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Alle korrespondensie moet gerig word  
naan die **MUNISIPALE BESTUURDER**

All Correspondence must be addressed  
to the **MUNICIPAL MANAGER**

Kantoor van die Munisipale Bestuurder  
Office of the Municipal **MUNICIPAL  
MANAGER**

Verw Nr/Ref No **5/1/1/13 / 4/1/1/B**

Datum/Date **21 January 2026**

Navrae/Enquiries **HD Molaole**

The Municipal Manager  
Emthanjeni Municipality  
PO. Box 42  
DE AAR  
7000

Dear Sir

**ACKNOWLEDGEMENT OF RECEIPT: MFMA, SECTION 72 MID-YEAR ASSESSMENT REPORT**

The abovementioned matter bears reference.

I, Councillor Gladwell Lulamile Nkumbi, Mayor of Emthanjeni Municipality acknowledge receipt of the MFMA, Section 72 Mid-Year Assessment Report.

Yours faithfully

**GL NKUMBI  
MAYOR**

/s/



VISION

"A centre for development and service excellence focused on economic viability in pursuit of a better life for all"

**MISSION STATEMENT**

To provide a quality service at all times and  
invest in our resources, both human and capital  
Develop an active citizenry  
Create a conducive environment for economic growth

# MEMORANDUM

AAN / TO : Mayor (Councillor GL Nkumbi)  
VAN / FROM : Municipal Manager  
LÊER / FILE : 5/1/1/13 / 4/1/1/B  
DATUM / DATE : 21 January 2026

Honourable Mayor

## MFMA, SECTION 72 ASSESSMENT REPORT

### MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 01 JULY 2025 ENDING 31 DECEMBER 2025

The above matter bears reference.

#### 1. Introduction

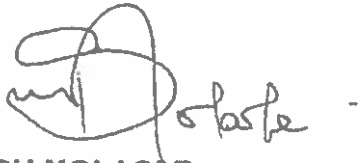
In terms of Section 72 (1), (2) and (3) of the Municipal Finance Management Act No 56, 2003 Chapter 8, the Mid-Year Budget and Performance Assessment Report for the period ended 31 December 2024 is herewith submitted for your consideration.

In terms of Section 72, (1) the Accounting Officer of a municipality must by 25 January of each year—

- (a) assess the performance of the municipality during the first half of the financial year, taking into account—
  - (i) the monthly statements referred to in section 71 for the first half of the financial year;
  - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
  - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; ...

- (b) submit a report on such assessment to—
  - (i) the Mayor of the municipality;
  - (ii) the National Treasury; and
  - (iii) the relevant provincial treasury.
  
- (2) The statement referred to in section 71 (1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.
  
- (3) The accounting officer must, as part of the review—
  - (a) make recommendations as to whether an adjustments budget is necessary; and
  - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Yours faithfully



**DH MOLAOLE**  
**MUNICIPAL MANAGER**

DATE: 21/01/2026

/s

# EMTHANJENI MUNICIPALITY



## MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT 2025-2026

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## Glossary

- **Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality DECEMBER revise its annual budget during the year.
- **Allocations** – Money received from Provincial or National Government or other municipalities.
- **Budget** – The financial plan of the Municipality.
- **Budget related policy** – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
- **Capital expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
- **Cash flow statement** – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though its DECEMBER not be paid in the same period.
- **DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
- **Equitable share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
- **Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- **GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
- **GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.
- **IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.
- **MBRR** – Local Government: Municipal Finance Management Act (56:2003): Municipal budget and reporting regulations.
- **MFMA** – Local Government: Municipal Finance Management Act (56 2003). The principal piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

- **MIG – Municipal Infrastructure Grant.**
- **MTREF – Medium Term Revenue and Expenditure Framework.** A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
- **Operating expenditure –** Spending on the day-to-day expenses of the Municipality such as salaries and wages.
- **Rates –** Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
- **SDBIP – Service Delivery and Budget Implementation Plan.** A detailed plan comprising quarterly performance targets and monthly budget estimates.
- **Strategic objectives –** The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
- **Unauthorised expenditure –** Generally, is spending without, or in excess of, an approved budget.
- **Virement –** A transfer of budget.
- **Virement policy -** The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
- **Vote –** One of the main segments into which a budget. In Emthanjani Municipality this means at directorate level.

# **1 Section - Introduction**

## **1.1 Purpose**

To inform Council on progress made in the implementation of the original budget and rolled over projects in respect of the first six months of 2025/26 financial year as well as recommend whether an adjustments budget is necessary.

## **1.2 Legal requirements**

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

- (1) The accounting officer of a municipality must by 25 January of each year -
  - (a) assess the performance of the municipality during the first half of the financial year, taking into account -
    - (i) the monthly statements referred to in section 71 for the first half of the financial year;
    - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
    - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
    - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
  - (b) submit a report on such assessment to -
    - (i) the mayor of the municipality
    - (ii) the National Treasury; and
    - (iii) the relevant Provincial Treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.
- (3) The accounting officer must, as part of the review -
  - (a) make recommendations as to whether an adjustments budget is necessary; and
  - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

**Thereafter, the mayor must, in terms of Section 54(1);**

- (a) Consider the report;
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
  - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
  - (ii) That spending of funds and revenue collection proceed in accordance with the budget;
- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year.

### **1.3 Contents of this report**

With the concurrence of the Chief Financial Officer, it was agreed that:

- (a) The Budget and Treasury Office prepare a report complying with the financial requirements of MFMA section 72.  

The mid-year budget statement for December 2025 is submitted to all legislated parties by 25 January 2026.

That this report be submitted by the accounting officer to the executive Mayor on 25 January 2026 in order to allow the executive Mayor to fulfil his responsibilities in terms of section 51 of the MFMA.
- (b) The Performance Internal Auditing and Risk Management Section in the Office of the Municipal Manager assist with the revision of the SDBIP after determination as by the mayor as to whether amendments are required to the current SDBIP.
- (c) The outcomes of the above-mentioned reports and reviews form the basis of the mid-year budget and performance assessment as well as the adjustments budget.

## **PART 1 – IN-YEAR REPORT**

### **Section 2 – Mayor’s Report**

#### **2.1.1 Financial problems or risks facing the municipality**

The mid-year performance assessment indicates a material variance between the planned and actual capital expenditure, primarily due to internal operational constraints that have delayed the implementation of capital projects. The continued underperformance of the capital programme presents a compounding financial risk when considered alongside the municipality’s low revenue collection rate of 58%. Constrained cash inflows limit the municipality’s ability to adequately fund infrastructure maintenance and rehabilitation, resulting in escalating maintenance costs and accelerated asset deterioration. These factors collectively threaten the sustainability of service delivery and place significant pressure on the municipality’s short- to medium-term financial liquidity.

To mitigate these risks, the municipality must strengthen and consistently enforce its Credit Control and Debt Collection Policy to improve revenue collection levels. In addition, strict enforcement of the Electricity By-law is required, particularly in respect of illegal connections, meter bypassing, and the implementation of disconnections for non-payment, in order to safeguard revenue, promote compliance, and enhance the municipality’s overall financial sustainability.

#### **2.1.2 Relevant information**

The audited figures relating to the 2024/2025 financial year are included in this report as the audit has been finalised.

Year-to-date operating revenue realised is -13 % below the year-to-date budget for December 2025.

The majority of can be attributable to water where a variance of -R13 871 and electricity where a variance of -R30 517 on the YTB exists however Emthanjeni Local Municipality has put mitigation measures in place to ensure these amounts decreases by improving water supply to the residents and business and to minimise power outages and motivate consumers to move from conventional to pre-paid electricity.

Operating expenditure incurred amounts to -36% below the year-to-date operating expenditure, this negative amount can be attributed to the fact that depreciation as well as debt impairment are calculated at the year end balances. The municipality aims to integrate third-party payroll data to enhance the accuracy of financial reporting regarding personnel expenditure. This integration is critical for maintaining transparency in employee-related costs and council remuneration.

## **Section 2 – Resolutions**

### ***IN-YEAR REPORTS 2024/2025***

This is the resolution that will be presented to Council when the In-Year Report is tabled:

**Recommended resolution to Council with regards to December 2025 In-year report is:**

**RESOLVED**

That the Council takes note of the contents in the Mid-Year Budget & Performance Assessment 2025/2026 as set out in the schedules contained in Section 4 as well as the supporting documentation in Section 6 to 13.

Table C1 – Mid-Year Budget Statement Summary;

Table C2 - Mid-Year Budget Statement - Financial Performance (Standard classification);

Table C3 - Mid-Year Budget Statement - Financial Performance Standard classification  
(Revenue and expenditure by Municipal Vote)

Table C4 - Mid-Year Budget Statement - Financial Performance (Revenue by Source and  
Expenditure by Type)

Table CS - Mid-Year Budget Statement - Capital Expenditure;

Table C6 - Mid-Year Budget Statement - Financial Position; and

(a) Any other resolutions required by the Council.

