

# INGQUZA HILL LOCAL MUNICIPALITY



**BUDGET AND TREASURY OFFICE**  
**IN-YEAR REPORTING: MFMA SECTION 71 REPORT FOR**  
**AUGUST 2025**

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## **EXECUTIVE SUMMARY**

### **1. INTRODUCTION**

The municipality approved the 2025/26 Annual Budget and the MTREF in May 2025. The purpose of this report, which is prepared in terms of section 71 of the Municipal Finance Management Act No. 56 of 2003, is to report on the performance of the municipality against the approved budget, that is expenditure, revenues, assets, and liabilities. This report is in respect of the performance of the municipality for August 2025, the first month of the 2025/26 financial year.

### **2. LEGAL AND OR LEGISLATIVE BACKGROUND**

**Section 71** of the Municipal Finance Management Act (MFMA), (Act 56 of 2003) prescribes certain conditions that need to be complied with, in terms of the mentioned Act. This report indicates the performance of the municipality against the approved budget for the period reported on.

The Accounting Officer of the Municipality must report by no later than 10 working days after the end of each month to the Mayor and the relevant Provincial Treasury, a statement in the **prescribed format** on the state of the Municipality's budget, that is performance against the set targets.

**Section 66** of the Municipal Finance Management Act further prescribes that all expenditure incurred by the Municipality on staff salaries, allowances and benefits be reported upon in a format and for the prescribed period. It is considered appropriate to report on this section of the Act monthly to coincide with the reporting requirements of Section 71(1) of the Act.

The objectives of the budget format reforms in terms of these regulations are:

- To ensure that the Municipal budget and financial reporting formats support the other financial management reforms introduced by the Municipal Finance Management Act (MFMA).
- To formalize the norms and standards governing Municipal Budget and Financial Reporting formats, to improve the credibility, sustainability, transparency, accuracy, and reliability of budgets and in-year reports.
- To improve the Council's ability to deliver basic services to all by addressing issues of financial sustainability.
- To facilitate informed policy choices by Council and medium-term planning of service delivery by aligning targets to achieve backlog elimination.

### **3. PERFORMANCE AGAINST THE APPROVED BUDGET**

The municipality generated a revenue of R5,9 million for the month of August 2025. This brings the total revenue generated to-date to R173,1 million. The significant

portion of the revenue generated relates to allocations received for the Equitable Share.

The municipality also incurred expenditure for the same period, which is R41,2 million, bringing the total year-to-date amount to just over R86 million. This has resulted in a year-to-date surplus of R86,1 million.

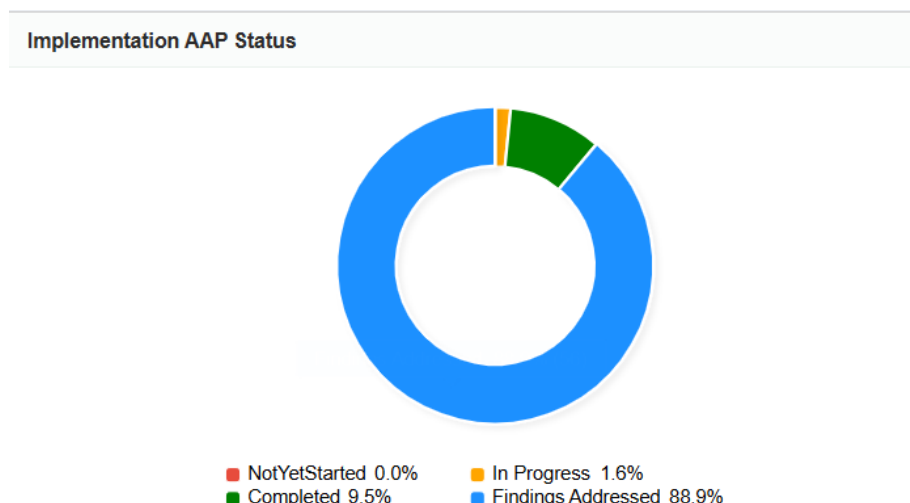
Further details on the variances and other information are detailed in the subsequent paragraphs.

#### 4. THE AUDIT ACTION PLAN

The municipality received its audit report at the beginning of December 2024, which indicated a Qualified Audit. Section 131 of the MFMA requires that a municipality must address any issues raised by the Auditor General in an audit report. To achieve this, the municipality has compiled an audit action plan to address all the issues that have been raised.

Management has utilised Treasury's Web-Enabled Audit Action Planning tool to compile the action plan, and will continue to utilise it for implementing, monitoring, and reporting on all the actions. All findings were captured onto the application, and relevant officials are capturing and updating actions to be implemented to address the issues raised.

The following graph shows the progress in terms of implementation of the audit action plan, wherein no actions have been completed as at the end of August 2025. As at the end of August 2025, all the actions should have been complete, except for a few which depend on actions that are not entirely in the control of management.



The following is the summary of actions compiled by management on the issues affecting the audit report, and the other matters are all detailed in the detailed audit action plan attached as an annexure to this report.

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No	Finding	Root cause by the AG	Action plan	Responsible Leader	Responsible Manager	Status	End	Comments
1	The municipality did not account for Property, Plant and Equipment in accordance with GRAP 17, Property, Plant and Equipment. The current year depreciation expense was not calculated correctly resulting in an understatement of depreciation and overstatement of Property, plant and equipment.	This is due to inadequate reviews of the fixed asset register and inaccurate calculations of depreciation.	The Management will conduct a detailed reviews of calculations for values of assets in the fixed assets register to ensure that all assets are valued properly in terms of the applicable GRAP 17 principles. Also, Management will apply the GRAP 17 principles which requires an entity to assess the useful lives, residual values and depreciation methods of assets at every reporting date. Management will also recalculate the depreciation to ensure its accuracy before the submission to Auditor	CFO	Manager: Assets	In-Progress	Monthly	Management reviewed all the depreciation calculations, processed the required adjustments and have been incorporated to the AFS set submitted to the AG..
2	Assets were not assessed for impairment and resulted in impairment loss not being recorded in the annual financial statements.	This was due to lack of oversight controls to ensure that assets are properly assessed for impairment as required by GRAP	Management will conduct physical asset verification for all Municipal Assets and conditional assessment as required by GRAP 21 principles at year end. All assets showing indicators of impairment will be subjected to the Impairment testing and be accounted for to the FAR	CFO	Manager: Assets	In-Progress	Jun-25	Physical verification of assets has been completed. Management has finalised the Impairment Assessment as required in terms of GRAP and as raised by the AG.

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			and AFS. A proper documentation detailing the process followed will be kept as support.					
3	Total expenditure was materially misstated due to the cumulative effect of individually immaterial uncorrected misstatements.	The finding is due to the lack of management oversight in making sure that the expenditure transactions are recorded as per the date of the invoice	Management will ensure that the expenditure transactions that are recorded to the period which goods & services received by the Municipality relate to.	CFO	Manager: Expenditure		31-Mar-25	The population concerned has been revisited, the transactions identified, and necessary adjusting journal proposed and approved.
4	No sufficient supporting documentation was provided for some of the expenditure report in the AFS.	The cause of the above finding is due to an insufficient oversight by management to ensure that documentation and information requested for external audit purposes are provided in a timely manner	<p>Management will get all payment vouchers which supports the expenditure incurred on transfers and subsidies and resubmit to AG during the Planning.</p> <p>Secondly, Management will ensure that when AG issues an RFI, it will be attended to urgently and with all the necessary information required.</p>	CFO	Manager: Expenditure	In-Progress	31-Mar-25	<p>The payment vouchers have been identified and set aside for audit by the AG.</p> <p>Steps have been taken in the current year to review all documentation and ensuring that it is complete.</p>

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5	Net cash flows from operating activities were not correctly prepared and disclosed as required Standards of GRAP 2, Cash flow statements.	The finding is due to the management that has included the non-cash items and double counting of the provisions for bad debts	Management to reproduce cash flow statement up on completion of other prior year correction and correctly account for retention movement as per AGSA recommendations. Management to discuss with AGSA up on submission of the nine months financial statement and agree on the cash flow statement expected format.	CFO	Manager: Financial Planning	In-Progress	30-Apr-25	Management has compiled the 2024/25 AFS to also take into consideration the issues raised in the cashflow statement. A methodology was developed by management, detailing the processes to be followed
6	There was a material irregular expenditure amounting to R20,6 million (2022-23: R11,9 million)	The finding is due to lack of management oversights in making sure that all applicable laws and regulations are complied with.	Management will ensure that all Variation Orders above 20% will be approved by the Accounting Officer before they are presented to the IHLM Council Meeting. Project Management Policy will be reviewed during the policy reviewal workshop and aligned with the SCM Policy	CFO	Manager: SCM Manager: Technical Services	In-Progress	31-Mar-25	MPAC's investigation is on-going, and the matter has not been finalised.  The element of the MI is also being awaited from the AGSA.



## IN-YEAR BUDGET STATEMENT

### 5. MONTHLY BUDGET STATEMENT: SUMMARY

The table below shows the performance of the municipality for the month of August 2025, the second month of the 2025/26 financial year. The total revenue for August 2025 amounted to R5,9 million, whilst the expenditure for the same month was R41,2 million, resulting in a deficit for the month of R35,2 million.

EC153 Ngquza Hills - Table C1 Monthly Budget Statement Summary - M02 - August

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	39 803	42 607	–	1 290	19 196	7 101	12 095	170%	42 607
Service charges	1 394	1 296	–	119	238	216	22	10%	1 296
Investment revenue	24 126	22 000	–	1 742	3 694	3 667	27	1%	22 000
Transfers and subsidies - Operational	367 753	362 391	–	506	144 681	60 399	84 282	140%	362 391
Other own revenue	63 931	24 877	–	2 319	5 292	4 146	1 146	28%	24 877
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>497 008</b>	<b>453 171</b>	<b>–</b>	<b>5 976</b>	<b>173 101</b>	<b>75 529</b>	<b>97 573</b>	<b>129%</b>	<b>453 171</b>
Employee costs	163 510	181 307	–	13 876	27 900	30 218	(2 318)	-8%	181 307
Remuneration of Councillors	29 154	31 073	–	2 278	4 557	5 179	(622)	-12%	31 073
Depreciation and amortisation	58 694	57 500	–	4 912	10 217	9 583	634	7%	57 500
Interest	4 119	150	–	–	–	25	(25)	-100%	150
Inventory consumed and bulk purchases	–	–	–	–	–	–	–	–	–
Transfers and subsidies	5 147	7 000	–	813	813	1 167	(354)	-30%	7 000
Other expenditure	215 411	275 347	–	19 377	43 438	45 891	(2 453)	-5%	275 347
<b>Total Expenditure</b>	<b>476 035</b>	<b>552 377</b>	<b>–</b>	<b>41 255</b>	<b>86 925</b>	<b>92 063</b>	<b>(5 138)</b>	<b>-6%</b>	<b>552 377</b>
<b>Surplus/(Deficit)</b>	<b>20 973</b>	<b>(99 206)</b>	<b>–</b>	<b>(35 279)</b>	<b>86 176</b>	<b>(16 534)</b>	<b>102 711</b>	<b>-621%</b>	<b>(99 206)</b>
Transfers and subsidies - capital (monetary allocations)	79 404	65 535	–	5 841	15 142	10 923	4 219	39%	65 535
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>100 377</b>	<b>(33 671)</b>	<b>–</b>	<b>(29 438)</b>	<b>101 318</b>	<b>(5 612)</b>	<b>106 930</b>	<b>-1905%</b>	<b>(33 671)</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>100 377</b>	<b>(33 671)</b>	<b>–</b>	<b>(29 438)</b>	<b>101 318</b>	<b>(5 612)</b>	<b>106 930</b>	<b>-1905%</b>	<b>(33 671)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>132 421</b>	<b>114 855</b>	<b>–</b>	<b>7 768</b>	<b>18 644</b>	<b>19 142</b>	<b>(498)</b>	<b>-3%</b>	<b>114 855</b>
Capital transfers recognised	78 327	65 535	–	6 085	14 172	10 922	3 250	30%	65 535
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	50 492	49 320	–	1 683	4 472	8 220	(3 748)	-46%	49 320
<b>Total sources of capital funds</b>	<b>128 819</b>	<b>114 855</b>	<b>–</b>	<b>7 768</b>	<b>18 644</b>	<b>19 142</b>	<b>(498)</b>	<b>-3%</b>	<b>114 855</b>
<b>Financial position</b>									
Total current assets	340 620	316 387	–		442 779				316 387
Total non current assets	1 620 112	1 741 531	–		1 631 854				1 741 531
Total current liabilities	96 774	67 059	–		109 264				67 059
Total non current liabilities	29 797	32 596	–		29 797				32 596
Community wealth/Equity	1 836 090	1 958 263	–		1 935 572				1 958 263
<b>Cash flows</b>									
Net cash from (used) operating	268 094	81 471	95 772	(168)	144 790	13 579	(131 212)	-966%	81 471
Net cash from (used) investing	128 891	(137 355)	(137 355)	(11 345)	(25 824)	(22 892)	2 931	-13%	(137 355)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the month/year end</b>	<b>664 806</b>	<b>279 097</b>	<b>293 397</b>	<b>–</b>	<b>407 503</b>	<b>325 667</b>	<b>(81 836)</b>	<b>-25%</b>	<b>232 653</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	2 155	18 146	1 938	1 871	1 862	1 839	1 817	107 915	137 542
<b>Creditors Age Analysis</b>									
Total Creditors	2 918	10	16	–	–	–	–	–	2 945



## 6. MONTHLY BUDGET STATEMENT – FINANCIAL PERFORMANCE (FUNCTIONAL CLASSIFICATION)

EC153 Ngquzu Hills - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 - August

Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		<b>431 134</b>	<b>426 127</b>	<b>-</b>	<b>4 021</b>	<b>168 475</b>	<b>71 021</b>	<b>97 454</b>	<b>137%</b>	<b>426 127</b>
Executive and council		1 593	1 716	-	145	290	286	4	1%	1 716
Finance and administration		429 541	424 411	-	3 877	168 186	70 735	97 451	138%	424 411
Internal audit		-	-	-	-	-	-	-		-
<b>Community and public safety</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		<b>114 413</b>	<b>77 396</b>	<b>-</b>	<b>6 160</b>	<b>15 780</b>	<b>12 899</b>	<b>2 880</b>	<b>22%</b>	<b>77 396</b>
Planning and development		3 504	4 647	-	318	638	775	(137)	-18%	4 647
Road transport		110 909	72 749	-	5 841	15 142	12 125	3 017	25%	72 749
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		<b>30 866</b>	<b>15 183</b>	<b>-</b>	<b>1 636</b>	<b>3 988</b>	<b>2 531</b>	<b>1 458</b>	<b>58%</b>	<b>15 183</b>
Energy sources		20 478	3 660	-	529	2 141	610	1 531	251%	3 660
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		10 388	11 523	-	1 107	1 847	1 921	(73)	-4%	11 523
<b>Other</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>576 413</b>	<b>518 706</b>	<b>-</b>	<b>11 817</b>	<b>188 243</b>	<b>86 451</b>	<b>101 792</b>	<b>118%</b>	<b>518 706</b>
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		<b>240 514</b>	<b>303 474</b>	<b>-</b>	<b>22 963</b>	<b>49 984</b>	<b>50 579</b>	<b>(595)</b>	<b>-1%</b>	<b>303 474</b>
Executive and council		86 923	108 434	-	7 802	14 294	18 072	(3 778)	-21%	108 434
Finance and administration		149 991	189 727	-	14 706	34 871	31 621	3 250	10%	189 727
Internal audit		3 601	5 313	-	455	819	885	(66)	-7%	5 313
<b>Community and public safety</b>		<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Community and social services		131	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		<b>106 972</b>	<b>142 266</b>	<b>-</b>	<b>11 159</b>	<b>21 427</b>	<b>23 711</b>	<b>(2 284)</b>	<b>-10%</b>	<b>142 266</b>
Planning and development		30 980	39 385	-	2 276	3 764	6 564	(2 800)	-43%	39 385
Road transport		75 991	102 881	-	8 883	17 663	17 147	516	3%	102 881
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		<b>128 418</b>	<b>106 637</b>	<b>-</b>	<b>7 133</b>	<b>15 514</b>	<b>17 773</b>	<b>(2 259)</b>	<b>-13%</b>	<b>106 637</b>
Energy sources		33 381	17 010	-	1 158	3 134	2 835	299	11%	17 010
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		95 037	89 627	-	5 975	12 380	14 938	(2 558)	-17%	89 627
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>476 035</b>	<b>552 377</b>	<b>-</b>	<b>41 255</b>	<b>86 925</b>	<b>92 063</b>	<b>(5 138)</b>	<b>-6%</b>	<b>552 377</b>
<b>Surplus/ (Deficit) for the year</b>		<b>100 377</b>	<b>(33 671)</b>	<b>-</b>	<b>(29 438)</b>	<b>101 318</b>	<b>(5 612)</b>	<b>106 930</b>	<b>-1905%</b>	<b>(33 671)</b>

The table above shows the revenue and expenditure per functional classification. The highest revenue has been received at the Road And Transport Function and this is mainly due to recognition of revenue after conditional grant provisions have been met. The revenue generated from the Road and Transport Function is R5,8 million.

The expenditure for the same period can be attributed to the various departments, e.g. expenditure of just over R7,8 million for Executive and Council, R14,7 million for

Finance and Administration, R11,1 million for Economic and Environmental Services and R7,1 million for the Trading Services.

## 7. MONTHLY BUDGET STATEMENT: FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE)

EC153 Ngquza Hills - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 - August

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Governance and Administration		431 134	426 127	–	4 021	168 475	71 021	97 454	137,2%	426 127
Vote 2 - Community Services and Public Safety		10 388	11 523	–	1 107	1 847	1 921	(73)	-3,8%	11 523
Vote 3 - Economic and Environmental Services		1 474	2 008	–	90	190	335	(145)	-43,3%	2 008
Vote 4 - Trading Services		20 478	3 660	–	529	2 141	610	1 531	251,0%	3 660
Vote 5 - Technical Services		112 939	75 388	–	6 069	15 590	12 565	3 025	24,1%	75 388
Vote 6 -		–	–	–	–	–	–	–		–
Vote 7 -		–	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
<b>Total Revenue by Vote</b>	2	<b>576 413</b>	<b>518 706</b>	<b>–</b>	<b>11 817</b>	<b>188 243</b>	<b>86 451</b>	<b>101 792</b>	<b>117,7%</b>	<b>518 706</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Governance and Administration		240 514	303 474	–	22 963	49 984	50 579	(595)	-1,2%	303 474
Vote 2 - Community Services and Public Safety		95 168	89 627	–	5 975	12 380	14 938	(2 558)	-17,1%	89 627
Vote 3 - Economic and Environmental Services		26 675	36 749	–	2 276	3 678	6 125	(2 447)	-40,0%	36 749
Vote 4 - Trading Services		33 381	17 010	–	1 158	3 134	2 835	299	10,5%	17 010
Vote 5 - Technical Services		80 296	105 517	–	8 883	17 749	17 586	163	0,9%	105 517
Vote 6 -		–	–	–	–	–	–	–		–
Vote 7 -		–	–	–	–	–	–	–		–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
<b>Total Expenditure by Vote</b>	2	<b>476 035</b>	<b>552 377</b>	<b>–</b>	<b>41 255</b>	<b>86 925</b>	<b>92 063</b>	<b>(5 138)</b>	<b>-5,6%</b>	<b>552 377</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>100 377</b>	<b>(33 671)</b>	<b>–</b>	<b>(29 438)</b>	<b>101 318</b>	<b>(5 612)</b>	<b>106 930</b>	<b>-1905,4%</b>	<b>(33 671)</b>

The table above indicates the revenue and expenditure per municipal vote.

## 8. MONTHLY BUDGET STATEMENT: FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)

EC153 Ngquza Hills - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 - August

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-		-
Service charges - Water		-	-	-	-	-	-	-		-
Service charges - Waste Water Management		-	-	-	-	-	-	-		-
Service charges - Waste management		1 394	1 296	-	119	238	216	22	10%	1 296
Sale of Goods and Rendering of Services		20 808	4 276	-	554	2 199	713	1 486	209%	4 276
Agency services		4 475	6 400	-	366	814	1 067	(253)	-24%	6 400
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		1 020	749	-	83	167	125	42	33%	749
Interest from Current and Non Current Assets		24 126	22 000	-	1 742	3 694	3 667	27	1%	22 000
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		1 043	1 224	-	62	116	204	(88)	-43%	1 224
Licence and permits		115	200	-	8	21	33	(12)	-36%	200
Special Rating Levies		-	-	-	-	-	-	-		-
Operational Revenue		143	380	-	78	88	63	25	39%	380
Non-Exchange Revenue										
Property rates		39 803	42 607	-	1 290	19 196	7 101	12 095	170%	42 607
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		1 988	1 552	-	446	448	259	190	73%	1 552
Licence and permits		-	-	-	-	-	-	-		-
Transfers and subsidies - Operational		367 753	362 391	-	506	144 681	60 399	84 282	140%	362 391
Interest		9 178	9 097	-	721	1 439	1 516	(77)	-5%	9 097
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		5 948	1 000	-	-	-	167	(167)	-100%	1 000
Other Gains		19 213	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		497 008	453 171	-	5 976	173 101	75 529	97 573	129%	453 171
Expenditure By Type										
Employee related costs		163 510	181 307	-	13 876	27 900	30 218	(2 318)	-8%	181 307
Remuneration of councillors		29 154	31 073	-	2 278	4 557	5 179	(622)	-12%	31 073
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		-	-	-	-	-	-	-		-
Debt impairment		10 071	11 163	-	-	-	1 861	(1 861)	-100%	11 163
Depreciation and amortisation		58 694	57 500	-	4 912	10 217	9 583	634	7%	57 500
Interest		4 119	150	-	-	-	25	(25)	-100%	150
Contracted services		88 182	106 909	-	7 574	15 992	17 818	(1 827)	-10%	106 909
Transfers and subsidies		5 147	7 000	-	813	813	1 167	(354)	-30%	7 000
Irrecoverable debts written off		8 735	16 500	-	129	469	2 750	(2 281)	-83%	16 500
Operational costs		108 495	140 775	-	11 674	26 978	23 462	3 516	15%	140 775
Losses on Disposal of Assets		(72)	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		476 035	552 377	-	41 255	86 925	92 063	(5 138)	-6%	552 377
Surplus/(Deficit)		20 973	(99 206)	-	(35 279)	86 176	(16 534)	102 711	-621%	(99 206)
Transfers and subsidies - capital (monetary allocations)		79 404	65 535	-	5 841	15 142	10 923	4 219	39%	65 535
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		100 377	(33 671)	-	(29 438)	101 318	(5 612)			(33 671)
Income Tax		-	-	-	-	-	-	-		-
Surplus/(Deficit) after income tax		100 377	(33 671)	-	(29 438)	101 318	(5 612)			(33 671)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-		-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-		-
Surplus/(Deficit) attributable to municipality		100 377	(33 671)	-	(29 438)	101 318	(5 612)			(33 671)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-		-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		100 377	(33 671)	-	(29 438)	101 318	(5 612)			(33 671)

In the table above the following can be highlighted

**a) Revenue**

**i Waste Management**

The municipality generated revenue from solid waste removal to the amount of R119 000 for the month of August 2025. There is a 10% variance against the budgeted amount which is a positive achievement. Management must continue to analyse whether all revenue due to be billed is billed, then subsequently ensure that all billed revenue is collected.

**ii Sale of Goods and Rendering of Services**

The revenue source generated a revenue of R554 000 for the month of August 2025. It must be noted that this revenue also includes revenue from implementation of the INEP projects in terms of construction contracts. This also means that on the other hand the conditions of INEP would have been met, and the revenue is then realised. The revenue to date on this source is R2,1 million.

**iii Agency Fees**

The municipality generates revenue from operating the Driver's License and Testing Centre. For August 2025, the municipality generated revenue of R366 000 which results in variance of 24% of the budgeted amount. There is an indication that the centre is not yet fully functional, although the plans of the municipality are that it should be fully functional during this financial year. This should see a reduction in the variance and optimum performance from the centre.

**iv Interest From Current and Non-Current Assets**

The municipality receives interest from balances in its main and its call accounts. In August 2025 the municipality generated R1,74 million which results in a 1% variance of the budgeted amount for the same period of R1,8 million. The management will continue to monitor the interests accumulated from the funds and ensure that the funds are placed in accounts that are likely to generate more revenue during the periods in which they are not required for service delivery.

**v Property Rates**

The municipality bills the rateable properties within the municipality for property rates. The billing processed by the municipality for property rates in August 2025 is just over R1,2 million. This is the likely amount to be billed for every month from August until year end as the billing for the government properties was done in July 2025.

**vi Rental From Fixed Assets**



The municipality generated revenue of R62 000 for August 2025 in relation to the rental of properties it owns. There is a current exercise that management is undergoing to review all municipal leased properties, determining whether the current rentals and agreements are appropriate. The results of that analysis will be tabled to council for resolution.

**vii Transfers and Subsidies**

The municipality receives transfers and subsidies from various government departments, some of which are conditional grants and others unconditional. From the operational grants, the municipality received or recognised just of R500 000 in the month of August 2025.

The capital transfers generated just over R5 million, and this is due to recognition of revenue from the Municipal Infrastructure Grant. This brings into total revenue recognition of capital transfers to R15,1 million.

**b) Expenditure**

**i Employee Related Costs**

The municipality pays employees' salaries and allowances for services rendered as employees of the municipality. In August 2025, the expenditure relating to Employee Related Costs is R13,8 million, resulting in a variance of 8% which can be attributed to vacancies that have not yet been filled.

The Corporate Services Department has compiled a recruitment plan that intends to deal with the elimination of vacancies, giving attention to the critical positions that have been vacant for a while. There is much progress on the recruitment on the vacant positions in terms of the recruitment plan.

**ii Remuneration of Councillors**

The upper limits on the remuneration of municipal office bearers is a gazette that determines the salaries and allowances that councillors must be paid. The municipality pays the remuneration of councillors in line with the provisions of this gazette. In August 2025, the municipality spent just over R2,2 million on the remuneration of councillors. This results in a variance of 12%, and this can be attributed to the increase that has not yet been indicated in terms of an updated gazette, which has not been issued.

**iii Contracted Services**

The contracted services for August 2025 amounted to R7,5 million, with an underspending of 10%. Management will continue to monitor the spending patterns of the municipality to ensure that all service delivery imperatives are met.

#### iv Operational Costs

The operational costs incurred by the municipality in August 2025 amounted to R11,6 million which included the significant expenditures of the delivery of paraffin to indigent households. This has resulted in year-to-date amount of R26,9 million, resulting in a variance of 15% over expenditure. This is contributed towards by the expenditure on the delivery of paraffin.

#### v Depreciation And Amortisation

The municipality has implemented a system-based asset management, which computes the depreciation monthly. The depreciation for August 2025 is R4,9 million.

### 9. MONTHLY BUDGET STATEMENT: CAPITAL EXPENDITURE

The table below indicates the capital expenditure for the month of August 2025, which was just over R7,7 million, which is at Technical Services.

