ANNEXURE A

FINANCE: IN YEAR MONITORING AND REPORTING: FIRST QUARTER (Q1): 2025/2026 FINANCIAL YEAR (QUARTER ENDING 30 SEPTEMBER 2025) (6/1/1(2025/26))

1. FIRST QUARTER SDBIP 30 SEPTEMBER 2025

MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY			
Summary of first quarter SDBIP (July , Aug and Sept 2025) Municipal financial management and viability			
Key Performance Indicators	**Performance Remarks**	**Quarter Target**	**Actual achieved**
Number of Household earning less than per month with access to free electricity	Achieved	600	3 398
Developed and submitted 2024/25 AFS by 31 August 2025	Achieved	2024/25 AFS developed and submitted by 31 August 2025	2024/25 AFS were developed and submitted by the 30th of August 2025
Number of section 71 reports submitted to Treasury within 10 days after the end of the month by (Jul, Aug and Sept 2025)	Achieved	3	3
Percentage Expenditure on MIG by 30 September 2025	Achieved	5%	24%
Percentage Expenditure of Financial Management Grant by 30 September 2025	Achieved	25%	25%
Percentage Expenditure on INEP Grant by 30 September 2025	Achieved	5%	22%
Percentage of Tenders processed within 90 days by 30 September 2025 (From closing date in the advert)	Not Achieved	95%	64%
Percentage of Electricity Distribution loss by 30 September 2025	Not Achieved	10%	13%
Percentage of Invoices Paid within 30 days of receipt by 30 September 2025	Achieved	100%	100%
Percentage of Billed revenue collected per month during 2025/26 (30 September 2025 Financial Year	Not Achieved	90%	81%

2. ANALYSIS OF FIRST QUARTER SDBIP KEY PERFOMANCE INDICATORS AND ACHIEVMENT ENDING 30 SEPTEMBER 2025.

1. Number of Household earning less than per month with access to free electricity

   - The target was for the municipality to register 600 by the end of first quarter. The municipality achieved the target by registering only 3 398 by the end of September 2025

2. Developed and submitted 2024/25 AFS by 31 August 2025

   - The target was for the AFS to be developed and submitted on or before the 31 August 2025. The municipality did achieve the target by developing and submitting the AFS to AG and COGHSTA on the 30th of August 2025.

3. Number of section 71 reports submitted to Treasury within 10 days after the end of the month by 30 September 2025

   - The target was for the municipality to submit section 71 reports to provincial and national treasury within ten working days after the end of each month. The target were achieved and three section 71 reports were submitted to both national and provincial Treasury during first quarter.

4. Percentage Expenditure of Financial Management Grant by 30 September 2025.

   - The target was to spend 25% of financial management grant by 30 September 2025. The municipality achieved this target by spending 25% of the budget.

5. Percentage Expenditure of INEP Grant by 30 September 2025.

   - The target was to spend 5% of INEP grant by 30 September 2025. The municipality achieved this target by spending 22% of the budget.

6. Percentage Expenditure of Municipal Infrastructure Grant by 30 September 2025.

    - The target was to spend 5% of Municipal Infrastructure Grant by 30 September 2025. The municipality achieved this target by spending 24% of the budget.

7. Percentage of Tenders processed within 90 days by 30 September 2025 (From closing date in the advert).

    - The target was to process 95% of the tenders within 90 days from closing date in advert. The municipality did not achieve the target as only 64% of the tenders were processed within 90 days .

8. Percentage of Electricity Distribution loss by 30 September 2025

    - The target for the municipality was to achieve less than 10% on distribution loss at the end of the first quarter ending 30 September 2025. The target was not achieved as the municipality's distribution loss for the quarter was 13%.

9. Percentage of invoice processed within 30 days from the date of receipts of the invoice.

    - The target was achieved and 100% of the invoice was paid within 30 days from the date of receipt of the invoice.

10. Percentage of Billed revenue collected per month during 2025/26 as at 30 September 2025 Financial Year.

    - The target was for the municipality to achieved 90% collection rate at the end of the quarter ending 30 September 2025. The target was not achieved as only the municipality only billed 81% .

3. ANALYSIS FROM REPORTS FROM INCOME AND EXPENDITURE QUARTER ONE ENDING 30 SEPTEMBER 2025 SUMMARY: INCOME AND EXPENDITURE REPORT PERFOMANCE

SUMMARY: INCOME AND EXPENDITURE REPORT PERFOMANCE

The actual operational income for the first quarter is R 427 654 million and actual to date is R 427 654 million. The operational expenditure for the same period is R 313 897 million and actual to date is R 313 897 million.