## Section 3 – Executive Summary

### 3.1 Introduction

The audited figures relating to the 2024/2025 financial year are included in this report as the audit has been finalised.

Year-to-date operating revenue realised is -13 % above the year-to-date budget for December 2025.

The majority of can be attributable to electricity where a variance of -R30 517 and water where a variance of -R13 871 on the YTB exists however Emthanjeni Local Municipality has put mitigation measures in place to ensure these amounts decreases.

Operating expenditure incurred amounts to -36% below the year-to-date operating expenditure, this negative amount can be attributed to the fact that depreciation as well as debt impairment are calculated at the year end balances. The municipality aims to integrate third-party payroll data to enhance the accuracy of financial reporting regarding personnel expenditure. This integration is critical for maintaining transparency in employee-related costs and council remuneration

### 3.2 Consolidated performance

#### 3.2.1 Against annual budget (original approved and latest Adjustments)

Detail	Capital Expenditure	Operating Expenditure	Operating Revenue (excluding capital transfers and contributions)
Original Budget	42 360	391 758	392 856
Actual	20 606	129 900	171 729
Variance to YTD	(620)	(72 938)	(24 699)
Year to date % Variance	-3%	-36%	-13%

## Section 4 – In-year budget statement tables

### 4.1 Mid-Year Budget Statements

#### 4.1.1 Table C1: s71 Mid-Year Budget Statement Summary

NC073 Emhlanjeni - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment									
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									
<b>Financial Performance</b>									
Property rates	55 209	59 871	-	3 252	30 834	44 935	(5 102)	-11%	80 671
Service charges	166 062	211 132	-	6 437	65 805	105 553	(39 764)	-36%	211 139
Investment revenue	3 105	4 811	-	70	1 050	2 436	(1 349)	-56%	4 811
Other revenue	87 170	69 588	-	10 581	38 774	34 794	3 979	11%	69 588
Other own revenue	4 467	17 447	-	5 076	26 251	8 724	17 527	201%	17 447
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>296 013</b>	<b>382 858</b>	<b>-</b>	<b>25 404</b>	<b>171 729</b>	<b>196 428</b>	<b>(24 699)</b>	<b>-13%</b>	<b>392 858</b>
Employee costs	102 426	128 470	-	-	150	64 235	(64 075)	-	128 470
Remuneration of Councilors	6 607	6 042	-	-	-	3 021	(3 021)	-	6 042
Interest	49 541	11 336	-	-	-	5 658	(5 658)	-	11 336
Inventory consumed and bulk purchases	40 542	10 478	-	4 905	26 063	5 239	20 824	-	10 478
Other expenditure	122 874	92 656	-	8 038	70 609	49 889	20 720	-	92 656
<b>Total Expenditure</b>	<b>385 354</b>	<b>389 738</b>	<b>-</b>	<b>15 464</b>	<b>129 936</b>	<b>202 831</b>	<b>(72 934)</b>	<b>-36%</b>	<b>391 758</b>
<b>Surplus/(Deficit)</b>	<b>(89 341)</b>	<b>1 097</b>	<b>-</b>	<b>9 940</b>	<b>41 829</b>	<b>(8 410)</b>	<b>48 239</b>	<b>-753%</b>	<b>1 097</b>
Transfers and subsidies - capital (monetary allocations)	31 322	38 737	-	8 716	19 048	19 358	(320)	-2%	38 737
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(58 019)</b>	<b>39 834</b>	<b>-</b>	<b>18 657</b>	<b>60 877</b>	<b>12 958</b>	<b>47 919</b>	<b>370%</b>	<b>39 834</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(58 019)</b>	<b>39 834</b>	<b>-</b>	<b>18 657</b>	<b>60 877</b>	<b>12 958</b>	<b>47 919</b>	<b>370%</b>	<b>39 834</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	78 603	14 182	-	4 968	13 278	7 098	6 174	87%	14 182
Capital transfers recognised	64 478	33 710	-	4 968	18 452	19 355	(903)	-5%	38 710
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	13 527	3 850	-	-	2 154	1 879	283	15%	3 850
<b>Total sources of capital funds</b>	<b>78 603</b>	<b>42 366</b>	<b>-</b>	<b>4 968</b>	<b>20 600</b>	<b>21 225</b>	<b>(629)</b>	<b>-3%</b>	<b>42 366</b>
<b>Financial position</b>									
Total current assets	420 419	527 272	-	-	508 491	-	-	-	527 272
Total non current assets	732 049	3 620 113	-	-	609 342	-	-	-	3 620 113
Total current liabilities	748 607	(664 895)	-	-	794 501	-	-	-	(664 895)
Total non current liabilities	183 962	(90 278)	-	-	163 862	-	-	-	(90 278)
Community wealth/Equity	312 577	4 902 558	-	-	373 415	-	-	-	4 902 558
<b>Cash flows</b>									
Net cash from/(used) operating	(153 032)	91 834	-	(7 627)	154 098	327 838	173 711	53%	91 834
Net cash from/(used) investing	78 003	(42 410)	-	(4 968)	(21 606)	21 225	41 810	197%	(42 410)
Net cash from/(used) financing	-	-	-	-	-	-	-	-	-
<b>Change in cash equivalents at the month/year end</b>	<b>(46 888)</b>	<b>75 721</b>	<b>-</b>	<b>(12 695)</b>	<b>170 239</b>	<b>375 250</b>	<b>205 811</b>	<b>55%</b>	<b>-</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dyo-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	14 115	13 058	16 903	12 757	12 733	33 713	111 357	436 736	651 368
<b>Creditors Age Analysis</b>									
Total Creditors	3 163	12 557	14 528	19 637	21 750	15 577	88 407	152 393	528 154

**Table C2: Mid-Year Budget Statement – Financial Performance (standard classification)**

NCO73 Emthatheni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2025/26				Full Year Forecast
						YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
<b>Revenue - Functional</b>										
Governance and administration		15 884	81 914	-	3 983	23 295	38 957	(7 752)	-25%	81 914
Executive and council		-	629	-	-	-	304	(364)	-100%	629
Finance and administration		15 094	61 305	-	3 593	23 205	30 653	(7 448)	-24%	61 305
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		48 141	47 517	-	1 583	38 431	33 759	6 673	28%	47 517
Community and social services		1 684	1 138	-	13	277	569	(292)	-51%	1 138
Sport and recreation		434	33	-	3	113	19	41%	33	
Public safety		1 549	5 048	-	0	12	2 524	(2 472)	-98%	5 048
Housing		38 484	41 233	-	1 507	29 993	20 645	9 347	45%	41 233
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		18 978	12 252	-	8 718	8 718	8 126	2 590	42%	12 252
Planning and development		1 123	1 774	-	-	-	387	(487)	-100%	1 774
Road transport		9 155	10 478	-	8 718	8 718	5 239	3 477	64%	10 478
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		251 425	309 810	-	19 838	128 424	154 955	(26 531)	-17%	309 810
Energy sources		111 457	155 973	-	5 157	51 975	77 987	(26 012)	-33%	155 973
Water management		47 524	69 562	-	817	19 382	34 781	(15 399)	-44%	69 562
Waste water management		32 442	78 536	-	12 821	50 109	39 268	10 832	23%	78 536
Waste management		12 512	5 839	-	1 439	6 967	2 919	4 048	139%	5 839
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>327 345</b>	<b>431 593</b>	<b>-</b>	<b>34 121</b>	<b>198 777</b>	<b>215 796</b>	<b>(25 019)</b>	<b>-12%</b>	<b>431 593</b>
<b>Expenditure - Functional</b>										
Governance and administration		111 754	157 424	-	6 908	44 225	80 097	(35 782)	-45%	157 424
Executive and council		15 658	12 157	-	78	1 583	12 351	(10 868)	-87%	22 167
Finance and administration		15 797	134 482	-	5 702	42 596	57 228	(24 631)	-37%	134 482
Internal audit		73	776	-	-	46	388	(343)	-88%	776
Community and public safety		34 368	48 233	-	(148)	8 381	24 287	(22 986)	-95%	48 233
Community and social services		16 114	23 261	-	164	858	11 620	(10 764)	-93%	23 261
Sport and recreation		4 922	10 717	-	-	43	5 348	(5 303)	-99%	10 717
Public safety		10 294	10 566	-	4	172	5 468	(5 295)	-97%	10 566
Housing		3 028	3 662	-	-	220	1 829	(1 609)	-88%	3 662
Health		-	27	-	-	-	14	(14)	-100%	27
Economic and environmental services		18 975	33 818	-	53	5 598	19 842	(14 284)	-72%	33 818
Planning and development		18 417	12 909	-	8	1 568	6 454	(4 887)	-76%	12 909
Road transport		23 348	20 701	-	48	4 120	19 427	(8 337)	-70%	20 701
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		232 749	152 125	-	9 543	78 778	78 479	298	0%	152 125
Energy sources		134 262	135 244	-	8 764	73 052	52 822	20 470	28%	135 244
Water management		15 785	13 631	-	702	5 144	8 225	(1 682)	-25%	13 631
Waste water management		23 526	14 350	-	-	171	9 612	(9 440)	-98%	14 350
Waste management		19 176	19 841	-	77	368	9 420	(9 052)	-95%	19 841
Other	4	-	368	-	-	-	183	(183)	-100%	368
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>383 898</b>	<b>391 758</b>	<b>-</b>	<b>15 464</b>	<b>129 860</b>	<b>292 838</b>	<b>(72 958)</b>	<b>-18%</b>	<b>391 758</b>
<b>Surplus/ (Deficit) for the year</b>		<b>158 945</b>	<b>39 834</b>	<b>-</b>	<b>18 657</b>	<b>68 917</b>	<b>12 958</b>	<b>43 819</b>	<b>370%</b>	<b>39 834</b>

**Table C2: Mid-Year Budget Statement – Financial Performance (standard classification)**

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organizational structures used by the different institutions. The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

**Table C3: Mid-Year Budget Statement – Financial Performance (revenue and expenditure by municipal vote)**

The operating expenditure budget is approved by Council on the municipal vote level.

