

INGQUZA HILL LOCAL MUNICIPALITY



BUDGET AND TREASURY OFFICE

IN-YEAR REPORTING: MFMA SECTION 71 REPORT FOR AUGUST 2026

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EXECUTIVE SUMMARY

1. INTRODUCTION

The Municipality approved the 2026/27 Annual Budget, associated Budget-Related Policies, and the Medium-Term Revenue and Expenditure Framework (MTREF) in May 2026.

This report has been prepared in terms of Section 71 of the Municipal Finance Management Act (MFMA), No. 56 of 2003, and presents the financial performance of the Municipality against the approved budget. The report provides an overview of the Municipality's revenue, expenditure, assets, liabilities, and cash flow position for the period under review.

The report reflects the financial performance for August 2026, being the second month of the 2026/27 financial year. As this is the beginning of the financial year, the results presented are preliminary and should be interpreted within the context of the commencement of budget implementation processes, the timing of revenue collections, and the phasing of operational and capital expenditure programmes. The report further highlights significant variances and emerging financial trends requiring management attention to support the effective implementation of the approved budget and the achievement of service delivery objectives.

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 the Council and medium-term planning of service delivery by aligning targets to achieve backlog elimination.

3. THE AUDIT ACTION PLAN

The municipality was audited by the Auditor General of South Africa (AGSA) for the 2024/25 financial period, wherein a qualified audit opinion was issued. The MFMA requires that management must develop an audit action plan that will address the issues that have been raised during the audit by the Auditor General.

Management developed the audit action plan through the National Treasury's Web-enabled Platform to address issues raised by the Auditor General in the 2024/25 audit cycle. The implementation of this plan will be monitored until all the issues raised have been resolved.

This action plan identified the finding, the root cause, the completion date for the development of the action plan, the due date for the implementation of the action plan, the responsible official and many other pertinent pieces of information.

Management has actioned all the plans that were set out to in the action plan that were meant to mainly address the qualifying paragraphs. The effectiveness of these actions will be tested in the 2025/26 Annual Financial Statements that were submitted to the Auditor General on August 31, 2026.

IN-YEAR BUDGET STATEMENT

4. MONTHLY BUDGET STATEMENT: SUMMARY

The table below shows the performance of the municipality for the month of August 2026, the second month of the 2026/27 financial year. The total revenue for August 2026 amounted to just over R8,2 million, whilst the operational expenditure for the same month was R38,9 million and capital expenditure being R2,2 million, resulting in a deficit for the month of R29,7 million.

EC153 Ngquza Hills - Table C1 Monthly Budget Statement Summary - M02 - August									
Description	2025/26	Budget Year 2026/27							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	42 387	58 363	–	1 449	30 876	9 727	21 148	217%	58 363
Service charges	1 437	1 443	–	111	231	241	(9)	-4%	1 443
Investment revenue	19 574	28 316	–	1 596	3 256	4 719	(1 463)	-31%	28 316
Transfers and subsidies - Operational	381 480	345 682	–	2 403	143 081	57 614	85 468	148%	345 682
Other own revenue	1 551 075	53 765	–	1 594	3 387	8 961	(5 574)	-62%	53 765
Total Revenue (excluding capital transfers and contributions)	1 995 954	487 569	–	7 153	180 831	81 262	99 570	123%	487 569
Employee costs	180 605	208 850	–	14 953	30 144	34 808	(4 664)	-13%	208 850
Remuneration of Councillors	28 244	32 347	–	2 360	4 719	5 391	(672)	-12%	32 347
Depreciation and amortisation	52 328	75 000	–	5 453	10 695	12 500	(1 805)	-14%	75 000
Interest	3 681	4 158	–	–	–	693	(693)	-100%	4 158
Inventory consumed and bulk purchases	–	5 230	–	281	281	872	(590)	-68%	5 230
Transfers and subsidies	8 070	9 850	–	–	–	1 642	(1 642)	-100%	9 850
Other expenditure	1 751 307	295 353	–	13 846	42 450	49 226	(6 776)	-14%	295 353
Total Expenditure	2 024 245	630 789	–	36 893	88 290	105 131	(16 841)	-16%	630 789
Surplus/(Deficit)	(28 292)	(143 219)	–	(29 740)	92 541	(23 870)	116 411	-488%	(143 219)
Transfers and subsidies - capital (monetary allocations)	65 474	71 810	–	1 074	17 759	11 968	5 791	48%	71 810
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	37 183	(71 409)	–	(28 666)	110 300	(11 902)	122 202	-1027%	(71 409)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	37 183	(71 409)	–	(28 666)	110 300	(11 902)	122 202	-1027%	(71 409)
Capital expenditure & funds sources									
Capital expenditure	119 132	121 861	–	2 209	21 676	20 310	1 366	7%	121 861
Capital transfers recognised	59 989	62 444	–	959	15 467	10 407	5 060	49%	62 444
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	59 143	59 417	–	1 250	6 209	9 903	(3 694)	-37%	59 417
Total sources of capital funds	119 132	121 861	–	2 209	21 676	20 310	1 366	7%	121 861
Financial position									
Total current assets	317 189	335 851	–	–	407 755	–	–	–	335 851
Total non current assets	1 678 230	1 812 231	–	–	1 689 212	–	–	–	1 812 231
Total current liabilities	141 197	51 874	–	–	139 710	–	–	–	51 874
Total non current liabilities	29 062	31 659	–	–	21 796	–	–	–	31 659
Community wealth/Equity	1 825 160	2 064 548	–	–	1 935 460	–	–	–	2 064 548
Cash flows									
Net cash from (used) operating	304 233	56 853	–	3 372	124 702	9 459	(115 242)	-1218%	56 853
Net cash from (used) investing	(118 953)	(135 140)	–	(2 183)	(23 715)	(22 523)	1 191	-5%	(135 140)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	473 816	275 065	–	–	363 251	340 288	(22 964)	-7%	183 977
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	2 405	28 889	5 976	7 111	1 625	1 620	1 612	115 386	164 625
Creditors Age Analysis									
Total Creditors	1 343	3	80	–	–	–	–	–	1 426

5. MONTHLY BUDGET STATEMENT – FINANCIAL PERFORMANCE (FUNCTIONAL CLASSIFICATION)

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

Description	Ref	2025/26	Budget Year 2026/27							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
R thousands	1									
Revenue - Functional										
Governance and administration		423 362	465 579	–	5 969	178 361	77 597	100 764	130%	465 579
Executive and council		1 716	1 824	–	1 824	1 824	304	1 520	500%	1 824
Finance and administration		421 646	463 755	–	4 145	176 537	77 293	99 244	128%	463 755
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	–	–	–	–	–	–		–
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		1 618 000	9 947	–	388	733	1 658	(924)	-56%	9 947
Planning and development		4 589	9 947	–	388	733	1 658	(924)	-56%	9 947
Road transport		1 613 411	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		20 065	18 783	–	796	1 737	3 130	(1 394)	-45%	18 783
Energy sources		7 364	6 739	–	–	–	1 123	(1 123)	-100%	6 739
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		12 701	12 044	–	796	1 737	2 007	(270)	-13%	12 044
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	2 061 428	494 308	–	7 153	180 831	82 385	98 446	119%	494 308
Expenditure - Functional										
Governance and administration		282 720	328 845	–	18 869	48 168	54 808	(6 640)	-12%	328 845
Executive and council		105 206	121 595	–	8 963	16 867	20 266	(3 399)	-17%	121 595
Finance and administration		168 238	204 589	–	9 844	31 163	34 098	(2 935)	-9%	204 589
Internal audit		9 276	2 661	–	62	138	443	(306)	-69%	2 661
Community and public safety		601	–	–	–	–	–	–		–
Community and social services		601	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		1 633 219	172 067	–	8 692	23 262	28 678	(5 415)	-19%	172 067
Planning and development		31 102	54 824	–	1 548	3 150	9 137	(5 987)	-66%	54 824
Road transport		1 602 117	117 243	–	7 144	20 112	19 541	572	3%	117 243
Environmental protection		–	–	–	–	–	–	–		–
Trading services		107 705	129 877	–	9 332	16 860	21 646	(4 786)	-22%	129 877
Energy sources		13 434	21 599	–	838	1 896	3 600	(1 704)	-47%	21 599
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		94 271	108 278	–	8 494	14 964	18 046	(3 083)	-17%	108 278
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	2 024 245	630 789	–	36 893	88 290	105 131	(16 841)	-16%	630 789
Surplus/ (Deficit) for the year		37 183	(136 480)	–	(29 740)	92 541	(22 747)	115 288	-507%	(136 480)

The table above shows the revenue and expenditure per functional classification. Finance and Administration recorded the highest revenue (R4,1 million) for the reporting period, mainly attributable to interest received on bank account and property rates billing for the period under review.

The expenditure for the same period can be attributed to the various departments, with the highest expenditure incurred by the Finance and Administration at just over R9,8 million, followed by the Executive and Council Function at R8,9 million.

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

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

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

Vote Description	Ref	2025/26	Budget Year 2026/27							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
R thousands										
Revenue by Vote	1									
Vote 1 - Governance and Administration		423 362	465 579	-	5 969	178 361	77 597	100 764	129.9%	465 579
Vote 2 - Community Services and Public Safety		12 701	12 044	-	796	1 737	2 007	(270)	-13.5%	12 044
Vote 3 - Economic and Enviromental Services		1 568	7 139	-	134	245	1 190	(945)	-79.4%	7 139
Vote 4 - Trading Services		7 364	6 739	-	-	-	1 123	(1 123)	-100.0%	6 739
Vote 5 - Technical Services		1 616 433	2 808	-	254	488	468	20	4.3%	2 808
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2 061 428	494 308	-	7 153	180 831	82 385	98 446	119.5%	494 308
Expenditure by Vote	1									
Vote 1 - Governance and Administration		282 720	328 845	-	18 869	48 168	54 808	(6 640)	-12.1%	328 845
Vote 2 - Community Services and Public Safety		94 873	108 278	-	8 494	14 964	18 046	(3 083)	-17.1%	108 278
Vote 3 - Economic and Enviromental Services		30 981	52 016	-	1 548	3 150	8 669	(5 519)	-63.7%	52 016
Vote 4 - Trading Services		13 434	21 599	-	838	1 896	3 600	(1 704)	-47.3%	21 599
Vote 5 - Technical Services		1 602 238	120 051	-	7 144	20 112	20 009	104	0.5%	120 051
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2 024 245	630 789	-	36 893	88 290	105 131	(16 841)	-16.0%	630 789
Surplus/ (Deficit) for the year	2	37 183	(136 480)	-	(29 740)	92 541	(22 747)	115 288	-506.8%	(136 480)

The table above reflects revenue and expenditure by municipal vote.

7. 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	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		1 437	1 443	–	111	231	241	(9)	-4%	1 443
Sale of Goods and Rendering of Services		7 891	637	–	35	63	106	(43)	-40%	637
Agency services		5 152	6 618	–	284	727	1 103	(376)	-34%	6 618
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 015	1 084	–	87	173	181	(7)	-4%	1 084
Interest from Current and Non Current Assets		19 574	28 316	–	1 596	3 256	4 719	(1 463)	-31%	28 316
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		965	1 266	–	71	137	211	(74)	-35%	1 266
Licence and permits		91	207	–	33	55	34	20	59%	207
Special Rating Levies		–	–	–	–	–	–	–		–
Construction Contract Revenue		–	–	–	–	–	–	–		–
Development Charges		–	–	–	–	–	–	–		–
Operational Revenue		186	393	–	4	10	65	(56)	-85%	393
Non-Exchange Revenue										
Property rates		42 387	58 363	–	1 449	30 876	9 727	21 148	217%	58 363
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		3 750	2 013	–	309	595	335	260	77%	2 013
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		381 480	345 682	–	2 403	143 081	57 614	85 468	148%	345 682
Interest		9 867	13 474	–	772	1 626	2 246	(620)	-28%	13 474
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Fixed and Intangible Assets		825	–	–	–	–	–	–		–
Other Gains		1 521 333	28 074	–	–	–	4 679	(4 679)	-100%	28 074
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		1 995 954	487 569	–	7 153	180 831	81 262	99 570	123%	487 569
Expenditure By Type										
Employee related costs		180 605	208 850	–	14 953	30 144	34 808	(4 664)	-13%	208 850
Remuneration of councillors		28 244	32 347	–	2 360	4 719	5 391	(672)	-12%	32 347
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		–	5 230	–	281	281	872	(590)	-68%	5 230
Debt impairment		5 226	11 576	–	–	–	1 929	(1 929)	-100%	11 576
Depreciation and amortisation		52 328	75 000	–	5 453	10 695	12 500	(1 805)	-14%	75 000
Interest		3 691	4 158	–	–	–	693	(693)	-100%	4 158
Contracted services		108 118	120 825	–	5 586	18 092	20 137	(2 045)	-10%	120 825
Transfers and subsidies		8 070	9 850	–	–	–	1 642	(1 642)	-100%	9 850
Irrecoverable debts written off		–	27 110	–	81	81	4 518	(4 438)	-98%	27 110
Operational costs		132 710	135 842	–	8 180	24 277	22 640	1 637	7%	135 842
Disposal of Fixed and Intangible Assets		228	–	–	–	–	–	–		–
Other Losses		1 505 025	–	–	–	–	–	–		–
Total Expenditure		2 024 245	630 789	–	36 893	88 290	105 131	(16 841)	-16%	630 789
Surplus/(Deficit)		(28 292)	(143 219)	–	(29 740)	92 541	(23 870)	116 411	-488%	(143 219)
Transfers and subsidies - capital (monetary allocations)		65 474	71 810	–	1 074	17 759	11 968	5 791	48%	71 810
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		37 183	(71 409)	–	(28 666)	110 300	(11 902)			(71 409)
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		37 183	(71 409)	–	(28 666)	110 300	(11 902)			(71 409)
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		37 183	(71 409)	–	(28 666)	110 300	(11 902)			(71 409)
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		37 183	(71 409)	–	(28 666)	110 300	(11 902)			(71 409)

