IN-YEAR PERFORMANCE AND FINANCIAL REPORT - QUARTER 1

Author : Lumko Mtimde
Designation : Chief Executive Officer
Date : 06 October 2026
Attachment : In-year financial and non-financial report

□ For noting	1st Level : Senior Management
□ For recommendation	2nd Level : Audit Committee
□ For consideration and approval	3rd Level : Board
□ For recommendation	4th Level : Mayoral Committee
□ For approval	5th Level : Council
□ For verification	6th Level : MPAC

1. PURPOSE

The purpose of this document is to present the state of the Entity's performance, budget versus actual income collected and actual expenditure incurred as of 30 September 2026.

2. LEGISLATIVE PROVISIONS

Municipal Finance Management Act No. 56 of 2003
Municipal Planning & Performance Management Regulations

3. BACKGROUND

The report is prepared in compliance with Section 52 (d) of the Municipal Finance Management Act No. 56 of 2003, which provides that:

The mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality.

In preparation of the Quarterly Performance Assessment Report, the Chief Executive Officer must consider the Section 87 Reports and ensure that reported performance is in line with the Service Delivery and Budget Implementation Plan as approved by the Board in line with Section 53 of the MFMA.

The Report encapsulates the performance of respective departments for the Period: 1 July 2026 to 30 September 2026. In instances where quarterly targets have not been met, reasons for variance are stated and corrective measures are captured. Documentation of areas with positive variances is also a requirement in reporting performance.

4. OVERALL INSTITUTIONAL PERFORMANCE

The organization is responsible for a total of 45 KPIs for quarter one (1), of which all were assessed with 43 achieved and 2 not achieved. All the assessed KPIs contribute to the overall performance level of the combined Multi-year Business Plan and SDBIP Scorecards as reflected in this report. Institutional statistics were as follows:

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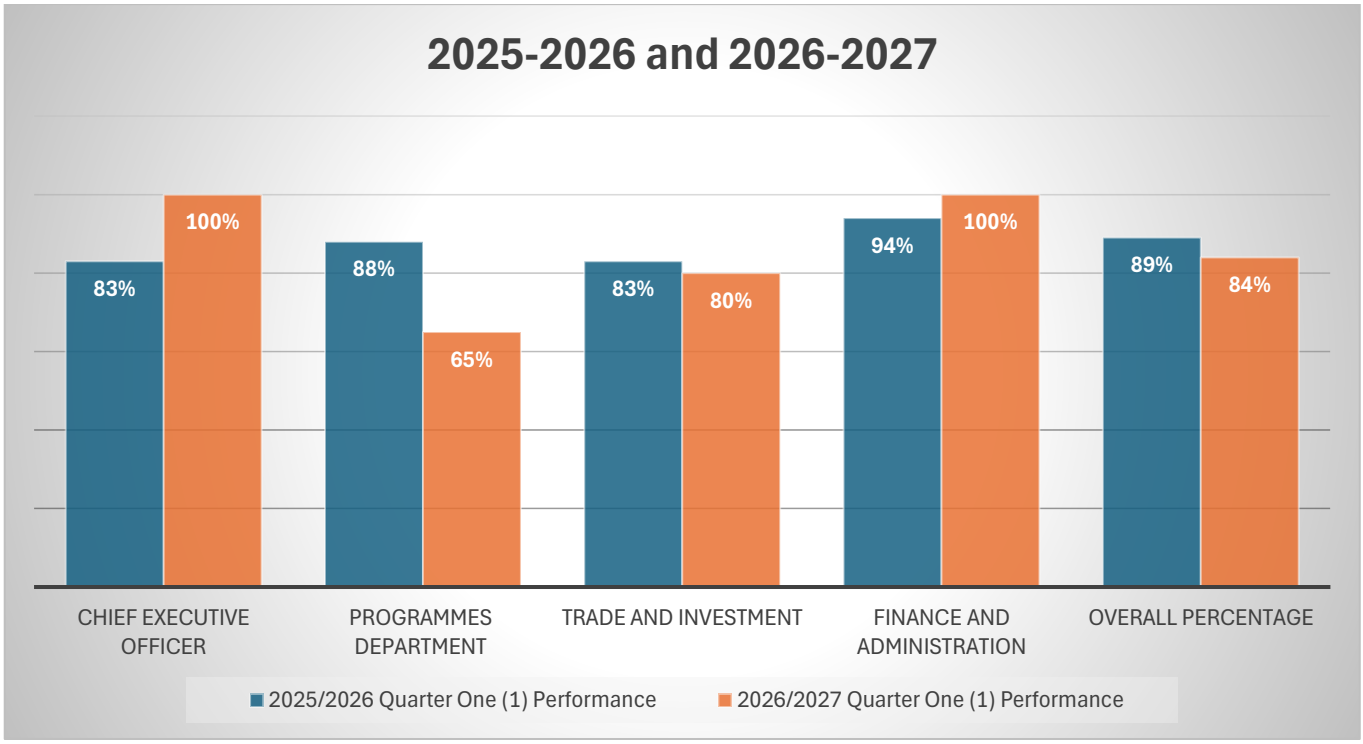
	Targets Not Achieved
	Targets Achieved

ACHIEVED TARGETS VS NOT ACHIEVED BY DEPARTMENT					
Department	**Total No. of targets**	**Achieved**	**Not Achieved**	**Achieved%**	**% Not Achieved**
Programmes	17	11	6	65%	35%
Trade & Investment Promotion	5	4	1	80%	20%
Finance and Administration	17	17	0	100%	0%
Office of the Chief Executive Officer	6	6	0	100%	0%
TOTAL	**45**	**43**	**8**	**84%**	**4%**

2025-2026 and 2026-2027 Performance Comparison

Department	2025/2026 Quarter One (1) Performance			2026/2027 Quarter One (1) Performance			Improved, Maintained or Declined
	Total No. of Targets	% Achieved	% Not Achieved	Total No. of targets	% Achieved	% Not Achieved	Outcome
Chief Executive Officer	**6**	83%	17%	**6**	100%	0%	↑
Programmes Department	**16**	88%	12%	**17**	65%	35%	↓
Trade and Investment	**6**	83%	17%	**5**	80%	20%	↓
Finance and Administration	**17**	94%	6%	**17**	100%	0%	↑
Overall Percentage	**45**	**89%**	**11%**	**45**	**84%**	**4%**	↑

Detailed **Quarter one (1)** Institutional performance comparison for the period 2025/2026 and 2026/2027 is presented below:



5. INSTITUTIONAL FINANCIAL PERFORMANCE AND POSITION

Revenue recognised during the quarter amounted to approximately R268 thousand against a projection of R9.4 million, a shortfall of approximately R9.13 million. This significant under-realisation reflects funding and implementation constraints experienced during the reporting period. The principal revenue shortfall arose in the context of the outstanding finalisation of the Service Delivery Agreement (SDA).

Investment revenue

This relates to interest received on call accounts deposit. The interest received since July 2026 amounted to R218-thousand out of the expected R139-thousand. The variance is attributable to the recent appointment of service providers for the projects, resulting in no project-related expenditure being incurred to date. In addition savings were realised due to vacant positions that remained unfilled.

Operating Revenue

An amount of R0-thousand accrued compared to the annual estimated amount R1.6-million that would be realized on the following: -

- Project management fees R109-thousand
- Savings on last year's projects R1.5-million

The budget includes approximately R1.5 million which is savings from prior-year projects. This amount represents a funding assumption rather than automatically constituting current-year revenue.

Furthermore, the entity has not yet recognized any project management fee revenue because all projects funded through conditional grants remain in progress.

Transfers and subsidies amounted to R50.0-thousand, compared to the projected amount of R7.7-million the variance is attributable to the Service Delivery Agreement (SDA) that is still in the process of being signed as a result, no funds have been received from the parent municipality. The qualifying revenue of R50.0-thousand has been recognized for conditional grants.

Operating expenditure

Total expenditure amounted to approximately R4.8 million against the projected R9.3 million, resulting in underspending of approximately R4.5 million. This variance is not necessarily an efficiency saving: it is substantially linked to delays in recruitment, project implementation, contractual arrangements and grant-funded activities.

Key expenditure highlights:

1. Employee-related costs amounted to R2.8 million against the estimated budget of R3.6-million as projected, giving rise to a variance of R720-thousand. This has been due to the vacancy of the Executive Manager Trade & investment, Human Resources Practitioner and Project Coordinator posts that have not yet been filled. The delay in filling these positions arose from ongoing engagements between the parent municipality and the entity regarding the entity's mandate. Recruitment was strategically deferred pending alignment of the entity's mandate with the shareholder, reengineering and ensure optimal organisational design allocation.
2. Contracted Services - Expenditure is R270 – thousand against the expected budget of R2.2 million. The variance is primarily attributable to the co-funding agreement with CETA for Emfundisweni totaling R2.0 million that has not been paid over due to delays in signing of project charter between ANDA and CETA. Social facilitation services for sweet potato tora root, and coffee plantation, Emfundisweni, training provider for Bank Seta learnership programme, projects have not been appointed, hence no expenditure has been incurred.
3. Operational costs. This line item includes all the other operating expenses like accommodation, telephone, electricity, audit fees, consultants, learnerships and software licenses. An amount of R1.7 million was spent against a projected budget of R3.3 million, resulting in an underspending variance of R1.6 million.

Included in the operational costs' budget are learnership and internship programmes aimed at assisting the unemployed youth of the district to acquire workplace experiential training and skills. Total expenditure since July totals R50.0- thousand against the projected R1.1-million. Variance contributing factors are as follows:

- The delays in receipt of tranche payments from LG SETA affected the projected budget and expenditure from the following projects: Apprenticeship in Plumbing, ARPL plumbing & Bricklaying, Learnership in Environmental practice and LED.
- Services SETA programs both internship and learnership have closed, and the relevant certificates have been issued. The outstanding payments of service providers will be paid during the second quarter.
- Construction SETA-out of 15 learners the internship has recorded 1 dropout due to a learner obtaining employment elsewhere. There were delays in receipt of trench due to unfamiliarity with the invoice management system, and delays in the verification process of invoices subsequently submitted. The program has been internally closed pending the final trench payment from the CETA.
- The expenditure relating to the Industrial park could not materialize due to contract regularization.

Capital Expenditure

The additions were made in respect of laptops amounting to R80 500

Financial Position

The Entity's current assets exceed the current liabilities. The Entity's ability to pay its short-term liabilities is tested by taking the total current assets and dividing them by current liabilities. This test is mainly used to give an idea of the entity's ability to pay back its short-term liabilities using the current assets.

Cash Flow

The Municipality Entity ended the quarter with a positive cash and cash equivalents balance of R10.4-million, however an amount of R2.1-million is for conditional grants leaving the entity with R8.3 million.

6. FINANCIAL IMPLICATIONS

The quarter reflects a material revenue shortfall, delayed municipal transfers and grant

receipts, and project implementation underspending.

