# Harry Gwala District Municipality

MFMA s71 report for the period ending 31 August 2026.

**In-Year Report of the Municipality**

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

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## Glossary

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

**AFS** – Annual Financial Statements

**Budget –** The financial plan of the Municipality.

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

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

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

**FMG** – Financial Management Grant.

**GRAP –** Generally Recognised Accounting Practice. The standard for municipal accounting.

**IDP –** Integrated Development Plan. The main strategic planning document of the Municipality.

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

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

**MIG** – Municipal Infrastructure Grant.

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

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

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

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

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

**YTD –** Year to date

**YoY –** Year on Year

**DBSA** – Development Bank of South Africa

## PURPOSE

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 of the Municipal Finance Management Act (MFMA) for the period ending 31 August 2026.

## LEGISLATIVE FRAMEWORK

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

### Legislative Requirements

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

*(a)* Actual revenue, per revenue source;

*(b)* actual borrowings;

*(c)* actual expenditure, per vote;

*(d)* actual capital expenditure, per vote;

*(e)* the amount of any allocations received;

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

(i) its share of the local government equitable share; and

(ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and

*(g)* when necessary, an explanation of—

(i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;

(ii) any material variances from the service delivery and budget implementation plan; and

(iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

## 1.2 Executive Summary

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

## Revenue by Source

The Year-to-Date actual revenue is 164% above the YTD budget. All the allocated conditional grants receipted as per Division of Revenue Bill, However the recognition as revenue only occur when the expenditure is incurred.

## Borrowings

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

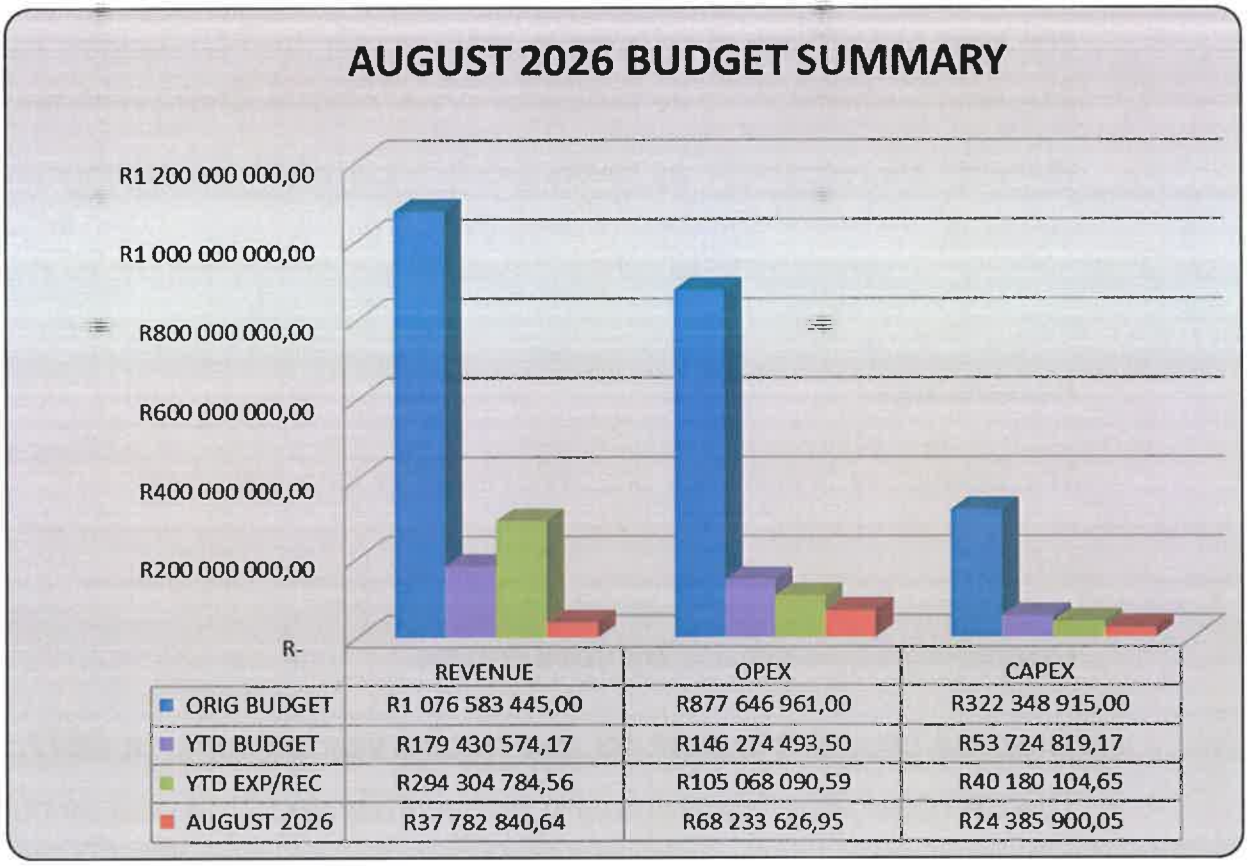
## Operating expenditure by vote & type

The total operating budget for the current year amounts to R877, 6m. The YTD Operating expenditure for the month ended 31 August amounted to R68, 2m against a year to date (YTD) budget of R146, 2m. The actual YTD expenditure represented 72% of the planned.

## Capital expenditure

The total capital budget for the current year amounts to R322, 3m exclusive of vat. The YTD expenditure on capital amounts to R24, 3million, or 75% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

## Chart 1: Budget vs. Expenditure Summary




| | REVENUE | OPEX | CAPEX |
|---|---|---|---|
| ORIG BUDGET | R1 076 583 445,00 | R877 646 961,00 | R322 348 915,00 |
| YTD BUDGET | R179 430 574,17 | R146 274 493,50 | R53 724 819,17 |
| YTD EXP/REC | R294 304 784,56 | R105 068 090,59 | R40 180 104,65 |
| AUGUST 2026 | R37 782 840,64 | R68 233 626,95 | R24 385 900,05 |

## Cash flows

The municipality started the year with a positive cashbook balance of R250, 5million. The closing cash and cash equivalents as at the end of August 2026 was R475million.Refer to the table below for cash and cash equivalent register for more detail on the cash position.

CASH AND INVESTMENT REGISTER AS AT 31 AUGUST 2026

| Investments by maturity<br>Name of institution & investment ID<br>R thousands | Period of Investment<br>Yrs/Months | Type of Investment | Variable or Fixed interest rate | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|
| Municipality | | | | | | | | |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 130 293 | 521 | (14 757) | – | 116 057 |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 61 691 | 130 | (20 797) | – | 41 025 |
| FIRST NATIONAL BANK | M | ADMIN CALL | Fixed | 47 679 | 258 | (20 491) | – | 27 446 |
| FIRST NATIONAL BANK | M | FIXED DEPOSIT | Fixed | 37 885 | 127 | (1 899) | – | 36 113 |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 2 | – | – | – | 2 |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 127 823 | 563 | (2 937) | – | 125 450 |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 7 | 0 | – | – | 7 |
| FIRST NATIONAL BANK | M | FIXED DEPOSIT | Fixed | 4 | – | – | – | 4 |
| FNB BANK | M | FIXED DEPOSIT | Fixed | 57 964 | – | – | – | 57 964 |
| STANDARD BANK | M | FIXED DEPOSIT | Fixed | 62 175 | 803 | – | – | 62 977 |
| FIRST NATIONAL BANK | M | FIXED DEPOSIT | Fixed | 3 871 | | | 4 144 | 8 014 |
| Municipality sub-total | | | | 529 395 | 2 402 | (60 881) | – | 475 060 |
| TOTAL INVESTMENTS AND INTEREST | | | | 529 395 | 2 402 | (60 881) | – | 475 060 |

## Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2026/2027 have been received as per payment schedule. The total grants received as at 31 August 2026 was R 350, 2million.Conditional Grants amounting to R 121, 6million and the equitable share is R 228, 6million. Three grants received in the month ending 31 August 2026.

### Transfers Recognised – Operating

Three operational grants received for the month of August 2026 namely:

- Expanded Public Works Programme- R 752 000
- Rural Roads Assets Management Grant- R 814 000
- Local Government Financial Management Grant-R 1 400 000

### Spending on Grants

Spending on grants amounted to R24, 3million or 75% for the month ending August 2026.

## 1.3 Resolutions

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

## 1.4 Monthly Budget Statement Tables

### Monthly Budget Statements Summary

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

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Financial Performance** | | | | | | | | | |
| Property rates | – | – | – | – | – | – | – | | – |
| Service charges | 85 134 | 95 753 | 95 753 | 7 187 | 14 554 | 15 959 | (1 405) | -9% | 95 753 |
| Investment revenue | 23 772 | 27 658 | 27 658 | 2 637 | 4 003 | 4 610 | (607) | -13% | 27 658 |
| Transfers and subsidies - Operational | 555 715 | 609 089 | 609 089 | 4 498 | 233 963 | 101 515 | 132 448 | 0 | 609 089 |
| Other own revenue | 9 573 | 15 216 | 15 216 | 939 | 2 075 | 2 536 | (461) | -18% | 15 216 |
| **Total Revenue (excluding capital transfers and contributions)** | **674 194** | **747 717** | **747 717** | **15 262** | **254 594** | **124 619** | **129 975** | **104%** | **747 717** |
| Employee costs | 287 086 | 331 991 | 331 991 | 25 392 | 50 612 | 55 332 | (4 720) | -9% | 331 991 |
| Remuneration of Councillors | 7 937 | 8 426 | 8 426 | 655 | 1 219 | 1 404 | (185) | -13% | 8 426 |
| Depreciation, amortisation and impairment | 130 671 | 115 501 | 115 501 | – | – | 19 250 | (19 250) | -100% | 115 501 |
| Interest, Dividends and Rent on Land | 799 | 56 | 56 | – | – | 9 | (9) | -100% | 56 |
| Inventory consumed and bulk purchases | 58 422 | 51 787 | 51 787 | 3 038 | 3 192 | 8 631 | (5 439) | -63% | 51 787 |
| Transfers and subsidies | 23 000 | 26 100 | 26 100 | 8 000 | 8 000 | 4 350 | 3 650 | 84% | 26 100 |
| Other expenditure | 257 129 | 343 787 | 343 787 | 31 148 | 42 044 | 57 298 | (15 254) | -27% | 343 787 |
| **Total Expenditure** | **765 044** | **877 647** | **877 647** | **68 234** | **105 068** | **146 275** | **(41 207)** | **-28%** | **877 647** |
| **Surplus/(Deficit)** | **(90 851)** | **(129 930)** | **(129 930)** | **(52 972)** | **149 526** | **(21 656)** | **171 182** | **-790%** | **(129 930)** |
| Transfers and subsidies - capital (monetary allocations) | 311 732 | 328 867 | 328 867 | 22 521 | 39 711 | 54 811 | (15 101) | -28% | 328 867 |
| Transfers and subsidies - capital (in-kind) | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **220 881** | **198 936** | **198 936** | **(30 451)** | **189 237** | **33 155** | **156 081** | **471%** | **198 936** |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | | – |
| **Surplus/ (Deficit) for the year** | **220 881** | **198 936** | **198 936** | **(30 451)** | **189 237** | **33 155** | **156 081** | **471%** | **198 936** |
| **Capital expenditure & funds sources** | | | | | | | | | |
| **Capital expenditure** | **340 179** | **322 349** | **322 349** | **24 386** | **40 180** | **53 725** | **(13 545)** | **-25%** | **322 349** |
| Capital transfers recognised | 296 790 | 285 971 | 285 971 | 19 108 | 34 770 | 47 662 | (12 892) | -27% | 285 971 |
| Borrowing | – | – | – | – | – | – | – | | – |
| Internally generated funds | 43 390 | 36 378 | 36 378 | 5 278 | 5 411 | 6 063 | (652) | -11% | 36 378 |
| **Total sources of capital funds** | **340 179** | **322 349** | **322 349** | **24 386** | **40 180** | **53 725** | **(13 545)** | **-25%** | **322 349** |
| **Financial position** | | | | | | | | | |
| Total current assets | 301 844 | 288 396 | 288 396 | | 514 618 | | | | 288 396 |
| Total non current assets | 3 415 719 | 4 359 937 | 4 359 937 | | 3 455 899 | | | | 4 359 937 |
| Total current liabilities | 156 829 | (849 805) | (849 805) | | 63 467 | | | | (849 805) |
| Total non current liabilities | 44 777 | – | – | | 44 777 | | | | – |
| Community wealth/Equity | **3 532 545** | **4 421 998** | **4 421 998** | | **3 705 194** | | | | **4 421 998** |
| **Cash flows** | | | | | | | | | |
| Net cash from (used) operating | 1 756 059 | 375 033 | 375 033 | 3 498 | 700 642 | 62 506 | (638 136) | -1021% | 375 033 |
| Net cash from (used) investing | (367 399) | (369 371) | (369 371) | (24 386) | (40 180) | (61 562) | (21 382) | 35% | (369 371) |
| Net cash from (used) financing | (2 973) | (1 831) | (1 831) | 1 | (1 000) | (305) | 695 | -228% | (1 831) |
| **Cash/cash equivalents at the month/year end** | **1 647 357** | **242 729** | **242 729** | **910 017** | **910 017** | **239 536** | **(670 481)** | **-280%** | **254 387** |

| Debtors & creditors analysis | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Debtors Age Analysis** | | | | | | | | | |
| Total By Income Source | 7 974 | 3 872 | 3 035 | 2 868 | 2 329 | 2 312 | 13 737 | 190 306 | 226 433 |
| **Creditors Age Analysis** | | | | | | | | | |
| Total Creditors | 5 683 | – | – | – | – | – | – | – | 5 683 |