EC153 Ngquza Hills - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 - August										
Vote Description	Ref	2024/25 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
<b>R thousands</b>	<b>1</b>									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - Governance and Administration		-	-	-	-	-	-	-		-
Vote 2 - Community Services and Public Safety		-	-	-	-	-	-	-		-
Vote 3 - Economic and Environmental Services		-	-	-	-	-	-	-		-
Vote 4 - Trading Services		-	-	-	-	-	-	-		-
Vote 5 - Technical Services		-	-	-	-	-	-	-		-
Vote 6 -		-	-	-	-	-	-	-		-
Vote 7 -		-	-	-	-	-	-	-		-
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Single Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - Governance and Administration		19 642	11 850	-	-	-	1 975	(1 975)	-100%	11 850
Vote 2 - Community Services and Public Safety		8 507	7 170	-	-	-	1 195	(1 195)	-100%	7 170
Vote 3 - Economic and Environmental Services		505	2 000	-	-	-	333	(333)	-100%	2 000
Vote 4 - Trading Services		9 303	13 000	-	-	-	2 167	(2 167)	-100%	13 000
Vote 5 - Technical Services		94 464	80 835	-	7 768	18 644	13 472	5 172	38%	80 835
Vote 6 -		-	-	-	-	-	-	-		-
Vote 7 -		-	-	-	-	-	-	-		-
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
<b>Total Capital single-year expenditure</b>	<b>4</b>	<b>132 421</b>	<b>114 855</b>	<b>-</b>	<b>7 768</b>	<b>18 644</b>	<b>19 142</b>	<b>(498)</b>	<b>-3%</b>	<b>114 855</b>
<b>Total Capital Expenditure</b>		<b>132 421</b>	<b>114 855</b>	<b>-</b>	<b>7 768</b>	<b>18 644</b>	<b>19 142</b>	<b>(498)</b>	<b>-3%</b>	<b>114 855</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>19 642</b>	<b>11 850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 975</b>	<b>(1 975)</b>	<b>-100%</b>	<b>11 850</b>
Executive and council		50	300	-	-	-	50	(50)	-100%	300
Finance and administration		19 592	11 550	-	-	-	1 925	(1 925)	-100%	11 550
Internal audit		-	-	-	-	-	-	-		-
<b>Community and public safety</b>		<b>5 832</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Community and social services		2 877	-	-	-	-	-	-		-
Sport and recreation		2 955	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		<b>94 970</b>	<b>82 835</b>	<b>-</b>	<b>7 768</b>	<b>18 644</b>	<b>13 806</b>	<b>4 838</b>	<b>35%</b>	<b>82 835</b>
Planning and development		505	2 000	-	-	-	333	(333)	-100%	2 000
Road transport		94 464	80 835	-	7 768	18 644	13 472	5 172	38%	80 835
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		<b>11 978</b>	<b>20 170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 362</b>	<b>(3 362)</b>	<b>-100%</b>	<b>20 170</b>
Energy sources		9 303	13 000	-	-	-	2 167	(2 167)	-100%	13 000
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		2 675	7 170	-	-	-	1 195	(1 195)	-100%	7 170
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>132 421</b>	<b>114 855</b>	<b>-</b>	<b>7 768</b>	<b>18 644</b>	<b>19 142</b>	<b>(498)</b>	<b>-3%</b>	<b>114 855</b>
<b>Funded by:</b>										
National Government		70 969	64 835	-	6 085	14 172	10 806	3 366	31%	64 835
Provincial Government		7 358	700	-	-	-	117	(117)	-100%	700
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-		-
<b>Transfers recognised - capital</b>		<b>78 327</b>	<b>65 535</b>	<b>-</b>	<b>6 085</b>	<b>14 172</b>	<b>10 922</b>	<b>3 250</b>	<b>30%</b>	<b>65 535</b>
<b>Borrowing</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Internally generated funds</b>		<b>50 492</b>	<b>49 320</b>	<b>-</b>	<b>1 683</b>	<b>4 472</b>	<b>8 220</b>	<b>(3 748)</b>	<b>-46%</b>	<b>49 320</b>
<b>Total Capital Funding</b>		<b>128 819</b>	<b>114 855</b>	<b>-</b>	<b>7 768</b>	<b>18 644</b>	<b>19 142</b>	<b>(498)</b>	<b>-3%</b>	<b>114 855</b>

## 10. MONTHLY BUDGET STATEMENT: FINANCIAL POSITION

The table below shows the financial position of the municipality as at the end of August 2025. It is the reflection of the total assets of the municipality as well as the total liabilities of the municipality.

EC153 Ngquza Hills - Table C6 Monthly Budget Statement - Financial Position - M02 - August						
Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		288 536	279 097	–	376 022	279 097
Trade and other receivables from exchange transactions		1 645	5 599	–	1 684	5 599
Receivables from non-exchange transactions		9 607	25 362	–	25 457	25 362
Current portion of non-current receivables		–	–	–	–	–
Inventory		768	–	–	768	–
VAT		40 064	6 328	–	38 848	6 328
Other current assets		(0)	–	–	(0)	–
<b>Total current assets</b>		<b>340 620</b>	<b>316 387</b>	<b>–</b>	<b>442 779</b>	<b>316 387</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		787 727	779 523	–	787 727	779 523
Property, plant and equipment		832 385	962 008	–	844 128	962 008
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		–	–	–	–	–
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>1 620 112</b>	<b>1 741 531</b>	<b>–</b>	<b>1 631 854</b>	<b>1 741 531</b>
<b>TOTAL ASSETS</b>		<b>1 960 732</b>	<b>2 057 917</b>	<b>–</b>	<b>2 074 633</b>	<b>2 057 917</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		1 439	–	–	1 439	–
Consumer deposits		–	–	–	–	–
Trade and other payables from exchange transactions		53 384	64 279	–	54 772	64 279
Trade and other payables from non-exchange transactions		1 035	–	–	11 846	–
Provision		3 336	2 579	–	3 336	2 579
VAT		37 581	201	–	37 871	201
Other current liabilities		–	–	–	–	–
<b>Total current liabilities</b>		<b>96 774</b>	<b>67 059</b>	<b>–</b>	<b>109 264</b>	<b>67 059</b>
<b>Non current liabilities</b>						
Financial liabilities		2 250	–	–	2 250	–
Provision		27 548	32 596	–	27 548	32 596
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
<b>Total non current liabilities</b>		<b>29 797</b>	<b>32 596</b>	<b>–</b>	<b>29 797</b>	<b>32 596</b>
<b>TOTAL LIABILITIES</b>		<b>126 571</b>	<b>99 655</b>	<b>–</b>	<b>139 061</b>	<b>99 655</b>
<b>NET ASSETS</b>	<b>2</b>	<b>1 834 161</b>	<b>1 958 263</b>	<b>–</b>	<b>1 935 572</b>	<b>1 958 263</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		1 836 090	1 958 263	–	1 935 572	1 958 263
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>1 836 090</b>	<b>1 958 263</b>	<b>–</b>	<b>1 935 572</b>	<b>1 958 263</b>



## **SUPPORTING DOCUMENTATION**

### **11. DEBTORS AGE ANALYSIS**

The municipality bills consumers for property rates and solid waste removal. Interest is charged on overdue accounts. The billed revenue must then be collected to ensure that the municipality has enough cash and cash equivalents to meet all its obligations as the fall due. The following is the Debtors Age Analysis at the end of August 2025.

EC153 Ngquza Hills - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 - August

Description	NT Code	Budget Year 2025/26									
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	–	–	–	–	–	–	–	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	1 222	17 231	1 036	971	970	955	938	82 822	106 145	86 656
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	128	115	104	101	98	98	96	11 309	12 049	11 702
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	805	800	797	799	794	787	783	13 783	19 348	16 946
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	1	1	1
Total By Income Source	2000	2 155	18 146	1 938	1 871	1 862	1 839	1 817	107 915	137 542	115 304
2024/25 - totals only		–	–	–	–	–	–	–	–	–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	70	16 512	59	59	60	60	63	6 298	23 181	6 540
Commercial	2300	1 438	1 064	1 291	1 229	1 223	1 204	1 181	61 860	70 490	66 697
Households	2400	647	569	588	583	579	575	573	39 757	43 871	42 066
Other	2500	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	2 155	18 146	1 938	1 871	1 862	1 839	1 817	107 915	137 542	115 304

The management is implementing an approach discussed at the Revenue Committee as well as at BTO Portfolio Committee, wherein management must pay target attention to commercial properties. This is with the view that the commercial properties have a better ability of settling their debt as they are in business. This would be followed by close engagements with the government departments as they also have an obligation to settle all amounts outstanding and owing to the municipality.

#### **a) Debt Collection Rate**

The Ratio indicates the collection rate & measures increases or decreases in Debtors relative to annual billed revenue.

#### **August 2025 collection levels:**

The municipality bills for Property Rates and Solid Waste Removal. Interest is then levied on outstanding debts. For August 2025, the municipality has a total billing of over R18,4 million, whilst over R3,8 million was collected, and this results in a month collection rate of 21%. This is mainly due to the annual billing for government properties that occurs in July, whilst the payment for the same is expected to be received in the subsequent months, most like September 2025.

This still shows a year-to-date level of collection below the targets on collection, and as such the engagements with the ratepayers need to be intensified, and the planned specialized engagement with the commercial property owners needs to be expedited.

<u>Category</u>	<u>25-Aug</u>	<u>Year-to-Date</u>
Rates	1 161 243,58	18 719 663,91
Refuse	136 879,90	273 759,80
Interest Levied	804 712,84	1 605 864,50
	<b>2 102 836,32</b>	<b>20 599 288,21</b>
Receipts	-1 118 545,43	-4 979 127,01
	<b>984 290,89</b>	<b>15 620 161,20</b>
<b>Collection Rate</b>	<b>53%</b>	<b>24%</b>

#### a. Comments Regarding Government Debt

There is continuous engagement with government departments in ensuring that information that will result in the bills being paid is forwarded. All schedules and other information have already been forwarded, including invoices to the relevant departments, especially Department of Public Works, who is responsible for most of the billed amount.

## 12. CREDITORS AGE ANALYSIS

The table below shows the creditors age analysis as at the end of August 2025.

EC153 Ngquza Hills - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 - August											
Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
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	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	2 918	10	16	-	-	-	-	-	2 945	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>2 918</b>	<b>10</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 945</b>	<b>-</b>

## 13. CASH AND CASH EQUIVALENTS

The municipality keeps its funds on the primary and other call accounts. The balances in the bank accounts as at the end of August 2025 were just over R376 million and can be tabled as follows:

BANK	ACCOUNT TYPE	BALANCE
FNB	Cheque account	244 525 912,11
FNB	Call account	275 042,42
FNB	Operational Account	74 648 765,34
FNB	MIG Call Acc	5 311 606,97
FNB	Plant Call Acc	40 395 986,51
FNB	Call account	1 444 124,01
FNB	Call account	4 707 455,69
FNB	Call account	2 457 674,49
FNB	Call account	881 649,79
FNB	Call account	1 364 027,12
		<b>376 012 244,45</b>

#### 14. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

##### a) Grants Receipts for August 2025

The following are the grant receipts for the month of August 2025.

EC153 Ngquza Hills - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 - August

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		352 936	360 096	-	3 429	147 107	60 016	87 091	145,1%	360 096
Expanded Public Works Programme Integrated Grant		1 593	1 716	-	429	429	286	143	50,0%	1 716
Municipal Disaster Relief Grant		1 623	8 114	-	-	-	1 352	(1 352)	-100,0%	8 114
Local Government Financial Management Grant	3	3 000	2 800	-	3 000	3 000	467	2 533	542,9%	2 800
Municipal Infrastructure Grant		-	2 639	-	-	-	440	(440)	-100,0%	2 639
Equitable Share		346 720	344 827	-	-	143 678	57 471	86 207	150,0%	344 827
Provincial Government:		8 638	2 295	-	-	-	383	(383)	-100,0%	2 295
Municipal Disaster Relief Grant		6 490	-	-	-	-	-	-	-	-
Library Grant		1 495	795	-	-	-	133	(133)	-100,0%	795
LG Seta Grant		653	1 500	-	-	-	250	(250)	-100,0%	1 500
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>		361 574	362 391	-	3 429	147 107	60 399	86 709	143,6%	362 391
<b>Capital Transfers and Grants</b>										
National Government:		81 812	64 635	-	-	23 527	10 773	12 755	118,4%	64 635
Municipal Infrastructure Grant		81 812	64 635	-	-	23 527	10 773	12 755	118,4%	64 635
Provincial Government:		-	700	-	-	-	117	(117)	-100,0%	700
Library Grant		-	700	-	-	-	117	(117)	-100,0%	700
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>		81 812	65 335	-	-	23 527	10 889	12 638	116,1%	65 335
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		443 386	427 726	-	3 429	170 634	71 288	99 346	139,4%	427 726

## b) Grant Expenditure for August 2025

EC153 Ngquza Hills - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 - August										
Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		19 098	15 269	-	418	827	2 545	(1 717)	-67,5%	15 269
Expanded Public Works Programme Integrated Grant		1 593	1 716	-	145	290	286	4	1,2%	1 716
Municipal Disaster Relief Grant		-	8 114	-	-	-	1 352	(1 352)	-100,0%	8 114
Local Government Financial Management Grant	3	3 000	2 800	-	45	90	467	(377)	-80,7%	2 800
Municipal Infrastructure Grant		2 030	2 639	-	228	448	440	8	1,9%	2 639
Municipal Disaster Recovery Grant		12 475	-	-	-	-	-	-		-
Provincial Government:		1 935	2 295	-	88	175	383	(207)	-54,2%	2 295
Specify (Add grant description)		(0)	-	-	-	-	-	-		-
Library Grant		1 282	795	-	88	175	133	43	32,2%	795
LG Seta Grant		653	1 500	-	-	-	250	(250)	-100,0%	1 500
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants		21 033	17 564	-	506	1 003	2 927	(1 925)	-65,8%	17 564
Capital Transfers and Grants										
National Government:		79 191	64 635	-	5 841	15 142	10 773	4 369	40,6%	64 635
Municipal Infrastructure Grant		79 191	64 635	-	5 841	15 142	10 773	4 369	40,6%	64 635
Provincial Government:		213	700	-	-	-	117	(117)	-100,0%	700
Library Grant		213	700	-	-	-	117	(117)	-100,0%	700
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants		79 404	65 335	-	5 841	15 142	10 889	4 253	39,1%	65 335
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		100 437	82 899	-	6 347	16 144	13 817	2 328	16,8%	82 899

## 15. EMPLOYEE RELATED COSTS AND REMUNERATION OF COUNCILLORS

The detail provided below relates to the expenditure by the municipality for the period of August 2025. This also includes details of the amounts spent on the remuneration of councillors.

### a) PAYROLL MANAGEMENT

- The municipal salaries are paid on the 15<sup>th</sup> of every month.
- Salaries for the month of August 2025 were processed successfully, and all salary related Journals were processed.
- The municipality is using Payday system to process salaries and then import the Journals to the Munsoft Financial system. Management is in the process of ensuring that payroll reconciliations are performed, reviewed and where necessary, required adjustments and corrections are made.