7. HR IMPLICATIONS

Vacancies in key posts and limited capacity within implementation departments affect the pace of project delivery and internal oversight. Recruitment remains subject to the institutional mandate-alignment process; interim capacity arrangements and related risks that are closely monitored

8. LEGAL IMPLICATIONS

The report is prepared in compliance with Section 52d read with section 87 of the MFMA. Non-submission of the report to Council may lead to an audit query: Non-compliance with applicable legislation.

9. COMMUNICATION IMPLICATION

The report has to be uploaded to the Entity's website.

10. SERVICE DELIVERY IMPLICATIONS

The Quarter one (1) Budget and Performance Assessment Report is a yardstick to measure achievement of indicators and targets as pre-determined in the SDBIP. As the first report for the financial year, it provides a comprehensive assessment of the extent to which the Entity has achieved its predetermined performance targets and budget objectives. The report also evaluates overall organisational performance, highlights key achievements and challenges encountered during implementation, and identifies areas requiring corrective action to improve service delivery and organisational effectiveness in the ensuing financial year.

11. RECOMMENDATIONS

1. That Quarter 1 Budget and Performance Assessment Report for 2026-2027 FY is **CONSIDERED** and **RECOMMENDED** by the Audit and Performance Committee.
2. That Quarter 1 Budget and Performance Assessment Report for 2026-2027 FY is **NOTED** and **APPROVED** by the Board.
3. That Quarter 1 Budget and Performance Assessment Report for 2026-2027 FY as presented to the Board will be further sent to the Mayoral Committee for **NOTING** and **RECOMMENDATION** to Council.
4. That Quarter 1 Budget and Performance Assessment Report for 2026-2027 FY as presented to the Mayoral Committee will be further sent to Council for **NOTING** and **ADOPTION**.

5. Then, after the presentation of the report to Council, Council deferred Quarter 1 Budget and Performance Assessment Report for 2026-2027 FY report to the Municipal Public Accounts Committee (MPAC) for further scrutiny in line with its oversight responsibility.

SUBMITTED BY:

Report Generator	: Lumko Mtimde
Contact No.	: 039 492 0011
Email address	: mtimdel@anda.org.za
Designation	: Chief Executive Officer
Date	: 06 October 2026

ANDA IN-YEAR PERFORMANCE REPORT-
QUARTER ONE (1) 2026/2027

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PART 01: CHIEF EXECUTIVE OFFICER REPORT

1.1 Link between the budget and service delivery agreement

The extract below is from the Development Agency's Multi – Year Business Plan 2026/2027 (MYBP) and shows the link between the MYBP 2026/2027 and the Service Delivery Agreement (SDA) between ANDM and ANDA.

In conforming to the mandate of the organization as defined in the Service Delivery Agreement (SDA) between the ANDM and ANDA, the Entity is committed to working with Management and the municipality to promote economic development initiatives that aim to better the District and to better the lives of Alfred Nzo inhabitants. As defined in the SDA, the Board has further translated the ANDA mandate into the MYBP 2026/2027 whilst also keeping in mind goals of the shareholder expressed in the Integrated Development Plan (IDP).

The Service Delivery and Budget Implementation Plan 2026/2027 (SDBIP) is developed from the Multi – Year Business Plan and is essentially management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the Agency, thus providing credible management information and a detailed plan for how the Agency will provide such services and the inputs and financial resources to be used.

The Annual Budget in line with the SDBIP 2026/2027 sets the yearly service delivery and budget targets (revenue and expenditure). It is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the CEO must ensure that the budget is built around quarterly and monthly information. Being a start- of-year planning and target tool, the SDBIP 2026/2027 gives meaning to both in-year reporting in terms of section 87 (monthly reporting), section 52d (in-year report), sec 88 (mid-term) and end-of-year annual reports. The in-year reporting is an illustration of the implementation of the budget during the course of the financial year.

1.2 Skills Development, Revenue enhancement strategies and partnerships

The Entity has made significant progress in revenue enhancement and skills development. All Services SETA and FoodBev SETA-funded programmes have been successfully completed, with only two projects still awaiting the payment of final tranches to enable the formal closure of the programmes. These are legacy projects that the entity is actively working to conclude and close out administratively.

The four LGSETA-funded projects remain in implementation. However, the projects have experienced challenges relating to the delayed disbursement of grant tranches, which has contributed to the under-collection of revenue by ANDA. The Entity has received a final tranche for learnership in General Education and Training Certificate which has recently been completed and targeted at learners in Clothing Manufacturing Processes

The partnership with Sunfarming and the establishment of the Agri-voltaic Project in Umzimvubu is progressing but with delays, The service provider completed the initial land survey. ANDA was subsequently advised that the required statutory approvals and planning consents must be obtained before the sub-divisional diagram can be lodged and approved.

Spatial Planning and Land Use Management Act (SPLUMA) applications have been submitted to Department of Land Affairs.

The Alfred Nzo Development Agency and the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism, in partnership with the Department of Trade, Industry and Competition held an Incentives Workshop at Ntabankulu LM, Imvomvo Country Lodge which was meant to provide practical information on government incentives and development-finance products available to qualifying enterprises. The entity has further resumed the process of recruiting social facilitators in preparation for the implementation of coffee, amadumbe and sweet potato commodities which has feasibility studies that have recently been completed. SPLUMA application has been submitted as part of requirements towards acquiring long term lease for the Agri Voltaic (SunFarming) project.

1.3 Overview of Financial Performance

The financial viability of the institution has been identified as organizational and strategic risk. It is worth highlighting that although efforts are underway to forge relations with strategic stakeholders, that should ideally yield revenue enhancement through new investment and through ANDA's existing property profile.

Financial sustainability and clean governance remain one of the critical areas in steering the Entity towards achieving its objectives. A revenue shortfall was experienced during the period under review because of SETA grant transfers that were not realized as planned due to continuous learner dropouts and delays in receipt of tranche payments.

At quarter one (1), the Entity spent R4.8 million compared to the estimated budget of R9.2 million. The underspending is a result of the projects within the Programs Department that have not yet been implemented as the service providers were only recently appointed. Consequently, the expenditure will only be incurred during the second quarter. There are delays on LGSETA receipt of trench affecting the projected budget and expenditure. Two of Services SETA learnership programmes have closed, the certificates were issued and the outstanding payments invoices to service providers will be made during the second quarter after addendums have been approved and tranche paid to the entity. There were delays in the initiation of the BANK SETA projects resulting in no expenditure being incurred in the first quarter, the project is now progressing smoothly, and the first quarter expenditure will be incurred during the second quarter. Despite the shortfalls, Management continues to explore strategies to increase value creation for the benefit of the Alfred Nzo District community.

1.4 Financial risks faced by the agency

The Alfred Nzo Development Agency operates under financial constraints that limit its capacity to fully implement its mandate, with the budget mainly covering operational expenses and leaving little for capital expenditure. It is recognized that there are strides internally to mobilize more funds in the form of grants and related funding

models. Critical financial challenges facing the Development Agency include the following:

- The Agency is exposed to a significant financial risk arising from the District Municipality's inconsistent and discretionary withholding of transfers.
- Non availability of land parcels that are ready for development
- Leveraging the LED opportunities due to limited financial resources to attract investors, which leads to a limited ability to implement and sustain the entity's programmes and projects effectively.
- The packaging and sourcing of funding to implement high impact projects.
- Inability to attract investors.
- The incompleteness of TFC processes has adversely affected our planning.

These challenges expose the Agency to the following Strategic Risks:

- Non – Achievement of strategic objectives like financial viability of the Agency.
- Non–Achievement of annual performance targets translates to non–achievement of strategic objectives.
- Failure to effectively implement the Development Agency's mandate as outlined in the service delivery agreement (SDA) with the parent municipality due to budget constraints.

1.5 Interventions to mitigate challenges

- Foodbev Learnership programme has been completed, and certificates issued. The entity is facilitating the last outstanding payment from the SETA which relates to 3 learners whose payments were omitted during the life of the project.
- CETA has released all the payment tranches that were due
- The delays in releasing LGSETA tranches have been escalated to the national office of the LGSETA for intervention
- Services Seta has made tranche payments for all the projects that have been closed except for 2 projects that have got addendums being facilitated.
- ANDA is intensifying its resource mobilization efforts, funding proposals were

submitted to different funders and as a result BANKSETA has approved funding amounting to R6,804,000 for the implementation of an ICT Computer Technician skills programme targeting 150 unemployed youth within the district.

- The entity through conveyancers is in the process of registering two properties Fort Donald Land and Emfundisweni (Steward) Trading Land under ANDA assets.

1.6 Legal framework

This report is in line with the statutes governing local government.

a) Section 52d read with section 87 of Local Government: Municipal Finance Management Act 56 of 2003, provides that the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to Council on the implementation of the budget and the financial state of the municipality. Additionally, it also provides a monitoring tool for Council on the non-financial indicators which is part of the Service Delivery and Budget Implementation Plan (SDBIP).

b) Local Government: Municipal Planning and Performance Regulations (2001), prescribes that a municipality must develop a performance management system and determine continuous review of performance based on the predetermined objectives. This process encompasses review of Indicators as per set targets in the SDBIP.

c) Alfred Nzo Development Agency is in compliance with the Performance Regulations and adopted its Performance Management System Policy Framework which gives an indication of the approach by the entity towards performance management.

1.7 Executive summary

This report serves to report on the **Quarter one performance** for the **2026/2027** financial year **ending 30 June 2027**. This report details the actual performance and variances of the Agency's Key Performance Areas in SDBIP. In the case of under-performance, this

report demonstrates mitigations and solutions that will address the challenges that led to under-performance.

The overall institutional performance score for the **first quarter of the 2026/2027 financial year**, ending **30 June 2027,** is **96%**. This represents a **great improvement** compared to the **84%** achieved in the previous fourth quarter of the financial **year**.

PART 2: OVERALL PERFORMANCE

Section 52 (d) of the Municipal Finance Management Act (MFMA), Act 56 of 2003 states that the mayor of the municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality. Once approved, the report should be placed on the municipal website as stated in section 75 (1) (k) of the MFMA. ANDA is funded by ANDM which is a sole shareholder and a parent Municipality to the Entity. This report aims to facilitate reporting and accountability in relation to municipal funding transferred to the Development Agency for service delivery implementation.

