

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **MAIN ADJUSTMENT BUDGET**

**2024-25 FINANCIAL YEAR**

## ABBREVIATIONS AND ACRONYMS

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

## 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.

Regulation 23 (1) of Municipal Budget Reporting Regulation stipulates that adjustment budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current financial year.

Regulation 23 (2) of Municipal Budget Reporting Regulation outlines that one adjustment budget referred to in sub regulation (1) may be tabled in the municipal council during a financial year, **except**, when the additional revenues contemplated in section (28) (b) of the Act are allocations to the municipality in a national or provincial adjustment budget, in which case sub regulation (3) applies.

Regulation 23 (3) of Municipal Budget Reporting stipulates that if national or provincial adjustment budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustment budget, table adjustment budget referred to in section 28(2) (b) of the Act in the municipal council to appropriate these additional revenues.

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.

The municipal annual budget for 2024-25 financial year is funded in accordance with the National Treasury A-schedule assessment, therefore a separate funding plan is not required.

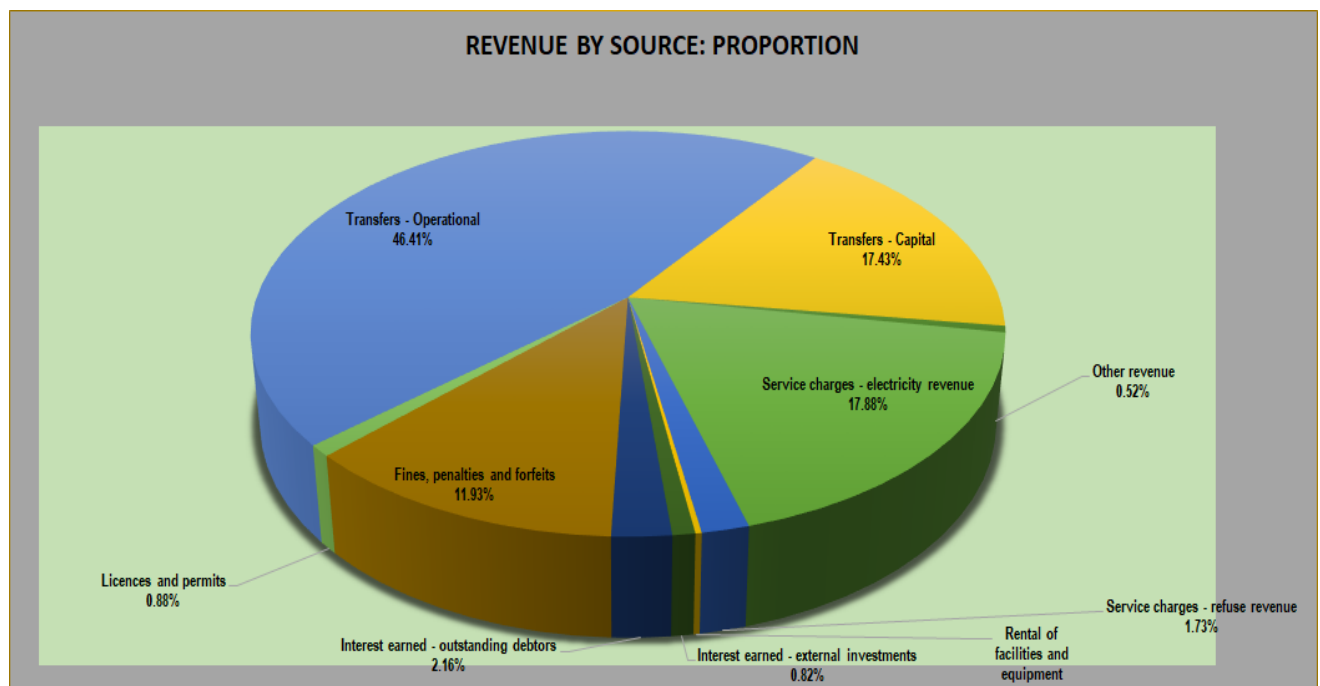
## SUMMARY OF 2024/25 MEDIUM TERM REVENUE EXPENDITURE FRAMEWORK

DESCRIPTION	2024/25			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENTAGE
OPERATING REVENUE	752 711 553	743 376 275	439 723 842	58%
OPERATING EXPENDITURE	734 364 413	726 702 433	370 525 928	50%
TRANSFER - CAPITAL	96 218 404	143 868 404	73 467 629	76%
SURPLUS/(DEFICIT)	114 565 544	160 542 246	142 665 543	125%
CAPITAL EXPENDITURE	110 495 280	158 166 958	85 538 420	77%

The impact of adjustment budget on municipal approved original budget is as follows:

- Decrease in operating revenue.
- Decrease in operating expenditure.
- Increase in transfer recognized (capital).
- Increase in capital expenditure.

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% or more.





### **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.

The revenue to be generated from operational grants amounts to R383, 099 million translating to 69% 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. In addition, revenue to be generated from rates and services charges amounts to 8% and 22% respectively. In 2024/25 financial year, revenue from rates and services charges add up to R223, 672 million translating to 30%.

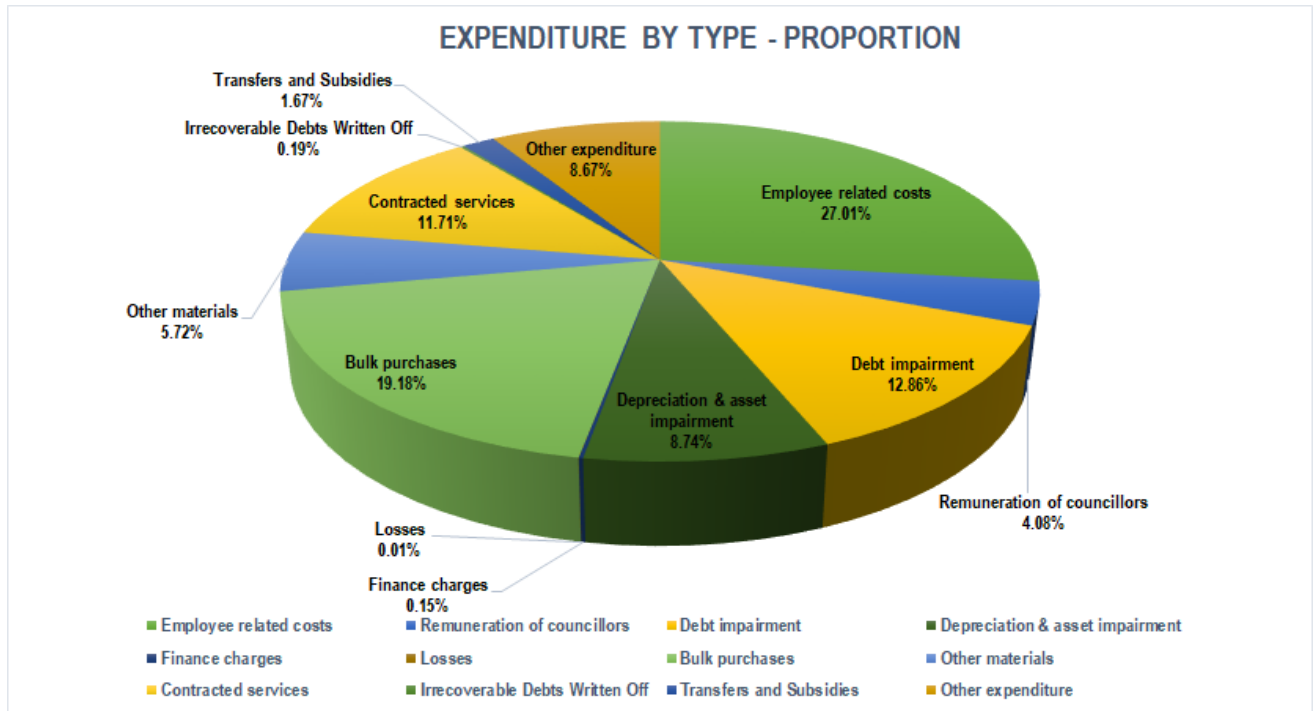
Service charges are the second largest revenue source totaling 22% or R161, 854 million and decreases to R140, 947 million and increase to R164, 558 million respectively in the outer years. The third largest source is fines that amounts to R98, 497 million in 2024/25 financial year and R105, 453 million and R110, 410 million respectively in the outer years.

### **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 around 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 the 2024/25 MTREF operational repairs and maintenance was 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 increased from R37, 929 million in adopted budget to R41, 118 million in adjusted budget then decreases to R32, 341 million and increases to R33, 905 million respectively in the outer years. In addition, the municipality is still experiencing budgetary constraints to can 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 2.7% throughout the MTREF period and this percentage is however way below the set norm of 8% as stipulated by National Treasury.

For the 2024/25 financial year R12, 515 million of total repairs and maintenance will be spent on infrastructure assets and adjusted upwards to R13, 015. The other assets that have been catered for in the repairs and maintenance budget are buildings, maintenance of websites, machinery and equipment and transport assets. The overall budget for repairs and maintenance has increased from R37, 929 million to R41, 118.

### **1.5.2 Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 10 MBRR B10 (Basic Service Delivery Measurement).

The budget cost (R7, 093 million) of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act and this package covers all the basic services provided by EMLM and these services include, property rates rebates, service charges electricity, and refuse removal.

### **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.

### **MUNICIPAL DISASTER RECOVERY GRANT (MDRG)**

To ensure that future potential disasters can be responded to, R684 million is added to the Municipal Disaster Recovery Grant (MDRG – Recovery) to fund the reconstruction and rehabilitation of municipal infrastructure damaged by the flood and storm surges that occurred in various parts of the country between December 2023 and July 2024.

Out of R684 million Elias Motsoaledi Local Municipality received Municipal Disaster Recovery Grant (MDRG) allocation amounting to R27.6 million from the national sphere of government as per government gazette No.52142 volume 716 published on the 19<sup>th</sup> February 2025 (Division of Revenue Act (48/2024) as amended: Additional allocations for the Municipal Disaster Response Grant and Disaster Recovery Grant in terms of DORA 2024 (Act 24/2025).

## **WATER SERVICES INFRASTRUCTURE GRANT (WSIG)**

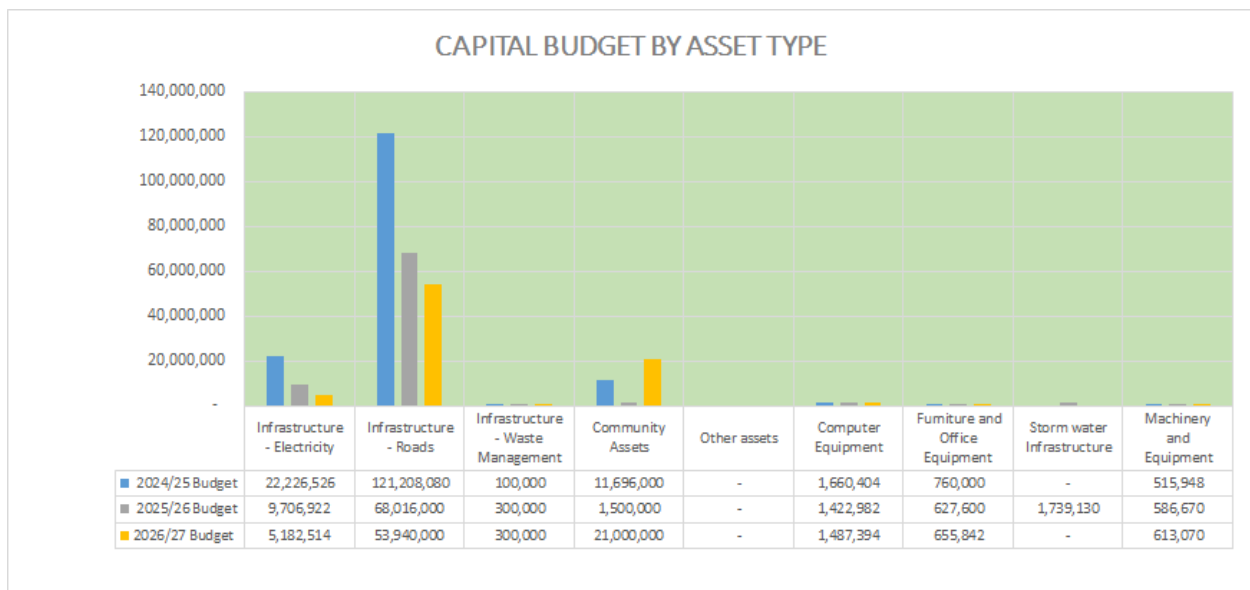
Elias Motsoaledi Local Municipality has entered into Memorandum of Understanding (MOU) with Sekhukhune District Municipality to provide support in expediting the implementation of Water Services Infrastructure Grant within the district. This collaboration aims to enhance service delivery, ensure effective utilization of grant funding and fast-track development of projects within the district.

To facilitate the implementation of this MOU, adjustment to the municipal budget is required to accommodate the financial and operational commitments arising from this agreement. The financial amendment amounting to R20 million of the Memorandum of Understanding is factored in for implementation of borehole projects.