## Financial Performance

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

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Revenue - Functional | | | | | | | | | |
| *Governance and administration* | 542 947 | 579 480 | 579 480 | 2 744 | 232 817 | 96 580 | 136 237 | 141% | 579 480 |
| Executive and council | – | – | – | – | – | – | – | | – |
| Finance and administration | 542 947 | 579 480 | 579 480 | 2 744 | 232 817 | 96 580 | 136 237 | 141% | 579 480 |
| Internal audit | – | – | – | – | – | – | – | | – |
| *Community and public safety* | 98 | 87 | 87 | 17 | 21 | 15 | 6 | 43% | 87 |
| Community and social services | 98 | 87 | 87 | 17 | 21 | 15 | 6 | 43% | 87 |
| Sport and recreation | – | – | – | – | – | – | – | | – |
| Public safety | – | – | – | – | – | – | – | | – |
| Housing | – | – | – | – | – | – | – | | – |
| Health | – | – | – | – | – | – | – | | – |
| *Economic and environmental services* | – | 25 000 | 25 000 | – | – | 4 167 | (4 167) | -100% | 25 000 |
| Planning and development | – | 25 000 | 25 000 | – | – | 4 167 | (4 167) | -100% | 25 000 |
| Road transport | – | – | – | – | – | – | – | | – |
| Environmental protection | – | – | – | – | – | – | – | | – |
| *Trading services* | 442 880 | 472 016 | 472 016 | 35 022 | 61 467 | 78 669 | (17 202) | -22% | 472 016 |
| Energy sources | – | – | – | – | – | – | – | | – |
| Water management | 425 154 | 456 765 | 456 765 | 33 992 | 59 114 | 76 128 | (17 013) | -22% | 456 765 |
| Waste water management | 17 726 | 15 251 | 15 251 | 1 030 | 2 353 | 2 542 | (189) | -7% | 15 251 |
| Waste management | – | – | – | – | – | – | – | | – |
| *Other* | – | – | – | – | – | – | – | | – |
| Total Revenue - Functional | 985 926 | 1 076 583 | 1 076 583 | 37 783 | 294 305 | 179 431 | 114 874 | 64% | 1 076 583 |
| | | | | | | | | | |
| Expenditure - Functional | | | | | | | | | |
| *Governance and administration* | 301 571 | 367 082 | 367 082 | 33 926 | 51 833 | 61 181 | (9 348) | -15% | 367 082 |
| Executive and council | 38 648 | 48 636 | 48 636 | 5 782 | 8 079 | 8 106 | (27) | 0% | 48 636 |
| Finance and administration | 253 689 | 307 755 | 307 755 | 27 374 | 42 374 | 51 293 | (8 919) | -17% | 307 755 |
| Internal audit | 9 233 | 10 691 | 10 691 | 770 | 1 380 | 1 782 | (401) | -23% | 10 691 |
| *Community and public safety* | 14 973 | 20 576 | 20 576 | 1 180 | 2 343 | 3 429 | (1 086) | -32% | 20 576 |
| Community and social services | 14 973 | 20 576 | 20 576 | 1 180 | 2 343 | 3 429 | (1 086) | -32% | 20 576 |
| Sport and recreation | – | – | – | – | – | – | – | | – |
| Public safety | – | – | – | – | – | – | – | | – |
| Housing | – | – | – | – | – | – | – | | – |
| Health | – | – | – | – | – | – | – | | – |
| *Economic and environmental services* | 210 072 | 212 343 | 212 343 | 14 687 | 20 224 | 35 391 | (15 167) | -43% | 212 343 |
| Planning and development | 210 072 | 212 343 | 212 343 | 14 687 | 20 224 | 35 391 | (15 167) | -43% | 212 343 |
| Road transport | – | – | – | – | – | – | – | | – |
| Environmental protection | – | – | – | – | – | – | – | | – |
| *Trading services* | 238 429 | 277 542 | 277 542 | 18 440 | 30 668 | 46 257 | (15 589) | -34% | 277 542 |
| Energy sources | – | – | – | – | – | – | – | | – |
| Water management | 232 402 | 267 846 | 267 846 | 18 394 | 30 608 | 44 641 | (14 033) | -31% | 267 846 |
| Waste water management | 6 027 | 9 696 | 9 696 | 45 | 60 | 1 616 | (1 556) | -96% | 9 696 |
| Waste management | – | – | – | – | – | – | – | | – |
| *Other* | – | 104 | 104 | – | – | 17 | (17) | -100% | 104 |
| Total Expenditure - Functional | 765 044 | 877 647 | 877 647 | 68 234 | 105 068 | 146 275 | (41 207) | -28% | 877 647 |
| Surplus/ (Deficit) for the year | 220 881 | 198 936 | 198 936 | (30 451) | 189 237 | 33 155 | 156 081 | 4,7075871 | 198 936 |

This table assess the revenue by department and then the expenditure for the period ending 31 August 2026. Revenue receipts in August have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of August is 21% against original budget.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has the largest expenditure for the month of August as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R30, 3million.

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

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

| Vote Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue by Vote** | | | | | | | | | |
| Vote 01 - Summary Council | – | – | – | – | – | – | – | | – |
| Vote 02 - Summary Municipal Manager | – | – | – | – | – | – | – | | – |
| Vote 03 - Summary Budget And Treasury Office | 542 316 | 576 366 | 576 366 | 2 744 | 232 739 | 96 061 | 136 678 | 142,3% | 576 366 |
| Vote 04 - Summary Corporate Services | 553 | 427 | 427 | – | 71 | 71 | 0 | 0,5% | 427 |
| Vote 05 - Summary Social Services & Development Planing | 98 | 27 181 | 27 181 | 17 | 21 | 4 530 | (4 509) | -99,5% | 27 181 |
| Vote 06 - Summary Infrastructure Services | 349 182 | 368 158 | 368 158 | 27 262 | 45 638 | 61 360 | (15 721) | -25,6% | 368 158 |
| Vote 07 - Summary Water Services | 93 776 | 104 452 | 104 452 | 7 760 | 15 836 | 17 409 | (1 573) | -9,0% | 104 452 |
| Vote 15 - Other | – | – | – | – | – | – | – | | – |
| **Total Revenue by Vote** | 985 926 | 1 076 583 | 1 076 583 | 37 783 | 294 305 | 179 431 | 114 874 | 64,0% | 1 076 583 |
| **Expenditure by Vote** | | | | | | | | | |
| Vote 01 - Summary Council | 19 941 | 23 708 | 23 708 | 4 474 | 5 589 | 3 951 | 1 638 | 41,4% | 23 708 |
| Vote 02 - Summary Municipal Manager | 27 889 | 33 035 | 33 035 | 2 078 | 3 870 | 5 506 | (1 636) | -29,7% | 33 035 |
| Vote 03 - Summary Budget And Treasury Office | 70 671 | 74 826 | 74 826 | 6 481 | 10 110 | 12 471 | (2 361) | -18,9% | 74 826 |
| Vote 04 - Summary Corporate Services | 119 347 | 140 794 | 140 794 | 8 969 | 17 219 | 23 466 | (6 247) | -26,6% | 140 794 |
| Vote 05 - Summary Social Services & Development Planing | 64 193 | 109 590 | 109 590 | 11 440 | 14 541 | 18 265 | (3 724) | -20,4% | 109 590 |
| Vote 06 - Summary Infrastructure Services | 161 425 | 151 909 | 151 909 | 4 473 | 8 117 | 25 318 | (17 202) | -67,9% | 151 909 |
| Vote 07 - Summary Water Services | 301 578 | 343 785 | 343 785 | 30 319 | 45 622 | 57 298 | (11 676) | -20,4% | 343 785 |
| Vote 15 - Other | – | – | – | – | – | – | – | | – |
| **Total Expenditure by Vote** | 765 044 | 877 647 | 877 647 | 68 234 | 105 068 | 146 275 | (41 207) | -28,2% | 877 647 |
| **Surplus/ (Deficit) for the year** | 220 881 | 198 936 | 198 936 | (30 451) | 189 237 | 33 155 | 156 081 | 470,8% | 198 936 |

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 August 2026.

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue** | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | |
| Service charges - Electricity | | | | | | | – | | |
| Service charges - Water | 67 196 | 80 870 | 80 870 | 6 124 | 12 146 | 13 478 | (1 332) | -10% | 80 870 |
| Service charges - Waste Water Management | 17 937 | 14 882 | 14 882 | 1 063 | 2 408 | 2 480 | (73) | -3% | 14 882 |
| Service charges - Waste management | | | | | | | – | | |
| Sale of Goods and Rendering of Services | 306 | 156 | 156 | 12 | 21 | 26 | (5) | -20% | 156 |
| Interest earned from Receivables | 12 585 | 14 033 | 14 033 | 910 | 1 961 | 2 339 | (377) | -16% | 14 033 |
| Interest from Current and Non Current Assets | 23 772 | 27 658 | 27 658 | 2 637 | 4 003 | 4 610 | (607) | -13% | 27 658 |
| Rental from Fixed Assets | 32 | – | – | – | – | – | – | | – |
| Operational Revenue | 1 104 | 673 | 673 | 17 | 92 | 112 | (20) | -18% | 673 |
| **Non-Exchange Revenue** | | | | | | | – | | |
| Property rates | | | | | | | – | | |
| Surcharges and Taxes | | | | | | | – | | |
| Fines, penalties and forfeits | 373 | 354 | 354 | – | – | 59 | (59) | -100% | 354 |
| Licence and permits | | | | | | | – | | |
| Transfers and subsidies - Operational | 555 715 | 609 089 | 609 089 | 4 498 | 233 963 | 101 515 | 132 448 | 130% | 609 089 |
| Gains on disposal of Fixed and Intangible Assets | 474 | – | – | – | – | – | – | | – |
| Other Gains | (5 301) | – | – | – | – | – | – | | – |
| Discontinued Operations | | | | | | | – | | |
| **Total Revenue (excluding capital transfers and contributions)** | **674 194** | **747 717** | **747 717** | **15 262** | **254 594** | **124 619** | **129 975** | **104%** | **747 717** |
| **Expenditure By Type** | | | | | | | | | |
| Employee related costs | 287 086 | 331 991 | 331 991 | 25 392 | 50 612 | 55 332 | (4 720) | -9% | 331 991 |
| Remuneration of councillors | 7 937 | 8 426 | 8 426 | 655 | 1 219 | 1 404 | (185) | -13% | 8 426 |
| Inventory consumed | 58 422 | 51 787 | 51 787 | 3 038 | 3 192 | 8 631 | (5 439) | -63% | 51 787 |
| Debt impairment | (5 050) | 5 967 | 5 967 | – | – | 994 | (994) | -100% | 5 967 |
| Depreciation, amortisation and impairment | 130 671 | 115 501 | 115 501 | – | – | 19 250 | (19 250) | -100% | 115 501 |
| Interest, Dividends and Rent on Land | 799 | 56 | 56 | – | – | 9 | (9) | -100% | 56 |
| Contracted services | 134 692 | 170 921 | 170 921 | 15 463 | 21 898 | 28 487 | (6 589) | -23% | 170 921 |
| Transfers and subsidies | 23 000 | 26 100 | 26 100 | 8 000 | 8 000 | 4 350 | 3 650 | 84% | 26 100 |
| Irrecoverable debts written off | 20 465 | 44 880 | 44 880 | 3 721 | 3 721 | 7 480 | (3 759) | -50% | 44 880 |
| Operational costs | 100 383 | 117 365 | 117 365 | 11 964 | 16 425 | 19 561 | (3 136) | -16% | 117 365 |
| Disposal of Fixed and Intangible Assets | 6 641 | 4 654 | 4 654 | – | – | 776 | (776) | -100% | 4 654 |
| Other Losses | – | – | – | – | – | – | – | | – |
| **Total Expenditure** | **765 044** | **877 647** | **877 647** | **68 234** | **105 068** | **146 275** | **(41 207)** | **-28%** | **877 647** |
| **Surplus/(Deficit)** | **(90 851)** | **(129 930)** | **(129 930)** | **(52 972)** | **149 526** | **(21 656)** | **171 182** | **(0)** | **(129 930)** |
| Transfers and subsidies - capital (monetary allocations) | 311 732 | 328 867 | 328 867 | 22 521 | 39 711 | 54 811 | (15 101) | (0) | 328 867 |
| Transfers and subsidies - capital (in-kind) | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **220 881** | **198 936** | **198 936** | **(30 451)** | **189 237** | **33 155** | **156 081** | **0** | **198 936** |
| Income Tax | | | | | | | – | | |
| **Surplus/(Deficit) after income tax** | **220 881** | **198 936** | **198 936** | **(30 451)** | **189 237** | **33 155** | **156 081** | **0** | **198 936** |
| Share of Surplus/Deficit attributable to Joint Venture | | | | | | | – | | |
| Share of Surplus/Deficit attributable to Minorities | | | | | | | – | | |
| **Surplus/(Deficit) attributable to municipality** | **220 881** | **198 936** | **198 936** | **(30 451)** | **189 237** | **33 155** | 156 081 | 0 | **198 936** |
| Share of Surplus/Deficit attributable to Associate | | | | | | | – | | |
| Intercompany/Parent subsidiary transactions | – | – | – | – | – | – | – | | – |
| **Surplus/ (Deficit) for the year** | **220 881** | **198 936** | **198 936** | **(30 451)** | **189 237** | **33 155** | **156 081** | **0** | **198 936** |