In the table above the following can be highlighted

a) Revenue

i Waste Management

The Municipality billed revenue of R111 000 from solid waste removal services for the month of August 2026 which reflects 4% of the budgeted amount of R1 443 000. Management continues to monitor the completeness of billing to ensure that all revenue due is billed and subsequently collected.

ii Sale of Goods and Rendering of Services

The revenue source generated a revenue of R35 000 for the month of August 2026. This amount gives a 40% year-to-date variance of the budgeted amount of R637 000.

iii Agency Fees

The Municipality generates revenue from the operation of the Driver's Licence and Testing Centre (DLTC). For August 2026, revenue of R284 000 was generated, giving a year-to-date variance of 34% against the budgeted amount of R6,6 million. The Municipal DLTC became fully operational in January 2026, which improved performance at the centre, and increased revenue collection to 80% of the budgeted amount in the 2025/26 financial year.

iv Interest From Current and Non-Current Assets

The Municipality earns interest on balances held in its primary bank account and call accounts. For August 2026, interest income of R1.6 million was generated, representing 31% of the R28,3 million which is the annual budget. Management will continue to monitor interest earned on available funds and ensure that surplus cash is invested in accounts that maximise returns during periods when the funds are not immediately required for service delivery and other municipal running costs.

v Property Rates

The Municipality levies property rates on all rateable properties within its jurisdiction. Property rates billing processed during August 2026 amounted to

approximately R1,4 million. The increase in billing in the period under review is primarily attributable to the implementation of the supplementary valuation roll, with the most significant impact arising from the inclusion and revaluation of government-owned properties.

vi Rental From Fixed Assets

The Municipality generated revenue of R71 000 for August 2026 from the rental of municipal-owned properties. The revenue generated in the period under review represents 35% of the total budgeted amount of just above R1,2 million. Management is currently undertaking a review of all municipal lease agreements to assess the appropriateness of existing rental tariffs and contractual terms. The outcomes of this review will be submitted to Council for consideration and resolution prior to implementation.

vii Transfers and Subsidies

The Municipality receives transfers and subsidies from various government departments in the form of both conditional and unconditional grants. During the period under review, operational grant revenue of approximately R2,4 million which is the Financial Management Grant allocation.

In addition, R11 million was recognised as capital grant revenue, reflecting the extent to which grant conditions were met during the reporting period. The most significant portion of this funding relates to the Municipal Infrastructure Grant (MIG). The amount recognised represents 24% of the total MIG budget of R71.8 million for the 2026/27 financial year.

b) Expenditure

i Employee Related Costs

- The Municipality incurs expenditure on employee salaries and allowances for services rendered. For August 2026, expenditure on Employee Related Costs amounted to R14,9 million, against the budgeted amount of R208 million for 2026/27 financial year. This expenditure represents 7% of the total budget.

- 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 of Remuneration for Municipal Public Office Bearers, as prescribed by Government Gazette, determines the salaries and allowances payable to councillors. The Municipality remunerates councillors in accordance with the provisions of the applicable Gazette.

In August 2026, expenditure on councillor remuneration amounted to just over R2.3 million, against the budget of R32,3 million for 2026/27.

iii Contracted Services

The contracted services for August 2026 amounted to R5,5 million against the total budget of R120,8 million which is the total budget for the 2026/27 financial year. This includes services contracted for maintenance of roads and other assets, travelling and accommodation, maintenance of the municipal fleet, legal fees and other contracted services.

iv Operational Costs

The expenditure of R8,1 million (18%) against the budget of R135 million for 2026/27, reflects significant operational activity during the reporting period. The Municipality will continue to closely monitor spending patterns to ensure that expenditures remain within approved budget limits and do not place undue pressure on available resources later in the financial year.

8. MONTHLY BUDGET STATEMENT: CAPITAL EXPENDITURE

The table below indicates capital expenditure for the month of August 2026 amounting to just over R2,2 million. The bulk of the capital expenditure is at Technical Services at just over R1,8 million. R1,3 million of the total capital expenditure for the period under review is funded through transfers and subsidies, while R0,9 million is funded from internally generated funds.

EC153 Ngquza Hills - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 - August										
Vote Description	Ref	2025/26 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
R thousands	1									
Multi-Year expenditure appropriation	2									
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 -		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Governance and Administration		5 930	9 478	-	330	1 783	1 580	203	13%	9 478
Vote 2 - Community Services and Public Safety		2 438	1 605	-	19	19	268	(249)	-93%	1 605
Vote 3 - Economic and Environmental Services		-	-	-	-	-	-	-		-
Vote 4 - Trading Services		10 321	4 348	-	-	-	725	(725)	-100%	4 348
Vote 5 - Technical Services		100 444	106 430	-	1 860	19 874	17 738	2 136	12%	106 430
Vote 6 -		-	-	-	-	-	-	-		-
Vote 7 -		-	-	-	-	-	-	-		-
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	119 132	121 861	-	2 209	21 676	20 310	1 366	7%	121 861
Total Capital Expenditure		119 132	121 861	-	2 209	21 676	20 310	1 366	7%	121 861
Capital Expenditure - Functional Classification										
Governance and administration		5 930	9 478	-	330	1 783	1 580	203	13%	9 478
Executive and council		-	174	-	-	-	29	(29)	-100%	174
Finance and administration		5 930	9 304	-	330	1 783	1 551	232	15%	9 304
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		100 444	106 430	-	1 860	19 874	17 738	2 136	12%	106 430
Planning and development		-	-	-	-	-	-	-		-
Road transport		100 444	106 430	-	1 860	19 874	17 738	2 136	12%	106 430
Environmental protection		-	-	-	-	-	-	-		-
Trading services		12 758	5 953	-	19	19	992	(973)	-98%	5 953
Energy sources		10 321	4 348	-	-	-	725	(725)	-100%	4 348
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		2 438	1 605	-	19	19	268	(249)	-93%	1 605
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	119 132	121 861	-	2 209	21 676	20 310	1 366	7%	121 861
Funded by:										
National Government		59 409	61 908	-	959	15 467	10 318	5 149	50%	61 908
Provincial Government		580	536	-	-	-	89	(89)	-100%	536
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-		-
Transfers recognised - capital		59 989	62 444	-	959	15 467	10 407	5 060	49%	62 444
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		59 143	59 417	-	1 250	6 209	9 903	(3 694)	-37%	59 417
Total Capital Funding		119 132	121 861	-	2 209	21 676	20 310	1 366	7%	121 861

9. MONTHLY BUDGET STATEMENT: FINANCIAL POSITION

As at 31 August 2026, the Municipality's total assets amounted to R2.1 billion against total liabilities of R161.5 million, resulting in net assets of R1.9 billion. Cash and cash equivalents remained strong at R330.3 million, exceeding the annual budget by R55,3 million.

Current liabilities amount to R139.7 million mainly due to outstanding trade payables and VAT obligations at month-end, while current assets are R407,8 million. The Municipality remains financially stable, with a current ratio of 2,92:1, indicating sufficient liquidity to meet its short-term obligations. Overall, the financial position remains sound despite the increase in current liabilities during the reporting period.

EC153 Ngquza Hills - Table C6 Monthly Budget Statement - Financial Position - M02 - August						
Description	Ref	2025/26	Budget Year 2026/27			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		262 264	275 065	—	330 390	275 065
Short term Investments		—	—	—	—	—
Trade and other receivables from exchange transactions		1 544	6 589	—	9 388	6 589
Receivables from non-exchange transactions		8 512	54 014	—	24 618	54 014
Current portion of non-current receivables		—	—	—	—	—
Inventory		(0)	—	—	(0)	—
VAT		44 869	183	—	43 358	183
Other current assets		(0)	—	—	(0)	—
Total current assets		317 189	335 851	—	407 755	335 851
Non current assets						
Investments		—	—	—	—	—
Investment property		804 506	800 523	—	804 506	800 523
Property, plant and equipment		873 725	1 011 708	—	884 706	1 011 708
Biological assets		—	—	—	—	—
Living resources		—	—	—	—	—
Heritage assets		—	—	—	—	—
Intangible assets		—	—	—	—	—
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
Total non current assets		1 678 230	1 812 231	—	1 689 212	1 812 231
TOTAL ASSETS		1 995 419	2 148 082	—	2 096 966	2 148 082
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		1 634	—	—	1 634	—
Consumer deposits		—	—	—	—	—
Trade and other payables from exchange transactions		67 411	46 744	—	57 891	46 744
Trade and other payables from non-exchange transactions		13 094	—	—	16 420	—
Provision		5 748	4 911	—	5 877	4 911
VAT		53 311	219	—	58 018	219
Other current liabilities		—	—	—	(129)	—
Total current liabilities		141 197	51 874	—	139 710	51 874
Non current liabilities						
Financial liabilities		750	—	—	750	—
Provision		28 313	31 659	—	21 047	31 659
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		29 062	31 659	—	21 796	31 659
TOTAL LIABILITIES		170 260	83 534	—	161 507	83 534
NET ASSETS	2	1 825 160	2 064 548	—	1 935 460	2 064 548
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 825 160	2 064 548	—	1 935 460	2 064 548
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	1 825 160	2 064 548	—	1 935 460	2 064 548

10. MONTHLY BUDGET STATEMENT: CASHFLOW

The table above reflects the municipality's cash inflows and outflows for August 2026. Cash generated from operating activities was mainly driven by revenue collected from rates, service charges, grants and other revenue sources, while cash outflows were mainly attributable to employee related costs, contracted services, and operational expenditure and other sources.

Cash flows from investing activities relate primarily to capital expenditure incurred on infrastructure and other municipal assets.

Financing activities reflect movements in borrowings and other financing arrangements where applicable. The municipality has no loans or borrowings.

The municipality maintained a positive cash and cash equivalents position during the reporting period. Variations in cash flows are mainly influenced by the timing of grant receipts, debtor collections, and expenditure incurred on operational and capital projects.

EC153 Ngquza Hills - Table C7 Monthly Budget Statement - Cash Flow - M02 - August

Description	Ref	2025/26	Budget Year 2026/27							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		47 267	58 390	—	14 251	16 577	9 732	6 845	70%	58 390
Service charges		961	1 406	—	102	152	234	(82)	-35%	1 406
Other revenue		48 899	52 916	—	2 638	2 521	8 819	(6 299)	-71%	52 916
Transfers and Subsidies - Operational		388 938	345 682	—	3 618	144 056	57 614	86 442	150%	345 682
Transfers and Subsidies - Capital		67 274	71 810	—	—	20 111	11 968	8 143	68%	71 810
Interest		6 251	40 591	—	1 290	2 505	6 765	(4 260)	-63%	40 591
Dividends		—	—	—	—	—	—	—		—
Payments										
Suppliers and employees		(255 356)	(504 092)	—	(18 528)	(61 219)	(84 032)	22 812	-27%	(504 092)
Interest		—	—	—	—	—	—	—		—
Transfers and Subsidies		—	(9 850)	—	—	—	(1 642)	1 642	-100%	(9 850)
NET CASH FROM/(USED) OPERATING ACTIVITIES		304 233	56 853	—	3 372	124 702	9 459	(115 242)	-1218%	56 853
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		—	5 000	—	—	—	833	(833)	-100%	5 000
Decrease (increase) in non-current receivables		—	—	—	—	—	—	—		—
Decrease (increase) in non-current investments		—	—	—	—	—	—	—		—
Insurance Refund - Capital		—	—	—	—	—	—	—		—
Long Term Investments		—	—	—	—	—	—	—		—
Payments										
Capital assets		(118 953)	(140 140)	—	(2 183)	(23 715)	(23 357)	(358)	2%	(140 140)
Retention (Capital)		—	—	—	—	—	—	—		—
NET CASH FROM/(USED) INVESTING ACTIVITIES		(118 953)	(135 140)	—	(2 183)	(23 715)	(22 523)	(1 191)	(0)	(135 140)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		—	—	—	—	—	—	—		—
Borrowing long term/refinancing		—	—	—	—	—	—	—		—
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—		—
Payments										
Repayment of borrowing		—	—	—	—	—	—	—		—
NET CASH FROM/(USED) FINANCING ACTIVITIES		—	—	—	—	—	—	—		—
NET INCREASE/ (DECREASE) IN CASH HELD		185 280	(78 287)	—	1 189	100 987	(13 064)			(78 287)
Cash/cash equivalents at beginning:		288 536	353 352	—		262 264	353 352			262 264
Cash/cash equivalents at month/year end:		473 816	275 065	—		363 251	340 288			183 977

SUPPORTING DOCUMENTATION

11. DEBTORS AGE ANALYSIS

The Municipality bills consumers for Property Rates and Solid Waste Removal services, and interest is charged on overdue accounts. It is critical that billed revenue is collected to ensure the Municipality maintains sufficient cash and cash equivalents to meet its financial obligations as they fall due.

