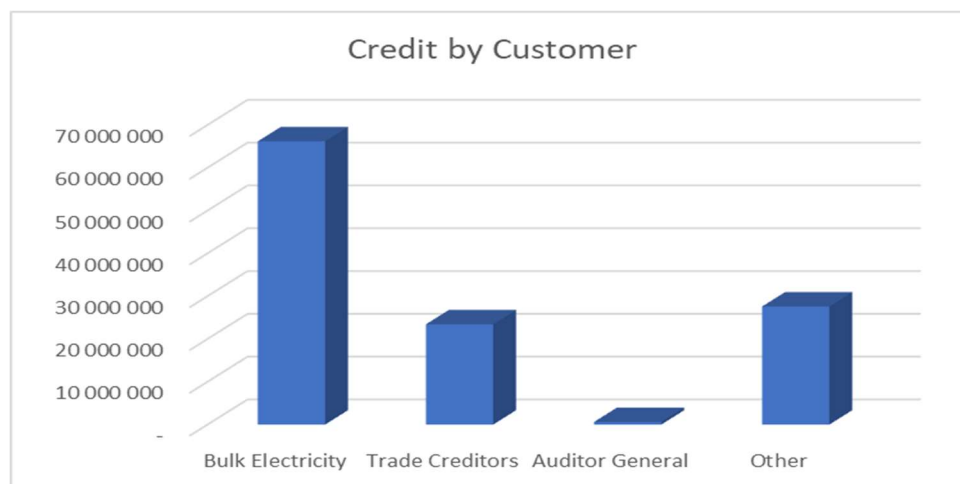


The debtors report above provides the total amount owed to the municipality by income source and by debtor type. Total outstanding debt for the month ending 30 October 2025 is R266 million. a R2 million increase from the previous month. The biggest contributor being the households that owe R170 million which is an increase of R2 million from previous month; followed by government departments owing R60 million which is an increase of R2 million from previous month and business that owe R33 million, which is a decrease of R2 million. 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 October 2025 amounts to R117 million.

EC124 Amahlathi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October										
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	5 751	5 846	47	1 227	27	-	3 991	49 309	66 198
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1 592	628	7	-	8 671	28	50	12 462	23 438
Auditor General	0800	-	618	-	-	-	-	-	-	618
Other	0900	8 698	43	55	(281)	582	-	281	18 219	27 596
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	16 041	7 135	108	946	9 279	28	4 322	79 991	117 849