## Capital Expenditure

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

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

| Vote Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Multi-Year expenditure appropriation** | | | | | | | | | |
| Vote 01 - Summary Council | – | – | – | – | – | – | – | | – |
| Vote 02 - Summary Municipal Manager | – | – | – | – | – | – | – | | – |
| Vote 03 - Summary Budget And Treasury Office | 1 486 | 150 | 150 | – | – | 25 | (25) | -100% | 150 |
| Vote 04 - Summary Corporate Services | 4 719 | 8 064 | 8 064 | 370 | 370 | 1 344 | (975) | -73% | 8 064 |
| Vote 05 - Summary Social Services & Development Planing | 722 | 3 652 | 3 652 | – | – | 609 | (609) | -100% | 3 652 |
| Vote 06 - Summary Infrastructure Services | 119 154 | 140 433 | 140 433 | 2 892 | 10 049 | 23 406 | (13 356) | -57% | 140 433 |
| Vote 07 - Summary Water Services | 211 718 | 165 472 | 165 472 | 21 125 | 29 761 | 27 579 | 2 183 | 8% | 165 472 |
| Vote 15 - Other | – | – | – | – | – | – | – | | – |
| **Total Capital Multi-year expenditure** | **337 799** | **317 772** | **317 772** | **24 386** | **40 180** | **52 962** | **(12 782)** | **-24%** | **317 772** |
| **Single Year expenditure appropriation** | | | | | | | | | |
| Vote 01 - Summary Council | – | – | – | – | – | – | – | | – |
| Vote 02 - Summary Municipal Manager | – | – | – | – | – | – | – | | – |
| Vote 03 - Summary Budget And Treasury Office | 40 | – | – | – | – | – | – | | – |
| Vote 04 - Summary Corporate Services | 2 341 | 2 137 | 2 137 | – | – | 356 | (356) | -100% | 2 137 |
| Vote 05 - Summary Social Services & Development Planing | – | – | – | – | – | – | – | | – |
| Vote 06 - Summary Infrastructure Services | – | 1 040 | 1 040 | – | – | 173 | (173) | -100% | 1 040 |
| Vote 07 - Summary Water Services | – | 1 400 | 1 400 | – | – | 233 | (233) | -100% | 1 400 |
| Vote 15 - Other | – | – | – | – | – | – | – | | – |
| **Total Capital single-year expenditure** | 2 381 | 4 577 | 4 577 | – | – | 763 | **(763)** | **-100%** | 4 577 |
| **Total Capital Expenditure** | **340 179** | **322 349** | **322 349** | **24 386** | **40 180** | **53 725** | **(13 545)** | **-25%** | **322 349** |
| **Capital Expenditure - Functional Classification** | | | | | | | | | |
| ***Governance and administration*** | **8 586** | **14 004** | **14 004** | **370** | **370** | **2 334** | (1 964) | -84% | **14 004** |
| Executive and council | – | – | – | – | – | – | – | | – |
| Finance and administration | 8 586 | 14 004 | 14 004 | 370 | 370 | 2 334 | (1 964) | -84% | 14 004 |
| Internal audit | – | – | – | – | – | – | – | | – |
| ***Community and public safety*** | – | – | – | – | – | – | – | | – |
| Community and social services | – | – | – | – | – | – | – | | – |
| Sport and recreation | | | | | | | – | | |
| Public safety | | | | | | | – | | |
| Housing | | | | | | | – | | |
| Health | | | | | | | – | | |
| ***Economic and environmental services*** | **119 876** | **132 418** | **132 418** | **2 892** | **10 049** | **22 070** | (12 020) | -54% | **132 418** |
| Planning and development | 119 876 | 132 418 | 132 418 | 2 892 | 10 049 | 22 070 | (12 020) | -54% | 132 418 |
| Road transport | | | | | | | – | | |
| Environmental protection | | | | | | | – | | |
| ***Trading services*** | **211 718** | **175 927** | **175 927** | **21 125** | **29 761** | **29 321** | 440 | 2% | **175 927** |
| Energy sources | | | | | | | – | | |
| Water management | 206 932 | 175 927 | 175 927 | 21 125 | 29 761 | 29 321 | 440 | 2% | 175 927 |
| Waste water management | 4 786 | – | – | – | – | – | – | | – |
| Waste management | | | | | | | – | | |
| ***Other*** | | | | | | | – | | |
| **Total Capital Expenditure - Functional Classification** | **340 179** | **322 349** | **322 349** | **24 386** | **40 180** | **53 725** | **(13 545)** | **-25%** | **322 349** |
| **Funded by:** | | | | | | | | | |
| National Government | 296 790 | 285 971 | 285 971 | 19 108 | 34 770 | 47 662 | (12 892) | -27% | 285 971 |
| Provincial Government | – | – | – | – | – | – | – | | – |
| District Municipality | – | – | – | – | – | – | – | | – |
| **Transfers recognised - capital** | **296 790** | **285 971** | **285 971** | **19 108** | **34 770** | **47 662** | **(12 892)** | **-27%** | **285 971** |
| **Borrowing** | – | – | – | – | – | – | – | | – |
| **Internally generated funds** | 43 390 | 36 378 | 36 378 | 5 278 | 5 411 | 6 063 | (652) | -11% | 36 378 |
| **Total Capital Funding** | **340 179** | **322 349** | **322 349** | **24 386** | **40 180** | **53 725** | **(13 545)** | **-25%** | **322 349** |

As alluded to above, the capital expenditure programme for the period ending 31 August 2026 was R24, 3m which represents 75% of capital expenditure against year to date budget of R53, 7million.

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

**Chart 1: 2026/2027 CAPEX**

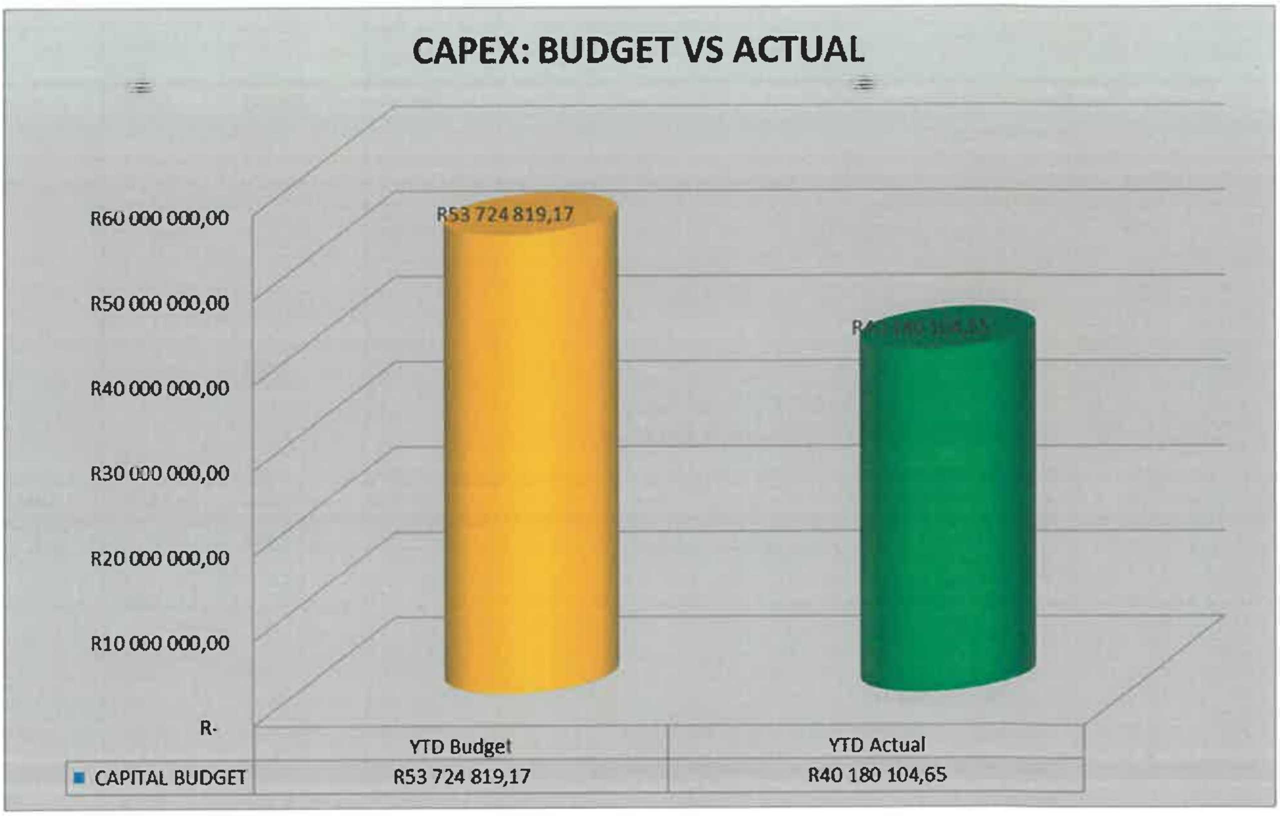



Table C6 displays the financial position of the municipality as at 31 August 2026.

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

| Description | 2025/26 | Budget Year 2026/27 | | | |
|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| **ASSETS** | | | | | |
| **Current assets** | | | | | |
| Cash and cash equivalents | 250 555 | 242 729 | 242 729 | 469 144 | 242 729 |
| Short term Investments | | | | | |
| Trade and other receivables from exchange transactions | 24 869 | 21 245 | 21 245 | 20 691 | 21 245 |
| Receivables from non-exchange transactions | 1 559 | 1 570 | 1 570 | 1 559 | 1 570 |
| Current portion of non-current receivables | – | – | – | – | – |
| Inventory | 1 014 | 963 | 963 | 1 014 | 963 |
| VAT Receivable | 20 735 | 22 196 | 22 196 | 19 093 | 22 196 |
| Other current assets | 3 112 | (307) | (307) | 3 117 | (307) |
| **Total current assets** | **301 844** | **288 396** | **288 396** | **514 618** | **288 396** |
| **Non current assets** | | | | | |
| Investments | | | | | |
| Investment property | – | – | – | – | – |
| Property, plant and equipment | 3 415 222 | 4 357 252 | 4 357 252 | 3 455 402 | 4 357 252 |
| Biological assets | | | | | |
| Living resources | | | | | |
| Heritage assets | | | | | |
| Intangible assets | 497 | 2 685 | 2 685 | 497 | 2 685 |
| Trade and other receivables from exchange transactions | | | | | |
| Non-current receivables from non-exchange transactions | – | – | – | – | – |
| Other non-current assets | 0 | 0 | 0 | 0 | 0 |
| **Total non current assets** | **3 415 719** | **4 359 937** | **4 359 937** | **3 455 899** | **4 359 937** |
| **TOTAL ASSETS** | **3 717 564** | **4 648 333** | **4 648 333** | **3 970 518** | **4 648 333** |
| **LIABILITIES** | | | | | |
| **Current liabilities** | | | | | |
| Bank overdraft | | | | | |
| Financial liabilities | 9 806 | 8 006 | 8 006 | 8 806 | 8 006 |
| Consumer deposits | 3 525 | 4 010 | 4 010 | 3 526 | 4 010 |
| Trade and other payables from exchange transactions | 84 639 | (921 958) | (921 958) | (86 523) | (921 958) |
| Trade and other payables from non-exchange transactions | (3 162) | 1 483 | 1 483 | 73 393 | 1 483 |
| Provision | 19 469 | 16 527 | 16 527 | 19 469 | 16 527 |
| VAT Payable | 42 553 | 42 126 | 42 126 | 44 797 | 42 126 |
| Other current liabilities | – | – | – | – | – |
| **Total current liabilities** | **156 829** | **(849 805)** | **(849 805)** | **63 467** | **(849 805)** |
| **Non current liabilities** | | | | | |
| Financial liabilities | (0) | – | – | (0) | – |
| Provision | (783) | – | – | – | – |
| Long term portion of trade payables | | | | | |
| Other non-current liabilities | 45 560 | – | – | 44 777 | – |
| **Total non current liabilities** | **44 777** | **–** | **–** | **44 777** | **–** |
| **TOTAL LIABILITIES** | **201 606** | **(849 805)** | **(849 805)** | **108 244** | **(849 805)** |
| **NET ASSETS** | **3 515 958** | **5 498 138** | **5 498 138** | **3 862 274** | **5 498 138** |
| **COMMUNITY WEALTH/EQUITY** | | | | | |
| Accumulated surplus/(deficit) | 3 515 958 | 5 498 138 | 5 498 138 | 3 862 274 | 5 498 138 |
| Reserves and funds | | | | | |
| Other | – | – | – | – | – |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3 515 958** | **5 498 138** | **5 498 138** | **3 862 274** | **5 498 138** |

## Table C7 below display the Cash Flow Statement for the period ending 31 August 2026.

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Property rates | 11 | – | – | – | – | – | – | | – |
| Service charges | 77 226 | 85 526 | 85 526 | 6 516 | 13 799 | 14 254 | (455) | -3% | 85 526 |
| Other revenue | 1 841 831 | 96 966 | 96 966 | 68 008 | 494 820 | 16 161 | 478 659 | 2962% | 96 966 |
| Transfers and Subsidies - Operational | 528 441 | 584 089 | 584 089 | 2 966 | 231 584 | 97 348 | 134 236 | 138% | 584 089 |
| Transfers and Subsidies - Capital | 339 006 | 328 867 | 328 867 | – | 118 645 | 54 811 | 63 834 | 116% | 328 867 |
| Interest | 23 772 | 27 572 | 27 572 | 2 637 | 4 003 | 4 595 | (593) | -13% | 27 572 |
| Dividends | | | | | | | – | | |
| Payments | | | | | | | | | |
| Suppliers and employees | (1 054 229) | (747 931) | (747 931) | (76 630) | (162 210) | (124 655) | 37 554 | -30% | (747 931) |
| Finance charges | – | (56) | (56) | – | – | (9) | (9) | 100% | (56) |
| Transfers and Subsidies | | | | | | | – | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 1 756 059 | 375 033 | 375 033 | 3 498 | 700 642 | 62 506 | (638 136) | -1021% | 375 033 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Proceeds on disposal of PPE | 474 | – | – | – | – | – | – | | – |
| Decrease (increase) in non-current receivables | – | – | – | – | – | – | – | | – |
| Decrease (increase) in non-current investments | | | | | | | – | | |
| Insurance Refund - Capital | | | | | | | – | | |
| Interest on Short Term Investment (Greater then 90 days) and Long Term Investments | | | | | | | – | | |
| Payments | | | | | | | | | |
| Capital assets | (367 872) | (369 371) | (369 371) | (24 386) | (40 180) | (61 562) | (21 382) | 35% | (369 371) |
| Retention (Capital) | | | | | | | – | | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | (367 399) | (369 371) | (369 371) | (24 386) | (40 180) | (61 562) | (21 382) | 35% | (369 371) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Short term loans | | | | | | | – | | |
| Borrowing long term/refinancing | | | | | | | – | | |
| Increase (decrease) in consumer deposits | 27 | 569 | 569 | 1 | 0 | 95 | (95) | -100% | 569 |
| Payments | | | | | | | | | |
| Repayment of borrowing | (3 000) | (2 400) | (2 400) | – | (1 000) | (400) | 600 | -150% | (2 400) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | (2 973) | (1 831) | (1 831) | 1 | (1 000) | (305) | 695 | -228% | (1 831) |
| NET INCREASE/ (DECREASE) IN CASH HELD | 1 385 687 | 3 832 | 3 832 | (20 887) | 659 462 | 639 | | | 3 832 |
| Cash/cash equivalents at beginning: | 261 670 | 238 897 | 238 897 | 919 246 | 238 897 | 238 897 | | | 238 897 |
| Cash/cash equivalents at month/year end: | 1 647 357 | 242 729 | 242 729 | 898 359 | 898 359 | 239 536 | | | 242 729 |

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 August 2026.

#### Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Harry Gwala - Supporting Table SC2 Monthly Budget Statement - aged debtors - M02 August

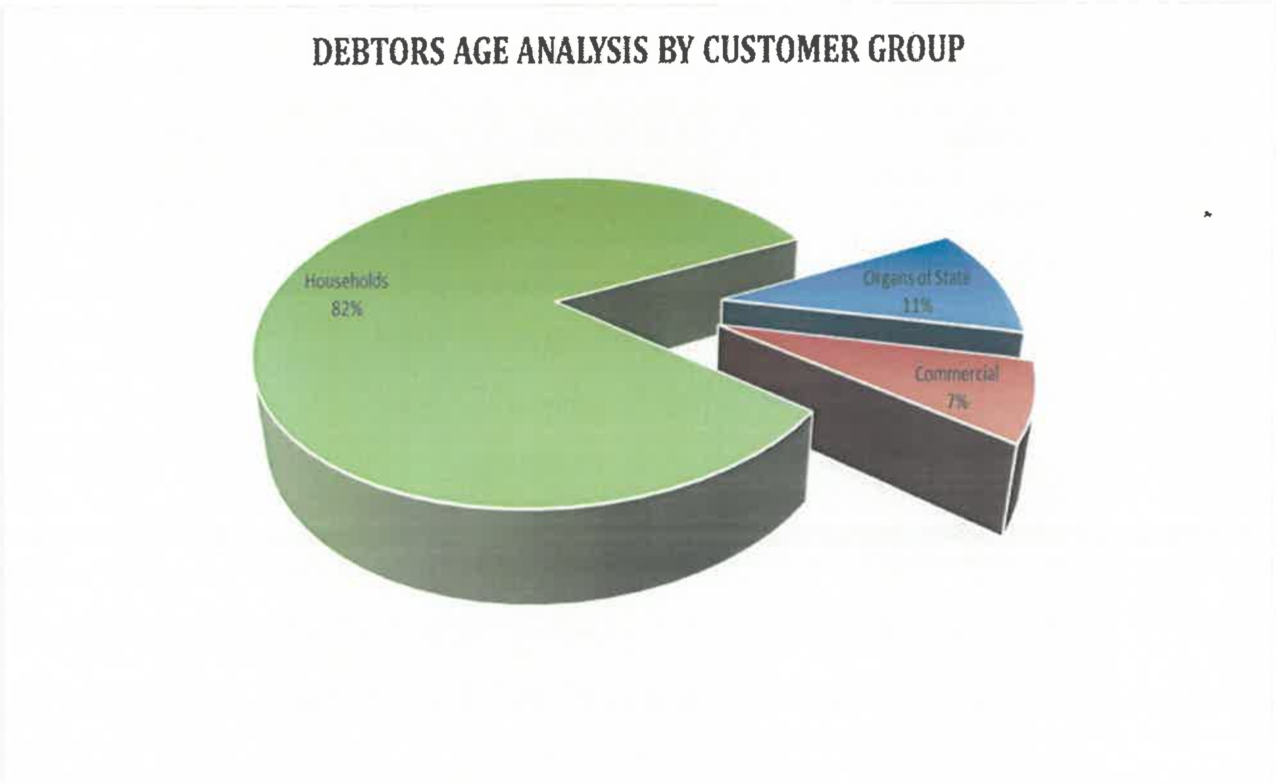
| Description | Budget Year 2026/27 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days |
| **Debtors Age Analysis By Income Source** | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 5 119 | 2 486 | 1 948 | 1 841 | 1 495 | 1 484 | 8 818 | 122 162 | 145 353 | 135 800 |
| Trade and Other Receivables from Exchange Transactions - Electricity | | | | | | | | | – | – |
| Receivables from Non-exchange Transactions - Property Rates | | | | | | | | | – | – |
| Receivables from Exchange Transactions - Waste Water Management | 2 000 | 971 | 761 | 719 | 584 | 580 | 3 445 | 47 724 | 56 784 | 53 052 |
| Receivables from Exchange Transactions - Waste Management | | | | | | | | | – | – |
| Receivables from Exchange Transactions - Property Rental Debtors | | | | | | | | | – | – |
| Interest on Arrear Debtor Accounts | 856 | 416 | 326 | 308 | 250 | 248 | 1 474 | 20 420 | 24 297 | 22 700 |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | | | | | | | | | – | – |
| Other | | | | | | | | | – | – |
| **Total By Income Source** | **7 974** | **3 872** | **3 035** | **2 868** | **2 329** | **2 312** | **13 737** | **190 306** | **226 433** | **211 552** |
| **2025/26 - totals only** | 92099786 1/4 | 52713465 3/4 | 36635927 4/9 | 32932833 1/2 | 30853406 1/4 | 30017644 1/4 | 449310794 3/5 | 2024908591 4/5 | 2 749 472 | **2 568 023** |
| **Debtors Age Analysis By Customer Group** | | | | | | | | | | |
| Organs of State | 5 389 | 1 696 | 1 058 | 1 162 | 625 | 313 | 2 072 | 8 344 | 20 658 | 12 515 |
| Commercial | 845 | 506 | 344 | 195 | 184 | 429 | 916 | 12 697 | 16 115 | 14 420 |
| Households | 1 740 | 1 670 | 1 633 | 1 511 | 1 520 | 1 570 | 10 750 | 169 266 | 189 659 | 184 616 |
| Other | | | | | | | | | – | – |
| **Total By Customer Group** | **7 974** | **3 872** | **3 035** | **2 868** | **2 329** | **2 312** | **13 737** | **190 306** | **226 433** | **211 552** |

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

## Chart 2: Debtors Age Analysis by Customer Group

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

- ✓ Households: 82%
- ✓ Government 11%
- ✓ Business 7%




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

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

## Revenue receipts per Area

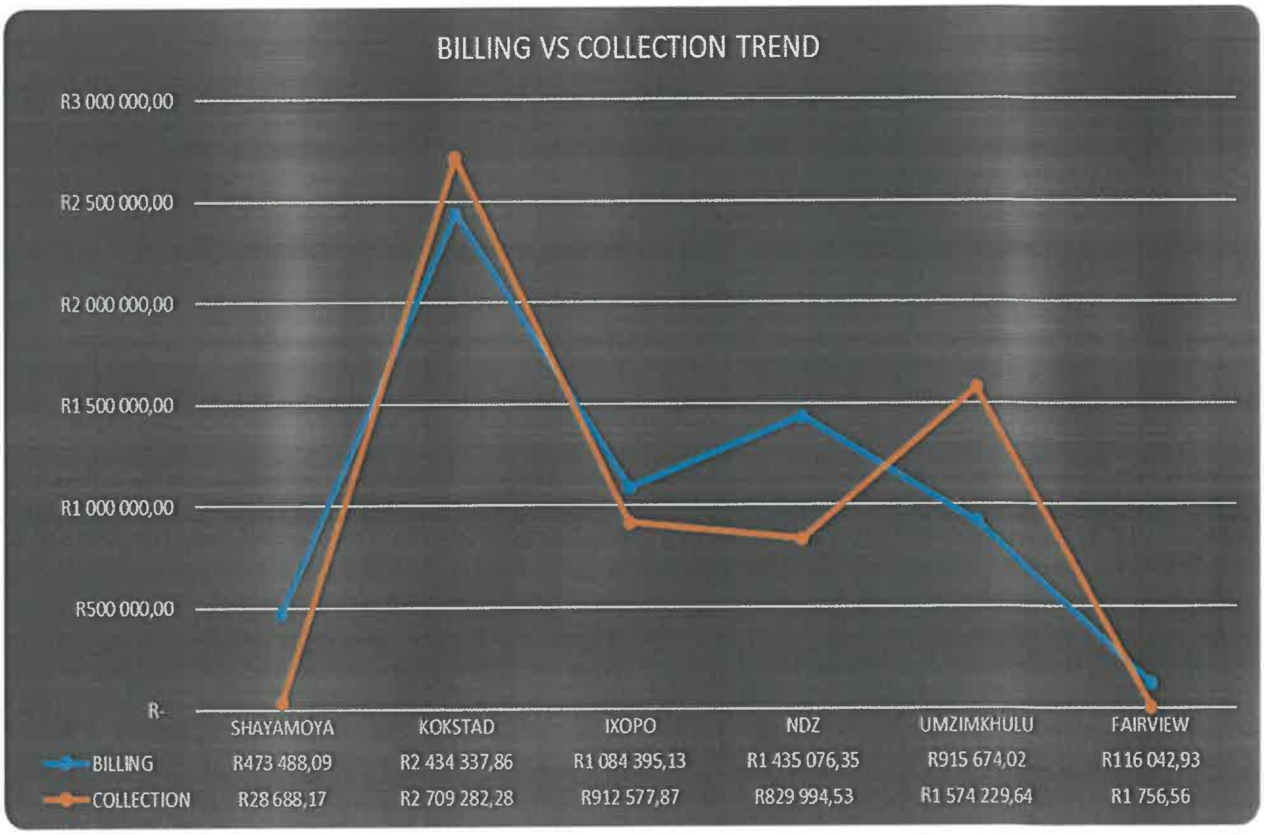
| AREA | AMOUNT | AUGUST 2026 | JULY 2026 |
|---|---|---|---|
| Unallocated receipts | R 89 145 | 1% | 0% |
| Bhongweni | R 1 200 | 0% | 0% |
| Shayamoya | R 28 688 | 1% | 1% |
| Kokstad | R 2 709 282 | 44% | 35% |
| Ixopo | R 912 578 | 15% | 14% |
| NDZ | R 829 995 | 14% | 15% |
| Umzimkulu | R 1 574 230 | 26% | 35% |
| Fairview | R 1 757 | 0% | 0% |
| TOTAL RECEIPTS INCL VAT | **R 6 146 874** | 100% | 100% |

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for August 2026 is R6, 1million. The collection for prepaid in the month of August is R 1 527 650. Total cash collected including prepaid for the month ending 31 August 2026 is R 7,674,524

**BILLING VS COLLECTION**

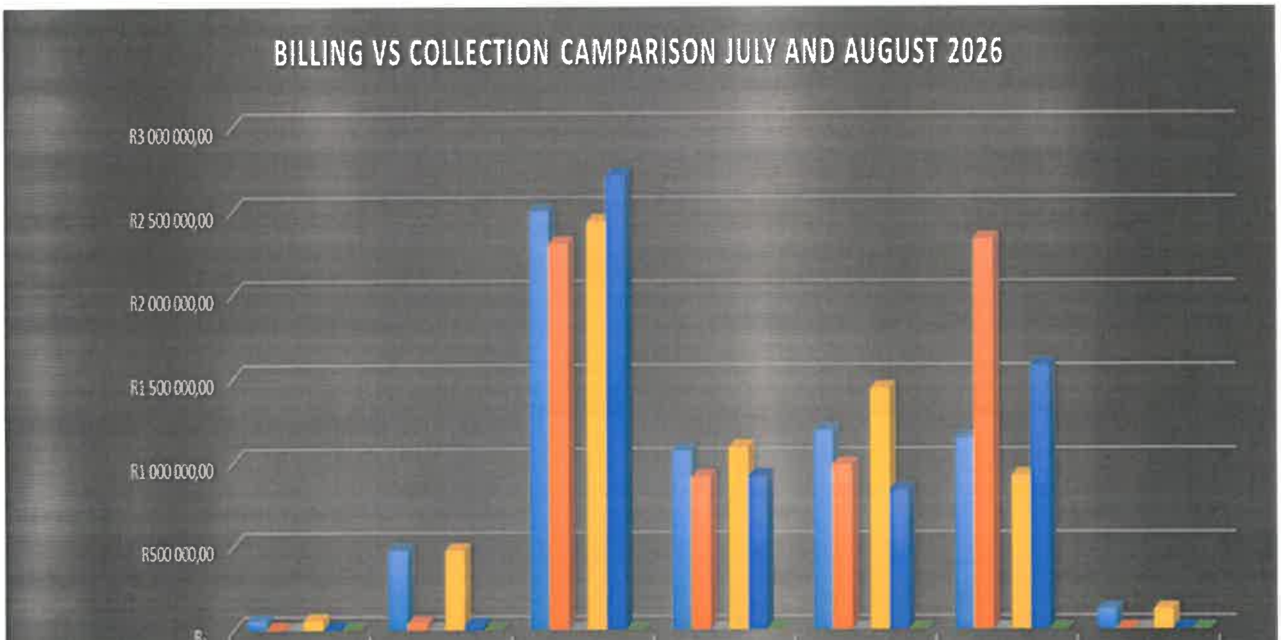
Billing vs Collection trend for August 2026

The chart that follows below shows the comparison between billing and collection trend for the period ending 31 August 2026.



