

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



SPECIAL ADJUSTMENT BUDGET

2024-25 FINANCIAL YEAR

ABBREVIATIONS AND ACRONYMS

AO	Accounting Officer	SAPS	South African Police Service
AMR	Automated Meter Reading	SDBIP	Service Delivery Budget Implementation Plan
LED	Local Economic Development	SMME	Small Micro and Medium Enterprises
MEC	Member of the Executive Committee	BPC	Budget Planning Committee
MFMA	Municipal Financial Management Act	CFO	Chief Financial Officer
MIG	Municipal Infrastructure Grant	CPI	Consumer Price Index
MMC	Member of Mayoral Committee	CRRF	Capital Replacement Reserve Fund
MPRA	Municipal Properties Rates Act	DBSA	Development Bank of South Africa
MSA	Municipal Systems Act	DORA	Division of Revenue Act
MTEF	Medium-term Expenditure Framework	DWA	Department of Water Affairs
MTREF	Medium-term Revenue and Expenditure Framework	EE	Employment Equity
NERSA	National Electricity Regulator South Africa	FBS	Free basic services
NGO	Non-Governmental organisations	GDP	Gross domestic product
NKPIs	National Key Performance Indicators	GFS	Government Financial Statistics
OHS	Occupational Health and Safety	GRAP	General Recognised Accounting Practice
OP	Operational Plan	HR	Human Resources
PBO	Public Benefit Organisations	IDP	Integrated Development Strategy
PMS	Performance Management System	IT	Information Technology
PPE	Property Plant and Equipment	KM	Kilometre
PPP	Public Private Partnership	KPA	Key Performance Area
RSC	Regional Services Council	KPI	Key Performance Indicator
SALGA	South African Local Government Association	KWH	Kilowatt
IDP	Integrated Development Plan		

TABLE OF CONTENT	3
PART 1 – ADJUSTMENT BUDGET	4
EXECUTIVE SUMMARY	4
Table B1 Sum: Adjustment Budget Summary	8
Table B2: Adjustment Budget – Standard Classification	10
Table B3: Adjustment Budget – Municipal Vote	12
TableB4: Adjustment Budget–Revenue & Expenditure	15
Table B5B: Adjustment Capital Budget – by Vote	16
Table B6: Adjustment Budget - Financial Position	17
Table B7: Adjustment Budget – Cash Flows	18
Table B8: Adjustment Budget – Cash Backed Reserves	23
Table B9: Adjustment Budget – Asset Management	24
Table B10: Adjustment Budget - Service Delivery	26
 <u>PART 2 – SUPPORTING DOCUMENTATION</u>	
Table SB 7: Adjustment Budget - Transfers and Grants Receipts	
Table SB 8: Adjustment Budget – Transfers and Grants Expenditure	
Table SB 9: Adjustment Budget – Reconciliation of Transfers; Grants Receipts and Unspent Funds	
 Table SB 19: Adjustment Budget – List of Capital Projects	34

PART 1 - ADJUSTMENT BUDGET

EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

Municipal Finance Management Act section 28 stipulates that:

- (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget—
- (c) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;

It should be noted that municipal tax and tariffs are not increased during the financial year and any amendments to the annual budget must remain funded in accordance with section 18 of the MFMA.

Municipality's main adjustment budget is funded in terms of National Treasury B-schedule template therefore there is no need for funding plan.

SUMMARY OF 2024/25 MEDIUM TERM REVENUE EXPENDITURE FRAMEWORK

DESCRIPTION	SUMMARY OF ADJUSTMENT BUDGET		
	2024/25		
	BUDGET	ADJUSTMENT	ADJUSTED BUDGET
TOTAL REVENUE	904 244 553	17 014 730	921 259 283
LESS: TRANSFER RECOGNISED CAPITAL	160 868 404	- 37 544 000	123 324 404
OPERATING REVENUE	743 376 149	54 558 730	797 934 879
OPERATING EXPENDITURE	729 698 468	39 053 920	768 752 387
TRANSFER RECOGNISED CAPITAL	160 868 404	- 37 544 000	123 324 404
SURPLUS/(DEFECIT)	13 847 232	15 504 810	29 352 042
CAPITAL EXPENDITURE	173 549 083	- 31 585 953	141 963 130

The impact of the special adjustment budget on the municipal budget is as follows:

- Decrease in capital expenditure
- Increase in operating expenditure
- Decrease in transfer and subsidies (capital)
- Increase in operating revenue

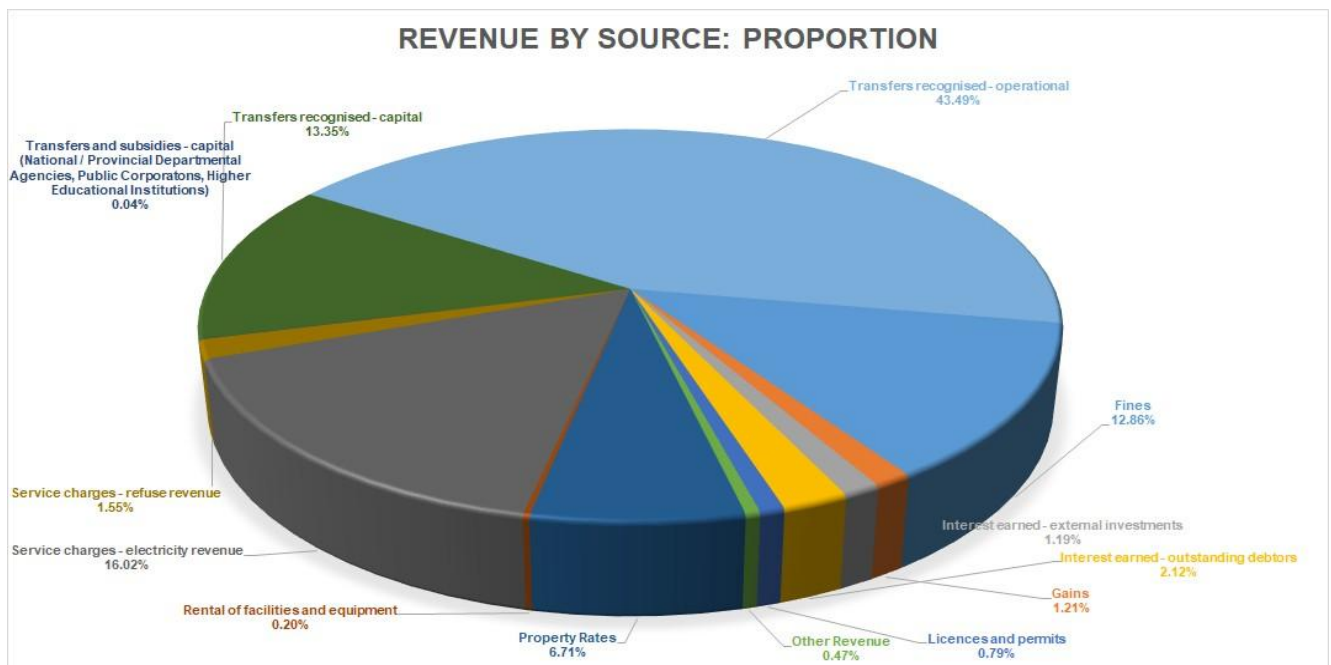


Figure 1 Main operational revenue categories for the 2024/25 financial year

In line with the formats prescribed by the Municipal Budget and Reporting Regulations (MBRR), transfer recognized - capital is excluded from the operating revenue statement, as inclusion of this revenue source would distort the calculation of the operating surplus/deficit.

Revenue to be generated from operational grants amounts to R400, 643 million translating to 43% for 2024/25 financial year making it clear that the municipality is still grants dependent and the level of dependency is not gradually going down.

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2024/25 budget and MTREF is informed by the following:

- The renewal of existing assets and the repairs and maintenance needs;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The alignment of capital programme to the asset renewal requirement as per MBRR;
- Operational surplus will be directed to funding the capital budget and
- Strict adherence to the principle of no project plans no budget. If there is no business plan no funding allocation will be made.

The following diagram gives a breakdown of the main expenditure categories for the 2024/25 financial year.