This section provides an outline in terms of the Entity's Quarter One performance for 2026/2027 in line with the SDBIP 2026/2027 targets and in relation to the various directorates of the Entity:

1) Office Of the Chief Executive Officer (OCEO)
2) Programmes Department (PD)
3) Trade and Investment Promotion
4) Finance and Administration

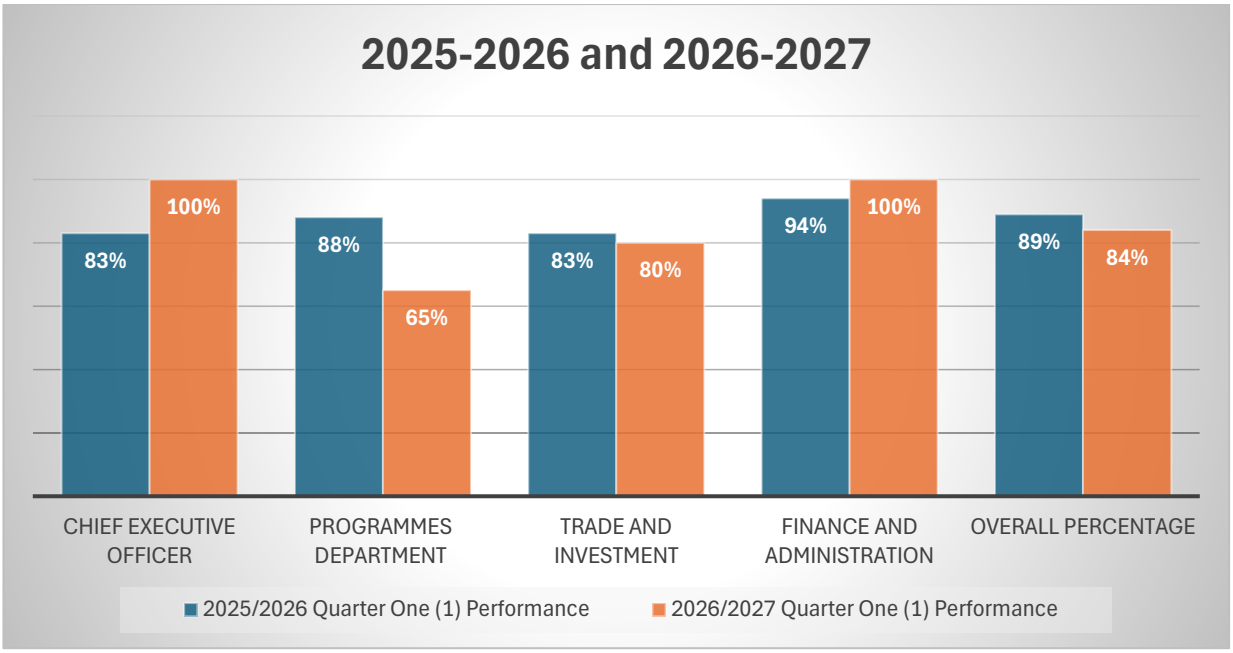
2.1 Achieved Targets vs. Not Achieved

ACHIEVED TARGETS VS NOT ACHIEVED BY DEPARTMENT					
Department	**Total No. of targets**	**Achieved**	**Not Achieved**	**Achieved%**	**% Not Achieved**
Programmes	17	11	6	65%	35%
Trade & Investment Promotion	5	4	1	80%	20%
Finance and Administration	17	17	0	100%	0%
Office of the Chief Executive Officer	6	6	0	100%	0%
TOTAL	**45**	**43**	**2**	**84%**	**4%**

Performance Comparison of 2025/2026 VS 2026/2027 Quarter One (1):

Department	**2025/2026 Quarter One (1) Performance**			**2026/2027 Quarter One (1) Performance**			**Improved, Maintained or Declined**
	Total No. of Targets	% Achieved	% Not Achieved	Total No. of targets	% Achieved	% Not Achieved	**Outcome**
Chief Executive Officer	**6**	83%	17%	**6**	100%	0%	
Programmes Department	**16**	88%	12%	**17**	65%	35%	
Trade and Investment	**6**	83%	17%	**5**	80%	20%	
Finance and Administration	**17**	94%	6%	**17**	100%	0%	
Overall Percentage	**45**	**89%**	**11%**	**45**	**84%**	**4%**	

2.1.1 Graphical representation of comparison performance for 2025/2026 & 2026/2027 Quarter One (1):



2.2. SUMMARY OF PERFORMANCE ACHIEVEMENTS PER DIRECTORATE

2.2.1. Directorate: Programmes

PROGRAMMES DEPARTMENT					
ACHIEVED TARGETS VS NOT ACHIEVED BY PROJECT					
Project Name	**Total No. of targets**	**Achieved**	**Not Achieved**	**% Achieved**	**% Not Achieved**
Coffee Plantation	1	0	1	0	100
Amadumbe and Sweet Potato commodity development	1	0	1	0	100
Livestock Improvement	1	1	0	100	0
Fresh Produce Industry Development	1	0	1	0	100
Property and Facility Management	1	1	0	100	0
Aloe Value Addition	1	1	0	100	0

Emfundisweni Skills Development Centre: Business Support	1	0	1	0	100
SETA Accreditation	1	0	1	0	100
Enterprise Development	1	1	0	100	0
LGSETA: Learnership Programme Local Economic Development	1	1	0	100	0
LGSETA : Learnership Programme environmental practice	1	1	0	100	0
LGSETA: Artisan Recognition of Prior Learning(ARPL) on Plumbing	1	1	0	100	0
LGSETA: Artisan Recognition of Prior Learning(ARPL) Programme (bricklaying)	1	1	0	100	0
LGSETA: Apprenticeship Programme (Plumbing)	1	1	0	100	0
Bank SETA : Leanership programme- Computer Technician	1	0	1	0	100
Services Seta- Project Management	1	1	0	100	0
Services Seta Generic Management	1	1	0	100	0
Total	**17**	**16**	**1**	**71%**	**29%**

Directorate Overview, Challenges and Successes

- The Programmes Department is a very crucial but under-resourced department in terms of the staff complement as it has only 3 Employees.
- During the period under review, the Programmes Department had a total of 17 targets, 12 targets were achieved successfully whilst only 6 targets were not achieved
- ANDA has successfully issued 29 Statement of Results (SORs) for learners that took part in the generic Management funded by Service SETA
- The Entity successfully completed the LGSETA-funded (ARPL) – Plumbing Programme, benefiting 38 employees from the (ANDM) Water Services Section, culminating in the successful graduation of the beneficiaries.
- The DBSA, appointed as the Implementing Agent for the Emfundisweni Skills Development and Resource Centre Revitalisation Project, has successfully undertaken a condition assessment of the Centre. This marks a significant breakthrough towards the implementation of this strategic initiative. The assessment

report will provide the technical basis for determining the required refurbishment interventions and will facilitate the finalisation and signing of the Project Charter.

- The entity has hosted a successful District incentive workshop at for enterprises, providing platform for the SMMEs to have direct engagement with the funders.

The reasons for not achieving 100% in quarter first (1) are as follows:

Project Name	Challenges/Reason for Variance	Corrective Action
Fresh Produce Industry Development	The appointment of a service provider to develop the business plan could not proceed following a request from ECDC, the co-founder of the programme, to place the project on hold and instead focus on strengthening the existing business plan, starting with the Matatiele Fresh Produce Market. In this regard, two engagement meetings were held during the first quarter to discuss the proposed approach and way forward.	Continue engagements with ECDC and fast-track the review and strengthening of the existing business plans, commencing with the Matatiele Fresh Produce Market Business Plan, to facilitate the progression of the project towards implementation.
Coffee Plantation	Service Provider has not been appointed due to the delays encountered with the sitting of BAC to conduct adjudication	Service provider to conduct social facilitation will be appointed in Q2 of 2026_2027 financial year.

Amadumbe and Sweet potato commodity development	Service Provider has not been appointed due to the delays encountered with the sitting of BAC to conduct adjudication	Service provider to conduct social facilitation will be appointed in Q2 of 2026_2027 financial year.
Emfundisweni Skills Development Centre	Service Provider has not been appointed due to the delays encountered with the sitting of BAC to conduct adjudication	Service provider to conduct social facilitation will be appointed in Q2 of 2026_2027 financial year.
SETA/QCTO Accreditation	Service Provider has not been appointed due to the delays encountered with the sitting of BAC to conduct adjudication	Service provider to Facilitate 5 QCTO accreditations and training manuals will be appointed in Q2 of 2026_2027 financial year 2. Service Provider to develop 3x training manuals will be appointed during Q2 of 2026_2027 financial year
Bank SETA : Leanership programme- Computer Technician	Service Provider has not been appointed due to the delays encountered for the sitting of BAC to conduct adjudication	Service provider to conduct training for Bank Seta learnership programme will be appointed in Q2 of 2026_2027 financial year.

2.2.2. Directorate: Trade and Investment

TRADE & INVESTMENT					
ACHIEVED TARGETS VS NOT ACHIEVED BY PROJECT					
Project Name	**Total No. of targets**	**Achieved**	**Not Achieved**	**% Achieved**	**% Not Achieved**
Macadamia Nuts Plantation	1	1	0	100	0

Agri-Voltaic - Sun farming	1	1	0	100	0
Alfred Nzo Industrial Park	1	0	1	0	100
Resource Mobilization	1	1	0	100	0
Partnerships	1	1	0	100	0
Total	**5**	**4**	**1**	**80%**	**20%**

Departmental Overview, Challenges and Successes

- The department operates with only one personnel.
- During the period under review, the Trade and Investment Promotion Department had a total of four (4) targets; one (1) target was not achieved.
- Funding proposals have been submitted to Services Seta and LGSETA for various skills development programmes
- The entity has secured R6 804 000 from Bankseta for implementation of ICT skills programme and is currently working towards the signing of MOA and commencement of the project.

The reasons for not achieving 100% in quarter one (1) are as follows:

Project Name	Challenges/Reason for Variance	Service Delivery implications	Corrective Action
Industrial Park	.		

2.2.3. Directorate: Finance and Admin

FINANCE AND ADMIN ACHIEVED TARGETS VS NOT ACHIEVED BY PROJECT					
Project Name	**Total No. of targets**	**Achieved**	**Not Achieved**	**% Achieved**	**% Not Achieved**
Procurement	1	1	0	100%	0%
Asset Management	1	1	0	100%	0%
Fleet Management	1	1	0	100%	0%

Budget & Reporting	1	1	0	100%	0%
Improved Audit Opinion	1	1	0	100%	0%
Elimination Irregular Expenditure Project	1	1	0	100%	0%
Policy Development	1	1	0	100%	0%
Payroll Management	1	1	0	100%	0%
Staff Establishment Review	1	1	0	100%	0%
Skills Development	1	1	0	100%	0%
ICT Management	1	1	0	100%	0%
Records Management	1	1	0	100%	0%
Individual Performance Management	1	1	0	100%	0%
Cleaning Goods & Services	1	1	0	100%	0%
Recruitment and selection	1	1	0	100%	0%
Occupational Health and Safety	1	1	0	100%	0%
Total	**17**	**17**	**0**	**100%**	**0%**

Directorate Overview, Challenges and Successes

- The Finance and Admin Department had an overall of 17 targets at quarter one (1) for the 2026/2027 financial year
- All 17 targets were achieved successfully.