## BILLING VS COLLECTION (COMPARISON BETWEEN JULY AND AUGUST 2026)

The chart that follows below shows the comparison between billing and collection for the period ending 31 August 2026




| | BHONGWENI | SHAYAMOYA | KOKSTAD | IXOPO | NDZ | UMZIMKHULU | FAIRVIEW |
|---|---|---|---|---|---|---|---|
| JULY 2026 BILLING | R54 598,43 | R473 390,25 | R2 495 931,95 | R1 067 693,62 | R1 185 138,16 | R1 140 029,37 | R116 042,93 |
| JULY 2026 COLLECTION | R1 400,00 | R39 235,75 | R2 300 918,24 | R906 294,70 | R979 684,57 | R2 325 836,57 | R550,00 |
| % | 0% | 8% | 92% | 85% | 83% | 204% | 0% |
| AUGUST 2026 BILLING | R54 598,43 | R473 488,09 | R2 434 337,86 | R1 084 395,13 | R1 435 076,35 | R915 674,02 | R116 042,93 |
| AUGUST 2026 COLLECTION | R1 200,00 | R28 688,17 | R2 709 282,28 | R912 577,87 | R829 994,53 | R1 574 229,64 | R1 756,56 |
| % | 0% | 6% | 111% | 84% | 58% | 172% | 2% |

## Debtors age analysis per service

The municipality's total outstanding debtors amounted to R 226,432,957 as at 31 August 2026 compared with the R 229,020,364 as at 31 July 2026. Current debt represents 2% of the total outstanding debt compared with the 3% of July 2026; 30 days and older debt 1% compared with the 2% for July 2026; 60 days and older debt 1% compared with the 1% of July 2026; and 90 days 1% compared with the 1% of July 2026; 120 days to History and older 92% compared with the 92% for August 2026.

Current debt decreased with R 2,587,406 to R 226,432,957 in the month ending 31 August compared with the R 229,020,364 as at 31 July 2026; 30 days + debt decreased with R 209,027; 60 days + decreased with R 96,811; 90 days + debt decreased with R 438,172 and 120 + days and older debt as at 31 August 2026 has decreased with R 3,077,241 to R 208,683,789 compared with the R 211,761,030 for July 2026.

## Debtors age analysis per debtor type

Business debtors owes the municipality R 15,331,713 (7%); Municipal debtors R 983,506 (0%); domestic debtors R 169,933,971 (75%); Government accounts R 19,459,612 (9%); Indigent debtors R 13,640,451 (5%); Deceased R 1,522,784 (1%) and other debtors R 5,560,920 (2%) of the total outstanding debt of R 226,432,957.

## 2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 August 2026

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

| Description | Budget Year 2026/27 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total |
| **Creditors Age Analysis By Customer Type** | | | | | | | | | |
| Bulk Electricity | | | | | | | | | – |
| Bulk Water | | | | | | | | | – |
| PAYE deductions | | | | | | | | | – |
| VAT (output less input) | | | | | | | | | – |
| Pensions / Retirement deductions | | | | | | | | | – |
| Loan repayments | | | | | | | | | – |
| Trade Creditors | 5 683 | – | – | – | – | – | – | – | 5 683 |
| Auditor General | | | | | | | | | – |
| Other | | | | | | | | | – |
| Medical Aid deductions | | | | | | | | | – |
| **Total By Customer Type** | **5 683** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **5 683** |

## 2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short-term investments balances broken down per investment type as at 31 August 2026.

## Cash and Bank Balances (Investments)

## Monthly budget statement- Investment Portfolio

CASH AND INVESTMENT REGISTER AS AT 31 AUGUST 2026

| Investments by maturity<br>Name of institution & investment ID | Period of Investment | Type of Investment | Variable or Fixed interest rate | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|
| R thousands | Yrs/Months | | | | | | | |
| Municipality | | | | | | | | |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 130 293 | 521 | (14 757) | – | **116 057** |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 61 691 | 130 | (20 797) | – | **41 025** |
| FIRST NATIONAL BANK | M | ADMIN CALL | Fixed | 47 679 | 258 | (20 491) | – | **27 446** |
| FIRST NATIONAL BANK | M | FIXED DEPOSIT | Fixed | 37 885 | 127 | (1 899) | – | **36 113** |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 2 | – | – | – | **2** |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 127 823 | 563 | (2 937) | – | **125 450** |
| FIRST NATIONAL BANK | M | CALL ACCOUNT | Fixed | 7 | 0 | – | – | **7** |
| FIRST NATIONAL BANK | M | FIXED DEPOSIT | Fixed | 4 | – | – | – | **4** |
| FNB BANK | M | FIXED DEPOSIT | Fixed | 57 964 | – | – | – | **57 964** |
| STANDARD BANK | M | FIXED DEPOSIT | Fixed | 62 175 | 803 | – | – | **62 977** |
| FIRST NATIONAL BANK | M | FIXED DEPOSIT | Fixed | 3 871 | | | 4 144 | **8 014** |
| **Municipality sub-total** | | | | **529 395** | **2 402** | **(60 881)** | **–** | **475 060** |
| **TOTAL INVESTMENTS AND INTEREST** | | | | **529 395** | **2 402** | **(60 881)** | **–** | **475 060** |

## 2.4 Allocation and Grant receipts and Expenditure

Table SC 18 displays information relating to grant receipts.

**DC43 Harry Gwala - Supporting Schedule SC18 Monthly Budget Statement - Transfers and Grant Receipts - M02 August**

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **RECEIPTS** | | | | | | | | | |
| **Operating** | | | | | | | | | |
| **National Government** | | | | | | | | | |
| **Monetary Allocations** | | | | | | | 137 279 | #DIV/0! | |
| *Equitable Share* | 520 871 | 548 684 | 548 684 | – | 228 618 | 91 447 | 137 171 | 150,0% | 548 684 |
| *Energy Efficiency and Demand Side Management Grant* | – | – | – | – | – | – | – | | – |
| | | | | | | | – | | |
| *Expanded Public Works Programme Integrated Grant* | 3 660 | 3 007 | 3 007 | 752 | 752 | 501 | 251 | 50,1% | 3 007 |
| *Integrated National Electrification Programme Grant* | – | – | – | – | – | – | – | | – |
| *Local Government Financial Management Grant* | 1 300 | 1 400 | 1 400 | 91 | 91 | 233 | (142) | -61,0% | 1 400 |
| *Municipal Disaster Relief Grant* | – | – | – | – | – | – | – | | – |
| *Municipal Infrastructure Grant* | 27 274 | 28 283 | 28 283 | 3 655 | 4 502 | 4 714 | 136 162 | 2888,6% | 28 283 |
| *Rural Road Asset Management Systems Grant* | 2 610 | 2 715 | 2 715 | – | – | 453 | (453) | -100,0% | 2 715 |
| *Water Services Infrastructure Grant* | – | – | – | – | – | – | – | | – |
| | | | | | | | – | | |
| | | | | | | | – | | |
| **Total Monetary Allocations** | 555 715 | 584 089 | 584 089 | 4 498 | 233 963 | 97 348 | 136 615 | 140,3% | 584 089 |
| **Total Operating/National Government** | 555 715 | 584 089 | 584 089 | 4 498 | 233 963 | 97 348 | 136 615 | 140,3% | 584 089 |
| **Provincial Government** | | | | | | | – | | |
| **Monetary Allocations** | | | | | | | – | | |
| *Capacity Building and Other Grants* | – | – | – | – | – | – | – | | – |
| | | | | | | | – | | |
| **Total Monetary Allocations** | - | - | - | - | - | - | – | | - |
| **Total Operating/Provincial Government** | - | - | - | - | - | - | 410 056 | #DIV/0! | - |
| **District Municipalities** | | | | | | | | | |
| **Monetary Allocations** | | | | | | | | | |
| *Specify (Add grant description)* | – | 25 000 | 25 000 | – | – | 4 167 | (4 167) | -100,0% | 25 000 |
| | | | | | | | – | | |
| **Total Monetary Allocations** | - | 25 000 | 25 000 | - | - | 4 167 | (4 167) | -100,0% | 25 000 |
| **Allocations In-kind** | | | | | | | – | | |
| *Other transfers/grants [insert description]* | | | | | | | – | | |
| | | | | | | | – | | |
| **Total Allocations In-kind** | - | - | - | - | - | - | – | | - |
| **Total Operating/District Municipalities** | - | 25 000 | 25 000 | - | - | 4 167 | (4 167) | -100,0% | 25 000 |
| | | | | | | | – | | |
| **Total Monetary Allocations** | - | - | - | - | - | - | – | | - |
| **Allocations In-kind** | | | | | | | (8 333) | #DIV/0! | |
| *[insert description]* | | | | | | | | | |
| **Total Allocations In-kind** | - | - | - | - | - | - | 401 723 | #DIV/0! | - |
| **Total Operating/Other Grant Providers** | - | - | - | - | - | - | | | - |
| **Total Operating** | 555 715 | 609 089 | 609 089 | 4 498 | 233 963 | 101 515 | | | 609 089 |
| **Capital** | | | | | | | | | |
| **National Government** | | | | | | | | | |
| **Monetary Allocations** | | | | | | | | | |
| *Integrated National Electrification Programme Grant* | – | – | – | – | – | – | | | – |
| *Municipal Infrastructure Grant* | 211 732 | 213 867 | 213 867 | 18 481 | 28 261 | 35 644 | | | 213 867 |
| *Neighbourhood Development Partnership Grant* | – | – | – | – | – | – | | | – |
| *Regional Bulk Infrastructure Grant* | – | – | – | – | – | – | | | – |
| *Rural Road Asset Management Systems Grant* | – | – | – | – | – | – | | | – |
| *Water Services Infrastructure Grant* | 100 000 | 115 000 | 115 000 | 4 040 | 11 450 | 19 167 | | | 115 000 |
| **Total Monetary Allocations** | 311 732 | 328 867 | 328 867 | 22 521 | 39 711 | 54 811 | | | 328 867 |
| **Total Capital/National Government** | 311 732 | 328 867 | 328 867 | 22 521 | 39 711 | 54 811 | | | 328 867 |
| **Provincial Government** | | | | | | | | | |
| **Monetary Allocations** | | | | | | | | | |
| *Infrastructure Grant* | – | – | – | – | – | – | | | – |
| **Total Monetary Allocations** | - | - | - | - | - | - | | | - |
| **Allocations In-kind** | | | | | | | | | |
| *[insert description]* | | | | | | | | | |
| **Total Allocations In-kind** | - | - | - | - | - | - | | | - |
| **Total Capital/Other Grant Providers** | - | - | - | - | - | - | | | - |
| **Total Capital** | 311 732 | 328 867 | 328 867 | 22 521 | 39 711 | 54 811 | | | 328 867 |
| **TOTAL RECEIPTS OF TRANSFERS AND GRANTS** | 867 447 | 937 956 | 937 956 | 27 019 | 273 674 | 156 326 | | | 937 956 |

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

Table SC19 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - M02 August

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **EXPENDITURE** | | | | | | | | | |
| Operating | | | | | | | | | |
| National Government | | | | | | | | | |
| Monetary Allocations | | | | | | | | | |
| *Local Government Equitable Share* | 636 059 | 677 753 | 677 753 | 51 997 | 83 700 | 112 959 | (29 260) | -25,9% | 677 753 |
| *Energy Efficiency and Demand Side Management Grant* | – | – | – | – | – | – | – | | – |
| | | | | | | | – | | |
| *Expanded Public Works Programme Integrated Grant* | 3 895 | 10 113 | 10 113 | 975 | 1 942 | 1 685 | 256 | 15,2% | 10 113 |
| *Local Government Financial Management Grant* | 1 243 | 1 400 | 1 400 | – | 91 | 233 | (142) | -61,0% | 1 400 |
| *Municipal Disaster Relief Grant* | – | – | – | – | – | – | – | | – |
| *Municipal Infrastructure Grant* | 6 593 | 28 283 | 28 283 | 2 527 | 4 040 | 4 714 | (674) | -14,3% | 28 283 |
| *Rural Road Asset Management Systems Grant* | 2 270 | 2 715 | 2 715 | – | – | 453 | (453) | -100,0% | 2 715 |
| *Water Services Infrastructure Grant* | – | – | – | – | – | – | – | | – |
| | | | | | | | – | | |
| | | | | | | | – | | |
| | | | | | | | 0,0% | | |
| Total Monetary Allocations | 650 060 | 720 264 | 720 264 | 55 498 | 89 772 | 120 045 | (30 273) | -25,2% | 720 264 |
| Total National Government | 650 060 | 720 264 | 720 264 | 55 498 | 89 772 | 120 045 | (30 273) | -25,2% | 720 264 |
| Provincial Government | | | | | | | – | | |
| Monetary Allocations | | | | | | | – | | |
| *Capacity Building and Other Grants* | – | 237 | 237 | – | – | 40 | (40) | -100,0% | 237 |
| | | | | | | | – | | |
| Total Monetary Allocations | - | 237 | 237 | - | - | 40 | (40) | -100,0% | 237 |
| Total Provincial Government | - | 237 | 237 | - | - | 40 | (40) | -100,0% | 237 |
| District Municipalities | | | | | | | | | |
| Monetary Allocations | | | | | | | | | |
| *Specify (Add grant description)* | – | 15 812 | 15 812 | – | – | 2 635 | (2 635) | -100,0% | 15 812 |
| | | | | | | | – | | |
| Total Monetary Allocations | - | 15 812 | 15 812 | - | - | 2 635 | (2 635) | -100,0% | 15 812 |
| Allocations In-kind | | | | | | | – | | |
| *Other transfers/grants [insert description]* | | | | | | | – | | |
| | | | | | | | – | | |
| Total Allocations In-kind | - | - | - | - | - | - | - | | - |
| Total Operating/District Municipalities | - | 15 812 | 15 812 | - | - | 2 635 | (2 635) | -100,0% | 15 812 |
| **Total operating expenditure of Transfers and Grants** | 650 060 | 736 313 | 736 313 | 55 498 | 89 772 | 122 719 | (32 947) | (0) | 736 313 |
| Capital | | | | | | | | | |
| National Government | | | | | | | | | |
| Monetary Allocations | | | | | | | | | |
| *Local Government Financial Management Grant* | 40 | – | – | – | – | – | – | | – |
| *Municipal Infrastructure Grant* | 202 517 | 185 971 | 185 971 | 16 216 | 24 720 | 30 995 | (6 275) | -20,2% | 185 971 |
| *Regional Bulk Infrastructure Grant* | – | – | – | – | – | – | – | | – |
| *Water Services Infrastructure Grant* | 94 233 | 100 000 | 100 000 | 2 892 | 10 049 | 16 667 | (6 617) | -39,7% | 100 000 |
| | | | | | | | – | | |
| | | | | | | | – | | |
| Total Monetary Allocations | 296 790 | 285 971 | 285 971 | 19 108 | 34 770 | 47 662 | (12 892) | | 285 971 |
| Total National Government | 296 790 | 285 971 | 285 971 | 19 108 | 34 770 | 47 662 | (12 892) | | 285 971 |
| **Total capital expenditure of Transfers and Grants** | 296 790 | 285 971 | 285 971 | 19 108 | 34 770 | 47 662 | (12 892) | | 285 971 |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** | 946 850 | 1 022 284 | 1 022 284 | 74 606 | 124 542 | 170 381 | (45 840) | | 1 022 284 |