Types of Budget	Approved Budget	Budget Spent	Balance	% Spent
Operational	R 1 362 billion	R 314 million	R 1 048 billion	23%
Capital	R 272 million	R 76 million	R 196 million	28%
Total	**R 1 634 billion**	**R 390 million**	**R1 244 million**	**24%**

4. SUMMARY OF PERFORMANCE OF INCOME AND EXPENDITURE 30 SEPTEMBER 2025

Description	Budget Year 2025/26								
R thousands	Approved budget	Q1 Projections	Q1 Sept 2025	YTD	YTD varience	YTD varience %	YTD Actual/Budget	Actual vs Projecte	Full year Forecast
Revenue By Source									
Property rates	132 050 505.45	33 012 626.36	32 818 934.61	32 818 934.61	-193 691.75	-1%	25%	99%	132 050 505.45
Service charges - electricity revenue	619 882 725.54	154 970 681.39	153 269 435.99	153 269 435.99	-1 701 245.39	-1%	25%	99%	619 882 725.54
Service charges - refuse revenue	16 637 578.25	4 159 394.56	7 540 614.41	7 540 614.41	3 381 219.85	45%	45%	181%	16 637 578.25
Rental of facilities and equipment	431 974.10	107 993.53	551 600.08	551 600.08	443 606.56	80%	128%	511%	431 974.10
Interest earned - external investments	4 397 547.71	1 099 386.93	1 055 487.89	1 055 487.89	-43 899.04	-4%	24%	96%	4 397 547.71
Interest earned - outstanding debtors	49 559 155.67	12 389 788.92	10 705 020.65	10 705 020.65	-1 684 768.27	-16%	22%	86%	49 559 155.67
Fines, penalties and forfeits	4 991 368.28	1 247 842.07	627 861.54	627 861.54	-619 980.53	-99%	13%	50%	4 991 368.28
Licences and permits	4 094 943.16	1 023 735.79	1 033 489.69	1 033 489.69	9 753.90	1%	25%	101%	4 094 943.16
Transfers and subsidies	529 842 350.00	132 460 587.50	218 240 100.00	218 240 100.00	85 779 512.50	39%	41%	165%	529 842 350.00
Operational Revenue	193 104 885.00	48 276 221.25	1 811 054.33	1 811 054.33	-46 465 166.92	-2566%	1%	4%	193 104 885.00
Total Revenue	**1 554 993 033.16**	**388 748 258.29**	**427 653 599.19**	**427 653 599.19**	**38 905 340.90**	**9%**	**28%**	**110%**	**1 554 993 033.16**

Description	Budget Year 2025/26								
	Approved budget	Q1 Projections	Q1 Sept 2025	YTD	YTD varience	YTD varience %	YTD Actual/Budget	Actual vs Projected %	Full year Forecast
Expenditure By Source									
Employee related costs	400 676 736.00	100 169 184.00	94 172 568.04	94 172 568.04	-5 996 615.96	-6%	24%	94%	377 996 921.00
Remuneration of councillors	34 781 061.00	8 695 265.25	7 402 435.59	7 402 435.59	-1 292 829.66	-17%	21%	85%	33 768 020.00
Debt impairment	42 109 199.00	10 527 299.75	288 776.40	288 776.40	-10 238 523.35	-3545%	1%	3%	46 139 330.00
Depreciation & asset impairment	167 184 813.62	41 796 203.41	30 561 685.17	30 561 685.17	-11 234 518.24	-37%	18%	73%	160 292 247.00
Finance charges	20 057 933.00	5 014 483.25	59 284.67	59 284.67	-4 955 198.58	-8358%	0%	1%	19 231 000.00
Bulk purchases	415 334 920.00	103 833 730.00	114 127 645.86	114 127 645.86	10 293 915.86	9%	27%	110%	373 100 000.00
Other materials	53 262 791.30	13 315 697.83	10 368 735.92	10 368 735.92	-2 946 961.91	-28%	19%	78%	51 066 914.00
Contracted services	165 909 678.00	41 477 419.50	39 169 542.43	39 169 542.43	-2 307 877.07	-6%	24%	94%	212 557 163.00
Operational costs	63 044 932.90	15 761 233.23	17 746 386.28	17 746 386.28	1 985 153.06	11%	28%	113%	60 445 765.00
Total Expenditure	**1 362 362 064.82**	**340 590 516.21**	**313 897 060.36**	**313 897 060.36**	**-26 693 455.85**	**-9%**	**23%**	**92%**	**1 334 597 360.00**

5. APPROVED CONDITIONAL GRANT AS AT 30 SEPTEMBER 2025

	Budget Year 2025/26							
Description	APPROVED BUDGET	Grants Received YTD R '000	Actual Received Q1 R '000	Actual Q1 Expenditure R'000	Actual to date Expenditure R'000	% Spent on received	BUDGET VS ACTUAL %	Full Year Forecast
APPROVED CONDITIONAL GRANT								
Funded by:								
MIG	111 407	42 603	42 603	26 657	26 657	63%	24%	111 407
INEP	15 181	6 831	6 831	3 363	3 363	49%	22%	15 181
INEP (Roll-over)	4 545	4 545	4 545	1 362	1 362	30%	30%	4 545
FMG	2 000	2 000	2 000	508	508	25%	25%	2 000
EPWP	3 323	831	831	831	831	100%	25%	3 323
Disaster Grants	6 006	3 003	3 003	–	–	0%	0%	6 006
Total Grants	**142 462**	**59 813**	**59 813**	**32 721**	**32 721**	**55%**	**23%**	**142 462**

1. **Municipal infrastructure Grant (MIG)**

   The actual amount received for the first quarter is R42 603 million and to date is R 42 603 million and actual expenditure for the first quarter is R 26 657 million and to date is R 26 657 million that represent 24% of expenditure against approved allocation of R 111 407 million.