The reasons for variance for the actual expenditure in the Q1 are as follows:

Project Name	Challenges/Reason for Variance	Corrective Action
Improved audit Report	The projected expenditure relates to audit fee, and the actual expenditure is six percent lower than projected	N/a

Payroll Management	The expenditure for the first quarter was lower than projected due to vacancies for Executive Manager Trade and Investment, Human Resource Practitioner and Trade and Investment coordinator	N/a
Skills Development	Skills Development/Training expenditure was lower than budgeted during the reporting period. Targeted CPMD programs are scheduled to commence in February 2027. Therefore, the expenditure is expected to be incurred during the third quarter of the financial year	Training has been budgeted for in 2026/2027 financial year
Cleaning goods and services	The procurement process for cleaning materials is underway. Therefore, expenditure is expected to be incurred during the second quarter of the financial year. The cleaning services were paid and updated.	N/a
Recruitment selection	Due to ongoing engagement between the parent municipality and the Entity regarding the alignment of the entity's mandate, the recruitment process could not be fully implemented. Only one post was advertised as the incumbent contract was due to	Alignment of the entity's mandate with the shareholders expectations and strategic priorities. Interim Board has been appointed, and strategic planning/re-engineering will be pursued, thus providing organizational certainty.

	expire in July. The recruitment of the remaining four positions were placed on hold pending the finalisation of the entity's mandate.	

2.2.4. Directorate: Office of the CEO

OFFICE OF THE CEO					
ACHIEVED VS NOT ACHIEVED					
Project name	**Total No. of Targets**	**Achieved**	**Not Achieved**	**% Achieved**	**% Not achieved**
100% Good Governance Compliance	1	1	0	100%	0%
Communications Project	1	1	0	100%	0%
Institutional Performance Management	1	1	0	100%	0%
Internal Audit	1	1	0	100%	0%
Risk Management	1	1	0	100%	0%
Legal Services	1	1	0	100%	0%
TOTAL	**6**	**6**	**0**	**100%**	**0%**

Directorate Overview, Challenges and Successes

- The OCEO had an overall of 06 targets in Quarter One (1) for the 2026/2027

financial year.

- All the 06 targets were successfully achieved.
- The OCEO is also facing challenges with the functionality of the Risk Management Committee (RMC) due to the fact that the Parent Municipality (ANDM) had not yet appointed a new RMC Chairperson by the end of the quarter. In the meantime the risk management steering committee continues to operate.

The reasons for variance for the actual expenditure in the Q1 are as follows:

Project Name	Challenges/Reason for Varcciance	Corrective Action
100% Good Governance Compliance	The reason for underspending was due to the resignation of 5 Board members which resulted in not holding an annual Strategic Planning Session.	The new Board of Directors will be appointed by the Shareholder to fill the vacancies. The Shareholder has appointed an Interim Board Directors composed of the Municipal Managers in the District.

PART 3 – QUARTERLY BUDGET STATEMENT

Introduction

This financial report aims to provide a regular update on indicators critical to the Entity's viability and serve as an early warning indicator where remedial action is required.

The consolidated report is a high-level overview of the Entity's financial viability and sustainability.
This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

Section 87 (11) to (14) of the MFMA 56 of 2003 states that the accounting officer of the municipal entity must not later than seven working days after the end of each month submit to the accounting officer of the parent municipality **a statement in the prescribed format** on the state of the entity'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
d) Actual capital expenditure
e) The amount of any allocations received
f) Actual expenditure on those allocations excluding expenditure on allocations exempted by the annual revenue act from compliance with this paragraph, and
g) When necessary, an explanation of:
    (i) Any material variances from the entity's projected revenue by source and from the entity's expenditure projects
    (ii) Any material variance from the service delivery agreement and the business plan, and
    (iii) Any remedial or corrective steps taken or to be taken to ensure that projects revenue and expenditure remains within the entity's approved budget.

The statement must include -

1. Projections of the Entity's revenue and expenditure for the rest of the financial year, and any revisions from initial projections;
2. The amounts reflected in the statement must in each case be compared with corresponding amounts budgeted for in the entity's approved budget.

This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognised by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is received or made.

This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the Entity's current financial position.

Financial performance

OPERATING REVENUE

In the statement of financial performance, revenue accrued is R268 thousand out of the projected R9.4-million giving rise to an unfavorable variance of R9.2-million.

The variance is primarily attributable to the Service Delivery Agreement (SDA) that is still in the process of being signed as a result no funds were received from the parent municipality

Operational revenue

An amount of R0-thousand accrued compared to the annual estimated amount of R1.6 million that would be realized on the following: -

- Project management fees R109-thousand
- Savings on last year's projects R1.5-million

It should be noted that the savings from last year's projects represent the rollover projects that were not implemented in the previous financial year and were carried over to the current financial year as well as the savings from the vacant post.

Furthermore, the entity has not yet recognized any project management fee revenue

because all projects funded through conditional grants remain in progress.

Investment Revenue

The interest received since July 2026 amounted to R218-thousand out of the expected R139-thousand. The variance is attributable to the recent appointment of service providers for the projects, resulting in no project-related expenditure being incurred to date. In addition, savings were realised due to vacant positions that remained unfilled.

Transfers and subsidies

Transfers and subsidies amounted to R50.0-thousand, compared to the projected amount of R7.7-million. The variance is attributable to the Service Delivery Agreement (SDA) that is still in the process of being signed as a result, no funds have been received from the parent municipality. The qualifying revenue of R50.0-thousand has been recognised for conditional grants.

OPERATING EXPENDITURE

On operating expenditure, R4.8-million was spent against the estimated budget of R9.3-million giving rise to a positive variance of more than R4.5-million.

Employee Costs

R2.8 million has been spent to date on employee-related costs against the estimated budget of R3.6-million as projected, giving rise to a favorable variance of R720-thousand. The reason for the variance is attributable to the vacant positions for Executive Manager Trade and Investment, Human Resource Practitioner and Project Coordinator. The delays in advertising the posts are due to ongoing engagement with the parent municipality regarding the re-engineering of the entity. Once these engagements have been concluded, vacant positions will be advertised. Recruitment was strategically deferred pending alignment of the entity’s mandate with the shareholder to ensure optimal organisational design allocation

Board member allowance

The amount spent since August amounted to R0-thousand, as compared to expected estimated expenditure of R180-thousand, giving rise to a favorable variance of R180-thousand. The Entity is currently operating under an interim Board composed of Municipal Managers from within the District Municipality following the resignation of Board members in June.

Contracted Services

Expenditure is R270 – thousand against the expected budget of R2.3 – million giving rise to a favorable balance of R2.0-million.

Operational Costs

This line item includes all the other operating expenses like accommodation, telephone, electricity, audit fees, contracted services, consultants, learnerships and software licenses. An amount of R1.7-million was spent against a projected budget of R3.3 million, resulting in an underspending variance of R1.6million.

Included in the operational costs' budget are learnership and internship programmes aimed at assisting the unemployed youth of the district to acquire workplace experiential training and skills.

Entity incurred expenditure of R780-rands relating to Bank SETA grant and R49-thousand for Services SETA Grant. No other expenditure was incurred in respect of other SETAs

- The delays in receipt of tranche payments from LG SETA affected the projected budget and expenditure from the following projects.
- Services SETA programmes both internship and learnership have closed, and the relevant certificates have been issued. The outstanding payments of service providers will be paid during the second quarter.
- Construction SETA-out of 15 learners the internship has recorded 1 dropout due to a learner obtaining employment elsewhere. The last trench has been received, and the outstanding payments of service providers will be paid in the second quarter
- BanksSeta – learnership programmes has not started at the targeted time

Project	Initial No. of learners	Current No. of learners	Reasons for underspending
Learnership (Generic Management)	40	29	Last tranche couldn't be realised due to the delays in signing of addendum
LGSETA(ARPL, Apprenticeship and learnerships)	151	75	Receipt of the ARPL and learnership payments is delayed pending the approval of addendum.
Service Seta-Project Management	60	35	Receipt of the last payment is delayed pending the approval of addendum.
BankSeta	150	150	The training has not yet started due to the delays encountered in the appointment of training provider.

Capital Expenditure

The additions were made in respect of two laptops amounting to R80 500.

Financial Position

The municipality's current assets exceed the current liabilities. The municipality's ability to pay its short-term liabilities is tested by taking the total current assets and dividing them by current liabilities. This test is mainly used to give an idea of the entity's ability to pay back its short-term liabilities using the current assets.

Cash Flows

The Municipality Entity ended the quarter with a positive cash and cash equivalents balance of R10.4-million, of this amount R2.1-million relates to conditional grants, leaving R8.3 million available for the entity's operations

Table F1: Monthly Budget Statement Summary

The table below reflects on the summary of the total municipality's budget against year-to-date collections and expenditures.

Alfred Nzo Development Agency - Table F1 Monthly Budget Statement Summary - M03 - September

Description	2025/26	Budget Year 2026/27							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	706	557	–	64	218	139	0	57%	557
Transfers recognised - operational	26 738	30 922	–	48	50	7 731	(8)	-99%	30 922
Other own revenue	355	6 313	–	–	–	1 578	(2)	-100%	6 313
Total Revenue (excluding capital transfers and contributions)	**27 799**	**37 793**	**–**	**112**	**268**	**9 448**	**(9 180)**	**(0)**	**37 793**
Employee costs	12 243	14 249	–	854	2 842	3 562	(720)	(0)	14 249
Remuneration of Board Members	–	–	–	–	–	–	–		–
Depreciation and asset impairment	362	389	–	21	32	97	(65)	(0)	389
Interest	–	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	50	49	–	–	1	12	(11)	(0)	49
Transfers and grants	–	–	–	–	–	–	–		–
Other expenditure	13 211	22 389	–	643	1 939	5 597	(3 658)	(0)	22 389
Total Expenditure	**25 867**	**37 076**	**–**	**1 519**	**4 814**	**9 269**	**(4 455)**	**(0)**	**37 076**
Surplus/(Deficit)	**1 932**	**717**	**–**	**(1 407)**	**(4 546)**	**179**	**(4 725)**	**(0)**	**717**
Transfers and subsidies - capital (monetary	**4**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Transfers and subsidies - capital (in-kind)	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Surplus/(Deficit) after capital transfers & contributions	**1 936**	**717**	**–**	**(1 407)**	**(4 546)**	**179**	**(4 725)**	**(0)**	**717**
Income Tax	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Surplus/ (Deficit) for the year	**1 936**	**717**	**–**	**(1 407)**	**(4 546)**	**179**	**(4 725)**	**(0)**	**717**
Capital expenditure & funds sources									
Capital expenditure	–	–	–	–	–	–	–		–
Transfers recognised - capital	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	139	–	–	–	–	–	–		–
Total sources of capital funds	139	–	–	–	–	–	–		–
Financial position									
Total current assets	22 389	19 410	–		18 698				19 410
Total non current assets	1 699	1 005	–		1 667				1 005
Total current liabilities	2 042	2 582	–		(78)				2 582
Total non current liabilities	–	–	–		–				–
Community wealth/Equity	**12 489**	**12 535**	**–**		**7 849**				**12 535**

Table F2: Monthly Financial Performance (Revenue and Expenditure)