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EC153 Ngquza Hills - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 - August

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		24 317	20 383	20 383	1 813	3 636	3 397	238	7%	20 383
Pension and UIF Contributions		—	—	—	—	—	—	—		—
Medical Aid Contributions		—	—	—	—	—	—	—		—
Motor Vehicle Allowance		1 927	6 305	6 305	202	395	1 051	(656)	-62%	6 305
Cellphone Allowance		2 826	3 758	3 758	251	502	626	(124)	-20%	3 758
Housing Allowances		84	138	138	12	24	23	1	4%	138
Other benefits and allowances		—	489	489	—	—	82	(82)	-100%	489
<b>Sub Total - Councillors</b>		<b>29 154</b>	<b>31 073</b>	<b>31 073</b>	<b>2 278</b>	<b>4 557</b>	<b>5 179</b>	<b>(622)</b>	<b>-12%</b>	<b>31 073</b>
<b>% increase</b>	4		<b>6,6%</b>	<b>6,6%</b>						<b>6,6%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 537	4 398	4 398	340	680	733	(53)	-7%	4 398
Pension and UIF Contributions		10	13	13	1	2	2	(0)	-18%	13
Medical Aid Contributions		—	308	308	—	—	51	(51)	-100%	308
Overtime		—	—	—	—	—	—	—		—
Performance Bonus		3 144	449	449	179	395	75	320	427%	449
Motor Vehicle Allowance		918	1 499	1 499	75	185	250	(65)	-26%	1 499
Cellphone Allowance		119	273	273	9	22	45	(24)	-53%	273
Housing Allowances		—	211	211	—	—	35	(35)	-100%	211
Other benefits and allowances		1	7	7	0	0	1	(1)	-94%	7
Payments in lieu of leave		—	—	—	—	—	—	—		—
Long service awards		—	—	—	—	—	—	—		—
Post-retirement benefit obligations	2	—	—	—	—	—	—	—		—
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		—	—	—	—	—	—	—		—
In kind benefits		—	—	—	—	—	—	—		—
<b>Sub Total - Senior Managers of Municipality</b>		<b>7 729</b>	<b>7 158</b>	<b>7 158</b>	<b>604</b>	<b>1 283</b>	<b>1 193</b>	<b>90</b>	<b>8%</b>	<b>7 158</b>
<b>% increase</b>	4		<b>-7,4%</b>	<b>-7,4%</b>						<b>-7,4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		93 413	103 409	103 409	8 090	16 158	17 235	(1 077)	-6%	103 409
Pension and UIF Contributions		13 959	16 974	16 974	1 256	2 491	2 829	(338)	-12%	16 974
Medical Aid Contributions		9 141	17 301	17 301	818	1 618	2 883	(1 266)	-44%	17 301
Overtime		14 650	8 199	8 199	1 111	2 172	1 366	805	59%	8 199
Performance Bonus		4 050	8 254	8 254	252	398	1 376	(977)	-71%	8 254
Motor Vehicle Allowance		9 684	10 141	10 141	947	1 927	1 690	236	14%	10 141
Cellphone Allowance		1 283	1 326	1 326	196	453	221	232	105%	1 326
Housing Allowances		5 199	5 559	5 559	464	927	927	1	0%	5 559
Other benefits and allowances		303	450	450	61	138	75	63	84%	450
Payments in lieu of leave		981	231	231	—	—	38	(38)	-100%	231
Long service awards		788	185	185	—	15	31	(15)	-50%	185
Post-retirement benefit obligations	2	1 224	522	522	—	166	87	79	91%	522
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		1 105	1 380	1 380	76	153	230	(77)	-33%	1 380
In kind benefits		—	—	—	—	—	—	—		—
<b>Sub Total - Other Municipal Staff</b>		<b>155 781</b>	<b>173 929</b>	<b>173 929</b>	<b>13 272</b>	<b>26 616</b>	<b>28 988</b>	<b>(2 372)</b>	<b>-8%</b>	<b>173 929</b>
<b>% increase</b>	4		<b>11,6%</b>	<b>11,6%</b>						<b>11,6%</b>
<b>Total Parent Municipality</b>		<b>192 664</b>	<b>212 161</b>	<b>212 161</b>	<b>16 154</b>	<b>32 456</b>	<b>35 360</b>	<b>(2 904)</b>	<b>-8%</b>	<b>212 161</b>

## 16. UIFW EXPENDITURE

**a) Fruitless & Wasteful Expenditure as of August 2025** - The municipality is making payments within 30 days as required by MFMA section 65(e) to avoid interest and penalties. No fruitless and wasteful expenditure has been identified for the period reported on, which is August 2025. However, following an investigation that was done by the MPAC in cooperation with the Audit Committee regarding the material irregularity on the VAT Contract, fruitless and wasteful expenditure was also identified. These were payments made over and

above the percentage commission per the contract. The following is the summary of what is referred to:

Period	Payee	DocDate	Period	Amount	Disbursements	Amount	Comment
2021/11	MAXIMUM PROFIT RECOVERY	2021/02/12	Various Periods	- 1 249 817,85	Yes	250 000,00	Analysing and correcting setup on the vote structure on the financial system
2021/11	MAXIMUM PROFIT RECOVERY	19/11/2021	Sept 2021 and Unspecified period	- 679 445,60	No	374 497,59	Claim from the unspecified period from Report 6
2022/01	MAXIMUM PROFIT RECOVERY	2022/01/02	2021/10 and 2016/09 to 2021/01 and 2021/11	- 1 023 642,83	Yes	100 000,00	
2022/02	MAXIMUM PROFIT RECOVERY	22/02/2022	2021/12 and 2016/09 to 2021/01	- 651 031,19	Yes	79 900,00	Fees for performing VAT Recovery Assignment - Mid-Year Recon
						78 800,00	Fees for performing VAT Recovery Assignment - Auditor General Support
						92 500,00	Fees for performing VAT Recovery Assignment - Document Management
2022/03	MAXIMUM PROFIT RECOVERY	2022/08/04	Jan-22	- 466 278,95	Yes	78 256,63	Fees for performing VAT Recovery Assignment - Auditor General Support
						52 251,85	Fees for performing VAT Recovery Assignment - Rectification of Invoices
2022/05	MAXIMUM PROFIT RECOVERY	2022/02/06	Feb-22	- 288 478,35	Yes	120 445,00	Fees for performing VAT Recovery Assignment - Responding to Adhoc SARS Queries
2022/06	MAXIMUM PROFIT RECOVERY	2022/11/07	Apr-22	- 475 071,19	Yes	78 120,32	
2022/09	MAXIMUM PROFIT RECOVERY	22/09/2022	May 2022 and June 2022	- 871 171,16	Yes	92 450,00	Fees for performing VAT Recovery Assignment - Disbursements
2022/11	MAXIMUM PROFIT RECOVERY	2022/11/11	Jul-22	- 311 085,33	Yes	62 925,00	Fees for performing VAT Recovery Assignment - Disbursements
						<b>1 460 146,39</b>	

The fruitless and wasteful expenditure will be disclosed as follows until a proper process to deal with it has been followed: -

	<b>2024</b>	<b>2023</b>
Opening balance as previously reported	1 503 439	17 290
Add: Fruitless and Wasteful Expenditure - current	-	26 003
Add: Fruitless and Wasteful expenditure - prior period	20 785	1 460 146
Less: Amount written off	- 64 078	-
<b>Closing balance</b>	<b>1 460 146</b>	<b>1 503 439</b>

**b) Unauthorised Expenditure** - In terms of section 32 of the MFMA, 'unauthorised expenditure' may only be authorised (condoned) by the municipal council in an adjustments budget. Unauthorised expenditure that occurs in the first half of a municipal financial year may be authorised by the council in the main adjustments budget that must be tabled in council before 28 February. There is no unauthorised expenditure incurred to date.

**c) Irregular Expenditure** - In terms of section 32 of the MFMA, 'irregular expenditure', the municipality must (a) recover irregular from the person liable for expenditure unless the expenditure (b) in the case of irregular is after

investigation by council committee certified by the council as irrecoverable and written off by the council.

No irregular expenditure has been incurred or identified for the period of August 2025. The irregular expenditure that is currently being processed through the committees of council is from the prior years and no resolution has been taken on it yet.

It is important to note that during audit, additional irregular expenditure of just of R5 million was identified by the Auditor General, relating to the approval and processing of variation orders.

The irregular expenditure as at the end of August 2025 can be summarised as shown in the table below: -

	<b>2025</b>	<b>2024</b>
Opening balance as previously reported	19 842 499	10 301 212
Add: Irregular expenditure - current	-	9 380 477
Add: Irregular expenditure - prior period	-	160 810
Less: Amount written off	-	-
<b>Closing balance</b>	<b>19 842 499</b>	<b>19 842 499</b>

## **OTHER REPORTS**

### **17. STATUS OF mSCOA (MUNICIPAL STANDARD CHART OF ACCOUNTS)**

The municipality is using mSCOA chart for live system and budgeting purposes, all monthly reports are drawn from data strings that are taken straight from the system (Munsoft) and they are imported directly to CaseWare to generated schedule C monthly reports.

The municipality's mSCOA Steering Committee has not convened as required. This was due to the appointments to the committee that had not been made. The appointments have however since been made of all relevant officials into the committee. Training was conducted in the month of May 2025 for management and members of the steering committee.

There has been engagements with the vendor, to establish the extent to which the municipality utilizes the system, and plans have been put in place to ensure that there is ultimately a full implementation of a mSCOA compliant accounting system.

From a National Treasury validation perspective, we do a monthly upload of the financial (and certain non-financial) transactions from the General Ledger, which the National Treasury interrogate for integrity purposes. To date we have successfully



uploaded all the required strings. The budget verification between data strings and A-Schedule was done and completed and Ingquza Hill was 100% compliant.

## **18. THE SUPPLY CHAIN MANAGEMENT REPORT**

Tabled below is the report on SCM matters to be reported for the month of May 2025.

The municipality has a procurement plan that was developed and approved by council. This was reviewed with the budget adjustment processes and amended as such.

### **18.1 SCM Policy & Procedures**

#### **18.1.1 Adoption by Council**

The SCM Policy was adopted by Council on May 2025, with the approval of the budget and budget related policies.

#### **18.1.2 SCM Procedures**

The municipality has SCM processes in place, however it is a challenge to source the written document to support the processes that are being implemented. The processes are cascaded from Treasury Procedures.

Management is in the process of compiling the SCM Procedures for implementation within the section.

### **18.2 Delegations**

The municipality has a SCM delegation of authority that is reviewed regularly by management and council for alignment with various operational requirements and provisions of applicable legislation.

### **18.3 Functioning of the SCM Unit**

#### **18.3.1 SCM Structure**

The municipality has an organisational structure that is approved by council. The structure also includes the SCM unit, set up such that there is segregation of duties and accountability at various levels. Management continues to work to ensure that there is adequate filling of all positions in the section.

#### **18.3.2 Declaration of Interest**

The SCM officials fill in and sign declaration of interest forms annually. These forms are filed and kept at the SCM offices. The intention is for all employees to declare possible conflicts of interest with service providers that may need to be doing business with the municipality.

#### **18.3.3 Code of Conduct for SCM Practitioners**

All SCM Practitioners and officials are made to sign the code of conduct after ensuring that they are aware of the contents thereof.

#### **18.3.4 Training of SCM Personnel**

The SCM Manager and Officers attended a workshop on SCM and Bid Committees which was organised and hosted internally. There are continued adhoc trainings and workshops that are conducted for the officials, including those that relate to processes and procedures in the financial management system.

#### **18.4 Functioning of Bid Committees**

##### **18.4.1 Constitution of Bid Committees**

The Bid Committees are constituted in terms of SCM Regulations 27, 28 and 29. The IHLM SCM Policy is also aligned to these regulations. There has been a significant improvement in the sitting of bid committees after the filling of vacant positions at senior and middle management levels.

##### **18.4.2 Alignment of Infrastructure Committees with Infrastructure Delivery Management System (IDMS)**

The municipality has not established the infrastructure committees that would implement the IDMS. Management is working on the implementation of IDMS and establishment of the Infrastructure Committees.

##### **18.4.3 Bid Committee Terms of Reference**

The IHLM has developed terms of reference for each of the bid committees that have been appointed.

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### 18.5 Reporting Items

#### a) Deviations

##### 1. Section 114 (Approval of tenders not recommended)

Date of Award	Bid No.	Description of Goods/Services/Works	Award Value	BEC Recommendation	BAC Recommendation	Reason for Deviation	Notifications & Dates		
							AG	PT	NT
None	None	None	None	None	None	None	None	None	None

##### 2. Regulation 32 (Procurement of goods and services under contracts secured by other organs of State)

Date of Award		Contract Description	Award Value	Service Provider	Name of Contract Owner (Department / Municipality)	Consent obtained from Organ of State and Service Provider		Reason for Implementing Reg. 32
						Yes	No	
None		None	None	None	None	None	None	None

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3. Regulation 36 (Deviation from, and ratification of minor breaches of, procurement processes)

Order Date	Description	Supplier Details	Amount	Deviation Reason
<b>POLICY RELATED DEVIATIONS</b>				
None	N/A	N/A	N/A	N/A

4. Regulation 17 Procurement for the Month

SECTION 17 TRANSACTION DETAILS								PROCUREMENT PROCESS		
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
Not Yet Paid	N/A	MANCOSA	R 156 014,00	Tuition Fees	CFO	Thursday, 26 August 2025	Human Resources	No	One Quotation	Preferred Institution

### b) Unauthorized, Irregular, Fruitless & Wasteful Expenditure

- i The municipality utilizes the template as recommended in MFMA Circular 68. No UIFW has been incurred for the period under review.

Date of Irregular EX	Date Reported	Department	Official	Description of Goods or Services	Date reported to Council	Supplier/Service Provider	Amount	Reported to PT and AGSA
None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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- ii When the instances of the UIFW have been identified, they are reported to the Provincial Treasury as part of the section 71 reporting.
- iii The SCM section has reported on previous occasions to the council on the instances of UIFW and it is currently being considered by the MPAC and the MDB.

