

**COLLINS CHABANE
LOCAL MUNICIPALITY**
Since 2016



**MFMA SECTION 52
REPORT FOR PERIOD
ENDED
30 SEPTEMBER 2025**

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1. Introduction and Purpose

The purpose of this report is to inform the Collins Chabane Local Municipality Council on the monthly financial performance against budget of the municipality.

Section 71 of the Municipal Finance Management Act 56 of 2003 (MFMA), states that the mayor of a municipality must, within 10 days of the end of each month, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

1.1 Monthly Budget Statements

Section 71 of the MFMA states:

- (1) The Accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:
 - (a) Actual revenue, per revenue source;
 - (b) actual borrowings;
 - (c) actual expenditure, per vote;
 - (d) actual capital expenditure, per vote;
 - (e) the amount of any allocations received;
 - (f) actual expenditure on those allocations, excluding expenditure on—
 - (i) its share of the local government equitable share; and
 - (ii) allocations exempted by the annual Division of Revenue Act from compliances with this paragraph;
 - (g) when necessary, an explanation of—
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) any material variances from the service delivery and budget implement-nation plan; and
 - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- (2) The statement must include—
 - (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
 - (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.
- (6) The Provincial Treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
- (7) The Provincial Treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities 'budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.

1.2 In-year Budget Statement Tables

To comply with Regulation 14 of the Municipal Budget and Reporting Regulations of the MFMA, in-year budget statement tables consist of:

- Table C1 to C7, and
- Supporting documentation for
 - Debtors,
 - Creditors,
 - Investment portfolio analysis, and
 - Allocation of grants receipts and expenditure.

1.3 Table C1 Monthly Budget Statement Summary – M03 September

2. Financial Performance

2.1 Revenue

2.2 Revenue analysis

- During 2024/25 reporting period, the pre-audited operational revenue (total revenue excluding capital transfers) was R 639 million, and
- In the current financial year (2025/26), the annual operational revenue budget has been budgeted to 655 million (3% increase).
 - As at 30 September 2025, actual operational revenue was R 236 million *versus* the projected revenue of R 163 million (45% variance).

2.3 Revenue Composition

As of 30 September 2025, the municipality received the following transfers and subsidies as per approved payment schedules of the Division of Revenue Act (DoRA):

- Equitable share Grant - R 213 million,
- Municipal Infrastructure Grant (MIG) - R 41 million, and
- Finance Management Grant (FMG) - R 2.5 million.

Refer to Schedule C4 for details on the operational revenue budget.

Capital Transfers analysis

- During 2024/25, transfers and subsidies (capital transfer) recognised was R 135 million (100%), comprising of:
 - MIG- R 116 million- 100% recognised,
 - INEP- R 19 - 100% recognised.
- Capital transfer and subsidies for 2025/26 budget is R 109 million:
 - MIG - R 98,9 million – R15 million recognised since the beginning of the financial year. It must be noted that 5% budget has been allocated to operational expenditure (PMU Fees)
 - INEP- R 9, 6 million – R 0 million recognised. The municipality has since recognised R 0 million on INEP capital projects.

2.3.1 Expenditure

2.3.1.1 Operational expenditure

- The municipality's 2024/25 pre-audited figures for operational expenditure was R 593 million, whereas the current year operational expenditure budget is R 545 million,
- Year to date actual operational expenditure as at 30 September 2025 is R154 million versus the projected operational budget of R136.4 million (14% variance).

2.3.1.2 Capital expenditure

- The municipal pre-audited capital expenditure for 2024/25 was R 268 million, whereas the current year capital expenditure budget has a budget 223 million that has a decrease of 20% from previous year pre-audited outcome.
- The current year capital expenditure budget consists of:
 - Transfers and subsidies - budget of R 108 million, and
 - Own revenue - budget of R 115 million.
- The year to date capital expenditure for both transfers and own revenue is R 66 million against projected expenditure of R 55 million (19% over spending).

3. Financial Position

3.1 Equity/ Community Wealth

- In 2024/25 reporting period, the municipality had R 1,995 billion (pre-audited figures) of community wealth/equity,
- For 2025/26, the projected community wealth/equity is R 2,069 billion (4% increase),
- The actual year-to-date community wealth/equity as at 30 September 2025 was R 2,092 billion.

3.2 Cash flows

- In 2024/25, cash and cash equivalent balance was R 57 million.
- The current year projection of cash and cash equivalent is estimated at R 183 million (55% increase).
- As at 30 September 2025, the actual cash and cash equivalent balance was R 107 million (42% below current year budget) consisting of:
 - Cash in Primary Bank account of R 107 million; and
 - It should be noted that currently there is no investment made and that the whole amount of R107 million is sitting on the primary bank account which is risky and therefore council must take a resolution for a portion of the money to be invested on the call accounts or some short-term investments.
 - It should be noted further that the municipality received the first tranche on Equitable shares and MIG as per DoRA allocation (Payment schedule).

3.3 Debtors

- The debtors balance for the period ending 30 September 2025 is R 234 million, (95% of balance has been outstanding for more than over 90 days, recoverability doubt).
 - R 128 million- government departments,
 - R 18 million- commercial, and
 - R 88 million- households.
- Total billing for the period ending 30 September 2025 is R12 million,
 - The actual year-to-date collection was R3.8 million (collection rate of 32% against the year to date billing),

3.4 Creditors

The municipality's outstanding payments as at 30 September 2025 is R 2,293 million.

- R 1,252 million: outstanding payments between 0 to 30 days,
- R 6 thousand: outstanding payments 31 to 60 days,
- R 946 thousand: outstanding payments 61 to 90 days,
- R 89 thousand: outstanding payments 91 to 120 days
- R 0 thousand: outstanding payments 121 to 150 days
- R 0 thousand: outstanding payments 151 to 180 days
- R 0 thousand: outstanding payments 181 to 210 days
- R0 thousand: Outstanding payments over a year

Creditors exclude the retention of R 73.6 million recorded separately in the statement of financial position.