Creditors age

Accounts Payable Age Analysis								
Amahlathi Local Municipality								
31-Oct-25								
Accounts Payable Age Analysis								Page 1 of 2
Supplier	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
SOND001 (SONDLO & KNOPP ADVERTISING)						<u>1 738,80</u>	<u>2 103,12</u>	3 841,92
3RDPAR02 (3rd Party PENSIONS)							<u>1 901 530,52</u>	1 901 530,52
A2AK001 (A2A KOPANO INVESTMENT INCORPORATED)							<u>656 167,00</u>	656 167,00
ALOE0001 (ALOE OFFICE & BUSINESS EQUIPMENT)						<u>44 428,84</u>	<u>38 037,31</u>	82 466,15
ALOE001 (ALOE TRAVEL)			<u>22 677,00</u>				<u>41 174,42</u>	63 851,42
AMAT0002 (AMATHOLE DISTRICT MUNICIPALITY)	<u>10 185 517,66</u>			<u>7 025 095,96</u>				17 210 613,62
AUDI001 (AUDITOR - GENERAL)							<u>617 627,58</u>	617 627,58
BEECON01 (BEECON HOLDINGS (PTY)LTD)				<u>102 655,22</u>				102 655,22
BIGE0001 (Bigen Africa)							<u>450 884,32</u>	450 884,32
BOAR001 (BOARDMANS HARDWARE)						<u>19 525,60</u>	<u>3 903,99</u>	23 429,59
BOSE0001 (BOSE TYRES)						<u>6 748,83</u>		6 748,83
APEX0001 (BUFFALO STATIONERS T/A APEX OFFICE NATIONAL)							<u>23 089,10</u>	23 089,10
CABH0001 (CAB HOLDINGS)					<u>16 673,42</u>		<u>8 336,71</u>	25 010,13
CAME0001 (CCG SYSTEMS)	<u>192 100,00</u>	<u>6 650,02</u>	<u>5 225,00</u>	<u>2 700,00</u>				206 675,02
DEVOMI01 (DEVOMIX CONSTRUCTION(Pty) Ltd)							<u>278 875,00</u>	278 875,00
EASTLO02 (EAST LONDON INDUSTRIAL DEVELOPMENT ZONE)							<u>6 210,00</u>	6 210,00
EMSSOL01 (EMS SOLUTIONS (PTY) LTD)						<u>57 500,00</u>		57 500,00
EPWPCA01 (EPWP CASUALS)							<u>0,07</u>	0,07
ESKOMB01 (ESKOM (BULK))	<u>52 935 684,42</u>	<u>364 401,94</u>		<u>26 760,16</u>	<u>1 226 874,68</u>	<u>8 602 849,18</u>	<u>6 098 601,34</u>	69 255 171,72
ESKOME01 (ESKOM (ELECTRICITY & LIGHTS))							<u>156 027,96</u>	156 027,96
ESKOMF01 (ESKOM (FBE))				<u>11,20</u>			<u>19 932,94</u>	19 944,14
GOVE001 (GOVERNMENT PRINTING WORKS)							<u>1 008,80</u>	1 008,80
IMBAWU01 (IMBAWULA CIVIL PROJECTS)							<u>80 746,26</u>	80 746,26
ISUZUM01 (ISUZU MOTORS SOUTH AFRICA)							<u>956 726,56</u>	956 726,56
JAMICM01 (JEMIC MOTORS)						<u>47 004,31</u>		47 004,31
KARIEG01 (KARIEGA CONSULTING)						<u>5 117,50</u>		5 117,50
KUFANI01 (KUFANIKIWA CONSULTING (PTY) LTD)							<u>54 261,94</u>	54 261,94
LEKOEN01 (LEKO ENGINEERING CONSULTANTS)							<u>218 483,15</u>	218 483,15
LUNIKA01 (LUNIKA INVESTMENTS)							<u>385 498,69</u>	385 498,69
MEDI001 (MEDIA MAESTRO)							<u>1 995,00</u>	1 995,00
MICROS01 (MICROSOFT IRELAND OPERATIONS LIMITED)	<u>26 378,93</u>							26 378,93
MOBILE01 (MOBILE TELEPHONE NETWORK)					<u>127 169,43</u>	<u>163 310,49</u>	<u>788,75</u>	291 268,67
NEMORA01 (NEMORANGO CONSULTING ENGINEERING)							<u>248 676,58</u>	248 676,58
PROD001 (PRODIBA)							<u>27 887,00</u>	27 887,00
QAMI0001 (QAMIS TRADING ENTERPRISE)							<u>163 438,85</u>	163 438,85
INSI0001 (RADIOF T/A INSIGHT OFFICE FURNITURE)						<u>89 011,15</u>		89 011,15
RONDOG01 (RONDO GROUP)							<u>34 500,00</u>	34 500,00
SALG0001 (SALGA)	<u>2 530 394,20</u>			<u>1 643 110,56</u>				4 173 504,76
SIZW001 (SIZWE PAINTS)							<u>28 285,40</u>	28 285,40
SNRE0001 (SNR Electrical CC)	<u>120 784,71</u>							120 784,71
SPCAAM01 (SPCA AMAHLATHI)							<u>45 000,00</u>	45 000,00
Accounts Payable Age Analysis								-
SPECIA01 (SPECIAL INVESTIGATION UNIT)	<u>10 537 432,33</u>						<u>10 157,35</u>	10 547 589,68
STUT002 (STUTT MECHANICAL t/a STUTTERHEIM GARAGE)							<u>24 618,50</u>	24 618,50
TITANS01 (TITANSTUTT)							<u>8 800,00</u>	8 800,00
TYHILA01 (TYHILA PROJECTS)								-
VITSHA01 (VITSHA TRADING)				<u>478 915,37</u>			<u>20 734,14</u>	499 649,51
VODACO01 (VODACOM)								-
VOLKSW01 (VOLKSWAGEN OF SOUTH AFRICA)						<u>263 458,61</u>	<u>64 704,38</u>	328 162,99
VUXAKA01 (VUXAKA CONSULTING ENGINEERS (PTY) LTD)								-
WCADEP01 (WCA (Department of Labour))	<u>7 276 968,75</u>						<u>91 815,66</u>	7 368 784,41
WESL0001 (Wesley Pretorius & Associates)						<u>71 915,37</u>	<u>1 204,71</u>	73 120,08
WIND0001 (WINDEED)							<u>7 287,38</u>	7 287,38
WORK0002 (WORK DYNAMICS)								-
YANDEE01 (YANDE ENGINEERING AND PROJECTS)	<u>507 525,00</u>	<u>280 963,52</u>			<u>-280 963,52</u>		<u>237 959,66</u>	745 484,66
ZKSP001 (Z K S AND NAM GENERAL TRADING)							<u>26 998,19</u>	26 998,19
ZENITH01 (ZENITH CAR RENTAL)				<u>34 606,25</u>				
Totals:	84 312 786,00	945 911,00	27 902,26	9 279 237,00	108 158,00	7 134 843,00	16 040 514,00	117 849 351,26