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

<b>Asset Category</b>	<b>Sum of Original Budget</b>	<b>Sum of YTD Actual</b>	<b>Sum of Adjustment</b>	<b>Sum of Adjusted</b>
Community Assets	11,200,000	1,597,130	496,000	11,696,000
Computer Equipment	1,360,404	838,247	300,000	1,660,404
Electrical Infrastructure	22,226,526	11,121,053	-	22,226,526
Furniture and Office Equipment	6,109,566	125,650	- 5,349,566	760,000
Machinery and Equipment	560,870	361,147	- 44,922	515,948
Roads Infrastructure	66,514,000	60,344,205	54,694,080	121,208,080
Solid Waste Infrastructure	350,000	81,300	- 250,000	100,000
Storm water Infrastructure	2,173,914	-	- 2,173,914	-
<b>Grand Total</b>	<b>110,495,280</b>	<b>74,468,732</b>	<b>47,671,678</b>	<b>158,166,958</b>

**Figure 3 Capital Infrastructure Program**



The following tables present the main 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	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	Adjusted Budget
R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
<b>Financial Performance</b>											
Property rates	67,168	–	–	–	–	–	(5,350)	(5,350)	61,818	70,257	73,489
Service charges	146,003	–	–	–	–	–	15,852	15,852	161,854	160,961	177,525
Investment revenue	9,404	–	–	–	–	–	(2,632)	(2,632)	6,772	9,837	10,289
Transfers recognised - operational	383,099	–	–	–	–	–	–	–	383,099	376,877	363,020
Other own revenue	147,038	–	–	–	–	–	(17,205)	(17,205)	129,833	163,802	201,332
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>752,712</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(9,335)</b>	<b>(9,335)</b>	<b>743,376</b>	<b>781,734</b>	<b>825,656</b>
Employee costs	213,757	–	–	–	–	–	(17,471)	(17,471)	196,286	221,255	231,154
Remuneration of councillors	28,178	–	–	–	–	–	1,483	1,483	29,661	30,996	34,095
Depreciation & asset impairment	184,108	–	–	–	–	–	(27,143)	(27,143)	156,965	192,578	201,436
Finance charges	406	–	–	–	–	–	698	698	1,104	1,737	1,815
Inventory consumed and bulk purchases	158,988	–	–	–	–	–	21,967	21,967	180,954	175,438	194,594
Transfers and subsidies	9,404	–	–	–	–	–	2,729	2,729	12,133	9,913	10,442
Other expenditure	139,524	–	–	–	–	–	10,175	10,175	149,699	136,298	142,984
<b>Total Expenditure</b>	<b>734,364</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(7,562)</b>	<b>(7,562)</b>	<b>726,803</b>	<b>768,214</b>	<b>816,521</b>
<b>Surplus/(Deficit)</b>	<b>18,347</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,773)</b>	<b>(1,773)</b>	<b>16,574</b>	<b>13,520</b>	<b>9,135</b>
Transfers and subsidies - capital (monetary allocations)	96,218	–	–	–	–	27,650	20,000	47,650	143,868	77,309	78,567
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>114,566</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>27,650</b>	<b>18,227</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>114,566</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>27,650</b>	<b>18,227</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>110,495</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>47,672</b>	<b>47,672</b>	<b>158,167</b>	<b>83,899</b>	<b>83,179</b>
Transfers recognised - capital	96,218	–	–	–	–	47,650	–	47,650	143,868	77,309	78,567
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	14,277	–	–	–	–	–	22	22	14,299	6,590	4,612
<b>Total sources of capital funds</b>	<b>110,495</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>47,650</b>	<b>22</b>	<b>47,672</b>	<b>158,167</b>	<b>83,899</b>	<b>83,179</b>
<b>Financial position</b>											
Total current assets	277,230	–	–	–	–	–	21,143	21,143	298,373	272,684	291,691
Total non current assets	1,474,186	–	–	–	–	–	62,356	62,356	1,536,542	1,468,583	1,487,715
Total current liabilities	124,375	–	–	–	–	–	6,134	6,134	130,508	139,991	157,683
Total non current liabilities	117,850	–	–	–	–	–	18,054	18,054	135,904	111,182	100,439
Community wealth/Equity	1,509,192	–	–	–	–	27,650	31,661	59,311	1,568,503	1,490,095	1,521,284
<b>Cash flows</b>											
Net cash from (used) operating	175,904	–	–	–	–	–	23,174	23,174	199,078	156,871	131,105
Net cash from (used) investing	(97,741)	–	–	–	–	(24,885)	(18,535)	(43,420)	(141,161)	(73,823)	(73,489)
Net cash from (used) financing	9,494	–	–	–	–	–	2,257	2,257	11,751	8,895	9,125
<b>Cash/cash equivalents at the year end</b>	<b>96,866</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(24,885)</b>	<b>20,361</b>	<b>(4,524)</b>	<b>92,342</b>	<b>101,497</b>	<b>84,790</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	76,076	–	–	–	–	–	(4,287)	(4,287)	71,789	78,348	60,938
Application of cash and investments	(15,637)	–	–	–	–	–	(20,211)	(20,211)	(35,847)	1,225	(2,441)
<b>Balance - surplus (shortfall)</b>	<b>91,712</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15,924</b>	<b>15,924</b>	<b>107,636</b>	<b>77,123</b>	<b>63,379</b>
<b>Asset Management</b>											
Asset register summary (WDV)	1,261,802	–	–	–	–	–	8,440	8,440	1,270,242	1,188,179	1,126,080
Depreciation	58,901	–	–	–	–	–	3,853	3,853	62,754	61,611	64,445
Renewal and Upgrading of Existing Assets	78,075	–	–	–	–	–	35,567	35,567	113,642	69,789	75,225
Repairs and Maintenance	36,354	–	–	–	–	–	3,195	3,195	39,549	37,360	39,067
<b>Free services</b>											
Cost of Free Basic Services provided	113	–	–	–	–	–	–	–	113	118	123
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–	–
<b>Households below minimum service level</b>											
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 emphasise 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 places 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**

### Service charge – Electricity

An upward adjustment is driven by actual performance evaluations and the introduction of smart meters by electrical unit, which enhance efficiency and correct billing. However, the introduction of smart meters is in phases.

#### Service charge – Waste management

There will be campaign to take place soon to distribute wheelie bins to households. The necessary bins have already been procured and are currently stored in the municipal storeroom. The focus will now be on the efficient distribution of the bins to ensure that all targeted households receive bins as planned therefore budget provision is required in this regard and distribution of wheelie bins will come at a cost to households boosting revenue for service charge – waste management.

#### Interest on outstanding debtors

Based on audited amount and downwards adjustment on property rates, interest on outstanding consumer debtors is adjusted downwards.

#### Interest on external investments

As the municipality is faced with financial difficulties, investments with financial institutions were not as anticipated hence downward adjustment. Only one tranche remains, and as a result we do not anticipate multiple investment to generate interest. Given this, our interest earnings will be limited to this final tranche.

#### Rental of facilities and equipment

A slight downward adjustment will be processed on rental of facilities and machinery as straight lining journals are typically calculated and applied at year-end. However, based on the actual performance is evident that revenue generation is not as anticipated.

#### Other revenue and property rates

Downwards adjustment is based on actual performance.

#### Traffic fines

The actual year to date revenue realised are actual payments as opposed to traffic fines issued. The integration between traffic fine system and our core financial management system remains a challenge.

The municipality is not performing well compared to prior year and the downward adjustment is based on traffic fines issued report as opposed to actual year to date (payments). The municipality issued R44 million traffic fine as at 20 January 2025 and installed two new speed camera which resulted in an increase in traffic fines amounting to R53 million as at 17 February 2025.

#### Transfer recognised - Operational

The municipality haven't received any reduction nor additional funding hence no adjustment.

### **OPERATING EXPENDITURE**

#### Bulk purchases

Upward adjustment of approximately R18 million is a result of a high distribution loss from 15% in 2022-23 to 19% in 2023-24 financial year. This is due to illegal connection,

inefficient or faulty metering systems leading to incorrect readings and under-billing affecting service charge electricity.

#### Other material

Upward adjustment is based on actual performance mainly on repairs and maintenance of roads, to date 92% of the budget have been spent. This adjustment reflects the need for additional funds to address the safety, functionality and longevity and preventing deterioration of our roads infrastructure. In addition, there will be campaign to take place soon to distribute wheelie bins to households. The necessary bins have already been procured and are currently stored in the municipal storeroom. As a result, there is no cash flow implications for implementing this campaign. The focus will now be on the efficient distribution of the bins to ensure that all targeted households receive bins as planned therefore budget provision is required in this regard and distribution of wheelie bins will come at a cost boosting revenue for service charge – waste management.

#### Debt impairment

Based on audited amount, downwards adjustment on fines, property rates and interest on outstanding consumers, debt impairment is adjusted downwards.

#### Depreciation and asset impairment

Upward adjustment will be made based on the performance of the line item. Following the audit outcome, where the municipality was qualified on impairment of assets, we will be adjusting the impairment of assets upwards. This adjustment reflects the latest assessment, including the auctioning of assets.

#### Finance charges

The upward adjustment on finance charges is due to the engagement of a newly appointed service provider for fleet finance leasing for a period of 36 months. This new provider has different terms, rates, or fees associated with their services compared to the previous arrangement. As a result, the overall finance charges have increased, necessitating an upward adjustment in municipal financial records to reflect these higher costs.

#### Contracted services

The upward adjustment is as a result of ad hoc services and additional costs incurred due to new contracts being signed from June 2024 – January 2025. Some contracts existed before however, new agreements come at higher rates. The upwards adjustment reflects the reality that new contracts and service expansions drive up spending, requiring budgetary realignments to accommodate the increased costs.

#### Transfer and subsidies

Free basic electricity subsidies increased by R2.7 million in line with bulk purchases and by high rate of configuration of registered indigents by Eskom.



## **TRANSFERS RECOGNISED – CAPITAL**

Transfers recognised capital is adjusted upwards by R47, 650 million. Below is the breakdown:

- R27, 650 million additional allocation as per DoRA for Municipal Disaster Recovery Grant (MDRG)
- R20 million Sekhukhune District Municipality for implementation of borehole projects using Water Services Infrastructure Grant (WSIG) emanating from signed Memorandum of Understanding (MoU)

**Table B2: Adjustment Budget – Standard Classification**

Standard 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	Adjusted Budget
		5	6	7	8	9	10	11	12	13	14	15
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
<b>Revenue - Functional</b>												
<i>Governance and administration</i>		339 405	–	–	–	–	–	(8 194)	(8 194)	331 211	336 787	332 535
Executive and council		55 444	–	–	–	–	–	–	–	55 444	42 377	42 140
Finance and administration		265 077	–	–	–	–	–	(8 194)	(8 194)	256 883	274 658	269 753
Internal audit		18 884	–	–	–	–	–	–	–	18 884	19 753	20 642
<i>Community and public safety</i>		28 928	–	–	–	–	–	3	3	28 931	30 259	29 816
Community and social services		11 332	–	–	–	–	–	(12)	(12)	11 320	11 854	10 583
Sport and recreation		17 596	–	–	–	–	–	15	15	17 612	18 406	19 234
Public safety		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		264 097	–	–	–	–	–	32 146	32 146	296 244	269 330	304 307
Planning and development		26 909	–	–	–	–	–	1 012	1 012	27 921	25 418	24 526
Road transport		236 351	–	–	–	–	–	31 135	31 135	267 486	243 037	278 866
Environmental protection		836	–	–	–	–	–	–	–	836	875	914
<i>Trading services</i>		216 500	–	–	–	–	–	14 359	14 359	230 859	222 667	237 565
Energy sources		176 261	–	–	–	–	–	14 607	14 607	190 868	179 592	192 014
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		40 239	–	–	–	–	–	(248)	(248)	39 991	43 074	45 551
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	848 930	–	–	–	–	–	38 315	38 315	887 245	859 043	904 224
<b>Expenditure - Functional</b>												
<i>Governance and administration</i>		256 051	–	–	–	–	–	4 874	4 874	260 926	266 915	281 200
Executive and council		50 467	–	–	–	–	–	732	732	51 199	54 495	58 743
Finance and administration		193 168	–	–	–	–	–	2 432	2 432	195 600	199 453	208 915
Internal audit		12 416	–	–	–	–	–	1 711	1 711	14 127	12 967	13 542
<i>Community and public safety</i>		34 490	–	–	–	–	–	(980)	(980)	33 511	36 187	37 728
Community and social services		16 523	–	–	–	–	–	(8 497)	(8 497)	8 026	17 394	18 070
Sport and recreation		17 967	–	–	–	–	–	7 244	7 244	25 212	18 794	19 658
Public safety		–	–	–	–	–	–	273	273	273	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		252 886	–	–	–	–	–	(40 785)	(40 785)	212 100	257 659	269 440
Planning and development		29 097	–	–	–	–	–	(4 451)	(4 451)	24 646	27 083	28 328
Road transport		222 792	–	–	–	–	–	(35 514)	(35 514)	187 278	229 807	240 308
Environmental protection		996	–	–	–	–	–	(820)	(820)	176	769	804
<i>Trading services</i>		190 937	–	–	–	–	–	29 229	29 229	220 166	207 453	228 153
Energy sources		139 573	–	–	–	–	–	18 477	18 477	158 050	155 828	174 083
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		51 364	–	–	–	–	–	10 752	10 752	62 115	51 625	54 071
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	3	734 364	–	–	–	–	–	(7 662)	(7 662)	726 703	768 214	816 521
<b>Surplus/ (Deficit) for the year</b>		114 566	–	–	–	–	–	45 977	45 977	160 542	90 829	87 703