LIM345 Collins Chabane - Table C1 Monthly Budget Statement Summary - M03 - September

Description	2024/25		Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	39 238	39 066	-	3 409	10 416	9 767	650	7%	39 066
Service charges	5 685	5 318	-	533	1 600	1 330	271	20%	5 318
Investment revenue	11 858	12 870	-	-	1 061	3 218	(2 156)	-67%	12 870
Transfers and subsidies - Operational	520 655	519 025	-	596	214 548	129 756	84 792	65%	519 025
Other own revenue	61 930	79 069	-	3 005	9 167	19 767	(10 600)	-54%	79 069
Total Revenue (excluding capital transfers and contributions)	639 365	655 349	-	7 543	236 793	163 837	72 956	45%	655 349
Employee costs	153 441	173 224	-	13 761	40 585	43 306	(2 721)	-6%	173 224
Remuneration of Councillors	30 641	32 742	-	2 510	7 531	8 185	(655)	-8%	32 742
Depreciation and amortisation	77 221	80 093	-	5 277	16 538	20 023	(3 485)	-17%	80 093
Interest	96	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	12 820	12 196	-	1 264	2 761	3 049	(288)	-9%	12 196
Transfers and subsidies	13 787	13 292	-	2 453	5 147	3 323	1 824	55%	13 292
Other expenditure	305 273	234 055	-	24 187	82 339	58 514	23 826	41%	234 055
Total Expenditure	593 278	545 600	-	49 451	154 901	136 400	18 501	14%	545 600
Surplus/(Deficit)	46 087	109 748	-	(41 909)	81 892	27 437	54 455	198%	109 748
Transfers and subsidies - capital (monetary allocations)	116 519	111 521	-	15 016	15 016	27 880	(12 864)	-46%	111 521
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & Share of surplus/ (deficit) of associate	162 606	221 269	-	(26 893)	96 908	55 317	41 590	75%	221 269
Surplus/ (Deficit) for the year	162 606	221 269	-	(26 893)	96 908	55 317	41 590	75%	221 269
Capital expenditure & funds sources									
Capital expenditure	878	1 500	-	-	-	375	(375)	-100%	1 500
Capital transfers recognised	126 902	108 519	-	10 626	12 599	27 130	(14 531)	-54%	108 519
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	141 740	115 100	-	15 962	53 658	28 775	24 883	86%	115 100
Total sources of capital funds	268 642	223 619	-	26 588	66 257	55 905	10 352	19%	223 619
Financial position									
Total current assets	226 852	230 410	-	-	276 797	-	-	-	230 410
Total non current assets	1 918 104	1 983 567	-	-	1 967 822	-	-	-	1 983 567
Total current liabilities	146 852	118 923	-	-	149 608	-	-	-	118 923
Total non current liabilities	2 372	25 313	-	-	2 372	-	-	-	25 313
Community wealth/Equity	1 995 732	2 069 741	-	-	2 092 640	-	-	-	2 069 741
Cash flows									
Net cash from (used) operating	400 963	309 782	-	(20 682)	167 653	77 446	(90 207)	-116%	309 782
Net cash from (used) investing	307 924	(223 119)	-	(30 412)	(82 714)	(55 780)	26 934	-48%	(223 119)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	919 083	183 017	-	-	233 299	118 020	(115 279)	-98%	235 023
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	5 607	5 117	5 084	4 980	4 744	4 693	4 642	200 096	234 962
Creditors Age Analysis									
Total Creditors	1 252	6	946	89	-	-	-	0	2 293

4. Financial Performance (functional classification) – M03 September

4.1 Revenue per functional classification (refer to Table C2)

The total revenue in Table C2 below broken down per functional classification as follows:

- Governance and administration revenue budget - (administration),
 - 2024/25 (Pre-audited) - R 599 million,
 - 2025/26 budget - R 613 million,
 - Year-to-date actual revenue- R 226 million *versus* budget of R 153 million (47% variance).

- Community and Public Safety revenue budget- (service delivery);
 - 2024/25 (Pre-audited) R 557 thousand,
 - 2025/26 budget- R 614 thousand,
 - Year-to-date actual revenue R 154 thousand *versus* R 154 thousand projected (0% variance). Included in this amount is rental of facilities (halls and stadiums) and sale of graves.

- Economic and Environmental revenue budget- (service delivery);
 - 2024/25 (Pre-audited)- R 147 million,
 - 2025/26 budget- R 136 million,
 - Year-to-date actual revenue was R 23.4 million against the projected revenue budget of R 34 million (-31% variance).

- Trading services- (service delivery)
 - 2024/25 (Pre-audited)- R 8.1 million,
 - 2025/26 budget - R 17 million,
 - Year-to-date actual revenue was R 2.1 million *versus* the projected budget of R 4.2 million (-49% variance).

4.2 Expenditure per functional classification (refer to Table C2)

The total expenditure in Table C2 is further broken down per function and classified as follow:

- Governance and administration expenditure budget - (administration),
 - 2024/25 (Pre-audited)- R 352 million,
 - 2025/26 budget- R 323 million,
 - Year-to-date actual expenditure- R 98 million versus projected budget of R 80 million (22% variance.) The variance explained in table C4 below for individual line items.

- Community and Public Safety expenditure budget- (service delivery);
 - 2024/25 (Pre-audited) R 32 million,
 - 2025/26 budget- R 48 million,
 - Year-to-date actual expenditure was R 9.6 million *versus* the projected budget of R 12 million (-20% variance).

- Economic and Environmental expenditure budget- (service delivery);
 - 2024/25 (Pre-audited)- R 142 million,
 - 2025/26 budget- R 133 million,
 - Year-to-date actual expenditure was R 32.4 million *versus* the projected budget of R 33.3 million (-3% variance).

The reasons for variance is explained in table C4 below for individual line items.

- Trading services- (service delivery)
 - 2024/25 (Pre-audited) - R 65.8 million,
 - 2025/26 budget- R 40 million,
 - Year-to-date actual expenditure was R 13.9 million *versus* the projected budget of R 10.1 million (38% variance).

LIM345 Collins Chabane - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 - September