2. **Integrated National Electricity Programme (INEP) – Original allocation**

   The actual amount received for the first quarter is R 6 831 million and to date is R 6 831 million and actual expenditure for the first quarter is R 3 363 million and to date is R 3 363 million that represents 22% of expenditure against approved allocation of R 15 181 million**.**

3. **Integrated National Electricity Programme (INEP) – Roll over**

The actual amount for Integrated National Electricity Programme (INEP) – Roll over amount to R 4 545 million and to date is R4 545 million and actual expenditure for the first quarter is R 1 362 million and to date is R1 362 million that represents 30% of expenditure against the Integrated National Electricity Programme (INEP) Roll over from 2024/25 financial year.

4. **Financial Management Grant (FMG)**

The actual amount received for the first quarter is R 2 000 million and to date is R 2 000 million and actual expenditure for the first quarter is R 508 thousand and to date is R 508 thousand that represents 25% against the approved allocation of R 2 000 million.

5. **Expanded Public Works Programme (EPWP)**

The actual amount received for the first quarter is R 831 thousand and to date is R 831 thousand and actual expenditure for the first quarter is R 831 thousand and to date is R 831 thousand that represent 25% against the approved allocation of R 3 323 million.

6. **Disaster Management Grants**

The actual amount received for the first quarter is R 3 003 million and to date is R 3 003 million and actual expenditure for the first quarter is R 0 and to date is R 0 that represent 0% against the approved allocation of R 6 006 million.

6. CAPITAL EXPENDITURE.

The Actual Capital expenditure for the first quarter ending 30 September 2025 is R 75 746 million and to date is R 75 746 million which represents 28% spending against the approved budget of R 272 155 million.

SUMMARY PER DEPARTMENT								
CODE	DEPARTMENT	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Technical Services	INCOME & GRANT	255 571 650.00		255 571 650.00	75 458 216.04	180 113 433.96	30%
SC	Community Services	INCOME	4 975 000.00		4 975 000.00	-	4 975 000.00	0%
SC	Budget and Treasury	INCOME	2 538 100.00		2 538 100.00	-	2 538 100.00	0%
SC	Corporate Services	INCOME	8 080 000.00		8 080 000.00	-	8 080 000.00	0%
SC	Regional Offices	INCOME	990 000.00		990 000.00	288 020.00	701 980.00	29%
	TOTAL		**272 154 750.00**		**272 154 750.00**	**75 746 236.04**	**196 408 513.96**	**28%**

Analysis of Capital budget expending per department

Department of Budget and Treasury office

The actual expenditure for the first quarter is R0 and to date is R0 compared with the projection of R 635 thousand which result to underspending by 25%. The expenditure incurred for the first quarter represents 0% of approved budget of R 2 538 million for 2025/26 financial year.

Technical Services Department

The actual expenditure for the first quarter is R 75 458 million and to date is R 75 458 million compared with the projection of R 63 893 million which result to over spending by 18%. The expenditure incurred for the first quarter represents 30% of approved budget of R 255 572 million for 2025/2026 financial year.

Department of Community services

The actual expenditure for the first quarter is R0 and to date is R0 compared with the projection of R 1 244 million which result to underspending by 25%. The expenditure incurred for the first quarter represents 0% of approved budget of R 4 975 million for 2025/26 financial year.

Department of Corporate Services

The actual expenditure for the first quarter is R0 and to date is R0 compared with the projection of R 2 020 million which result to underspending by 25%. The expenditure incurred for the first quarter represents 0% of approved budget of R 8 080 million for 2025/26 financial year.

Regional Offices

The actual expenditure for the first quarter is R 288 thousand and to date is R 288 thousand compared with the projection of R 248 thousand which result to overspending by 16%. The expenditure incurred for the first quarter represents 29% of approved budget of R 990 thousand for 2025/26 financial year.

SOURCES OF FINANCE - CAPITAL REVENUE

It should be noted that Capital Revenue represents the sources of finances of capital expenditure Section 71 Report in terms of the MFMA.

The above table show how the capital contribution has been financed and recognised during the quarter. The municipality projected to spend R 68 039 million during the quarter and R 75 746 million was spent. An amount of R 30 020 million has been recognised from transfer and R 45 726 million was recognised from internally generated revenue. This represents 28% of the approved capital budget amount of R 272 155million for 2025/26 financial year.

7. DEBTORS

The outstanding amount from debtors as at 30 SEPTEMBER 2025 is R 580 499 million

Aged Debtors - SEPTEMBER 2025											
Description		Budget Year 2025/26									
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	180 Days and Over	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transact	1200	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transact	1300	35 429	2 272	955	1 522	809	49 602	90 589	51 933	–	
Receivables from Non-exchange Transactions - Prope	1400	12 371	3 663	7 840	3 129	3 059	166 842	196 904	173 030	(14)	
Receivables from Exchange Transactions - Waste Wate	1500	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Man	1600	5 489	473	423	403	394	30 911	38 093	31 708	(1)	
Receivables from Exchange Transactions - Property R	1700	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	11 697	3 460	18 925	3 398	3 436	158 432	199 349	165 266	–	
Recoverable unauthorised, irregular, fruitless and waste	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	6 888	1 330	2 636	1 532	3 056	40 124	55 565	44 711	(0)	
Total By Income Source	**2000**	**71 873**	**11 199**	**30 779**	**9 984**	**10 754**	**445 910**	**580 499**	**466 648**	**(16)**	**–**
2018/19 - totals only											
Debtors Age Analysis By Customer Group											
Organs of State	2200	8 305	2 429	11 437	1 789	1 381	47 061	72 403	50 232	–	–
Commercial	2300	31 207	1 842	2 294	1 059	1 070	53 200	90 672	55 329	–	–
Households	2400	15 164	4 277	13 920	3 925	5 247	226 052	268 587	235 225	(16)	–
Other	2500	17 197	2 650	3 128	3 211	3 055	119 597	148 838	125 862	–	–
Total By Customer Group	**2600**	**71 873**	**11 199**	**30 779**	**9 984**	**10 754**	**445 910**	**580 499**	**466 648**	**(16)**	**–**