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

Standard 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	Adjusted Budget
R thousands	1, 4	A	5	6	7	8	9	10	11	12		
<b>Revenue - Functional</b>												
<i>Governance and administration</i>		339,405	–	–	–	–	–	(8,194)	(8,194)	331,211	336,787	332,535
Executive and council		55,444	–	–	–	–	–	–	–	55,444	42,377	42,140
Finance and administration		265,077	–	–	–	–	–	(8,194)	(8,194)	256,883	274,658	269,753
Internal audit		18,884	–	–	–	–	–	–	–	18,884	19,753	20,642
<i>Community and public safety</i>		28,928	–	–	–	–	–	3	3	28,931	30,259	29,816
Community and social services		11,332	–	–	–	–	–	(12)	(12)	11,320	11,854	10,583
Sport and recreation		17,596	–	–	–	–	–	15	15	17,612	18,406	19,234
Public safety		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		264,097	–	–	–	–	–	32,146	32,146	296,244	269,330	304,307
Planning and development		26,909	–	–	–	–	–	1,012	1,012	27,921	25,418	24,526
Road transport		236,351	–	–	–	–	–	31,135	31,135	267,486	243,037	278,866
Environmental protection		836	–	–	–	–	–	–	–	836	875	914
<i>Trading services</i>		216,500	–	–	–	–	–	14,359	14,359	230,859	222,667	237,565
Energy sources		176,261	–	–	–	–	–	14,607	14,607	190,868	179,592	192,014
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		40,239	–	–	–	–	–	(248)	(248)	39,991	43,074	45,551
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	848,930	–	–	–	–	–	38,315	38,315	887,245	859,043	904,224
<b>Expenditure - Functional</b>												
<i>Governance and administration</i>		256,051	–	–	–	–	–	4,974	4,974	261,026	266,915	281,200
Executive and council		50,467	–	–	–	–	–	732	732	51,199	54,495	58,743
Finance and administration		193,168	–	–	–	–	–	2,532	2,532	195,700	199,453	208,915
Internal audit		12,416	–	–	–	–	–	1,711	1,711	14,127	12,967	13,542
<i>Community and public safety</i>		34,490	–	–	–	–	–	(980)	(980)	33,511	36,187	37,728
Community and social services		16,523	–	–	–	–	–	(8,497)	(8,497)	8,026	17,394	18,070
Sport and recreation		17,967	–	–	–	–	–	7,244	7,244	25,212	18,794	19,658
Public safety		–	–	–	–	–	–	273	273	273	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		252,886	–	–	–	–	–	(40,785)	(40,785)	212,100	257,659	269,440
Planning and development		29,097	–	–	–	–	–	(4,451)	(4,451)	24,646	27,083	28,328
Road transport		222,792	–	–	–	–	–	(35,514)	(35,514)	187,278	229,807	240,308
Environmental protection		996	–	–	–	–	–	(820)	(820)	176	769	804
<i>Trading services</i>		190,937	–	–	–	–	–	29,229	29,229	220,166	207,453	228,153
Energy sources		139,573	–	–	–	–	–	18,477	18,477	158,050	155,828	174,083
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		51,364	–	–	–	–	–	10,752	10,752	62,115	51,625	54,071
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	3	734,364	–	–	–	–	–	(7,562)	(7,562)	726,803	768,214	816,521
<b>Surplus/ (Deficit) for the year</b>		114,566	–	–	–	–	–	45,877	45,877	160,442	90,829	87,703

- 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	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	Adjusted Budget
<i>[Insert departmental structure etc]</i>												
<b>R thousands</b>		<b>A</b>	<b>A1</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>		
<b>Revenue by Vote</b>	<b>1</b>											
Vote 1 - Executive & Council		48,780	–	–	–	–	–	–	–	48,780	35,407	34,857
Vote 2 - Municipal Manager		53,017	–	–	–	–	–	–	–	53,017	55,456	57,951
Vote 3 - Budget & Treasury		155,069	–	–	–	–	–	(8,194)	(8,194)	146,875	159,590	156,858
Vote 4 - Corporate Services		46,686	–	–	–	–	–	–	–	46,686	48,833	56,225
Vote 5 - Community Services		197,934	–	–	–	–	–	(15,791)	(15,791)	182,142	218,024	256,705
Vote 6 - Technical Services		309,085	–	–	–	–	–	61,288	61,288	370,373	304,339	314,806
Vote 7 - Developmental Planning		18,658	–	–	–	–	–	1,012	1,012	19,670	16,787	15,506
Vote 8 - Executive Support		19,701	–	–	–	–	–	–	–	19,701	20,608	11,315
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	<b>2</b>	<b>848,930</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>38,315</b>	<b>38,315</b>	<b>887,245</b>	<b>859,043</b>	<b>904,224</b>
<b>Expenditure by Vote</b>	<b>1</b>											
Vote 1 - Executive & Council		42,336	–	–	–	–	–	959	959	43,295	45,999	49,858
Vote 2 - Municipal Manager		43,952	–	–	–	–	–	7,677	7,677	51,629	43,119	45,536
Vote 3 - Budget & Treasury		84,203	–	–	–	–	–	517	517	84,720	88,017	91,953
Vote 4 - Corporate Services		45,697	–	–	–	–	–	(14,582)	(14,582)	31,115	46,670	48,820
Vote 5 - Community Services		229,017	–	–	–	–	–	(22,816)	(22,816)	206,201	234,630	245,368
Vote 6 - Technical Services		249,634	–	–	–	–	–	15,563	15,563	265,197	271,788	295,250
Vote 7 - Developmental Planning		21,637	–	–	–	–	–	(3,739)	(3,739)	17,899	19,280	20,167
Vote 8 - Executive Support		17,889	–	–	–	–	–	8,859	8,859	26,747	18,711	19,569
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>734,364</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(7,562)</b>	<b>(7,562)</b>	<b>726,803</b>	<b>768,214</b>	<b>816,521</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>114,566</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>45,877</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>

**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	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	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
<b>Exchange Revenue</b>												
Service charges - Electricity	2	133,515	-	-	-	-	-	14,063	14,063	147,578	147,899	163,862
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	12,488	-	-	-	-	-	1,788	1,788	14,276	13,062	13,663
Sale of Goods and Rendering of Services		2,026	-	-	-	-	-	974	974	3,000	2,119	2,217
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		9,925	-	-	-	-	-	(2,036)	(2,036)	7,889	10,382	10,855
Interest earned from Current and Non Current Assets		9,404	-	-	-	-	-	(2,632)	(2,632)	6,772	9,837	10,289
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		2,855	-	-	-	-	-	(969)	(969)	1,886	2,986	3,123
Licence and permits		7,302	-	-	-	-	-	-	-	7,302	7,638	7,989
Operational Revenue		968	-	-	-	-	-	328	328	1,296	1,012	1,059
<b>Non-Exchange Revenue</b>												
Property rates	2	67,168	-	-	-	-	-	(5,350)	(5,350)	61,818	70,257	73,489
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		113,999	-	-	-	-	-	(15,502)	(15,502)	98,497	129,243	165,188
Licences or permits		-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		383,099	-	-	-	-	-	-	-	383,099	376,877	363,020
Interest		9,963	-	-	-	-	-	-	-	9,963	10,421	10,901
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
<b>Revenue (excluding capital transfers and contributions)</b>		<b>752,712</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,335)</b>	<b>(9,335)</b>	<b>743,376</b>	<b>781,734</b>	<b>825,656</b>
<b>Expenditure By Type</b>												
Employee related costs		213,757	-	-	-	-	-	(17,471)	(17,471)	196,286	221,255	231,154
Remuneration of councillors		28,178	-	-	-	-	-	1,483	1,483	29,661	30,996	34,095
Bulk purchases - electricity		121,123	-	-	-	-	-	18,268	18,268	139,391	136,530	153,896
Inventory consumed		37,865	-	-	-	-	-	3,699	3,699	41,563	38,908	40,698
Debt impairment		124,419	-	-	-	-	-	(30,996)	(30,996)	93,423	130,142	136,129
Depreciation and amortisation		59,690	-	-	-	-	-	3,853	3,853	63,542	62,436	65,308
Interest		406	-	-	-	-	-	698	698	1,104	1,737	1,815
Contracted services		70,102	-	-	-	-	-	14,808	14,808	84,910	68,548	72,158
Transfers and subsidies		9,404	-	-	-	-	-	2,729	2,729	12,133	9,913	10,442
Irrecoverable debts written off		8,116	-	-	-	-	-	(6,703)	(6,703)	1,413	8,331	8,715
Operational costs		61,255	-	-	-	-	-	2,053	2,053	63,308	59,366	62,056
Losses on disposal of Assets		50	-	-	-	-	-	17	17	67	53	55
Other Losses		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>734,364</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,562)</b>	<b>(7,562)</b>	<b>726,803</b>	<b>768,214</b>	<b>816,521</b>
<b>Surplus/(Deficit)</b>		<b>18,347</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,773)</b>	<b>(1,773)</b>	<b>16,574</b>	<b>13,520</b>	<b>9,135</b>
and subsidies - capital (monetary allocations)		96,218	-	-	-	-	27,650	20,000	47,650	143,868	77,309	78,567
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
<b>Deficit) before taxation</b>		<b>114,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,650</b>	<b>18,227</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>114,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,650</b>	<b>18,227</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Deficit) attributable to municipality</b>		<b>114,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,650</b>	<b>18,227</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>1</b>	<b>114,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,650</b>	<b>18,227</b>	<b>45,877</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>

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

### **OPERATING REVENUE**

#### Service charge – Electricity

An upward adjustment is driven by actual performance evaluations and the introduction of smart meters by electrical unit, which enhance efficiency and correct billing. However, the introduction of smart meters is in phases.

#### Service charge – Waste management

There will be campaign to take place soon to distribute wheelie bins to households. The necessary bins have already been procured and are currently stored in the municipal storeroom. The focus will now be on the efficient distribution of the bins to ensure that all targeted households receive bins as planned therefore budget provision is required in this regard and distribution of wheelie bins will come at a cost to households boosting revenue for service charge – waste management.

#### Interest on outstanding debtors

Based on audited amount and downwards adjustment on property rates, interest on outstanding consumer debtors is adjusted downwards.

#### Interest on external investments

As the municipality is faced with financial difficulties, investments with financial institutions were not as anticipated hence downward adjustment. Only one tranche remains, and as a result we do not anticipate multiple investment to generate interest. Given this, our interest earnings will be limited to this final tranche.

#### Rental of facilities and equipment

A slight downward adjustment will be processed on rental of facilities and machinery as straight lining journals are typically calculated and applied at year-end. However, based on the actual performance is evident that revenue generation is not as anticipated.

#### Other revenue and property rates

Downwards adjustment is based on actual performance.

#### Traffic fines

The actual year to date revenue realised are actual payments as opposed to traffic fines issued. The integration between traffic fine system and our core financial management system remains a challenge.

The municipality is not performing well compared to prior year and the downward adjustment is based on traffic fines issued report as opposed to actual year to date (payments). The municipality issued R44 million traffic fine as at 20 January 2025 and installed two new speed camera which resulted in an increase in traffic fines amounting to R53 million as at 17 February 2025.

#### Transfer recognised - Operational

The municipality haven't received any reduction nor additional funding hence no adjustment.

### **OPERATING EXPENDITURE**

#### Bulk purchases

Upward adjustment of approximately R18 million is a result of a high distribution loss from 15% in 2022-23 to 19% in 2023-24 financial year. This is due to illegal connection, inefficient or faulty metering systems leading to incorrect readings and under-billing affecting service charge electricity.

#### Other material

Upward adjustment is based on actual performance mainly on repairs and maintenance of roads, to date 92% of the budget have been spent. This adjustment reflects the need for additional funds to address the safety, functionality and longevity and preventing deterioration of our roads infrastructure. In addition, there will be campaign to take place soon to distribute wheelie bins to households. The necessary bins have already been procured and are currently stored in the municipal storeroom. As a result, there is no cash flow implications for implementing this campaign. The focus will now be on the efficient distribution of the bins to ensure that all targeted households receive bins as planned therefore budget provision is required in this regard and distribution of wheelie bins will come at a cost boosting revenue for service charge – waste management.