### c) Unsolicited Bids (if any)

Description of Goods/services	Amount	Date Submitted to Council	Supported		Date submitted to Provincial Treasury	Supported	
			Yes	No		Yes	No
None	None	None	None	None	None	None	None

### 18.6 Central Suppliers Database (CSD)

- i The municipality utilises the CSD as its primary database for service providers. This is in line with the regulations and latest amendment gazettes. The accounting system currently utilised by the municipality currently synchronises with the CSD to ensure that the locally available information is updated and aligned.

Challenge	Solution by NT
None	N/A

- ii **Uploading payroll information:** The department of cooperate services is updating the information of newly employees on central database to eliminate the risk of trading with individuals in the service of the state.

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### 18.7 Procurement Plan Implementation

- i **Format of Procurement Plan:** The SCM Unit compiled a Procurement Plan contributed into by all directorates. The procurement plan mainly considers procurement that is estimated to be above R300 000 or may be a long-term contract. Management will then report on the plan as it is implemented during the financial year.
- ii **Report on implementation of procurement plans:** The procurement plan is being implemented. There are various challenges in the implementation of the procurement plan. They range from the non-sitting of the Bid Specification Committee up to the late submissions of requisitions by user departments. To mitigate this challenge the supply chain management section prepares a procurement update report on weekly basis to assist departments to realize the importance of monitoring their projects that are in the PP service.

Also, there has been an identified challenge of misalignment of the procurement to the SDBIP and other municipal strategic documents. This will be addressed by management during the mid-term assessment processes.

### 18.8 Quotations Awarded Below R30 000

BUDGET & TREASURY													
PROJECT	ITEM	FUNDING	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Levies	04/08/2025	04/08/2025	Logistics for 4 officials at Wild Coast Sun from 04-08 August 2025	Coega Development Corporation	Budget & Treasury Office	45 208,80	Received	Gqeberha	Black	Female	Not Youth
Municipal Running Cost	Transport Without Operator:Car Rental	Equitable Share	04/08/2025	04/08/2025	Car hire for the mayor from 04-06 August 2025	Coega Development Corporation	Budget & Treasury Office	19 983,60	Received	Gqeberha	Black	Female	Not Youth

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Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Levies	06/08/2025	05/08/2025	Accommodation and meals for V Qetho and M Vava in Dbn from 17-21 August 2025	Coega Development Corporation	Budget & Treasury Office	19 219,20	Received	Gqeberha	Black	Female	Not Youth
Municipal Running Cost	Transport Without Operator:Car Rental	Equitable Share	27/08/2025	15/08/2025	Car hire for the madam speaker from 15-19 August 2025	Iheans Travelling Agency	Fleet Management	25 439,98	Received	Mthatha	Black	Female	Not Youth
Workshops, Seminars and Subject Matter Training:Workshops	Seminars, Conferences, Workshops and Events:National	Local Government Financial Management Grant	28/08/2025	28/08/2025	Training for 6 employees	Munsoft	Budget & Treasury Office	22 356,00	Received	Gauteng	Black & White	Male & Female	Not Youth
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Levies	29/08/2025	28/08/2025	Accommodation and meals, flights and car hire for 6 employees in Jhb from 03-05 September 2025	Coega Development Corporation	Budget & Treasury Office	95 416,77	Received	Gqeberha	Black	Female	Not Youth
<b>TOTAL</b>								<b>143 212,75</b>					
<b>FUNCTION-CORPORATE SERVICES &amp; HUMAN RESOURCES</b>													
PROJECT	ITEM	FUNDING	TRANSACTION DATE	DOC.DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Workshop, Seminar and Subject Matter Training:Training Employees	Learnerships and Internships	Equitable Share	01/08/2025	29/07/2025	Bi Annual training for 6 municipal employees	Munsoft	Administration	121 512,63	Received	Gauteng	Black & White	Male & Female	Not Youth
Municipal Running Cost	Outsourced Services:Catering Services	Levies	01/08/2025	25/07/2025	Catering for 9 people in Flagstaff on 05 August 2025	Coega Development Corporation	Human Resources	1 474,20	Received	Gqeberha	Black	Female	Not Youth



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Municipal Running Cost	Accommodation	Current and Non-Current Assets:Bank Accounts	01/08/2025	25/07/2025	Accommodation and meals for Magadla and Khohli in Flagstaff from 04-05 August 2025	Coega Development Corporation	Human Resources	3 276,00	Received	Gqeberha	Black	Female	Not Youth
Human Resource Management:Recruitment & Selection	Accommodation	Levies	01/08/2025	29/07/2025	Accommodation and meals for S Magadla and A Jordaan in Flagstaff from 01-30 August 2025	Coega Development Corporation	Human Resources	95 004,00	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Unemployed:Community Training	Hire Charges	Levies	06/08/2025	05/08/2025	Hiring of 4 mobile toilets and 1 VIP toilet from 06-07 August 2025	Iqaba Projects	Human Resources	13 200,00	Received	Lusikisiki	Black	Male	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Levies	06/08/2025	28/07/2025	Accommodation and meals for M Matubatuba at Wild Coast Sun from 06-08 August 2025	Coega Development Corporation	Administration	4 914,00	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Levies	11/08/2025	07/08/2025	Accommodation and meals, flights and shuttle for M Mfingwana and B Mbathani in Jhb from 13-16 August 2025	Coega Development Corporation	Administration	48 402,90	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Levies	13/08/2025	07/08/2025	Accommodation and meals for 6 employees in Dbn from 13-	Coega Development Corporation	Administration	44 226,00	Received	Gqeberha	Black	Female	Not Youth

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					16 August 2025								
Municipal Minimum Competency Level: Minimum Competency Level	Accommodation	Levies	13/08/2025	07/08/2025	Accommodation and meals for 5 councillors in Dbn from 17-21 August 2025	Coega Development Corporation	Human Resources	65 301,60	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training: Training Employees	Learnerships and Internships	Equitable Share	18/08/2025	08/08/2025	Peace Officer training for 10 employees	Nelson Mandela Metropolitan University	Administration	87 990,00	Received	Gqeberha	Black & White	Male & Female	Not Youth
Employee Assistance Programme: Employee Wellness	Contractors: Interior Decorator	Levies	25/08/2025	07/08/2025	Interior décor for 450 people in Lusikisiki on 29 August 2025	Iheans Travelling Agency	Human Resources	238 975,00	Received	Mthatha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training: Training Employees	Accommodation	Levies	26/08/2025	21/08/2025	Accommodation and meals, flights and shuttle for M Matubatuba in Gqeberha from 26-28 August 2025	Coega Development Corporation	Administration	20 016,36	Received	Gqeberha	Black	Female	Not Youth
Employee Assistance Programme: Employee Wellness	Accommodation	Equitable Share	28/08/2025	21/08/2025	Accommodation and meals for B Capa in Lusikisiki on 28-29 August 2025	Coega Development Corporation	Human Resources	1 911,00	Received	Gqeberha	Black	Female	Not Youth
<b>TOTAL</b>								<b>746 203,69</b>					
<b>FUNCTION: ECONOMIC DEVELOPMENT &amp; PLANNING</b>													
<b>PROJECT</b>	<b>ITEM</b>	<b>FUNDING</b>	<b>TRANSACTION DATE</b>	<b>DOC. DATE</b>	<b>SERVICE DESCRIPTION</b>	<b>SUPPLIER NAME</b>	<b>FUNCTION</b>	<b>VALUE</b>	<b>STATUS</b>	<b>LOCALITY</b>	<b>RACE</b>	<b>GENDER</b>	<b>YOUTH</b>
Events and Organisations: LED Programmes	Transport provided as part	Fines, Penalties	14/08/2025	08/08/2025	Transport for 10 SMMEs from	Flagstaff Logistics Solutions	Economic Development	4	Received	Flagstaff	Black	Female	Youth

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	of departmental activities:Events	and Forfiets			Flagstaff and Lusikisiki to Mthatha			500,00					
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Levies	19/08/2025	18/08/2025	Accommodation and meals for H Tshumane and L Zibi in Mthatha from 21-22 August 2025	Coega Development Corporation	Economic Development	4608,24	Received	Gqeberha	Black	Female	Not Youth
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Levies	20/08/2025	19/08/2025	Accommodation and meals for A Jordaan in Dbn from 20-22 August 2025	Coega Development Corporation	Economic Development	4721,48	Received	Gqeberha	Black	Female	Not Youth
Tourism Development:Tourism Annual Events	Advertising, Publicity and Marketing:Gifts and Promotional Items	Levies	21/08/2025	28/07/2025	Procurement of 195 thermal mugs for SA Military Health	Thangolwethu 92	Economic Development	83160,00	Received	Flagstaff	Black	Female	Not Youth
Community Initiatives:Support to SMME's	Social Assistance:Social Relief	Current and Non-Current Assets:Bank Accounts	25/08/2025	20/08/2025	Registration for 4 farmers attending BEE Spirits symposium	BEE Spirits	Economic Development	10000,00	Received	Mthatha	Black	Male	Youth
<b>TOTAL</b>								<b>106989,72</b>					
<b>FUNCTION:ROADS INFRASTRUCTURE AND TECHNICAL SERVICES</b>													
PROJECT	ITEM	FUNDING	TRANSACTION DATE	DOC.DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Current and Non-Current Assets:Bank Accounts	06/08/2025	04/08/2025	Accommodation and meals for L Mbekwa in East London from 07-08 August 2025	Coega Development Corporation	Roads:Infrastructure & Technical Services	2020,20	Received	Gqeberha	Black	Female	Not Youth

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Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Current and Non-Current Assets:Bank Accounts	08/08/2025	07/08/2025	Accommodation and meals for T Njekeni, A Hlehliso and N Ntlangano in Mthatha from 11-14 August 2025	Coega Development Corporation	Roads:Infrastructure & Technical Services	18 181,80	Received	Gqeberha	Black	Female	Not Youth
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Current and Non-Current Assets:Bank Accounts	25/08/2025	21/08/2025	Accommodation and meals for A Hlehliso in Gqeberha from 27-28 August 2025	Coega Development Corporation	Roads:Infrastructure & Technical Services	2 396,94	Received	Gqeberha	Black	Female	Not Youth
Workshops, Seminars and Subject Matter Training:Workshops	Public Transport:Air Transport	Current and Non-Current Assets:Bank Accounts	25/08/2025	21/08/2025	Flight for A Hlehliso from Dbn to Gqeberha on 27-28 August 2025	Coega Development Corporation	Roads:Infrastructure & Technical Services	8 793,87	Received	Gqeberha	Black	Female	Not Youth
Pavements:Road Surfacing	Maintenance of unspecified assets	Equitable Share	27/08/2025	20/08/2025	Road Marking	YM Solutions	Roads:Infrastructure & Technical Services	27 345,00	Open	Flagstaff	Black	Female	Youth
Pavements:Road Surfacing	Maintenance of unspecified assets	Equitable Share	27/08/2025	20/08/2025	Supply and delivery of 25kg x 50 asphalt	Dede Development Partners	Roads:Infrastructure & Technical Services	29 250,00	Open	Flagstaff	Black	Male & Female	Not Youth
<b>TOTAL</b>								<b>87 987,81</b>					
<b>FUNCTION MUNICIPAL MANAGERS &amp; TOWN SECRETARY</b>													
PROJECT	ITEM	FUNDING	TRANSACTION DATE	DOC.DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Municipal Running Cost	Contractors:Event Promoters	Equitable Share	01/08/2025	23/07/2025	Procurement of 4 banners	Copy World	Municipal Manager's Office	9 614,00	Open	East London	Black & White	Male & Female	Not Youth
Awareness Campaign:Awareness Campaign	Hire Charges	Equitable Share	01/08/2025	23/07/2025	Venue for demarcation meeting at Mkhambathi	Coega Development Corporation	Municipal Manager's Office	39 312,00	Received	Gqeberha	Black	Female	Not Youth

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					on 04 August 2025								
Awareness Campaign: Awareness Campaign	Outsourced Services: Catering Services	Equitable Share	01/08/2025	23/07/2025	Morning tea and lunch for 500 people at Mkhambathi on 04 August 2025	Coega Development Corporation	Municipal Manager's Office	252 252,00	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training: Training Employees	Accommodation	Equitable Share	01/08/2025	05/08/2025	Accommodation and meals for V.C Makedama and 2 guards in Dbn from 01-04 August 2025, flights and car hire for V.C Makedama in Jhb on 02 August 2025	Coega Development Corporation	Municipal Manager's Office	33 438,47	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training: Training Employees	Accommodation	Equitable Share	01/08/2025	31/07/2025	Accommodation and meals for 38 officials in Flagstaff and Lusikisiki from 01-05 August 2025	Coega Development Corporation	Municipal Manager's Office	197 761,20	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training: Training Employees	Accommodation	Equitable Share	05/08/2025	05/08/2025	Accommodation and meals for V.C Makedama and 2 guards in Mthatha from 05-07 August 2025	Coega Development Corporation	Municipal Manager's Office	17 046,12	Received	Gqeberha	Black	Female	Not Youth
Municipal Running Cost	Advertising, Publicity and Marketing: Tenders	Equitable Share	05/08/2025	29/07/2025	Advert for bulletin HR 01/07/2025	Arena Holdings	Municipal Manager's Office	6 893,10	Received	Gauteng	Black & White	Male & Female	Not Youth
Community Development: Community Development	Accommodation	Sales of goods and rendering of services	06/08/2025	05/08/2025	Accommodation and meals for C Sigcawu in	Coega Development Corporation	Municipal Manager's Office	2 020,20	Received	Gqeberha	Black	Female	Not Youth