Management is implementing a targeted approach, as discussed at the Revenue Committee and the BTO Portfolio Committee, to prioritise collections from commercial properties. This strategy is based on the understanding that commercial properties have a greater capacity to settle their debts due to their business operations. Following this, management will engage closely with government departments, which also have an obligation to settle all outstanding amounts owed to the Municipality.

The table below provides the Debtors Age Analysis as at the end of August 2026.

EC153 Ngquza Hills - Supporting Table SC2 Monthly Budget Statement - aged debtors - M02 - August

Description		NT Code	Budget Year 2026/27										Actual Bad Debts Written Off against Debtors
			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	1 375	27 805	4 974	6 110	629	625	623	81 938	124 079	89 925	(61)	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	162	146	110	107	105	100	98	11 741	12 568	12 151	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	869	938	892	895	891	895	890	21 707	27 977	25 278	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	1	1	1	-	-
Total By Income Source	2000	2 405	28 889	5 976	7 111	1 625	1 620	1 612	115 386	164 625	127 354	(61)	
2025/26 - totals only			2 155	18 146	1 938	1 871	1 862	1 839	1 817	107 915	137 542	115 304	-
Debtors Age Analysis By Customer Group													
Organs of State	2200	150	27 179	4 480	5 646	185	188	188	8 189	46 205	14 396	-	-
Commercial	2300	1 617	1 091	896	871	852	848	844	62 665	69 683	66 079	(61)	
Households	2400	638	620	601	594	588	584	580	44 532	48 737	46 879	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	2 405	28 889	5 976	7 111	1 625	1 620	1 612	115 386	164 625	127 354	(61)	

a) Debt Collection Rate

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

August 2026 collection levels:

The Municipality bills for Property Rates and Solid Waste Removal services, and interest is levied on outstanding accounts. For July 2026, the Municipality generated total billings of just over R30.4 million, of which over R1.6 million was collected. This represents a collection of 5% against billed revenue.

The year-to-date collection rate remains below the targeted level. As such, engagements with ratepayers need to be intensified, and the planned specialised engagement with commercial property owners will be expedited to improve revenue performance.

<u>Category</u>	<u>August</u>	<u>Year-to-Date</u>
Rates	1 367 607.65	30 794 613.74
Refuse	111 208.81	231 208.71
Interest Levied	858 359.55	1 799 214.47
	2 337 176.01	32 825 036.92
Receipts	-14 580 456.50	-16 193 951.94
	-12 243 280,49	16 631 084,98
Collection Rate	623%	49%

b. Comments Regarding Government Debt

There is ongoing engagement with government departments to ensure that all information required to facilitate payment of outstanding bills is provided. All relevant schedules, supporting documentation, and invoices have already been submitted to the departments responsible, particularly the Department of Public Works, which accounts for most of the billed revenue.

12. CREDITORS AGE ANALYSIS

The table below presents the creditors' age analysis as at the end of August 2026, reflecting total creditors of R1,3 million in the 0–30-day, R3 000 on 31-60 days and

R80 000 on 61-90 days category. The municipality remains committed to settling all creditor accounts within 30 days, in line with National Treasury requirements.

EC153 Ngquza Hills - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 - August

Description	NT Code	Budget Year 2026/27								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1 343	3	80	-	-	-	-	-	1 426
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 343	3	80	-	-	-	-	-	1 426

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 2026 were just over R340.5 million and can be tabled as follows:

BANK	ACCOUNT TYPE	BALANCE
FNB	Cheque account	87 219 784.57
FNB	Call account	289 467.59
FNB	Operational Account	81 915 437.16
FNB	MIG Call Acc	90 743.72
FNB	Plant Call Acc	147 227 949.27
FNB	Call account	86 881.82
FNB	Call account	13 993 428.08
FNB	Call account	30 559.80
FNB	Call account	24 703.77
FNB	Call account	64 892.42
		330 943 848.20

14. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

a) Grants Receipts for August 2026

The following table reflects the grant receipts for the month of August 2026

EC153 Ngquza Hills - Supporting Table SC18 Monthly Budget Statement - transfers and grant receipts - M02 - August

Description	Ref	Budget Year 2026/27								
		2025/26 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		388 957	344 267	–	3 456	143 846	57 378	86 468	150.7%	344 267
Expanded Public Works Programme Integrated Grant		1 716	1 824	–	456	456	304	152	50.0%	1 824
Municipal Disaster Relief Grant		39 414	–	–	–	–	–	–	–	–
Local Government Financial Management Grant	3	3 000	2 700	–	3 000	3 000	450	2 550	566.7%	2 700
Municipal Infrastructure Grant		–	2 808	–	–	–	468	(468)	-100.0%	2 808
Equitable Share		344 827	336 935	–	–	140 390	56 156	84 234	150.0%	336 935
Provincial Government:		2 782	1 415	–	162	210	236	(26)	-11.2%	1 415
Library Grant		1 331	915	–	–	–	153	(153)	-100.0%	915
LG Seta		1 450	500	–	162	210	83	126	151.4%	500
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants		391 739	345 682	–	3 618	144 056	57 614	86 442	150.0%	345 682
Capital Transfers and Grants										
National Government:		67 274	70 894	–	–	20 111	11 816	8 295	70.2%	70 894
Municipal Infrastructure Grant		67 274	70 894	–	–	20 111	11 816	8 295	70.2%	70 894
Provincial Government:		–	616	–	–	–	103	(103)	-100.0%	616
Library Grant		–	616	–	–	–	103	(103)	-100.0%	616
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants		67 274	71 510	–	–	20 111	11 918	8 193	68.7%	71 510
TOTAL RECEIPTS OF TRANSFERS & GRANTS		459 013	417 192	–	3 618	164 167	69 532	94 635	136.1%	417 192

Grant Expenditure for August 2026

The table below depicts spending on grants as per DORA allocation.

EC153 Ngquza Hills - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - M02 - August

Description	Ref	Budget Year 2026/27								
		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:		34 502	7 332	–	2 132	2 420	1 222	1 198	98.1%	7 332
Expanded Public Works Programme Integrated Grant		1 716	1 824	–	1 824	1 824	304	1 520	500.0%	1 824
Municipal Disaster Relief Grant		26 764	–	–	–	–	–	–	–	–
Local Government Financial Management Grant	3	3 000	2 700	–	54	108	450	(342)	-76.0%	2 700
Municipal Infrastructure Grant		3 021	2 808	–	254	488	468	20	4.3%	2 808
Provincial Government:		2 126	1 415	–	271	271	236	35	15.0%	1 415
Library Grant		676	915	–	–	–	153	(153)	-100.0%	915
LG Seta Grant		1 450	500	–	271	271	83	188	225.4%	500
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants		36 628	8 747	–	2 403	2 691	1 458	1 234	84.6%	8 747
Capital Transfers and Grants										
National Government:		64 843	70 894	–	1 074	17 759	11 816	5 943	50.3%	70 894
Municipal Infrastructure Grant		64 843	70 894	–	1 074	17 759	11 816	5 943	50.3%	70 894
Provincial Government:		656	616	–	–	–	103	(103)	-100.0%	616
Library Grant		656	616	–	–	–	103	(103)	-100.0%	616
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants		65 499	71 510	–	1 074	17 759	11 918	5 841	49.0%	71 510
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		102 127	80 257	–	3 477	20 450	13 376	7 074	52.9%	80 257

15. EMPLOYEE RELATED COSTS AND REMUNERATION OF COUNCILLORS

The detail provided below relates to the expenditure by the municipality for the period of August 2026. This also includes details of the amounts spent on the remuneration of councilors.

a) PAYROLL MANAGEMENT

- The municipal salaries are paid on the 15th of every month.
- Salaries for the month of August 2026 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 continues to ensure that payroll reconciliations are performed, reviewed and where necessary, required adjustments and corrections are made on a monthly basis.

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EC153 Ngquza Hills - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - Month DD, YYYY -

Summary of Employee and Councillor remuneration	Ref	2025/26	Budget Year 2026/27			YTD	YTD %	Full Year
		Audited	Original	Adjusted	Monthly actual	YearTD actual		
R thousands		A	B	C				D
Councillors (Political Office Bearers plus Other)	1							
Allowances and Service Related Benefits								
Basic Salary		22 582	21 219	-	1 873	3 746	3 536	21 219
Cell phone Allowance		3 008	3 912	-	251	501	652	3 912
Housing Allowance		145	144	-	12	25	24	144
In-kind Benefits		-	-	-	-	-	-	-
Market Related Non-pensionable Allowance		-	-	-	-	-	-	-
Motor Vehicle Allowance		2 508	6 564	-	224	448	1 094	6 564
Office-bearer Allowance		-	-	-	-	-	-	-
Out of pocket Expenses		-	-	-	-	-	-	-
Travelling Allowance		-	509	-	-	-	85	509
Use of Personal Facilities		-	-	-	-	-	-	-
Total Allowances and Service Related Benefits		28 244	32 347	-	2 360	4 719	5 391	32 347
Social Contributions								
Medial Aid Benefits		-	-	-	-	-	-	-
Pension Fund Contributions		-	-	-	-	-	-	-
Total Social Contributions		-	-	-	-	-	-	-
Total Councillors		28 244	32 347	-	2 360	4 719	5 391	32 347
% increase	4							
Senior Managers of the Municipality	2							
Salaries and Allowances								
Basic Salary		5 494	4 626	-	375	780	771	4 626
Bonuses		1 622	146	-	174	381	24	146
Allowance								
Accommodation, Travel and Incidental		-	-	-	-	-	-	-
Cellular and Telephone	3	38	317	-	15	30	53	317
Housing Benefits	3	-	364	-	14	27	61	364
Non-pensionable		-	-	-	-	-	-	-
Travel or Motor Vehicle	3	990	1 646	-	90	180	274	1 646
Voluntary Work		-	-	-	-	-	-	-
Total Allowance		1 028	2 327	-	119	237	388	2 327
Service Related Benefits								
Acting	3	-	-	-	-	-	-	-
Bonus	3	-	-	-	-	-	-	-
Danger Allowance	3	-	-	-	-	-	-	-
Entertainment	3	-	-	-	-	-	-	-
Fire Brigade	3	-	-	-	-	-	-	-
In-kind Benefits	3	-	-	-	-	-	-	-
Leave Pay	3	-	-	-	-	-	-	-
Lifeguard/Duty Squads	3	-	-	-	-	-	-	-
Long Service Award		-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-
Scarcity	3	-	-	-	-	-	-	-
Standby Allowance	3	-	-	-	-	-	-	-
Tools Allowance	3	-	-	-	-	-	-	-
Uniform/Special/Protective Clothing	3	-	-	-	-	-	-	-
Leave gratuity		-	-	-	-	-	-	-
Long Term Service Award		-	-	-	-	-	-	-
Total Service Related Benefits		-	-	-	-	-	-	-
Total Salaries and Allowances		8 144	7 100	-	667	1 397	1 183	7 100
Social Contributions								
Bargaining Council		1	5	-	-	-	1	5
Group Life Insurance		-	-	-	-	-	-	-
Medical		-	-	-	-	-	-	-
Pension		-	98	-	-	-	16	98
Unemployment Insurance		11	8	-	1	1	1	8
Total Social Contributions		11	111	-	1	1	19	111
Post-retirement Benefit	6							
Medical		-	-	-	-	-	-	-
Other Benefits		-	-	-	-	-	-	-
Pension		-	-	-	-	-	-	-
Total Post-retirement Benefit		-	-	-	-	-	-	-
Costs Capitalised to PPE		-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8 155	7 211	-	668	1 398	1 202	7 211
% increase	4							
Other Municipal Staff								
Salaries and Allowances								
Basic Salary		99 776	114 910	-	8 608	17 251	19 152	114 910
Bonuses		6 202	9 177	-	340	531	1 529	9 177
Allowance								
Accommodation, Travel and Incidental		-	-	-	-	-	-	-
Cellular and Telephone	3	2 483	1 383	-	193	382	230	1 383
Housing Benefits	3	5 697	5 693	-	519	1 038	949	5 693
Non-pensionable		-	-	-	-	-	-	-
Travel or Motor Vehicle	3	11 818	11 456	-	1 091	2 167	1 909	11 456
Voluntary Work		-	-	-	-	-	-	-
Total Allowance		19 998	18 532	-	1 803	3 587	3 089	18 532
Service Related Benefits								
Acting	3	910	1 104	-	103	191	184	1 104
Bonus	3	-	-	-	-	-	-	-
Danger Allowance	3	-	-	-	-	-	-	-
Entertainment	3	-	-	-	-	-	-	-
Fire Brigade	3	-	-	-	-	-	-	-
In-kind Benefits	3	-	-	-	-	-	-	-
Leave Pay	3	1 568	19	-	-	-	3	19
Lifeguard/Duty Squads	3	-	-	-	-	-	-	-
Long Service Award		448	209	-	-	5	35	209
Overtime		15 356	10 943	-	1 060	2 198	1 824	10 943
Scarcity	3	-	-	-	-	-	-	-
Standby Allowance	3	-	-	-	-	-	-	-
Tools Allowance	3	753	852	-	41	79	142	852
Uniform/Special/Protective Clothing	3	128	143	-	-	128	24	143
Leave gratuity		-	1 050	-	-	78	175	1 050
Long Term Service Award		-	235	-	23	68	39	235
Total Service Related Benefits		19 163	14 555	-	1 227	2 748	2 426	14 555
Costs Capitalised to PPE		-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		145 139	157 173	-	11 978	24 116	26 196	157 173
% increase	4							
Social Contributions								
Bargaining Council		47	344	-	4	8	57	344
Group Life Insurance		-	-	-	-	-	-	-
Medical		10 319	25 765	-	904	1 809	4 294	25 765
Pension		14 783	17 497	-	1 340	2 694	2 916	17 497
Unemployment Insurance		704	859	-	59	119	143	859
Total Social Contributions		25 852	44 465	-	2 308	4 631	7 411	44 465
Post-retirement Benefit	6							
Medical		-	-	-	-	-	-	-
Other Benefits		-	-	-	-	-	-	-
Pension		-	-	-	-	-	-	-
Total Post-retirement Benefit		-	-	-	-	-	-	-
Costs Capitalised to PPE		-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		170 992	201 639	-	14 285	28 747	33 606	201 639
% increase	4							
Total Parent Municipality		207 391	241 197	-	17 313	34 864	40 200	241 197