#### Debt impairment

Based on audited amount, downwards adjustment on fines, property rates and interest on outstanding consumers, debt impairment is adjusted downwards.

#### Depreciation and asset impairment

Upward adjustment will be made based on the performance of the line item. Following the audit outcome, where the municipality was qualified on impairment of assets, we will be adjusting the impairment of assets upwards. This adjustment reflects the latest assessment, including the auctioning of assets.

#### Finance charges

The upward adjustment on finance charges is due to the engagement of a newly appointed service provider for fleet finance leasing for a period of 36 months. This new provider has different terms, rates, or fees associated with their services compared to the previous arrangement. As a result, the overall finance charges have increased, necessitating an upward adjustment in municipal financial records to reflect these higher costs.

#### Contracted services

The upward adjustment is as a result of ad hoc services and additional costs incurred due to new contracts being signed from June 2024 – January 2025. Some contracts existed before however, new agreements come at higher rates. The upwards adjustment reflects the reality that new contracts and service expansions drive up spending, requiring budgetary realignments to accommodate the increased costs.

#### Transfer and subsidies

Free basic electricity subsidies increased by R2.7 million in line with bulk purchases and by high rate of configuration of registered indigents by Eskom.

### **TRANSFERS RECOGNISED – CAPITAL**

Transfers recognised capital is adjusted upwards by R47, 650 million. Below is the breakdown:

- R27, 650 million additional allocation as per DoRA for Municipal Disaster Recovery Grant (MDRG)
- R20 million Sekhukhune District Municipality for implementation of borehole projects using Water Services Infrastructure Grant (WSIG) emanating from signed Memorandum of Understanding (MoU)



**Table B5: Adjustment Capital Budget – vote and funding**

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	Adjusted Budget	
<b>Capital Expenditure - Functional</b>													
<b>Governance and administration</b>		7,170	-	-	-	-	-	-	(4,800)	(4,800)	2,370	1,737	1,815
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		7,170	-	-	-	-	-	-	(4,800)	(4,800)	2,370	1,737	1,815
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		11,100	-	-	-	-	-	-	(126)	(126)	10,974	1,814	21,328
Community and social services		800	-	-	-	-	-	-	(104)	(104)	696	1,500	1,000
Sport and recreation		10,300	-	-	-	-	-	-	(22)	(22)	10,278	314	20,328
Public safety		-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		68,949	-	-	-	-	-	-	52,497	52,497	121,446	70,028	54,225
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-
Road transport		68,949	-	-	-	-	-	-	52,497	52,497	121,446	70,028	54,225
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		23,277	-	-	-	-	-	-	100	100	23,377	10,321	5,810
Energy sources		22,227	-	-	-	-	-	-	-	-	22,227	9,707	5,183
Water management		-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1,050	-	-	-	-	-	-	100	100	1,150	614	628
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	110,495	-	-	-	-	-	-	47,672	47,672	158,167	83,899	83,179
<b>Funded by:</b>													
National Government		95,858	-	-	-	-	-	27,650	-	27,650	123,508	76,932	78,173
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	20,000	-	20,000	20,000	-	-
Transfers and subsidies - capital (monetary allocations) (Nat./ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		360	-	-	-	-	-	-	-	-	360	377	394
<b>Transfers recognised - capital</b>	4	96,218	-	-	-	-	-	47,650	-	47,650	143,868	77,309	78,567
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		14,277	-	-	-	-	-	-	22	22	14,299	6,590	4,612
<b>Total Capital Funding</b>		110,495	-	-	-	-	-	47,650	22	47,672	158,167	83,899	83,179

**Explanatory notes to Table B5 - Budgeted Capital Expenditure by standard classification and funding source**

Capital projects are funded from Municipal Infrastructure Grant (MIG); Integrated National Electrification Programme (INEP); Energy Efficiency Demand Side Management (EEDSM); Education; Training and Development Practices SETA; Municipal Disaster Recovery Grant (MDRG); Water Services Infrastructure Grant (WSIG) and internal generated revenue. An upward adjustment of R47 650 million is due to additional funds allocated and Memorandum of Understanding entered into



between the municipality and Sekhukhune District Municipality to cater for the following projects:

- Construction of Jerusalema/Motsephiri stormwater control
- Re - construction of culvert bridge at Kgobokwane village
- Re -construction of gabions on RHS & LHS at Marapong Village
- Upgrading of gravel road to pave and stormwater at Moteti
- Sekhukhune Boreholes

**Table B5B: Adjustment Capital Budget – by Vote**

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure - Vote</b>												
<b>ear expenditure to be adjusted</b>	2											
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		1,360	-	-	-	-	-	300	300	1,660	1,423	1,487
Vote 5 - Community Services		10,000	-	-	-	-	-	-	-	10,000	-	20,000
Vote 6 - Technical Services		-	-	-	-	-	-	-	-	-	14,721	10,092
Vote 7 - Developmental Planning		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	3	<b>11,360</b>	-	-	-	-	-	<b>300</b>	<b>300</b>	<b>11,660</b>	<b>16,144</b>	<b>31,579</b>
<b>ear expenditure to be adjusted</b>	2											
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		5,810	-	-	-	-	-	(5,100)	(5,100)	710	314	328
Vote 5 - Community Services		2,150	-	-	-	-	-	(26)	(26)	2,124	2,428	1,956
Vote 6 - Technical Services		91,175	-	-	-	-	-	52,497	52,497	143,673	65,014	49,316
Vote 7 - Developmental Planning		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>99,135</b>	-	-	-	-	-	<b>47,372</b>	<b>47,372</b>	<b>146,507</b>	<b>67,755</b>	<b>51,599</b>
<b>Total Capital Expenditure - Vote</b>		<b>110,495</b>	-	-	-	-	-	<b>47,672</b>	<b>47,672</b>	<b>158,167</b>	<b>83,899</b>	<b>83,179</b>

**Explanatory notes to Table B5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

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 R11, 660 million has been allocated of the total R158, 167 million. This allocation increases to R16, 144 million in 2025/26 and further increases to R31, 579 million in 2026/27.
3. Single-year capital expenditure has been appropriated at R146, 507 million for the 2024/25 financial year and decreases to R67, 755 million in 2025/26 and further decreases to R51, 599 million in 2026/27 financial year.
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.

**Table B6: Adjustment Budget - Financial Position**

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	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
<b>R thousands</b>												
<b>ASSETS</b>												
<b>Current assets</b>												
Cash and cash equivalents		76,076	–	–	–	–	–	(4,287)	(4,287)	71,789	78,348	60,938
Trade and other receivables from exchange transactions	1	64,638	–	–	–	–	–	5,352	5,352	69,990	62,038	59,552
Receivables from non-exchange transactions	1	80,447	–	–	–	–	–	17,047	17,047	97,495	85,111	116,294
Current portion of non-current receivables	2	119	–	–	–	–	–	–	–	119	119	119
Inventory		41,956	–	–	–	–	–	(3,699)	(3,699)	38,258	38,702	40,704
VAT		13,993	–	–	–	–	–	6,729	6,729	20,723	8,366	14,083
Other current assets		–	–	–	–	–	–	–	–	–	–	–
<b>Total current assets</b>		<b>277,230</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>21,143</b>	<b>21,143</b>	<b>298,373</b>	<b>272,684</b>	<b>291,691</b>
<b>Non current assets</b>												
Investments		–	–	–	–	–	–	–	–	–	–	–
Investment property		47,492	–	–	–	–	–	–	–	47,492	46,927	46,336
Property, plant and equipment	3	1,405,874	–	–	–	–	–	61,856	61,856	1,467,731	1,399,595	1,418,020
Biological assets		–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		463	–	–	–	–	–	–	–	463	463	463
Intangible assets		663	–	–	–	–	–	–	–	663	654	646
Trade and other receivables from exchange transactions		19,693	–	–	–	–	–	500	500	20,193	20,942	22,249
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–	–
<b>Total non current assets</b>		<b>1,474,186</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>62,356</b>	<b>62,356</b>	<b>1,536,542</b>	<b>1,468,583</b>	<b>1,487,715</b>
<b>TOTAL ASSETS</b>		<b>1,751,416</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>83,499</b>	<b>83,499</b>	<b>1,834,915</b>	<b>1,741,267</b>	<b>1,779,406</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–
Financial liabilities		8,895	–	–	–	–	–	(2,257)	(2,257)	6,639	9,125	10,785
Consumer deposits		6,653	–	–	–	–	–	157	157	6,810	6,686	6,721
Trade and other payables from exchange transactions		90,033	–	–	–	–	–	6,921	6,921	96,954	97,562	115,424
Trade and other payables from non-exchange transactions		12,228	–	–	–	–	–	2,874	2,874	15,102	17,703	13,382
Provisions		6,565	–	–	–	–	–	(1,562)	(1,562)	5,003	8,914	11,370
VAT		–	–	–	–	–	–	–	–	–	–	–
Other current liabilities		–	–	–	–	–	–	–	–	–	–	–
<b>Total current liabilities</b>		<b>124,375</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6,134</b>	<b>6,134</b>	<b>130,508</b>	<b>139,991</b>	<b>157,683</b>
<b>Non current liabilities</b>												
Borrowing	1	27,548	–	–	–	–	–	18,054	18,054	45,602	18,422	7,434
Provisions	1	46,761	–	–	–	–	–	–	–	46,761	46,792	46,824
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		43,541	–	–	–	–	–	–	–	43,541	45,967	46,181
<b>Total non current liabilities</b>		<b>117,850</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>18,054</b>	<b>18,054</b>	<b>135,904</b>	<b>111,182</b>	<b>100,439</b>
<b>TOTAL LIABILITIES</b>		<b>242,224</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>24,188</b>	<b>24,188</b>	<b>266,412</b>	<b>251,172</b>	<b>258,122</b>
<b>NET ASSETS</b>	<b>2</b>	<b>1,509,192</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>59,311</b>	<b>59,311</b>	<b>1,568,503</b>	<b>1,490,095</b>	<b>1,521,284</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		1,509,192	–	–	–	–	27,650	31,661	59,311	1,568,503	1,490,095	1,521,283
Funds and Reserves		–	–	–	–	–	–	–	–	–	–	0
Other		–	–	–	–	–	–	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>1,509,192</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>27,650</b>	<b>31,661</b>	<b>59,311</b>	<b>1,568,503</b>	<b>1,490,095</b>	<b>1,521,284</b>

**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

Additionally, retention release is taking into account under payment to suppliers and employees in the cash flow statement.

**Table B7: Adjustment Budget – Cash Flows**

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	Adjusted Budget
		A	3	4	5	6	7	8	9	10		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		68,803	–	–	–	–	–	(4,012)	(4,012)	64,791	71,969	75,280
Service charges		144,048	–	–	–	–	–	14,082	14,082	158,130	158,916	175,385
Other revenue		28,186	–	–	–	–	–	(1,321)	(1,321)	26,864	30,783	36,099
Transfers and Subsidies - Operational	1	383,099	–	–	–	–	–	(6,729)	(6,729)	376,370	379,202	365,452
Transfers and Subsidies - Capital	1	91,858	–	–	–	–	–	47,650	47,650	139,508	76,932	78,173
Interest		8,210	–	–	–	–	–	(3,132)	(3,132)	5,078	8,588	8,983
Dividends		–	–	–	–	–	–	–	–	–	–	–
<b>Payments</b>												
Suppliers and employees		(538,490)	–	–	–	–	–	(19,937)	(19,937)	(558,427)	(561,342)	(599,639)
Finance charges		(406)	–	–	–	–	–	(698)	(698)	(1,104)	1,737	1,815
Transfers and Subsidies	1	(9,404)	–	–	–	–	–	(2,729)	(2,729)	(12,133)	(9,913)	(10,442)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>175,904</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>23,174</b>	<b>23,174</b>	<b>199,078</b>	<b>156,871</b>	<b>131,105</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		659	–	–	–	–	–	–	–	659	131	137
Decrease (increase) in non-current receivables		1,194	–	–	–	–	–	(535)	(535)	659	1,249	1,307
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–
<b>Payments</b>												
Capital assets		(99,595)	–	–	–	–	(24,885)	(18,000)	(42,885)	(142,480)	(75,203)	(74,932)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(97,741)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(24,885)</b>	<b>(18,535)</b>	<b>(43,420)</b>	<b>(141,161)</b>	<b>(73,823)</b>	<b>(73,489)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–
<b>Payments</b>												
Repayment of borrowing		9,494	–	–	–	–	–	2,257	2,257	11,751	8,895	9,125
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>9,494</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,257</b>	<b>2,257</b>	<b>11,751</b>	<b>8,895</b>	<b>9,125</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>87,657</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(24,885)</b>	<b>6,896</b>	<b>(17,989)</b>	<b>69,668</b>	<b>91,944</b>	<b>66,742</b>
Cash/cash equivalents at the year begin:	2	9,209	–	–	–	–	–	13,465	13,465	22,674	9,553	18,048
Cash/cash equivalents at the year end:	2	96,866	–	–	–	–	(24,885)	20,361	(4,524)	92,342	101,497	84,790

**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. The 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 assets payment is exclusive of retention amounting to 10% of the work done.