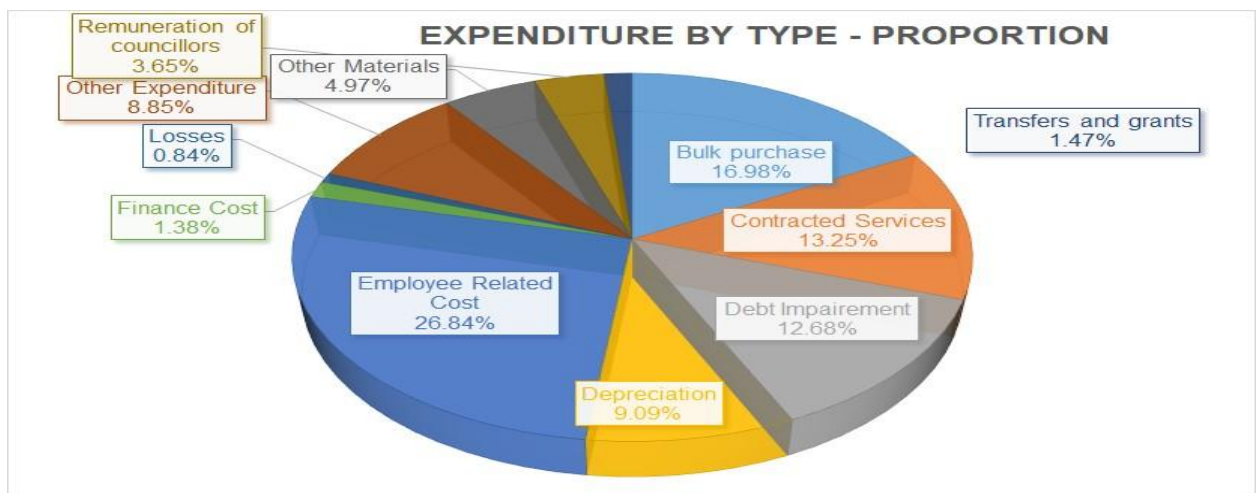


Figure 2 Main operational expenditure categories for the 2024/25 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2024/25 budget and MTREF provide for budget appropriations in the area of asset maintenance, as informed by the asset renewal and repairs and maintenance needs. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

During the compilation of 2024/25 MTREF operational repairs and maintenance were identified as a strategic imperative owing to the aging of the municipality's infrastructure and historic deferred maintenance. In this MTREF, repairs and maintenance budget has decreased from R41, 900 million in the initial special adjustment budget to R38, 237 million in the current special adjustment budget. In addition, the municipality is still experiencing budgetary constraints to meet the required 8% that repairs, and maintenance should contribute towards property, plant and equipment, and investment property. In relation to property, plant and equipment, repairs and maintenance comprises of 2.5% throughout the MTREF period and this percentage is however way below the set norm of 8% as stipulated by National Treasury.

1.6 Capital expenditure

The major portion of capital expenditure budget is appropriated in vote 6 and for 2024/25 and the budget in vote 6 is mainly for electrification and road infrastructure capital projects. The other departments', *id-est* Corporate Services – the appropriations are mainly for procurement of operational equipment such as ICT equipment, Office furniture, and other equipment while Community Services – the appropriations are for fencing of cemeteries and upgrading of parks.

Some of the salient projects to be undertaken over the medium-term include, amongst others:

Assets Category	Sum of TotalBudget	Sum of Adjustment	Sum of Adjusted
Building Infrastructure	0	277 957	277 957
Community Assets	12 913 392	861 454	13 774 846
Computer Equipment	1 660 404	279 321	1 939 725
Electrical Infrastructure	22 748 266	-14 326 314	8 421 952
Furniture and Office Equipme	760 000	605 569	1 365 569
Machinery and Equipment	515 948	294 125	810 073
Roads Infrastructure	133 981 510	-19 578 066	114 403 444
Solid Waste Infrastructure	534 783	0	534 783
Storm water Infrastructure	434 783	0	434 783
Grand Total	173 549 086	-31 585 953	141 963 133

Figure 3 Capital Infrastructure Program

The following tables present the main adjustment budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2024/25 budget and MTREF.

Table B1 Sum: Adjustment Budget Summary

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance						
Property rates	61 818	–	–	61 818	70 257	73 489
Service charges	161 854	–	–	161 854	161 417	178 510
Investment revenue	10 989	–	–	10 989	9 837	10 289
Transfers recognised - operational	383 099	17 544	17 544	400 643	376 877	363 020
Other own revenue	125 616	37 015	37 015	162 631	163 802	201 332
Total Revenue (excluding capital transfers and contributions)	743 376	54 559	54 559	797 935	782 190	826 641
Employee costs	196 286	10 033	10 033	206 319	221 253	231 152
Remuneration of councillors	29 661	(1 638)	(1 638)	28 023	30 996	34 095
Depreciation & asset impairment	63 542	6 302	6 302	69 844	62 435	65 307
Finance charges	1 104	9 540	9 540	10 644	1 737	1 815
Materials and bulk purchases	181 287	(12 486)	(12 486)	168 800	174 960	194 094
Transfers and grants	11 313	–	–	11 313	9 913	10 442
Other expenditure	246 505	27 304	27 304	273 809	266 802	279 491
Total Expenditure	729 698	39 054	39 054	768 752	768 095	816 396
Surplus/(Deficit)	13 678	15 505	15 505	29 183	14 095	10 244
Transfers and subsidies - capital (monetary allocations)	160 868	(37 544)	(37 544)	123 324	77 309	78 567
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	174 546	(22 039)	(22 039)	152 507	91 404	88 812
Share of surplus/ (deficit) of associate	–	–	–	–	–	–
Surplus/ (Deficit) for the year	174 546	(22 039)	(22 039)	152 507	91 404	88 812
Capital expenditure & funds sources						
Capital expenditure	173 549	(31 586)	(31 586)	141 963	83 899	83 179
Transfers recognised - capital	160 868	(37 544)	(37 544)	123 324	77 309	78 567
Borrowing	–	–	–	–	–	–
Internally generated funds	12 681	5 958	5 958	18 639	6 590	4 611
Total sources of capital funds	173 549	(31 586)	(31 586)	141 963	86 523	86 692
Financial position						
Total current assets	302 261	(996)	(996)	301 264	281 591	237 412
Total non current assets	1 551 926	5 958	5 958	1 557 884	1 468 582	1 487 715
Total current liabilities	152 811	(10 718)	(10 718)	142 093	139 991	157 683
Total non current liabilities	135 904	–	–	135 904	111 182	100 440
Community wealth/Equity	1 565 471	15 680	15 680	1 581 151	1 499 000	1 467 004
Cash flows						
Net cash from (used) operating	224 271	(19 222)	(39 222)	185 049	153 399	69 337
Net cash from (used) investing	(150 006)	(5 830)	27 960	(122 046)	(73 823)	(73 488)
Net cash from (used) financing	(11 751)	–	–	(11 751)	(8 895)	(9 125)
Cash/cash equivalents at the year end	75 979	(25 051)	(11 262)	64 717	87 254	6 658
Cash backing/surplus reconciliation						
Cash and investments available	75 979	(11 262)	(11 262)	64 717	87 254	6 658
Application of cash and investments	–	–	–	–	–	–
Balance - surplus (shortfall)	(155)	2 825	2 825	2 670	506	6 189
Asset Management						
Asset register summary (WDV)	1 531 733	5 958	5 958	1 537 691	1 447 640	1 465 466
Depreciation & asset impairment	63 542	6 302	6 302	69 844	62 435	65 307
Renewal and Upgrading of Existing Assets	128 180	1 283	1 283	126 897	69 789	75 225
Repairs and Maintenance	41 900	(3 663)	(3 663)	38 237	38 431	40 188
Free services						
Cost of Free Basic Services provided	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–
Households below minimum service level						
Water:	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–
Energy:	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–

Explanatory notes to Table B1 - Budget Summary

- Table B1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
 - The table provides an overview of the amounts contained in the budget for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
 - Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the financial performance, financial position and cash flow budgets, along with the capital budget. The budget summary provides the key information in this regard:
 - a. The operating surplus/deficit (after total expenditure net of non-cash items) is positive over the MTREF period.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the financial performance budget;
 - ii. Internally generated funds are financed from the current operating surplus. The amount is incorporated in the net cash from investing on the cash flow budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the capital budget.
2. The cash backing/surplus reconciliation shows that the municipality does not have reserves and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position with regards to replacement of assets since no capital replacement reserve is in place. Notwithstanding the absence of capital replacement reserves, at least the municipality is not operating on an over annual nor funding some of its capital projects through direct borrowings. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of free services shows that the amount spent on free basic services and the revenue cost of free services provided by the municipality has dropped and this is attributed to offering free basic services only to indigents and this function is not yet optimized.