## 2.5 Councillor and Staff Benefits

DC43 Harry Gwala - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - M02 August

| Summary of Employee and Councillor remuneration<br>R thousands | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| | A | B | C | | | | | | D |
| **Councillors (Political Office Bearers plus Other)** | | | | | | | | | |
| **Allowances and Service Related Benefits** | | | | | | | | | |
| Basic Salary | 5 370 | 5 563 | 5 563 | 463 | 856 | 927 | (71) | -8% | 5 563 |
| Cell phone Allowance | 511 | 567 | 567 | 43 | 83 | 94 | (12) | -12% | 567 |
| Motor Vehicle Allowance | – | – | – | – | – | – | – | | – |
| Office-bearer Allowance | 577 | 590 | 590 | 47 | 75 | 98 | (23) | -24% | 590 |
| Out of pocket Expenses | 9 | 5 | 5 | – | – | 1 | (1) | -100% | 5 |
| Travelling Allowance | 1 449 | 1 638 | 1 638 | 102 | 205 | 273 | (68) | -25% | 1 638 |
| Use of Personal Facilities | | | | | | | – | | |
| **Total Allowances and Service Related Benefits** | **7 917** | **8 363** | **8 363** | **655** | **1 219** | **1 394** | **(174)** | -13% | **8 363** |
| **Social Contributions** | | | | | | | | | |
| Medial Aid Benefits | – | 3 | 3 | – | – | 1 | (1) | -100% | 3 |
| Pension Fund Contributions | 19 | 59 | 59 | – | – | 10 | (10) | -100% | 59 |
| **Total Social Contributions** | **19** | **62** | **62** | **-** | **-** | **10** | **(10)** | -100% | **62** |
| **Total Councillors** | **7 937** | **8 426** | **8 426** | **655** | **1 219** | **1 404** | **(185)** | -13% | **8 426** |
| **% increase** | | | | | | | | | |
| **Senior Managers of the Municipality** | | | | | | | | | |
| **Salaries and Allowances** | | | | | | | | | |
| Basic Salary | 7 750 | 8 141 | 8 141 | 712 | 1 423 | 1 357 | 66 | 5% | 8 141 |
| Bonuses | 69 | 238 | 238 | – | – | 40 | (40) | -100% | 238 |
| **Allowance** | | | | | | | – | | |
| Accommodation, Travel and Incidental | 5 | 33 | 33 | – | – | 5 | (5) | -100% | 33 |
| Cellular and Telephone | 165 | 179 | 179 | 15 | 30 | 30 | 0 | 1% | 179 |
| Housing Benefits | 560 | 572 | 572 | 61 | 122 | 95 | 26 | 28% | 572 |
| Non-pensionable | 402 | 441 | 441 | 37 | 73 | 73 | (0) | -1% | 441 |
| Travel or Motor Vehicle | 1 587 | 1 802 | 1 802 | 137 | 274 | 300 | (27) | -9% | 1 802 |
| Voluntary Work | | | | | | | | | |
| **Total Allowance** | **2 720** | **3 027** | **3 027** | **249** | **499** | **504** | **(6)** | -1% | **3 027** |
| **Service Related Benefits** | | | | | | | | | |
| Acting | – | – | – | – | – | – | – | | – |
| Leave Pay | 93 | 161 | 161 | – | – | 27 | (27) | -100% | 161 |
| **Total Service Related Benefits** | **93** | **161** | **161** | **-** | **-** | **27** | **(27)** | -100% | **161** |
| **Total Salaries and Allowances** | **10 632** | **11 567** | **11 567** | **961** | **1 922** | **1 928** | **(6)** | 0% | **11 567** |
| **Social Contributions** | | | | | | | | | |
| Bargaining Council | – | 0 | 0 | – | – | 0 | (0) | -100% | 0 |
| Group Life Insurance | | | | | | | – | | |
| Medical | 48 | 73 | 73 | 4 | 8 | 12 | (4) | -34% | 73 |
| Pension | – | – | – | – | – | – | – | | – |
| Unemployment Insurance | 0 | 6 | 6 | – | – | 1 | (1) | -100% | 6 |
| **Total Social Contributions** | **48** | **79** | **79** | **4** | **8** | **13** | **(5)** | -39% | **79** |
| Costs Capitalised to PPE | | | | | | | – | | |
| **Sub Total - Senior Managers of Municipality** | **10 680** | **11 646** | **11 646** | **965** | **1 930** | **1 941** | **(11)** | -1% | **11 646** |
| **% increase** | | | | | | | | | |
| **Other Municipal Staff** | | | | | | | | | |
| **Salaries and Allowances** | | | | | | | | | |
| Basic Salary | 171 063 | 185 650 | 185 650 | 15 402 | 30 902 | 30 942 | (40) | 0% | 185 650 |
| Bonuses | – | – | – | – | – | – | – | | – |
| **Allowance** | | | | | | | | | |
| Accommodation, Travel and Incidental | 667 | 1 213 | 1 213 | 78 | 155 | 202 | (47) | -23% | 1 213 |
| Cellular and Telephone | 1 116 | 1 337 | 1 337 | 94 | 189 | 223 | (34) | -15% | 1 337 |
| Housing Benefits | 642 | 696 | 696 | 56 | 113 | 116 | (3) | -3% | 696 |
| Travel or Motor Vehicle | 8 554 | 22 014 | 22 014 | 1 348 | 2 099 | 3 669 | (1 570) | -43% | 22 014 |
| Voluntary Work | | | | | | | – | | |
| **Total Allowance** | **10 979** | **25 260** | **25 260** | **1 576** | **2 555** | **4 210** | **(1 655)** | -39% | **25 260** |
| **Service Related Benefits** | | | | | | | | | |
| Acting | 284 | 548 | 548 | 39 | 78 | 91 | (13) | -15% | 548 |
| Bonus | 12 268 | 14 189 | 14 189 | 1 251 | 2 289 | 2 365 | (76) | -3% | 14 189 |
| Leave Pay | 4 274 | 3 556 | 3 556 | 36 | 405 | 593 | (187) | -32% | 3 556 |
| Lifeguard/Duty Squads | | | | | | | – | | |
| Long Service Award | 1 921 | 1 280 | 1 280 | 133 | 291 | 213 | 77 | 36% | 1 280 |
| Overtime | 28 213 | 26 912 | 26 912 | 2 124 | 4 497 | 4 485 | 12 | 0% | 26 912 |
| Scarcity | | | | | | | – | | |
| Standby Allowance | 5 570 | 6 265 | 6 265 | 479 | 938 | 1 044 | (107) | -10% | 6 265 |
| **Total Service Related Benefits** | **52 531** | **52 750** | **52 750** | **4 062** | **8 497** | **8 792** | **(295)** | -3% | **52 750** |
| **Total Salaries and Allowances** | **234 574** | **263 660** | **263 660** | **21 041** | **41 954** | **43 944** | **(1 989)** | -5% | **263 660** |

# Table SC22 presents the expenditure of councillor and staff benefits at 31 August 2026.

DC43 Harry Gwala - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - M02 August

| Summary of Employee and Councillor remuneration | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| | A | B | C | | | | | | D |
| **Social Contributions** | | | | | | | | | |
| Bargaining Council | 63 | 196 | 196 | 6 | 11 | 33 | (21) | -65% | 196 |
| Group Life Insurance | | | | | | | – | | |
| Medical | 12 035 | 13 217 | 13 217 | 1 104 | 2 182 | 2 203 | (21) | -1% | 13 217 |
| Pension | 24 085 | 27 788 | 27 788 | 2 181 | 4 344 | 4 631 | (287) | -6% | 27 788 |
| Unemployment Insurance | 1 097 | 1 326 | 1 326 | 95 | 190 | 221 | (31) | -14% | 1 326 |
| **Total Social Contributions** | **37 280** | **42 527** | **42 527** | **3 386** | **6 728** | **7 088** | **(360)** | -5% | **42 527** |
| **Post-retirement Benefit** | | | | | | | | | |
| Medical | 3 785 | – | – | – | – | – | – | | – |
| Pension | 715 | – | – | – | – | – | – | | – |
| **Total Post-retirement Benefit** | **4 500** | - | - | - | - | - | - | | - |
| Costs Capitalised to PPE | | | | | | | – | | |
| **Sub Total - Other Municipal Staff** | **276 354** | **306 186** | **306 186** | **24 427** | **48 682** | **51 031** | **(2 349)** | | **306 186** |
| **% increase** | | | | | | | | | |
| **Total Parent Municipality** | **294 971** | **326 258** | **326 258** | **26 047** | **51 832** | **54 377** | **(2 545)** | -5% | **326 258** |
| **Board Members of Entities** | | | | | | | | | |
| **Salaries and Allowances** | | | | | | | | | |
| Basic Salary | – | 332 | 332 | – | – | 55 | (55) | -100% | 332 |
| Bonuses | – | – | – | – | – | – | – | | – |
| **Allowance** | | | | | | | | | |
| **Total Service Related Benefits** | - | - | - | - | - | - | - | | - |
| **Total Salaries and Allowances** | - | **332** | **332** | - | - | **55** | **(55)** | | **332** |
| **Sub Total - Board Members of Entities** | - | **332** | **332** | - | - | **55** | **(55)** | | **332** |
| **% increase** | | | | | | | | | |
| **Senior Managers of Entities** | | | | | | | | | |
| **Salaries and Allowances** | | | | | | | | | |
| Basic Salary | – | 3 571 | 3 571 | – | – | 595 | (595) | -100% | 3 571 |
| Bonuses | – | – | – | – | – | – | – | | – |
| **Total Salaries and Allowances** | - | **3 571** | **3 571** | - | - | 595 | **(595)** | | **3 571** |
| **Sub Total - Senior Managers of Entities** | - | **3 571** | **3 571** | - | - | 595 | **(595)** | | **3 571** |
| **% increase** | | | | | | | | | |
| **Other Staff of Entities** | | | | | | | | | |
| **Salaries and Allowances** | | | | | | | | | |
| Basic Salary | – | 8 364 | 8 364 | – | – | 1 394 | (1 394) | -100% | 8 364 |
| Bonuses | | | | | | | – | | |
| **Service Related Benefits** | | | | | | | | | |
| Acting | – | 180 | 180 | – | – | 30 | (30) | -100% | 180 |
| Bonus | – | – | – | – | – | – | – | | – |
| Leave Pay | 52 | 207 | 207 | – | – | 35 | (35) | -100% | 207 |
| Lifeguard/Duty Squads | | | | | | | – | | |
| Long Term Service Award | | | | | | | – | | |
| **Total Service Related Benefits** | **52** | **387** | **387** | - | - | 65 | **(65)** | | 387 |
| **Total Salaries and Allowances** | **52** | **8 751** | **8 751** | - | - | 1 459 | (1 459) | | 8 751 |
| Pension | – | 1 504 | 1 504 | – | – | 251 | (251) | -100% | 1 504 |
| Unemployment Insurance | – | – | – | – | – | – | – | | – |
| **Total Social Contributions** | - | **1 504** | **1 504** | - | - | 251 | (251) | | 1 504 |
| **Sub Total - Other Staff of Entities** | **52** | **10 256** | **10 256** | - | - | 1 709 | (1 709) | | 10 256 |
| **% increase** | | | | | | | | | |
| **Total Municipal Entities** | 52 | 14 158 | 14 158 | - | - | 2 360 | (2 360) | | 14 158 |
| **TOTAL SALARY, ALLOWANCES & BENEFITS** | 295 023 | 340 416 | 340 416 | 26 047 | 51 832 | 56 736 | (4 905) | | 340 416 |
| **% increase** | | | | | | | | | |
| TOTAL MANAGERS AND STAFF | 287 086 | 331 991 | 331 991 | 25 392 | 50 612 | 55 332 | (4 720) | | 331 991 |