### **Cash flow from operating activities.**

Upward adjustment is as a result an increase in revenue after considering collection rate (Refer to A4). The collection rate used during the original budget changed, the current collection rate is based on 2023-24 audited outcome.

**Table B8: Adjustment Budget – Cash Backed Reserves**

Description	Ref	2024/25									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total Adjusts.	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.		Budget	Budget	Budget
			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	96,866	–	–	–	–	(24,885)	20,361	(4,524)	92,342	101,497	84,790
Other current investments > 90 days		(20,790)	–	–	–	–	24,885	(24,648)	237	(20,553)	(23,149)	(23,852)
Non current assets - investments	1	–	–	–	–	–	–	–	–	–	–	–
<b>Cash and investments available:</b>		<b>76,076</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(4,287)</b>	<b>(4,287)</b>	<b>71,789</b>	<b>78,348</b>	<b>60,938</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		5,386	–	–	–	–	–	2,874	2,874	8,260	6,835	2,812
Unspent borrowing		–	–	–	–	–	–	–	–	–	–	–
Statutory requirements		(13,993)	–	–	–	–	–	(6,729)	(6,729)	(20,723)	(8,366)	(14,083)
Other working capital requirements	2	(13,595)	–	–	–	–	–	(14,793)	(14,793)	(28,388)	(6,158)	(2,541)
Other provisions		6,565	–	–	–	–	–	(1,562)	(1,562)	5,003	8,914	11,370
Long term investments committed		–	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments		–	–	–	–	–	–	–	–	–	–	0
<b>Total Application of cash and investments:</b>		<b>(15,637)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(20,211)</b>	<b>(20,211)</b>	<b>(35,847)</b>	<b>1,225</b>	<b>(2,441)</b>
<b>Surplus(shortfall)</b>		<b>91,712</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15,924</b>	<b>15,924</b>	<b>107,636</b>	<b>77,123</b>	<b>63,379</b>

### **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 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
<b>R thousands</b>												
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	32,420	–	–	–	–	–	12,105	12,105	44,525	14,110	7,954
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		2,174	–	–	–	–	–	(2,174)	(2,174)	–	1,739	–
Electrical Infrastructure		21,544	–	–	–	–	–	–	–	21,544	9,516	4,983
Water Supply Infrastructure		–	–	–	–	–	–	20,000	20,000	20,000	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		250	–	–	–	–	–	(150)	(150)	100	300	300
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		23,968	–	–	–	–	–	17,676	17,676	41,644	11,555	5,283
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		1,360	–	–	–	–	–	300	300	1,660	1,423	1,487
Furniture and Office Equipment		6,110	–	–	–	–	–	(5,350)	(5,350)	760	628	656
Machinery and Equipment		983	–	–	–	–	–	(522)	(522)	461	505	527
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
<b>Living Resources</b>		–	–	–	–	–	–	–	–	–	–	–
<b>Total Renewal of Existing Assets to be adjusted</b>	2	9,561	–	–	–	–	–	9,923	9,923	19,484	14,994	10,377
Roads Infrastructure		–	–	–	–	–	–	17,050	17,050	17,050	14,721	10,092
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		500	–	–	–	–	–	–	–	500	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		8,000	–	–	–	–	–	(7,000)	(7,000)	1,000	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		8,500	–	–	–	–	–	10,050	10,050	18,550	14,721	10,092
Community Facilities		800	–	–	–	–	–	(104)	(104)	696	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		800	–	–	–	–	–	(104)	(104)	696	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		261	–	–	–	–	–	(23)	(23)	238	273	285
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
<b>Living Resources</b>		–	–	–	–	–	–	–	–	–	–	–



Description	Ref	2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjus. 12	Total Adjus. 13	Adjusted Budget 14	Budget Year	Budget Year
											2025/26 Adjusted Budget	2026/27 Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Total Capital Expenditure to be adjusted	4	110 495	–	–	–	–	–	47 672	47 672	158 167	83 899	83 179
Roads Infrastructure		58 514	–	–	–	–	–	42 694	42 694	101 208	68 016	53 940
Storm water Infrastructure		2 174	–	–	–	–	–	(2 174)	(2 174)	–	1 739	–
Electrical Infrastructure		22 044	–	–	–	–	–	–	–	22 044	9 516	4 983
Water Supply Infrastructure		–	–	–	–	–	–	20 000	20 000	20 000	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		8 250	–	–	–	–	–	(7 150)	(7 150)	1 100	300	300
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		90 982	–	–	–	–	–	53 370	53 370	144 352	79 571	59 223
Community Facilities		800	–	–	–	–	–	(104)	(104)	696	1 500	1 000
Sport and Recreation Facilities		10 000	–	–	–	–	–	–	–	10 000	–	20 000
Community Assets		10 800	–	–	–	–	–	(104)	(104)	10 696	1 500	21 000
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		1 360	–	–	–	–	–	300	300	1 660	1 423	1 487
Furniture and Office Equipment		6 110	–	–	–	–	–	(5 350)	(5 350)	760	628	656
Machinery and Equipment		1 243	–	–	–	–	–	(545)	(545)	698	778	813
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE to be adjusted	4	110 495	–	–	–	–	–	47 672	47 672	158 167	83 899	83 179
Total Renewal of Existing Assets to be adjusted	2	9 561	–	–	–	–	–	9 923	9 923	19 484	14 994	10 377
Roads Infrastructure		–	–	–	–	–	–	17 050	17 050	17 050	14 721	10 092
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		500	–	–	–	–	–	–	–	500	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		8 000	–	–	–	–	–	(7 000)	(7 000)	1 000	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		8 500	–	–	–	–	–	10 050	10 050	18 550	14 721	10 092
Community Facilities		800	–	–	–	–	–	(104)	(104)	696	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		800	–	–	–	–	–	(104)	(104)	696	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		261	–	–	–	–	–	(23)	(23)	238	273	285
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–



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	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
ASSET REGISTER SUMMARY - PPE (WDV)	5	1,261,802	-	-	-	-	-	8,440	8,440	1,270,242	1,188,179	1,126,080
Roads Infrastructure		1,194,290	-	-	-	-	-	92	92	1,194,383	1,166,151	1,126,258
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,274	-	-	-	-	-	(2,973)	(2,973)	(1,699)	1,900	(1,630)
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		(460)	-	-	-	-	-	(1,019)	(1,019)	(1,478)	(902)	(1,378)
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1,195,105	-	-	-	-	-	(3,899)	(3,899)	1,191,205	1,167,149	1,123,250
Community Assets		(1,117)	-	-	-	-	-	47	47	(1,071)	(2,286)	(3,509)
Heritage Assets		463	-	-	-	-	-	-	-	463	463	463
Investment properties		47,492	-	-	-	-	-	-	-	47,492	46,927	46,336
Other Assets		(5,873)	-	-	-	-	-	864	864	(5,009)	(12,539)	(19,511)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		663	-	-	-	-	-	-	-	663	664	646
Computer Equipment		344	-	-	-	-	-	300	300	643	703	1,078
Furniture and Office Equipment		4,610	-	-	-	-	-	(6,942)	(6,942)	(2,332)	4,887	4,617
Machinery and Equipment		(2,452)	-	-	-	-	-	(805)	(805)	(3,257)	(5,017)	(7,701)
Transport Assets		22,568	-	-	-	-	-	18,877	18,877	41,444	(12,764)	(19,589)
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,261,802	-	-	-	-	-	8,440	8,440	1,270,242	1,188,179	1,126,080

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	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
<b>EXPENDITURE OTHER ITEMS</b>												
Depreciation & asset impairment		58,901	-	-	-	-	-	3,853	3,853	62,754	61,611	64,445
Repairs and Maintenance by asset class	3	36,354	-	-	-	-	-	3,195	3,195	39,549	37,360	39,067
Roads Infrastructure		7,766	-	-	-	-	-	500	500	8,266	7,424	7,765
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		4,750	-	-	-	-	-	-	-	4,750	4,968	5,197
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		2,203	-	-	-	-	-	638	638	2,841	2,304	2,408
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		14,718	-	-	-	-	-	1,138	1,138	15,856	14,696	15,370
Community Facilities		6,262	-	-	-	-	-	1,424	1,424	7,686	6,550	6,852
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		6,262	-	-	-	-	-	1,424	1,424	7,686	6,550	6,852
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		550	-	-	-	-	-	-	-	550	575	601
Machinery and Equipment		13,101	-	-	-	-	-	133	133	13,233	13,735	14,358
Transport Assets		1,724	-	-	-	-	-	500	500	2,224	1,803	1,886
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		<b>95,256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,047</b>	<b>7,047</b>	<b>102,303</b>	<b>98,971</b>	<b>103,512</b>
Renewal and upgrading of Existing Assets as % of total capex		70.7%	0.0%							71.6%	63.2%	90.4%
Renewal and upgrading of Existing Assets as % of deprecn		132.6%	0.0%							181.1%	113.3%	116.7%
R&M as a % of PPE		2.9%	0.0%							3.1%	3.1%	3.5%
Renewal and upgrading and R&M as a % of PPE		9.1%	0.0%							12.1%	9.0%	10.1%

**Table SB10: Adjustment Budget – Basic Service Delivery Measurement**

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	Adjusted Budget
<b>Households receiving Free Basic Service</b>	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												
<b>Cost of Free Basic Services provided (R'000)</b>	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)		–	–	–	–	–	–	–	–	–	–	–
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		113	–	–	–	–	–	–	–	113	118	123
<b>Total cost of FBS provided</b>		113	–	–	–	–	–	2,729	2,729	2,842	7,420	7,761
<b>Highest level of free service provided</b>												
Property rates (R'000 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)									–	–		
<b>Revenue cost of free services provided (R'000)</b>	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									–	–		
<b>Total revenue cost of subsidised services provided</b>		–	–	–	–	–	–	–	–	–	(7,382)	(7,638)

## PART 2 – SUPPORTING DOCUMENTATION

**Table SB1: Adjustment Budget – Budget Financial Performance**

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 6	Accum. Funds 7	Multi-year capital 8	Unfore. Unavoid. 9	Nat. or Prov. Govt 10	Other Adjusts. 11	Total Adjusts. 12	Adjusted Budget 13	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
<b>REVENUE ITEMS</b>												
<b>Non-exchange revenue by source</b>												
<b>Property rates</b>												
Total Property Rates		67,168	–	–	–	–	–	(5,350)	(5,350)	61,818	70,257	73,489
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		–	–	–	–	–	–	–	–	–	–	–
Net Property Rates		67,168	–	–	–	–	–	(5,350)	(5,350)	61,818	70,257	73,489
<b>Exchange revenue service charges</b>												
<b>Service charges - Electricity</b>												
Total Service charges - Electricity		133,515	–	–	–	–	–	14,063	14,063	147,578	140,597	156,224
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–	(7,302)	(7,638)
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–	2,729	2,729	2,729	7,302	7,638
Net Service charges - Electricity		133,515	–	–	–	–	–	11,334	11,334	144,849	140,597	156,224
<b>Service charges - Water</b>												
Total Service charges - Water		–	–	–	–	–	–	–	–	–	–	–
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–	–	–
Net Service charges - Water		–	–	–	–	–	–	–	–	–	–	–
<b>Service charges - Waste Water Management</b>												
Total Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–
Less Revenue Foregone (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–	–
Net Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–
<b>Service charges - Waste Management</b>												
Total Service charges - Waste Management		12,488	–	–	–	–	–	1,788	1,788	14,276	13,062	13,663
Less Revenue Foregone (in excess of one removal a week to indigent households)		–	–	–	–	–	–	–	–	–	–	–
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–	–	–	–	–	–
gement		12,488	–	–	–	–	–	1,788	1,788	14,276	13,062	13,663