Operating revenue

Items below were adjusted based on actual performance to date:

- Interest on outstanding debtors
- Fines, penalties and forfeits
- Gains

Operating expenditure

- An upward adjustment on depreciation and assets impairment is to address finding raised during the previous audit. A comprehensive condition assessment has been conducted throughout the year, and the results informed the impairment adjustment to ensure that assets are fairly stated in line with GRAP requirements.
- An upward adjustment is due to Integrated National Electrification Programme (INEP) grant reclassified to contracted services as the municipality does not hold an electricity distribution license, it constructs the assets on behalf of Eskom within Eskom's area of supply. The reclassified from capital to operational in line with the underlying nature of the transaction and the requirement from National Treasury mSCOA circular 16.
- An upward adjustment is due to post-retirement benefit: medical: current service cost, post-retirement benefit: medical: interest cost and post-retirement benefit: pension: interest cost as per the post-employment medical aid subsidy report with reference to GRAP 25.

Items below were adjusted based on actual performance to date:

- Bulk purchases
- Finance cost
- Losses
- Other expenditure
- Other material
- Remuneration of councillors
- Debt impairment

Capital expenditure

Capital expenditure is adjusted downwards by R31 million. The breakdown is illustrated below:

Project	Sum of TotalBudget	Sum of Adjustment	Sum of Adjusted
Boreholes:Sekhukhune Boreholes	20 000 000	-20 000 000	-
Cemeteries/Crematoria:Fencing of Elandsdoorn/Ntwane Cemetery	696 000	105 836	801 836
Computer Equipment:Computer Equipment	1 660 404	279 321	1 939 725
Furniture and Office Equipment:Furniture and Office Equipment	760 000	605 569	1 365 569
Landfill Sites:Elansdooren Landfill Site	1 000 000	151 032	1 151 032
Machinery and Equipment:Machinery and Equipment	515 948	294 125	810 073
Municipal Offices:MOBILE OFFICE -	-	277 957	277 957
MV Networks:Electrification of Dooroom (Designs)	199 392	- 199 392	-
MV Networks:Electrification of Luckau Maganagobuswa	6 262 219	- 6 262 219	-
MV Networks:Electrification of Lusaka (Designs)	200 000	- 200 000	-
MV Networks:Electrification of Magukubjane	4 340 000	- 4 340 000	-
MV Networks:Electrification of Mantrombi Section	2 000 000	- 2 000 000	-
MV Networks:Electrification of Motetema High view	2 000 000	- 2 000 000	-
MV Networks:Electrification of Ntswelemotse ext (Designs)	200 000	- 200 000	-
MV Networks:Electrification of Oorlog (Designs)	200 000	- 200 000	-
MV Networks:Electrification of Phooko	1 942 389	- 1 942 389	-
MV Networks:Electrification of Zaaipuss Police Station (Designs)	200 000	- 200 000	-
MV Substations:Mini substation	-	3 217 686	3 217 686
Outdoor Facilities:Upgrading of Tafelkop Stadium	11 217 392	604 586	11 821 978
Roads:Upgrading of Kgobokwane-Kgaphamadi Road	28 880 360	421 934	29 302 294

Transfers and subsidies – Capital

Transfers and subsidies (Capital) have been adjusted downwards by R20 million due to non-implementation of the Sekhukhune borehole project and R17 million Integrated National Electrification Programme (INEP) grant reclassified to contracted services as the municipality does not hold an electricity distribution license, it constructs the asset on behalf of Eskom within Eskom's area of supply.

Table B2: Adjustment Budget – Standard Classification

Standard Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional						
Governance and administration	331 211	12 295	12 295	343 506	329 485	324 897
Executive and council	55 444	–	–	55 444	42 377	42 140
Finance and administration	256 883	12 295	12 295	269 178	267 356	262 115
Internal audit	18 884	–	–	18 884	19 753	20 642
Community and public safety	131 774	18 347	18 347	150 121	164 094	199 803
Community and social services	7 666	–	–	7 666	8 019	8 380
Public safety	102 842	19 997	19 997	122 839	133 835	169 987
Sport and recreation	21 265	(1 650)	(1 650)	19 615	22 240	21 436
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
Economic and environmental services	210 401	(16 547)	(16 547)	193 855	135 495	134 320
Environmental protection	836	–	–	836	875	914
Planning and development	27 921	–	–	27 921	25 418	24 526
Road transport	181 644	(16 547)	(16 547)	165 097	109 202	108 880
Trading services	230 859	2 919	2 919	233 778	230 425	246 188
Energy sources	190 868	862	862	191 730	187 350	200 637
Waste management	39 991	2 057	2 057	42 048	43 074	45 551
Other	–	–	–	–	–	–
Total Revenue - Functional	904 245	17 015	17 015	921 259	859 499	905 208
Expenditure - Functional						
Governance and administration	261 398	10 111	10 111	271 509	268 959	283 337
Executive and council	51 199	245	245	51 443	54 445	58 692
Finance and administration	195 181	9 840	9 840	205 022	201 546	211 104
Internal audit	15 018	26	26	15 044	12 967	13 541
Community and public safety	135 836	5 976	5 976	141 812	171 121	178 866
Community and social services	4 977	1 724	1 724	6 701	14 351	14 887
Public safety	102 612	5 915	5 915	108 527	134 934	141 139
Sport and recreation	28 247	(1 663)	(1 663)	26 584	21 836	22 841
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
Economic and environmental services	112 486	1 211	1 211	113 697	122 724	128 301
Environmental protection	96	–	–	96	769	804
Planning and development	24 797	257	257	25 054	27 083	28 327
Road transport	87 593	954	954	88 547	94 872	99 169
Trading services	219 978	21 756	21 756	241 734	205 292	225 892
Energy sources	158 450	12 008	12 008	170 458	153 940	172 107
Waste management	61 528	9 748	9 748	71 276	51 352	53 785
Other	–	–	–	–	–	–
Total Expenditure - Functional	729 698	39 054	39 054	768 752	768 095	816 396
Surplus/ (Deficit) for the year	174 546	(22 039)	(22 039)	152 507	91 404	88 812

Explanatory notes to Table B2 - Budgeted Financial Performance (by standard classification)

- Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into different functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
- Note the total revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table B4.

Table B3: Adjustment Budget – Municipal Vote

Vote Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote						
Vote 1 - Executive and Council	48 780	–	–	48 780	35 407	34 857
Vote 2 - Municipal Manager	53 017	–	–	53 017	55 456	57 951
Vote 3 - Budget and Treasury	146 875	11 935	11 935	158 810	152 288	149 220
Vote 4 - Corporate Services	46 686	26	26	46 712	48 833	56 225
Vote 5 - Community Services	182 142	20 404	20 404	202 547	218 024	256 705
Vote 6 - Technical Services	387 373	(15 351)	(15 351)	372 022	312 097	323 428
Vote 7 - Developmental Planning	19 670	–	–	19 670	16 787	15 506
Vote 8 - Executive Support	19 701	–	–	19 701	20 607	11 315
Total Revenue by Vote	904 245	17 015	17 015	921 259	859 499	905 208
Expenditure by Vote						
Vote 1 - Executive and Council	43 295	(2 507)	(2 507)	40 789	45 999	49 857
Vote 2 - Municipal Manager	51 629	723	723	52 352	43 118	45 536
Vote 3 - Budget and Treasury	84 720	6 690	6 690	91 410	90 062	94 093
Vote 4 - Corporate Services	32 137	6 125	6 125	38 262	46 669	48 819
Vote 5 - Community Services	207 291	15 724	15 724	223 015	234 357	245 081
Vote 6 - Technical Services	265 980	12 042	12 042	278 022	269 899	293 274
Vote 7 - Developmental Planning	17 900	257	257	18 156	19 280	20 166
Vote 8 - Executive Support	26 747	–	–	26 747	18 711	19 569
Total Expenditure by Vote	729 698	39 054	39 054	768 752	768 095	816 396
Surplus/ (Deficit) for the year	174 546	(22 039)	(22 039)	152 507	91 404	88 812

Explanatory notes to Table B3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table B3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the municipality.