MAKHADO LOCAL MUNICIPALITY

Quarter 1 Debt Breakdown Analysis - 30 SEPTEMBER 2025

		Towns						
Account Type	**Total Amount**	**Farm**	**Ha-Tshikota (Vleifontein)**	**Louis Trichardt**	**Makhado A (Dzanani)**	**Tshikota**	**Villages**	**Waterval**
Agriculture	147 185 653.12	146 886 833.80	-	55 365.59	0.05	-	243 453.68	-
Businesses/ Industrial	90 651 901.72	34 774 279.20	2 036 810.72	41 590 129.60	7 930 978.31	716 504.83	1 956 467.64	1 646 731.42
Churches	951 938.60	117 437.89	195 264.20	353 313.77	48 803.57	8 321.58	70 811.11	157 986.48
Government (SOP)	63 380 292.53	49 909 135.89	-	1 237 148.76	320 420.97	6 015.53	11 764 878.64	142 692.74
Municipal	2 354 346.60	80 771.32	46 228.82	711 929.36	53 761.66	15 847.34	1 259 362.70	186 445.40
Public Benefit Organisation (PBO)	97 335.09	77 100.06	-	13 275.87	6 959.16	-	-	-
Public Service Infrustructure (PSI)	602 928.00	441 164.06	-	161 763.94	-	-	-	-
Residential	268 606 376.21	2 050 859.04	53 536 226.72	55 326 790.27	23 422 200.71	7 831 586.99	19 799 829.78	106 638 882.70
Public Service Purpose (PSP)	6 668 548.99	- 20 713.70	2 174 951.60	- 125 707.51	1 853 271.71	658 722.21	-	2 128 024.68
GRAND - TOTAL	**580 499 320.86**	**234 316 867.56**	**57 989 482.06**	**99 324 009.65**	**33 636 396.14**	**9 236 998.48**	**35 094 803.55**	**110 900 763.42**

Summary of Debt Impairment and Narration

Debtors Age Analysis By Customer Group			
Customer Group	**Total Debt per Customer Group**	**Impairment Provided**	**Net Debt per Customer Group**
Organs of State	72 403	(58 862)	13 541
Commercial	90 672	(73 713)	16 958
Households	268 587	(218 353)	50 233
Other	148 838	(121 001)	27 837
Totals	**580 499**	**(471 929)**	**108 570**

- Allowance for debt impairment for the first quarter ending 30 September 2025 equals R471 929 million.
- The Total Consumer Debtors as at the 30 September 2025 equals R580 499 million.
- The Net Debt Collectible as at 30 September 2025 equals R108 570 million.

The table below reflects both the collection rate and the distribution loss for the first quarter ending 30 SEPTEMBER 2025

Collection Rate Table	
Quarter - 1	
Month	**Percentage**
July – 2025	93%
August – 2025	70%
September - 2025	80%
Total	243%
Average percentage for the Quarter - 1	**81%**

The first quarter average collection rate is 81%.

The year-to-date average collection rate is 81%

Distribution Rate Table	
Quarter - 1	
Month	**Percentage**
July – 2025	18%
August – 2025	12%
September - 2025	7%
Total	
Average percentage for the Quarter - 1	**13%**

The 1st Quarter average Distribution Loss is 13%, while the year-to-date average Distribution Loss is 13%.

- **CHALLENGES**
- The non-existent of electricity in R293 Towns such as Dzanani, Waterval, Vleifontein, excluding Tshikota still exists as a challenge towards collection.
- Illegal connections

STRATEGIES TO IMPROVE COLLECTION

- The meters are physically checked to the those customers that are not buying or buying electricity that is unreasonably or too low because they raise a suspicion of illegal connection by Technical and finance.
- Credit Control will be applied to Government and business to be implemented without compromise.
- Municipality has handed over debts that is older and which cannot be collected using internal credit control measures to appointed debt collectors who are currently working on the data provided and are monitored on the monthly basis.
- Installation of prepaid meter and replacement of conventional meters those who are no longer accurate.
- Cancellation of Madombidzha Eskom intake point and Madodonga Eskom intake point.
- Disconnection of illegal connections.
- Implementation of Revenue Protection Committee.
- Reconciliation of meters received at stores vs meters issued to electricians vs meters captured on the financial system.