16. TOP TWENTY CREDITORS PAID (AUGUST 2026)



Code	Creditor Name	Amount
01989	IHEANS TRAVELLING AGENCY	R2,262,781.57
01168	HYGIENE HUB	R1,605,959.25
00372	ESKOM	R1,274,149.75
01908	PANGWA TRADING ENTERPRISE	R828,961.85
02000	MVI CONSTRUCTION AND MAINTENANCE	R768,487.50
01121	MILLION COLOURS GROUP	R763,060.00
02528	DLANYEKA ENGINEERING	R604,263.46
01333	ESIHLE SUPPLIERS AND SERVICES	R437,948.75
01370	IXHANGA TRADING	R430,658.90
00431	MUNSOFT	R416,503.94
02064	AMALANDE TYRES	R379,978.63
01067	TECHSEEDS TELECOMMUNICATIONS	R316,498.72
01738	SWORD GROUP	R309,400.00
02309	GEMINI MOON TRADING 6	R285,885.18
02448	REMY BOUY CLOTHING	R240,470.00
02277	GAPC (PTY) LTD	R198,765.69
04169	BCT PTY LTD	R187,200.00
01993	JNW TRADING ENTERPRISE	R185,200.00
01636	LOLWETH'UTHANDO	R176,000.00
00907	AUDITOR GENERAL	R51,886.62
		R11,724,059.81

17. UIFW EXPENDITURE

- a) Fruitless & Wasteful Expenditure as of August 2026** - 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 2026. 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:

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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
						1 460 146,39	

In the fruitless expenditure, an amount of just over R13 million was identified and reported to council relating to the issues raised by the AG during the performance audits of Flagstaff Town Hall and Jikindaba Sportsfield.

Pending the finalisation of the process, the expenditure remains disclosed as fruitless and wasteful expenditure in the current financial year until proper processes to deal with it has been followed and will be disclosed as follows:-

	<u>2026</u>	<u>2025</u>
Opening balance as previously reported	1 460 135	1 524 213
Add: Fruitless and Wasteful Expenditure - current	13 459 672	
Add: Fruitless and Wasteful expenditure - prior period	-	-
Less: Amount written off		- 64 078
Closing balance	14 919 807	1 460 135

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. There was no unauthorised expenditure incurred in the 2025/26 financial year and the reporting period.

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 2026. 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 (2024/25), additional irregular expenditure of just of R4 million was identified by the Auditor General, relating to the procurement through deviations which was judged to be poor planning rather than an emergency or impracticality to follow SCM Processes.

Also, management identified further fruitless and wasteful expenditure relating to variation orders that were not published for comments as they exceeded the 15/20% threshold.

The irregular expenditure as at the end of August 2026 can be summarised as shown in the table below: -

	<u>2026</u>	<u>2025</u>
Opening balance as previously reported	37 165 123	19 156 106
Add: Irregular expenditure - current	35 070 252	18 009 018
Add: Irregular expenditure - prior period	-	-
Less: Amount written-off	- 19 842 499	-
Closing balance	52 392 877	37 165 123

The details of the irregular expenditure identified to this far are as follows: -

NO.	BID NUMBER	DEPARTMENT	DESCRIPTION	SUCCESSFUL BIDDERS	OPENING BALANCE	Current Year Expenditure	Total expenditure to date	Closing Balance	Reason for Irregular Expenditure
1	IHLM/94/2023-24/ROADS	Technical Services	Renovation of Flagstaff Municipal Offices	Vitsha Trading	5 014 394	25 734 189	30 748 583	30 748 583	Non-compliance with MFMA section 116(3).
2	IHLM/94/2023-24/ROADS	Technical Services	Renovation of Flagstaff Municipal Offices	Iqhaviya Design Workshop	2 021 915	2 299 754	4 321 669	4 321 669	Non-compliance with MFMA section 116(3).
					7 036 309	28 033 943	35 070 252	35 070 252	

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NO.	DEPARTMENT	DESCRIPTION	SUCCESSFUL BIDDERS	Current Year Expenditure	Total expenditure to date	Total expenditure/Written-Off	Closing Balance	Reason for Irregular Expenditure
		Opening Balance						
1	Planning and Development	Security Services - Demolitions	Mafoko Security Patrols	R2 002 356.00	R2 002 356.00	R0.00	R2 002 356.00	Non-Compliance with legislation and regulations - Regulation 36 of the SCM Regulations
2	Planning and Development	Security Services - Demolitions	Red Ants	R2 111 580.14	R2 111 580.14	R0.00	R2 111 580.14	Non-Compliance with legislation and regulations - Regulation 36 of the SCM Regulations
3	Technical Services	IHLM/137/2023-24/Roads - Roof Repairs at Lusikisiki Municipal Offices	BKKY Waste Management and Projects	R1 449 326.22	R1 449 326.22	R0.00	R1 449 326.22	Non-Compliance with legislation and regulations - MFMA 56 of 2003 section 116 Contracts and contract management subsection (3)
4	Technical Services	IHLM/94/2023-24 - Task Order for Construction of Community hall at ward 31	Pangwa Trading	R5 267 998.42	R5 267 998.42	R0.00	R5 267 998.42	Non-Compliance with legislation and regulations - MFMA 56 of 2003 section 116 Contracts and contract management subsection (3)
5	Technical Services	IHLM/93/2023-24/ROADS - Task order for Installation of 100 type 1 infills	YG Solutions	R2 022 470.46	R2 022 470.46	R0.00	R2 022 470.46	Non-Compliance with legislation and regulations - MFMA 56 of 2003 section 116 Contracts and contract management subsection (3)
6	All Departments	SCM - Quotations below R30 000 were not evaluated as required by the PPPF Act	Various Bidders	R5 155 286.39	R5 155 286.39	R0.00	R5 155 286.39	Non-compliance with legislation and regulations SCM - Quotations below R30 000 were not evaluated as required by the PPPF Act
			TOTAL	R18 009 017.63	R18 009 017.63	R0.00	R18 009 017.63	

OTHER REPORTS

18. 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's first Steering Committee meeting took place on the 24th of April 2026. The mSCOA PSC noted underutilisation of key system modules, including Contracts, Grants, SCM and PMS functionalities. Provincial Treasury highlighted compliance gaps and risks of continued non-compliance, while Munsoft reported 58% system utilisation. Measures are being implemented to improve mSCOA compliance and system functionality, and the meetings will sit on a quarterly basis. The first meeting for the current financial year will sit in the first quarter of the year.

There have been engagements with the vendor, to establish the extent to which the municipality utilizes the system, and plans have been put in place including the training

that BTO officials attended in April on contract management and SCM module, to ensure that there is ultimately a full implementation of an mSCOA compliant accounting system. The municipality has also signed an agreement on the IDP to be captured onto the system in the current reporting financial year. The municipality continues to monitor the full utilization of the financial system.

From a National Treasury validation perspective, the municipality do a monthly upload of the financial (and certain non-financial) transactions from the General Ledger, which the National Treasury interrogate for integrity purposes. For the month of August, the municipality successfully uploaded all the required strings, together with the ones for Annual Financial Statements for 2025/26. The budget verification between data strings and A-Schedule was done and completed and Ingquza Hill was 100% compliant.

19. SARS VAT AUDIT

SARS Conducted an Audit which was started in November 2025. During the Audit SARS issued a request for information which was submitted to them successfully. There was continuous engagement with them during this period of Audit. By the 27 May 2026 they issued their Letter of Findings which stated that the municipality is owing SARS an amount of R 10,906,001.39 because of INEP Grant which was initially not subjected to output tax, due to a change in INEP accounting treatment issued by Treasury. Also the Library Grant which was not subjected to output VAT. The letter of Findings also indicated that the municipality has been charged penalties amounting to R 2,726,500.27

All this has been a result of the Audit which focused to the following seven period i.e. 2017-18 to 2024-2025. The Municipality was then given an opportunity to respond to the letter of findings of which the municipality responded by the 22 June 2026. By the 30 July 2026 SARS issued the final letter of findings with a revised amount of R 10,084,914.17 and the penalties of R 4,952,909.74 which totals to R 15,037,823.91.

However, the municipality subsequently received a formal communication from SARS stating that the municipality owes SARS an amount of R20,539,397.19 and its breakdown is as follows:

- Capital: R10,205,036.72
- Additional Tax: R4,952,909.70

- Interest: R4,403,067.76
- Penalty: R978,383.01

Of the total amount of R 20,539,397.19 due to SARS, the Municipality has settled R 10,321,756.34 of the capital debt through VAT returns for July and August. The July VAT return amounted to R 4,175,050.25, while the August VAT return amounted to R 6,146,706.09. The Municipality has formally initiated an application to SARS for the remission of the associated Additional tax, interest and penalties. The outcome of this application remains pending.

20. THE SUPPLY CHAIN MANAGEMENT REPORT

Tabled below is the report on SCM matters to be reported for the month of August 2026.

The municipality has a procurement plan that was developed and approved by council. This was reviewed with the budget adjustment processes done in February.

20.1 SCM Policy & Procedures

20.1.1 Adoption by Council

The SCM Policy was adopted by Council on May 2026, with the approval of the budget and budget related policies.

20.1.2 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.

20.2 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.

20.3 Functioning of the SCM Unit

20.3.1 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 vacant positions in the section.

20.3.2 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.

20.3.3 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.

20.3.4 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 ad hoc trainings and workshops that are conducted for the officials, including those that relate to processes and procedures in the financial management system.

20.4 Functioning of Bid Committees

20.4.1 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.

20.4.2 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.

20.4.3 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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20.5 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

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

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Order Date	Description	Supplier Details	Amount	Deviation Reason	Deviation Type	Possible Irregular Expenditure	Remedial action
POLICY RELATED DEVIATIONS							
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

4. Regulation 17 Procurement for the Month (August 2026)

Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
None	None	None	None	None	None	None	None	None

b) Unsolicited Bids

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

20.6 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.

20.7 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.

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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.