Table B4: Adjustment Budget – Revenue & Expenditure

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source						
Property rates	61 818	–	–	61 818	70 257	73 489
Service charges - electricity revenue	147 578	–	–	147 578	148 355	164 847
Service charges - refuse revenue	14 276	–	–	14 276	13 062	13 663
Rental of facilities and equipment	1 886	–	–	1 886	2 986	3 123
Interest earned - external investments	10 989	–	–	10 989	9 837	10 289
Interest earned - outstanding debtors	13 635	5 896	5 896	19 531	20 803	21 756
Fines, penalties and forfeits	98 497	19 997	19 997	118 494	129 243	165 188
Licences and permits	7 302	–	–	7 302	7 638	7 989
Transfers and subsidies	383 099	17 544	17 544	400 643	376 877	363 020
Other revenue	4 296	–	–	4 296	3 132	3 276
Gains	–	11 122	11 122	11 122	–	–
Total Revenue (excluding capital transfers)	743 376	54 559	54 559	797 935	782 190	826 641
Expenditure By Type						
Employee related costs	196 286	10 033	10 033	206 319	221 033	230 993
Remuneration of councillors	29 661	(1 638)	(1 638)	28 023	30 996	34 095
Debt impairment	93 423	4 066	4 066	97 489	130 142	136 128
Depreciation & asset impairment	63 542	6 302	6 302	69 844	62 435	65 307
Finance charges	1 104	9 540	9 540	10 644	1 737	1 815
Bulk purchases	139 391	(8 824)	(8 824)	130 567	136 530	153 896
Other materials	41 896	(3 663)	(3 663)	38 233	38 703	40 483
Contracted services	85 573	16 271	16 271	101 844	68 548	72 158
Transfers and subsidies	11 313	–	–	11 313	9 913	10 442
Other expenditure	67 442	597	597	68 039	68 059	71 149
Losses	67	6 370	6 370	6 437	53	55
Total Expenditure	729 698	39 054	39 054	768 752	768 149	816 522
Surplus/(Deficit)	13 678	15 505	15 505	29 183	14 042	10 119
Transfers and subsidies - capital (monetary allocations)	140 868	(17 544)	(17 544)	123 324	77 309	78 567
Transfers and subsidies - capital (monetary allocations)	20 000	(20 000)	(20 000)	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–
Surplus/(Deficit) before taxation	174 546	(22 039)	(22 039)	152 507	91 351	88 686
Taxation	–	–	–	–	–	–
Surplus/(Deficit) after taxation	174 546	(22 039)	(22 039)	152 507	91 351	88 686
Attributable to minorities	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	174 546	(22 039)	(22 039)	152 507	91 351	88 686
Share of surplus/ (deficit) of associate	–	–	–	–	–	–
Surplus/ (Deficit) for the year	174 546	(22 039)	(22 039)	152 507	91 351	88 686

Explanatory notes to Table B4 - Budgeted Financial Performance (revenue and expenditure)

Operating revenue

Items below were adjusted based on actual performance to date:

- Interest on outstanding debtors
- Fines, penalties and forfeits
- Gains

Operating expenditure

- An upward adjustment on depreciation and assets impairment is to address finding raised during the previous audit. A comprehensive condition assessment has been conducted throughout the year, and the results informed the impairment adjustment to ensure that assets are fairly stated in line with GRAP requirements.
- An upward adjustment is due to Integrated National Electrification Programme (INEP) grant reclassified to contracted services as the municipality does not hold an electricity distribution license, it constructs the assets on behalf of Eskom within Eskom's area of supply. The reclassified from capital to operational in line with the underlying nature of the transaction and the requirement from National Treasury mSCOA circular 16.
- An upward adjustment is due to post-retirement benefit: medical: current service cost, post-retirement benefit: medical: interest cost and post-retirement benefit: pension: interest cost as per the post-employment medical aid subsidy report with reference to GRAP 25.

Items below were adjusted based on actual performance to date:

- Bulk purchases
- Finance cost
- Losses
- Other expenditure
- Other material
- Remuneration of councillors
- Debt impairment

Capital expenditure

Capital expenditure is adjusted downwards by R31 million. The breakdown is illustrated below:

Project	Sum of TotalBudget	Sum of Adjustment	Sum of Adjusted
Boreholes:Sekhukhune Boreholes	20 000 000	-20 000 000	-
Cemeteries/Crematoria:Fencing of Elandsdoorn/Ntwane Cemetery	696 000	105 836	801 836
Computer Equipment:Computer Equipment	1 660 404	279 321	1 939 725
Furniture and Office Equipment:Furniture and Office Equipment	760 000	605 569	1 365 569
Landfill Sites:Elansdooren Landfill Site	1 000 000	151 032	1 151 032
Machinery and Equipment:Machinery and Equipment	515 948	294 125	810 073
Municipal Offices:MOBILE OFFICE -	-	277 957	277 957
MV Networks:Electrification of Doorom (Designs)	199 392	- 199 392	-
MV Networks:Electrification of Luckau Maganagobuswa	6 262 219	- 6 262 219	-
MV Networks:Electrification of Lusaka (Designs)	200 000	- 200 000	-
MV Networks:Electrification of Magukubjane	4 340 000	- 4 340 000	-
MV Networks:Electrification of Mantrombi Section	2 000 000	- 2 000 000	-
MV Networks:Electrification of Motetema High view	2 000 000	- 2 000 000	-
MV Networks:Electrification of Ntswelemotse ext (Designs)	200 000	- 200 000	-
MV Networks:Electrification of Oorlog (Designs)	200 000	- 200 000	-
MV Networks:Electrification of Phooko	1 942 389	- 1 942 389	-
MV Networks:Electrification of Zaaipuss Police Station (Designs)	200 000	- 200 000	-
MV Substations:Mini substation	-	3 217 686	3 217 686
Outdoor Facilities:Upgrading of Tafelkop Stadium	11 217 392	604 586	11 821 978
Roads:Upgrading of Kgobokwane-Kgaphamadi Road	28 880 360	421 934	29 302 294

Transfers and subsidies – Capital

Transfers and subsidies (Capital) have been adjusted downwards by R20 million due to non-implementation of the Sekhukhune borehole project and R17.5 million Integrated National Electrification Programme (INEP) grant reclassified to contracted services as the municipality does not hold an electricity distribution license, it constructs the asset on behalf of Eskom within Eskom's area of supply.

Table B5: Adjustment Capital Budget – vote

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote						
Multi-year expenditure to be adjusted						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-
Vote 4 - Corporate Services	1 660	279	279	1 940	1 046	1 093
Vote 5 - Community Services	11 217	605	605	11 822	-	-
Vote 6 - Technical Services	88 566	3 640	3 640	92 206	76 095	53 190
Vote 7 - Developmental Planning	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-
Capital multi-year expenditure sub-total	101 444	4 524	4 524	105 968	77 141	54 283
Single-year expenditure to be adjusted						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-
Vote 4 - Corporate Services	710	884	884	1 594	691	722
Vote 5 - Community Services	2 559	551	551	3 110	2 428	1 956
Vote 6 - Technical Services	68 836	(37 544)	(37 544)	31 292	3 640	26 218
Vote 7 - Developmental Planning	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-
Capital single-year expenditure sub-total	72 105	(36 109)	(36 109)	35 996	6 758	28 896
Total Capital Expenditure - Vote	173 549	(31 586)	(31 586)	141 963	83 899	83 179

Explanatory notes to Table B5 - Budgeted Capital Expenditure by vote

1. Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2024/25 R101, 444 million has been allocated of the total R141, 963 million (adjusted). This allocation increases to R105, 968 million in the special adjustment budget.
3. Single-year capital expenditure has been adjusted to R72, 105 million during the first adjustment budget and decreases to R35, 996 million in the second special adjustment budget.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF,

these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years. The capital program is funded from capital grants and transfers and internally generated funds from current year surpluses and cash banked.

Table B5B: Adjustment Capital Budget – by Vote

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital Expenditure - Functional						
Governance and administration	2 370	1 163	1 163	3 533	1 737	1 815
Executive and council	–	–	–	–	–	–
Finance and administration	2 370	1 163	1 163	3 533	1 737	1 815
Internal audit	–	–	–	–	–	–
Community and public safety	12 191	1 005	1 005	13 196	1 814	1 328
Community and social services	696	106	106	802	1 500	1 000
Sport and recreation	11 495	899	899	12 394	314	328
Public safety	–	–	–	–	–	–
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
Economic and environmental services	134 654	(19 578)	(19 578)	115 076	70 028	74 225
Planning and development	–	–	–	–	–	–
Road transport	134 654	(19 578)	(19 578)	115 076	70 028	74 225
Environmental protection	–	–	–	–	–	–
Trading services	24 333	(14 175)	(14 175)	10 158	10 321	5 810
Energy sources	22 748	(14 326)	(14 326)	8 422	9 707	5 183
Waste management	1 585	151	151	1 736	614	628
Other	–	–	–	–	–	–
Total Capital Expenditure - Functional	173 549	(31 586)	(31 586)	141 963	83 899	83 179
Funded by:						
National Government	140 508	(17 544)	(17 544)	122 964	76 932	78 173
Provincial Government	–	–	–	–	–	–
District Municipality	20 000	(20 000)	(20 000)	–	–	–
Transfers and subsidies - capital (monetary allocations) (Higher Edu	360	–	–	360	377	394
Transfers recognised - capital	160 868	(37 544)	(37 544)	123 324	77 309	78 567
Borrowing	–	–	–	–	–	–
Internally generated funds	12 681	5 958	5 958	18 639	6 590	4 611
Total Capital Funding	173 549	(31 586)	(31 586)	141 963	83 899	83 179

Explanatory notes to Table B5B - Budgeted Capital Expenditure by standard classification and funding source

Capital projects are funded by Municipal Infrastructure Grant (MIG); Municipal Disaster Recovery Grant (MDRG); Energy Efficiency Demand Side Management Grant (EEDSM); Local Government Sector Training and Training Authority (LGSETA) and internal generated revenue.