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 Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>EXPENDITURE ITEMS</b>												
<b>Employee related costs</b>												
Basic Salaries and Wages		141,686	-	-	-	-	-	(12,132)	(12,132)	129,553	145,507	152,163
Pension and UIF Contributions		26,479	-	-	-	-	-	(3,098)	(3,098)	23,381	27,653	28,924
Medical Aid Contributions		7,730	-	-	-	-	-	289	289	8,020	8,086	8,458
Overtime		1,095	-	-	-	-	-	(164)	(164)	931	1,143	1,195
Performance Bonus		11,145	-	-	-	-	-	(1,089)	(1,089)	10,056	11,658	12,194
Motor Vehicle Allowance		18,657	-	-	-	-	-	(1,745)	(1,745)	16,912	19,516	20,413
Cellphone Allowance		2,524	-	-	-	-	-	209	209	2,732	2,540	2,761
Housing Allowances		295	-	-	-	-	-	(1)	(1)	294	309	323
Other benefits and allowances		535	-	-	-	-	-	423	423	958	569	584
Payments in lieu of leave		106	-	-	-	-	-	832	832	938	517	303
Long service awards		538	-	-	-	-	-	343	343	881	563	589
Post-retirement benefit obligations	4	2,222	-	-	-	-	-	(1,562)	(1,562)	660	2,325	2,432
Entertainment		-	-	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-	-	-
Acting and post related allowance		745	-	-	-	-	-	225	225	970	779	815
In kind benefits		-	-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>		<b>213,757</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,471)</b>	<b>(17,471)</b>	<b>196,286</b>	<b>221,255</b>	<b>231,154</b>
<b>Less: Employees costs capitalised to PPE</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Employee related costs</b>	1	<b>213,757</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,471)</b>	<b>(17,471)</b>	<b>196,286</b>	<b>221,255</b>	<b>231,154</b>
<b>Depreciation and amortisation</b>												
Depreciation of Property, Plant & Equipment		58,880	-	-	-	-	-	3,853	3,853	62,732	61,588	64,422
Lease amortisation		22	-	-	-	-	-	-	-	22	23	24
Capital asset impairment		788	-	-	-	-	-	-	-	788	825	862
<b>Total Depreciation and amortisation</b>	1	<b>59,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,853</b>	<b>3,853</b>	<b>63,542</b>	<b>62,436</b>	<b>65,308</b>
<b>Bulk purchases</b>												
Electricity Bulk Purchases		121,123	-	-	-	-	-	18,268	18,268	139,391	136,530	153,896
<b>Total bulk purchases</b>	1	<b>121,123</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,268</b>	<b>18,268</b>	<b>139,391</b>	<b>136,530</b>	<b>153,896</b>
<b>Transfers and grants</b>												
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contracted services</b>												
Outsourced Services		49,292	-	-	-	-	-	14,421	14,421	63,713	46,722	49,374
Consultants and Professional Services		5,516	-	-	-	-	-	853	853	6,369	5,484	5,706
Contractors		15,294	-	-	-	-	-	(120)	(120)	15,174	16,343	17,079
<b>Total contracted services</b>		<b>70,102</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,154</b>	<b>15,154</b>	<b>85,256</b>	<b>68,548</b>	<b>72,158</b>
<b>Operational Costs</b>												
Collection costs		982	-	-	-	-	-	(168)	(168)	814	1,027	1,074
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-	-
Audit fees		5,800	-	-	-	-	-	1,081	1,081	6,881	6,067	6,348
Other Operational Costs		54,473	-	-	-	-	-	895	895	55,168	52,272	54,636
<b>Total Other Operational Costs</b>	1	<b>61,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,607</b>	<b>1,607</b>	<b>62,862</b>	<b>59,366</b>	<b>62,056</b>
<b>Repairs and Maintenance by Expenditure Item</b>	14											
Employee related costs		-	-	-	-	-	-	-	-	-	-	-
Inventory Consumed (Project Maintenance)		-	-	-	-	-	-	-	-	-	-	-
Contracted Services		-	-	-	-	-	-	-	-	-	-	-
Other Expenditure		-	-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	15	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Inventory Consumed</b>												
Inventory Consumed - Water		-	-	-	-	-	-	-	-	-	-	-
Inventory Consumed - Other		37,865	-	-	-	-	-	3,699	3,699	41,563	38,908	40,698
<b>Total Inventory Consumed &amp; Other Material</b>		<b>37,865</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,699</b>	<b>3,699</b>	<b>41,563</b>	<b>38,908</b>	<b>40,698</b>



**Table SB2: Adjustment Budget – Financial Position Budget**

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	Adjusted Budget
		A	4	5	6	7	8	9	10	11		
<b>R thousands</b>		<b>A</b>	<b>A1</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>		
<b>ASSETS</b>												
<b>Trade and other receivables from exchange transactions</b>												
Electricity		59,587	-	-	-	-	-	2,566	2,566	62,153	67,671	76,359
Water		-	-	-	-	-	-	-	-	-	-	-
Waste		8,572	-	-	-	-	-	42	42	8,614	15,993	23,756
Waste Water		13,787	-	-	-	-	-	-	-	13,787	13,787	13,787
Other trade receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Gross: Trade and other receivables from exchange transactions</b>		<b>81,946</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,608</b>	<b>2,608</b>	<b>84,554</b>	<b>97,451</b>	<b>113,902</b>
<b>Less: Impairment for debt</b>	1	<b>(17,308)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,744</b>	<b>2,744</b>	<b>(14,564)</b>	<b>(35,412)</b>	<b>(54,349)</b>
Impairment for Electricity		(1,603)	-	-	-	-	-	423	423	(1,180)	(3,280)	(5,034)
Impairment for Water		-	-	-	-	-	-	-	-	-	-	-
Impairment for Waste		(15,705)	-	-	-	-	-	2,321	2,321	(13,384)	(32,132)	(49,315)
Impairment for Waste Water		-	-	-	-	-	-	-	-	-	-	-
Impairment for other trade receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Total net Trade and other receivables from Exchange Transactions</b>		<b>64,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,352</b>	<b>5,352</b>	<b>69,990</b>	<b>62,038</b>	<b>59,552</b>
<b>Receivables from non-exchange transactions</b>												
Property rates		2,928	-	-	-	-	-	2,648	2,648	5,576	7,407	12,092
Less: Impairment of Property rates		(6,760)	-	-	-	-	-	-	-	(6,760)	(13,832)	(21,229)
<b>Net Property rates</b>		<b>(3,832)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,648</b>	<b>2,648</b>	<b>(1,184)</b>	<b>(6,425)</b>	<b>(9,137)</b>
Other receivables from non-exchange transactions		184,630	-	-	-	-	-	(13,852)	(13,852)	170,778	296,852	440,542
Impairment for other receivables from non-exchange transactions		(100,350)	-	-	-	-	-	28,251	28,251	(72,099)	(205,316)	(315,111)
<b>Net other receivables from non-exchange transactions</b>		<b>84,280</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,399</b>	<b>14,399</b>	<b>98,679</b>	<b>91,536</b>	<b>125,431</b>
<b>Total net Receivables from non-exchange transactions</b>		<b>80,447</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,047</b>	<b>17,047</b>	<b>97,495</b>	<b>85,111</b>	<b>116,294</b>
<b>Consumables</b>												
<b>Standard Rated</b>												
Opening Balance		79,821	-	-	-	-	-	-	-	79,821	84,925	96,369
Acquisitions		-	-	-	-	-	-	-	-	-	-	-
Issues	13	(30,549)	-	-	-	-	-	(3,759)	(3,759)	(34,309)	(31,256)	(32,684)
Adjustments	14	-	-	-	-	-	-	-	-	-	-	-
Write-offs	15	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - Consumables Standard Rated</b>		<b>49,272</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,759)</b>	<b>(3,759)</b>	<b>45,512</b>	<b>53,669</b>	<b>63,675</b>
<b>Zero Rated</b>												
Opening Balance		-	-	-	-	-	-	-	-	-	(7,315)	(14,967)
Acquisitions		-	-	-	-	-	-	-	-	-	-	-
Issues	13	(7,315)	-	-	-	-	-	61	61	(7,255)	(7,652)	(8,004)
Adjustments	14	-	-	-	-	-	-	-	-	-	-	-
Write-offs	15	-	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - Consumables Zero Rated</b>		<b>(7,315)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61</b>	<b>61</b>	<b>(7,255)</b>	<b>(14,967)</b>	<b>(22,971)</b>

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	Adjusted Budget
<b>Property, plant &amp; equipment</b>												
PPE at cost/valuation (excl. finance leases)		1,464,754	-	-	-	-	-	65,709	65,709	1,530,463	1,520,064	1,602,910
Leases recognised as PPE	2	-	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		58,880	-	-	-	-	-	3,853	3,853	62,732	120,468	184,890
<b>Total Property, plant &amp; equipment</b>	1	<b>1,405,874</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,856</b>	<b>61,856</b>	<b>1,467,731</b>	<b>1,399,595</b>	<b>1,418,020</b>
<b>LIABILITIES</b>												
<b>Current liabilities - Financial liabilities</b>												
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		8,895	-	-	-	-	-	(2,257)	(2,257)	6,639	9,125	10,785
<b>Total Current liabilities - Financial liabilities</b>		<b>8,895</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,257)</b>	<b>(2,257)</b>	<b>6,639</b>	<b>9,125</b>	<b>10,785</b>
<b>Trade and other payables</b>												
Trade and other payables from exchange transactions		90,033	-	-	-	-	-	6,921	6,921	96,954	97,562	115,424
Other trade payables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Grants		5,386	-	-	-	-	-	2,874	2,874	8,260	6,835	2,812
Trade payables from Non-exchange transactions: Other		6,841	-	-	-	-	-	-	-	6,841	10,868	10,570
VAT		-	-	-	-	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	1	<b>102,260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,796</b>	<b>9,796</b>	<b>112,056</b>	<b>115,265</b>	<b>128,806</b>
<b>Non current liabilities - Financial liabilities</b>												
Borrowing	3	27,548	-	-	-	-	-	18,054	18,054	45,602	18,422	7,434
Other financial liabilities		-	-	-	-	-	-	-	-	-	-	-
<b>Total Non current liabilities - Financial liabilities</b>		<b>27,548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,054</b>	<b>18,054</b>	<b>45,602</b>	<b>18,422</b>	<b>7,434</b>
<b>Provisions - non current</b>												
Retirement benefits		43,541	-	-	-	-	-	-	-	43,541	45,967	46,181
Refuse landfill site rehabilitation		45,761	-	-	-	-	-	-	-	45,761	45,792	45,824
Other		1,000	-	-	-	-	-	-	-	1,000	1,000	1,000
<b>Total Provisions - non current</b>		<b>90,302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,302</b>	<b>92,759</b>	<b>93,005</b>
<b>CHANGES IN NET ASSETS</b>												
<b>Accumulated surplus/(Deficit)</b>												
Accumulated surplus/(Deficit) - opening balance		1,394,626	-	-	-	-	-	13,435	13,435	1,408,061	1,399,266	1,433,581
GRAP adjustments		-	-	-	-	-	-	-	-	-	-	-
Restated balance		1,394,626	-	-	-	-	-	13,435	13,435	1,408,061	1,399,266	1,433,581
Surplus/(Deficit)		114,566	-	-	-	-	27,650	18,227	45,877	160,442	90,829	87,703
Transfers to/from Reserves		-	-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	1	<b>1,509,192</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,650</b>	<b>31,661</b>	<b>59,311</b>	<b>1,568,503</b>	<b>1,490,095</b>	<b>1,521,283</b>
<b>Reserves</b>												
Housing Development Fund		-	-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-	0
Self-insurance		-	-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	2	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,509,192</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,650</b>	<b>31,661</b>	<b>59,311</b>	<b>1,568,503</b>	<b>1,490,095</b>	<b>1,521,284</b>

**Table SB3: Adjustment Budget – SDBIP Performance Objectives**

Description	Unit of measurement	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	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
<b>Vote 1 - Municipal Manager</b>												
<b>KPA 2: INSTITUTIONAL DEVELOPMENT AND</b>												
Improved efficiency and effectiveness of the Municipal Administration	% of KPIs and projects attaining organisational targets (total organisation)	95.0%						5%	5%	100%	100%	100%
Improved efficiency and effectiveness of the Municipal Administration	Final SDBIP approved by Mayor within 28 days after approval of Budget	1.00						-				
<b>KPA 5: MUNICIPAL FINANCIAL VIABILITY</b>												
To implement sound Financial management practices	% spend of the Total Operational Budget excluding non-cash items	95.0%						0%	0%	95%	95%	95%
To implement sound Financial management practices	% of remuneration compared to total operating expenditure	25%-40%						25%-40%	25%-40%	25%-40%	25%-40%	25%-40%
<b>KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>												
To strengthen participatory governance within the community	Number of final audited Annual Report submitted to Council on or before end of January	1.00						0.00	1.00	1.00	1.00	1.00
To strengthen participatory governance within the community	% of Council meetings resolutions implemented within the prescribed timeframe (3 months)	100%						-	100%	100%	100%	100%
To strengthen participatory governance within the community	Number Final IDP tabled and approved by Council by the 31 May	1.00						-	0.00	1.00	1.00	1.00
To create a culture of accountability and transparency	% of Auditor General matters resolved as per the approved audit action plan by 30 June 2018	100%						-	0%	100%	100%	100%
To create a culture of accountability and transparency	% execution of identified risk management plan within prescribed timeframes per quarter	100%						-	0%	100%	100%	100%
<b>Vote 2 - Budget and Treasury</b>												
<b>KPA 4 – BASIC SERVICE DELIVERY AND</b>												
To provide free basic services to registered indigents	% of registered indigent households with access to free basic electricity services by 30 June (GKPI)	60%						40%	40%	100%	100%	100%
<b>KPA 5: MUNICIPAL FINANCIAL VIABILITY</b>												
To implement sound Financial management practices	Cost coverage ratio by the 30 June 2025 (GKPI)	4:1						4:1	4:1	4:1	4:1	4:1
To implement sound Financial management practices	% Collection Rate							-	-	-	-	-
Number of assets verification reports submitted to municipal manager by 30 June	Assets verifications conducted by 30 June 2025	1.00						1.00	1.00	1.00	1.00	1.00