NC073 Emthanzeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year										
Vote Description	Ref	2024/25	Budget Year 2025/26							
		Actual Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Mayor and Council	1	-	503	-	-	-	304	(304)	-100.0%	609
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Finance Services		25 594	51 210	-	3 933	23 205	30 020	(7 415)	-24.2%	51 243
Vote 4 - Corporate Services		127	461	-	10	71	231	(160)	-69.3%	461
Vote 5 - Community and Social Services		50 026	52 951	-	2 522	37 325	29 450	10 848	41.5%	52 961
Vote 6 - Infrastructure Services		251 556	318 323	-	77 305	130 173	158 181	(27 968)	-17.7%	318 323
Vote 7 - (NAME OF VOTE 7)		-	-	-	-	-	-	-	-	-
Vote 8 - (NAME OF VOTE 8)		-	-	-	-	-	-	-	-	-
Vote 9 - (NAME OF VOTE 9)		-	-	-	-	-	-	-	-	-
Vote 10 - (NAME OF VOTE 10)		-	-	-	-	-	-	-	-	-
Vote 11 - (NAME OF VOTE 11)		-	-	-	-	-	-	-	-	-
Vote 12 - (NAME OF VOTE 12)		-	-	-	-	-	-	-	-	-
Vote 13 - (NAME OF VOTE 13)		-	-	-	-	-	-	-	-	-
Vote 14 - (NAME OF VOTE 14)		-	-	-	-	-	-	-	-	-
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>277 543</b>	<b>431 533</b>	<b>-</b>	<b>51 131</b>	<b>190 777</b>	<b>219 796</b>	<b>(29 019)</b>	<b>-15.6%</b>	<b>431 533</b>
<b>Expenditure by Vote</b>										
Vote 1 - Mayor and Council	1	23 704	22 197	-	308	1 583	12 331	(10 528)	-47.2%	22 197
Vote 2 - Municipal Manager		59	776	-	-	44	328	(343)	-63.2%	776
Vote 3 - Finance Services		78 231	122 346	-	5 618	42 415	61 161	(18 746)	-30.7%	122 346
Vote 4 - Corporate Services		27 315	24 744	-	34	381	12 372	(11 291)	-66.8%	24 744
Vote 5 - Community and Social Services		44 083	58 923	-	(71)	1 329	29 633	(28 012)	-47.5%	58 923
Vote 6 - Infrastructure Services		212 268	162 801	-	9 519	53 555	66 894	(13 029)	-3.5%	162 801
Vote 7 - (NAME OF VOTE 7)		-	-	-	-	-	-	-	-	-
Vote 8 - (NAME OF VOTE 8)		-	-	-	-	-	-	-	-	-
Vote 9 - (NAME OF VOTE 9)		-	-	-	-	-	-	-	-	-
Vote 10 - (NAME OF VOTE 10)		-	-	-	-	-	-	-	-	-
Vote 11 - (NAME OF VOTE 11)		-	-	-	-	-	-	-	-	-
Vote 12 - (NAME OF VOTE 12)		-	-	-	-	-	-	-	-	-
Vote 13 - (NAME OF VOTE 13)		-	-	-	-	-	-	-	-	-
Vote 14 - (NAME OF VOTE 14)		-	-	-	-	-	-	-	-	-
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>345 658</b>	<b>391 758</b>	<b>-</b>	<b>15 464</b>	<b>123 999</b>	<b>207 828</b>	<b>(72 026)</b>	<b>-34.5%</b>	<b>391 758</b>
<b>Surplus / Deficit for the year</b>	<b>2</b>	<b>(158 595)</b>	<b>29 824</b>	<b>-</b>	<b>18 657</b>	<b>66 777</b>	<b>12 958</b>	<b>47 919</b>	<b>329.8%</b>	<b>29 824</b>

**Table C4: Mid-Year Budget Statement – Financial Performance (revenue and expenditure)**

NC073 Emhlanjeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment										
Description	Ref	2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2025/26				Full Year Forecast
						YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		109 654	153 969	-	4 333	48 458	78 984	(30 517)	-40%	153 969
Service charges - Water		20 850	39 839	-	199	6 043	19 922	(13 871)	-70%	39 839
Service charges - Waste Water Management		19 248	12 613	-	1 478	9 882	6 006	2 876	44%	12 613
Service charges - Waste management		10 012	5 318	-	732	4 106	2 659	1 747	68%	5 318
Sale of Goods and Rendering of Services		475	1 582	-	4	325	291	(466)	-58%	1 582
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Reservations		-	9 762	-	2 912	14 291	4 851	9 440	95%	9 762
Interest from Current and Non Current Assets		2 103	4 811	-	50	1 058	2 406	-	-	4 811
Dividends		-	2	-	-	-	1	(1)	-100%	2
Rent on Land		-	-	-	-	-	-	-	-	-
Rent from Fixed Assets		560	429	-	14	181	250	(16)	-28%	429
License and permits		904	1 793	-	-	-	196	(899)	-100%	1 793
Special rating fees		-	-	-	-	-	-	-	-	-
Operational Revenue		128	19	-	23	437	10	427	4426%	19
<b>Non-Exchange Revenue</b>										
Property rates		55 209	89 871	-	3 322	39 834	44 833	(5 102)	-11%	89 871
Surcharges and Taxes		381	-	-	-	-	-	-	-	-
Fines, penalties and bribes		658	3 275	-	-	-	1 038	(1 635)	-37%	3 275
License and permits		1 362	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		67 170	89 588	-	2 541	38 774	34 794	3 979	6958%	89 588
Interest		-	374	-	2 109	11 027	287	10 740	374	374
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
<b>Discontinued Operations</b>										
Total Revenue (excluding capital transfers and contributions)		239 813	292 056	-	23 484	121 729	198 428	(24 839)	-12%	292 056
<b>Expenditure By Type</b>										
Employee related costs		102 426	128 470	-	-	160	64 235	(64 075)	-100%	128 470
Remuneration of councillors		9 667	8 042	-	-	-	3 021	(3 021)	-100%	8 042
Bulk purchases - electricity		110 060	80 000	-	8 817	64 301	43 000	24 361	20 000	80 000
Inventory consumed		12 615	12 656	-	23	6 508	9 389	(3 381)	-	12 656
Depreciation		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		49 541	11 326	-	-	-	5 628	(5 668)	-100%	11 326
Interest		40 542	12 478	-	4 905	26 063	5 239	20 824	297%	12 478
Contracted services		27 489	26 320	-	363	11 425	14 585	(3 480)	-23%	26 320
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Intercurrent debt written off		-	67 239	-	-	-	33 620	(33 620)	-	67 239
Operational costs		36 078	49 218	-	2 161	21 463	25 292	(4 619)	-18%	49 218
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		283 354	291 758	-	15 464	129 908	292 838	(72 938)	-28%	291 758
Surplus/(Deficit)		(89 541)	1 697	-	9 841	41 829	(8 410)	48 239	(9)	1 697
Transfers and subsidies - capital (monetary allocations)		11 332	33 737	-	1 716	18 048	19 368	(320)	(8)	33 737
Transfers and subsidies - capital (in kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(58 018)	39 834	-	18 057	62 877	12 958	-	-	39 834
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(58 018)	39 834	-	18 057	62 877	12 958	-	-	39 834
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(58 018)	39 834	-	18 057	62 877	12 958	-	-	39 834
Share of Surplus/Deficit attributable to Associates		-	-	-	-	-	-	-	-	-
Intra-company/parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(58 018)	39 834	-	18 057	62 877	12 958	-	-	39 834