Table B6: Adjustment Budget - Financial Position

Description	2024/25						Budget Year 2025/26	Budget Year 2026/27
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS								
Current assets								
Cash and cash equivalent	77 878	75 979	13 790	(25 051)	(11 262)	64 717	87 254	6 658
Trade and other receivables from exchange transactions	64 638	69 990	–	808	808	70 799	62 038	59 552
Receivables from non-exchange transactions	80 447	97 494	–	21 990	21 990	119 484	85 111	116 294
Current portion of long-term receivables	119	119	–	–	–	119	119	119
Inventory	41 956	37 955	–	–	–	37 955	38 702	40 704
VAT	13 993	20 723	–	1 257	1 257	21 980	8 366	14 083
Other current assets	–	–	–	–	–	–	–	–
Total current assets	279 032	302 261	13 790	(996)	12 793	315 054	281 591	237 412
Non current assets								
Investments	–	–	–	–	–	–	–	–
Investment property	47 492	47 492	–	–	–	47 492	46 927	46 336
Property, plant and equipment	1 405 874	1 483 114	(37 544)	5 958	(31 586)	1 451 528	1 399 595	1 418 020
Biological assets	–	–	–	–	–	–	–	–
Living and non-living resources	–	–	–	–	–	–	–	–
Heritage assets	463	463	–	–	–	463	463	463
Intangible assets	663	663	–	–	–	663	654	646
Trade and other receivables from exchange transactions	19 693	20 193	–	–	–	20 193	20 942	22 249
Non-current receivables from non-exchange transactions	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	–	–	–
Total non current assets	1 474 186	1 551 926	(37 544)	5 958	(31 586)	1 520 340	1 468 582	1 487 715
TOTAL ASSETS	1 753 218	1 854 186	(23 754)	4 962	(18 793)	1 835 394	1 750 173	1 725 127
LIABILITIES								
Current liabilities								
Bank overdraft	–	–	–	–	–	–	–	–
Financial liabilities	8 895	6 639	–	1 749	1 749	8 388	9 125	10 785
Consumer deposits	6 653	6 810	–	–	–	6 810	6 686	6 721
Trade and other payables from exchange transactions	90 033	96 954	–	–	–	96 954	97 562	115 424
Trade and other payables from non-exchange transactions	12 228	37 404	–	(12 468)	(12 468)	24 937	17 703	13 382
Provisions	6 565	5 003	–	–	–	5 003	8 914	11 370
VAT	–	–	–	–	–	–	–	–
Other current liabilities	–	–	–	–	–	–	–	–
Total current liabilities	124 375	152 811	–	(10 718)	(10 718)	142 093	139 991	157 683
Non current liabilities								
Borrowing	27 548	45 602	–	–	–	45 602	18 422	7 434
Provisions	46 761	46 761	–	–	–	46 761	46 792	46 824
Long term portion of trade payables	–	–	–	–	–	–	–	–
Other non-current liabilities	43 541	43 541	–	–	–	43 541	45 967	46 181
Total non current liabilities	117 850	135 904	–	(10 718)	(10 718)	135 904	111 182	100 440
TOTAL LIABILITIES	242 225	288 715	–	(10 718)	(10 718)	277 997	251 173	258 123
NET ASSETS	1 510 992	1 565 471	(23 754)	15 680	(8 074)	1 557 397	1 499 000	1 467 004
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)	1 510 992	1 565 471	–	15 680	15 680	1 557 397	1 499 000	1 467 004
Funds and Reserves	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1 510 992	1 565 471	–	15 680	15 680	1 557 397	1 499 000	1 467 004

Explanatory notes to Table B6 - Budgeted Financial Position

1. Table B6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents assets less liabilities as “accounting” community wealth. The order of items within each group

illustrates items in order of liquidity, i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

3. The municipal equivalent of equity is community wealth/equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the budgeted financial performance or the capital budget will inevitably impact on the budgeted financial position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.
5. Table B6 is supported by an extensive table of notes that provide detailed analysis of the major components of a number of items, including:
 - Call investments deposits.
 - Consumer debtors.
 - Property, plant and equipment.
 - Trade and other payables.
 - Provisions non-current.
 - Changes in net assets; and
 - Reserves.
6. Included in trade and other payables are the following non-cash items that should not be taken into account when determining the funding position of the municipality as there are already included as part of operating expenditure (as the contra account):
 - Accrued leave pay
 - Accrued bonus
7. Additionally, retention release is taken into account under payment to suppliers and employees in the cash flow statement.

Increase in receivables from non-exchange transactions is as a result of increase in interest on outstanding debtors on property rates and an increase in traffic fines after taking into account collection rate.

Trade and other receivables from exchange transactions is as a result of an increase in interest on outstanding debtors relating to service charges after taking into account collection rate.

Increase in cash and cash equivalent is as a result on net increase in cash held in table A7 cash flow.

Consequently, all adjustments made have an impact on Value Added Tax (VAT), hence an adjustment.

Property plant and equipment are adjusted downwards as a result of non-implementation of the Sekhukhune borehole project and Integrated National Electrification Programme (INEP) grant reclassified to contracted services as the municipality does not hold an electricity distribution license, it constructs the asset on behalf of Eskom within Eskom's area of supply. Additionally, there has been an upward adjustment on internally funded projects based on their performance.

Increase in financial liabilities is due to actual performance on finance lease obligation.

A decrease in trade and other payables from non-exchange transactions is as a result of actual performance on unspent conditional grant based on rollover application.

Table B7: Adjustment Budget – Cash Flows

Description	2024/25						Budget Year 2025/26	Budget Year 2026/27
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	68 803	64 791	–	1 618	1 618	66 409	71 969	51 915
Service charges	144 048	158 130	–	236	236	158 367	158 916	124 549
Other revenue	28 186	26 864	–	1 240	1 240	28 104	30 783	23 735
Transfers and Subsidies - Operational	383 099	383 099	17 544	–	17 544	400 643	379 202	378 480
Transfers and Subsidies - Capital	91 858	160 868	(37 544)	–	(37 544)	123 324	76 932	79 692
Interest	8 210	5 078	–	–	–	5 078	8 588	22 862
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(538 490)	(561 323)	–	(12 776)	(12 776)	(574 099)	(561 342)	(599 639)
Finance charges	(406)	(1 104)	–	(9 540)	(9 540)	(10 644)	(1 737)	(1 815)
Transfers and Subsidies	(9 404)	(12 133)	–	–	–	(12 133)	(9 913)	(10 442)
NET CASH FROM/(USED) OPERATING ACTIVITIES	175 905	224 271	(20 000)	(19 222)	(39 222)	185 049	153 399	69 337
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	659	5 659	–	–	–	5 659	131	137
Decrease (increase) in non-current receivables	1 194	659	–	–	–	659	1 249	1 307
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–
Payments								
Capital assets	(99 595)	(156 324)	33 790	(5 830)	27 960	(128 364)	(75 203)	(74 932)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(97 742)	(150 006)	33 790	(5 830)	27 960	(122 046)	(73 823)	(73 488)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–
Payments								
Repayment of borrowing	(9 494)	(11 751)	–	–	–	(11 751)	(8 895)	(9 125)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(9 494)	(11 751)	–	–	–	(11 751)	(8 895)	(9 125)
NET INCREASE/ (DECREASE) IN CASH HELD	68 669	62 514	13 790	(25 051)	(11 262)	51 252	70 681	(13 277)
Cash/cash equivalents at the year begin:	9 209	13 465	–	–	–	13 465	16 573	19 935
Cash/cash equivalents at the year end:	77 878	75 979	13 790	(25 051)	(11 262)	64 717	87 254	6 658

Explanatory notes to Table B7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash level of the municipality is projected to consistently increase, however the achievement of these results, requires implementation of stringent credit control.
4. 2024/25 MTREF has been informed by the planning principle of ensuring adequate cash and cash equivalent over the medium-term and as a result, the cash and investment management policy is now in place.
5. Capital payment is exclusive of retention amounting to 10% of the work done.