Description	Ref	Budget Year 2025/26								
		2024/25 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		599 663	613 102	-	3 647	226 080	153 275	72 805	47%	613 102
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		599 663	613 102	-	3 647	226 080	153 275	72 805	47%	613 102
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		557	614	-	40	154	154	1	0%	614
Community and social services		557	614	-	40	154	154	1	0%	614
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		147 523	136 121	-	18 148	23 415	34 030	(10 616)	-31%	136 121
Planning and development		139 364	124 225	-	17 189	20 346	31 056	(10 710)	-34%	124 225
Road transport		8 159	11 897	-	960	3 069	2 974	94	3%	11 897
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		8 141	17 032	-	723	2 160	4 258	(2 098)	-49%	17 032
Energy sources		0	9 613	-	-	-	2 403	(2 403)	-100%	9 613
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		8 141	7 419	-	723	2 160	1 855	305	16%	7 419
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	755 884	766 870	-	22 558	251 809	191 717	60 092	31%	766 870
Expenditure - Functional										
<i>Governance and administration</i>		352 534	323 586	-	27 431	98 843	80 896	17 947	22%	323 586
Executive and council		45 708	50 410	-	5 147	12 464	12 602	(138)	-1%	50 410
Finance and administration		299 237	267 411	-	21 440	85 237	66 853	18 384	27%	267 411
Internal audit		7 589	5 765	-	844	1 142	1 441	(299)	-21%	5 765
<i>Community and public safety</i>		32 514	48 119	-	3 390	9 634	12 030	(2 396)	-20%	48 119
Community and social services		16 327	20 245	-	1 285	3 891	5 061	(1 171)	-23%	20 245
Sport and recreation		7 247	7 505	-	719	1 916	1 876	40	2%	7 505
Public safety		8 940	20 369	-	1 385	3 827	5 092	(1 265)	-25%	20 369
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		142 366	133 337	-	11 605	32 472	33 334	(862)	-3%	133 337
Planning and development		56 127	58 450	-	6 075	13 390	14 613	(1 223)	-8%	58 450
Road transport		86 425	74 887	-	5 530	19 082	18 722	360	2%	74 887
Environmental protection		(186)	-	-	-	-	-	-	-	-
<i>Trading services</i>		65 865	40 558	-	7 025	13 953	10 140	3 813	38%	40 558
Energy sources		50 014	24 316	-	5 545	10 222	6 079	4 143	68%	24 316
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		15 851	16 243	-	1 480	3 731	4 061	(330)	-8%	16 243
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	593 278	545 600	-	49 451	154 901	136 400	18 501	14%	545 600
Surplus/ (Deficit) for the year		162 606	221 269	-	(26 893)	96 908	55 317	41 590	75%	221 269

5. Financial Performance (revenue and expenditure by municipal vote) – M03 September

5.1 Revenue by vote (refer to Table C3)

Table C3 below shows the Revenue and Expenditure per vote.

- Budget and Treasury-

The revenue comprises of operational grants and other revenue.

- R 606 million (2024/25),
 - R 612 million (2025/26),
 - Year-to-date actual revenue received and recognised is R 217 million *versus* the projected budget of R 51 million (326.7% variance).
-
- Technical services - revenue includes capital grants.
 - R 146 million (2024/25)
 - R 125 million (2025/26),
 - Year-to-date actual revenue was R 515 thousand *versus* the projected budget of R 10.4 million (-95.1% variance).
-
- Spatial Planning & Development budget was;
 - R 120 million (2024/25),
 - R 20 million (2025/26),
 - The year-to-date actual revenue by R 1.5 million *versus* the projected budget of R 1.6 million (-8.1 % variance).
-
- Community Services budget was;
 - R 8.1 million (2024/25),
 - R 7.4 million, (2025/26),
 - Year-to-date actual revenue was R 2.1 million *versus* the projected budget of R 1.8 million (16.5% variance).

5.2 Expenditure by vote (refer to Table C3)

- Corporate services budget was;
 - R 192 million (2024/25),
 - R 166 million (2025/26),
 - Year-to-date expenditure was R 30.3 million *versus* the projected budget of R 13.8 million (119.6% variance).

- Community services budget was;
 - R 162 million (2024/25)
 - R 50 million, (2025/26),
 - Year-to-date actual expenditure was R 10.5 million *versus* the projected budget of R 12.6 million (-16.6% variance).

- Spatial Planning & Development budget was;
 - R 49 million (2024/25),
 - R 50 million (2025/26),
 - The year-to-date spending of R 4.5 million *versus* the projected budget of R 4.1 million (9.3 % variance).

- Budget and Treasury annual budget was;
 - R 322 million (2024/25),
 - R 129 million (2025/26),
 - Year-to-date expenditure was R 7.8 million *versus* the projected budget of R 10.7 million (-27.6% variance).

- Technical Services annual budget was;
 - R 112 million (2024/25),
 - R 105 million, (2025/26),
 - Year-to-date expenditure was R 11.1 million *versus* the projected budget of R 8.7 million (26.9% variance) against the projected expenditure budget.

- Office of the Municipal Manager annual budget was;
 - R 27.2 million (2024/25),
 - R 28.7 million, (2025/26),
 - Year-to-date spending was R 1.4 million *versus* the projected budget of R 2.3 million (-38.3% variance).

LIM345 Collins Chabane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 - September

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Revenue by Vote	1									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		8 141	7 419	-	723	2 160	1 855	305	16.5%	7 419
Vote 3 - SPATIAL PLANNING & DELEOPMENT		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	8 141	7 419	-	723	2 160	1 855	305	16.5%	7 419
Expenditure by Vote	1									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		(162 214)	50 504	-	3 319	10 529	12 626	(2 097)	-16.6%	50 504
Vote 3 - SPATIAL PLANNING & DELEOPMENT		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	(162 214)	50 504	-	3 319	10 529	12 626	(2 097)	-16.6%	50 504
Surplus/ (Deficit) for the year	2	170 356	(43 085)	-	(2 596)	(8 369)	(10 771)	2 402	-22.3%	(43 085)

6. Financial Performance (revenue and expenditure per item) – M03 September

6.1. Revenue per item (refer to Table C4)

Table C4 below shows the Revenue and Expenditure per item.

- **Property rates-**
 - R 39 million (2024/25 actual billed revenue),
 - R 39 million (2025/26 budgeted billed revenue),
 - R 10.4 million (2025/26 billing to date) (actual cash flow collection R 3.2 million, 33% collection rate).

- **Refuse revenue-**
 - R 5.6 million (2024/25 actual billed revenue),
 - R 5.9 million (2025/26 budgeted billed revenue),
 - R 1.6 million (2025/26 billing to date) (actual cash flow collection R 629 thousand, 40% collection rate).

- **Rental of facilities and equipment-**
 - R 389 thousand (2024/25 actual pre-audited revenue),
 - R 420 thousand (2025/26 budgeted revenue),
 - R 88 thousand (2025/26 actual versus projection of R 105 thousand) resulting in variance of -16%.

- **Interest earned on external investment-**
 - R 11.8 million (2024/25 actual audited revenue),
 - R 12.8 million (2025/26 budgeted revenue),
 - R 1.061 million (2025/26 actual versus projection of R 3.2 million) resulting in a negative variance of 67%.
 - R 1.061 million interest from primary bank account.

- **Fines, Penalties and forfeits-**
 - R 1.8 million (2024/25 actual pre-audited revenue),
 - R 1.3 million (2025/26 budgeted revenue),
 - R 221 thousand (actual versus projection of R 338 thousand) resulting in a negative variance of 34%.