8. INVESTMENT PORTFOLIO ANALYSIS

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

Investment Schedule for 2025 / 2026											
											
Institution	Investments	Opening Balance	New Investment	Withdrawals	Emailed statements	INTEREST					Total
						July	August	Sept	Oct	Nov	
FNB 62774382966	DEFEAT	417 813,89		- 166 372,07		1 801,80	1 312,89	1 277,00	1 304,42		257 137,93
FNB 62063171351	Disaster	3 304 716,81	11 921 875,00	- 8 299 329,21		13 441,80	7 363,50	27 410,87	32 217,02		7 007 695,79
FNB 63127290730	EEDSM	80 111,96		- 1 234,86		425,25	410,41	399,20	408,64		80 520,60
FNB 62774381009	FMG	2 061,22	2 200 000,00	- 2 201 485,48		10,94	1 467,13	17,41	10,75		2 071,97
FNB 62774381413	INEP	18 758,05	18 348 000,00	- 10 560 716,14		99,58	26 948,48	33 668,08	30 892,64		7 897 650,69
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		9 048,58
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		1 207 593,34
FNB 62774382445	LQ Seta	2 405,29	106 200,00	- 52 565,14		12,76	56,71	295,67	287,49		56 692,78
FNB 62135193770	MIG	160528,12	25 122 000,00	- 13 843 893,26		8 949,32	60 793,82	35 288,99	7 062,27		11 550 729,26
FNB 62774383592	Salaries	766171,49	62 100 000,00	- 62 947 444,51		99 546,46	11 200,64	8 524,95	193,64		38 192,67
FNB 62774381942	Retention	301549,71	-	- 300 542,75		521,92	10,56	10,27	7,98		1 557,69
FNB 63127292538	STR	1053,85	450 884,32	- 451 789,98		5,60	5,39	894,67	79,79		1 133,64
FNB 74568809858	FNB Guarantee	5142095,16		- 396 039,60		33 388,40	34 725,37	33 830,67	29 080,14		4 877 080,14
	Payroll short term investments		9 000 000,00	- 9 183 449,59					183 449,59		-
		11 996 917,57	127 564 506,29	- 107 155 221,59		174 375,65	151 289,36	146 785,23	289 320,74	-	32 967 105,08

9. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

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

2025/26						
	Grant Allocation	Grants Received	Grants Spent	Grants Unspent	% Spent on Allocation	%Unspent on Allocation
Finance Management Grant(OG)	2 200 000	2 200 000	1 459 777	740 223	66%	34%
EPWP Grant (OG)	1 799 000	450 000	2 098 485	- 299 485	117%	-17%
Integrated National Electrification Program Grant (CG)	17 440 000	7 848 000	4 256 252	13 183 748	24%	76%
MIG (CG)	39 723 000	25 122 000	11 275 312	28 447 688	28%	72%
Municipal Disaster Recovery Grant (CG)	19 145 000	5 743 000	1 436 232	17 708 768	8%	92%
Eastern Cape Capacity Building (OG)	1 823 000	1 823 000	-	1 823 000	0%	100%
Eastern Cape Infrastructure (OG)	15 000 000	450 884	450 884	14 549 116	3%	97%
Totals	97 130 000	43 636 884	20 976 942	61 603 942	22%	

EC124 Amahlathi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

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	–	–	68 343	47 835	(362)	-0,8%	143 505
EPWP Incentive	–	6 905	1 799	–	–	900	600	300	50,1%	1 799
Finance Management	–	10 935	2 200	–	–	4 400	733			2 200
Local Government Equitable Share	–	–	137 520	–	–	57 300	45 840			137 520
Metro Informal Settlements Partnership Grant	–	477 996	–	–	–	–	–			–
Municipal Drought Relief	–	30 808	–	–	–	5 743	–			–
Municipal Infrastructure Grant	–	–	1 986	–	–	–	662	(662)	-100,0%	1 986
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		16 536	1 823	–	–	3 646	608	3 038	500,0%	1 823
Eastern Cape_Capacity Building and Other_Specify (Add grant description)	–	16 536	1 823	–	–	3 646	608	3 038	500,0%	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)_Receipts	–	1 403	–	–	–	–	–	–		–
								–		
Total Operating Transfers and Grants	5	544 583	145 328	–	–	71 989	48 443	2 677	5,5%	145 328
Capital Transfers and Grants										
National Government:		162 987	74 322	–	12 011	32 970	12 011	12 543	104,4%	74 322
Municipal Infrastructure Grant (MIG)	–	162 987	37 737	–	12 011	25 122	12 579	12 543	99,7%	37 737
Integrated National Electrification Programme Grant	–	–	17 440	–	–	7 848	5 813			17 440
Municipal Disaster Relief Grant	–	–	19 145	–	–	–	(6 382)			19 145
								–		
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	15 000	–	–	999	5 000	(4 001)	-80,0%	15 000
Eastern Cape_Infrastructure_Infrastructure_RECEIPTS	–	–	15 000	–	–	999	5 000	(4 001)	-80,0%	15 000
								–		
								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Capital Transfers and Grants	5	162 987	89 322	–	12 011	33 969	17 011	8 542	50,2%	89 322
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	707 569	234 650	–	12 011	105 958	65 453	11 219	17,1%	234 650

The conditional and unconditional grants allocation budgeted for 2025/26 reflected an amount of R234 million. An amount of R105 million has been received, and R22 million reported as expenditure to the period ending 30 October 2025.