Cash flow from operating activities

Transfer and subsidies (capital) cash inflow is as a result of non-implementation of the Sekhukhune borehole project. INEP grant is reclassified from capital to operational in line with the underlying nature of the transaction and the requirement from National Treasury mSCOA circular 16. This adjustment represents an in-and-out entry (reclassification) and therefore has no cashflow impact. The municipality did not receive additional funding.

Property rates and service charges is as a result of actual performance of interest of outstanding debtors after taking into account the collection rate.

Other revenue is as a result of actual performance of fines after taking into account the collection rate.

Increase in payment to suppliers and employees is as a result on upward adjustment in operating expenditure (Refer to table A4)

Cash flow from investing activities

Payments on capital assets is as a result of non-implementation of the Sekhukhune borehole project and Integrated National Electrification Programme (INEP) grant reclassified to contracted services as the municipality does not hold an electricity distribution license, it constructs the asset on behalf of Eskom within Eskom's area of supply. Additionally, there has been an upward adjustment on internally funded projects based on their performance.

However, the above payments are exclusive of retention withheld.

Cash flow from financing activities

There are no changes.

Table B8: Adjustment Budget – Cash Backed Reserves

Description	2024/25						Budget Year 2025/26	Budget Year 2026/27
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available								
Cash/cash equivalents at the year end	77 878	75 979	-	(11 262)	(11 262)	64 717	87 254	6 658
Other current investments > 90 days	-	-	-	-	-	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-
Cash and investments available:	77 878	75 979	-	(11 262)	(11 262)	64 717	87 254	6 658
Applications of cash and investments								
Unspent conditional transfers	12 228	37 404	(12 468)	-	(12 468)	24 937	6 835	2 812
Unspent borrowing	-	-	-	-	-	-	-	-
Statutory requirements	(13 993)	(20 723)	-	-	-	(20 723)	(8 366)	(14 083)
Other working capital requirements	(13 595)	(28 388)	-	-	-	(28 388)	(6 158)	(2 541)
Other provisions	6 565	5 003	-	-	-	5 003	8 914	11 370
Long term investments committed	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	-	-	-	-	-	-	-	-
Total Application of cash and investments:	(8 795)	(6 704)	(12 468)	-	(12 468)	(19 171)	1 225	(2 442)
Surplus(shortfall)	86 673	82 682	12 468	(11 262)	1 206	83 888	86 029	9 100

Explanatory notes - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the above table, it is clearly indicated that the municipality has surplus over MTREF.

Table B9: Adjustment Budget – Asset Management

Description	Ref	2024/25									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total Adjus.	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjus.	13	Budget	Budget	Budget
		8	9	10	11	12		14				
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	32 420	44 525	-	-	-	-	957	957	45 481	30 942	8 488
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		2 174	-	-	-	-	-	435	435	435	1 000	-
Electrical Infrastructure		21 544	21 544	-	-	-	-	-	-	21 544	26 862	8 300
Water Supply Infrastructure		-	20 000	-	-	-	-	-	-	20 000	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		250	100	-	-	-	-	-	-	100	1 200	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		23 968	41 644	-	-	-	-	435	435	42 079	29 062	8 300
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		1 360	1 660	-	-	-	-	-	-	1 660	1 179	188
Furniture and Office Equipment		6 110	760	-	-	-	-	-	-	760	500	-
Machinery and Equipment		983	461	-	-	-	-	522	522	982	200	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	9 561	19 484	-	-	-	-	-	-	19 484	12 089	22 300
Roads Infrastructure		-	17 050	-	-	-	-	-	-	17 050	-	22 300
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		500	500	-	-	-	-	-	-	500	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		8 000	1 000	-	-	-	-	-	-	1 000	11 889	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		8 500	18 550	-	-	-	-	-	-	18 550	11 889	22 300
Community Facilities		800	696	-	-	-	-	-	-	696	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		800	696	-	-	-	-	-	-	696	-	-
Machinery and Equipment		261	238	-	-	-	-	-	-	238	200	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	68 514	94 158	-	-	-	-	14 426	14 426	108 584	55 689	48 000
Roads Infrastructure		58 514	84 158	-	-	-	-	12 773	12 773	96 932	55 689	45 000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	435	435	435	-	3 000
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		58 514	84 158	-	-	-	-	13 208	13 208	97 366	55 689	48 000
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		10 000	10 000	-	-	-	-	1 217	1 217	11 217	-	-
Community Assets		10 000	10 000	-	-	-	-	1 217	1 217	11 217	-	-

Total Capital Expenditure to be adjusted	4	110 495	158 167	-	-	-	-	15 382	15 382	173 549	98 719	78 788
Roads Infrastructure		58 514	101 208	-	-	-	-	12 773	12 773	113 982	55 689	67 300
Storm water Infrastructure		2 174	-	-	-	-	-	435	435	435	1 000	-
Electrical Infrastructure		22 044	22 044	-	-	-	-	-	-	22 044	26 862	8 300
Water Supply Infrastructure		-	20 000	-	-	-	-	-	-	20 000	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		8 250	1 100	-	-	-	-	435	435	1 535	13 089	3 000
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		90 982	144 352	-	-	-	-	13 643	13 643	157 995	96 640	78 600
Community Facilities		800	696	-	-	-	-	-	-	696	-	-
Sport and Recreation Facilities		10 000	10 000	-	-	-	-	1 217	1 217	11 217	-	-
Community Assets		10 800	10 696	-	-	-	-	1 217	1 217	11 913	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		1 360	1 660	-	-	-	-	-	-	1 660	1 179	188
Furniture and Office Equipment		6 110	760	-	-	-	-	-	-	760	500	-
Machinery and Equipment		1 243	698	-	-	-	-	522	522	1 220	400	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	110 495	158 167	-	-	-	-	15 382	15 382	173 549	98 719	78 788
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		58 901	62 754	-	-	-	-	-	-	62 754	65 514	68 469
Repairs and Maintenance by asset class	3	36 354	39 409	-	-	-	-	-	-	39 409	38 130	39 846
Roads Infrastructure		7 766	8 126	-	-	-	-	-	-	8 126	7 629	7 972
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		4 750	4 750	-	-	-	-	-	-	4 750	5 808	6 070
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		2 203	2 841	-	-	-	-	-	-	2 841	2 966	3 099
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		14 718	15 716	-	-	-	-	-	-	15 716	16 403	17 141
Community Facilities		6 262	7 686	-	-	-	-	-	-	7 686	7 024	7 341
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		6 262	7 686	-	-	-	-	-	-	7 686	7 024	7 341
Furniture and Office Equipment		550	550	-	-	-	-	-	-	550	580	606
Machinery and Equipment		13 101	13 233	-	-	-	-	-	-	13 233	12 300	12 854
Transport Assets		1 724	2 224	-	-	-	-	-	-	2 224	1 822	1 903
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		95 256	102 163	-	-	-	-	-	-	102 163	103 644	108 315
Renewal and upgrading of Existing Assets as % of total capex		70.7%	71.8%							73.8%	68.7%	89.2%
Renewal and upgrading of Existing Assets as % of deprecn		132.6%	181.1%							204.1%	103.5%	102.7%
R&M as a % of PPE		2.9%	3.1%							3.1%	3.0%	3.2%
Renewal and upgrading and R&M as a % of PPE		9.1%	12.0%							13.2%	8.3%	8.8%

Explanatory notes to Table B9 - Asset Management

1. Table B9 provides an overview of municipal capital allocations to construct and/procure new assets, renewal, and upgrading of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal and upgrading of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality allocated 81% of the capital budget to the renewal and upgrading of existing assets which is considered to be an achievement.

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3. The renewal and upgrading of existing assets target have been met throughout the MTEF period, however, the achievement of repairs and maintenance target remains a challenge.