- **Licence and Permits-**
 - R 4 million (2024/25 actual pre-audited revenue),
 - R 6.5 million (2025/26 budgeted revenue),
 - R 1.7 million (actual versus a projection of R 1.6 million) resulting in a variance of 5%.

This item includes the renewal of Spaza licences and permits for new applicants. The year to date actual, exclude the February actual since the E-natis report is generated after the month end closure of the financial system.

- **Agency service-**
 - R 4.3 million (2024/25 actual pre-audited revenue),
 - R 5.3 million (2025/26 budgeted revenue),
 - R 1.3 million (actual versus a projection of R 1.3 million) resulting in a variance of 1%.

- **Transfer and subsidies–**
 - R 520 million (2024/25 actual pre-audited revenue),
 - R 519 million (2025/26 budgeted revenue),
 - R 214 million (actual versus a projection of R 129 million), resulting in a variance of 65%.

- **Other Revenue-**
 - R 41.3million (2024/25 actual pre-audited revenue),
 - R 65.3 million (2025/26 budgeted revenue),
 - R 5.7 million (actual versus a projection of R 16.3 million), resulting in a negative variance of -65%.

Included in the other revenue is the sales of stands, sale of tender documents and clearance certificates.

6.2. Expenditure per item (refer to Table C4)

- **Employee related cost**
 - R 153 million (2024/25 pre-audited actual expenditure),
 - R 173 million (2025/26 budgeted expenditure),
 - R 40.5 million (actual expenditure versus a projection of R 43.3 million) resulting in under spending of 6%.

- **Remuneration of councillors**
 - R 30.6 million (2024/25 pre-audited actual expenditure),
 - R 32.7 million (2025/26 budgeted expenditure),
 - R 7.5 million (actual expenditure versus a projection of R 8.1 million) resulting in under spending of 8%.

- **Debt impairment and depreciation**
 - R 1.185 million (debt impairment pre-audited actual) and R 77.2 million (depreciation)- (2024/25 pre-audited actual),
 - R 14 million (2025/26 debt impairment budget) and R 80 million (2025/26 depreciation budget),
 - R 0 million (actual impairment) and R 16.5 million on (actual depreciation, 100% negative variance on debt impairment).

- **Inventory consumed**
 - R 12.8 million (2024/25 pre-audited actual),
 - R 12.1 million (2025/26 budgeted expenditure),
 - R 2.7 million (actual expenditure versus a projection of R 3.049 million) resulting in an underspending of -9%.

- **Contracted services**
 - R 224 million (2024/25 pre-audited actual expenditure),
 - R 145 million (2025/26 budgeted expenditure),
 - R 55 million (actual expenditure versus a projection of R 36 million) resulting in 53% over spending).

The contracted services relate to security services, GRAP Compliance Asset Register, Financial Reporting and Management Improvements, Financial Reporting and Advisory services, Revenue Enhancement, Legal fees, IT support, Demarcation of sites, and Township establishment.

- **General expenditure**
 - R 61 million (2024/25 pre-audited actual),
 - R 74 million (2025/26 budgeted expenditure),
 - R 25.6 million (Actual expenditure versus a projection of R 18.5 million) resulting in 38% variance.

2.1.6 SURPLUS FOR THE YEAR

- The pre-audited surplus at the end of financial year 2024/2025 is R 162 million.
- The actual current year surplus is R 96 million.

LIM345 Collins Chabane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - September

Description	Ref	Budget Year 2025/26								
		2024/25 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		5 685	5 318	-	533	1 600	1 330	271	20%	5 318
Sale of Goods and Rendering of Services		18 340	47 427	-	204	629	11 857	(11 228)	-95%	47 427
Agency services		4 398	5 396	-	386	1 358	1 349	9	1%	5 396
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2 676	2 101	-	229	676	525	151	29%	2 101
Interest from Current and Non Current Assets		11 858	12 870	-	-	1 061	3 218	(2 156)	-67%	12 870
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		389	420	-	20	88	105	(17)	-16%	420
Licence and permits		-	-	-	-	-	-	-	-	-
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		13 512	-	-	-	-	-	-	-	-
Non-Exchange Revenue										
Property rates		39 238	39 066	-	3 409	10 416	9 767	650	7%	39 066
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 800	1 350	-	76	221	338	(116)	-34%	1 350
Licence and permits		4 008	6 501	-	574	1 710	1 625	85	5%	6 501
Transfers and subsidies - Operational		520 655	519 025	-	596	214 548	129 756	84 792	65%	519 025
Interest		20 337	15 874	-	1 517	4 484	3 968	516	13%	15 874
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		(2 932)	-	-	-	-	-	-	-	-
Other Gains		(600)	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		639 365	655 349	-	7 543	236 793	163 837	72 956	45%	655 349
Expenditure By Type										
Employee related costs		153 441	173 224	-	13 761	40 585	43 306	(2 721)	-6%	173 224
Remuneration of councillors		30 641	32 742	-	2 510	7 531	8 185	(655)	-8%	32 742
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		12 820	12 196	-	1 264	2 761	3 049	(288)	-9%	12 196
Debt impairment		1 185	14 042	-	-	-	3 510	(3 510)	-100%	14 042
Depreciation and amortisation		77 221	80 093	-	5 277	16 538	20 023	(3 485)	-17%	80 093
Interest		96	-	-	-	-	-	-	-	-
Contracted services		224 167	145 894	-	16 368	55 793	36 473	19 319	53%	145 894
Transfers and subsidies		13 787	13 292	-	2 453	5 147	3 323	1 824	55%	13 292
Irrecoverable debts written off		18 708	-	-	264	883	-	883	#DIV/0!	-
Operational costs		61 213	74 120	-	7 555	25 663	18 530	7 133	38%	74 120
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		593 278	545 600	-	49 451	154 901	136 400	18 501	14%	545 600
Surplus/(Deficit)		46 087	109 748	-	(41 909)	81 892	27 437	54 455	198%	109 748
Transfers and subsidies - capital (monetary allocations)		116 519	111 521	-	15 016	15 016	27 880	(12 864)	-46%	111 521
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		162 606	221 269	-	(26 893)	96 908	55 317			221 269
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		162 606	221 269	-	(26 893)	96 908	55 317			221 269
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		162 606	221 269	-	(26 893)	96 908	55 317			221 269
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		162 606	221 269	-	(26 893)	96 908	55 317			221 269

7. Table C5 Monthly Budget Statement – Capital (revenue and expenditure per item) – M03 September

7.1. Expenditure (municipal vote, functional classification and funding) Revenue per item (refer to Table C4)

The municipality (as shown on Table C5) has capital expenditure budget of R 223 million (Vat exclusive). As at 30 September 2025, the municipality's capital expenditure is R 66.2 million against the projected budget of R 55.7 million. The capital expenditure as at 30 September 2025 is at 18% against the projected budget; the municipality is performing well in terms of service delivery.