SCM PROCESS

6. COMPETITIVE BIDDING PROCESSES ACTIVITY

NO	BID NO	DESCRIPTION	CLOSING DATE	COMMENTS
01	50 of 2024	Supply and delivery of Cold mix asphalt for a period of three years	28-Feb-25	In Evaluation
02	17 of 2025	Supply, Delivery, Installation and Commissioning of Uninterruptable Power Supply (UPS) And Batteries in Server Room and 3 Years Maintenance	31-Mar-25	In Evaluation
03	20 of 2025	panel of service providers for supply and delivery of cleaning material for the period of three years	11-Apr-25	In Evaluation
04	27 OF 2025	Panel of civil contractors for Rehabilitation and resealing of road, emergency potholes patching within Makhado local municipality for the period of three years	09-May-25	In Evaluation
05	41 of 2025	RE-advertisement :leasing of public open space of remainder of portion 7 of the farm bergvliet 288 and to change land use from public open space to private space	25-Jul-25	In Evaluation

06	42 of 2025	Clinical psychologist services for Makhado local municipality employees for the period of three years	15-Aug-25	In Evaluation
07	43 of 2025	Occupational medical services for Makhado local municipality employees for the period of three (03) years	15-Aug-25	In Evaluation
08	47 of 2025	Re-advertisement : Sale of Seventy-six (76) industrial zoned sites located within Louis Trichardt extension 12 township	10-Sep-25	In Evaluation
09	48 of 2025	Re-advertisement: Design and construction of residential complex at Louis Trichardt extension 14 township (padkamp)	10-Sep-25	In Evaluation
10	49 of 2025	Design, printing, supply and delivery of diaries, posters and calendars for Makhado local municipality	26-Sep-25	In Evaluation
11	50 of 2025	Supply and delivery of woodchipper machine	26-Sep-25	In Evaluation
12	51of 2025	Supply and deliver of heavy-duty lawnmower and brush cutter machine	26-Sep-25	In Evaluation
13	52 of 2025	Compilation and maintenance of the general valuation roll and supplementary valuation rolls as and when the supply of other valuation related services in compliance with the local government: municipal property rates act, 2004 (act no 6 of 2004) read together with local government : municipal property rates amendment act,2014 (act no.29 of 2014) for the period of three years	06-Oct-25	In Evaluation
14	32 of 2025	Construction, supply, delivery and installation of new weighbridge at the Makhado Landfill site.	06-Jun-25	In Evaluation
15	33 of 2025	Appointment of a service provider / consultants to render assignment for internal audit unit for Makhado municipality for the period of three (03) years	17-Jun-25	In Evaluation

FORMAL WRITTEN QUOTATION ABOVE R30 000.00 AS AT 30 SEPTEMBER 2025

ACTIVITY	Quotations Advertised	Quotations Evaluated	Quotations Awarded	BALANCE
OPENING BALANCE	**47**	**-**	**-**	**-**
1st QUARTER	20	39	39	28

FORMAL WRITTEN QUOTATION BELOW R30 000.00 AS AT 30 SEPTEMBER 2025

ACTIVITY	Quotations Requested	Quotations Evaluated	Quotations Awarded	BALANCE
1st QUARTER	68	68	68	0

PROCUREMENT DEVIATION FIRST QUARTER REPORT

1. The number of awards made in terms of SCM regulation 36

   = 05

2. Reason(s) for deviation in terms of SCM Regulations 36

   Reason: Sole service providers and impractical to follow normal SCM process

3. Total value of deviations under R200 000.00

   = R 222 420.50

4. Total value of deviations over R200 000

   = R0

5. Total number of deviations under R 200 000 is 05
6. Total number of deviations over R 200 000   is 00

7. Total value of deviations awarded through SCM Regulation 36

   = R 222 420.50

C SCHEDULE AS AT 30 SEPTEMBER 2025

LIM344 Makhado - Table C1 Monthly Budget Statement Summary - M03 – September

Description	2024/25	Budget Year 2025/26							
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	125 104	132 051	–	10 940	32 819	33 013	(194)	-1%	132 051
Service charges	532 439	636 520	–	58 601	160 810	159 130	1 680	1%	636 520
Investment revenue	3 016	4 398	–	169	1 055	1 099	(44)	-4%	4 398
Transfers and subsidies - Operational	524 861	529 842	–	702	218 240	132 461	85 780	65%	529 842
Other own revenue	63 915	252 182	–	5 400	14 729	63 046	(48 317)	-77%	252 182
Total Revenue (excluding capital transfers and contributions)	**1 249 334**	**1 554 993**	**–**	**75 811**	**427 654**	**388 748**	**38 906**	**10%**	**1 554 993**
Employee costs	409 708	400 677	–	31 367	94 173	100 169	(5 997)	-6%	400 677
Remuneration of Councillors	30 557	34 781	–	2 478	7 402	8 695	(1 293)	-15%	34 781
Depreciation and amortisation	157 494	167 185	–	9 938	30 562	41 796	(11 235)	-27%	167 185
Interest	5 573	20 058	–	56	59	5 014	(4 955)	-99%	20 058
Inventory consumed and bulk purchases	489 443	468 598	–	54 308	124 496	117 149	7 347	6%	468 598
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	288 604	271 064	–	18 716	57 205	67 766	(10 561)	-16%	271 064
Total Expenditure	**1 381 378**	**1 362 362**	**–**	**116 864**	**313 897**	**340 591**	**(26 694)**	**-8%**	**1 362 362**
Surplus/(Deficit)	**(132 044)**	**192 631**	**–**	**(41 053)**	**113 757**	**48 158**	**65 599**	**136%**	**192 631**
Transfers and subsidies - capital (monetary allocations)	142 541	121 018	–	17 759	28 207	30 254	(2 047)	-7%	121 018
Transfers and subsidies - capital (in-kind)	19 995	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**30 491**	**313 649**	**–**	**(23 294)**	**141 964**	**78 412**	**63 552**	**81%**	**313 649**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**30 491**	**313 649**	**–**	**(23 294)**	**141 964**	**78 412**	**63 552**	**81%**	**313 649**
Capital expenditure & funds sources									
Capital expenditure	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Capital transfers recognised	90 795	121 018	–	16 815	28 800	30 254	(1 455)	-5%	121 018
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**146 933**	**148 477**	**–**	**5 439**	**34 787**	**37 119**	**(2 332)**	**-6%**	**148 477**
Total sources of capital funds	**237 728**	**269 495**	**–**	**22 254**	**63 586**	**67 374**	**(3 787)**	**-6%**	**269 495**