EC124 Amahlathi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

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	–	2 002	4 994	1 995	2 999	150,3%	5 985
Expanded Public Works Programme Integrated Grant	–	6 028	1 799	–	549	2 098	600	1 499	249,9%	1 799
Local Government Financial Management Grant	–	10 935	2 200	–	17	1 460	733	726	99,1%	2 200
Metro Informal Settlements Partnership Grant	–	477 996	–	–	–	–	–	–		–
Municipal Disaster Relief Grant	–	5 107	–	–	1 436	1 436	–	1 436	#DIV/0!	–
Municipal Infrastructure Grant	–	–	1 986	–	–	–	662	(662)	-100,0%	1 986
Municipal Infrastructure Grant	–									
Other transfers and grants [insert description]	–									
Provincial Government:		14 831	1 823	–	–	1 823	608	1 215	200,0%	1 823
Eastern Cape	–	14 831	1 823	–	–	1 823	608	1 215	200,0%	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	–	2 002	6 817	2 603	4 215	161,9%	7 808
Capital expenditure of Transfers and Grants										
National Government:		164 441	74 322	–	5 497	15 532	24 774	(9 242)	-37,3%	74 322
Integrated National Electrification Programme Grant	–	–	17 440	–	4 256	4 256	5 813	(1 557)	-26,8%	17 440
Municipal Disaster Relief Grant	–	11 281	19 145	–	–	–	6 382	(6 382)	-100,0%	19 145
Municipal Infrastructure Grant	–	153 160	37 737	–	1 241	11 275	12 579	(1 304)	-10,4%	37 737
Other capital transfers [insert description]	–									
Provincial Government:		–	15 000	–	451	451	5 000	(4 549)	-91,0%	15 000
Eastern Cape	–	–	15 000	–	451	451	5 000	(4 549)	-91,0%	15 000
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		164 441	89 322	–	5 948	15 982	29 774	(13 792)	-46,3%	89 322
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		680 740	97 130	–	7 950	22 800	32 377	(9 577)	-29,6%	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 - M04 October										
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	3 098	3 611	(513)	-14%	10 834
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		460	619	619	36	161	206	(45)	-22%	619
Cellphone Allowance		1 416	1 777	1 777	119	474	592	(118)	-20%	1 777
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		2 666	2 462	2 462	224	885	821	64	8%	2 462
Sub Total - Councillors		14 006	15 692	15 692	1 150	4 618	5 231	(613)	-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	1 691	1 993	(302)	-15%	5 980
Pension and UIF Contributions		9	9	9	1	3	3	0	12%	9
Medical Aid Contributions		-	-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		200	431	431	35	121	144	(23)	-16%	431
Cellphone Allowance		67	71	71	8	29	24	5	22%	71
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		1	1	1	0	0	0	0	10%	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	485	1 845	2 164	(319)	-15%	6 493
% increase	4		34,2%	34,2%						34,2%
Other Municipal Staff										
Basic Salaries and Wages		84 101	79 503	79 503	6 939	27 808	26 501	1 307	5%	79 503
Pension and UIF Contributions		14 433	14 621	14 621	1 237	4 897	4 874	24	0%	14 621
Medical Aid Contributions		6 195	6 665	6 665	525	2 010	2 222	(212)	-10%	6 665
Overtime		1 397	1 219	1 219	114	498	406	91	22%	1 219
Performance Bonus		(0)	6 807	6 807	638	2 439	2 269	170	7%	6 807
Motor Vehicle Allowance		4 533	3 409	3 409	373	1 393	1 136	257	23%	3 409
Cellphone Allowance		851	889	889	72	286	296	(10)	-3%	889
Housing Allowances		2 492	2 661	2 661	205	819	887	(67)	-8%	2 661
Other benefits and allowances		622	518	518	65	231	173	58	34%	518
Payments in lieu of leave		-	163	163	-	216	54	161	297%	163
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	6 945	2 813	2 813	-	-	938	(938)	-100%	2 813
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		667	435	435	76	262	145	117	81%	435
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		122 235	119 703	119 703	10 243	40 859	39 901	958	2%	119 703
% increase	4		-2,1%	-2,1%						-2,1%
Total Parent Municipality		141 079	141 887	141 887	11 878	47 322	47 296	26	0%	141 887

The municipality allocated a budget of R15.6 million for Councilors and has spent R4.6 million which constitutes 30% for the third month of the financial year.