Below is a table showing detailed performance on each capital asset with comments on progress.

CAPITAL ASSETS 2025/26			
DESCRIPTION	BUDGET	ACTUALS	PERCENTAGE
Acquisitions:Outsourced Construction of Car port	R 500,000.00	R 0.00	0%
Acquisitions:Outsourced Corp Serv Construction of Municipal Office Building(new)	R 20,000,000.00	R 6,801,993.01	34%
Acquisitions:Outsourced Identification and Partitioning of office space	-R 500,000.00	R 0.00	0%
Acquisitions:Outsourced Identification and Partitioning of office space	R 1,000,000.00	R 652,460.40	65%
Cost:Acquisitions Cost:Acquisitions	R 0.00	R 0.00	0%
Cost:Acquisitions Asset Man Other Equipment(new)	R 500,000.00	R 0.00	0%
Cost:Acquisitions Comm & Soc Serv Hall & Facili Development of Market Stalls	R 0.00	R 1,144.00	0%
Cost:Acquisitions Transfer station at Hlanganani	R 1,000,000.00	R 0.00	0%
Cost:Acquisitions Vuwani Sports Centre	R 11,000,000.00	R 4,209,298.04	38%
Cost:Acquisitions Acquisitions ELECTRIFICATION OF Various villages	R 9,613,000.00	R 373,178.44	4%
Cost:Acquisitions IT Acquisition of IT Equipment(new)	R 2,500,000.00	R 1,351,702.47	54%
Cost:Acquisitions IT SECURITY VULNERABILITY SCAN	R 500,000.00	R 0.00	0%
Cost:Acquisitions Fire arms/bullet proof vest and hosters	R 800,000.00	R 0.00	0%
Acquisitions:Outsourced Construction of smart sport centre	R 5,000,000.00	R 3,290,088.02	66%
Cost:Acquisitions Acquisitions of Furniture	R 1,200,000.00	R 0.00	0%
Acquisitions:Outsourced UPGRADING OF BUNGENI STADIUM	R 22,317,167.00	R 1,972,677.14	9%
Acquisitions:Outsourced CONSTRUCTION OF JOSEFA RING ROAD	R 4,000,000.00	R 4,030,387.06	101%
Acquisitions:Outsourced Construction of 2.5km Ring road at Jerome MIG	R 17,504,416.00	R 2,942,271.39	17%
Acquisitions:Outsourced Construction of 2.5km Ring road at Tshitomboni MIG	R 17,331,417.00	R 2,063,730.22	12%
Acquisitions:Outsourced Construction of 2.5km Ring road at mkhomi village MIG	R 17,976,500.00	R 0.00	0%
Acquisitions:Outsourced Construction of 2.5km Ring road of mutheiwana to tshivhulana MIG	R 1,000,000.00	R 0.00	0%
Acquisitions:Outsourced Construction of 2.5km ring road at 5 wards (various villages)	R 5,000,000.00	R 0.00	0%
Acquisitions:Outsourced Low Level Bridges	R 3,000,000.00	R 0.00	0%
Acquisitions:Outsourced Rehabilitation of Sereni Internal streets	R 4,000,000.00	R 0.00	0%
Acquisitions:Outsourced construction at masia headkraal access road to public facilities (MIG)	R 5,000,000.00	R 1,628,371.22	33%
Acquisitions:Outsourced construction of 2.5 at gidjana ring road	R 12,200,000.00	R 11,997,057.90	98%
Acquisitions:Outsourced construction of 2.5 at masakona ring road	R 10,000,000.00	R 9,969,443.78	100%
Acquisitions:Outsourced construction of 2.5 at muchipisi ring road	R 9,300,000.00	R 5,524,500.26	59%
Acquisitions:Outsourced construction of 2.5km ring road at Tiyani-MIG	R 17,776,500.00	R 3,618,584.05	20%
Acquisitions:Outsourced designes for construction at jim jones access road to public	R 10,000,000.00	R 5,830,332.98	58%
Acquisitions:Outsourced designes for construction at masia headkraal access road to	R 2,000,000.00	R 0.00	0%
Cost:Acquisitions Cost:Acquisitions	R 0.00	R 0.00	0%
Cost:Acquisitions Road Tech Serv Plant & Machinery	R 9,600,000.00	R 0.00	0%
Cost:Acquisitions installation of CCTV at Malamulele & Vuwani Traffic station	R 1,000,000.00	R 0.00	0%
Cost:Acquisitions Refuse Bins and Bulk Containers	R 1,000,000.00	R 0.00	0%
	R 223,119,000.00	R 66,257,220.38	30%

The attached Capital Expenditure report shows the total expenditure to date of R 223 million. (Table C5 Capex).

- Acquisitions: Construction of Municipal Office Building (new) - Concrete works on third floor, tiling, sewer, ceiling grid, electrical works, mechanical works and brick works and Post tensioning and concrete pouring of the middle section Tiling on Third and Fourth floor; Partitioning Third and Fourth Floor, Windows installation on the ground, first, and second floor; and Construction of Guardhouse and Paving on Parking Area Electrical works, Tilling and plumbing ,installation of siling ,painting of the internal walls to be completed before the end of November 2025
- Cost: Acquisitions Vuwani Sports Centre – Earthworks soccer pitch constructed and existing pavilion rehabilitated.
- Acquisitions: Outsourced Upgrading of Bungeni Stadium - 80mm paving bricks. Platforms construction of the main pavilion and combo courts, refurbishment of existing structures and building, construction of strip footing of Elevated tank, installation of subsoil to complete the preparation of the gravel parking area and the layer works of the internal access streets, construction of the final level of the soccer pitch, Plumbing, painting of the main grandstand, installation of the windows, electrification completed

- Acquisitions: Outsourced Construction of Josefa ring road- Total number of participants 75, contractor to submit participants 2km Paving constructed, road marking and cleaning of sites not yet completed.
- Acquisitions: Construction at Masia headkraal access road to public facilities (MIG) - Construction of 100m box cutting, 100m road bed 100m subbase, 100 base and installation of 100m paving up to practical completion and completion done
- Acquisitions: Outsourced construction of 2;5 at Gidjana ring road- 1.5km subbase and 1.5km base constructed.
- Acquisitions: Outsourced construction of 2;5 at Masakona ring road- 1.5km subbase and 1.5km base constructed.
- Acquisitions: Outsourced construction of 2;5 at Muchipisi ring road- 1.5km subbase and 1.5km base constructed.
- Acquisitions: Outsourced construction at Jim Jones access road, 1.5km subbase and 1.5km base constructed
- Cost: Acquisitions Plant & Machinery – service provider not appointed.
- Construction of Internal Streets at Jerome Village, the designs have been completed and the service provider has been appointed
- Construction of Internal Streets at Tshivhulani Village, detailed designs have been completed.
- Construction of Internal Streets at Tshitomboni Village, designs are complete and service provider has been appointed.
- Construction of Internal Streets at Tiyani Village, designs are complete and service provider has been appointed.
- Construction of Internal Streets at Mukhomi Village designs are complete and service provider has been appointed.
- Rehabilitation of internal street at Sereni- Service Provider appointed
- Acquisitions: ELECTRIFICATION OF Various villages- Service provider appointed, site established and holes dug and poles planted in some of the various villages.