20.8 Awards for August

FUNCTION: BUDGET & TREASURY													
PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	Youth
Workshops; Seminars and Subject Matter Training: Workshops	Levies	Accommodation	2026/08/13	10/08/2026	Accommodation and meals for 5 BTO interns in Dbn from 10-14 August 2026	Iheans Travelling Agency	Budget & Treasury Office	64 849 .13	Received	Mthatha	Black	Female	Not Youth
Workshops; Seminars and Subject Matter Training: Workshops	Levies	Accommodation	2026/08/26	21/08/2026	Venue and lunch for 6 officials attending AFS preparation from 26-31 August 2026	Iheans Travelling Agency	Budget & Treasury Office	37 975 .30	Received	Mthatha			

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Workshops; Seminars and Subject Matter Training:Works hops	Levies	Accommodat ion	2026/08/ 31	21/08/ 2026	Accommo dation and meals for 6 Employee s working on Afs Reviews from 26 August to 01 September 2026	Iheans Travellin g Agency	Budget & Treasur y Office	101 281 .95	Rec eive d	Mthat ha			
TOTAL								204 106 .38					
FUNCTION-CORPORATE SERVICES & HUMAN RESOURCES													
PROJECT	FUNDIN G	ITEM	TRANS ACTION DATE	DOC. DATE	SERVICE DESCRIP TION	SUPPLI ER NAME	FUNCT ION	VA LU E	STA TUS	LOC ALIT Y	RA CE	GEN DER	YO UT H
Workshop.Semi nar & Subject Matter Training:Trainin g Employees	Levies	Accommodat ion	03/08/20 26	29/07/ 2026	Accommo dation and meals for Z Mnyandu in Flagstaff from 03-06 August 2026	Iheans Travellin g Agency	Admini stration	5 376 .94	Rec eive d	Mthat ha	Black	Fem ale	Not You th
Employee Assistance Programme:Em ployee wellness	Levies	Hire Charges	07/08/20 26	03/08/ 2026	Hiring of 2 large photo frames	Emie Trading	Human Resour ces	29 000 .00	Rec eive d	Flagst aff	Black	Fem ale	You th

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					with stands and 2 standard photo frames with stands for memorial service on 06 August 2026								
Employee Assistance Programme:Employee wellness	Levies	Outsourced Services:Catering Services	07/08/2026	03/08/2026	Catering for 30 family members attending memorial service at Flagstaff Town Hall on 06 August 2026	Liyasahka Trading Enterprise	Human Resources	9 000 .00	Received	Flagstaff	Black	Female	Youth
Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	13/08/2026	10/08/2026	Accommodation and meals for Z Masumpa in Dbn from 10-14 August 2026	Iheans Travelling Agency	Administration	12 969 .83	Received	Mthatha	Black	Female	Not Youth
Employee Assistance	Equitable Share	Advertising; Publicity and Marketing:Gift	13/08/2026	10/08/2026	Procurement of 44 long	Qubula Trading	Human Resources	25 200 .00	Rec	Lusikisiki	Black	Male	Youth

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Programme:Employee wellness		ts and Promotional Items			service certificates	And Projects			eived				
Municipal Running Cost	Current and Non-current Assets: Bank Accounts	Accommodation	14/08/2026	11/08/2026	Accommodation and meals for Mohokoto and Lombo in Lusikisiki from 13-14 August 2026	Iheans Travelling Agency	Human Resources	3708.46	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Levies	Outsourced Services:Catering Services	14/08/2026	11/08/2026	Catering for 14 people attending Disciplinary Hearing in Lusikisiki on 14 August 2026	Iheans Travelling Agency	Human Resources	2357.16	Received	Mthatha	Black	Female	Not Youth
Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	18/08/2026	13/08/2025	Accommodation and meals for M Ntotho and G Mguca in East London from 17-19 August 2026	Iheans Travelling Agency	Administration	13404.33	Received	Mthatha	Black	Female	Not Youth

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Employee Assistance Programme:Employee wellness	Levies	Transport Provided as Part of Departmental Activities:Events	19/08/2026	18/08/2026	Transport for employees attending memorial service at Flagstaff Town Hall on 21 August 2026	ZN Trading Company	Human Resources	10 800.00	Received	Flagstaff	Black	Female	Youth
Employee Assistance Programme:Employee wellness	Levies	Interior Decorator	20/08/2026	18/08/2026	Stage décor for memorial service at Flagstaff Town Hall	Xhasani Trading	Human Resources	13 000.00	Received	Lusikisiki	Black	Male	Not Youth
Employee Assistance Programme:Employee wellness	Levies	Interior Decorator	21/08/2026	28/07/2026	Traditional décor for Women's Day in Lusikisiki on 28 August 2026	Iheans Travelling Agency	Human Resources	10 802.50	Received	Mthatha	Black	Female	Not Youth
Employee Assistance Programme:Employee wellness	Levies	Outsourced Services:Catering Services	21/08/2026	18/08/2026	Fruit for employees attending memorial service at Flagstaff Town Hall on 21 August 2026	Mdaleneni Trading Enterprise	Human Resources	4 080.00	Received	Flagstaff	Black	Female	Not Youth

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Employee Assistance Programme:Employee wellness	Levies	Outsourced Services:Catering Services	21/08/2026	18/08/2026	Catering for 40 family members attending memorial service at Flagstaff Town Hall on 21 August 2026	Lulwango Solutions	Human Resources	4800.00	Received	Flagstaff	Black	Female	Youth
Employee Assistance Programme:Employee wellness	Levies	Hire Charges	21/08/2026	18/08/2026	Hiring of podium, generator, 50 flower vases, 50 flower stands, 2 photo frames, 2 photo stands, 40 black and gold tiffany chairs and 2 tables, 4 big candles and 4 packs of small candles for a memorial	Ntombela Holdings	Human Resources	27850.00	Received	Flagstaff	Black	Male	Youth

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					service at Flagstaff Town Hall on 21 August 2026								
Employee Assistance Programme:Em ployee wellness	Levies	Stage and Sound Crew	21/08/20 26	18/08/ 2026	Hiring of sound system for memorial service at Flagstaff Town Hall on 21 August 2026	Buntu Action Trading	Human Resour ces	12 800 .00	Rec eive d	Flagst aff	Bla ck	Fem ale	You th
Workshops; Seminars and Subject Matter Training:Trainin gs employees	Equitabl e Share	Learnerships and Internships	24/08/20 26	20/08/ 2026	Munsoft training for 5 municipal employees in Dbn from 08-09 September 2026	Munsoft	Admini stration	62 842 .90	Rec eive d	Gaute ng	Bla ck & Wh ite	Male & Fem ale	Not You th
Employee Assistance Programme:Em ployee wellness	Equitabl e Share	Advertising; Publicity and Marketing:Gif ts and Promotional Items	25/08/20 26	20/08/ 2026	Kindly arrange 20 beauty hampers for 20 guests attending Women's Day Event	Vumbale mpongo Trading	Human Resour ces	20 800 .00	Rec eive d	Lusiki siki	Bla ck	Male	Not You th

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Employee Assistance Programme:Employee wellness	Equitable Share	Advertising; Publicity and Marketing:Gifts and Promotional Items	28/08/2026	21/08/2026	Grocery vouchers for two elderly guests attending women's day celebration in Lusikisiki on 28 August 2026	Percy Nokhalpha Trading	Human Resources	15 600 .00	Received	Lusikisiki	Black	Female	Youth
TOTAL								284 392 .12					
FUNCTION: ECONOMIC DEVELOPMENT & PLANNING													
PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	Youth
Workshops; Seminars and Subject Matter Training:Workshops	Levies	Accommodation	2026/08/13	10/08/2026	Accommodation and meals for A Mashaba in Mthatha from 12-14 August 2026	Iheans Travelling Agency	Economic Development	8 657 .41	Received	Mthatha	Black	Female	Not Youth
Workshops; Seminars and Subject Matter	Levies	Accommodation	2026/08/19	14/08/2026	Accommodation and meals for N	Iheans Travelling Agency	Economic Development	8 451 .03	Received	Mthatha	Black	Female	Not Youth

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Training:Works hops					Nombanga In Mthatha, Check In 13 July- Checkout 18								
Events and Organisations:LED Programmes	Current and Non-current Assets: Bank Accounts	Outsourced Services:Catering Services	2026/08/21	18/08/2026	Catering for 100 people	Exploited Dreams (Pty) Ltd	Economic Development	13 800 .00	Received	Lusiki siki	Black	Female	You th
Workshops; Seminars and Subject Matter Training:Works hops	Levies	Accommodation	2026/08/25	20/08/2026	Accommodation and meals for H Tshumane at Wild Coast Sun from 25-26 August 2026	Iheans Travelling Agency	Economic Development	2 465 .79	Received	Mthat ha	Black	Female	Not You th
Events and Organisations:LED Programmes	Current and Non-current Assets: Bank Accounts	Outsourced Services:Catering Services	2026/08/31	25/08. 2026	Catering for 110 people at Bonginkosi Nongoma Community Hall on 31 August 2026	Lockit Development	Economic Development	24 200 .00	Received	Flagstaff	Black	Female	Not You th

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Events and Organisations:LED Programmes	Current and Non-current Assets: Bank Accounts	Outsourced Services:Catering Services	2026/09/02	27/08/2026	Catering for 200 people in Lusikisiki on 03 September 2026	B12 Trading (Pty) Ltd	Economic Development	18 000.00	Received	Lusikisiki	Black	Male	Not Youth
Events and Organisations:LED Programmes	Fines; Penalties and Forfeits	Hire Charges	2026/09/02	27/08/2026	Hiring of 4 pole tent with 200 chairs in Lusikisiki on 03 September 2026	PBM Solutions	Economic Development	10 500.00	Received	Lusikisiki	Black	Male	Not Youth
TOTAL								86 074.23					
FUNCTION:ROADS: INFRASTRUCTURE & TECHNICAL SERVICES													
PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	Youth
Workshops; Seminars and Subject Matter Training:Workshops	Current and Non-current Assets: Bank Accounts	Accommodation	11/08/2026	05/08/2026	Accommodation and meals for N Ntlangano in Mthatha from 11-12 August 2026	Iheans Travelling Agency	Roads: Infrastructure & Technical Services	3 242.46	Received	Mthatha	Black	Female	Not Youth

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Workshops; Seminars and Subject Matter Training:Works hops	Current and Non- current Assets: Bank Account s	Accommodat ion	11/08/20 26	05/08/ 2026	Accommo dation and meals for A Hlehliso At Mthatha from 11-13 August 2026	Iheans Travellin g Agency	Roads: Infrastr ucture & Technic al Service s	6 484 .91	Rec eive d	Mthat ha	Bla ck	Fem ale	Not You th
Workshops; Seminars and Subject Matter Training:Works hops	Current and Non- current Assets: Bank Account s	Accommodat ion	13/08/20 26	06/08/ 2026	Accommo dation and meals for B Tshitshi and N Ntlangano in Mthatha from 12-15 August 2026	Iheans Travellin g Agency	Roads: Infrastr ucture & Technic al Service s	19 454 .74	Rec eive d	Mthat ha	Bla ck	Fem ale	Not You th
TOTAL								29 182 .11					
FUNCTION MUNICIPAL MANAGERS & TOWN SECRETARY													
PROJECT	FUNDIN G	ITEM	TRANS ACTION DATE	DOC. DATE	SERVICE DESCRIP TION	SUPPLI ER NAME	FUNCT ION	VA LU E	STA TUS	LOC ALIT Y	RA CE	GEN DER	YO UT H
Awareness Campaign:Awar eness campaign	Equitabl e Share	Outsourced Services:Cat ering Services	07/08/20 26	03/08/ 2026	Catering for 220 people attending Voter Education Programm e at	LTL Nexus Group	Municip al Manag er's Of fice	26 400 .00	Rec eive d	Flagst aff	Bla ck	Male & Fem ale	You th

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					Sitshayelo on 07 August 2026								
Workshops; Seminars and Subject Matter Training: Trainings employees	Equitable Share	Accommodation	11/08/2026	05/08/2026	Accommodation and meals for V.C Makedama and 2 VIP protectors in Mthatha from 04-06 August 2026	Iheans Travelling Agency	Municipal Manager's Office	17 314 .83	Received	Mthatha	Black	Female	Not Youth
Awareness Campaign: Awareness campaign	Equitable Share	Outsourced Services: Catering Services	11/08/2026	07/08/2026	Catering for 50 people attending Ingquza Hill SACC Induction Programme at Flagstaff Anglican on 12 August 2026	Tena Projects	Municipal Manager's Office	5 500 .00	Received	Flagstaff	Black	Female	Not Youth
Elderly: Elderly	Equitable Share	Hire Charges	12/08/2026	07/08/2026	Hiring of 2 pole tent, 100 plastic chairs 1 VIP Toilet	The Middle Man	Municipal Manager's Office	9 200 .00	Received	Bizanana	Black	Male	Not Youth

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					and generator with Fuel on 13 August 2026								
Workshops; Seminars and Subject Matter Training: Training employees	Equitable Share	Accommodation	13/08/2026	10/08/2026	Accommodation and meals for D Thwatshuka in Mthatha from 10-13 August 2026	Iheans Travelling Agency	Municipal Manager's Office	9 727.37	Received	Mthatha	Black	Female	Not Youth
Elderly:Elderly	Equitable Share	Contractors: Catering Services	13/08/2026	10/08/2026	Catering for 200 people attending Elderly Programme at New Rest on 13 August 2026	Gcods Trading Enterprise	Municipal Manager's Office	24 000.00	Received	Lusikisiki	Black	Male & Female	Youth
Elderly:Elderly	Equitable Share	Contractors: Stage and Sound Crew	13/08/2026	10/08/2026	Hiring of sound system for Elderly Programme in Lusikisiki on 13	Route 7 Trading 200	Municipal Manager's Office	4 800.00	Received	Lusikisiki	Black	Female	Not Youth