Alfred Nzo Development Agency - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue	1									
Exchange Revenue										
Sale of Goods and Rendering of Services		52	–	–	–	–	–	–		–
Interest earned from Current and Non Current Assets		706	557	–	64	218	139	79	57%	557
Operational Revenue		0	6 313	–	–	–	1 578	(1 578)	-100%	6 313
Non-Exchange Revenue										
Transfer and subsidies - Operational		26 738	30 922	–	48	50	7 731	(7 681)	-99%	30 922
Gains on disposal of Assets		4	–	–	–	–	–	–		–
Other Gains		300	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**27 799**	**37 793**	**–**	**112**	**268**	**9 448**	**(9 180)**	**-97.2%**	**37 793**
Expenditure By Type										
Employee related costs		12 243	14 249	–	854	2 842	3 562	(720)	-20%	14 249
Inventory consumed		50	49	–	–	1	12	(11)	-93%	49
Depreciation and asset impairment	2	362	389	–	21	32	97	(65)	-67%	389
Contracted services		4 098	9 132	–	51	270	2 283	(2 013)	-88%	9 132
Operational costs		8 855	13 257	–	592	1 669	3 314	(1 645)	-50%	13 257
Losses on disposal of Assets		10	–	–	–	–	–	–		–
Other Losses		249	–	–	–	–	–	–		–
Total Expenditure	3	**25 867**	**37 076**	**–**	**1 519**	**4 814**	**9 269**	**(4 455)**	**-48.1%**	**37 076**
Surplus/(Deficit)		**1 932**	**717**	**–**	**(1 407)**	**(4 546)**	**179**	**(4 725)**	**-2637.4%**	**717**
Transfers and subsidies - capital (monetary allocations)		4	–	–	–	–	–	–		–
Surplus/(Deficit) before taxation		1 936	717	–	(1 407)	(4 546)	179	**(4 725)**	**-2637.4%**	717
Surplus/(Deficit) for the year		**1 936**	**717**	**–**	**(1 407)**	**(4 546)**	**179**	**(4 725)**		**717**

Table F3: Capital Expenditure

The table below reflects capital expenditure since July 2026.

The additions were made in respect of laptops amounting to R80 500.

Alfred Nzo Development Agency - Table F3 Monthly Budget Statement - Capital Expenditure - M03 - September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands	1	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD variance	YTD %	Full Year
Capital expenditure by Asset Class/Sub-class										
Furniture and Office Equipment		**139**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Furniture and Office Equipment		139	–	–	–	–	–	–		–
Total Capital Expenditure	1	**139**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Funded by:										
Transfers recognised - capital		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Internally generated funds		139	–	–	–	–	–	–		–
Total Capital Funding	4	**139**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Table F4: Statement of Financial Position

Alfred Nzo Development Agency - Table F4 Monthly Budget Statement - Financial Position - M03 - Septembe

Vote Description	Ref	2025/26	Budget Year 2026/27			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents		14 659	11 693	–	10 836	11 693
Trade and other receivables from exchange transactions		(0)	1 377	–	(381)	1 377
Receivables from non-exchange transactions		634	230	–	634	230
Inventory		(0)	–	–	–	–
VAT		7 095	4 006	–	7 608	4 006
Other current assets		0	2 104	–	0	2 104
Total current assets		**22 389**	**19 410**	**–**	**18 698**	**19 410**
Non current assets						
Investment property		327	285	–	327	285
Property, plant and equipment		1 372	719	–	1 340	719
Intangible assets		(0)	83	–	0	83
Total non current assets		**1 699**	**1 005**	**–**	**1 667**	**1 005**
TOTAL ASSETS		**24 088**	**20 415**	**–**	**20 365**	**20 415**
LIABILITIES						
Current liabilities						
Trade and other payables from exchange transactions		108	1 044	–	(2 808)	1 044
Trade and other payables from non-exchange transactions		1 935	1 538	–	2 730	1 538
Provision		1 006	515	–	1 006	515
VAT		7 226	4 866	–	10 170	4 866
Total current liabilities		**2 042**	**2 582**	**–**	**(78)**	**2 582**
Non current liabilities						
Total non current liabilities		**–**	**–**	**–**	**–**	**–**
TOTAL LIABILITIES		**2 042**	**2 582**	**–**	**(78)**	**2 582**
NET ASSETS	1	**22 045**	**17 833**	**–**	**20 444**	**17 833**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		12 489	12 535	–	7 849	12 535
Other		1 417	0	–	1 417	0
TOTAL COMMUNITY WEALTH/EQUITY	1	**12 489**	**12 535**	**–**	**7 849**	**12 535**

Table F5: Cash Flow Statement

The entity ended the first quarter with a positive cash and cash equivalents balance of R10.4-million, however an amount of R2.1-million is for unspent conditional grants leaving the entity with a cash and cash equivalents balance of R8.3 million.

The table below reflects the cash flows of the institution. The cash and cash equivalents' balance at the end of the period is different from the actual balance in the statement of balance sheet due munsoft guids pulling from incorrect short codes. The verification process is underway.

Description	Account No	Opening bal 01-Sept-26	Transfers in	Transfers ou	Interest Income	Closing bal 30-Sept-26
Main Account	62215290355					-
Livestock Call Account	62238128351	1 230 779.35	-		6 777.72	1 237 557.07
SMME Call Account	62238128517	65 764.27	-		362.15	66 126.42
ANDA Reserve Fund	62238130231	10 795 901.93	-	(1 750 000.00)	55 052.44	9 100 954.37
Capacity Building	62723833621	306.83	-		1.69	308.52
Commercial NFS Account	62822669620	-	-		-	-
		12 092 752.38	**-**	**(1 750 000.00)**	**62 194.00**	**10 404 946.38**

PART 2 – SUPPORTING DOCUMENTATION

Table SF1: Material variance explanations

Alfred Nzo Development Agency
- Supporting Table F1 Entity
Material variance explanation -
M03 - September

Description R thousands	Ref	Variance	Reasons for material deviations	Remedial or corrective steps / remarks
Revenue items				
Investment revenue		79.00	Appointment of service providers was not finalised as a result; expenditure is expected to be incurred in second quarter.	Payment of service providers in accordance with services rendered and in terms of the contract
Transfers recognised		7.70	Delays on signing of SDA,	Signing of SDA
Expenditure items				
Employee related		720.00	Delays on finalisation of reengineering processes	Entity's re-engineering process to be finalised
Depreciation				
Operational Costs		1.60	Delays on initiation of Bank Seta grant,	Continuous engagement with SETA
Total variance				

Table SF2: Financial and non-financial indicators

Alfred Nzo Development Agency - Supporting Table F2 Entity Financial and non-financial indicators - M03 - September

Description of financial indicator	Basis of calculation	Ref	2025/26	Budget Year 2026/27			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure		1.4%	1.0%	0.0%	1.4%	0.7%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		0.0%	0.0%	0.0%	0.0%	0.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities		1096.2%	751.8%	0.0%	(23940.6%)	751.8%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days		1096.2%	751.8%	0.0%	(23940.6%)	751.8%
Liquidity Ratio	Monetary Assets/Current Liabilities		717.7%	452.9%	0.0%	(13874.2%)	452.9%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		2.3%	4.3%	0.0%	227.0%	599.4%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (Total units purchased + generated less total	1					
Water Distribution Losses	% Volume (Total units purchased + own source less total	2					
Employee costs	Employee costs/Total Revenue - capital revenue		44.0%	37.7%	0.0%	1059.8%	37.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		1.3%	1.0%	0.0%	18.9%	11.9%
Financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		0.0%	0.0%	0.0%	0.0%	0.0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue		0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational		0.0%	0.0%	0.0%	0.0%	0.0%

Table SF3: Aged Debtors

Alfred Nzo Development Agency - Supporting Table F3 Entity Aged debtors - M03 - September

Detail R thousands	NT Code	Budget Year 2026/27											
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source	1100												
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	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	45	45	45	–	–
Total By Income Source	**2000**	–	–	–	–	–	–	–	45	45	45	–	–
2025/26 - totals only		–	–	–	–	–	–	–	–	–	–	–	–
Debtors Age Analysis By Customer Group	2100												
Organs of State	2200	–	–	–	–	–	–	–	–	–	–	–	–
Commercial	2300	–	–	–	–	–	–	–	–	–	–	–	–
Households	2400	–	–	–	–	–	–	–	–	–	–	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	–	–	–	–	–	–	–	–	–	–	–	–

Table SF4: Aged Creditors

As at the reporting date, the entity had no outstanding trade creditor obligations.

Alfred Nzo Development Agency - Supporting Table F4 Entity Aged creditors - M03 - September

Detail R thousands	NT Code	Budget Year 2026/27									Prior year totals for chart (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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	–	–	–	–	–	–	–	–	–	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	–	–	–	–	–	–	–	–	–	–

Table SF5: Investment Portfolio Analysis

All call deposit balances are classified as highly liquid short-term investments, maintained with the primary objective of meeting the entity's short-term commitments, rather than for the purpose of earning interest income.

As detailed in the table below, the total call deposit balance amounts to **R10.4 million**, of which **R2.1-million** pertains to **unspent conditional grants**. The remaining **R8.3- million** represents the entity's own funds invested in for liquidity management purposes.

Description	Account No	Opening bal 01-Sept-26	Transfers in	Transfers ou	Interest Income	Closing bal 30-Sept-26
Main Account	62215290355					-
Livestock Call Account	62238128351	1 230 779.35	-		6 777.72	1 237 557.07
SMME Call Account	62238128517	65 764.27	-		362.15	66 126.42
ANDA Reserve Fund	62238130231	10 795 901.93	-	(1 750 000.00)	55 052.44	9 100 954.37
Capacity Building	62723833621	306.83	-		1.69	308.52
Commercial NFS Account	62822669620	-	-		-	-
		12 092 752.38	**-**	**(1 750 000.00)**	**62 194.00**	**10 404 946.38**

Table SF6: Board member allowances and staff benefits

- Supporting Table F6 Entity Board member allowances & staff benefits - M03 September