LIM345 Collins Chabane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 - September

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - SPATIAL PLANNING & DELEOPMENT		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
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 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		878	1 500	-	-	-	375	(375)	-100%	1 500
Vote 3 - SPATIAL PLANNING & DELEOPMENT		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	878	1 500	-	-	-	375	(375)	-100%	1 500
Total Capital Expenditure		878	1 500	-	-	-	375	(375)	-100%	1 500

Below is the breakdown in terms of grants funded projects:

MIG- MIG funded projects contribute 40% of the total capital budget and it has since spent 7% of the total capital budget.

INEP- INEP funded projects contribute 8% of the total capital budget and it has since spent 0% of the total capital budget.

INTERNAL FUNDED- The internal funded projects contribute 52% of the total capital budget and it has since spent 24% of the total actual expenditure as at 30 September 2025.

NB! It must be noted that all calculated expenditure percentage were done against the annual capital budget.

8. Supporting Table SC12 Monthly Budget Statement - capital expenditure trend – M03 September

As at 30 September 2025, the municipality had spent R 66.2 million in capital expenditure.

LIM345 Collins Chabane - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 - September

Month	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	59 688	18 593	–	17 057	17 057	18 593	1 537	8.3%	8%
August	14 812	18 593	–	22 612	39 669	37 186	(2 482)	-6.7%	18%
September	21 928	18 593	–	26 588	66 257	55 780	(10 477)	-18.8%	30%
October	12 182	18 593	–	–	–	74 373	–	–	–
November	30 278	18 593	–	–	–	92 966	–	–	–
December	3 331	18 593	–	–	–	111 560	–	–	–
January	8 434	18 593	–	–	–	130 153	–	–	–
February	16 288	18 593	–	–	–	148 746	–	–	–
March	23 825	18 593	–	–	–	167 339	–	–	–
April	16 983	18 593	–	–	–	185 933	–	–	–
May	22 448	18 593	–	–	–	204 526	–	–	–
June	29 918	18 593	–	–	–	223 119	–	–	–
Total Capital expenditure	260 114	223 119	–	66 257					

9. Table C6 Monthly Budget Statement - Financial Position – M03 September

The municipality has an opening cash and cash equivalent balance of R 57 million at the beginning of the financial year and the balance as at 30 September 2025 is R107 million with a projection of R 118 million, there is a decrease of current assets from the pre-audited balance of R 226 million to R 230 million in the 2025/2026 financial year. The total non-current assets are at R 1.967 billion in the 2025/2026 financial year as compared to the previous year.

There is generally increase on outstanding debtors due to non-implementation of credit control and debt collection policy as explained above. The municipality has embarked on data cleansing exercise to update the billing information in order to implement the credit control.

The total current liabilities of the municipality are R 146 million that include among others creditors and retention amounting to R 59.6 million. Based on the municipality current assets of R 226 million, the municipality will be able to cover its short-term obligations as indicated by a positive current/liquidity ratio.

The community wealth of the municipality has increase from R 1,995 billion (pre-audited 2024/25) to R 2,069 billion in the current financial year.

LIM345 Collins Chabane - Table C6 Monthly Budget Statement - Financial Position - M03 - September

Description	Ref	Budget Year 2025/26				
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		148 360	150 434	–	185 492	150 434
Trade and other receivables from exchange transactions		9 791	7 192	–	11 432	7 192
Receivables from non-exchange transactions		12 170	32 262	–	23 148	32 262
Current portion of non-current receivables		–	–	–	–	–
Inventory		9 012	5 056	–	8 591	5 056
VAT		33 683	35 466	–	34 298	35 466
Other current assets		13 837	–	–	13 837	–
Total current assets		226 852	230 410	–	276 797	230 410
Non current assets						
Investments		(102 392)	–	–	(102 392)	–
Investment property		2 400	3 000	–	2 400	3 000
Property, plant and equipment		2 015 961	1 979 170	–	2 065 799	1 979 170
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1 127	1 127	–	1 127	1 127
Intangible assets		1 009	270	–	889	270
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		1 918 104	1 983 567	–	1 967 822	1 983 567
TOTAL ASSETS		2 144 956	2 213 977	–	2 244 620	2 213 977
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		1 517	2 076	–	1 517	2 076
Consumer deposits		10	–	–	(121)	–
Trade and other payables from exchange transactions		104 684	86 885	–	81 079	86 885
Trade and other payables from non-exchange transactions		0	13 292	–	25 948	13 292
Provision		27 696	15 845	–	27 696	15 845
VAT		12 944	824	–	13 488	824
Other current liabilities		–	–	–	–	–
Total current liabilities		146 852	118 923	–	149 608	118 923
Non current liabilities						
Financial liabilities		(0)	1 517	–	–	1 517
Provision		174	4 764	–	174	4 764
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		2 198	19 031	–	2 198	19 031
Total non current liabilities		2 372	25 313	–	2 372	25 313
TOTAL LIABILITIES		149 224	144 235	–	151 980	144 235
NET ASSETS	2	1 995 732	2 069 741	–	2 092 640	2 069 741
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 995 732	2 069 741	–	2 092 640	2 069 741
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1 995 732	2 069 741	–	2 092 640	2 069 741

10. CASH FLOW

- **Table C7 Monthly Budget Statement - Cash Flow – M03 September**
- **Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts – M03 September**

Cash balance, as at 30 September 2025 was R107 million.

- Prior year (2024/25) closing balance was R 57 million.
- Both investments matured and redeemed.