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					Mthatha from 06-07 August 2025								
Awareness Campaign:Language Awareness	Outsourced Services:Catering Services	Fines, Penalties and Forfeits	06/08/2025	04/08/2025	Catering for 16 people in Flagstaff on 06 August 2025	Coega Development Corporation	Municipal Manager's Office	4 236,96	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	06/08/2025	29/07/2025	Accommodation and meals for Z Ntunkunzezi and F Fikeni in East London from 12-15 August 2025	Coega Development Corporation	Municipal Manager's Office	14 610,96	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	06/08/2025	04/08/2025	Accommodation and meals for Z Ntunkunzezi and F Fikeni in East London from 08-10 August 2025	Coega Development Corporation	Municipal Manager's Office	9 172,80	Received	Gqeberha	Black	Female	Not Youth
Women's Development	Hire Charges	Equitable Share	12/08/2025	12/08/2025	Venue for 50 people in Lusikisiki on 13 August 2025	Coega Development Corporation	Municipal Manager's Office	5 132,40	Received	Gqeberha	Black	Female	Not Youth
IGR Meetings	Contractors:Catering Services	Equitable Share	12/08/2025	05/08/2025	Catering for 50 people in Lusikisiki on 13 August 2025	Coega Development Corporation	Municipal Manager's Office	11 466,00	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	12/08/2025	11/08/2025	Accommodation and meals for Z Ntunkunzezi and F Fikeni in Mthatha from 12-14 August 2025	Coega Development Corporation	Municipal Manager's Office	10 046,49	Received	Gqeberha	Black	Female	Not Youth

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Municipal Running Cost	Advertising, Publicity and Marketing:Tenders	Equitable Share	13/08/2025	12/08/2025	Advert for procurement of 86 laptops, 2 desktops and 3 LED monitors	Izimba Projects	Municipal Manager's Office	1 800,00	Received	Matatiele	Black	Female	Youth
Municipal Running Cost	Advertising, Publicity and Marketing:Tenders	Equitable Share	13/08/2025	29/07/2025	Advert for supply and delivery of uniform for security and traffic personnel	Pondoland Times	Municipal Manager's Office	1 750,00	Received	Bizana	Black	Male	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Levies	13/08/2025	07/08/2025	Accommodation and meals for Z Ntunkunzezi and F Fikeni in Dbn from 17-21 August 2025	Coega Development Corporation	Municipal Manager's Office	10 133,76	Received	Gqeberha	Black	Female	Not Youth
Community Initiatives:Moral Re-generation	Accommodation	Equitable Share	14/08/2025	12/08/2025	Accommodation and meals for 4 doctors in Lusikisiki from 14-17 August 2025	Coega Development Corporation	Municipal Manager's Office	22 276,80	Received	Gqeberha	Black	Female	Not Youth
Public Participation: Budget Roadshows	Outsourced Services:Catering Services	Equitable Share	14/08/2025	13/08/2025	Catering for 20 people on 14 and 15 August 2025	Denomano Construction	Municipal Manager's Office	6 000,00	Received	Lusikisiki	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	15/08/2025	15/08/2025	Accommodation and meals for X Maqhashalala and S Khuluse in East London from 16-19 August 2025	Coega Development Corporation	Municipal Manager's Office	7 600,32	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	15/08/2025	15/08/2025	Accommodation and meals for V.C Makedama and 2 guards	Coega Development Corporation	Municipal Manager's Office	8 714,16	Received	Gqeberha	Black	Female	Not Youth



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					in Mthatha from 15-16 August 2025								
Municipal Running Cost	Outsourced Services:Catering Services	Equitable Share	20/08/2025	14/08/2025	Catering for 40 people in Flagstaff	Zithuba	Municipal Manager's Office	4 600,00	Received	Lusikisiki	Black	Female	Youth
IDP Planning and Revision:IDP Review	Outsourced Services:Catering Services	Levies	21/08/2025	15/08/2025	Catering for 155 people in Lusikisiki	Iheans Travelling Agency	Municipal Manager's Office	49 668,79	Received	Mthatha	Black	Female	Not Youth
Gender Development: Women's Development	Outsourced Services:Catering Services	Equitable Share	21/08/2025	07/08/2025	High tea for 450 people in Lusikisiki	Iheans Travelling Agency	Municipal Manager's Office	144 199,69	Received	Mthatha	Black	Female	Not Youth
IDP Planning and Revision:IDP Review	Hire Charges	Levies	21/08/2025	15/08/2025	Venue for 155 people in Lusikisiki	Iheans Travelling Agency	Municipal Manager's Office	25 255,31	Received	Mthatha	Black	Female	Not Youth
Community Initiatives:Moral Re-generation	Outsourced Services:Catering Services	Equitable Share	21/08/2025	08/08/2025	Lunch packs for 65 Inkciyo Maidens	Sasolixs Distributors	Municipal Manager's Office	5 070,00	Received	Lusikisiki	Black	Female	Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	21/08/2025	21/08/2025	Accommodation and meals for N Sicubu in East London from 21-23 August 2025	Coega Development Corporation	Municipal Manager's Office	3 909,36	Received	Gqeberha	Black	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	22/08/2025	15/08/2025	Accommodation and meals, flights and car hire for Z Ntunkunzezi in Limpopo from 01-04 September 2025	Coega Development Corporation	Municipal Manager's Office	44 080,76	Received	Gqeberha	Black	Female	Not Youth
Municipal Running Cost	Contractors:Event Promoters	Equitable Share	22/08/2025	11/08/2025	Hiring of 04 customised selfie frames for women's day event	Achumile Amangwane Investments	Municipal Manager's Office	1 500,00	Received	Lusikisiki	Black	Female	Not Youth

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Gender Development: Women's Development	Outsourced Services:Caterin g Services	Equitable Share	25/08/2025	07/08/20 25	Catering for 450 people in Lusikisiki	Iheans Travelling Agency	Municipal Manager's Office	256 626,5 7	Receiv ed	Mthatha	Blac k	Female	Not Youth
Gender Development: Women's Development	Contractors:Stag e and Sound Crew	Equitable Share	25/08/2025	18/08/20 25	Hiring of PA system for GBV awareness	McQam Communicati ons	Municipal Manager's Office	8 800,0 0	Receiv ed	Lusikisiki	Blac k	Male	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	25/08/2025	18/08/20 25	Accommodati on and meals for P Ntshobo in Gqeberha from 26-28 August 2025	Coega Development Corporation	Municipal Manager's Office	4 586,4 0	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	25/08/2025	19/08/20 25	Accommodati on and meals for T Njilo and L Nomlaba in Gqeberha from 26-28 August 2025	Coega Development Corporation	Municipal Manager's Office	9 665,0 4	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	25/08/2025	21/08/20 25	Logistics for V.C Makedama in DBn and Gqeberha from 26-29 August 2025	Coega Development Corporation	Municipal Manager's Office	17 401,0 2	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Community Development:Elderly	Contractors:Cate ring Services	Equitable Share	26/08/2025	12/08/20 25	Catering for 250 people in Flagstaff	Nkalani Trading Enterprise	Municipal Manager's Office	25 000,0 0	Receiv ed	Flagstaff	Blac k	Female	Not Youth
Workshop, Seminar and Subject Matter Training:Training Employees	Accommodation	Equitable Share	26/08/2025	21/08/20 25	Accommodati on and meals for L Mlatha and I Mhlabeni in Gqeberha from 26-28 August 2025	Coega Development Corporation	Municipal Manager's Office	12 077,0 0	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Municipal Running Cost	Advertising, Publicity and Marketing:Tende rs	Equitable Share	28/08/2025	22/08/20 25	Advert for artists and performers for Ingquza	Group Two Media Comoany	Municipal Manager's Office	1 995,2 5	Receiv ed	Kokstad	Blac k	Male	Not Youth

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					Hill Tourism and Heritage event								
Municipal Running Cost	Advertising, Publicity and Marketing:Tenders	Equitable Share	28/08/2025	22/08/2025	Advert for provision of K78 Roadblock trailer	Pondoland Times	Municipal Manager's Office	1 700,00	Received	Bizana	Black	Male	Not Youth
Gender Development: Women's Development	Outsourced Services:Catering Services	Equitable Share	29/08/2025	26/08/2025	Catering for 230 people at Ward 17	Sithandiwe Trading	Municipal Manager's Office	23 000,00	Received	Lusikisiki	Black	Male	Not Youth
<b>TOTAL</b>								<b>1 310 412,93</b>					
<b>FUNCTION:MAYOR AND COUNCIL</b>													
PROJECT	ITEM	FUNDING	TRANSACTION DATE	DOC.DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Capacity Building Councillors:Training Councillors	Accommodation	Levies	05/08/2025	04/08/2025	Accommodation and meals for 20 councillors in Mthatha from 04-05 August 2025	Coega Development Corporation	Mayor & Council	40 404,00	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors:Training Councillors	Accommodation	Levies	06/08/2025	29/07/2025	Accommodation and meals for P.N Pepping in East London from 12-15 August 2025	Coega Development Corporation	Mayor & Council	13 759,20	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors:Training Councillors	Accommodation	Levies	06/08/2025	04/08/2025	Accommodation and meals for P.N Pepping in East London from 08-10 August 2025	Coega Development Corporation	Mayor & Council	9 172,80	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors:Training Councillors	Accommodation	Levies	11/08/2025	11/08/2025	Accommodation and meals for K Vava and B Nkani	Coega Development Corporation	Mayor & Council	12 776,40	Received	Gqeberha	Black	Female	Not Youth

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					in Mthatha from 11-14 August 2025								
Capacity Building Councillors: Training Councillors	Accommodation	Levies	12/08/2025	11/08/2025	Accommodation and meals for P.N Peppington Mthatha from 12-14 August 2025	Coega Development Corporation	Mayor & Council	7 644,00	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors: Training Councillors	Accommodation	Levies	15/08/2025	08/08/2025	Accommodation and meals for S.B Vatsha in Mthatha from 18-19 September 2025	Coega Development Corporation	Mayor & Council	3 603,60	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors: Training Councillors	Accommodation	Levies	20/08/2025	18/08/2025	Accommodation and meals for 07 councillors in Lesotho from 20-26 September 2025	Iheans Travelling Agency	Mayor & Council	72 996,00	Open	Mthatha	Black	Female	Not Youth
Capacity Building Councillors: Training Councillors	Accommodation	Levies	21/08/2025	21/08/2025	Accommodation and meals for S.B Vatsha in East London from 21-23 August 2025	Coega Development Corporation	Mayor & Council	4 280,64	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors: Training Councillors	Accommodation	Levies	25/08/2025	19/08/2025	Accommodation and meals for M.I Nkungu in Gqeberha from 06-28 August 2025	Coega Development Corporation	Mayor & Council	4 597,32	Received	Gqeberha	Black	Female	Not Youth
Capacity Building Councillors: Training Councillors	Accommodation	Levies	26/08/2025	21/08/2025	Accommodation and meals for S.B Vatsha in Gqeberha	Coega Development Corporation	Mayor & Council	5 678,40	Received	Gqeberha	Black	Female	Not Youth

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					from 26-28 August 2025								
<b>TOTAL</b>								<b>87 552,3 6</b>					
<b>PROJECT</b>	<b>ITEM</b>	<b>FUNDIN G</b>	<b>TRANSACTION</b>	<b>DOC.DA TE</b>	<b>SERVICE DESCRIPTI ON</b>	<b>SUPPLIER NAME</b>	<b>FUNCTION</b>	<b>VALU E</b>	<b>STAT US</b>	<b>LOCALI TY</b>	<b>RAC E</b>	<b>GENDE R</b>	<b>YOUT H</b>
<b>FUNCTION: COMMUNITY SERVICES SOLID WASTE</b>													
<b>PROJECT</b>	<b>ITEM</b>	<b>FUNDIN G</b>	<b>TRANSACTION DATE</b>	<b>DOC.DA TE</b>	<b>SERVICE DESCRIPTI ON</b>	<b>SUPPLIER NAME</b>	<b>FUNCTION</b>	<b>VALU E</b>	<b>STAT US</b>	<b>LOCALI TY</b>	<b>RAC E</b>	<b>GENDE R</b>	<b>YOUT H</b>
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Current and Non- Current Assets:Ba nk Accounts	13/08/2025	08/08/2025	Accommodation and meals for T Mbola in King Williams Town from 13-14 August 2025	Coega Development Corporation	Community Services	1 911,0 0	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Current and Non- Current Assets:Ba nk Accounts	18/08/2025	08/08/2025	Accommodation and meals for Z Raba and N Jikwa in Mthatha from 19-20 August 2025	Coega Development Corporation	Community Services	3 931,2 0	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Library Programmes:Library Services	Contractors:Stage and Sound Crew	Library Grant	19/08/2025	07/08/2025	Hiring of PA system for International Literacy day	Somashishins Production	Community Services	4 800,0 0	Receiv ed	Flagstaff	Blac k	Male	Youth
Workshops, Seminars and Subject Matter Training:Workshops	Accommodation	Levies	20/08/2025	18/08/2025	Accommodation and meals for Z Masumpa in Gqeberha from 26-28 August 2025	Coega Development Corporation	Community Services	4 793,8 8	Receiv ed	Gqeberh a	Blac k	Female	Not Youth
Library Programmes:Library Services	Hire Charges	Library Grant	21/08/2025	06/08/2025	Hiring of logistics for International Literacy day	Amajalamba Trading Enterprise	Community Services	11 770,0 0	Receiv ed	Lusikisiki	Blac k	Female	Not Youth

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Library Programmes:Library Services	Transport provided as part of departmental activities:Events	Library Grant	26/08/2025	21/08/2025	Transport for 16 people from Flagstaff and Lusikisiki to Qumbu	Tedds Projects	Community Services	7 520,00	Received	Flagstaff	Black	Male	Not Youth
Library Programmes:Library Services	Advertising, Publicity and Marketing:Gifts and Promotional Items	Library Grant	26/08/2025	11/08/2025	Procurement of 50 canvas bags	Achumile Amangwane Investments	Community Services	11 000,00	Received	Lusikisiki	Black	Female	Not Youth
Municipal Running Cost	Outsourced Services:Catering Services	Equitable Share	27/08/2025	15/08/2025	Catering for 250 people	Hlamandane Construction	Community Services	25 000,00	Received	Flagstaff	Black	Male	Not Youth
Municipal Running Cost	Outsourced Services:Catering Services	Equitable Share	28/08/2025	21/08/2025	Catering for 240 people in Lusikisiki	Esiphayo Projects and Trading	Community Services	24 000,00	Received	Flagstaff	Black	Male	Not Youth
<b>TOTAL</b>								<b>94 726,08</b>					
<b>GRAND TOTAL</b>								<b>2 577 085,34</b>					