Summary of Employee and Board Member remuneration	Ref	2024/25	Current Year 2025/26						
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD variance	YTD variance %	Full Year
R thousands		A	B	C						D
Remuneration										
Board Members of Entities										
Salaries and Allowances										
Non-pensionable		–	720	–	–	–	180	(180)		720
Total Allowance		-	**720**	-	-	-	**180**	(180)		**720**
Total Salaries and Allowances		-	**720**	-	-	-	**180**	(180)		**720**
Sub Total - Board Members of Entities		-	**720**	-	-	-	**180**	**(180)**	**-100.0%**	**720**
% increase	1		**#DIV/0!**							**#DIV/0!**
Basic Salary		–	3 688	–	–	–	922	(922)		3 688
Travel or Motor Vehicle		–	1 291	–	–	–	323	(323)		1 291
Total Allowance		-	**1 291**	-	-	-	**323**	**(323)**		**1 291**
Acting		–	15	–	–	–	4	(4)		15
Total Service Related Benefits		-	**15**	-	-	-	**4**	**(4)**		**15**
Total Salaries and Allowances		-	**4 993**	-	-	-	**1 248**	**(1 248)**		**4 993**
Medical		–	265	–	–	–	66	(66)		265
Pension		–	891	–	–	–	223	(223)		891
Unemployment Insurance		–	8	–	1	2	2	(0)		8
Total Social Contributions		-	**1 164**	-	1	2	**291**	**(289)**		**1 164**
Sub Total - Senior Managers of Entities		-	**6 157**	-	1	2	**1 539**	**(1 537)**		**6 157**
% increase	1		**#DIV/0!**							**#DIV/0!**
Basic Salary		–	5 309	–	–	–	1 327	(1 327)		5 309
Bonuses		–	387	–	–	–	97	(97)		387
Travel or Motor Vehicle		–	115	–	–	–	29	(29)		115
Total Allowance		-	**115**	-	-	-	**29**	**(29)**		**115**
Acting		–	15	–	–	–	4	(4)		15
Leave Pay		–	300	–	–	107	75	32		300
Total Service Related Benefits		-	**315**	-	-	**107**	**79**	**29**		**315**
Total Salaries and Allowances		-	**6 126**	-	-	**107**	**1 531**	**(1 424)**		**6 126**
Medical		–	375	–	–	–	94	(94)		375
Pension		–	845	–	–	–	211	(211)		845
Unemployment Insurance		–	25	–	1	3	6	(3)		25
Total Social Contributions		-	**1 245**	-	1	**3**	**311**	**(308)**		**1 245**
Sub Total - Other Staff of Entities		-	**7 371**	-	1	**110**	**1 843**	**(1 732)**		**7 371**
% increase	1		**#DIV/0!**							**#DIV/0!**
Total Municipal Entities remuneration		**–**	**14 249**	**–**	**2**	**112**	**3 562**	**(3 450)**	**-96.8%**	**14 249**

Grants receipts and expenditure

Unspent conditional grants' total is R2.1 – million, and R114-thousand being owed by LG SETA

- LGSETA – The projects are still under implementation. The SDP has to complete certain training activities and unit standards before the payments can be made to the training provider.
- SERVICES SETA – The unspent is as a result of outstanding payments of service providers, project management fees from various skills programmes and savings.
- CONSTRUCTION SETA- The last trench has been received and the unspent relates to project management fees and payment of outstanding service providers
- ECDC- The surplus is due to the development of business plans.
- Mining qualification authority: - The unspent portion is for the exit strategy of the programme and the project management fees.

No.	Description	Opening balance	Bank receipts	Qualifying revenue/ expenditure	Unspent portion
1	LG SETA	- 114 401.89	-	-	- 114 401.89
2	SERVICES SETA	1 533 295.09	136 900.00	49 000.00	1 621 195.09
3	Food and Bev	185 181.00	-	-	185 181.00
4	Construction CETA	- 520 021.09	705 831.20	-	185 810.11
5	Eastern Cape Development Cooperation	139 380.85	-	-	139 380.85
6	Mining Qualifications Authority	74 625.04	-	-	74 625.04
		1 298 059.00	**842 731.20**	**49 000.00**	**2 091 790.20**

PART 4: IMPLEMENTATION OF SCM POLICY

In terms of Municipal Finance Management Act SCM Regulations Section 6 (3) states that the accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the board of directors of the municipal Entity.

In terms of Section (111) of the MFMA, the Municipal Entity must have and implement a supply chain management policy that:

(a) gives effect to:

I. section 217 of the Constitution; and

II. Part 1 of chapter 11 and other applicable provisions of the Act;

(b) Is fair, equitable, transparent, competitive, and cost effective

(c) Complies with;

I. The regulatory framework prescribed in Chapter 2 of these Regulations and

II. Any minimum norms and standards that may be prescribed in terms of section 168 of the Act

(d) Is consistent with other applicable legislation;

(e) Does not undermine the objective for uniformity in supply chain management system between organs of state in all spheres; and

(f) It is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

ANDA SCM Policy required that the conditions for the procurement of goods or services through formal written price quotations are followed:

- At least 1 Quotation for procurement of a transaction value of between R300 to R2 000 (VAT Included)
- Formal written quotations for procurement of a transaction value over R2 000.00 up to R30 000.00 (VAT included)
- At least 3 Formal written price quotations for procurements of a transaction value over R30 000.00 up to R200 000.00 VAT included and shall be advertised for at least 7 days on the website.
- Competitive bidding process to be followed for procurements above a transaction value of R200 000 (VAT Included)

Legislative provisions

- Municipal Finance Management Act 56 of 2003
- Supply Chain Management Regulations
- Preferential Procurement Policy Framework Act and its Regulations
- 2024/2025 Supply Chain Management Policy

Deviations Report

There are no deviations implemented during the 2026/2027 financial year

Performance of External Suppliers

LEGEND: 1 – Not meeting the standards (0-30%) 2 – Meet some of the standards (30-50%) 3 – Meet most of the standards (50-70%) 4 – Meet all the standards (70-100%)					
NAME OF SERVICE PROVIDER	**SERVICE RENDERED**	**SET TARGET OF PERFORMANCE (2024/2025)**	**PERFORMANCE**	**RATING FOR CURRENT FINANCIAL YEAR**	**COMMENTS /RECOMMENDATIONS**
MUNSOFT	Financial System	Provision of municipal financial system for transacting	Good	3	The interaction with Munsoft has improved after an email was sent to management. The system still has gaps that need to be attended to.
Vodacom	Business Contract Phones and Internet	Phones and internet are provided as specified.	Poor	2	Contract is in place and monitored monthly but overall service is poor
Umzimvubu Leather Craft	Provision of cleaning services	Cleaning services	Good	4	Service provider is performing as expected.
MTN	Provision of Cellphone contracts for 24 months	Cellphone Contracts	Poor	3	Service Provider performance is fair though the MTN coverage is a problem.
Silale Skills Academy	Silalele appointed to conduct learnership on Generic management L04	Learnership on Generic Management NQF L4	Good	4	Contract ongoing with no challenges.
Silale Skills Academy	Silalele appointed to conduct learnership on Sewing General Education Training (GET) Certificate Clothing Manufacturing Processes	Learnership on Clothing Manufacturing Processes NQF L1	Good	4	Contract ongoing with no challenges.
Silalele Skills Solutions	Silalele appointed to conduct learnership on Bread and Confectionary baking for 12 months	Learnership on Bread and Confectionary Baking for 12 months	Good	4	Contract ongoing with no challenges
Artisan Development Academy	ADA appointed to conduct an apprenticeship and ARPL Programme on Plumbing and Bricklaying for 36 months	Apprenticeship and ARPL Programme on Plumbing and Bricklaying	Good	4	Contract ongoing with no challenges
Iqhayiya Design Workshop Architects	Service Provider for Development of Business Plans, Conceptual Designs and	Service Provider for Development of Business Plans, Conceptual	Good	4	Contract on-going with no challenges

LEGEND: **1 – Not meeting the standards (0-30%)** **2 – Meet some of the standards (30-50%)** **3 – Meet most of the standards (50-70%)** **4 – Meet all the standards (70-100%)**					
NAME OF SERVICE PROVIDER	**SERVICE RENDERED**	**SET TARGET OF PERFORMANCE (2024/2025)**	**PERFORMANCE**	**RATING FOR CURRENT FINANCIAL YEAR**	**COMMENTS /RECOMMENDATIONS**
	Costing of Fresh Produce Packhouses at Winnie Madikizela Mandela and Matatiele Local Municipalities	Designs and Costing of Fresh Produce Packhouses at Winnie Madikizela Mandela and Matatiele Local Municipalities			
ZANLA	Social Facilitator for Emfundisweni	Social Facilitator for Emfundisweni	Good	4	Contract ongoing with no challenges
SMELOKUHLE	ANDA SETA Accreditation	ANDA SETA Accreditation	Good	4	Contract ongoing with no challenges

Orders issued less than R30 000.00

Orders issued in quarter 1 of 2026/2027 amounted to R397 166. 73 including VAT for VAT vendors and are as follows:

Table A: Orders issued in quarter 1 of 2026/2027

Sequence	Creditor Name	Creditor Address	Order No.	Order Date	Value
1.	Pondoland Times	HOUSE NO 1568 WARD 17 4800	029031	2026/09/30	600.00
2.	SAN LAMEER HOTEL (PTY) LTD	WILLOWBRIDGE PLACE GROUND FLOO CNR CARL CRONJE DRIVE AND OLD 7530	029030	2026/09/29	4,590.00
3.	Savoy Shopping Centre + Hotel	BALFOUR PARK SHOPPING CENTRE SECOND FLOOR BALFOUR ROAD 5247	029029	2026/09/28	1,810.00
4.	THE OAK TREEHOUSE BNB	37 FOCH AVENUE TOP TOWN 5320	029028	2026/09/28	4,660.00
5.	Garden Court Umhlanga	Cnr Aurora & Centenary Blvd Umhlanga Ridge	029027	2026/09/21	8,430.00
6.	Garden Court Marine Parade	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029026	2026/09/18	8,500.00
7.	Garden Court Marine Parade	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029024	2026/09/18	8,500.00
8.	Garden Court Marine Parade	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029023	2026/09/18	8,500.00
9.	Garden Court Marine Parade	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029022	2026/09/18	8,500.00
10.	Edwardian Hotel	339 MAIN ROAD PREMIER HOUSE 8005	029021	2026/09/16	4,485.00