LIM345 Collins Chabane - Table C7 Monthly Budget Statement - Cash Flow - M03 - September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		12 809	14 180	-	958	3 228	3 545	(317)	-9%	14 180
Service charges		2 586	1 862	-	214	629	465	163	35%	1 862
Other revenue		29 741	90 399	-	169	1 675	22 600	(20 924)	-93%	90 399
Transfers and Subsidies - Operational		591 155	519 025	-	8 352	233 670	129 756	103 914	80%	519 025
Transfers and Subsidies - Capital		135 624	111 521	-	-	41 000	27 880	13 120	47%	111 521
Interest		3 392	12 870	-	-	-	3 218	(3 218)	-100%	12 870
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(374 345)	(440 074)	-	(30 375)	(112 550)	(110 019)	(2 531)	2%	(440 074)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		400 963	309 782	-	(20 682)	167 653	77 446	(90 207)	-116%	309 782
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		22 768	-	-	-	-	-	-	-	-
Payments										
Capital assets		285 156	(223 119)	-	(30 412)	(82 714)	(55 780)	(26 934)	48%	(223 119)
NET CASH FROM/(USED) INVESTING ACTIVITIES		307 924	(223 119)	-	(30 412)	(82 714)	(55 780)	26 934	-48%	(223 119)
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		708 887	86 663	-	(51 094)	84 939	21 666			86 663
Cash/cash equivalents at beginning:		210 196	96 354	-		148 360	96 354			148 360
Cash/cash equivalents at month/year end:		919 083	183 017	-		233 299	118 020			235 023

2.1 Collins Chabane Local Municipality - Supporting Table SC3 Monthly Budget Statement - aged debtors – M03 September

The table below indicates that the municipality has outstanding debtors of R 234 million as at 30 September 2025. The municipality has appointed a service provider to assist with data cleansing, which will also enable the municipality to implement the credit control and debt collection policy. The municipal collection has improved since the appointment of service provider; the culture of payment in place. The municipality impaired R 64 million (2019/20 FYR) for consumer debtors, R 9 million was impaired in the previous year for Vuwani residential debts and must be noted that the action was made to encourage Vuwani residents to pay their current year and future debts.

Debt relief programme had a positive impact on revenue, since the implementation of the programme the revenue collection improved in all debtor's categories.

LIM345 Collins Chabane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 - September

Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		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	3 344	2 954	2 907	2 793	2 597	2 582	2 566	138 938	158 680	149 475	(142)	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1600	533	473	517	414	402	398	392	19 130	22 259	20 737	(22)	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	1 707	1 679	1 651	1 763	1 734	1 703	1 673	41 476	53 386	48 349	(94)	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	23	11	10	11	10	10	10	552	637	593	(3)	-	
Total By Income Source	2000	5 607	5 117	5 084	4 980	4 744	4 693	4 642	200 096	234 962	219 154	(261)	-	
2024/25 - totals only		-	-	-	-	-	-	-	-	-	-	-	-	
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 336	2 299	2 347	2 304	2 203	2 189	2 176	112 738	128 592	121 609	-	-	
Commercial	2300	852	511	493	473	441	435	430	14 638	18 272	16 417	(158)	-	
Households	2400	2 419	2 307	2 244	2 204	2 100	2 069	2 036	72 721	88 098	81 128	(103)	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	5 607	5 117	5 084	4 980	4 744	4 693	4 642	200 096	234 962	219 154	(261)	-	

2.2 Table SC13c Monthly Budget Statement - Expenditure on repairs and maintenance by asset class- M03 September

Repairs and maintenance- actual spending of R3.1 million versus projected maintenance budget of R 3.1 million (-1% overspending).

The total repairs and maintenance expenditure to date is made up the following categories:

- Electricity repairs and maintenance, actual spending of R 1.2 million *versus* R 1.5 million projected budget (21.3% variance),
- Vehicle repairs and maintenance, actual spending of R 1.4 million *versus* R 400 thousand projected budget (-272.8% variance).
- Road repairs and maintenance, actual spent of R 489 thousand *versus* the projection budget of R 1.2 million (60.9% variance).

LIM345 Collins Chabane - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 - September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		180 080	145 702	-	19 711	47 978	36 425	(11 552)	-31.7%	145 702
Roads Infrastructure		177 885	135 089	-	19 338	47 605	33 772	(13 832)	-41.0%	135 089
Roads		173 563	59 500	-	10 713	38 980	14 875	24 105	0	59 500
Road Structures		4 322	75 589	-	8 625	8 625	18 897	(10 273)	(0)	75 589
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 195	9 613	-	373	373	2 403	2 030	84.5%	9 613
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		2 195	9 613	-	373	373	2 403	(2 030)	(0)	9 613
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

LIM345 Collins Chabane - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 - September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Stores		-	-	-	-	-	-	-		-
Laboratories		-	-	-	-	-	-	-		-
Training Centres		-	-	-	-	-	-	-		-
Manufacturing Plant		-	-	-	-	-	-	-		-
Depots		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Staff Housing		-	-	-	-	-	-	-		-
Social Housing		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Water Rights		-	-	-	-	-	-	-		-
Effluent Licenses		-	-	-	-	-	-	-		-
Solid Waste Licenses		-	-	-	-	-	-	-		-
Computer Software and Applications		-	-	-	-	-	-	-		-
Load Settlement Software Applications		-	-	-	-	-	-	-		-
Unspecified		-	-	-	-	-	-	-		-
Computer Equipment		3 316	3 000	-	-	1 352	750	(602)	-80.2%	3 000
Computer Equipment		3 316	3 000	-	-	1 352	750	602	0	3 000
Furniture and Office Equipment		454	-	-	-	-	-	-		-
Furniture and Office Equipment		454	-	-	-	-	-	-		-
Machinery and Equipment		878	13 100	-	-	-	3 275	3 275	100.0%	13 100
Machinery and Equipment		878	13 100	-	-	-	3 275	(3 275)	(0)	13 100
Transport Assets		1 349	-	-	-	-	-	-		-
Transport Assets		1 349	-	-	-	-	-	-		-
Land		(3 260)	-	-	-	-	-	-		-
Land		(3 260)	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Total Capital Expenditure on new assets	1	224 211	200 302	-	26 588	63 632	50 075	(13 557)	-27.1%	200 302

2.3 Collins Chabane Local Municipality - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – M03 September

Table below detailed the municipality councillors, senior management and other municipal staff remuneration in full detail. It shows all the benefits paid as part of their package.

2.3.6 COUNCILLORS REMUNIRATION

- Basic salaries and wages- projected budget of R 5.9 million *versus* actual spending of R 5.4 million (8% underspending).
- Councillor's car allowance- projected budgeted of R 483 thousand *versus* actual spending of R 511 thousand (6% overspending).
- Cell phone allowance- projected budget at R 891 thousand *versus* actual spending of R 823 thousand (8% underspending).