## 2.6 Material Variances to the SDBIP

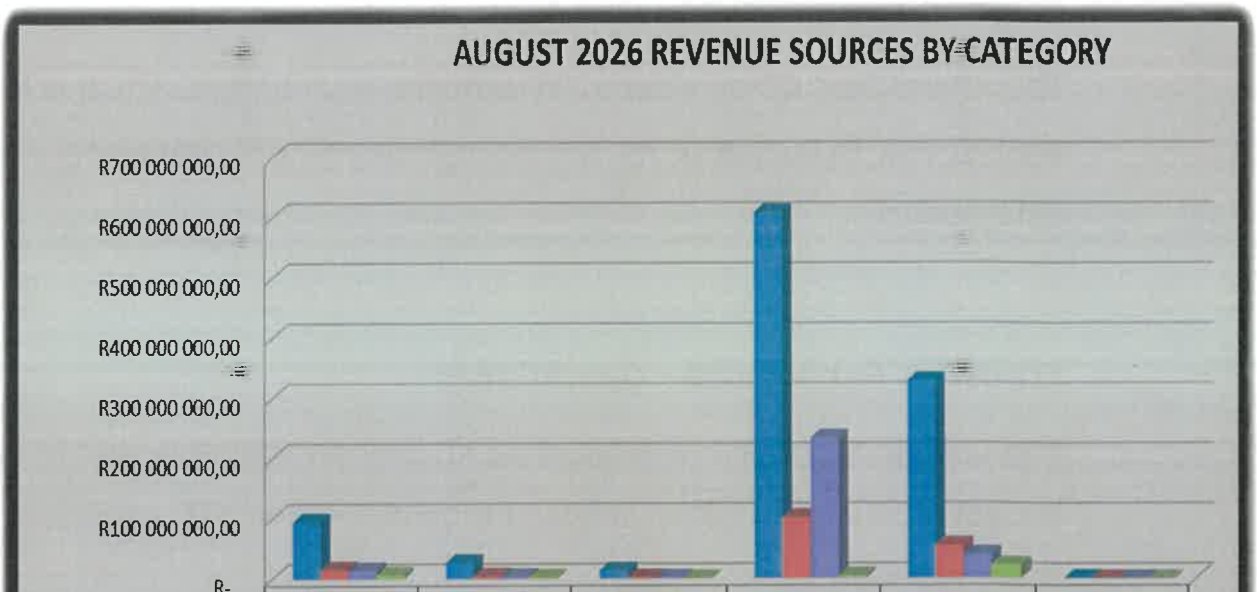
The following section analyses material variances between the actual targets as at 31 August 2026 and the budget for the same period. This report analyses each major component under following headings;

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

**REVENUE**

The chart displays a comparison between the 202627 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to "performance" rather than "cash movements" in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

**Chart 3: Revenue Analysis**




| | Water & Sanitation revenue | Interest earned on investments | Interest earned on outstanding Debtors | Grants & Subsidies - Operational | Grants & Subsidies - Capital | Other revenue |
|---|---|---|---|---|---|---|
| ORIG BUDGET | R95 752 733,00 | R27 658 323,00 | R14 033 132,00 | R609 089 120,00 | R328 866 880,00 | R1 183 257,00 |
| YTD BUDGET | R15 958 788,83 | R4 609 720,50 | R2 338 855,33 | R101 514 853,33 | R54 811 146,67 | R197 209,50 |
| YTD REC/ACCRUED | R14 554 162,20 | R4 002 509,38 | R1 961 487,73 | R233 962 970,69 | R39 710 565,53 | R113 089,03 |
| AUGUST 2026 | R7 187 151,82 | R2 637 296,25 | R909 521,95 | R4 498 499,27 | R22 520 856,56 | R29 514,79 |

## Water & Sanitation Charges

The year to date **actual** water & sanitation charges **(billing)** as at 31 August 2026 was R14, 5million against a year to date **budget** of R15, 9million which is 91 per cent of year to date budget.

## Interest Earned on External Investments

The interest earned on external investments year to date actual is R4m against year to budget of R4, 6m representing 87 per cent of the year to date budget.

## Transfers Recognised - Operational

The operational grants revenue of R233, 9million against a year to date budget of R101, 5million is largely attributable to the YTD equitable share received.

## Transfers Recognised – Capital

The total year to date actual on capital budget for the current year amounts to R39, 7million against year to date budget on capital amounts to R54, 8million, or 72% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

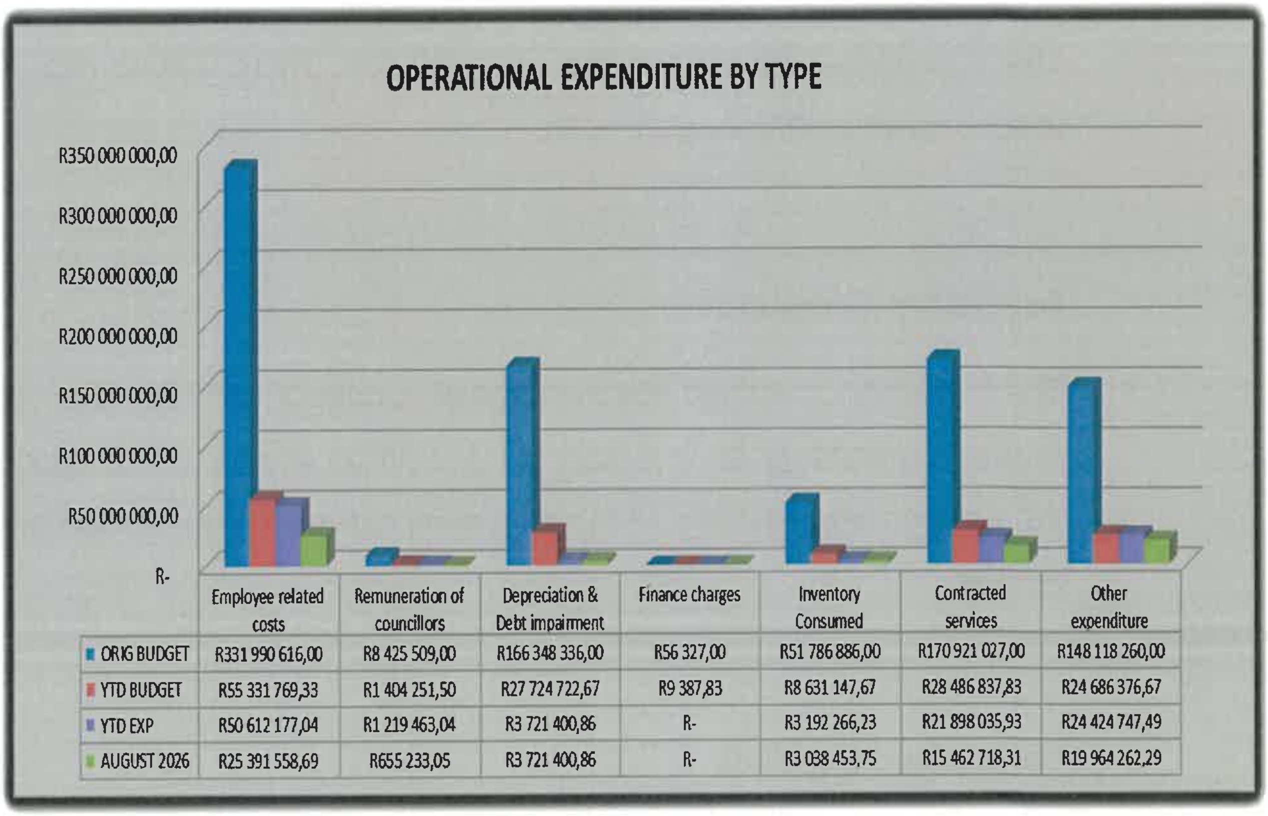
## Other Revenue

The YTD performance of other revenue is R 113 089 against YTD budget of R 197 210 which is made up of tender documents and clearance certificates.

## OPERATIONAL EXPENDITURE

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

### Chart 4: 2026/27 financial year Opex




| | Employee related costs | Remuneration of councillors | Depreciation & Debt impairment | Finance charges | Inventory Consumed | Contracted services | Other expenditure |
|---|---|---|---|---|---|---|---|
| ORIG BUDGET | R331 990 616,00 | R8 425 509,00 | R166 348 336,00 | R56 327,00 | R51 786 886,00 | R170 921 027,00 | R148 118 260,00 |
| YTD BUDGET | R55 331 769,33 | R1 404 251,50 | R27 724 722,67 | R9 387,83 | R8 631 147,67 | R28 486 837,83 | R24 686 376,67 |
| YTD EXP | R50 612 177,04 | R1 219 463,04 | R3 721 400,86 | R- | R3 192 266,23 | R21 898 035,93 | R24 424 747,49 |
| AUGUST 2026 | R25 391 558,69 | R655 233,05 | R3 721 400,86 | R- | R3 038 453,75 | R15 462 718,31 | R19 964 262,29 |

### Employee Related Costs

The YTD actual for employee related costs is R50, 6million against a YTD budget of R 55, 3million which is 91% of the YTD budget.

## Remuneration of Councillors

The remuneration of councillor's year to date expenditure is at R1, 2million against a YTD budget of R1, 4million representing 87% of the year to date budget.

## Finance Charges

The YTD budget for finance charges is R9 388. There was no movement in the month ending August 2026.

## Inventory Consumed

The inventory consumed has the original budget of R51, 7m. The year to date expenditure for inventory is R3, 1million against a YTD budget of R8, 6million representing 37 per cent expenditure of the year to date budget.

## Contracted Services

The original budget for contracted services is R 170, 9milllion. The year to date expenditure for Contracted Services is R21,8million against a YTD budget of R28, 4million representing 77 per cent of planned expenditure.

## Other Expenditure

The YTD budget for operational costs was at R24, 6milllion against a YTD expenditure of R 24, 4million or 99 per cent of the planned expenditure.

## Performance assessment

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

## Actual and revised targets for cash receipts

## DC43 Harry Gwala - Supporting Table SC30 Monthly Budget Statement - Actuals Monthly Cashflows (All) - M02 August

| Description | Budget Year 2026/27 | | | | | | | | | | | | 2026/27 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | July Outcome | August Outcome | Sept Budget | October Budget | Nov Budget | Dec Budget | January Budget | Feb Budget | March Budget | April Budget | May Budget | June Budget | Budget Year 2026/27 | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
| **Cash Receipts By Source** | | | | | | | | | | | | | | | |
| Property rates | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Service charges - Electricity revenue | | | | | | | | | | | | | | | |
| Service charges - Water revenue | 6 245 | 5 695 | 6 030 | 6 030 | 6 030 | 6 030 | 6 030 | 6 030 | 6 030 | 6 030 | 6 030 | 6 030 | 72 365 | 77 408 | 82 823 |
| Service charges - Waste Water Management | 1 038 | 822 | 1 097 | 1 097 | 1 097 | 1 097 | 1 097 | 1 097 | 1 097 | 1 097 | 1 097 | 1 097 | 13 161 | 13 972 | 14 834 |
| Rental of facilities and equipment | | | | | | | | | | | | | | | |
| Interest earned - external investments | 1 365 | 2 637 | 2 298 | 2 298 | 2 298 | 2 298 | 2 298 | 2 298 | 2 298 | 2 298 | 2 298 | 2 298 | 27 572 | 29 185 | 30 889 |
| Interest earned - outstanding debtors | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Dividends received | | | | | | | | | | | | | | | |
| Fines, penalties and forfeits | – | – | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 29 | 354 | 368 | 383 |
| Licences and permits | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Agency services | | | | | | | | | | | | | | | |
| Transfers and Subsidies - Operational | 228 618 | 2 966 | 48 674 | 48 674 | 48 674 | 48 674 | 48 674 | 48 674 | 48 674 | 48 674 | 48 674 | 48 674 | 584 089 | 613 842 | 620 931 |
| Other revenue | 418 596 | 62 150 | (1 631) | (1 631) | (1 631) | (1 631) | (1 631) | (1 631) | (1 631) | (1 631) | (1 631) | (1 631) | (19 577) | (25 445) | (31 737) |
| **Cash Receipts by Source** | **655 863** | **74 269** | **56 497** | **56 497** | **56 497** | **56 497** | **56 497** | **56 497** | **56 497** | **56 497** | **56 497** | **56 497** | **677 963** | **709 330** | **718 122** |
| **Other Cash Flows by Source** | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 118 645 | – | 27 406 | 27 406 | 27 406 | 27 406 | 27 406 | 27 406 | 27 406 | 27 406 | 27 406 | 27 406 | 328 867 | 389 426 | 382 731 |
| Proceeds on Disposal of Fixed and Intangible Assets | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Increase (decrease) in consumer deposits | (1) | 1 | 47 | 47 | 47 | 47 | 47 | 47 | 47 | 47 | 47 | 47 | 569 | 569 | 569 |
| VAT Control (receipts) | 8 215 | 5 859 | 9 682 | 9 682 | 9 682 | 9 682 | 9 682 | 9 682 | 9 682 | 9 682 | 9 682 | 9 682 | 116 190 | 122 127 | 134 235 |
| Decrease (increase) in non-current receivables | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Cash Receipts by Source** | **782 722** | **80 129** | **93 632** | **93 632** | **93 632** | **93 632** | **93 632** | **93 632** | **93 632** | **93 632** | **93 632** | **93 632** | **1 123 589** | **1 221 453** | **1 235 659** |
| **Cash Payments by Type** | | | | | | | | | | | | – | | | |
| Employee related costs | 26 296 | 14 514 | 27 666 | 27 666 | 27 666 | 27 666 | 27 666 | 27 666 | 27 666 | 27 666 | 27 666 | 27 666 | 331 990 | 347 554 | 363 837 |
| Remuneration of councillors | 306 | 357 | 702 | 702 | 702 | 702 | 702 | 702 | 702 | 702 | 702 | 702 | 8 425 | 8 763 | 9 113 |
| Finance Charges | – | – | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 56 | 58 | 61 |
| Bulk purchases - Electricity | | | | | | | | | | | | | | | |
| Acquisitions - water & other inventory | – | – | 2 836 | 2 836 | 2 836 | 2 836 | 2 836 | 2 836 | 2 836 | 2 836 | 2 836 | 2 836 | 34 031 | 35 154 | 36 279 |
| Contracted services | – | – | 11 219 | 11 219 | 11 219 | 11 219 | 11 219 | 11 219 | 11 219 | 11 219 | 11 219 | 11 219 | 134 622 | 114 142 | 115 273 |
| Other expenditure | 58 977 | 61 759 | 19 905 | 19 905 | 19 905 | 19 905 | 19 905 | 19 905 | 19 905 | 19 905 | 19 905 | 19 905 | 238 861 | 255 833 | 265 084 |
| **Cash Payments by Type** | **85 579** | **76 630** | **62 332** | **62 332** | **62 332** | **62 332** | **62 332** | **62 332** | **62 332** | **62 332** | **62 332** | **62 332** | **747 987** | **761 505** | **789 647** |
| **Other Cash Flows/Payments by Type** | | | | | | | | | | | | | | | |
| Capital assets | 15 794 | 24 386 | 30 781 | 30 781 | 30 781 | 30 781 | 30 781 | 30 781 | 30 781 | 30 781 | 30 781 | 30 781 | 369 371 | 431 664 | 431 347 |
| Retention (Capital) | | | | | | | | | | | | | | | |
| Repayment of borrowing | 1 000 | – | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 2 400 | 2 400 | 2 400 |
| Other Cash Flows/Payments | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Cash Payments by Type** | **102 373** | **101 016** | **93 313** | **93 313** | **93 313** | **93 313** | **93 313** | **93 313** | **93 313** | **93 313** | **93 313** | **93 313** | **1 119 758** | **1 195 569** | **1 223 394** |
| **NET INCREASE/(DECREASE) IN CASH HELD** | **680 349** | **(20 887)** | **319** | **319** | **319** | **319** | **319** | **319** | **319** | **319** | **319** | **319** | **3 832** | **25 883** | **12 265** |
| Cash/cash equivalents at the month/year beginning: | 238 897 | 919 246 | 898 359 | 898 678 | 898 998 | 899 317 | 899 636 | 899 956 | 900 275 | 900 594 | 900 914 | 901 233 | 238 897 | 242 729 | 268 613 |
| Cash/cash equivalents at the month/year end: | 919 246 | 898 359 | 898 678 | 898 998 | 899 317 | 899 636 | 899 956 | 900 275 | 900 594 | 900 914 | 901 233 | 901 552 | 242 729 | 268 613 | 280 877 |