The municipality allocated a budget of R6.4 million for Senior Managers and spent R1.8 million, which constitutes 28% for the third month of the financial year.

The municipality have allocated a budget of R119.7 million for Other Municipal Staff and have spent R40 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	1 024 803	13 975 197
Ngamngeni Roads and Stormwater	4 145 000	411 429	3 733 571
Cathcart 22/11kv 2x2,5 MVA Substation	12 440 000	3 836 129	8 603 871
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	3 505 878	2 094 122
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	1 574 413	1 888 556
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	1 752 125	- 752 125
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	89 011	705 629
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		
	94 333 990	19 523 765	74 292 725

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 October 2025.

EC124 Amahlathi - Table C6 Monthly Budget Statement - Financial Position - M04 October

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	20 198	39 757
Trade and other receivables from exchange transactions		45 361	22 570	15 186	90 106	22 570
Receivables from non-exchange transactions		33 201	9 188	9 188	19 131	9 188
Current portion of non-current receivables		–	–	–	–	–
Inventory		6	24	(182)	172	24
VAT		11 447	32 639	36 412	26 571	32 639
Other current assets		12 849	–	–	12 877	–
Total current assets		115 428	104 178	111 007	169 056	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	468 852	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	485 718	600 889
TOTAL ASSETS		583 857	705 067	714 108	654 774	705 067
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 850	1 844	1 844	1 703	1 844
Trade and other payables from exchange transactions		135 453	64 065	67 380	92 507	64 065
Trade and other payables from non-exchange transactions		428	47 000	(47 000)	26 287	47 000
Provision		16 456	20 407	20 407	16 456	20 407
VAT		3 179	10 118	10 118	8 922	10 118
Other current liabilities		–	–	–	–	–
Total current liabilities		157 366	143 434	52 749	145 875	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		249 102	151 296	60 611	237 610	151 296
NET ASSETS	2	334 755	553 771	653 498	417 164	553 771
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		334 751	553 771	559 498	417 164	553 771
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	334 751	553 771	559 498	417 164	553 771

a. CURRENT ASSETS

- **Cash** – The cash balance of R1 million comprises of the cashbook balance for the main primary bank account as at 30 October 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 October 2025.

Date	Account Description	Type	Total
31 October 2025	DEDEAT	Call Investment Deposit	257 137,93
31 October 2025	Disaster	Call Investment Deposit	7 007 695,79
31 October 2025	EEDSM	Call Investment Deposit	80 520,60
31 October 2025	FMG	Call Investment Deposit	2 071,97
31 October 2025	INEP	Call Investment Deposit	7 897 650,69
31 October 2025	Inhouse projects	Call Investment Deposit	9 048,58
31 October 2025	Insurance	Call Investment Deposit	1 207 593,34
31 October 2025	LG Seta	Call Investment Deposit	56 692,78
31 October 2025	MIG	Call Investment Deposit	11 550 729,26
31 October 2025	Salaries	Call Investment Deposit	38 192,67
31 October 2025	Retention	Call Investment Deposit	1 557,69
31 October 2025	STR	Call Investment Deposit	1 133,64
31 October 2025	FNB Guarantee	Call Investment Deposit	4 877 080,14
31 October 2025	Main Account	Cash	1 114 604,64
			34 101 709,72

- The total cash available as at 30 October 2025 indicates a total balance of R34 million.
- **Inventory** – The value of inventory as at 30 October 2025 amounts to R172 227.
- **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 R485 million with the biggest contributor being the Property; Plant and Equipment of the municipality amounting to R468 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 October 2025.

- **Trade and other Payables** – The trade and other payables are currently at R97 million which indicates a R5 million decrease when compared to September 2025.
- **Unspent Grant** – The unspent grants amount to R26 million as at 30 October 2025.

14. OTHER SUPPORTING DOCUMENTS

REPAIRS AND MAINTENANCE

The table below reflects expenditure on repairs by asset 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 - M04 October