Financial position									
Total current assets	740 636	780 378	–		759 254				780 378
Total non current assets	2 038 411	2 028 706	–		2 073 716				2 028 706
Total current liabilities	811 238	354 128	–		723 193				354 128
Total non current liabilities	154 535	145 701	–		154 535				145 701
Community wealth/Equity	**1 813 269**	**2 309 255**	**–**		**1 955 242**				**2 309 255**
Cash flows									
Net cash from (used) operating	82 846	292 727	–	(84 520)	17 804	73 182	55 378	76%	292 727
Net cash from (used) investing	241 098	(272 155)	–	(24 176)	(109 186)	(68 039)	41 148	-60%	(272 155)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**346 733**	**60 741**	**–**	**–**	**(71 793)**	**45 311**	**117 104**	**258%**	**40 162**
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	60 335	13 962	11 395	31 584	10 433	10 966	9 889	449 224	597 788
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

LIM344 Makhado - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 - September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		**699 386**	**710 247**	**–**	**14 345**	**255 632**	**177 562**	78 070	44%	**710 247**
Executive and council		509 837	512 943	–	–	213 727	128 236	85 491	67%	512 943
Finance and administration		189 549	197 304	–	14 345	41 905	49 326	(7 421)	-15%	197 304
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**401**	**519**	**–**	**29**	**92**	**130**	(37)	-29%	**519**
Community and social services		152	258	–	11	41	65	(24)	-37%	258
Sport and recreation		129	116	–	11	32	29	3	12%	116
Public safety		120	146	–	7	19	36	(17)	-47%	146
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**142 810**	**297 472**	**–**	**14 656**	**26 742**	**74 368**	(47 626)	-64%	**297 472**
Planning and development		2 668	162 702	–	284	344	40 676	(40 332)	-99%	162 702
Road transport		140 142	134 769	–	14 372	26 398	33 692	(7 294)	-22%	134 769
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**569 272**	**667 773**	**–**	**64 540**	**173 394**	**166 943**	**6 451**	4%	**667 773**
Energy sources		546 576	642 882	–	58 573	160 087	160 721	(633)	0%	642 882
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		22 696	24 890	–	5 967	13 307	6 223	7 084	114%	24 890
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**1 411 869**	**1 676 011**	**–**	**93 569**	**455 861**	**419 003**	**36 858**	**9%**	**1 676 011**

Expenditure - Functional										
Governance and administration		**615 056**	**436 571**	**–**	**42 973**	**128 394**	**109 143**	19 251	18%	**436 571**
Executive and council		115 579	100 096	–	9 611	30 845	25 024	5 821	23%	100 096
Finance and administration		499 477	336 475	–	33 361	97 549	84 119	13 430	16%	336 475
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**19 243**	**25 907**	**–**	**1 236**	**3 828**	**6 477**	(2 649)	-41%	**25 907**
Community and social services		678	8 108	–	92	301	2 027	(1 726)	-85%	8 108
Sport and recreation		700	1 052	–	–	27	263	(236)	-90%	1 052
Public safety		17 384	16 148	–	1 075	3 286	4 037	(752)	-19%	16 148
Housing		–	–	–	–	–	–	–		–
Health		481	599	–	69	215	150	65	44%	599
Economic and environmental services		**166 133**	**293 466**	**–**	**12 960**	**36 661**	**73 367**	(36 706)	-50%	**293 466**
Planning and development		46 316	59 166	–	4 503	12 132	14 792	(2 660)	-18%	59 166
Road transport		119 817	234 300	–	8 456	24 529	58 575	(34 046)	-58%	234 300
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**580 946**	**606 419**	**–**	**59 696**	**145 015**	**151 605**	**(6 590)**	-4%	**606 419**
Energy sources		532 724	562 612	–	56 553	133 682	140 653	(6 971)	-5%	562 612
Water management		168	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		48 054	43 807	–	3 143	11 332	10 952	381	3%	43 807
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Expenditure - Functional	**3**	**1 381 378**	**1 362 362**	**–**	**116 864**	**313 897**	**340 591**	**(26 694)**	**-8%**	**1 362 362**
Surplus/ (Deficit) for the year		**30 491**	**313 649**	**–**	**(23 294)**	**141 964**	**78 412**	**63 552**	**81%**	**313 649**

LIM344 Makhado - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 – September