Table B10: Adjustment Budget – Service Delivery

Description	Ref	2024/25								Budget Year 2025/26	Budget Year 2026/27	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Adjusted Budget	
Households receiving Free Basic Service	15											
Water (6 kilolres per household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		6,981	-	-	-	-	-	2,729	2,729	9,710	7,302	7,638
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-	-	-
Informal Settlements												
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	2,729	2,729	2,729	7,302	7,638
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		113	-	-	-	-	-	-	-	113	118	123
Total cost of FBS provided		113	-	-	-	-	-	2,729	2,729	2,842	7,420	7,761
Highest level of free service provided												
Property rates (R1000 value threshold)									-	-		
Water (kilolres per household per month)									-	-		
Sanitation (kilolres per household per month)									-	-		
Sanitation (Rand per household per month)									-	-		
Electricity (kwh per household per month)									-	-		
Refuse (average litres per week)									-	-		
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)									-	-		
excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	(7,302)	(7,638)
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates									-	-		
Housing - top structure subsidies	6								-	-		
Other									-	-		
Total revenue cost of subsidised services provided		-	-	-	-	-	-	-	-	-	(7,382)	(7,638)

PART 2 – SUPPORTING DOCUMENTATION

Table SB7: Adjustment Budget - Transfers and Grants Receipts

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
RECEIPTS:						
Operating Transfers and Grants						
National Government:	383 099	35 088	35 088	418 187	382 393	368 003
Local Government Equitable Share	377 690	17 544	17 544	395 234	374 077	360 220
Finance Management	2 800	–	–	2 800	2 800	2 800
EPWP Incentive	2 609	–	–	2 609	–	–
Intergrated National Electrification Grant	–	17 544	17 544	17 544	5 516	4 983
Other grant providers:	–	–	–	–	–	–
<i>LGSETA Learnership and Development</i>	–	–	–	–	–	–
Total Operating Transfers and Grants	383 099	35 088	35 088	418 187	382 393	368 003
Capital Transfers and Grants						
National Government:	140 508	(17 544)	(17 544)	122 964	71 416	73 190
Municipal Infrastructure Grant (MIG)	91 314	–	–	91 314	67 416	73 190
Energy Efficiency and Demand Side Management Grant	4 000	–	–	4 000	4 000	–
Municipal Disaster Recovery Grant	27 650	–	–	27 650	–	–
Intergrated National Electrification Grant	17 544	(17 544)	(17 544)	–	–	–
Provincial Government:	–	–	–	–	–	–
N/A	–	–	–	–	–	–
District Municipality:	20 000	(20 000)	(20 000)	–	–	–
WSIG Sekhukhune	20 000	(20 000)	(20 000)	–	–	–
Other grant providers:	360	–	–	360	377	394
<i>LGSETA Learnership and Development</i>	360	–	–	360	377	394
Total Capital Transfers and Grants	160 868	(17 544)	(17 544)	123 324	71 793	73 584
TOTAL RECEIPTS OF TRANSFERS & GRANTS	543 967	17 544	17 544	541 511	454 186	441 587

Table SB 8: Adjustment Budget – Transfers and Grants Expenditure

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM						
Operating expenditure of Transfers and Grants						
National Government:	5 409	17 544	17 544	22 953	8 316	7 783
Finance Management	2 800	–	–	2 800	2 800	2 800
EPWP Incentive	2 609	–	–	2 609	–	–
Intergrated National Electrification Grant	–	17 544	17 544	17 544	5 516	4 983
Other grant providers:	–	–	–	–	–	–
N/A	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:	5 409	17 544	17 544	22 953	8 316	7 783
Capital expenditure of Transfers and Grants						
National Government:	140 508	(17 544)	(17 544)	122 964	71 416	73 190
Municipal Infrastructure Grant (MIG)	91 314	–	–	91 314	67 416	73 190
Energy Efficiency and Demand Side Management Grant	4 000	–	–	4 000	4 000	–
Municipal Disaster Recovery Grant	27 650	–	–	27 650	–	–
Intergrated National Electrification Grant	17 544	(17 544)	(17 544)	–	–	–
Provincial Government:	–	–	–	–	–	–
N/A	–	–	–	–	–	–
District Municipality:	20 000	(20 000)	(20 000)	–	–	–
WSIG Sekhukhune	20 000	(20 000)	(20 000)	–	–	–
Other grant providers:	360	–	–	360	377	394
LGSETA Learnership and Development	360	–	–	360	377	394
Total capital expenditure of Transfers and Grants	160 868	(37 544)	(37 544)	123 324	71 793	73 584
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	166 277	(20 000)	(20 000)	146 277	80 109	81 367

Table SB 9: Adjustment Budget – Reconciliation of Transfers; Grants Receipts and Unspent Funds

Description	Budget Year 2024/25				Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Operating transfers and grants:						
National Government:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	5 409	17 544	17 544	22 953	8 316	7 783
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	5 409	17 544	17 544	22 953	8 316	7 783
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
Provincial Government:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
District Municipality:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
Other grant providers:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
Total operating transfers and grants revenue	5 409	17 544	17 544	22 953	8 316	7 783
Total operating transfers and grants - CTBM	-	-	-	-	-	-
Capital transfers and grants:						
National Government:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	140 508	(17 544)	(17 544)	122 964	71 416	73 190
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	140 508	(17 544)	(17 544)	122 964	71 416	73 190
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
Provincial Government:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
District Municipality:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	20 000	(20 000)	(20 000)	-	-	-
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	20 000	(20 000)	(20 000)	-	-	-
Other grant providers:						
Balance unspent at beginning of the year	-	-	-	-	-	-
Current year receipts	360	-	-	360	377	394
Re-payment of unspent grant	-	-	-	-	-	-
Conditions met - transferred to revenue	360	-	-	360	377	394
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-
Total capital transfers and grants revenue	160 868	(37 544)	(37 544)	123 324	71 793	73 584
Total capital transfers and grants - CTBM	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	166 277	(20 000)	(20 000)	146 277	80 109	81 367
TOTAL TRANSFERS AND GRANTS - CTBM	-	-	-	-	-	-

Sources of capital revenue over the MTREF

The above table is graphically represented as follows for the 2024/25 financial year.

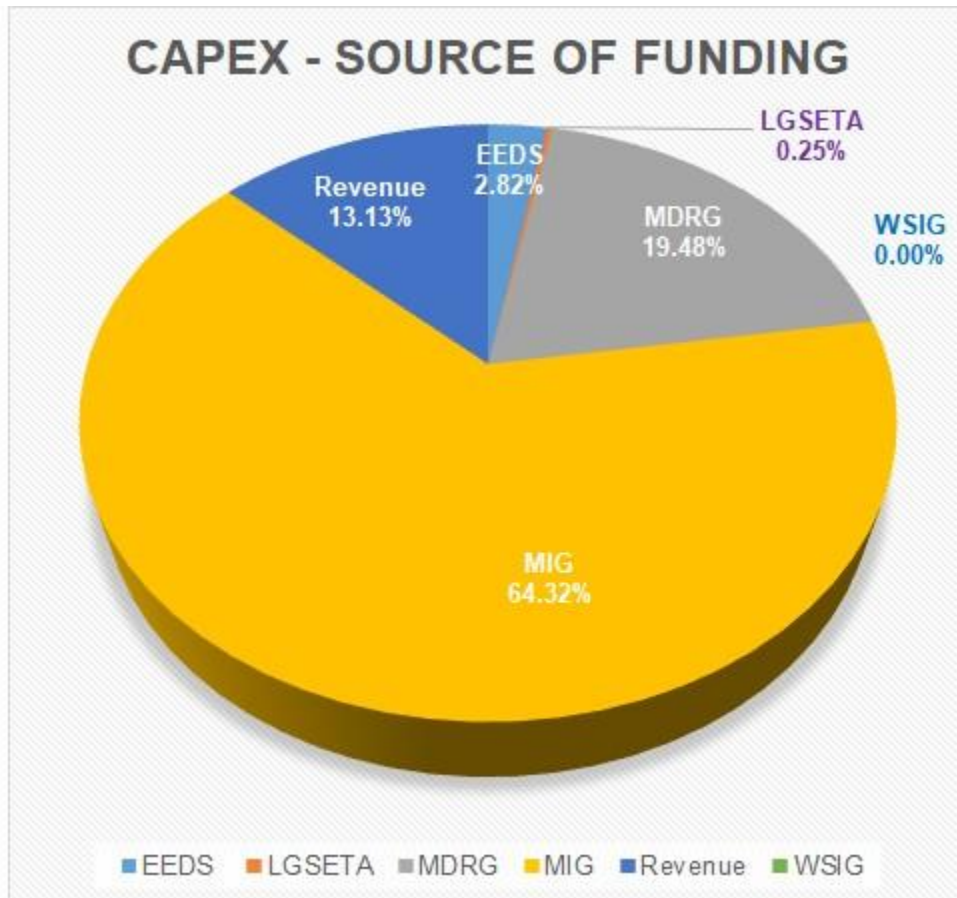


Figure 6 Breakdown of the source of funding for 2024/25 MTREF

The capital grants and receipts equates to 87% of the total funding source which represents R123, 324 million for the 2024/25 financial year. Only 13% of capital budgets is funded from internally generated revenue.