**Table C5: Mid-Year Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)**

NC073 Emhlangeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment										
Vote Description	Ref	2024/25 Actual Outcomes	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2025/26 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Multi-Year expenditure appropriation</b>										
Vote 1 - Mayor and Council										
Vote 2 - Municipal Manager										
Vote 3 - Finance Services										
Vote 4 - Corporate Services										
Vote 5 - Community and Social Services										
Vote 6 - Infrastructure Services										
Vote 7 - (NAME OF VOTE 7)										
Vote 8 - (NAME OF VOTE 8)										
Vote 9 - (NAME OF VOTE 9)										
Vote 10 - (NAME OF VOTE 10)										
Vote 11 - (NAME OF VOTE 11)										
Vote 12 - (NAME OF VOTE 12)										
Vote 13 - (NAME OF VOTE 13)										
Vote 14 - (NAME OF VOTE 14)										
Vote 15 - (NAME OF VOTE 15)										
<b>Total Capital Multi-year expenditure</b>	<b>4.1</b>									
<b>Single Year expenditure appropriation</b>										
Vote 1 - Mayor and Council		24				142		142	100%	
Vote 2 - Municipal Manager										
Vote 3 - Finance Services		1 063	150			965	100	885	885%	100
Vote 4 - Corporate Services		0				14	20	(7)	-35%	
Vote 5 - Community and Social Services		3 148	1 100				550	(550)	-100%	1 100
Vote 6 - Infrastructure Services		19 887	12 852		1 994	12 100	6 420	5 704	87%	12 852
Vote 7 - (NAME OF VOTE 7)										
Vote 8 - (NAME OF VOTE 8)										
Vote 9 - (NAME OF VOTE 9)										
Vote 10 - (NAME OF VOTE 10)										
Vote 11 - (NAME OF VOTE 11)										
Vote 12 - (NAME OF VOTE 12)										
Vote 13 - (NAME OF VOTE 13)										
Vote 14 - (NAME OF VOTE 14)										
Vote 15 - (NAME OF VOTE 15)										
<b>Total Capital single-year expenditure</b>	<b>4</b>	<b>23 063</b>	<b>14 102</b>		<b>4 968</b>	<b>13 270</b>	<b>7 090</b>	<b>6 974</b>	<b>87%</b>	<b>14 102</b>
<b>Total Capital Expenditure</b>		<b>23 063</b>	<b>14 102</b>		<b>4 968</b>	<b>13 270</b>	<b>7 090</b>	<b>6 974</b>	<b>87%</b>	<b>14 102</b>
<b>Capital Expenditure - Functional Classification</b>										
Governance and administration		1 177	150			1 140	110	1 070	84%	150
Executive and council		24				142		142	100%	
Finance and administration		1 153	150			998	110	878	731%	150
Internal audit										
Community and public safety		3 148	1 100				550	(550)	-100%	1 100
Community and social services										
Sport and recreation		1 240								
Public safety			1 100				550	(550)	-100%	1 100
Housing										
Health										
Economic and environmental services		10								
Planning and development		10								
Road transport										
Environmental protection										
Trading services		83 867	41 910		4 948	19 463	26 355	(1 090)	-5%	41 910
Energy services		20 353	2 052			2 740	1 250	1 420	107%	2 052
Water management		33 421	10 200		4 968	9 353	5 100	4 283	84%	10 200
Waste water management		4 594	28 250			7 338	14 120	(6 783)	-46%	28 250
Waste management										
Other										
<b>Total Capital Expenditure - Functional Classification</b>	<b>5</b>	<b>78 093</b>	<b>42 563</b>		<b>4 968</b>	<b>23 630</b>	<b>21 229</b>	<b>(1 231)</b>	<b>-5%</b>	<b>42 563</b>
<b>Funding</b>										
National Government		54 437	24 715		4 968	9 451	19 219	(931)	-5%	24 715
Provincial Government		0								
City of Municipality										
Transfers and subsidies - capital (municipal subsidies) (Municipal/Provincial Agencies, Home Affairs, Non-profit Institutions, Private Enterprise, Public Corporations, Higher Educ Institutions)										
Transfers recognised - capital		54 437	24 715		4 968	16 652	19 219	(931)	-5%	24 715
Borrowing										
Internally generated funds		13 227	1 848			2 114	1 010	263	15%	1 848
<b>Total Capital Funding</b>		<b>78 093</b>	<b>42 563</b>		<b>4 968</b>	<b>23 630</b>	<b>21 229</b>	<b>(1 231)</b>	<b>-5%</b>	<b>42 563</b>

**Table C6: Mid-year Budget Statement - Financial Position**

NC073 Emthanjani - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>						
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		36 909	75 721	-	67 422	75 721
Trade and other receivables from exchange transactions		67 674	260 276	-	69 130	260 276
Receivables from non-exchange transactions		40 180	189 263	-	76 068	189 263
Current portion of non-current receivables		-	-	-	-	-
Inventory		23 875	23 826	-	23 875	23 826
VAT		251 780	39 185	-	269 305	38 185
Other current assets		-	-	-	750	-
<b>Total current assets</b>		<b>420 419</b>	<b>527 272</b>	<b>-</b>	<b>508 491</b>	<b>527 272</b>
<b>Non current assets</b>						
Investments		47	42	-	47	42
Investment property		8 768	8 768	-	8 768	8 768
Property, plant and equipment		772 065	3 604 302	-	788 388	3 604 302
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		6 834	6 834	-	6 834	6 834
Intangible assets		4 356	167	-	5 306	167
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>792 049</b>	<b>3 620 113</b>	<b>-</b>	<b>509 342</b>	<b>3 620 113</b>
<b>TOTAL ASSETS</b>		<b>1 212 468</b>	<b>4 147 385</b>	<b>-</b>	<b>1 315 834</b>	<b>4 147 385</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Trade liabilities		1 172	(2 434)	-	860	(2 434)
Consumer deposits		3 142	(3 027)	-	3 196	(3 027)
Trade and other payables from exchange transactions		506 176	(675 716)	-	508 559	(675 716)
Trade and other payables from non-exchange transactions		8 237	29 450	-	40 401	29 450
Provision		12 119	-	-	12 119	-
VAT		217 761	(13 178)	-	229 353	(13 178)
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>748 607</b>	<b>664 691</b>	<b>-</b>	<b>794 508</b>	<b>664 691</b>
<b>Non current liabilities</b>						
Financial liabilities		4 659	(5 802)	-	4 559	(5 802)
Provision		122 470	(84 476)	-	122 470	(84 476)
Long term portion of trade payables		11 578	-	-	11 573	-
Other non-current liabilities		25 255	-	-	25 255	-
<b>Total non current liabilities</b>		<b>163 962</b>	<b>(90 278)</b>	<b>-</b>	<b>163 862</b>	<b>(90 278)</b>
<b>TOTAL LIABILITIES</b>		<b>912 569</b>	<b>574 413</b>	<b>-</b>	<b>958 370</b>	<b>574 413</b>
<b>NET ASSETS</b>		<b>299 899</b>	<b>4 902 558</b>	<b>-</b>	<b>357 464</b>	<b>4 902 558</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		310 325	4 902 558	-	371 202	4 902 558
Reserves and funds		2 253	-	-	2 253	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>312 578</b>	<b>4 902 558</b>	<b>-</b>	<b>373 455</b>	<b>4 902 558</b>

# PART 2 – SUPPORTING DOCUMENTATION Section 5

## – Debtors' analysis

### Supporting Table SC3

NC611 Ertanjaneni - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2025/26									Total over 90 Days	Actual Debt Payable (CF) against Debtors	Department - Bar Quality LLA Current Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1 Yr	Total			
<b>Thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Taxes and Other Receipts from Exchange Transactions - Other	1220	2,465	2,477	3,208	2,412	2,821	4,730	23,254	1,26,258	168,858	154,919		
Taxes and Other Receipts from Exchange Transactions - Electricity	1200	4,624	4,622	4,791	4,610	4,542	7,464	53,913	92,228	134,886	122,529		
Receipts from Non-exchange Transactions - Property Rates	1420	4,345	3,374	5,632	3,644	2,624	17,686	42,863	184,273	273,771	252,818		
Receipts from Exchange Transactions - Water Meter Management	1140	1,372	2,453	2,227	3,263	2,228	2,291	14,229	51,428	79,622	72,422		
Receipts from Exchange Transactions - Waste Management	1420	823	1,568	1,241	1,320	1,293	1,252	1,822	13,796	19,698	18,489		
Receipts from Exchange Transactions - Property Rental Debits	1120	11	10	222	11	119	11	1,523	4,422	14,422	13,721		
Transfer from Other Accounts	1120	-	-	-	-	-	-	-	8,234	8,234	1,094		
Receipts from other sources (Transfer of Debt and related receivables)	1620	-	-	-	-	-	-	-	-	-	-		
Other	1200	3424	445	507	144	49	1624	1,229	14,022	12,664	14,022		
<b>Total By Income Source</b>	<b>2080</b>	<b>14,118</b>	<b>13,498</b>	<b>13,961</b>	<b>12,797</b>	<b>12,736</b>	<b>22,713</b>	<b>113,217</b>	<b>428,738</b>	<b>621,368</b>	<b>607,712</b>		
<b>NC623 - Income only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Group of Debt	1220	-	-	-	-	-	-	-	-	-	-		
Commercial	1220	-	-	-	-	-	-	-	-	-	-		
Residential	1220	-	-	-	-	-	-	-	-	-	-		
Other	1220	14,118	13,498	13,961	12,797	12,736	22,713	113,217	428,738	621,368	607,712		
<b>Total By Customer Group</b>	<b>7100</b>	<b>14,118</b>	<b>13,498</b>	<b>13,961</b>	<b>12,797</b>	<b>12,736</b>	<b>22,713</b>	<b>113,217</b>	<b>428,738</b>	<b>621,368</b>	<b>607,712</b>		