Description	Ref	2024/25	Budget Year 2025/26							
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		517 072	619 883	–	53 319	152 725	154 971	(2 246)	-1%	619 883
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		15 367	16 638	–	5 282	8 085	4 159	3 926	94%	16 638
Sale of Goods and Rendering of Services		1 843	2 876	–	103	263	719	(456)	-63%	2 876
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		17 215	12 748	–	1 262	3 854	3 187	667	21%	12 748
Interest from Current and Non Current Assets		3 016	4 398	–	169	1 055	1 099	(44)	-4%	4 398
Dividends		–	–	–	–	–	–	–		–
Rent on Land		129	116	–	11	32	29	3	12%	116
Rental from Fixed Assets		302	432	–	487	552	108	444	411%	432
Licence and permits		315	285	–	16	50	71	(21)	-30%	285
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		6 423	190 229	–	724	1 548	47 557	(46 010)	-97%	190 229
Non-Exchange Revenue								–		
Property rates		125 104	132 051	–	10 940	32 819	33 013	(194)	-1%	132 051
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		6 227	4 991	–	164	628	1 248	(620)	-50%	4 991
Licence and permits		3 642	3 810	–	315	983	953	31	3%	3 810
Transfers and subsidies - Operational		524 861	529 842	–	702	218 240	132 461	85 780	65%	529 842
Interest		27 404	36 696	–	2 319	6 819	9 174	(2 355)	-26%	36 696
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		414	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**1 249 334**	**1 554 993**	**–**	**75 811**	**427 654**	**388 748**	**38 906**	**10%**	**1 554 993**

Expenditure By Type										
Employee related costs		409 708	400 677	–	31 367	94 173	100 169	(5 997)	-6%	400 677
Remuneration of councillors		30 557	34 781	–	2 478	7 402	8 695	(1 293)	-15%	34 781
Bulk purchases - electricity		437 655	415 335	–	49 907	114 128	103 834	10 294	10%	415 335
Inventory consumed		51 788	53 263	–	4 401	10 369	13 316	(2 947)	-22%	53 263
Debt impairment		26 050	38 231	–	–	–	9 558	(9 558)	-100%	38 231
Depreciation and amortisation		157 494	167 185	–	9 938	30 562	41 796	(11 235)	-27%	167 185
Interest		5 573	20 058	–	56	59	5 014	(4 955)	-99%	20 058
Contracted services		161 812	165 910	–	11 883	39 170	41 477	(2 308)	-6%	165 910
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		0	3 878	–	61	289	969	(681)	-70%	3 878
Operational costs		83 286	63 045	–	6 772	17 746	15 761	1 985	13%	63 045
Losses on Disposal of Assets		16 802	–	–	–	–	–	–		–
Other Losses		655	–	–	–	–	–	–		–
Total Expenditure		**1 381 378**	**1 362 362**	–	**116 864**	**313 897**	**340 591**	**(26 694)**	**-8%**	**1 362 362**
Surplus/(Deficit)		**(132 044)**	**192 631**	–	**(41 053)**	**113 757**	**48 158**	**65 599**	**136%**	**192 631**
Transfers and subsidies - capital (monetary allocations)		142 541	121 018	–	17 759	28 207	30 254	(2 047)	-7%	121 018
Transfers and subsidies - capital (in-kind)		19 995	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**30 491**	**313 649**	–	**(23 294)**	**141 964**	**78 412**			**313 649**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**30 491**	**313 649**	–	**(23 294)**	**141 964**	**78 412**			**313 649**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**30 491**	**313 649**	–	**(23 294)**	**141 964**	**78 412**			**313 649**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**30 491**	**313 649**	–	**(23 294)**	**141 964**	**78 412**			**313 649**

LIM344 Makhado - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 – September

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	–	–	–	–		–
Vote 2 - WASTE MANAGEMENT		–	–	–	–	–	–	–		–
Vote 3 - ROAD TRANSPORT		–	–	–	–	–	–	–		–
Vote 4 - WATER		–	–	–	–	–	–	–		–
Vote 5 - ELECTRICITY- A		–	–	–	–	–	–	–		–
Vote 6 - ELECTRICITY- B		–	–	–	–	–	–	–		–
Vote 7 - ELECTTRICITY- C		–	–	–	–	–	–	–		–
Vote 8 - ELECTRICITY- D		–	–	–	–	–	–	–		–
Vote 9 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 10 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–		–
Vote 11 - COMMUNITY AND SOCIAL SERVICES		–	–	–	–	–	–	–		–
Vote 12 - HOUSING		–	–	–	–	–	–	–		–
Vote 13 - OTHER		–	–	–	–	–	–	–		–
Vote 14 - SPORTS AND RECREATION		–	–	–	–	–	–	–		–
Vote 15 - BUDGET AND TREASURY		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	–	–	–	–		–
Vote 2 - WASTE MANAGEMENT		–	–	–	–	–	–	–		–
Vote 3 - ROAD TRANSPORT		–	–	–	–	–	–	–		–
Vote 4 - WATER		–	–	–	–	–	–	–		–
Vote 5 - ELECTRICITY- A		–	–	–	–	–	–	–		–
Vote 6 - ELECTRICITY- B		–	–	–	–	–	–	–		–
Vote 7 - ELECTTRICITY- C		–	–	–	–	–	–	–		–
Vote 8 - ELECTRICITY- D		–	–	–	–	–	–	–		–
Vote 9 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 10 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–		–
Vote 11 - COMMUNITY AND SOCIAL SERVICES		–	–	–	–	–	–	–		–
Vote 12 - HOUSING		–	–	–	–	–	–	–		–
Vote 13 - OTHER		–	–	–	–	–	–	–		–
Vote 14 - SPORTS AND RECREATION		–	–	–	–	–	–	–		–
Vote 15 - BUDGET AND TREASURY		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	–	–	–	–	–	–		–
Total Capital Expenditure		–	–	–	–	–	–	–		–