**Table SB4: Adjustment Budget – Performance Indicators and Benchmarks**

Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	2024/25			Budget Year 2025/26	Budget Year 2026/27
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Borrowing Management</b>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.2%	1.8%	0.2%	15.6%	0.0%	11.2%	15.8%	15.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.2%	1.9%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>									
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1787068.8%
<b>Liquidity</b>									
Current Ratio	Current assets/current liabilities	126.5%	134.8%	172.7%	222.9%	0.0%	228.6%	194.8%	185.0%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors >	126.5%	134.8%	172.7%	222.9%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.6	0.5	0.6	1.3	0.0	1.3	1.2	1.1
<b>Revenue Management</b>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing	1.9%	1.4%	1.4%	138.6%		138.6%	144.2%	141.7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		1.4%	3.1%	1.4%	143.8%		143.8%	141.6%	139.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	29.0%	30.5%	31.5%	33.0%	0.0%	36.9%	30.9%	33.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within								
Creditors to Cash and Investments		109.0%	119.0%	120.5%	105.6%	0.0%	121.3%	113.6%	151.9%
<b>Other Indicators</b>									
Electricity Distribution Losses (2)	Total Volume Losses (kW)	14,308	11,135	8,713	3,886				
	Total Cost of Losses (Rand '000)	20,519	20,929	13,957	8,251				
	% Volume (units purchased and generated less units sold)/units purchased and generated	27%	19%	15%	10%				
Water Distribution Losses (2)	Total Volume Losses (kℓ)								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital	31.8%	26.1%	26.3%	28.4%	0.0%	26.4%	28.3%	28.0%
Remuneration	Total remuneration/(Total Revenue - capital	5.0%	4.1%	3.8%					
Repairs & Maintenance	R&M/(Total Revenue excluding capital	7.5%	7.2%	11.3%	4.8%	0.0%	5.3%	4.8%	4.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.0%	10.0%	9.0%	21.6%	0.0%	18.2%	21.6%	21.4%
<b>IDP regulation financial viability indicators</b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	144.9%	191.4%	178.3%	620.8%	0.0%	613.1%	615.5%	650.1%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual	6.9%	7.2%	8.1%	8.6%	0.0%	9.4%	7.9%	7.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	0.0

**Table SB5: Adjustment Budget – Social, Economic and Demographic Statistics and Assumptions**

Municipal in-house services	Ref.		2021/22	2022/23	2023/24	2024/25			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
		<b>Energy:</b>									
		Electricity (at least min service level)	6,988,568	6,936,658	6,425,522	6,988,664	6,988,664	6,988,664	6,988,664	7,301,772	7,637,862
		Electricity – prepaid (min service level)									
		Minimum Service Level and Above sub-total	6,988,568	6,936,658	6,425,522	6,988,664	6,988,664	6,988,664	6,988,664	7,301,772	7,637,862
		Electricity (> min service level)									
		Electricity – prepaid (> min service level)									
		Other energy sources									
		Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
		Total number of households	9,886,593	9,936,658	6,425,522	9,988,664	9,988,664	9,988,664	9,988,664	7,301,772	7,637,862
		<b>Refuse:</b>									
		Removed at least once a week									
		Minimum Service Level and Above sub-total	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	108,562	108,568	110,266	112,868	112,868	112,868	112,868	117,862	123,264
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		Below Minimum Service Level sub-total	108,562	108,568	110,266	112,868	112,868	112,868	112,868	117,862	123,264
		Total number of households	988,562	988,568	910,266	912,868	912,868	912,868	912,868	917,862	923,264

Municipal entity services	Ref.		2021/22	2022/23	2023/24	2024/25			2024/25 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
<b>Name of municipal entity</b>		<b>Energy:</b>									
Edson		Electricity (at least min service level)	6,988,568	6,936,658	6,425,522	6,988,664	6,988,664	6,988,664	6,988,664	7,301,772	7,637,862
		Electricity – prepaid (min service level)									
		Minimum Service Level and Above sub-total	6,988,568	6,936,658	6,425,522	6,988,664	6,988,664	6,988,664	6,988,664	7,301,772	7,637,862
		Electricity (> min service level)									
		Electricity – prepaid (> min service level)									
		Other energy sources									
		Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
		Total number of households	9,886,593	9,936,658	6,425,522	9,988,664	9,988,664	9,988,664	9,988,664	7,301,772	7,637,862
<b>Name of municipal entity</b>		<b>Refuse:</b>									
Matshini		Removed at least once a week	6,281,838	6,407,169	6,471,240	6,612,140	6,612,140	6,612,140	6,612,140	6,936,140	7,276,011
		Minimum Service Level and Above sub-total	6,281,838	6,407,169	6,471,240	6,612,140	6,612,140	6,612,140	6,612,140	6,936,140	7,276,011
		Removed less frequently than once a week	407	410	419	426	426	426	426	449	471
		Using communal refuse dump	2,000	2,040	2,060	2,100	2,100	2,100	2,100	2,208	2,316
		Using own refuse dump	42,640	43,391	43,825	44,779	44,779	44,779	44,779	46,073	46,276
		Other rubbish disposal	704	708	726	741	741	741	741	771	808
		No rubbish disposal	6,329	6,559	6,706	6,867	6,867	6,867	6,867	7,266	7,589
		Below Minimum Service Level sub-total	54,161	55,243	55,795	57,010	57,010	57,010	57,010	59,003	62,734
		Total number of households	6,329,697	6,462,611	6,527,835	6,669,155	6,669,155	6,669,155	6,669,155	6,995,944	7,328,745

Detail of Free Basic Services (FBS) provided			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	Adjusted Budget	Adjusted Budget
Electricity	Ref.	Location of households for each type of FBS												
Free Basic Electricity		Formal settlements - (50 kwh per indigent household per month R '000)								-	-			
		Number of HH receiving this type of FBS	6,981							2,729	2,729	9,710	7,302	7,638
		Informal settlements (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Informal settlements targeted for upgrading (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Living in informal backyard rental agreement (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Other (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Total cost of FBS - Electricity for informal settlements	-	-	-	-	-	-	-	-	-	-	-	-
Refuse Removal	Ref.	Location of households for each type of FBS												
List type of FBS service		Formal settlements - (removed once a week to indigent households R '000)								-	-			
		Number of HH receiving this type of FBS	113							-	-	118	123	
		Informal settlements (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Informal settlements targeted for upgrading (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Living in informal backyard rental agreement (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Other (R '000)								-	-			
		Number of HH receiving this type of FBS								-	-			
		Total cost of FBS - Refuse Removal for informal settlements	112,668	-	-	-	-	-	-	-	112,668	117,852	123,264	

**Table SB6: Adjustment Budget – Funding Measurement**

Description	Ref	MFMA section	2021/22	2022/23	2023/24	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year 2025/26	Budget Year 2026/27
<b>R thousands</b>										
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	1	18(1)b	14,710	33,093	22,674	96,866	-	92,342	101,497	84,790
Cash + investments at the yr end less applications - R'000	2	18(1)b				91,712	-	107,636	77,123	63,379
Cash year end/monthly employee/supplier payments	3	18(1)b				-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	47,309	63,433	56,241	114,566	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0.0%	0.0%	0.0%	-0.7%	2.1%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	68.8%	0.0%	72.3%	68.0%	65.0%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	3.4%	17.0%	11.8%	33.7%	0.0%	39.8%	34.6%	34.1%
Capital payments % of capital expenditure	8	18(1)c;19	103.6%	114.9%	127.7%	90.1%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a							-12.1%	18.7%
Long term receivables % change - incr(decr)	12	18(1)a							0.6%	18.3%
R&M % of Property Plant & Equipment	13	20(1)(vi)	3.5%	4.1%	6.9%	2.9%	0.0%	3.1%	3.1%	3.5%
Asset renewal % of capital budget	14	20(1)(vi)	50.8%	34.3%	0.8%	8.7%	0.0%	12.3%	17.9%	12.5%

**Table SB7: Adjustment Budget - Transfers and Grants Receipts**

Description	Ref	2024/25							Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F		
<b>R thousands</b>										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		383,099	–	–	–	–	–	383,099	376,877	363,020
Expanded Public Works Programme Integrated Grant		2,609	–	–	–	–	–	2,609	–	–
Local Government Financial Management Grant		2,800	–	–	–	–	–	2,800	2,800	2,800
Equitable Share		377,690	–	–	–	–	–	377,690	374,077	360,220
<b>Provincial Government:</b>		–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
<b>Total Operating Transfers and Grants</b>	5	383,099	–	–	–	–	–	383,099	376,877	363,020
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		95,858	–	–	–	27,650	27,650	123,508	76,932	78,173
Energy Efficiency and Demand Side Management Grant		4,000	–	–	–	–	–	4,000	4,000	–
Municipal Infrastructure Grant		74,314	–	–	–	–	–	74,314	67,416	73,190
Integrated National Electrification Programme Grant		17,544	–	–	–	–	–	17,544	5,516	4,983
Municipal Disaster Recovery Grant		–	–	–	–	27,650	27,650	27,650	–	–
<b>Provincial Government:</b>		–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>		–	–	–	–	20,000	20,000	20,000	–	–
Water Service Infrastructure Grant		–	–	–	–	20,000	20,000	20,000	–	–
<b>Other grant providers:</b>		360	–	–	–	–	–	360	377	394
Education, Training and Development Practices SETA		360	–	–	–	–	–	360	377	394
<b>Total Capital Transfers and Grants</b>	5	96,218	–	–	–	47,650	47,650	143,868	77,309	78,567
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	479,317	–	–	–	47,650	47,650	526,967	454,186	441,588

**Table SB 8: Adjustment Budget – Transfers and Grants Expenditure**

Description	2024/25							Budget Year	Budget Year
	Original	Prior Adjusted	Multi-year	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	2025/26	2026/27
	Budget		capital	Govt			Budget	Adjusted	Adjusted
R thousands	A	2 A1	3 B	4 C	5 D	6 E	7 F		
<b>EXPENDITURE:</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	9,409	–	–	–	(4,000)	(4,000)	5,409	2,800	2,800
Expanded Public Works Programme Integrated Grant	2,609	–	–	–	–	–	2,609	–	–
Local Government Financial Management Grant	2,800	–	–	–	–	–	2,800	2,800	2,800
Energy Efficiency and Demand Side Management Grant	4,000	–	–	–	(4,000)	(4,000)	–	–	–
<b>Provincial Government:</b>	–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>	–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>	–	–	–	–	–	–	–	–	–
<b>Total operating expenditure of Transfers and Grants:</b>	9,409	–	–	–	(4,000)	(4,000)	5,409	2,800	2,800
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	95,858	–	–	–	27,650	27,650	123,508	76,932	78,173
Energy Efficiency and Demand Side Management Grant	4,000	–	–	–	–	–	4,000	4,000	–
Municipal Infrastructure Grant	74,314	–	–	–	–	–	74,314	67,416	73,190
Integrated National Electrification Programme Grant	17,544	–	–	–	–	–	17,544	5,516	4,983
Municipal Disaster Recovery Grant	–	–	–	–	27,650	27,650	27,650	–	–
<b>Provincial Government:</b>	–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>	–	–	–	–	20,000	20,000	20,000	–	–
Water Service Infrastructure Grant	–	–	–	–	20,000	20,000	20,000	–	–
<b>Other grant providers:</b>	721	–	–	–	(360)	(360)	360	754	789
Education, Training and Development Practices SETA	721	–	–	–	(360)	(360)	360	754	789
<b>Total capital expenditure of Transfers and Grants</b>	96,579	–	–	–	47,290	47,290	143,868	77,686	78,962
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	105,988	–	–	–	43,290	43,290	149,277	80,486	81,762