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					August 2026								
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing: Tenders	13/08/2026	10/08/2026	Advert for Integrated Development Plan, Performance Management System and Budget	Pondoland Times	Municipal Manager's Office	1 200.00	Received	Bizana	Black	Male	Not Youth
Elderly: Elderly	Current and Non-current Assets: Bank Accounts	Contractors: Interior Decorator	13/08/2026	10/08/2026	Stage draping for Elderly Programme on 13 August 2026	Fuze1 Trading Company	Municipal Manager's Office	3 600.00	Received	Lusikisiki	Black	Female	Not Youth
Workshops; Seminars and Subject Matter Training: Trainings employees	Equitable Share	Accommodation	17/08/2026	11/08/2026	Accommodation and meals for T Qolohle in East London	Iheans Travelling Agency	Municipal Manager's Office	1 955.25	Received	Mthatha	Black	Female	Not Youth
Workshops; Seminars and Subject Matter Training: Trainings employees	Equitable Share	Accommodation	17/08/2026	11/08/2028	Accommodation and meals for L Nonkonyana in East London	Iheans Travelling Agency	Municipal Manager's Office	1 955.25	Received	Mthatha	Black	Female	Not Youth

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Workshops; Seminars and Subject Matter Training:Trainin gs employees	Equitabl e Share	Accommodat ion	18/08/20 26	13/08/ 2026	Accommo dation, meals, flights and car hire for V.C Makedam a in Jhb from 20-22 July 2026	Iheans Travellin g Agency	Municip al Manag er's Office	36 161 .89	Rec eive d	Mthat ha	Bla ck	Fem ale	Not You th
Municipal Running Cost	Equitabl e Share	Communicati on:Radio and TV Transmission s	18/08/20 26	13/08/ 2026	01- Hour radio slot for the mayor on 19 August 2026	Isajonisi Youth Radio	Municip al Manag er's Office	6 000 .00	Rec eive d	Port St Johns	Bla ck	Male	Not You th
Municipal Running Cost	Equitabl e Share	Communicati on:Radio and TV Transmission s	18/08/20 26	13/08/ 2026	01-Hour raio slot for the mayor on 21 August 2026	Alfred Nzo Commun ity Radio	Municip al Manag er's Office	6 050 .00	Rec eive d	Mt Ayliff	Bla ck	Fem ale	Not You th
Municipal Running Cost	Levies	Outsourced Services:Cat ering Services	19/08/20 26	14/08/ 2026	Catering for 60 people attending Quarterly Local Communic ators Forum in Flagstaff on 20 August 2026	Silvertro n MCT Trading Project	Municip al Manag er's Office	6 900 .00	Rec eive d	Lusiki siki	Bla ck	Fem ale	Not You th

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Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	19/08/2026	17/08/2026	Advert for Supply and Delivery of Paraffin	Your Media Today Communication	Municipal Manager's Office	2 000 .00	Received	Kokstad	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	19/08/2026	17/08/2026	Advert for Bulletin No.10 Civil & Building Design	Ubuntu Media Holdings	Municipal Manager's Office	4 364 .25	Received	Gauteng	Black & White	Male & Female	Not Youth
Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	20/08/2026	17/08/2026	Kindly Arrange Catering For 200 People Who Will Be Attending Xurana Wo Month Commemoration That Will Be Held At Makhosi Ndzoyiya Community Ha The 21 August 2026.	Esiphayo Projects And Trading	Municipal Manager's Office	20 000 .00	Received	Flagstaff	Black	Male	Not Youth
Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	21/08/2026	18/08/2026	Accommodation For Mr Zwelithini Ntukuntezi	Iheans Travelling Agency	Municipal Manager's Office	28 546 .65	Received	Mthatha	Black	Female	Not Youth

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					, Mr Fikisile Fekeni, Mr Lun Nomlaba And Mr Tulani Njilo Who Will Be Accompanying Troika To Attend Provincial Members Assembly That Will Be Held At Premier Rengent Hotel								
Municipal Running Cost	Equitable Share	Outsourced Services: Catering Services	21/08/2026	18/08/2026	Catering for 26 managers in Flagstaff on 17 August 2026	Iheans Travelling Agency	Municipal Manager's Office	4377.59	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing: Tenders	21/08/2026	18/08/2026	Advert for maintenance and servicing of backup generators at Flagstaff	Group Two Media Company	Municipal Manager's Office	1998.70	Received	Kokstad	Black	Male	Not Youth

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					Municipal Offices and DLTC								
Community Development Initiatives:support to traditional institutions	Equitable Share	Contractors: Catering Services	24/08/2026	20/08/2026	Groceries for the Installation Ceremony of a Headman Ngqungqu she at Ndimakud e Traditional Council on 22 August 2026	Luhle Civils	Municipal Manager's Office	29 990 .00	Received	Lusikisiki	Black	Female	Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	24/08/2026	20/08/2026	Gazetting of Resolution on Levying Property Rates Tarrifs for 2025/26	Government Printing Works	Municipal Manager's Office	1 008 .78	Received	Gauteng	Black & White	Male & Female	Not Youth
Gender Development:Gender Development	Equitable Share	Hire Charges	24/08/2026	21/08/2026	Venue for 500 people attending Women's Day Event in Lusikisiki on 28	Iheans Travelling Agency	Municipal Manager's Office	69 520 .00	Received	Mthatha	Black	Female	Not Youth

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					August 2026								
Municipal Running Cost	Equitable Share	Communication: Radio and TV Transmissions	25/08/2026	20/08/2026	03-Hour Live Radio Broadcast of the Women's Dialogue at Flagstaff Town Hall on 25 August 2026	Inkonjane Community Radio	Municipal Manager's Office	24 000.00	Received	Flagstaff	Black	Male & Female	60% Youth
Gender Development: Gender Development	Equitable Share	Contractors: Catering Services	25/08/2026	20/08/2026	Catering for 400 people attending Women's Day Event in Lusikisiki on 28 August 2028	Iheans Travelling Agency	Municipal Manager's Office	288 616.63	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing: Tenders	27/08/2026	21/08/2026	Kindly Arrange For The Publication Of A Local Newspaper Advert For The Development Of	Pondoland Times	Municipal Manager's Office	2 000.00	Received	Bizanana	Black	Male	Not Youth

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					Lambasi Precinct.								
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	27/08/2026	24/08/2026	Advert for Service provider to Consult EIA for Proposed Development of New Town in Lusikisiki	Pondoland Times	Municipal Manager's Office	2 000 .00	Received	Bizanana	Black	Male	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	27/08/2026	24/08/2026	Kindly Arrange Publication Of A Local Newspaper Advert For An Accredited Of Training Providers For Workplace Skills Plan For A Period Of 02 Yea	Your Media Today Communication	Municipal Manager's Office	2 000 .00	Received	Kokstad	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	27/08/2026	25/08/2026	Advert for Review of Intergrated Land Use Scheme.	Izimba Projects	Municipal Manager's Office	2 000 .00	Received	Matatiele	Black	Female	Youth

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Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing: Tenders	27/08/2026	25/08/2026	Advert for delivery of mechanisms for disking of agricultural fields and planting of crops	Izimba Projects	Municipal Manager's Office	1 900 .00	Received	Matatiele	Black	Female	Youth
Awareness Campaign: Awareness campaign	Equitable Share	Transport Provided as Part of Departmental Activities: Events	27/08/2026	18/08/2026	Transport for 220 people attending Womens Dialogue at Flagstaff Town Hall on 25 August 2026	Iheans Travelling Agency	Municipal Manager's Office	215 946 .50	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing: Tenders	27/08/2026	18/08/2026	Advert for hiring of VIP toilets for a period of 03 months	Pondoland Times	Municipal Manager's Office	2 000 .00	Received	Bizanana	Black	Male	Not Youth
Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing: Tenders	27/08/2026	24/08/2026	Advert for Development of Lusikisiki and Flagstaff Precinct Plans	Group Two Media Company	Municipal Manager's Office	1 998 .70	Received	Kokstad	Black	Male	Not Youth

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Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	27/08/2026	24/08/2026	Catering for 120 people at Flagstaff Town Hall on 28 August 2026	Luxman Holdings	Municipal Manager's Office	15 600 .00	Received	Flagstaff	Black	Male	Not Youth
Gender Development:Gender Development	Equitable Share	Contractors:Catering Services	31/08/2026	26/08/2026	Catering for 200 people at Hlabathi on 29 August 2026	Nomabunjwa Trading Enterprise	Municipal Manager's Office	24 000 .00	Received	Lusikisiki	Black	Female	Not Youth
Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	31/08/2026	26/08/2026	Accommodation, meals, flights and car hire for V.C Makedama in Gqeberha from 12-14 August 2026	Iheans Travelling Agency	Municipal Manager's Office	24 885 .99	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	31/08/2026	26/08/2026	Morning tea, afternoon tea and lunch for 120 people on 02	Iheans Travelling Agency	Municipal Manager's Office	103 085 .13	Received	Mthatha	Black	Female	Not Youth

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					September 2026								
Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	31/08/2026	26/08/2026	Accommodation and meals for 50 officials at Wild Coast Sun	Iheans Travelling Agency	Municipal Manager's Office	187 378 .13	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	31/08/2026	26/08/2026	Catering for 63 officials at Wild Coast Sun	Iheans Travelling Agency	Municipal Manager's Office	99 913 .28	Received	Mthatha	Black	Female	Not Youth
Municipal Running Cost	Equitable Share	Hire Charges	31/08/2026	26/08/2026	Conference venue for Ethics and Anti-Fraud Hotline at Wild Coast Sun	Iheans Travelling Agency	Municipal Manager's Office	120 030 .63	Received	Mthatha	Black	Female	Not Youth
Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	31/08/2026	26/08/2026	Accommodation and meals for 56 officials attending Ethics and Anti-Fraud Hotline launch at Wild Coast Sun	Iheans Travelling Agency	Municipal Manager's Office	419 727 .00	Received	Mthatha	Black	Female	Not Youth
Awareness Campaign:	General Revenue:Fines;	Outsourced Services:Catering Services	01/09/2026	21/08/2026	Morning tea, lunch and hiring	Iheans Travelling Agency	Municipal Manager's Office	90 973 .44	Received	Mthatha	Black	Female	Not Youth

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Language awareness	Penalties and Forfeits	ering Services			of PA system for 250 people in Lusikisiki		er's Office		eived				
TOTAL								1 950 625 .99					
FUNCTION: MAYOR AND COUNCIL													
PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	2026/08/13	10/08/2026	Catering for 20 people attending MPAC meeting at Flagstaff municipal offices	Iheans Travelling Agency	Mayor & Council	3 910 .50	Received	Mthatha	Black	Female	Not Youth
Capacity Building Councillors: Training councillors	Levies	Accommodation	2026/08/17	13/08/2026	Accommodation and meals for BJ Nkani in Mthatha	Iheans Travelling Agency	Mayor & Council	6 484 .91	Received	Mthatha	Black	Female	Not Youth
Capacity Building Councillors: Training councillors	Levies	Accommodation	2026/08/21	18/08/2026	Accommodation and meals for P.N Pepping and M.I	Iheans Travelling Agency	Mayor & Council	13 404 .33	Received	Mthatha	Black	Female	Not Youth

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					Nkungu in East London from 17-20 August 2026								
Capacity Building Councillors: Training councillors	Levies	Accommodation	2026/08/31	26/08/2026	Accommodation and meals for 64 councillors at Wild Coast Sun	Iheans Travelling Agency	Mayor & Council	479 688 .00	Received	Mthatha	Black	Female	Not Youth
Capacity Building Councillors: Training councillors	Levies	Accommodation	2026/08/31	26/08/2026	Accommodation and meals for 13 councillors at Wild Coast Sun	Iheans Travelling Agency	Mayor & Council	97 436 .63	Received	Mthatha	Black	Female	Not Youth
TOTAL								600 924 .37					
FUNCTION: GOVERNANCE INTERNAL AUDIT													
PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Strategic Planning: Workshops and	Current and Non-	Public Transport: Air Transport	2026/08/31	26/08/2026	Flight for Maake	Iheans Travelling Agency	Internal Audit	9 743 .66	Rec	Mthatha	Black	Female	Not Youth