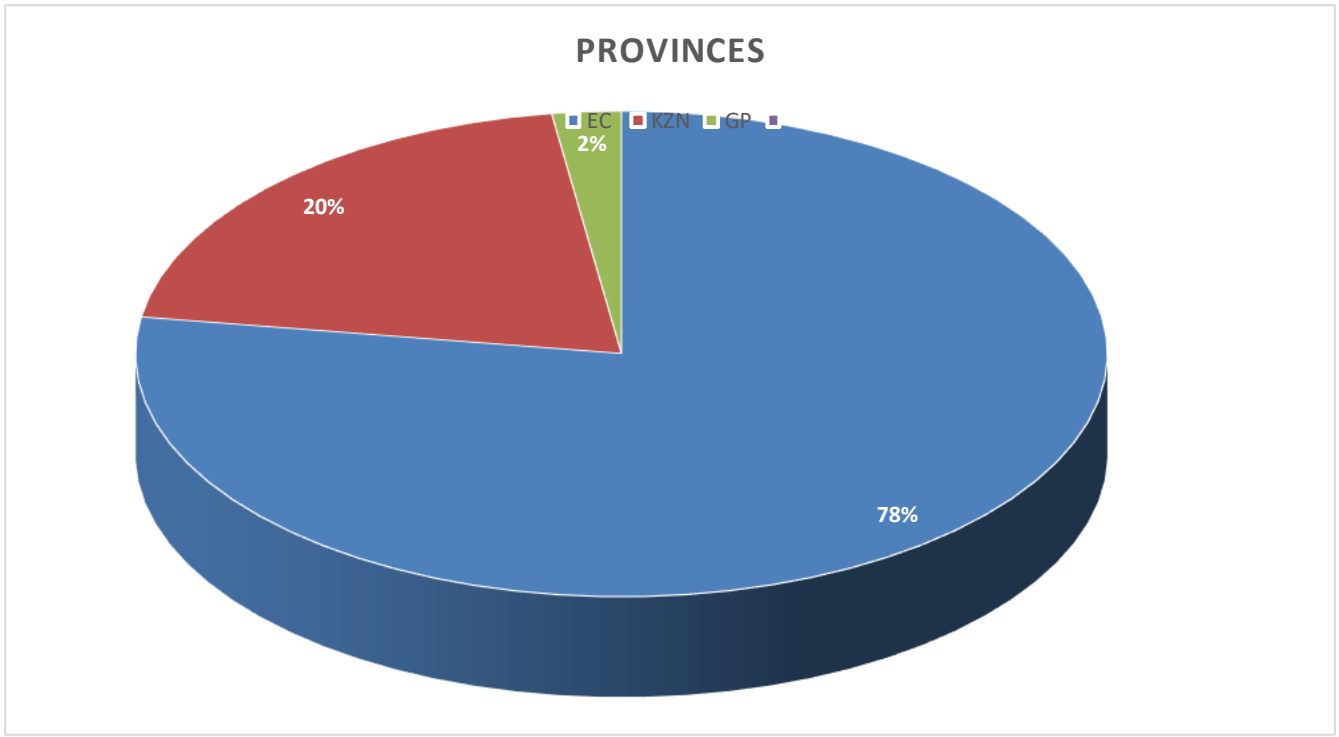
11.	Vincent Valley Lodge	9 BAUHINIA DRIVE VINCENT HEIGHTS 5247	029020	2026/09/03	1,610.00
12.	Timeless	AMANGUTYANA ADMINISTRATIVE ARE MBHONGWENI LOCATION 4800	029019	2026/09/03	80,500.00
13.	TAMAC CONSULTING	UNIT 13 MEADOWLARK 44 SHIBDEN DRIVE BEACONBAY 5241	029018	2026/09/02	113,043.48
14.	Garden Court East London	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029017	2026/09/02	3,260.00
15.	Garden Court East London	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029016	2026/09/02	3,260.00
16.	Garden Court East London	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	029015	2026/09/02	3,260.00
17.	Vincent Valley Lodge	9 BAUHINIA DRIVE VINCENT HEIGHTS 5247	029014	2026/09/02	1,610.00
18.	ZODIAC TRADING	103 MAIN STREET MATATIELE 4730	029013	2026/08/26	1,800.00
19.	ZODIAC TRADING	103 MAIN STREET MATATIELE 4730	029012	2026/08/25	1,800.00
20.	UBUNTU MEDIA HOLDINGS	16 EMPIRE ROAD PARKTOWN 2193	029011	2026/08/21	5,157.75
21.	Pondoland Times	HOUSE NO 1568 WARD 17 4800	029009	2026/08/20	1,200.00
22.	EBENHAESER GUEST HOUSE (PTY)LT	39 MALONE HEIGHTS BEACON BAY 5241	029008	2026/08/18	1,250.00
23.	EBENHAESER GUEST HOUSE (PTY)LT	39 MALONE HEIGHTS BEACON BAY 5241	029007	2026/08/18	1,250.00
24.	Vincent Valley Lodge	9 BAUHINIA DRIVE VINCENT HEIGHTS 5247	029006	2026/08/17	1,610.00

25.	PREMIER HOTEL ELICC	339 MAIN ROAD PREMIER HOUSE East London 8005	029005	2026/08/12	5,985.00
26.	Garden Court Kings Beach	NELSON MANDELA SQUARE CNR 5TH AND MAUDE STREETS 2196	029004	2026/08/12	3,260.00
27.	SAN LAMEER HOTEL (PTY) LTD	WILLOWBRIDGE PLACE GROUND FLOO CNR CARL CRONJE DRIVE AND OLD 7530	029003	2026/08/06	4,590.00
28.	Savoy Shopping Centre + Hotel	BALFOUR PARK SHOPPING CENTRE SECOND FLOOR BALFOUR ROAD 5247	029002	2026/08/04	5,490.00
29.	SAN LAMEER HOTEL (PTY) LTD	WILLOWBRIDGE PLACE GROUND FLOO CNR CARL CRONJE DRIVE AND OLD 7530	029001	2026/07/30	6,120.00
30.	SAN LAMEER HOTEL (PTY) LTD	WILLOWBRIDGE PLACE GROUND FLOO CNR CARL CRONJE DRIVE AND OLD 7530	029000	2026/07/29	6,120.00
31.	SAN LAMEER HOTEL (PTY) LTD	WILLOWBRIDGE PLACE GROUND FLOO CNR CARL CRONJE DRIVE AND OLD 7530	028999	2026/07/29	6,120.00
32.	SAN LAMEER HOTEL (PTY) LTD	WILLOWBRIDGE PLACE GROUND FLOO CNR CARL CRONJE DRIVE AND OLD 7530	028998	2026/07/29	6,120.00
33.	RESTHAVEN GUESTHOUSE MATATIELE		028997	2026/07/28	2,800.00
34.	PENNY LINDSTROM VALUATIONS	27 STEWART DRIVE BEREA 5241	028996	2026/07/27	19,872.00
35.	Garden Court East London	CORNER 5TH AND MAUDE STREETS S 4TH FLOOR NELSON MANDELA SQUAR 2196	028995	2026/07/27	3,400.00
36.	VERI-SOURCE CONSULTING	17 BENGUELA PLACE BENGUELA AVENUE 2192	028994	2026/07/23	793.50
37.	ZODIAC TRADING	103 MAIN STREET MATATIELE 4730	028993	2026/07/21	4,890.00

38.	ZODIAC TRADING	103 MAIN STREET MATATIELE 4730	028992	2026/07/21	4,890.00
39	THE PRINCIPAL BOUTIQUE HOTEL	69 MAIN STREET MATATIELE 4730	028991	2026/07/21	5,490.00
40	SIBUWELE	130 WEST STREET MOUNT AYLIFF 4735	028990	2026/07/10	780.00
41	IMVOMVO COUNTRY LODGE AND OTHE	MBANGWENI A/A NTABANKULU 5130	028989	2026/07/10	23,250.00
42	Southern Sun Hemmingways	PALAZZO TOWERS EAST MONTECASINO BOULEVARD 2055	028988	2026/07/08	3,420.00
43.	THE PRINCIPAL BOUTIQUE HOTEL	69 MAIN STREET MATATIELE 4730	028987	2026/07/07	4,590.00

Table A: Orders issued Across the Provinces

Province	Amount	%	Number
Eastern Cape	R307 380.48	77.39	28
Kwazulu Natal	R80 575.00	20.29	12
Gauteng	R9 211.25	2.321	03
Total	**R 397 166.73**	**100**	**43**

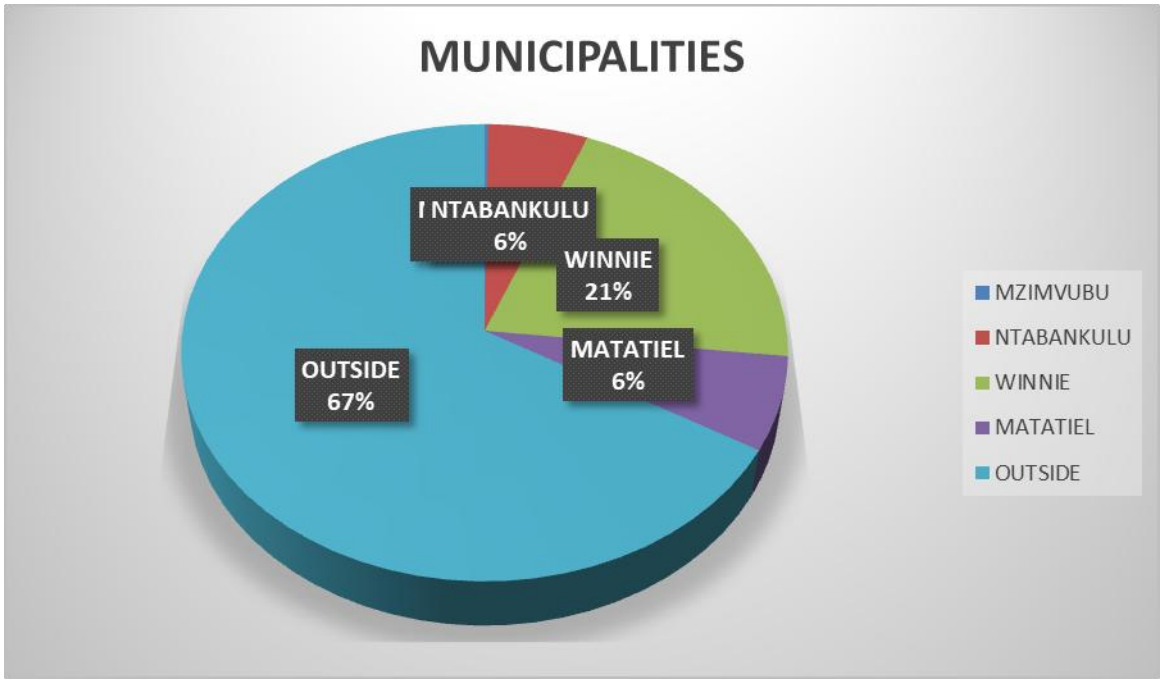


Pie Chart A: Orders issued across the province

Table B: Orders issued in the district

Local Municipality	Amount	%	No. of orders
Umzimvubu	780.00	0.20	01
WMMLM	82 300.00	5.85	03
Ntabankulu	23 250.00	20.72	01
Matatiele	26 260.00	6.62	07
Outside Alfred Nzo	264 576.73	66.62	31
Total	**397 166.73**	**100**	**43**