## Creditors' analysis

### Supporting Table SC4

NC673 Ertanjaneni - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	NT Code	Budget Year 2025/26									Prior year totals for Grant same period
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Year	Over 1 Year	Total	
<b>Thousands</b>											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0120	-	-	-	-	-	-	-	-	-	-
Bulk Water	0250	-	-	-	-	-	-	-	-	-	-
PAYE debtors	0300	-	-	-	-	-	-	-	-	-	-
AT outputs less rec'd	0400	-	-	-	-	-	-	-	-	-	-
Persons - Reimbursement debtors	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Acctg General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	3,163	12,557	14,528	19,627	21,790	19,677	83,427	352,253	528,154	528,154
Medical Aid debtors	0950	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>3,163</b>	<b>12,557</b>	<b>14,528</b>	<b>19,627</b>	<b>21,790</b>	<b>19,677</b>	<b>83,427</b>	<b>352,253</b>	<b>528,154</b>	<b>528,154</b>



# Allocation and grant receipts and expenditure: - Operating Revenue Framework

IC073 Emhlanjeni - Supporting Table SC6 Monthly Budget Statement - Transfers and grant receipts - Mid-Year Assessment

Description	Ref	2022/23 Approved Outcome	Budget Year 2023/24							Full Year Forecast
			Original Budget	Adjusted Budget	Monthly Actual	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	
<b>REVENUES</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:		1 150	64 541	-	10 490	37 990	38 796	(807)	-1.3%	69 589
ETVP Income		-	1 253	-	-	-	628	(628)	(100.0%)	1 253
Finance Management		1 853	1 000	-	-	-	202	-		1 000
Local Government Equitable Share		-	68 014	-	1 433	17 506	23 252	-		68 014
Municipal Infrastructure Grant		-	573	-	-	-	731	-		573
Other Grants and Loans (from description)		-	-	-	-	-	-	-		-
Provincial Government:		(1 150)	-	-	-	-	-	-		-
National Care, Capacity Building and Other Capacity (Add grant receipt)		(1 150)	-	-	-	-	-	-		-
Other Grants and Loans (from description)		-	-	-	-	-	-	-		-
Capital Municipality (from description)		-	-	-	-	-	-	-		-
Other grant providers (from description)		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>750</b>	<b>64 541</b>	<b>-</b>	<b>10 490</b>	<b>37 990</b>	<b>38 796</b>	<b>(807)</b>	<b>-1.3%</b>	<b>69 589</b>
<b>Capital Transfers and Grants</b>										
National Government:		29 002	28 737	-	12 279	23 278	19 588	(4 501)	-23.7%	28 737
Municipal Infrastructure Grant (MIG)		12 761	12 432	-	(1 424)	643	5 228	(4 501)	(47.2%)	12 432
Energy Efficiency and Demand Side Management Grant		5 000	-	-	-	-	-	-		-
Integrated National Electrification Programme Grant		3 954	-	-	-	-	-	-		-
Water Services Infrastructure Grant		18 067	28 233	-	-	23 429	14 142	-		23 233
Other Grants and Loans (from description)		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	29 000	29 000	-	29 000	100.0%	-
National Care, Capacity Building and Other Capacity Building and O		-	-	-	29 000	29 000	-	29 000	100.0%	-
Other Grants and Loans (from description)		-	-	-	-	-	-	-		-
Capital Municipality (from description)		-	-	-	-	-	-	-		-
Other grant providers (from description)		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	<b>3</b>	<b>29 002</b>	<b>28 737</b>	<b>-</b>	<b>12 279</b>	<b>23 278</b>	<b>19 588</b>	<b>(4 501)</b>	<b>-23.7%</b>	<b>28 737</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>8</b>	<b>43 522</b>	<b>93 278</b>	<b>-</b>	<b>22 769</b>	<b>61 268</b>	<b>58 384</b>	<b>(2 884)</b>	<b>-7.1%</b>	<b>98 326</b>

## Grant expenditure

NC073 Emthamponi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	Budget Year 2025/26									
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year to date actual	Year to date budget	YTD variance	YTD variance %	Full Year forecast	
<b>EXPENDITURE</b>											
<b>Operating expenditure of Transfers and Grants</b>											
National Government:		1 848	3 374	-	91	778	(1 797)	3 363	-143.3%	3 374	
Extended Public Works Programme Invoiced Grant		-	1 212	-	-	-	(1 212)	828	100.0%	1 212	
Local Government Financial Management Grant		1 848	1 840	-	91	778	(962)	1 678	-148.4%	1 848	
Municipal Infrastructure Grant		-	523	-	-	-	(523)	281	100.0%	523	
Local Government Financial Management Grant		-	-	-	-	-	-	-	-	-	
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-	
Other transfers and grants (insert description)		-	-	-	-	-	-	-	-	-	
Provincial Government:		1 014	-	-	-	-	-	-	-	-	
Northern Cape Capacity Building and Other Specific (Add grant description) / Province		-	-	-	-	-	-	-	-	-	
Northern Cape		1 014	-	-	-	-	-	-	-	-	
Other transfers and grants (insert description)		-	-	-	-	-	-	-	-	-	
District Municipality:		-	-	-	-	-	-	-	-	-	
(insert description)		-	-	-	-	-	-	-	-	-	
Other grant providers:		-	-	-	-	-	-	-	-	-	
(insert description)		-	-	-	-	-	-	-	-	-	
<b>Total operating expenditure of Transfers and Grants:</b>		<b>2 862</b>	<b>3 374</b>	<b>-</b>	<b>91</b>	<b>778</b>	<b>(1 797)</b>	<b>2 365</b>	<b>-143.3%</b>	<b>3 374</b>	
<b>Capital expenditure of Transfers and Grants</b>											
National Government:		41 297	38 737	-	-	10 533	(10 360)	29 791	-153.3%	38 737	
Energy Efficiency and Control Side Management Grant		1 924	-	-	-	-	-	-	-	-	
Integrated National Electrification Programme Grant		1 613	-	-	-	-	-	-	-	-	
Municipal Infrastructure Grant		16 760	19 412	-	-	-	(2 652)	3 228	-100.0%	19 412	
Water Services Infrastructure Grant		19 129	18 283	-	-	10 533	(14 142)	26 475	-173.1%	29 215	
Other capital transfers (insert description)		-	-	-	-	-	-	-	-	-	
Provincial Government:		-	-	-	-	-	-	-	-	-	
District Municipality:		-	-	-	-	-	-	-	-	-	
Other grant providers:		-	-	-	-	-	-	-	-	-	
<b>Total capital expenditure of Transfers and Grants</b>		<b>41 297</b>	<b>38 737</b>	<b>-</b>	<b>-</b>	<b>10 533</b>	<b>(10 360)</b>	<b>29 791</b>	<b>-153.3%</b>	<b>38 737</b>	
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>44 159</b>	<b>42 311</b>	<b>-</b>	<b>91</b>	<b>11 116</b>	<b>(20 654)</b>	<b>32 265</b>	<b>-153.3%</b>	<b>42 311</b>	

## Capital Programme performance

NC073 Emthanjani - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

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									
<b>Monthly expenditure performance trend</b>									
July	6 500	3 530	-	1 982	1 982	3 530	1 548	43.9%	5%
August	6 500	3 530	-	15	1 997	7 060	5 063	21.7%	5%
September	6 500	3 530	-	2 714	4 711	10 560	5 849	55.5%	11%
October	6 500	3 530	-	3 554	13 636	14 120	414	3.0%	32%
November	6 500	3 530	-	1 942	15 638	17 650	2 012	11.4%	37%
December	6 500	3 530	-	4 963	20 636	21 180	574	2.7%	49%
January	6 500	3 530	-	-	-	24 710	-	-	-
February	6 500	3 530	-	-	-	28 240	-	-	-
March	6 500	3 530	-	-	-	31 770	-	-	-
April	6 500	3 530	-	-	-	35 300	-	-	-
May	6 500	3 530	-	-	-	38 830	-	-	-
June	6 500	3 530	-	-	-	42 360	-	-	-
<b>Total Capital expenditure</b>	<b>78 000</b>	<b>42 360</b>	<b>-</b>	<b>20 606</b>					

## Municipal manager's quality certificate

I, D H Molaole Municipal Manager of Emthanjeni Municipality hereby certify that the Mid-Year Budget and Performance for the period ending 31 December 2025 has been prepared in accordance with the Municipality Finance Management Act and Regulations made under the Act.