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		1 191	1 880	1 880	641	962	627	(336)	-53,6%	1 880
Roads Infrastructure		359	1 150	1 150	166	408	383	(25)	-6,5%	1 150
Roads		359	1 150	1 150	166	408	383	(25)	-6,5%	1 150
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		25	30	30	2	20	10	(10)	-96,7%	30
Drainage Collection		25	30	30	2	20	10	(10)	-96,7%	30
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		807	700	700	473	535	233	(301)	-129,1%	700
Power Plants		–	100	100	–	–	33	33	100,0%	100
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		807	600	600	473	535	200	(335)	-167,3%	600
Community Assets		–	100	100	–	17	33	16	49,1%	100
Community Facilities		–	100	100	–	17	33	16	49,1%	100
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	100	100	–	17	33	16	49,1%	100
Other assets		352	400	105	–	–	35	35	100,0%	400
Operational Buildings		352	400	105	–	–	35	35	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	–	–	33	33	100,0%	100
Computer Equipment		–	–	50	–	–	17	17	100,0%	–
Computer Equipment		–	–	50	–	–	17	17	100,0%	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		33	50	50	3	30	17	(14)	-82,0%	50
Machinery and Equipment		33	50	50	3	30	17	(14)	-82,0%	50
Transport Assets		1 065	545	545	66	418	182	(236)	-130,1%	545
Transport Assets		1 065	545	545	66	418	182	(236)	-130,1%	545
Total Repairs and Maintenance Expenditure	1	2 642	2 975	2 730	710	1 428	910	(518)	-56,9%	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 October 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 October 2025 stands at 80%. Since the inception of the Debt Relief Programme, the municipality has remained committed and has not missed a single payment to Eskom. Compliance for October 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

 National Treasury Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 56 of 2003		Annexure A2 - Monthly	
Select Assessor ▼			
Certificate of Compliance: Municipal Debt Relief Conditions for Application			
Period National Financial Year Demarcation Code of Municipality being assessed		<div>Oct'25 ▼</div> <div>2025/26 ▼</div> <div>EC124 ▼</div>	
District Demarcation Description		<div>Amathole</div> <div>Amahlathi</div>	
<p>I, Ms Gugu Mashiteng, 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 – <small>(current account for the purpose of this exercise means the account for a single month's consumption):</small>	
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)? <i>Note - refer condition 6.12.2</i>	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)? <i>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.</i>	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 ▼
<i>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".</i>			
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 ▼
<i>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".</i>			
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 ▼
<i>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.</i>			
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)? <i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i>	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? <i>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.</i>	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? <i>Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.</i>	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
		<i>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.</i>	
	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 <u>and</u> 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)?	not yet the end of a quarter
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



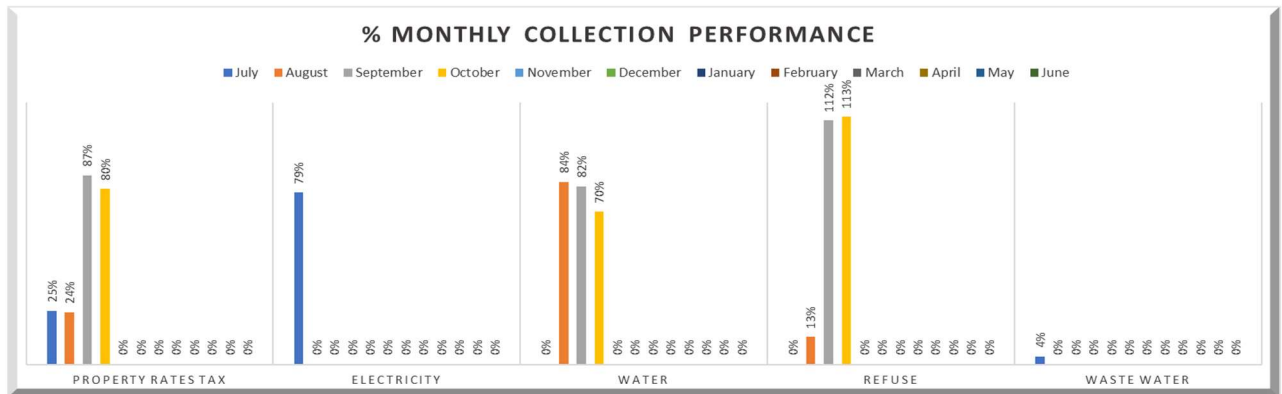
National Treasury	
Municipal Debt Relief	
MFMA Circular No. 124	
Municipal Finance Management Act No. 56 of 2003	

Province		
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 M TREF					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	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	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	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	100%	Full Compliance
29.November25	Amahlathi	EC124				Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes			N/A	Yes			N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes					Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	0%	Not completed	
30.December25	Amahlathi	EC124																																										0%	Not completed		
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 both the first, second and third 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	October	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	Q1	Q2
1.Collection for whole demarcation		41 829 196	21 089 493	20 739 703	50%	10 733 862	8 630 299	2 094 563	80%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
2.Collection excl Eskom supplied areas		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
3.Collection: Property Rates		11 243 965	5 318 355	5 025 210	47%	2 236 703	1 564 074	672 628	70%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
4.Total average collection: Electricity (Municipal supplied areas)		21 364 635	14 228 732	7 135 954	67%	5 383 442	6 107 230	(723 788)	113%	-	-	-	#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	3 467 493	23%	1 488 947	922 173	566 773	62%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		
8.Total average collection: Interest		4 745 311	534 214	4 211 097	11%	1 625 160	45 821	1 579 339	3%	-	-	-	#DIV/0!	-	-	-	#DIV/0!		