2.3.7 SENIORS MANAGERS

- Basic salaries and Wages-Senior Managers- projected budgeted of R 1.3 million *versus* actual spending of R 1.3 million (2% variance).
- Car allowance- projected budget of R 421 thousand *versus* actual spending of R 333 thousand (21% underspending).

2.3.8 OTHER MUNICIPAL STAFF

- Basic salaries and wages- projected budget of R 28 million *versus* actual spending of R 26 million (7% underspending).
- Pension fund- projected budget of R 5.2 million *versus* actual spent is R 5.1 million (2% underspending).
- Medical aid contribution- projected budget of R1.6 million *versus* R1.5 million actual expenditure (4% underspending).
- Overtime - projected budget of R 156 thousand *versus* R 266 thousand actual expenditure (71% overspending).

LIM345 Collins Chabane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 - September

Summary of Employee and Councillor remuneration	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		22 415	23 651	-	1 806	5 417	5 913	(495)	-8%	23 651
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1 650	1 931	-	185	511	483	28	6%	1 931
Cellphone Allowance		3 253	3 564	-	274	823	891	(68)	-8%	3 564
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		3 323	3 596	-	245	780	899	(119)	-13%	3 596
Sub Total - Councillors		30 641	32 742	-	2 510	7 531	8 185	(655)	-8%	32 742
% increase	4		6.9%							6.9%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 011	5 338	-	454	1 362	1 335	28	2%	5 338
Pension and UIF Contributions		11	28	-	1	3	7	(4)	-62%	28
Medical Aid Contributions		-	24	-	-	-	6	(6)	-100%	24
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1 413	1 685	-	107	333	421	(88)	-21%	1 685
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		0	0	-	0	0	0	(0)	-5%	0
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6 436	7 076	-	562	1 698	1 769	(71)	-4%	7 076
% increase	4		9.9%							9.9%
Other Municipal Staff										
Basic Salaries and Wages		97 408	114 413	-	8 848	26 555	28 603	(2 049)	-7%	114 413
Pension and UIF Contributions		18 642	20 856	-	1 704	5 109	5 214	(106)	-2%	20 856
Medical Aid Contributions		7 318	6 440	-	531	1 549	1 610	(61)	-4%	6 440
Overtime		776	622	-	92	266	156	110	71%	622
Performance Bonus		8 234	10 265	-	688	1 858	2 566	(708)	-28%	10 265
Motor Vehicle Allowance		10 807	11 762	-	1 295	3 164	2 941	224	8%	11 762
Cellphone Allowance		6	-	-	-	-	-	-	-	-
Housing Allowances		250	108	-	9	28	27	1	4%	108
Other benefits and allowances		37	65	-	8	14	16	(2)	-12%	65
Payments in lieu of leave		1 123	478	-	-	194	120	75	63%	478
Long service awards		2 235	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		169	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		147 005	165 010	-	13 175	38 738	41 252	(2 515)	-6%	165 010
% increase	4		12.2%							12.2%
Total Parent Municipality		184 082	204 827	-	16 248	47 966	51 207	(3 241)	-6%	204 827

COMPETENCY REGULATION

- ❖ The municipality appointed 14 interns as accounting clerks.
- ❖ The municipality appointed four (4) finance interns, one (1) in Risk management and two (2) internal audit.
- ❖ The newly appointed interns have completed their CMPD training and graduated in December 2024.

COLLINS CHABANE MUNICIPALITY MINIMUM COMPETENCY											
Accountin Officer	Meet Minimum Competency	Chief Financial Officer	Meet Minimum Competency	Senior Managers	Minimum Competency	Middle managers	Meet Minimum Competency	Other Officials & Accountants	Meet Minimum Competency	Councillors	Meet Minimum Competency
Shilenge R.R	CMPD	Maluleke N.V	MFMP in progress	Maluleke G.L	MFMP	Maringa R.M	MFMP	Masuvhelele P	CMPD	ClIr Lebea M	MFMP
				Radali A.C	MFMP	Makhuvele H.S	MFMP	Mamarara L	CMPD	ClIr Chauke M.G	MFMP
				Moselankoe D.P	MFMP	Simango A	MFMP	Linda T.C	CMPD	ClIr Mashimbye	MFMP
				Baloyi P.M	MFMP	Makhubela N.N	MFMP	Chauke H.D	MFMP	ClIr Mavikane X S	MFMP
						Yingwana T.B	MFMP	Shivori V	CMPD	ClIr Chauke H G	MFMP
						Shimange T.R	MFMP	Mabasa R.P	CMPD	ClIr Mutele T.M	MFMP
						Nxumalo N.C	MFMP	Minyuku V	CMPD	ClIr Mukhaha A.J	MFMP
						Mondlane C	MFMP	Baloyi A	MFMP	ClIr Masia T.M	MFMP
						Marima R.D	MFMP	Maluzani R T	MFMP	ClIr Maluleke S.G	MFMP
						Honwane X	MFMP	Mabasa K	MFMP	ClIr Moyo M T	MFMP
						Napo O	MFMP	Maluleke T	CPMD	ClIr Mabasa J	MFMP
						Nukeri I	MFMP	Sithole N	CPMD	ClIr Ndove H D	MFMP
						Hlungwani G.P	MFMP	Vandezi D	CPMD	ClIr Shandukani M J	MFMP
						Hlungwani A.k	MFMP	Baloyi B	CPMD	ClIr Mulaudzi T N	MFMP
						Makhubele T	MFMP	Baloyi J	CPMD	ClIr Rekhotso S M	MFMP
						Maluleke L	MFMP	Mashaba N	CPMD	ClIr Mudau T S	MFMP
						Khanyi D	MFMP	Maswanganyi N	CPMD	ClIr Myambo Z Q	MFMP
						Kwinda R P	MFMP	Miyambo A	CPMD	ClIr Mahlangu D	MFMP
								Sambo R	CPMD	ClIr Mabasa R C	MFMP
										ClIr hlongwane S G	MFMP
										ClIr Maluleke L R	MFMP
										ClIr Mabasa D	MFMP
										ClIr Bamuza E	MFMP
										ClIr Chauke FT	MFMP
										ClIr Chabalala K R	MFMP
										ClIr Mabasa K K	MFMP
										ClIr Muthubi K R	MFMP
										ClIr Manganyi M N	MFMP
										ClIr Makondo N S	MFMP
										ClIr Makhubele S	MFMP
										ClIr Siweya S L	MFMP
										ClIr Mahlawule T P	MFMP

SUPPLY CHAIN MANAGEMENT REPORT

Please refer to the **attached annexure** for Supply Chain Management report.