## Capital Expenditure Trend

**DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M02 August**

| Month<br>R thousands | 2025/26<br>Audited Outcome | Budget Year 2026/27<br>Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance<br>% | % spend of Original Budget |
|---|---|---|---|---|---|---|---|---|---|
| Monthly expenditure performance trend | | | | | | | | | |
| July | 23 116 | 26 862 | 26 862 | 15 794 | 15 794 | 26 862 | 11 068 | 41,2% | 5% |
| August | 13 391 | 26 862 | 26 862 | 24 386 | 24 386 | 53 725 | 29 339 | 54,6% | 8% |
| September | 18 579 | 26 862 | 26 862 | – | – | 80 587 | 80 587 | 100,0% | 0% |
| October | 32 236 | 26 862 | 26 862 | – | – | 107 450 | 107 450 | 100,0% | 0% |
| November | 30 903 | 26 862 | 26 862 | – | – | 134 312 | 134 312 | 100,0% | 0% |
| December | 35 730 | 26 862 | 26 862 | – | – | 161 175 | 161 175 | 100,0% | 0% |
| January | 2 059 | 26 862 | 26 862 | – | – | 188 037 | 188 037 | 100,0% | 0% |
| February | 21 372 | 26 862 | 26 862 | – | – | 214 899 | 214 899 | 100,0% | 0% |
| March | 23 153 | 26 862 | 26 862 | – | – | 241 762 | 241 762 | 100,0% | 0% |
| April | 22 212 | 26 862 | 26 862 | – | – | 268 624 | 268 624 | 100,0% | – |
| May | 35 905 | 26 862 | 26 862 | – | – | 295 487 | 295 487 | 100,0% | – |
| June | 81 522 | 26 862 | 26 862 | – | – | 322 349 | 322 349 | 100,0% | – |
| **Total Capital expenditure** | **340 179** | **322 349** | **322 349** | **40 180** | | | | | |

# Capital Expenditure on New Assets by Asset Class

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | |
| **Infrastructure** | **298 775** | **216 287** | **216 287** | **24 016** | **39 811** | **36 048** | (3 763) | **-10,4%** | **216 287** |
| Roads Infrastructure | – | – | – | – | – | – | – | | – |
| *Capital Spares* | | | | | | | – | | |
| Water Supply Infrastructure | 293 989 | 216 287 | 216 287 | 24 016 | 39 811 | 36 048 | (3 763) | -10,4% | 216 287 |
| *Dams and Weirs* | 79 228 | 33 831 | 33 831 | 7 891 | 16 395 | 5 638 | (10 756) | -190,8% | 33 831 |
| *Boreholes* | 688 | 26 | 26 | 2 554 | 2 554 | 4 | (2 550) | -58826,0% | 26 |
| *Reservoirs* | – | – | – | – | – | – | – | | – |
| *Pump Stations* | 26 824 | 5 435 | 5 435 | 1 566 | 1 566 | 906 | (661) | -72,9% | 5 435 |
| *Water Treatment Works* | – | – | – | – | – | – | – | | – |
| *Bulk Mains* | 87 859 | 39 242 | 39 242 | 2 892 | 8 678 | 6 540 | (2 137) | -32,7% | 39 242 |
| *Distribution* | 99 391 | 137 754 | 137 754 | 9 114 | 10 618 | 22 959 | 12 341 | 53,8% | 137 754 |
| *Distribution Points* | | | | | | | – | | |
| *PRV Stations* | | | | | | | – | | |
| *Capital Spares* | – | – | – | – | – | – | – | | – |
| Sanitation Infrastructure | 4 786 | – | – | – | – | – | – | | – |
| *Pump Station* | – | – | – | – | – | – | – | | – |
| *Reticulation* | 4 786 | – | – | – | – | – | – | | – |
| **Other assets** | **625** | **4 262** | **4 262** | **–** | **–** | **710** | **710** | **100,0%** | **4 262** |
| Operational Buildings | 625 | 3 222 | 3 222 | – | – | 537 | 537 | 100,0% | 3 222 |
| *Municipal Offices* | 625 | 3 222 | 3 222 | – | – | 537 | 537 | 100,0% | 3 222 |
| *Pay/Enquiry Points* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| Housing | – | 1 040 | 1 040 | – | – | 173 | 173 | 100,0% | 1 040 |
| *Staff Housing* | – | 1 040 | 1 040 | – | – | 173 | 173 | 100,0% | 1 040 |
| *Social Housing* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| **Biological or Cultivated Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | | **–** |
| Biological or Cultivated Assets | | | | | | | – | | |
| **Intangible Assets** | **400** | **2 389** | **2 389** | **–** | **–** | **398** | **398** | 100,0% | **2 389** |
| Servitudes | | | | | | | – | | |
| Licences and Rights | 400 | 2 389 | 2 389 | – | – | 398 | 398 | 100,0% | 2 389 |
| *Water Rights* | | | | | | | – | | |
| *Effluent Licenses* | | | | | | | – | | |
| *Solid Waste Licenses* | | | | | | | – | | |
| *Computer Software and Applications* | 400 | 2 389 | 2 389 | – | – | 398 | 398 | 100,0% | 2 389 |
| *Load Settlement Software Applications* | | | | | | | – | | |
| *Unspecified* | | | | | | | – | | |
| **Computer Equipment** | **446** | **5 236** | **5 236** | **144** | **144** | **873** | **729** | 83,5% | **5 236** |
| Computer Equipment | 446 | 5 236 | 5 236 | 144 | 144 | 873 | 729 | 83,5% | 5 236 |
| **Furniture and Office Equipment** | **3 081** | **3 242** | **3 242** | **226** | **226** | **540** | **314** | 58,2% | **3 242** |
| Furniture and Office Equipment | 3 081 | 3 242 | 3 242 | 226 | 226 | 540 | 314 | 58,2% | 3 242 |
| **Machinery and Equipment** | **1 506** | **2 069** | **2 069** | **–** | **–** | **345** | **345** | 100,0% | **2 069** |
| Machinery and Equipment | 1 506 | 2 069 | 2 069 | – | – | 345 | 345 | 100,0% | 2 069 |
| **Total Capital Expenditure on new assets** | **304 833** | **233 484** | **233 484** | **24 386** | **40 180** | **38 914** | **(1 266)** | -3,3% | **233 484** |

## Capital Expenditure on Renewal of Existing Assets by Asset Class

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | |
| **Infrastructure** | **20 842** | **19 925** | **19 925** | **–** | **–** | **3 321** | 3 321 | **100,0%** | **19 925** |
| Roads Infrastructure | – | – | – | – | – | – | – | | – |
| *Roads* | | | | | | | – | | |
| Water Supply Infrastructure | – | 10 794 | 10 794 | – | – | 1 799 | 1 799 | 100,0% | 10 794 |
| *Dams and Weirs* | | | | | | | – | | |
| *Boreholes* | | | | | | | – | | |
| *Reservoirs* | – | 1 739 | 1 739 | – | – | 290 | 290 | 100,0% | 1 739 |
| *Pump Stations* | | | | | | | – | | |
| *Water Treatment Works* | | | | | | | – | | |
| *Bulk Mains* | – | – | – | – | – | – | – | | – |
| *Distribution* | – | 9 055 | 9 055 | – | – | 1 509 | 1 509 | 100,0% | 9 055 |
| *Distribution Points* | – | – | – | – | – | – | – | | – |
| *PRV Stations* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| Sanitation Infrastructure | 20 842 | 9 130 | 9 130 | – | – | 1 522 | 1 522 | 100,0% | 9 130 |
| *Pump Station* | | | | | | | – | | |
| *Reticulation* | – | – | – | – | – | – | – | | – |
| *Waste Water Treatment Works* | 20 842 | 9 130 | 9 130 | – | – | 1 522 | 1 522 | 100,0% | 9 130 |
| *Outfall Sewers* | | | | | | | – | | |
| **Other assets** | **131** | **2 000** | **2 000** | **–** | **–** | **333** | **333** | 100,0% | **2 000** |
| Operational Buildings | 131 | 2 000 | 2 000 | – | – | 333 | 333 | 100,0% | 2 000 |
| *Municipal Offices* | 131 | 2 000 | 2 000 | – | – | 333 | 333 | 100,0% | 2 000 |
| *Pay/Enquiry Points* | | | | | | | – | | |
| *Building Plan Offices* | | | | | | | – | | |
| **Transport Assets** | **6 761** | **3 400** | **3 400** | **–** | **–** | **567** | **567** | 100,0% | **3 400** |
| Transport Assets | 6 761 | 3 400 | 3 400 | – | – | 567 | 567 | 100,0% | 3 400 |
| **Total Capital Expenditure on renewal of existing assets** | **27 734** | **25 325** | **25 325** | **–** | **–** | **4 221** | **4 221** | 100,0% | **25 325** |

# Expenditure on Repairs and Maintenance by Asset Class

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

| Description | 2025/26 | Budget Year 2026/27 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | |
| **Infrastructure** | **26 054** | **38 652** | **38 652** | **7 259** | **7 259** | **6 442** | (817) | **-12,7%** | **38 652** |
| Roads Infrastructure | – | – | – | – | – | – | – | | – |
| *Capital Spares* | | | | | | | – | | |
| Water Supply Infrastructure | 26 054 | 38 652 | 38 652 | 7 259 | 7 259 | 6 442 | (817) | -12,7% | 38 652 |
| *Dams and Weirs* | | | | | | | – | | |
| *Boreholes* | | | | | | | – | | |
| *Reservoirs* | 13 223 | 18 821 | 18 821 | 3 750 | 3 750 | 3 137 | (613) | -19,5% | 18 821 |
| *Pump Stations* | 5 785 | 11 722 | 11 722 | 3 341 | 3 341 | 1 954 | (1 387) | -71,0% | 11 722 |
| *Water Treatment Works* | | | | | | | – | | |
| *Bulk Mains* | | | | | | | – | | |
| *Distribution* | | | | | | | – | | |
| *Distribution Points* | | | | | | | – | | |
| *PRV Stations* | | | | | | | – | | |
| *Capital Spares* | 7 046 | 8 108 | 8 108 | 168 | 168 | 1 351 | 1 183 | 87,5% | 8 108 |
| Sanitation Infrastructure | – | – | – | – | – | – | – | | – |
| **Community Assets** | **108** | **250** | **250** | **–** | **–** | **42** | **42** | **100,0%** | **250** |
| Community Facilities | – | – | – | – | – | – | – | | – |
| *Halls* | | | | | | | – | | |
| *Centres* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| Sport and Recreation Facilities | 108 | 250 | 250 | – | – | 42 | 42 | 100,0% | 250 |
| *Indoor Facilities* | 108 | 250 | 250 | – | – | 42 | 42 | 100,0% | 250 |
| *Outdoor Facilities* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| **Other assets** | **667** | **1 912** | **1 912** | **–** | **–** | **319** | **319** | **100,0%** | **1 912** |
| Operational Buildings | 667 | 1 912 | 1 912 | – | – | 319 | 319 | 100,0% | 1 912 |
| *Municipal Offices* | 667 | 1 912 | 1 912 | – | – | 319 | 319 | 100,0% | 1 912 |
| *Pay/Enquiry Points* | | | | | | | – | | |
| *Building Plan Offices* | | | | | | | – | | |
| **Computer Equipment** | **46** | **65** | **65** | **–** | **–** | **11** | **11** | **100,0%** | **65** |
| Computer Equipment | 46 | 65 | 65 | – | – | 11 | 11 | 100,0% | 65 |
| **Furniture and Office Equipment** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | | **–** |
| Furniture and Office Equipment | | | | | | | – | | |
| **Machinery and Equipment** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | | **–** |
| Machinery and Equipment | – | – | – | – | – | – | – | | – |
| **Transport Assets** | **0** | **166** | **166** | **–** | **3** | **28** | **24** | **87,4%** | **166** |
| Transport Assets | 0 | 166 | 166 | – | 3 | 28 | 24 | 87,4% | 166 |
| **Total Repairs and Maintenance Expenditure** | **26 875** | **41 044** | **41 044** | **7 259** | **7 263** | **6 841** | **(422)** | **-6,2%** | **41 044** |

## 2.7 Municipal Manager's Quality's Certificate

Quality Certificate

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

- The monthly budget statement

For the month of August 2026 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Gamakulu Ma'art Sineke

Municipal Manager of: Harry Gwala District Municipality

Signed____________________

Date 11/09/2026