Municipal Debt Relief - Monthly Revenue Collection Reporting (condition 6.7)

Province

Eastern Cape

Demarcation Code

EC124

Municipality

Amahlathi

October

Average collection rate (MFMA Circular 124 condition 6.7)

NB - Collection rate principle applied (Cash collection of previous month billing)

Total Aggregate Collection		1.July - Reporting for June in July				2.August - Reporting for July in August				3.September - Reporting for August in September			
		Billing For June	Collection in July	R - Billing not collected	% Collection	Billing For July	Collection in August	R - Billing not collected	% Collection	Billing For August	Collection for in September	R - Billing not collected	% Collection
1.Collection for whole demarcation	Summary	16 962 068	7 424 306	9 537 761	44%	12 573 238	3 007 480	9 565 757	24%	12 293 891	10 657 706	2 447 943	87%
2.Collection excl Eskom supplied areas		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
3.Collection: Property Rates		6 831 398	1 677 527	5 153 871	25%	2 129 029	1 779 363	349 666	84%	2 283 137	1 861 465	421 672	82%
4.Total average collection: Electricity (Municipal supplied areas)		7 108 593	5 592 842	1 515 752	79%	7 360 746	938 835	6 431 911	13%	6 895 296	7 707 054	0	112%
5.Total average collection: Water		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
6.Total average collection: Wastewater		-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
7.Total average collection: Refuse		1 512 306	53 173	1 459 134	4%	1 464 059	42 925	1 421 134	3%	1 499 319	912 094	587 225	61%
8. 7.Total average collection: Interest		1 509 770	100 765	1 409 005	7%	1 619 403	256 357	1 363 046	16%	1 616 138	177 092	1 439 046	11%

4.October - Reporting for September in October			
Billing For September	Collection in October	R - Billing not collected	% Collection
10 733 852	8 639 299	2 818 341	80%
-	-	-	#DIV/0!
2 236 703	1 564 074	672 628	70%
5 383 442	6 107 230	0	113%
-	-	-	#DIV/0!
-	-	-	#DIV/0!
1 488 547	922 173	566 373	62%
1 625 160	45 821	1 579 339	3%

Collection Rate Assessment																							
Total Aggregate Collection				1. July - Reporting for June in July				2. August - Reporting for July in August				3. September - Reporting for August in September				Summary - Quarter 1				Q1			
				Billing For June	Collection in June	R - Billing not collected	% Collection	Billing For July	Collection in August	R - Billing not collected	% Collection	Billing For August	Collection in September	R - Billing not collected	% Collection								
Summary				1. Collection for whole demarcation	16 962 068	8 294 141	6 967 927	49%	12 573 238	3 696 966	6 876 251	29%	12 260 960	10 687 706	2 467 943	87%	41 929 196	22 648 634	19 190 362	56%	56%		
				2. Collection <u>excl. Eskom supplied areas</u>	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	-	-	#DIV/0!	#DIV/0!
				3. Collection: Property Rates	6 831 398	1 677 527	5 153 871	25%	2 129 029	1 779 363	349 666	84%	2 283 137	1 961 465	421 672	82%	11 243 565	5 318 355	5 925 209	47%	47%	47%	
				4. Total average collection: Electricity (Municipal supplied areas)	7 108 593	5 592 842	1 515 752	79%	7 360 746	928 835	6 431 911	13%	6 895 296	7 707 054	0	112%	21 364 635	14 229 732	7 135 904	67%	67%	67%	
				5. Total average collection: Water	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	-	-	#DIV/0!	#DIV/0!
				6. Total average collection: Wastewater	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	-	-	#DIV/0!	#DIV/0!
				7. Total average collection: Refuse	1 512 306	923 007	589 299	61%	1 464 059	732 431	731 628	50%	1 499 319	912 094	587 225	61%	4 475 685	2 567 533	1 908 152	57%	57%	57%	
				8. 7. Total average collection: Interest	1 509 770	100 765	1 409 005	7%	1 619 403	256 357	1 363 046	16%	1 616 138	177 092	1 439 046	11%	4 745 311	534 214	4 211 097	11%			
Complete This Section				Quarter 1 Performance Per Ward																			
				1. July				2. August				3. September				Summary				Q1			
Services	Electricity Supply	Ward Name & Number	Billing For June	Collection for June in July	Rand Value of Billing not collected	% Collection	Billing For July	Collection for July in August	Rand Value of Billing not collected	% Collection	Billing For August	Collection for August in September	Rand Value of Billing not collected	% Collection	Billing	Collection	R - Billing not collected	% Collection					
Property Rates Tax			6 831 398	1 677 527	5 153 871	25%	2 129 029	1 779 363	349 666	84%	2 283 137	1 861 465	421 672	82%	11 243 565	5 318 355	5 925 209	47%	47%				
Electricity			7 108 593	5 592 842	1 515 752	79%	7 360 746	928 835	6 431 911	13%	6 895 296	7 707 054	0	112%	21 364 635	14 229 732	7 135 904	67%	67%				
Water			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Refuse			1 512 306	923 007	589 299	61%	1 464 059	732 431	731 628	50%	1 499 319	912 094	587 225	61%	4 475 685	2 567 533	1 908 152	57%	57%				
Waste Water			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Interest			1 509 770	100 765	1 409 005	7%	1 619 403	256 357	1 363 046	16%	1 616 138	177 092	1 439 046	11%	4 745 311	534 214	4 211 097	11%	11%				
Property Rates Tax			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Electricity			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Water			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Refuse			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Waste Water			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				
Interest			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!				