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Sessions:Strategic Planning Session	current Assets: Bank Accounts				from Jhb to Dbn				eived				
Strategic Planning:Workshops and Sessions:Strategic Planning Session	Current and Non-current Assets: Bank Accounts	Public Transport:Air Transport	2026/08/31	26/08/2026	Flight for S Nyenyiso from Gqeberha to DBn on 02-06 September 2026	Iheans Travelling Agency	Internal Audit	10 829 .90	Received	Mthat ha	Black	Female	Not Youth
TOTAL								20 573 .56					
FUNCTION:COMMUNITY SERVICES SOLID WASTE													
PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC. DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
Capital Spares:Boom gate at Msikaba	Transfer from Operational Revenue	Acquisitions: Outsourced	2026/08/12	07/08/2026	Procurement and installation of Boomgate	Nomvulo Consultants	Community Services	19 000 .00	Received	Lusikisiki	Black	Male	Not Youth
Marathons; Sport and Recreation:Sport & recreation	Agency Services	Transport Provided as Part of Departmental Activities:Events	2026/08/12	07/08/2026	Transport for 25 players from Lusikisiki to PSJ on	Rocket Services	Community Services	13 000 .00	Received	Flagstaff	Black	Male	Not Youth

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					09 August 2026								
Workshops; Seminars and Subject Matter Training: Workshops	Current and Non-current Assets: Bank Accounts	Accommodation	2026/08/13	10/08/2026	Accommodation and meals for Jojo, Sokhanyile, Raba and Jikwa in Mthatha from 12-13 August 2026	Iheans Travelling Agency	Community Services	12 969.83	Received	Mthatha	Black	Female	Not Youth
Awareness Campaign: Road safety awareness campaign	Agency Services	Outsourced Services: Catering Services	2026/08/19	13/08/2026	Catering for 150 people in Lusikisiki on 20 August 2026	Vuyelela Trading	Community Services	15 750.00	Received	Flagstaff	Black	Female	Not Youth
Library Programmes: Library Services	Capacity Building and Other: Specify (Add grant description)	Outsourced Services: Catering Services	2026/08/20	14/08/2026	Catering for 200 people attending International Literacy at Lusikisiki Library	Anga Investment	Community Services	19 400.00	Received	Lusikisiki	Black	Female	Not Youth
Marathons; Sport and Recreation: Sport & recreation	Agency Services	Transport Provided as Part of Departmental Activities: Events	2026/08/21	17/08/2026	Transport for 18 athletes from Flagstaff and	JM Trading Enterprise	Community Services	12 330.00	Received	Lusikisiki	Black	Female	Not Youth

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					Lusikisiki to Matatiele								
Festivals:Arts & Culture	Agency Services	Transport Provided as Part of Departmental Activities:Events	2026/08/24	17/08/2026	Transport for people attending 2026 International Literacy Day at Lusikisiki Library on 25 August 2026	Vingawo	Community Services	6 000.00	Received	Flagstaff	Black	Female	Youth
Library Programmes:Library Services	Capacity Building and Other:Specify (Add grant description)	Contractors:Interior Decorator	2026/08/24	20/08/2026	Stage Decor for International Library Event in Lusikisiki on 25 August 2026	Revonia Trading and Protection	Community Services	4 500.00	Received	Flagstaff	Black	Male	Not Youth
Library Programmes:Library Services	Capacity Building and Other:Specify (Add grant description)	Hire Charges	2026/08/25	20/08/2026	Hiring of 4 pole tent, VIP toilet, 200 chairs, 4x rectangular tables for 2026 International Literacy Day Event at	Ikamvala m Ne Lethu Trading	Community Services	11 600.00	Received	Lusikisiki	Black	Male	Not Youth

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					Lusikisiki Library on 25 August 2026								
Library Programmes: Library Services	Capacity Building and Other: Specify (Add grant description)	Advertising; Publicity and Marketing: Gifts and Promotional Items	2026/08/25	20/08/2026	Procurement of gifts for participants during International Literacy Day Event at Lusikisiki Library on 25 August 2026	Amanina be Trading	Community Services	29 050 .00	Received	Flagstaff	Black	Male	Not Youth
Library Programmes: Library Services	Capacity Building and Other: Specify (Add grant description)	Contractors: Stage and Sound Crew	2026/08/25	20/08/2026	Hiring of sound system for International Literacy day in Lusikisiki on 25 August 2026	Khathula Solutions	Community Services	7 600 .00	Received	Lusikisiki	Black	Female	Youth
Workshops; Seminars and Subject Matter Training: Workshops	Current and Non-current Assets: Bank Accounts	Accommodation	2026/08/25	20/08/2026	Accommodation and meals for P Makhobongwana in East London	Iheans Travelling Agency	Community Services	5 930 .93	Received	Mthatha	Black	Female	Not Youth

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					from 25-28 August 2026								
Festivals:Arts & Culture	Agency Services	Accommodation	2026/08/25	20/08/2026	Accommodation and meals for Malingozi and Thamama in East London from 25-28 August 2026	Iheans Travelling Agency	Community Services	11 861 .85	Received	Mthat ha	Black	Female	Not Youth
Festivals:Arts & Culture	Current and Non-current Assets: Bank Accounts	Contractors: Stage and Sound Crew	2026/08/27	24/08/2021	Hiring of sound system at Bonginkosi Nongoma Community Hall on 28 August 2026.	Admire Trading	Community Services	14 800 .00	Received	Flagstaff	Black	Female	Not Youth
TOTAL								183 792 .61					
GRAND TOTAL								3 273 597 .14					

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20.9 Formal RFQ's R30 000.00 – R300 000.00: August 2026

	NAME OF CONTRACTOR	MAAA NUMBER	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT PERIOD	CONTRACT VALUE	LOCALITY	GENDER	YOUTH AND RACE
1.	Snekhaya Tax and Accounting Advisory JV Promilezi	MAAA0894434/ MAAA0538503	IHLM/04/2026-27/MM'S	Reviewal Services for AFS and APR	14-Aug-26	Once off	R275 000,00	Kwa Dukuza	Male and Female owned	Black and not Youth
2.	Lolwethuthando Pty Ltd	MAAA0138042	IHLM/11/2026-27/HUMAN	Panel of speakers for women's day event	17-Aug-26	Once off	R94 000,00	Flagstaff	Female owned	Black and Youth
3.	Peskey Trading Enterprise	MAAA0598212	IHLM/08/2026-27/HUMAN	Supply and delivery of goody bags for women's day event	17-Aug-26	Once off	R141 504,00	Flagstaff	Female owned	Black 1 Youth and 1 not Youth
4.	Achumile Amangwane Investments	MAAA1258075	IHLM/13/2026-27/ECON	Supply and delivery of sewing machines	20-Aug-26	Once off	R132 600,00	Lusikisiki	Female owned	Black and Youth
5.	Sword Group	MAAA0447951	IHLM/07/2026-27/ECON	Supply and delivery of Agricultural inputs	20-Aug-26	Once off	R44 400,00	Flagstaff	Male and Woman	Black 1 youth and 1 not youth
6.	Lolwethuthando Pty Ltd	MAAA0138042	IHLM/16/2026-27/MM'S	Catering for 300 people for women's dialogue event	24-Aug-26	Once off	R28 500,00	Flagstaff	Female owned	Black and Youth
7.	DNB Business Chain	MAAA1489801	IHLM/10/2026-27/MM'S	Provision of vouchers for 30 hawkers	25-Aug-26	Once off	R97 500,00	Matatiele	Female owned	Black and Youth
8.	Lolwethuthando Pty Ltd	MAAA0138042	IHLM/12/2026-27/MM'S	Provision of artists for the womens day event	25-Aug-26	Once off	R176 000,00	Flagstaff	Female owned	Black and Youth
9.	Ezokhanyayo Projects	MAAA1348962	IHLM/09/2026-27/HUMAN	Hiring of Sound System for womens day Event	27-Aug-26	Once off	R40 000,00	Bizana	Male and Female owned	Black and Youth
10	Luxman Holdings Pty Ltd	MAAA1450883	IHLM/03/2026-27/ECON	Transportation of 350 x 25kg potatoes from Ugie to Flagstaff	27-Aug-26	Once off	R56 000,00	Flagstaff	Male owned	Black and Youth
11	Boiketlo Investments	MAAA1521479	IHLM/15/2026-27/ADMIN	Supply and delivery of stationery	27-Aug-26	Once off	R277 405,25	Bizana	Female owned	Black and Not Youth

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20.10 Bids above R300 000.00

NO	NAME OF CONTRACTOR	MAAA NUMBER	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT PERIOD	CONTRACT VALUE	LOCALITY	OWNERSHIP	RACE & AGE GROUP
1.	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE

20.11 Task Orders: August 2026

NO	NAME OF CONTRACTOR	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT VALUE
1.	MCG	IHML/112/2025-26/ROADS	Task order for re-construction of Lubala Access road	19-Aug-26	R2 089 046,00
2.	Anzet Trading	IHML/112/2025-26/ROADS	Task order for re-construction of Siphezini access road	19-Aug-26	R3 186 994,21
3.	Linokwani Construction	IHLM/53/2025-26/PLAN	Task order for re-construction of Ntokozweni Access road	28-Aug-26	R799 900,40
4.	Mkhwane Group	IHLM/53/2025-26/PLAN	Task order for Ndimbaneni Access road	28-Aug-26	R829 547,67
5.	Linokwani Construction	IHLM/53/2025-26/PLAN	Task order for Ngcungeni access road	31-Aug-26	R799 900,29

20.12 Municipal Bid Appeals (if applicable)

There is an ongoing appeal/challenge to the process of appointment of a service provider for the Construction of Lusikisiki Offices.

The status of the court challenge is best reported in the legal section of the municipality.

Bid Number	Bidder's name (Lodged Objection)	Date the objection was lodged	Appeal Status
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IHLM/117/2022-23/ROADS	Pharaohs QS, Masakhane PM	11/10/2023	Court judgement 28/04/2024
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20.13 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) 168 (2025-26) 1 (2026-27)	222	01	01
Commitment amounts as at the 31 August 2026 R98 535 922,40			

20.14 Contracts Expiring in 2026

Contract No.	Contract Description	End Date	Amount
IHLM/122/2023-24/BTO	Provision of tyre supply, fitment, maintenance and repairs	28 August 2026	Rate Based

20.15 Long-term Contracts

NO.	DESCRIPTION	NATURE & PURPOSE OF THE AGREEMENT	STATUS	RESPONSIBLE OFFICIALS
1.	Agreement between IHLM and Bidvest Steiner	Provision of Hygiene Services	The Contract is expired on the 10-06-2024	Manager ICT and Admin

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2.	First National Bank	Provision of Banking Services	The Contract is expiring on the 10-06-2026	Chief Financial Officer
3.	Iheans Trading t/a Iheans Travelling Agency	Provision of Travel Management Services	Contract Expiring on the 05 March 2027	Budget and Treasury Office
4.	Lateral Unison	Insurance Services for a period of 03 years	Contract Expiring on the 28-Jun-27	Manager Asset, Fleet and Expenditure
5.	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
6.	Sky Metro	Printing services for a period of 36 Months	Contract expiring on the 19 November 2027	Manager ICT and Admin
7.	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
8.	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
9.	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
10.	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
11.	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

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12.	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
13.	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
14.	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
15.	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
16.	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
17.	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
18.	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
19.	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
20.	MIE Pty Ltd	Provision of Background verification check for a period of 03 Years	The Contract is expiring on 14-April-2028	Corporate Services
21.	Gemini Moon Trading	Provision of electronic document management system for a period of 36 months	The Contract is expiring on 05-May-2028	Manager ICT and Admin
22.	Tech Seeds Telecommunications	Website revamp services for a period of 24 months	The Contract is expiring on 14-May-2027	Manager ICT and Admin

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23.	Chartall Creations	Provision of revenue based strategies process and funding prioritisation on risk basis for a period of 36 months	The Contract is expiring on 30-May-2028	Budget and Treasury
24.	Maximum Profit Recovery	Provision of revenue based strategies process and funding prioritisation on risk basis for a period of 36 months	The Contract is expiring on 30-May-2028	Budget and Treasury
25.	Sword Group	Supply, delivery and Minor Maintenance for Municipal Facilities	The Contract is expiring on 03-July-2028	Technical Services
26.	Techi Engineering	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
27.	Mesabiso Civil & Projects	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
28.	S. Zoko Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
29.	Zinzame Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
30.	Insika Yethu Pty Ltd	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services

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31.	Hi-Tec Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
32.	Ubuhle Bempisi Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
33.	4 Dimension Engineering	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
34.	Bhuku Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
35.	Beacon Holdings	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
36.	BI Infrastructure Consultants	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
37.	Bonsai Engineering & Construction	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
38.	Leko Engineering	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services

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39.	Black Mountain Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
40.	Usiba lwe Afrika	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
41.	MI Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
42.	Mlala Emazweni Trading & Projects	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
43.	Engineering Aces	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
44.	Afroteam Consultants	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
45.	MBSA Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
46.	YG Solutions	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services