### 18.9 Formal RFQ's R30 000.00 – R300 000.00

N o	NAME OF CONTRACTOR	MAAA NUMBER	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT PERIOD	CONTRACT VALUE	LOCALITY	GENDER	YOUTH AND RACE
1.	Millz Solution	MAAA1566384	IHLM/09/2025-26/MM'S	Transport for 400 people from Flagstaff and Lusikisiki to Mkhambathi on 04 August 2025	01-Aug-25	Once off	R58 032,00	Lusikisiki	Female owned	Black and Youth
2.	Hozac Holdings	MAAA1364321	IHLM/04/2025-26/MM'S	Provision of services to review AFS, APR and Compliance with Applicable Laws and regulation for 2024-25 Financial Year	04-Aug-25	One Month	R207 000,00	East London	Male	Black and Not Youth

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3.	LinathiH Projects	MAAA0315313	IHLM/27/2025-26/ADMIN	Transport for 300 people for women's wellness day	22-Aug-25	Once off	R31 750,00	Flagstaff	Male	Black and Not Youth
4.	Dolce n Gabana Trading	MAAA0408615	IHLM/19/2025-26/COMM	Supply and delivery of Protective Gear	22-Aug-25	Once off	R72 750,00	Flagstaff	Female owned	black and youth
5.	Lolwethuthando Pty Ltd	MAAA0138042	IHLM/32/2025-26/ADMIN	Provision of artists for wellness day event	22-Aug-25	Once off	R145 000,00	Bizana	Female owned	Black and Youth
6.	Thangolwethu 92 Pty Ltd	MAAA1338751	IHLM/26/2025-26/MM'S	Supply and delivery of 200 polar fleece blankets	22-Aug-25	Once off	R100 000,00	Flagstaff	Female owned	Black and Youth
7.	Boinketlo Investments	MAAA1521479	IHLM/23/2025-26/ADMIN	Supply and delivery of 450 Thermal Mugs/Cups	25-Aug-25	Once off	R81 000,00	Bizana	Female owned	Black and Not Youth
8.	Lolwethuthando Pty Ltd	MAAA0138042	IHLM/21/2025-26/ADMIN	Speakers for the women's wellness day	25-Aug-25	Once off	R88 000,00	Bizana	Female owned	Black and youth
9.	Ezokhanyayo Projects	MAAA134862	IHLM/22/2025-26/ADMIN	Beauty Therapist Services for women's day wellness	25-Aug-25	Once off	R47 500,00	Bizana	Female and Male Owned	Black and Youth

### 18.10 Bids above R300 000.00

NAME OF CONTRACTOR	MAAA NUMBER	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT PERIOD	CONTRACT VALUE	LOCALITY	OWNERSHIP	RACE & AGE GROUP
JNW Trading Enterprise	MAAA0252021	IHLM/122/2024-25/ROADS	Re-gravelling of ward 26 access road	03-Jul-25	03 Months	R380 000,00	Flagstaff	Woman Owned	Black and not youth
MAT Trading Enterprise	MAAA0361787	IHLM/137/2024-25/ECON	Installation of Irrigation system for Mamjazi Pulane Project	03-Jul-25	03 Months	R297 793,65	Flagstaff	Male Owned	Black and not youth
Chia Trading	MAAA0028748	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster A	03-Jul-25	02 Months	R823 200,00	Flagstaff	Male Owned	Black and not youth
SV Concepts	MAAA1259992	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster B	03-Jul-25	02 Months	R760 320,00	Flagstaff	Male Owned	Black and Youth
Mventshane Trading Enterprise	MAAA0744383	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster C	03-Jul-25	02 Months	R993 000,00	Lusikisiki	Female Owned	Black and not youth

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Hoat Coal Construction	MAAA1259 994	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster D	03-Jul-25	02 Months	R852 750,00	Lusikisiki	Male Owned	Black and not youth
Sandu M Pty Ltd	MAAA0378 586	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster E	03-Jul-25	02 Months	R712 380,00	Flagstaff	Male Owned	Black and not youth
Samysivu Pty Ltd	MAAA0685 939	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster F	03-Jul-25	02 Months	R773 892,00	Flagstaff	Female Owned	Coloured and Youth
Monco Consulting	MAAA0023 909	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster G	03-Jul-25	02 Months	R709 900,00	Flagstaff	Male Owned	Black and not youth
NM Merge	MAAA0910 817	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster H	03-Jul-25	02 Months	R830 000,00	Flagstaff	Female Owned	Black and not youth
MAT Trading Enterprise	MAAA0361 787	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster I	03-Jul-25	02 Months	R836 713,80	Flagstaff	Male Owned	Black and not youth
We are the Hygiene Hub	MAAA0931 3330	IHLM/27/2024-25/BTO	Supply and delivery of paraffin for cluster J	03-Jul-25	02 Months	R885 950,00		Female Owned	Black and Youth
Sword Group	MAAA0447 951	IHLM/67/2024-25/ROADS	Supply, delivery and Minor Maintenance for Municipal Facilities	03-Jul-25	36 Months	Rate Based	Bizana	Female and Woman	Black 1 youth and 1 not youth
Techi Engineering	MAAA0080 408	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Kempton Park	Male Owned	Black and not youth
Mesabiso Civil & Projects	MAAA0486 207	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Uvongo	Male Owned	Black and not youth
S. Zoko Consulting	MAAA0139 653	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural	25-Aug-25	36 Months	Rate Based	Lusikisiki	Male Owned	Black and not youth



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			Engineers for a period of 36 months						
Zinzame Consulting Engineers	MAAA0280638	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Umthatha	Male Owned	Black and not youth
Insika Yethu Pty Ltd	MAAA0334583	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Lincoin Meade	Male Owned	Black and not youth
Hi-Tec Consulting Engineers	MAAA0152134	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Shelley Beach	Male Owned	Black and not youth
Ubuhle Bempisi Consulting Engineers	MAAA0332460	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Bizana	Male Owned	Black and not youth
4 Dimension Engineering	MAAA0678005	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Amanzimtoti	Male Owned	Black and not youth
Bhuku Consulting Engineers	MAAA0858842	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Mt Allyf	Male Owned	Black and not youth

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Beacon Holdings	MAAA0011029	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	East London	Male Owned	Black and not youth
BI Infrastructure Consultants	MAAA0217873	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Pietermaritzburg	Male Owned	Black and not youth
Bonsai Engineering & Construction	MAAA0439731	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Hillcrest, Durban	Male Owned	Black and not youth
Leko Engineering	MAAA0021920	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Umthatha	Male Owned	Black and not youth
Black Mountain Consulting	MAAA0340515	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	East London	Male Owned	Black and not youth
Usiba Iwe Afrika	MAAA0039126	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	East London	Male Owned	Black and not youth
MI Consulting	MAAA1098730	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural	25-Aug-25	36 Months	Rate Based	Flagstaff	Male Owned	Black and not youth

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			Engineers for a period of 36 months						
Mlala Emazweni Trading & Projects	MAAA0185 354	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Uvongo	Male Owned	Black and not youth
Engineering Aces	MAAA0175 260	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	Bloemfontein	Male Owned	Black and not youth
MBSA Consulting	MAAA0085 826	IHLM/103/2024-25/ROADS	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	25-Aug-25	36 Months	Rate Based	East London	Male Owned	Black and not youth

### 18.11 Task Orders

NAME OF CONTRACTOR	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT VALUE
Tentamount Trading 68	IHLM/32/2023-24/ROADS	Task order for Construction of Sibuthe to Sirhetshe Access Road	05-Aug-25	R5 075 157,99
MNT Geomatics	IHLM/100/2021-22/PLAN	Task order for beacon relocation to mark site boundaries and conduct topographical survey for Flagstaff and Lusikisiki	08-Aug-25	R380 000.00

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### 18.12 Municipal Bid Appeals (if applicable)

Bid Number	Bidder's name (Lodged Objection)	Date the objection was lodged	Appeal Status
IHLM/117/2022-23/ROADS	Pharaohs QS, Masakhane PM	11/10/2023	Pending

### 18.13 Contracts Register Statistics

No. of Current Contracts	No. of contracts awarded to SMMEs within the municipal area (local suppliers)	No. of Contracts about to expire in <6 months	No. of Expired Contracts but still in use
154 (2023-24) 53 (2024-25) 13 (2025-26)	142	06	02
Commitment amounts as at the <b>30 July 2025 R165 426 770,50</b>			

### 18.14 Contracts Expiring in 2025

Contract No.	Contract Description	End Date	Amount
IHLM/01/2021-22/CIVIL/PS	Panel of Professional Civil Engineering Services for a period of 36 Months	28 February 2025	Rate Based
IHLM/99/2021-22/PLAN	Panel of Conveyancer Services for a period of 36 Months	30 September 2025	Rate Based
IHLM/104/2021-22/PLAN	Panel of Local Economic Service Providers for a period of 36 months	31 October 2025	Rate Based
IHLM/100/2021-22/PLAN	Panel of Land Surveyors for a period of 36 Months	31 October 2025	Rate Based
IHLM/102/2021-22/PLAN	Panel of Environmental Impact Assessment Services for a period of 36 Months	31 October 2025	Rate Based
IHLM/09/2022-23/ICT	Maintenance and Support for ICT Infrastructure for a period of 36 Months	31 October 2025	Rate Based

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IHLM/32/2023-24/ROADS	Panel of Contractors Civil Engineering	07 December 2025	Rate Based
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### 18.15 Long-term Contracts

NO.	DESCRIPTION	NATURE & PURPOSE OF THE AGREEMENT	STATUS	RESPONSIBLE OFFICIALS
1.	Agreement between IHLM and MTN	Cellphone contract for Managers agreement	Cell phone contract has expired on the 31-May-2024	Manager ICT and Admin
2.	Agreement between IHLM and MTN	Cellphone contract for Councilor's agreement	Cell phone contract is expired on the 31-10-2024	Manager ICT and Admin
3.	Agreement between IHLM and Techseeds	Municipal Website Re-Design	The Contract is expired on the 30-06-2024	Manager ICT and Admin
4.	Agreement between IHLM and Bidvest Steiner	Provision of Hygiene Services	The Contract is expired on the 10-06-2024	Manager ICT and Admin
5.	Agreement between IHLM and Techseeds	ICT Infrastructure Maintenance	Cell phone contract is expiring on the 31-10-2025	Manager ICT and Admin
6.	First National Bank	Provision of Banking Services	The Contract is expiring on the 10-06-2026	Chief Financial Officer
7.	Coega Corporate Travel	Provision of Travel Management Services	Contract Expiring on the 30 June 2026	Budget and Treasury Office
8.	Iheans Trading t/a Iheans Travelling Agency	Provision of Travel Management Services	Contract Expiring on the 05 March 2027	Budget and Treasury Office

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9.	Lateral Unison	Insurance Services for a period of 03 years	Contract Expiring on the 28-Jun-27	Manager Asset, Fleet and Expenditure
10.	Riley Auctioneers	Auction Services	Contract Expiring on the 28-Jun-26	Manager Asset, Fleet and Expenditure
11.	Amalande Construction t/a Amalande Tyres	Provision of tyre supply, fitment, maintenance and repairs	Contract Expiring on the 20 August 2026	Manager Asset, Fleet and Expenditure
12.	Sky Metro	Printing services for a period of 36 Months	Contract expiring on the 19 November 2027	Manager ICT and Admin
13.	Hygiene Hub	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
14.	Mat Trading Enterprise	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
15.	N M Merge Projects	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
16.	Ebhungeni Holdings	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
17.	Sandu M (PTY)	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
18.	Sword Group	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
19.	Samysivu	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services



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20.	Vilito Trading	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
21.	Masinyane and Son	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
22.	Million Colours Group	Panel for supply and delivery of Refuse Bags for a period of 3 years	Contract expiring on the 25 February 2028	Manager Community Services
23.	Ntlesko Trading	Provision of Cell phone contract for a period of 24 Months	The Contract is expiring on the 10-March-2027	Manager ICT and Admin
24.	Black Space Ultimate	Provision of Microsoft Office 365 E3 Services for a period of 36 Months	The Contract is expiring on the 18-March-2028	Manager ICT and Admin
25.	Tech Seeds Telecommunications	Provision of Telephone System for 320 users for 36 Months	The Contract is expiring on 18-March-2028	Manager ICT and Admin

### 18.16 Variations

For the month of August 2025, the following are the reported variation orders.

Contractor & Contract No.	Contract Description	Contract Value	Reasons for Variation	Amount
None				

Variations above 15% or 20% (Comply with MFMA S116(3))

Service Provider & Description	Contract Value	Reasons for Variation	Variation Amount	Date Tabled at Council	Date of Notice to Community
None					



### **18.17 Supplier Performance Management**

#### **i The Purpose of Supplier Performance Management**

The purpose of this submission is to appraise the committee on the overall performance of service providers/suppliers contracted by the Municipality for the provision of goods and services. The report covers the contract management activities and performance analysis of all service providers/suppliers/contractors engaged by the Departments across the Municipality. This is a consolidated report and entails a summary of all reports submitted by various Project Managers.

Supply Chain Management Policy requires the accounting officer to establish and implement an effective system of logistics management, which must include the monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for goods or services.

#### **ii Discussion**

In the execution of its service delivery responsibilities, the Municipality appoints qualifying companies to assist in the implementation of its projects and/or supply of the required goods or services. This then presents the need to ensure that these contracted service providers comply with the contractual conditions in the provision of the required goods and services. This function is performed in terms of Section 116 of the MFMA (Act No. 56 of 2003). It is therefore essential that a service level agreement is signed prior to the commencement of any contract.

#### **iii PERFORMANCE MONITORING OF SERVICE PROVIDERS**

The Contract Management Section of the SCM Unit in conjunction with the relevant Project Managers is responsible for the monitoring of all service providers and contractors' performance. The successful implementation of projects will eventually yield to the realization of the Council's goals and targets as indicated in the Municipality's SDBIP. The focus is on compliance with all applicable legislations in the appointment of these entities with clearly identified project deliverables or scope of works. The Council must realize value for money in all these contracts.

The performance evaluation is an ongoing process within the departments in the municipality, however, the contracts management unit collates the information on a quarterly basis for reporting purposes.

### **18.18 Bids advertised (Annexure)**

- i Website:** All bids between the range of R30 000 to R300 000 and are advertised on website.