Table SB 19: Adjustment Budget – List of Capital Projects

Project Description	Type	Asset Sub-Class	Ward Location	Medium Term Revenue and Expenditure Framework						
				Budget Year 2024/25		Budget Year 2025/26		Budget Year 2026/27		
				Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	
Mini substation	New	<i>MV Networks</i>	13	–	3 218	–	–	–	–	–
Groblersdal traffic lights	New	<i>Machinery and Equipment</i>	13	435	612	–	–	–	–	–
Aircons	New	<i>Furniture and Office Equipment</i>	Whole of the municipality	183	592	191	191	200	200	–
Energy Efficiency Project	New	<i>MV Networks</i>	Whole of the municipality	4 000	4 000	4 000	4 000	–	–	–
Groblersdal Lanfillsite	New	<i>Landfill Sites</i>	13	8 000	–	–	–	–	–	–
Culverts and Road signs	New	<i>Roads</i>	Whole of the municipality	–	–	600	600	750	750	–
Groblersdal Stormwater	New	<i>Roads</i>	13	2 174	435	1 739	1 739	–	–	–
Upgrading of Stompo Bus Road	New	<i>Roads</i>	4	300	300	–	–	–	–	–
Renewal of Hlogotlou to Bopanang Internal Streets	Renewal	<i>Roads</i>	25	–	–	14 121	14 121	9 342	9 342	–
Upgrading of Kgobokwane-Kgaphamadi Road	Upgrading	<i>Roads</i>	3	11 000	26 063	29 420	29 420	–	–	–
Upgrading of Kgobokwane-Kgaphamadi Road (Internal)	Upgrading	<i>Roads</i>	3	–	3 239	–	–	–	–	–
Upgrading of Malaeneng A Ntwane Access Road	Upgrading	<i>Roads</i>	9	17 750	21 304	–	–	–	–	–
Upgrading of Malaeneng A Ntwane Access Road (Internal)	Upgrading	<i>Roads</i>	9	–	–	–	–	–	–	–
Upgrading of Mokumong access road to Marateng taxi rank (Internal)	Upgrading	<i>Roads</i>	29	–	–	–	–	–	–	–
Upgrading of Mokumong access road to Marateng taxi rank (MIG)	Upgrading	<i>Roads</i>	29	10 990	22 892	16 710	16 710	–	–	–
Upgrading of Maraganeng Internal Access road (Internal)	Upgrading	<i>Roads</i>	16	–	–	–	–	–	–	–
Upgrading of Maraganeng internal Access road (MIG)	Upgrading	<i>Roads</i>	16	16 574	11 055	–	–	–	–	–
Upgrading of Tafelkop Bapeding Bus route	Upgrading	<i>Roads</i>	26	600	600	–	–	–	–	–
construction of washbay at Groblersdal landfill site	New	<i>Landfill Sites</i>	13	250	–	–	–	–	–	–
Upgrading of Waalkral Bus route (Internal)	Upgrading	<i>Roads</i>	3	700	700	–	–	–	–	–
Upgrading of Waalkral Bus route (MIG)	Upgrading	<i>Roads</i>	3	–	–	7 165	7 165	43 848	43 848	–
Construction of Jerusalem/Motsephiri stormwater control	Renewal	<i>Roads</i>	21	–	12 350	–	–	–	–	–
Re - construction of culvert bridge at Kgobokwane village	Renewal	<i>Roads</i>	3	–	3 500	–	–	–	–	–
Re -construction of gabions on RHS & LHS at Marapong Village	Renewal	<i>Roads</i>	8	–	1 200	–	–	–	–	–
Sekhukhune Boreholes	New	<i>Boreholes</i>	Whole of the municipality	–	–	–	–	–	–	–
Upgrading of gravel road to pave and stormwater at Moteti	Upgrading	<i>Roads</i>	2	–	10 600	–	–	–	–	–
Infrastructure Office Furniture	New	<i>Furniture and Office Equipment</i>	13	–	–	–	–	–	–	–
Machinery and Equipment	New	<i>Machinery and Equipment</i>	Whole of the municipality	261	238	273	273	285	285	–
Upgrading of Talane Bus route (Internal)	Upgrading	<i>Roads</i>	11	600	600	–	–	–	–	–
Upgrading of Tafelkop stadium	Upgrading	<i>Roads</i>	11	10 000	10 000	–	–	20 000	20 000	–
Upgrading of Tafelkop stadium (Internal funding)	Upgrading	<i>Roads</i>	11	–	1 822	–	–	–	–	–
Furniture and Office Equipment	New	<i>Furniture and Office Equipment</i>	Whole of the municipality	300	50	314	314	328	328	–
500 Twenty Skip Bins	New	<i>Capital Spares</i>	Whole of the municipality	500	–	–	–	–	–	–
Disaster Management Centre & Emergency Relief Store room	New	<i>Centres</i>	13	–	–	–	–	–	–	–
No Illegal Dumping	New	<i>Capital Spares</i>	13	–	–	–	–	–	–	–
Landfill site - Notice boards	New	<i>Landfill Sites</i>	Whole of the municipality	–	100	–	–	–	–	–
Construction of Skip Bin Ramps at Hlogotlou Waste Transfers	New	<i>Waste Transfer Stations</i>	Ward 30	–	–	300	300	300	300	–
Fencing of Elandsdoorn/Ntwane Cemetery	Renewal	<i>Cemeteries</i>	9	800	802	–	–	–	–	–
Elandsdoorn Landfill Site	Renewal	<i>Cemeteries/Crematoria</i>	8	–	1 151	–	–	–	–	–
Mobile office	New	<i>Building</i>	13	–	278	–	–	–	–	–
Fencing of Groblersdal Landfill Site	New	<i>Landfill Sites</i>	13	–	435	–	–	–	–	–
Professional Lawn Mowers and Industrial Brush Cutters	New	<i>Machinery and Equipment</i>	Whole of the municipality	300	572	314	314	328	328	–
Computer Equipment	New	<i>Computer Equipment</i>	Whole of the municipality	1 000	1 579	1 046	1 046	1 093	1 093	–
Furniture and Office Equipment	New	<i>Furniture and Office Equipment</i>	Whole of the municipality	300	1 316	314	314	328	328	–
Computer Equipment - SETA	New	<i>Computer Equipment</i>	Whole of the municipality	426	360	377	377	394	394	–
Printers	New	<i>Furniture and Office Equipment</i>	Whole of the municipality	5 510	–	–	–	–	–	–
Fencing of Groblersdal Cemetry	Upgrading	<i>Cemeteries/Crematoria</i>	13	–	–	1 500	1 500	1 000	1 000	–
				92 951	141 963	78 383	78 383	78 196	78 196	

Projects adjusted upwards:

Internally generated revenue funded

- Fencing of Elandsdoorn/Ntwane Cemetery by R105 836
- Computer Equipment by R279 321
- Furniture and Office Equipment by R605 569
- Elansdooren Landfill Site by R151 032
- Mobile office by R277 957
- Machinery and Equipment by R294 125
- MV Substations:Mini substation by R3 217 686
- Upgrading of Tafelkop Stadium by R604 586
- Upgrading of Kgobokwane-Kgaphamadi Road by R421 934

Projects adjusted downwards:

WSIG funded

- Sekhukhune boreholes by R20 000 000

INEP funded

Project	Sum of TotalBudget	Sum of Adjustment	Sum of Adjusted
MV Networks:Electrification of Doorom (Designs)	199 392	-199 392	0
MV Networks:Electrification of Luckau Maganagobuswa	6 262 219	-6 262 219	0
MV Networks:Electrification of Lusaka (Designs)	200 000	-200 000	0
MV Networks:Electrification of Magukubjane	4 340 000	-4 340 000	0
MV Networks:Electrification of Mantrombi Section	2 000 000	-2 000 000	0
MV Networks:Electrification of Motetema High view	2 000 000	-2 000 000	0
MV Networks:Electrification of Ntswelemotse ext (Designs)	200 000	-200 000	0
MV Networks:Electrification of Oorlog (Designs)	200 000	-200 000	0
MV Networks:Electrification of Phooko	1 942 389	-1 942 389	0
MV Networks:Electrification of Zaaipuss Police Station (Designs)	200 000	-200 000	0
Grand Total	17 544 000	-17 544 000	0

Quality certificate

I, **NAMUDI REGINAH MAKGATA**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the 2024/25 special adjustment budget and supporting documentations have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the integrated development plan.



Ms. NR MAKGATA, PR Tech Eng.
MUNICIPAL MANAGER