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47.	Gemin Moon Trading 6 Pty Ltd	Panel of ICT service providers for a period of 36 Months	Contract is expiring on 04 November 2028	Manager ICT and Admin
48.	Techseeds Telecommunication	Panel of ICT service providers for a period of 36 Months	Contract is expiring on 04 November 2028	Manager ICT and Admin
49.	Njilo Technology Systems	Panel of ICT service providers for a period of 36 Months	Contract is expiring on 04 November 2028	Manager ICT and Admin
50.	MNT Geomatics	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
51.	NTG Solutions	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
58.	Zonex Geomatics	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
59.	Likamva Geomatics Pty Ltd	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
60.	Denasa Civils	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
61.	Khanyakhwezi Trading Enterprise	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
62.	Egxen Engineering	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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63.	Aphiwe Qhamani Group Society	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
64.	Mpiyakhe Construction and Traffic Services	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
65.	Boboshe Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
66.	Orie Dynamic Trading Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
67.	L.G Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
68.	Alutha Holdings 82	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
69.	Thabo Ntlangula Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
70.	SELB Trading 85 cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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71.	Tdoz 82 Trading Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
72.	Andev Group Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
73.	Mngeyane Holdings Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
74.	Senzakahle SA Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
75.	Lulwakhuyo Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
76.	Kwangi 12	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
77.	Solana Projects Managers	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
78.	Alizozi Pty	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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79.	B. Cala Civils Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
80.	Ixhanga Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
81.	Dlanyeka Engineering Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
82.	Sjaka Group	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
83.	Gade and Dlova Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
84.	BB Logistics	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
85.	Lambadino Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
86.	Njomane General Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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87.	Zeezee Khula Tradning t/a ZZK Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
88.	Anzet Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
89.	Esihle Suppliers & Services Pty	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
90.	Castlehill Trading 265 cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
91.	Masilo Projects	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
92.	Million Colours Group	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
93.	Sibukwa Investments	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
94.	Kokstad Tool Hire t/a Igorha Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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95.	Indumeni Trading cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
96.	Syanda Investments	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
97.	Ibala Consulting Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
98.	MVI Construction and Maintenance	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
99.	Vuyie Xolie Constuction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
100.	Mabozela Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
101.	Vitsha Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
102.	NSG 122011 Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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103.	Luzuko Trading Enterprise	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
104.	Mvumeza Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
105.	Nase Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
106.	Chia Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
107.	Pangwa Trading Enterprise	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
108.	Phefong Construction and Projects 39 cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
109.	Advance Call	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Corporate Services
110.	Denasa Civils	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

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111.	Gibbs Africa Peace Corp JV Mjayeli Security	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
112.	Gasela Protection Services	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
113.	Vilo Security	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
114.	All Black Security Services	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
115.	Zithuba Pty Ltd	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
116.	Bluestep Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
117.	Fasimba 13 Civils and Projects	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
118.	LTD0Z	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
119.	Lingomso lethu Capital	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
120.	Ikhwallo Nande Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development

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121.	Alika Construction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
122.	Linokwani Costruction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
123.	Ebhungeni Holdings	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
124.	Million Colours Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
125.	MAT Trading Enterprise	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
126.	Situfuza and Lwandle Pty	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
127.	Mventshane Trading Enterprise	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
128.	Athis Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
129.	Fezanathi Projects Pty	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development

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130.	Qedanation	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
131.	Uthi Bathethile Ngam Pty	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
132.	SV Concepts	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
133.	Jeanete Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
134.	Bhewu Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
135.	We are the Hygiene Hub	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
136.	Chia Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
137.	Achumile Amangwane Investments	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
138.	LinathiH Projects	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development

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139.	Glory N Snowy Construction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development
140.	Ngceke Construction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development
141.	Samysivu Pty Ltd	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development
142.	Mkhwane Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development

20.16 Variations

For the month of August 2026, 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))

None

20.17 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.

20.18 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

20.19 Local Content Reporting

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

21. 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 are the asset additions for August 2026:

Asset no.	Asset Description	Asset Category	Cost Price	Inv. Date	Supplier	Department	Responsible Person
FA008298	L-shaped Desk	Furniture	25 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008299	L-shaped Desk	Furniture	25 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008300	L-shaped Desk	Furniture	25 000.00	24/07/2026	JNW Trading Enterprise	Corporate Services	B. Mbathani
FA008289	Cupboard	Furniture	1 500.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008296	Cupboard	Furniture	1 500.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008290	Cupboard	Furniture	1 500.00	24/07/2026	JNW Trading Enterprise	Corporate Services	B. Mbathani
FA008291	Visitors Chair	Furniture	4 500.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008294	Visitors Chair	Furniture	4 500.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008293	Visitors Chair	Furniture	4 500.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008292	Visitors Chair	Furniture	4 500.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008295	Visitors Chair	Furniture	4 500.00	24/07/2026	JNW Trading Enterprise	Corporate Services	B. Mbathani
FA008401	Visitors Chair	Furniture	4 500.00	24/07/2026	JNW Trading Enterprise	Corporate Services	B. Mbathani
FA008402	Plastic Dustbin	Furniture	600.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008403	Plastic Dustbin	Furniture	600.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008404	Coat Hanger	Furniture	8 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008405	Coat Hanger	Furniture	8 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008406	High-Back Executive	Furniture	7 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	A. Jordaan
FA008407	High-Back Executive	Furniture	7 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	D. Mjokovana
FA008408	High-Back Executive	Furniture	7 000.00	24/07/2026	JNW Trading Enterprise	Planning and Development	B. Mbathani
FA008409	48 Port Switch	Computer Equipment	72 500.00	06/08/2026	Gemini Moon Trading	Corporate Services	B. Mbathani
FA008410	48 Port Switch	Computer Equipment	72500	06/08/2026	Gemini Moon Trading	Corporate Services	B. Mbathani

WIP additions as at 31 August 2026 are as follows:

INGQUZA HILL LOCAL MUNICIPALITY						
WIP REGISTER FOR 2025-2026 FINANCIAL YEAR						
01 JULY 2026- 30 JUNE 2027						
No	Project Name	Closing Balance 30 June 2026	Opening Balances 01 July 2026	Additions 2026-27	Completed Asset	Closing Balance 30 June 2027
1	New Municipal Offices Lusikisiki	7 628 949.85	7 628 949.85			7 628 949.85
2	Flagstaff Municipal Offices	30 849 149.16	30 849 149.16	1 345 419.49		32 194 568.65
3	Taxi Rank	2 739 544.12	2 739 544.12			2 739 544.12
4	Ward 2 Sport Field	23 880 888.70	23 880 888.70			23 880 888.70
5	Ward 26 Sports field	20 473 041.02	20 473 041.02			20 473 041.02
6	Facelift Towns (Internal Streets Flagstaff) Phase 2	41 716 619.92	41 716 619.92	1 825 760.16		43 542 380.08
7	Facelift Towns (Internal Streets Lusikisiki) Phase 3	44 773 445.31	44 773 445.31	11 085 399.36		55 858 844.67
8	Construction of Qhamangweni Access Road	272 447.47	272 447.47			272 447.47
9	Construction of Sirhetshe to Sibuthe Access Road	4 703 511.59	4 703 511.59	216 393.16		4 919 904.75
10	Construction of Ngonyameni Access road & Bridge	5 939 701.42	5 939 701.42	1 620 063.00		7 559 764.42
11	Construction of Zone 5 Sportsfield	12 216 825.82	12 216 825.82			12 216 825.82
12	Refurbishment of Lusikisiki Old Offices	1 309 536.57	1 309 536.57	3 061 658.20		4 371 194.77
13	Mbhayi bridge	2 742 313.08	2 742 313.08			2 742 313.08
14	ndzaka bridge	2 229 435.51	2 229 435.51			2 229 435.51
15	CHWECHWELA ACCESS ROAD			388 687.09		388 687.09
16	Installation of boom gate at Msikaba			19 000.00		19 000.00
17	Mkhamela to Makolonini Access road			330 974.42		330 974.42
		201 475 409.54	201 475 409.54	19 893 354.88	-	221 368 764.42

b. Asset Verification

Annual verification of immovable assets and movable asset is due on Q2.

c. Asset Bar Coding

During month of August all asset additions that were procured were barcoded and Added in the Asset register.

d. Loss on Assets.

There has been no loss of assets in the month of August 2026

e. Insurance

- The insurance for all municipal Assets was renewed with Lateral Unison.
- 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.

f. Accident Report

The following are the accidents reported in August:

VEHICLE	REGISTRATION NO	DATE OF THE ACCIDENT	PROGRESS REPORT
Toyota Hilux	KNG145EC	18-Aug-26	The Toyota Hilux was involved in a accident along R61 road near to Dunlop tyre centre. The VW Polo reg: CF 07 XC ZN collided with the Toyota hilux causing damage to the rear bumper and right tail lamp of the Toyota Hilux KNG145EC.

g. Fleet Management (Repairs & Maintenance)

Municipal vehicles were neither serviced nor repaired during the reporting period due to delays experienced by the new service provider, Afrirent, in processing the required volume of work.

Furthermore, Afrirent failed to provide merchants with the necessary documentation required to generate maintenance reports for certain vehicles, including those assigned to principals.

It is anticipated that maintenance reporting will resume in August 2026 as Afrirent continues the onboarding of our merchants. Although the registration system is currently experiencing delays, it is expected that all merchants will be successfully registered by the end of August 2026.

h. Vehicle Registration

NO	VEHICLE DESCRIPTION	REGISTRATION NO	SERVICE PROVIDER	AMOUNT	DATE
1	NISSAN BACKROLLER	HBH242EC	DEPARTMENT OF TRANSPORT	R 8 764.00	Aug-26
2	UD TIPPER TRUCK	HYW628EC	DEPARTMENT OF TRANSPORT	R24 144.00	Aug-26
3	POWERSTAR WATER TANKER	HTZ046EC	DEPARTMENT OF TRANSPORT	R33 864.00	Aug-26
4	NISSAN BACKROLLER	HBN242EC	DEPARTMENT OF TRANSPORT	R 4 418.00	Aug-26
			Total	R 71 190-00	

i. Fuel Expenditure

The municipality is using Fuel cards for the municipal vehicles. The total fuel expenditure for the month of August 2026 is as follows.

No	July 2026	August 2026	Reasons for Variance
1	R740 752.57	R649 275.19	The fuel expenditure has decreased by R91 477,38 from July

j. STATUS OF MUNICIPAL FLEET

Report on Fleet Management including yellow fleet.

- The municipality currently is having 63 Municipal vehicles including the yellow plant.
- A Fleet Management system was installed by Netstar Company.
- The Municipal Vehicles are driven using the drivers Tags

22. FREE BASIC SERVICES

a. Legal Background

The Free Basic Services (FBS) Guidelines stipulate that indigent households must be supported at the local sphere of government. Qualifying indigent beneficiaries are to be provided with free basic services, including electricity, alternative energy, water and sanitation, and waste collection, until such time that they improve their socio-economic status and no longer qualify as indigent. At present, the municipality provides electricity and paraffin as alternative energy sources, with a strategic plan to transition to gas soon.

These services are funded by Equitable Share which is primarily intended to improve the living conditions of poor and marginalised communities by enabling municipalities to provide these basic services.

b. Indigent register, Data collection and Data Capturing

Data collection has been done through Ward Councillors, traditional leaders, CDW's and ward committees in all the thirty-two wards that are within Ingquza Hill local municipality jurisdiction. Below are ward-based figures to-date:

WARDS NO	INDIGENT REGISTER PER WARD	ELECTRICITY PER WARD	ALTERNATE ENERGY PER WARD
1.	830	534	296
2.	785	568	217
3.	795	561	234
4.	660	367	293
5.	730	528	202
6.	1055	437	618
7.	830	490	340
8.	700	520	180
9.	815	469	346
10.	940	350	590
11.	905	625	280
12.	605	407	198
13.	500	367	133
14.	765	370	395
15.	750	450	300
16.	960	582	378
17.	640	450	190
18.	885	490	395
19.	690	435	255
20.	610	310	300
21.	665	225	440
22.	540	160	380
23.	690	238	452
24.	750	400	350

WARDS NO	INDIGENT REGISTER PER WARD	ELECTRICITY PER WARD	ALTERNATE ENERGY PER WARD
25.	645	368	277
26.	1085	480	605
27.	630	333	297
28.	625	410	215
29.	790	345	445
30.	890	630	260
31.	695	490	205
32.	715	428	287
TOTAL	24 170	13 817	10 353

c. ESKOM (Electricity)

During the period under review (August 2026), the municipality had **3 841** beneficiaries claiming an amount of **R526 260,54** for people who benefited from free basic electricity (FBE). The beneficiaries receive 50 KW units from Eskom (FBE).

d. ALTERNATIVE ENERGY (Paraffin)

- In August 2026, we collected the data and done the selection for the beneficiaries who will benefit in this financial year 2026-27.
- The alternate energy has been advertised, and the advert has been closed on the 08 September 2026.
- Currently, we are waiting for procurement process for the appointment of the service providers.

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

2026/27	CURRENT YEAR
Opening Balance August 2026	R5 548 652.00
Less: Expenditure incurred August 2026	R526 261.00
Closing balance August 2026	R5 022 391.00

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 2026, 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 Makhedama

Municipal Manager of Ingquza Hill Local Municipality

SIGNATURE _____

DATE _____