Print Name Humphrey Disang Molaole

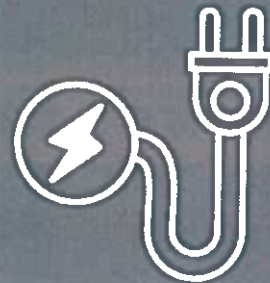
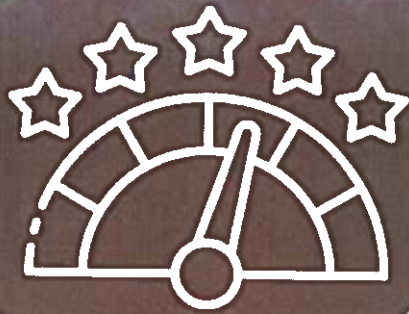
Municipal manager of Emthanjeni (NC073)

Signature

A handwritten signature in black ink, appearing to read 'H. Molaole', written over a faint circular stamp or watermark.

Date 21 01/2026

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# **PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT**

## **DECEMBER 2025**

# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

## 1. SERVICE DELIVERY PERFORMANCE PLANNING

### 1.1 LEGISLATIVE OVERVIEW

In terms of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must in terms of Section 72(1)(b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mayor approved the Top Layer SDBIP for 2025/26 in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation which include the Municipality's key performance indicators for 2025/26.

### 1.2 CREATING A CULTURE OF PERFORMANCE

#### a) Performance Framework

Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "Municipality's Performance Management System entails a framework that describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players. "This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The Municipality adopted a performance management policy that was approved by Council in January 2011.

#### b) Monitoring Performance

The Municipality utilizes an electronic web-based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- ✘ The actual result in terms of the target set
- ✘ The output/outcome of achieving the KPI
- ✘ The calculation of the actual performance reported. (If %)
- ✘ A performance comment
- ✘ Actions to improve the performance against the target set, if the target was not achieved
- ✘ It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated

### 1.3 LINK TO THE IDP AND THE BUDGET

The Municipality identified the following strategic objectives based on the inputs from the community in the 5-year Integrated Development Plan (IDP):

## PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

- ✘ Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties.
- ✘ Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor
- ✘ Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives.
- ✘ Maintaining a financially sustainable and viable Municipality
- ✘ Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality.
- ✘ Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area.
- ✘ Provision of access to all basic services rendered to residents within the available resources.

**a) Performance indicators set in the approved Top Layer SDBIP for 2025/26 per strategic objective**

*Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL25	Review and sign a MOU with the Department of Defence by 30 June 2026 for support with fire brigade services	MOU reviewed and signed by 30 June 2026	All	1	0	0	0	1	1
TL26	Review the disaster management plan that includes contingency plans and submit to Council by 30 June 2026	Disaster management plan reviewed and submitted to Council by 30 June 2026	All	1	0	0	0	1	1
TL28	Submit a business plan to potential funders for the upgrading of the Fire Brigade by 30 June 2026	Business plan submitted by 30 June 2026	All	1	0	0	0	1	1

## PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

*Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL7	Provide free basic services to indigent households as at 30 June 2026	Number of indigent households receiving free basic services as at 30 June 2026	All	2 760	2 700	2 700	2 700	2 700	<b>2 700</b>

*Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL16	The number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2026	Number of people employed (newly appointed)	All	1	0	0	0	3	<b>3</b>
TL17	0.1% of the personnel budget spent on training as per the approved Skills Development Plan by 30 June 2026 [(Actual total training expenditure/total personnel budget)x100]	% of the personnel budget spent on training by 30 June 2026	All	0.10%	0%	0%	0%	0.10%	<b>0.10%</b>
TL18	Limit vacancy rate to 10% of budgeted posts by 30 June 2026 [(Number of funded posts vacant divided by budgeted funded posts)x100]	[(Number of funded posts vacant divided by budgeted funded posts)x100]	All	20%	0%	10%	0%	10%	<b>10%</b>

## PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL21	Review the organogram and submit to Council by 30 June 2026	Reviewed organogram submitted to Council by 30 June 2026	All	1	0	0	0	1	1
TL22	Prepare the revised final IDP and submit to Council to ensure compliance with legislation by 31 May 2026	Final IDP completed to submitted to Council	All	New KPI for 2025/26. No audited comparative available	0	0	0	1	1

### *Maintaining a financially sustainable and viable Municipality*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL9	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2026 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grants)	Debt coverage as at 30 June 2026	All	0%	0%	0%	0%	45%	45%
TL10	Financial viability measured in terms of the outstanding service debtors as at 30 June 2026 (Total outstanding service debtors minus provision for bad debt)/ (revenue received for services)	% of outstanding service debtors as at 30 June 2026	All	0%	0%	0%	0%	45%	45%

**PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING  
DECEMBER 2025**

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL11	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2026 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fix operating expenditure with available cash	All	0	0	0	0	1	<b>1</b>
TL12	Submit the annual financial statements to the Auditor-General by 31 August 2025	Statements submitted to the AG by 31 August 2025	All	1	1	0	0	0	<b>1</b>
TL13	Achievement of a payment percentage of 75% by 30 June 2026 ((Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100)	Payment % achieved	All	68%	75%	75%	75%	75%	<b>75%</b>
TL14	Prepare and submit the adjustments budget to Council by the 28 February 2026	Adjustments budget submitted by 28 February 2026	All	1	0	0	1	0	<b>1</b>
TL15	Prepare and submit the final budget to Council by 31 May 2026	Final budget submitted by 31 May 2026	All	1	0	0	0	1	<b>1</b>

## PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

*Promote representative governance through the sustainable utilization of available resources in  
consultation with the residents of Emthanjeni Municipality*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL1	Develop Risk based audit plan (RBAP) for 2026/27 and submit to the Audit Committee by 30 June 2026	RBAP for 2026/27 submitted to the Audit Committee by 30 June 2026	All	1	0	0	0	1	1
TL2	Submit the Final Annual Report to Council by 31 March 2026	Final Annual Report submitted by 31 March 2026	All	New KPI for 2025/26. No audited comparative available	0	0	1	0	1
TL19	Review the Risk Committee and sent appointment letters to members by 31 March 2026	Risk Committee reviewed and appointment letters sent to members by 31 March 2026	All	1	0	0	1	0	1
TL20	Complete the annual risk assessment and submit to the Risk Committee by 30 June 2026	Risk assessment completed and submitted to the Risk Committee by 30 June 2026	All	0	0	0	0	1	1

*Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL23	Review and submit the Local Economic Development (LED) Strategy to Council by 31 May 2026	Reviewed LED Strategy submitted by 31 May 2026	All	New KPI for 2025/26. No audited comparative available	0	0	0	1	1
TL24	Review and submit the Tourism Strategy to Council by 31 May 2026	Reviewed Tourism Strategy submitted by 31 May 2026	All	New KPI for 2025/26. No audited comparative available	0	0	0	1	1
TL32	Create temporary jobs - FTE's in terms of EPWP by 30 June 2026 (Person days / FTE (230 days))	Number of FTE's created	All	50	0	0	0	20	20

# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

*Provision of access to all basic services rendered to residents within the available resources*

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL3	Number of formal properties that receive piped water that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2026	Number of properties which are billed for water or have pre-paid meters as at 30 June 2026	All	8 508	8 000	8 000	8 000	8 000	<b>8 000</b>
TL4	Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2026	Number of properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June 2026	All	9 712	10 000	10 000	10 000	10 000	<b>10 000</b>
TL5	Number of formal properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2026	Number of properties which are billed for sewerage as at 30 June 2026	All	8 587	7 200	7 200	7 200	7 200	<b>7 200</b>
TL6	Number of formal properties for which refuse is removed once per week and billed for the service as at 30 June 2026	Number of properties which are billed for refuse removal as at 30 June 2026	All	8 348	7 200	7 200	7 200	7 200	<b>7 200</b>
TL8	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2026 {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent by 30 June 2026	All	81.97%	25%	50%	75%	95%	<b>95%</b>

**PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING  
DECEMBER 2025**

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL27	Review the Human Settlement Plan and submit to Council by 30 June 2026	Human Settlement Plan reviewed and submitted to Council by 30 June 2026	All	1	0	0	0	1	1
TL29	Submit a quarterly report to Department of Forestry, Fisheries and the Environment on the upgrading of landfill sites	Number of reports submitted	All	New KPI for 2025/26. No audited comparative available	1	1	1	1	4
TL30	Spend 100% of conditional grants applicable to Community Services by 30 June	% of grant conditional grants spent	All	New KPI for 2025/26. No audited comparative available	25%	50%	75%	100%	100%
TL31	95% of approved budget spent by 30 June 2026 on the procurement of a vehicle for Community Services ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	All	New KPI for 2025/26. No audited comparative available	0%	0%	0%	95%	95%
TL33	Limit unaccounted for water to 17% by 30 June 2026 ((Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / (Number of Kilolitres Water Purchased or Purified) x 100)	% unaccounted water by 30 June 2026	All	28.70%	0%	0%	0%	17%	17%
TL34	Limit % electricity unaccounted for to 10% by 30 June 2026 ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased ) x 100)	% of electricity unaccounted for at 30 June 2026	All	12%	0%	0%	0%	10%	10%

**PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING  
DECEMBER 2025**

Ref	KPI	Unit of Measurement	Ward	Actual Performance of 2024/25	Targets 2025/26				
					Q1	Q2	Q3	Q4	Annual
TL35	Compile maintenance plans for waste water, roads and stormwater and electricity that include weekly, monthly, quarterly and annual actions and submit to Municipal Manager for approval by 30 June 2026	Number of plans submitted to Municipal Manager by 30 June 2026	All	3	0	0	0	3	3
TL36	95% of approved budget spent by 30 June 2026 for the development of 12 boreholes in De Aar (Phase 2) (Northern scheme) {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	All	97%	20%	40%	75%	95%	95%
TL37	95% of approved budget spent by 30 June 2026 on the procurement of vehicles for Infrastructure Services {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	All	New KPI for 2025/26. No audited comparative available	0%	0%	0%	95%	95%
TL38	95% of approved budget spent by 30 June 2026 for the upgrade of Caroluspoort Water Supply (Phase1) {(Actual expenditure divided by the total approved budget) x 100}	% of approved budget spent	All	New KPI for 2025/26. No audited comparative available	20%	40%	75%	95%	95%

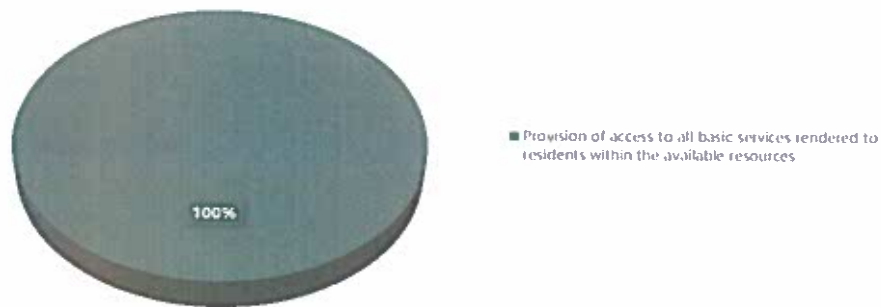
# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

## b) Budget spending per strategic objective

The table below provide an analysis of the budget allocation per strategic objective (Opex excludes internal transfers) for the 2025/26 financial year:

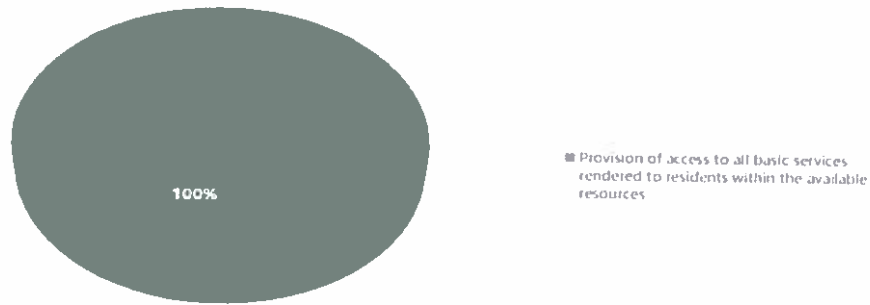
Strategic Objective	Capital Budget	Operational Budget
	R'000	R'000
Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	0	0
Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor	0	0
Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives	0	0
Maintaining a financially sustainable and viable Municipality	0	0
Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality	0	0
Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area	0	0
Provision of access to all basic services rendered to residents within the available resources	42 360	391 800
<b>Total</b>	<b>42 360</b>	<b>391 800</b>

**Budget capital expenditure per strategic objective  
for 2025/26**



# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

## Budget operating expenditure per strategic objective for 2025/26

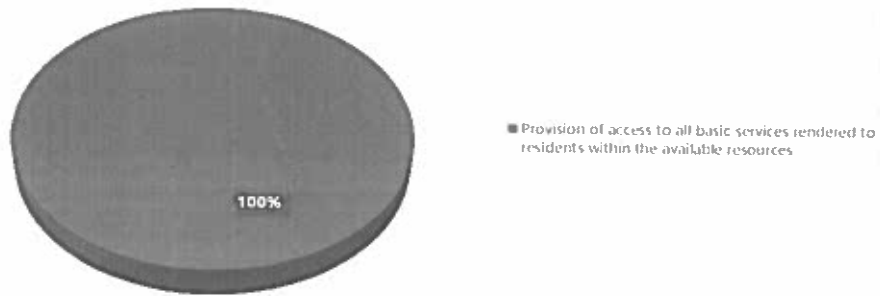


The table below provide an analysis of the actual spending per strategic objective for the mid-year ending 31 December 2025:

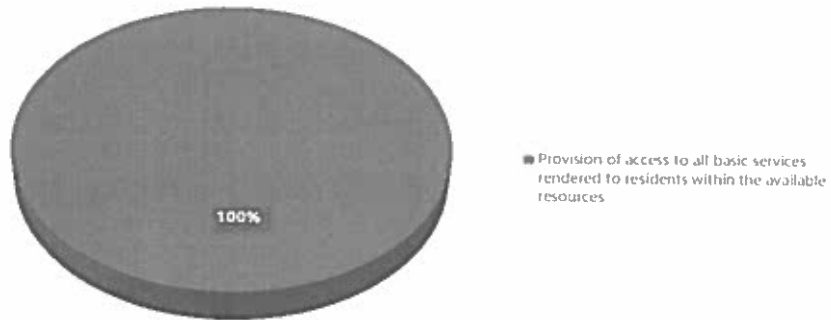
Strategic Objective	Capital expenditure as at 31 December 2025	Operational expenditure as at 31 December 2025
	R'000	R'000
Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	0	0
Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor	0	0
Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives	0	0
Maintaining a financially sustainable and viable Municipality	0	0
Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality	0	0
Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area	0	0
Provision of access to all basic services rendered to residents within the available resources	20 606	43 274
<b>Total</b>	<b>20 606</b>	<b>43 274</b>

# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

## Actual capital expenditure per strategic objective for the mid-year ending December 2025



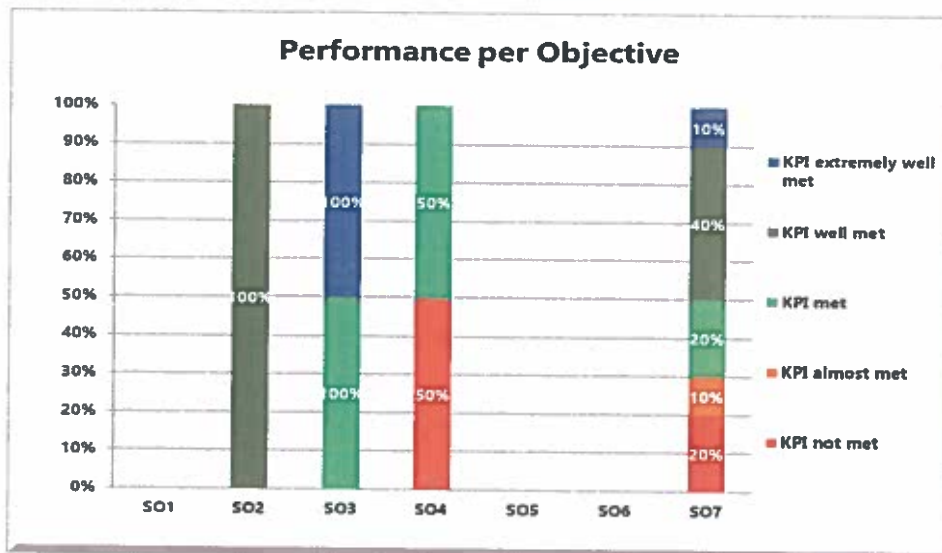
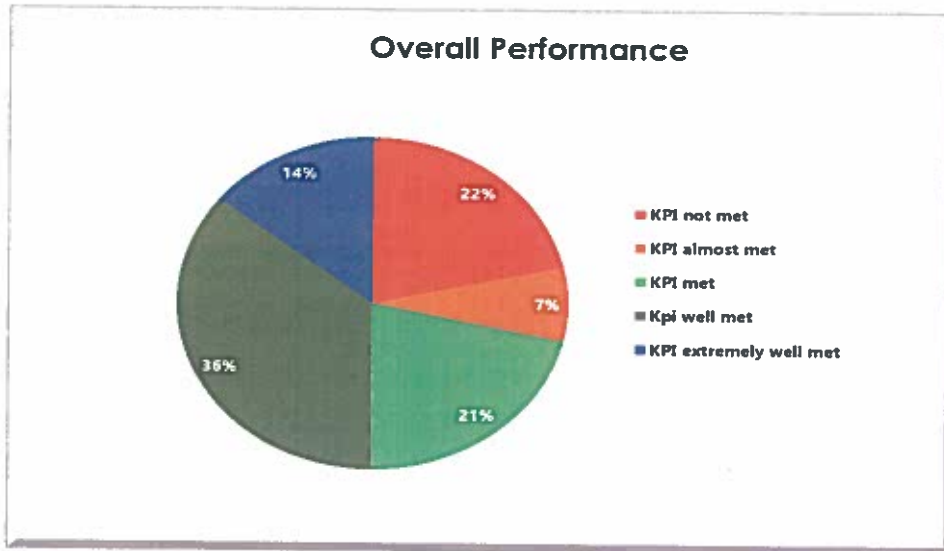
## Actual operating expenditure per strategic objective for the mid-year ending December 2025



# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

## 2. MID-YEAR PERFORMANCE AGAINST THE PERFORMANCE INDICATORS SET IN THE APPROVED TOP LAYER SDBIP FOR 2025/26

### 2.1 OVERALL ACTUAL PERFORMANCE OF APPLICABLE INDICATORS FOR THE MID-YEAR ENDING 31 DECEMBER 2025



## PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

Measurement Category	Applicable Objectives for the Period							Total
	SO1	SO2	SO3	SO4	SO5	SO6	SO7	
	Contribute to the creation of communities where residents and visitors can work, live and play without threat to themselves or their properties	Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor	Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives	Maintaining a financially sustainable and viable Municipality	Promote representative governance through the sustainable utilization of available resources in consultation with the residents of Emthanjeni Municipality	Promote the equitable creation and distribution of wealth in Emthanjeni Municipal area	Provision of access to all basic services rendered to residents within the available resources	
KPI Not Met	0	0	0	1	0	0	2	3
KPI Almost Met	0	0	0	0	0	0	1	1
KPI Met	0	0	0	1	0	0	2	3
KPI Well Met	0	1	0	0	0	0	4	5
KPI Extremely Well Met	0	0	1	0	0	0	1	2
<b>Total</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>14</b>

Category	Colour	Explanation
KPI's Not Met	R	0% >= Actual/Target < 75%
KPI's Almost Met	O	75% >= Actual/Target < 100%
KPI's Met	G	Actual/Target = 100%
KPI's Well Met	G2	100% > Actual/Target < 150%
KPI's Extremely Well Met	B	Actual/Target >= 150%

### **ACTUAL PERFORMANCE PER STRATEGIC OBJECTIVE OF APPLICABLE INDICATORS FOR THE MID-YEAR ENDING 31 DECEMBER 2025**

Detailed below is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2025 which measures the Municipality's overall performance per strategic objective. The tables, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

The Municipality met **71.43% (10 of 14)** of the applicable KPI's for the period as at 31 December 2025. The remainder of the KPI's (**24**) on the Top Layer SDBIP out of the total number of 38 KPI's do not have targets for this period and will be reported on in future quarters when they are due. **28.57% (4 of 14)** KPI targets were not achieved as at 31 December 2025 of which the details are included in the tables on the following pages.

## PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

*Contribute to the development and protection of the rights and needs of all residents with a particular focus on the poor*

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL7	Provide free basic services to indigent households as at 30 June 2026	Number of indigent households receiving free basic services as at 30 June 2026	All	2 760	2 700	2 700	2 700	3 182	G2

*Development and transformation of the institution with the aim of capacitating the municipality in meeting their objectives*

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL18	Limit vacancy rate to 10% of budgeted posts by 30 June 2026 [(Number of funded posts vacant divided by budgeted funded posts)x100]	[(Number of funded posts vacant divided by budgeted funded posts)x100]	All	20%	0.00%	10%	10%	0%	B

*Maintaining a financially sustainable and viable Municipality*

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL12	Submit the annual financial statements to the Auditor-General by 31 August 2025	Statements submitted to the AG by 31 August 2025	All	1	1	0	1	1	G

**PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING  
DECEMBER 2025**

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL13	Achievement of a payment percentage of 75% by 30 June 2026 ((Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100)	Payment % achieved	All	68%	75%	75%	75%	54%	R
<b>Corrective Measure</b>			Enforce the Municipality's Credit Control Policy						

*Provision of access to all basic services rendered to residents within the available resources*

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL3	Number of formal properties that receive piped water that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2026	Number of properties which are billed for water or have pre-paid meters as at 30 June 2026	All	8 508	8 000	8 000	8 000	8 515	G2
TL4	Number of formal properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2026	Number of properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June 2026	All	9 712	10 000	10 000	10 000	9 823	O
<b>Corrective Measure</b>			Check Prepaid Meter listing						

**PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING  
DECEMBER 2025**

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL5	Number of formal properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2026	Number of properties which are billed for sewerage as at 30 June 2026	All	8 587	7 200	7 200	7 200	8 665	G2
TL6	Number of formal properties for which refuse is removed once per week and billed for the service as at 30 June 2026	Number of properties which are billed for refuse removal as at 30 June 2026	All	8 348	7 200	7 200	7 200	8 361	G2
TL8	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2026 ((Actual amount spent on projects /Total amount budgeted for capital projects)X100)	% of capital budget spent by 30 June 2026	All	81.97%	25%	50%	50%	56%	G2
TL29	Submit a quarterly report to Department of Forestries, Fisheries and the Environment on the upgrading of landfill sites	Number of reports submitted	All	New KPI for 2025/26. No audited comparative available	1	1	2	2	G
TL30	Spend 100% of conditional grants applicable to Community Services by 30 June	% of grant conditional grants spent	All	New KPI for 2025/26. No audited comparative available	25%	50%	50%	50%	G

**PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING  
DECEMBER 2025**

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2024/25	Overall performance for the mid-year ending 31 December 2025				
					Q1	Q2	Target	Actual	R
TL36	95% of approved budget spent by 30 June 2026 for the development of 12 boreholes in De Aar (Phase 2) (Northern scheme) ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	All	97%	20%	40%	40%	0%	R
<b>Corrective Measure</b>			Speed up progress on site and complete work on planned dates						
TL37	95% of approved budget spent by 30 June 2026 on the procurement of vehicles for Infrastructure Services ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	All	New KPI for 2025/26. No audited comparative available	0.00%	0.00%	0%	100%	B
TL38	95% of approved budget spent by 30 June 2026 for the upgrade of Caroluspoort Water Supply (Phase1) ((Actual expenditure divided by the total approved budget) x 100)	% of approved budget spent	All	New KPI for 2025/26. No audited comparative available	20%	40%	40%	27%	R
<b>Corrective Measure</b>			Contractor appointed in September. Speed up progress on site and complete work on planned dates						

# PERFORMANCE ANNEXURE TO THE MID-YEAR SECTION 72 REPORT ENDING DECEMBER 2025

## *ADJUSTMENT OF THE TOP LAYER SDBIP FOR 2025/26*

In terms of Section 27(2)(b), when submitting an adjustments budget to the National Treasury and the relevant provincial treasury in terms of Section 28(7) of the MFMA read together with Section 24(3) of the MFMA, the municipal manager must also submit the amended service delivery and budget implementation plan, within ten working days after the council has approved the amended plan in terms of Section 54(1)(c) of the MFMA.

The Top Layer SDBIP will be revised if needed and submitted with the Adjustments Budget to Council with the necessary motivation where key performance indicator targets require amendment as a result of the Adjustments Budget and/or corrections as a result of the audit outcomes of 2024/25.

## *ANNUAL REPORT 2024/25*

The draft Annual Report of the 2024/25 financial year will be tabled in Council within the legislative timeframe.

As prescribed in section 72(1)((a)(iii) of the MFMA the Accounting officer must assess the performance of the municipality in the first 6 months taking into account the past year's Annual Report, and progress on resolving the problems identified in the Annual Report. Council will appoint an Oversight Committee, who will compile an oversight report. This report will include a summary of comments and conclusions on the Annual Report of the municipality for 2024/25.

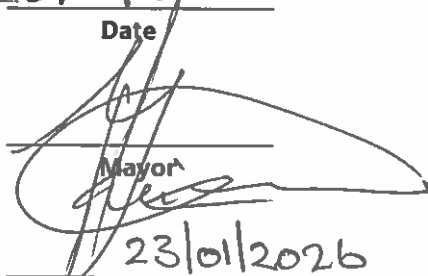
However, to ensure the credibility of the 2024/25 Annual Report and that the information in the report is accurate, reliable and correct, the Performance Report for 2024/25 (Chapters 3 &4 of the Annual Report) was audited by the Auditor-General and the final draft Annual Report was also sent to them for verification. Thus, the final report will be scrutinized for accuracy, reliability and correctness not only by the management team but by the Auditor-General as well.



**Municipal Manager**

23/01/2026

Date



Mayor

23/01/2026

Date