Chart B: Orders issued in the District



Orders issued More than R30 000 but less than R200 000.00

DATE	NAME OF SUPPLIER	DESCRIPTION	BID NO	AMOUNT	REGION
N/A	N/A	N/A	N/A	N/A	N/A

G: Bids awarded above R 200 000.00

DATE	NAME OF SUPPLIER	DESCRIPTION	BID NO	AMOUNT	REGION
N/A	N/A	N/A	N/A	N/A	N/A

a) Bid Committee Sittings

BID NO.	DESCRIPTION	BID COMMITTEE	DATE OF SITTING
ANDA 02/2026/2027	Appointment Of Service Provider to Conduct Social Facilitation for Amadumbe and Sweet Potato Commodity Development	Bid Specification Committee	25-Aug-25
ANDA 04/2026/2027	The Appointment of a Consultant to Facilitate the QCTO Accreditation with their Learning Material for Alfred Nzo Development Agency	Bid Specification Committee	25-Aug-25
ANDA 03/2026/2027	Appointment Of Service Provider to Conduct Social Facilitation for Coffee Plantation	Bid Specification Committee	25-Aug-25
ANDA 06/2026/2027	The Appointment of a Consultant to facilitate the Development of Training Manuals for QCTO Accreditation Qualifications Awarded to Alfred Nzo Development Agency	Bid Specification Committee	25-Aug-25
ANDA 05/2026/2027	Appointment of Social Facilitator for Social Facilitation Services: Resuscitation and Refurbishment of Emfundisweni Skills Development and Resource Centre	Bid Specification Committee	25-Aug-25
ANDA 02/2026/2027	Appointment of Service Provider to Conduct Social Facilitation for Amadumbe and Sweet Potato Commodity Development	Bid Evaluation Committee	28-Sept-25
ANDA 08/2026/2027	The Appointment of a Service provider for an occupational Leanership programme: Computer Technician	Bid Evaluation Committee	30-Sept-26
ANDA 04/2026/2027	The Appointment of a Consultant to Facilitate the QCTO Accreditation with Their Learning Material for Alfred Nzo Development Agency	Bid Evaluation Committee	10-Sept-26
ANDA 03/2026/2027	Appointment Of Service Provider to Conduct Social Facilitation for Coffee Plantation	Bid Evaluation Committee	14-Sept-26
ANDA 14/07//2026	The Appointment of a Panel of Accredited Training Providers for A Period Of Three (3) Years	Bid Evaluation Committee	14-Jul-26
ANDA 08/2026/2027	The Appointment of a Service provider to an occupational Leanership programme: Computer Technician	Bid Evaluation Committee	30-Sep-26

ANDA 14/2025/2026	the appointment of a panel of accredited training providers for a period of three (3) years	Bid Adjudication Committee	26-Aug-26
ANDA 08/2026/2027	The Appointment of a Service provider to an occupational Learnership programme: Computer Technician	Bid Adjudication Committee	29-Sept-26
ANDA 06/2026/2027	The Appointment of A Consultant to Facilitate the Development of Training Manuals for QCTO Accreditation Qualifications Awarded to Alfred Nzo Development Agency	Bid Adjudication Committee	29-Sept-26
ANDA 05/2026/2027	Appointment of Social Facilitator for Social Facilitation Services: Resuscitation and Refurbishment of Emfundisweni Skills Development and Resource Centre	Bid Adjudication Committee	29-Sept-26
ANDA 04/2026/2027	The Appointment of a Consultant to Facilitate The QCTO Accreditation with Their Learning Material for Alfred Nzo Development Agency	Bid Adjudication Committee	29-Sept-26
ANDA 03/2026/2027	Appointment Of Service Provider to Conduct Social Facilitation for Coffee Plantation	Bid Adjudication Committee	29-Sept-26
ANDA 02/2026/2027	Appointment Of Service Provider to Conduct Social Facilitation for Amadumbe and Sweet Potato Commodity Development	Bid Adjudication Committee	29-Sept-26

a) Updated Supplier Database

The database is updated frequently.

b) Procurement Plan Implementation

No.	Directorate / Unit	Vote	Bid Description	Date of Submission of Specification / TOR's	Budgeted Amount	Source of Funding	Envisaged Date of Bid Specification Committee	Envisaged Date of Advert	Envisaged Date of Bid Evaluation Committee	Envisaged Date of Bid Adjudication Committee	Envisaged Date of objection period	Envisaged Date of Award	Actual date of award	Comments
1	Programme	Research and Development	Conduct Social Facilitation for development of coffee plantations by 30 June 2027	31-Jul-26	R400 000.00	ANDM GRANT	07-Aug-26	14-Aug-26	14-Sept-26	18-Sept-26	2026/09/23 - 2026/10/07	31-Oct-26		
2	Programme	Research and Development	Conduct Social Facilitation for commercialisation of Amadumbe and Sweet Potato commodity by 30 June 2027	31-Jul-26	R300 000.00	ANDM GRANT	07-Aug-26	14-Aug-26	14-Sept-26	18-Sept-26	2026/09/23 - 2026/10/07	31-Oct-26		
3	Programme	Research and Development	Monitor social facilitation and operations by 30 June	31-Jul-26	R500 000.00	ANDM GRANT	07-Aug-26	14-Aug-26	14-Sept-26	18-Sept-26	2026/09/23 - 2026/10/07	31-Oct-26		

			2027											
4	Programme	Research and Development	1. Secure 5x QCTO accreditations and training manuals by 30 June 2027 2.Secure 3 training manuals for 3 approved accreditations by 30 June 2027	31-Jul-26	R500 000.00	ANDM GRANT	07-Aug-26	14-Aug-26	14-Sept-26	18-Sept-26	2026/09/23 - 2026/10/07	31-Oct-26		
	Programme	Research and Development	Facilitate the appointment of training provider to implement 1 x Learnership programme for 150 unemployed learners on Computer Technician by 30 June 2027	31-Jul-26	R3 630 000.00	ANDM GRANT	07-Aug-26	14-Aug-26	14-Sept-26	18-Sept-26	2026/09/23 - 2026/10/07	31-Oct-26		

5	Programme	Research and Development	Faciliate supply of sheep shearing equipment to Ndakeni Wool Grower association by 30 June 2027	10-Dec-26	R500 000.00	ANDM GRANT	10-Jan-27	20-Jan-27	22-Feb-27	10-Mar-27	2027/03/12 - 2027/03/26	31-Mar-27		
	Finance and Admin	Administrative and Corporate Support: Admin & Corporate Services	Provision of Internet, Wifi and voice over internet protocol (VOIP) telephone system	15-Oct-26	R700 000.00	ANDM GRANT	19-Oct-26	23-Oct-26	26-Nov-26	07-Dec-26	2026/12/09 - 2026/12/23	11-Jan-27		

PART 5: UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

The Irregular Expenditure report is prepared according to MFMA circular number 68, the Irregular, Fruitless and Wasteful Expenditure Register is attached.

No Irregular expenditure was recorded
No fruitless and wasteful expenditure was recorded.

PART 6: TAX COMPLIANCE REPORT

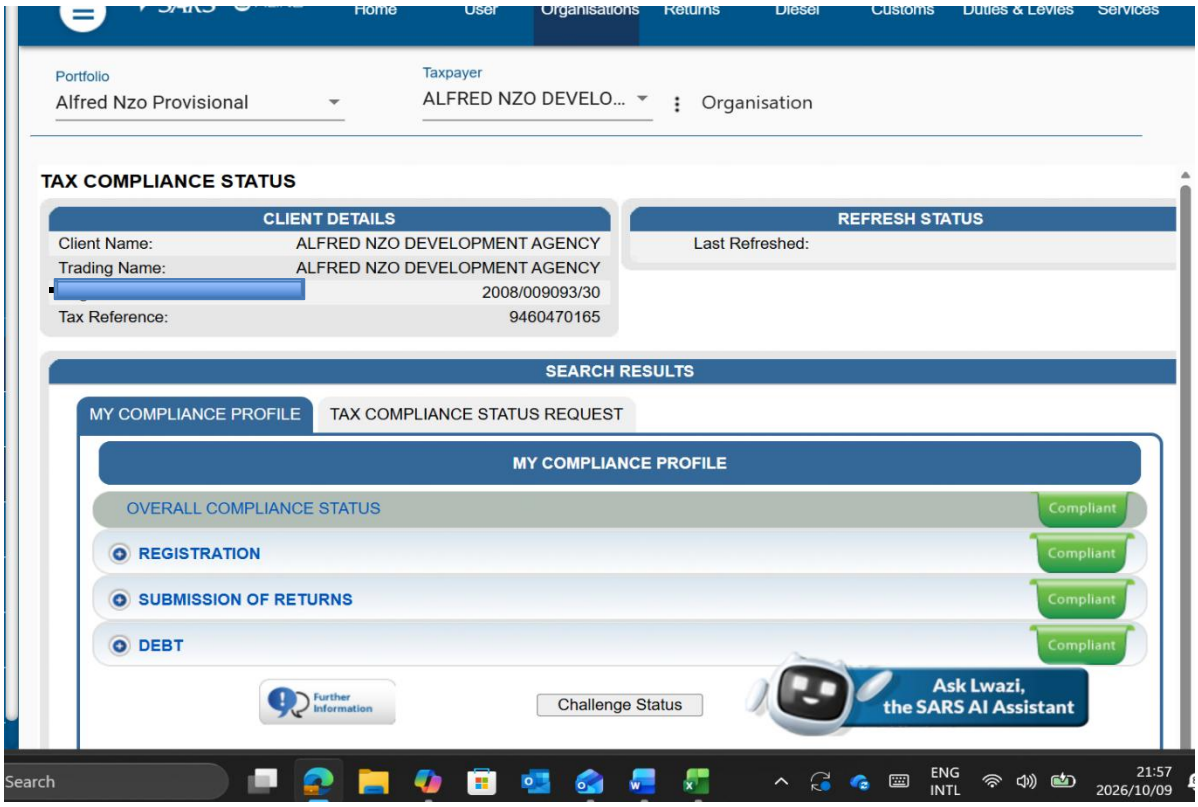
This report serves as a summary of the Entity's tax obligations and compliance schedule. It is essential for the entity to maintain accurate records and ensure timely submissions to avoid penalties or interest.

1. Types of Taxes Applicable to the Entity: The Entity is required to comply with the following types of taxes:

- **Provisional Tax**: This tax is applicable to the Entity and must be paid twice a year. It serves as a method of pre-paying the annual tax liability in advance to avoid a large lump sum at year-end.
- **Value-Added Tax (VAT)**: The Entity is registered for VAT and submits VAT returns every two months. This tax is applicable on the sale of goods and services, and the entity is eligible to claim input VAT on expenses incurred in the course of its business.
- **Annual Income Tax**: The Entity is required to file an annual income tax return based on the taxable income derived during the financial year.
- **Employees' Tax (PAYE)**: The Entity deducts employees' tax (PAYE) from salaries and submits these payments monthly to the tax authority. This tax is withheld as part of the employees' remuneration process.

2. Tax Submission Frequency:

- **VAT**: Every two months.
- **Employees' Tax (PAYE)**: Monthly.
- **Provisional Tax**: Twice a year.
- **Annual Income Tax**: Once a year.



3. Tax Audit Communication:

No tax audits have been communicated to the Entity to date.

PART 7: STATUS ON IMPLEMENTATION OF RISK MITIGATING PLANS

Department / Risk profile	Total risks	No. of total action plans for the F/Y	No. of action plans for the 4th quarter	Progress				
				Achieved	Not Reported	Not applicable	Not Achieved	Percentage
Strategic	12	88	**29**	15	0	3	11	52%
Operational	8	28	**13**	12	0	0	1	92%
Fraud	3	7	**7**	5	0	2	0	71%
Total	**23**	**123**	**49**	**32**	**0**	**5**	**12**	65%