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)	2																	
Indigent HH's with other water supply (at least min.service level)	4																	
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total																		
Indigent HH's using public tap (< min.service level)	3																	
Indigent HH's with other water supply (< min.service level)	4																	
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	5																	
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	10																	
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	11																	
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)			3 270			1 591	1 591	1 591	1 591									
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total			3 270			1 591	1 591	1 591	1 591									
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	5		3 270			1 591	1 591	1 591	1 591									
Status of Electricity meters :																		
Number of Indigent HH's with prepaid Electricity			3 270			1 591	1 591	1 591	1 591									
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	12		3 270			1 591	1 591	1 591	1 591									
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	13																	
Number of ALL Households receiving Free Basic Service (including registered Indigent Households)																		
Water (6 kilolitres per household per month)	7																	
Electricity/other energy (50kwh per household per month)			3 270			1 591	1 591	1 591	1 591									
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)			191			191	191	191	191									
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)			20 000			20 000	20 000	20 000	20 000									
Water (kilolitres per household per month)																		
Sanitation (kilolitres per household per month)																		
Sanitation (Rand per household per month)																		
Electricity (kwh per household per month)			50			50	50	50	50									
Refuse (average litres per week)			40			40	40	40	40									
Revenue cost of subsidised services provided for ALL Households (R'000)																		
Residential Category : Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	14(a)		1 018			1 018	1 018	1 018	1 018									
PSI Category : Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	14(b)		339			339	339	339	339									
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	6																	
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	Amahlati					
GV Period	01/07/2025 - 30/06/2030					
Financial Year	2025/2026					
Reconciliation Period	Quarter 2					
Reconciliation Overview						
High Level Reconciliation						
Propety Categories	# of Properties			Market Values		
Propety Categories	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	8 768	8 770	- 2	1 366 295 324,00	1 368 686 324,00	- 2 391 000,00
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	3 750	4	4 007 325 299,07	4 004 889 299,07	2 436 000,00
Mining	2	2	-	487 000,00	487 000,00	-
State Owned for Public Purpose	80	78	2	383 271 502,00	377 131 502,00	6 140 000,00
PSI	320	320	-	1 940 977,00	1 940 977,00	-
PBO	58	58	-	35 708 504,00	35 708 504,00	-
Multi Use	-	-	-	-	-	-
Vacant	-	-	-	-	-	-
POW	135	135	-	56 377 466,00	56 377 466,00	-
Municipal	1 299	1 299	-	413 453 506,46	413 453 506,46	-
Other	107	107	-	4 650 104,00	4 650 104,00	-
	14 774	14 770	4	6 634 783 873,53	6 628 598 873,53	6 185 000,00
Detailed Reconciliation						
Propety Categories	Monthly Billing			Quarterly		
Propety Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	980 484	989 035	- 8 551	2 941 453,04	2 967 105,27	- 25 652,23
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	590 700	1 649	1 777 048,40	1 772 100,38	4 948,02
Mining	401	401	- 0	1 202,70	1 202,88	- 0,18
State Owned for Public Purpose	315 509	310 505	5 004	946 527,30	931 514,78	15 012,52
PSI	280	395	- 115	838,85	1 185,32	- 346,47
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 197 045,85	-R2 050,39	6 584 986,37	6 591 137,54	- 6 151,17

18.6 Maintaining the Eskom bulk current account

Eskom accounts are paid prior to the due date. Last payment amounting to R5.8 million was made on 30 October 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

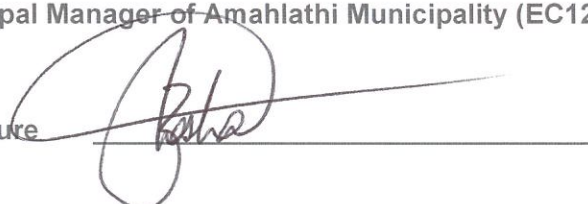
☐ Mid-year budget and performance assessment

for the month of October 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: 14 November 2025