Capital Expenditure - Functional Classification										
Governance and administration		**13 604**	**28 811**	–	**1 669**	**5 551**	**7 203**	(1 652)	-23%	**28 811**
Executive and council		4 067	–	–	–	–	–	–		–
Finance and administration		9 537	28 811	–	1 669	5 551	7 203	(1 652)	-23%	28 811
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**5 171**	**2 240**	–	**790**	**790**	**560**	230	41%	**2 240**
Community and social services		261	–	–	–	–	–	–		–
Sport and recreation		4 911	2 240	–	790	790	560	230	41%	2 240
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**186 513**	**178 143**	–	**16 533**	**54 783**	**44 536**	10 247	23%	**178 143**
Planning and development		–	–	–	–	–	–	–		–
Road transport		186 513	178 143	–	16 533	54 783	44 536	10 247	23%	178 143
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**42 938**	**60 301**	–	**4 209**	**4 743**	**15 075**	(10 332)	-69%	**60 301**
Energy sources		41 798	57 231	–	4 209	4 743	14 308	(9 565)	-67%	57 231
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		1 140	3 070	–	–	–	768	(768)	-100%	3 070
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**248 226**	**269 495**	–	**23 200**	**65 866**	**67 374**	**(1 507)**	**-2%**	**269 495**
Funded by:										
National Government		90 795	121 018	–	16 815	28 800	30 254	(1 455)	-5%	121 018
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		**90 795**	**121 018**	–	**16 815**	**28 800**	**30 254**	**(1 455)**	**-5%**	**121 018**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		146 933	148 477	–	5 439	34 787	37 119	(2 332)	-6%	148 477
Total Capital Funding		**237 728**	**269 495**	–	**22 254**	**63 586**	**67 374**	**(3 787)**	**-6%**	**269 495**

LIM344 Makhado - Table C6 Monthly Budget Statement - Financial Position - M03 – September

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		19 589	60 741	–	(12 011)	60 741
Trade and other receivables from exchange transactions		(133 505)	492 755	–	(112 915)	492 755
Receivables from non-exchange transactions		288 485	94 931	–	302 081	94 931
Current portion of non-current receivables		–	–	–	–	–
Inventory		128 488	131 951	–	131 076	131 951
VAT		442 455	0	–	456 209	0
Other current assets		(4 877)	–	–	(5 185)	–
Total current assets		**740 636**	**780 378**	**–**	**759 254**	**780 378**
Non current assets						
Investments		–	–	–	–	–
Investment property		14 641	15 707	–	14 545	15 707
Property, plant and equipment		2 020 362	2 008 943	–	2 055 871	2 008 943
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		2 160	2 253	–	2 160	2 253
Intangible assets		1 248	1 803	–	1 139	1 803
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**2 038 411**	**2 028 706**	**–**	**2 073 716**	**2 028 706**
TOTAL ASSETS		**2 779 048**	**2 809 084**	**–**	**2 832 970**	**2 809 084**

LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		1 267	1 175	–	1 267	1 175
Consumer deposits		16 173	15 626	–	16 446	15 626
Trade and other payables from exchange transactions		339 534	291 695	–	210 562	291 695
Trade and other payables from non-exchange transactions		4 545	0	–	27 092	0
Provision		12 232	10 238	–	10 275	10 238
VAT		437 488	35 288	–	457 550	35 288
Other current liabilities		–	104	–	–	104
Total current liabilities		**811 238**	**354 128**	**–**	**723 193**	**354 128**
Non current liabilities						
Financial liabilities		573	1 919	–	573	1 919
Provision		24 024	19 677	–	24 024	19 677
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		129 938	124 106	–	129 938	124 106
Total non current liabilities		**154 535**	**145 701**	**–**	**154 535**	**145 701**
TOTAL LIABILITIES		**965 773**	**499 829**	**–**	**877 728**	**499 829**
NET ASSETS	2	**1 813 275**	**2 309 255**	**–**	**1 955 242**	**2 309 255**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 813 269	2 309 255	–	1 955 242	2 309 255
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 813 269**	**2 309 255**	**–**	**1 955 242**	**2 309 255**

STATUS OF RECONCILIATIONS AS AT 30 SEPTEMBER 2025

Bank reconciliations is up to date
Grant Reconciliation is up to date
Investment Reconciliations is up to date
Assets Reconciliation is up to date
Petty Cash reconciliation is up to date
Retention reconciliation is up to date
Inventory Reconciliation is up to date
Debtors Reconciliations is up to date
Salary Reconciliation is up to date
Vat Reconciliation is done up to Month of August 2025

7. A CASH FLOW POSITION

This statement indicates the financial position as at 30 September 2025 is R 33 672 379.72. The municipality continues to keep a favorable balance on a monthly basis and these cash flow statements reflect positive balance of R 33 672 379.72 at the end of first quarter ending 30 September 2025.

Primary Account **R 33 672 379.72**

Closing balance as at 30 September 2025 **R 33 672 379.72**

8. VAT RECEIVED

The total amount received for July and August VAT returns amount to **R19 891 019.24**

Month	Amount received
July	13 058 722.60
August	6 832 296.64
TOTAL	**19 891 019.24**