- ii E-tender portal: E-port is working; therefore, all Adverts were uploaded on the website.
- iii CIDB: All bids that require to be advertised on CIDB were advertised and printouts were saved for compliance and audit purposes.
- iv Cancelled bids: None

### 18.19 Local Content Reporting

Contract Description	Designated Sector	% Designated	Award Value	Date of Award	Reporting to DTI
None					

## 19. ASSETS AND FLEET MANAGEMENT

Asset Management is the unit within the Budget and Treasury Department that is responsible for the co-ordination of asset management function throughout the municipality.


To ensure that municipal assets are managed, controlled, safeguard and utilized in an efficient and effective manner. Fleet Management also is the unit within Budget and treasury department that is responsible for the management and effective utilisation of municipal fleet. Expenditure Management is the unit as well within Budget and Treasury section which deals with the payment of suppliers as well as payment of salaries. The following are items that can be highlighted relating to asset and fleet management:

### a. Asset Additions

The following were no movables additions for the month of August 2025

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**WIP additions as of 31 August 2025 are as follows:**

<div style="display: flex; justify-content: space-between; align-items: center;">  <div style="text-align: center;"> <b>INGQUZA HILL LOCAL MUNICIPALITY</b>  <b>WIP REGISTER FOR 2024-2025 FINANCIAL YEAR</b>  <b>01 JULY 2025- 31 AUGUST 2025</b> </div> </div>									
No	Project Name	Consultant	Contractor	Class	Opening Balance 01 July 2025	31-Jul-25	31-Aug-25	Closing Balance 31 August 2025	Comments
1	New Municipal Offices Lusikisiki	Uphuhliso Nohlumo	N/A	Other Assets	7,628,949.85	1,769,324.10	1,546,204.42	10,944,478.37	In Progress
2	Flagstaff Municipal Offices	Iqhayiya Design Workshop	N/A	Other Assets	5,750,792.80	-	-	5,750,792.80	In Progress
3	Taxi Rank	Leko Consulting	N/A	Community Assets	2,739,544.12	-	-	2,739,544.12	In Progress
4	Flagstaff Town Hall (Phase2)	Iqhayiya Design Workshop	Lithubalam Trading	Community Assets	14,693,708.40	1,232,500.00	380,000.00	16,306,208.40	In Progress
5	Lusikisiki Town Hall (Phase 2)	Calliper Consulting	Cece JV Nkanyeni	Community Assets	11,636,556.02	-	1,302,666.47	12,939,222.49	In Progress
6	Ward 2 Sport Field	Leko Consulting	Brainwave Projects	Community Assets	23,652,420.36	-	-	23,652,420.36	In Progress
7	Ward 26 Sports field	Iqhayiya Design Workshop	Vitsha Trading	Community Assets	20,451,352.02	-	-	20,451,352.02	In Progress
8	Facelift Towns (Internal Streets Flagstaff) Phase 2	Ziinzame Consulting	MVI Construction	Infrastructure-Road	24,505,425.32	6,277,134.96	720,405.00	31,502,965.28	In Progress
9	Facelift Towns (Internal Streets Lusikisiki) Phase 3	Uphuhliso Nohlumo	Mvumeza Trading	Infrastructure-Road	25,741,895.66	-	3,818,728.83	29,560,624.49	In Progress
10	Construction of Lambasi Driveway	N/A	Vilito JV Vitsha Trading	Infrastructure-Road	2,604,501.42	-	-	2,604,501.42	In Progress
11	Construction of Mtshayazafe Access Road	N/A	Mphumzi and Sons	Infrastructure-Road	4,028,434.18	-	-	4,028,434.18	In Progress
12	Construction of Qhamangweni Access Road	BM Infrastructure	N/A	Infrastructure-Road	272,447.47	-	-	272,447.47	In Progress
13	Construction of Sirhetshe to Sibuthe Access Road	Mlala Emazweni Trading	Tentamount	Infrastructure-Road	251,786.85	-	560,044.22	811,831.07	In Progress
14	Construction of Ngonyameni Access road & Bridge	Mlala Emazweni Trading	Tswela	Infrastructure-Road	335,676.57	917,612.42	480,080.82	1,733,369.81	In Progress
15	Supply and Installation of 5 Solar Street Lights	N/A	Magnetic Power	Infrastructure-Electrification	590,944.16	-	-	590,944.16	In Progress
16	Construction of Mtshayelo Access Road	Mlala Emazweni Trading	Pangwa Trading	Infrastructure-Road	268,258.88	892,617.60	505,614.15	1,666,490.63	In Progress
17	Construction of Zone 5 Sportsfield	SDM Consulting/Zambro	N/A	Community Assets	7,695,367.06	1,556,703.36	-	9,252,070.42	In Progress
				<b>Opening Balance</b>	<b>152,848,061.15</b>	<b>12,645,892.44</b>	<b>9,313,743.91</b>	<b>174,807,697.50</b>	

### b. Asset Verification

The verification of assets has been completed. The verification was completed, currently we are uploading the verification results and will perform the Assessment of useful lives in preparation for the submission to AG.

Management is now awaiting the schedule from the AG for verification for audit purposes.

### c. Asset Bar Coding

The newly acquired fleet will be appropriately added into the fixed asset register of the municipality. During the verification process, those with no bar codes are appended with new ones and the asset register is updated as per the procedures.

### d. Loss on Assets.

There has been no loss of assets in the month of August 2025

### e. Insurance

All municipal Assets that were procured are insured with Lateral Union.

The Insurance cover is for from 01 July 2024 to 30 June 2027 i.e. we have contracted a service Provider for a period of 36 Months.

Newly procured Assets were added to the insurance

### f. Disposal of Assets

The Disposal listing was approved by the Council, and an Auction was conducted. Management is awaiting the auctioneers report on the proceeds received from the auction.

Type Description	Data								
	Sum of Cost O/Bal	Sum of Cost Adj	Sum of Cost C/Bal	Sum of Adj Dep O/Bal	Sum of Dep	Sum of Dep C/Bal	Sum of Adj Imp O/Bal	Sum of Imp C/Bal	Sum of NBV
Community Assets	342 962,00	-	342 962,00	165 016,18	15 818,62	180 834,80	-	-	162 127,20
Computer Equipment	1 607 772,79	-	1 607 772,79	1 363 539,66	11 000,12	1 374 539,78	15 530,19	15 530,19	217 702,82
Furniture and Office Equipment	943 302,12	-	943 302,12	653 279,63	17 954,90	671 234,53	88 293,07	88 293,07	183 774,52
Machinery and Equipment	2 141 162,62	-	2 141 162,62	1 394 153,81	106 100,68	1 500 254,49	52 512,91	52 512,91	588 395,22
Roads Infrastructure	5 839,32	-	5 839,32	5 839,32	-	5 839,32	-	-	-
Transport Assets	3 112 445,12	-	3 112 445,12	2 505 324,72	280 714,47	2 786 039,19	-	-	326 405,93
Grand Total	8 153 483,97	-	8 153 483,97	6 087 153,32	431 588,79	6 518 742,11	156 336,17	156 336,17	1 478 405,69

### g. Fleet Management

There were six (6) vehicles that were sent for services and repairs, and these were completed.



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NO	VEHICLE	REGISTRATION NO	SERVICE PROVIDER	AMOUNT	SERVICE DESCRIPTION
1	Toyota Corolla	KMM243EC	Halfway Toyota Shelly Beach	R8,769.53	Front and rear brakes disc pads replaced.
2	Toyota Hilux	KNG173EC	Halfway Toyota Shelly Beach	R7,195.49	Replaced Front pads front and brake discs.
3	Toyota Hilux	KNG162EC	Halfway Toyota Shelly Beach	R5,886.71	Replaced Front pads front and brake discs.
4	Hino Bus	JNK075EC	Hino Shelly Beach	R71,625.90	Replaced front brake drum and rear drum rear, wheel cylinder, new tyre, brake shoes, headlamp, brake shoes.
5	Toyota Hilux	KNG171EC	Halfway Toyota Shelly Beach	R5,886.75	Replaced Front pads front and brake discs.
6	Toyota Fortuner	KMM265EC	Halfway Toyota Shelly Beach	R11,564.91	Front and rear brakes disc pads replaced.
				<b>R110,929.29</b>	

### h. Accident Report

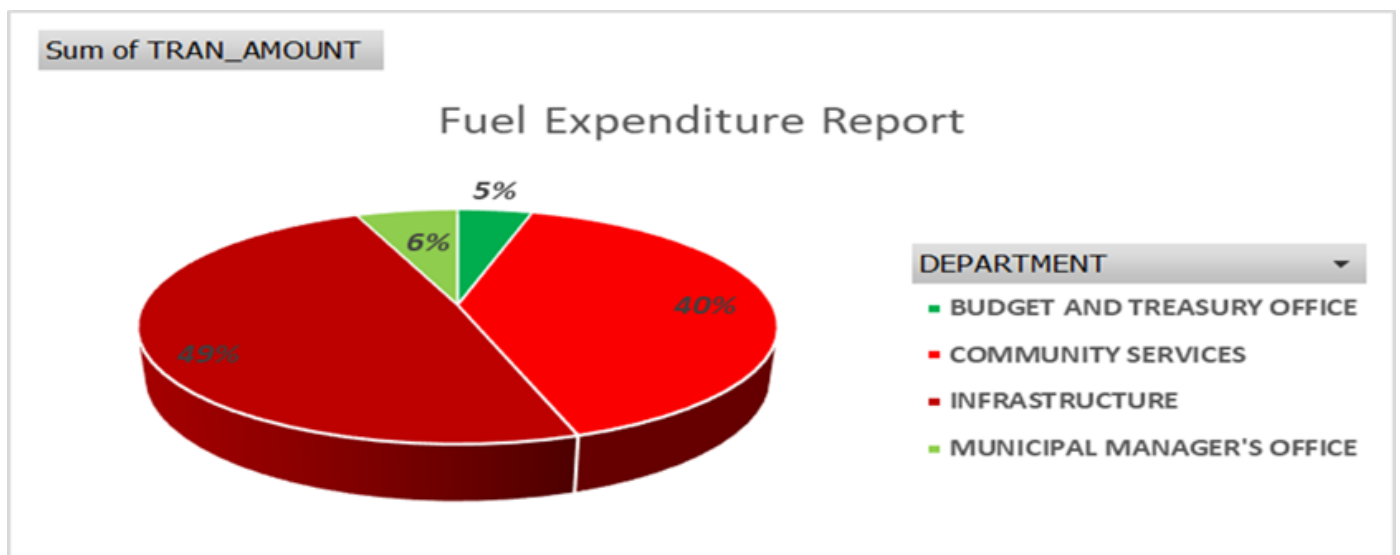
No	Vehicle	Registration Number	Date of Accident	Accident Description	Progress Report
1	UD Truck	HYW633EC	07/07/2025	Loading Beam has been damaged	We are waiting for the assessment report.

### i. Vehicle Registration

None

### j. Fuel Expenditure

No	July 2025	August 2025	Percentage Change	Reasons for Variance
1	R899,329.21	R 827,719.07	<b>8% Decrease</b>	There were few Maintenance activities during the month of August 2025 and some Plant machines have maintenance breakdown.



## 20. FREE BASIC SERVICES

### a. Legal Background

Free Basic Services Guidelines stipulate that the indigent people should be taken care of at the local sphere of government. The indigent people should be provided with free basic services such as electricity, alternative energy, water and sanitation and waste collection until such time come and they graduate from their status. The equitable share is primarily granted to improve the lives of the poor and marginalized people in our communities.

### b. Indigent register, Data collection and Data Capturing

Data collection has been done and a continua's program done through Ward Councilors, traditional leaders, CDW's and ward committees in all the thirty-two various wards that are within the boundaries of Ingquza Hill local municipality.

### c. Data capturing for Indigent register, here are the figures as per the ward:

WARDS NO	INDIGENT REGISTER PER WARD
1.	723
2.	774
3.	771
4.	633
5.	705
6.	1022
7.	791
8.	656
9.	710
10.	904
11.	802
12.	562
13.	494
14.	574
15.	746
16.	944

WARDS NO	INDIGENT REGISTER PER WARD
17.	608
18.	729
19.	644
20.	543
21.	644
22.	411
23.	518
24.	707
25.	555
26.	1015
27.	599
28.	582
29.	743
30.	828
31.	630
32.	700
<b>TOTAL</b>	<b>22 267</b>

**d. Eskom**

On August 2025, we have 2 538 beneficiaries claiming an amount of R319 318,48 for people who benefited from free basic electricity (FBE) on the month of July 2025, then the invoice was generated on the month of 19 August 2025, and each household receives 50 KW units from Eskom (FBE).

The invoice with an amount of R319 318,48 for 2 538 beneficiaries has been paid on the 31 Aug 2025.

**e. Alternative Energy (PARAFFIN):**

The service providers for the distribution of paraffin were appointed. The deliveries were carried out in July 2025 and completed in August 2025. The following is the expenditure incurred:

**f. Financial Expenditure for Free Basic Electricity (FBE) and Paraffin:**

The expenditure incurred in 2025/26 is as follows:

<b>2025/26</b>	<b>CURRENT YEAR</b>
Opening Balance Aug 2025	R8 613 432,00
Expenditure incurred Aug 2025	R4 334 460,00
Closing balance Aug 2025	R4 278 970,00

## **QUALITY CERTIFICATE**

I, V.C. Makedama, Municipal Manager of Ingquza Hill Local Municipality, hereby certify that the Section 71 report and supporting documentation for M02 – August 2025, have been prepared in accordance with Municipal Finance Management Act No 56 of 2003 and the regulations made under that Act.

**PRINT NAME:** Velile Castro Makedama

Municipal Manager of Ingquza Hill Local Municipality

**SIGNATURE** \_\_\_\_\_

**DATE** \_\_\_\_\_

**MUNICIPAL MANAGER'S QUALITY CERTIFICATE**

I, V.C Makedama, municipal manager of Ingquza Hill Local Municipality, hereby certify that section 71 report and supporting documents for M02/ August 2025 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act.

**Print Name:** V.C Makedama

Municipal Manager of Ingquza Local Municipality

**Signature:** 

**Date:** 05/09/2025