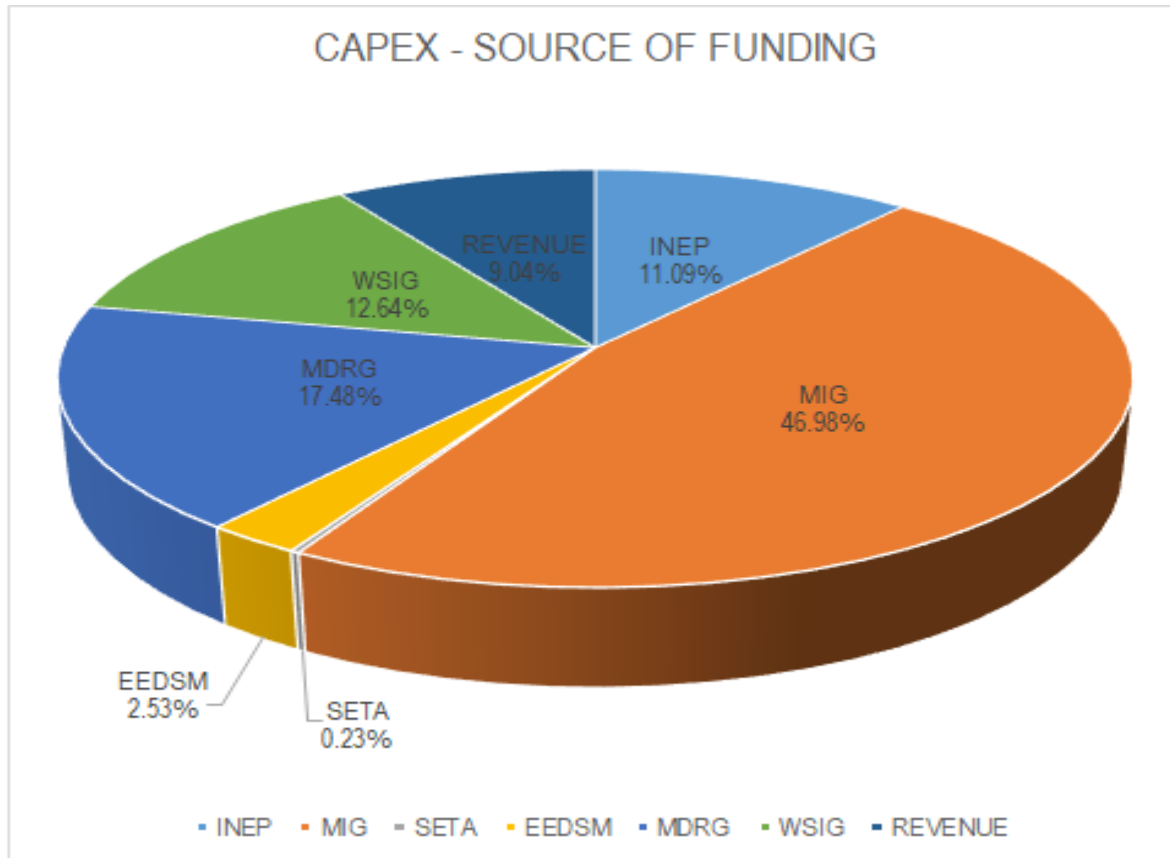


**Table SB 9: Adjustment Budget – Reconciliation of Transfers; Grants Receipts and Unspent Funds**

Description	Ref	2024/25							Budget Year	Budget Year
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	2025/26	2026/27
		A	2	3	4	5	6	7	Adjusted Budget	Adjusted Budget
<b>R thousands</b>		A	A1	B	C	D	E	F		
<b>Operating transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year		4,000	-	-	-	-	-	4,000	4,000	-
Current year receipts		383,099	-	-	-	-	-	383,099	376,877	363,020
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		383,099	-	-	-	(4,000)	(4,000)	5,409	2,800	2,800
Conditions still to be met - transferred to liabilities		4,000	-	-	-	4,000	4,000	381,690	378,077	360,220
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>		383,099	-	-	-	(4,000)	(4,000)	5,409	2,800	2,800
<b>Total operating transfers and grants - CTBM</b>	2	4,000	-	-	-	4,000	4,000	381,690	378,077	360,220
<b>Capital transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year		3,900	-	-	-	-	-	3,900	1,486	1,348
Current year receipts		95,858	-	-	-	27,650	27,650	123,508	76,932	78,173
Re-payment of Unspent Grant		1,486	-	-	-	(1,486)	(1,486)	-	1,348	1,464
<b>Conditions met - transferred to revenue</b>		95,858	-	-	-	27,650	27,650	123,508	76,932	78,173
Conditions still to be met - transferred to liabilities		2,414	-	-	-	(1,486)	1,486	3,900	138	(115)
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	20,000	20,000	20,000	-	-
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	20,000	20,000	20,000	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		360	-	-	-	-	-	360	377	394
Current year receipts		360	-	-	-	-	-	360	377	394
Re-payment of Unspent Grant		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		721	-	-	-	(360)	(360)	360	754	789
Conditions still to be met - transferred to liabilities		-	-	-	-	360	360	360	-	-
<b>Total capital transfers and grants revenue</b>		96,579	-	-	-	48,010	47,290	143,868	77,686	78,962
<b>Total capital transfers and grants - CTBM</b>		2,414	-	-	-	(1,847)	1,847	4,260	138	(115)
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		479,678	-	-	-	44,010	43,290	149,277	80,486	81,762
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		6,414	-	-	-	2,153	5,847	385,950	378,215	360,105

## Sources of capital revenue over the MTREF

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



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

Capital grants and receipts equate to 91% of the total funding source which represents R143, 508 million for the 2024/25 financial year and decreases to R76, 283 million and increases to R79, 692 million in 2024/25 and 2025/26 financial years respectively. Only 9% of capital budgets is funded from internally generated revenue.

**Table SB 10: Adjustment Budget – Transfers and Grants by the Municipality**

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 6	Accum. Funds 7	Multi-year capital 8	Unfore. Unavoid. 9	Nat. or Prov. Govt 10	Other Adjusts. 11	Total Adjusts. 12	Adjusted Budget 13	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Cash transfers to other municipalities</b>												
[insert description]	1								-	-		
[insert description]									-	-		
[insert description]									-	-		
<b>TOTAL ALLOCATIONS TO MUNICIPALITIES:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Cash transfers to Entities/Other External Mechanisms</b>												
[insert description]	2								-	-		
[insert description]									-	-		
[insert description]									-	-		
<b>TOTAL ALLOCATIONS TO ENTITIES/EMS'</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Cash transfers to other Organs of State</b>												
[insert description]	3								-	-		
[insert description]									-	-		
[insert description]									-	-		
<b>TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Cash transfers to other Organisations</b>												
Bursary Non Employees	4	500						-	-	500	600	700
Free Basic Electricity		6,981						2,729	2,729	9,710	7,302	7,638
Transfer Subsidies Post Retirement		1,923						-	-	1,923	2,012	2,104
<b>TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:</b>		<b>9,404</b>	-	-	-	-	-	<b>2,729</b>	<b>2,729</b>	<b>12,133</b>	<b>9,913</b>	<b>10,442</b>
<b>TOTAL CASH TRANSFERS</b>	5	<b>9,404</b>	-	-	-	-	-	<b>2,729</b>	<b>2,729</b>	<b>12,133</b>	<b>9,913</b>	<b>10,442</b>
<b>TOTAL NON-CASH TRANSFERS</b>	5	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS</b>		<b>9,404</b>	-	-	-	-	-	<b>2,729</b>	<b>2,729</b>	<b>12,133</b>	<b>9,913</b>	<b>10,442</b>



**Table SB 11: Adjustment Budget – Councillor and Staff Benefits**

Summary of remuneration	Ref	2024/25									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<b>R thousands</b>											
<b>Councillors (Political Office Bearers plus Other)</b>											
Basic Salaries and Wages		16,754	—			—		298	298	17,052	1.8%
Pension and UIF Contributions		2,187	—			—		255	255	2,442	11.7%
Medical Aid Contributions		119	—			—		(113)	(113)	6	-94.8%
Motor Vehicle Allowance		5,726	—			—		1,033	1,033	6,759	18.0%
Cellphone Allowance		3,154	—			—		(36)	(36)	3,118	-1.2%
Housing Allowances		—	—			—		—	—	—	
Other benefits and allowances		239	—			—		46	46	285	19.2%
<b>Sub Total - Councillors</b>		<b>28,178</b>	<b>—</b>			<b>—</b>		<b>1,483</b>	<b>1,483</b>	<b>29,661</b>	<b>5.3%</b>
<b>% increase</b>			<b>(0)</b>							<b>0</b>	
<b>Senior Managers of the Municipality</b>											
Basic Salaries and Wages		5,567	—	—		—		(1,671)	(1,671)	3,896	-30.0%
Pension and UIF Contributions		380	—	—		—		(28)	(28)	352	-7.3%
Medical Aid Contributions		333	—	—		—		(49)	(49)	285	-14.6%
Overtime		—	—	—		—		—	—	—	
Performance Bonus		368	—	—		—		(206)	(206)	161	-56.1%
Motor Vehicle Allowance		902	—	—		—		(162)	(162)	740	-18.0%
Cellphone Allowance		166	—	—		—		189	189	355	114.3%
Housing Allowances		—	—	—		—		—	—	—	
Other benefits and allowances		10	—	—		—		(8)	(8)	2	-75.9%
Payments in lieu of leave		—	—	—		—		—	—	—	
Long service awards		—	—	—		—		—	—	—	
Post-retirement benefit obligations	5	—	—	—		—		—	—	—	
Entertainment		—	—	—		—		—	—	—	
Scarcity		—	—	—		—		—	—	—	
Acting and post related allowance		42	—	—		—		(31)	(31)	11	-73.8%
In kind benefits		—	—	—		—		—	—	—	
<b>Sub Total - Senior Managers of Municipality</b>		<b>7,768</b>	<b>—</b>	<b>—</b>		<b>—</b>		<b>(1,965)</b>	<b>(1,934)</b>	<b>5,803</b>	<b>-25.3%</b>
<b>% increase</b>			<b>(0)</b>							<b>(0)</b>	
<b>Other Municipal Staff</b>											
Basic Salaries and Wages		136,119	—	—	—	—	—	(10,461)	(10,461)	125,657	-7.7%
Pension and UIF Contributions		26,099	—	—	—	—	—	(3,070)	(3,070)	23,028	-11.8%
Medical Aid Contributions		7,397	—	—	—	—	—	338	338	7,735	4.6%
Overtime		1,095	—	—	—	—	—	(164)	(164)	931	-15.0%
Performance Bonus		10,777	—	—	—	—	—	(883)	(883)	9,894	
Motor Vehicle Allowance		17,755	—	—	—	—	—	(1,583)	(1,583)	16,172	-8.9%
Cellphone Allowance		2,358	—	—	—	—	—	19	19	2,377	0.8%
Housing Allowances		295	—	—	—	—	—	(1)	(1)	294	
Other benefits and allowances		525	—	—	—	—	—	431	431	956	82.1%
Payments in lieu of leave		106	—	—	—	—	—	832	832	938	784.4%
Long service awards		538	—	—	—	—	—	343	343	881	63.8%
Post-retirement benefit obligations	5	2,222	—	—	—	—	—	(1,562)	(1,562)	660	-70.3%
Entertainment		—	—	—	—	—	—	—	—	—	
Scarcity		—	—	—	—	—	—	—	—	—	
Acting and post related allowance		703	—	—	—	—	—	256	256	959	
In kind benefits		—	—	—	—	—	—	—	—	—	
<b>Sub Total - Other Municipal Staff</b>		<b>205,989</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(15,505)</b>	<b>(15,505)</b>	<b>190,483</b>	<b>-7.5%</b>
<b>% increase</b>											
<b>Total Parent Municipality</b>		<b>241,935</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(15,987)</b>	<b>(15,956)</b>	<b>225,947</b>	<b>-6.6%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>241,935</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(15,987)</b>	<b>(15,956)</b>	<b>225,947</b>	<b>-6.6%</b>
<b>% increase</b>											
<b>TOTAL MANAGERS AND STAFF</b>		<b>213,757</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(17,471)</b>	<b>(17,440)</b>	<b>196,286</b>	<b>-8.2%</b>

**Table SB 12: Adjustment Budget – Monthly Revenue and Expenditure (Municipal Vote)**

Description	Ref	2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted
<b>Revenue by Vote</b>																
Vote 1 - Executive & Council		–	18,876	–	–	–	13,098	–	–	11,470	–	–	–	48,780	35,407	34,857
Vote 2 - Municipal Manager		–	18,943	–	–	–	18,561	–	–	18,830	–	–	–	53,017	55,456	57,951
Vote 3 - Budget & Treasury		6,596	28,083	7,536	6,452	5,531	30,488	7,463	8,908	30,966	5,949	6,456	4,115	146,875	159,590	156,858
Vote 4 - Corporate Services		–	22,682	–	–	–	13,433	–	6	9,645	4	108	158	46,686	48,833	56,225
Vote 5 - Community Services		2,491	32,424	4,584	3,655	3,203	22,226	2,700	11,729	18,360	11,155	5,521	8,025	182,142	218,024	256,705
Vote 6 - Technical Services		27,533	55,987	29,711	26,358	17,727	39,986	15,331	17,776	59,687	29,566	22,277	30,648	370,373	304,339	314,806
Vote 7 - Developmental Planning		642	7,992	393	486	587	5,270	122	962	5,145	238	319	300	19,670	16,787	15,506
Vote 8 - Executive Support		–	8,878	–	–	–	7,165	–	–	9,131	–	–	–	19,701	20,608	11,315
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>		<b>37,261</b>	<b>193,865</b>	<b>42,224</b>	<b>36,950</b>	<b>27,048</b>	<b>150,227</b>	<b>25,616</b>	<b>39,381</b>	<b>163,234</b>	<b>46,913</b>	<b>34,681</b>	<b>43,246</b>	<b>887,245</b>	<b>859,043</b>	<b>904,224</b>
<b>Expenditure by Vote</b>																
Vote 1 - Executive & Council		3,791	2,767	2,762	5,273	3,877	3,487	2,771	3,537	4,326	2,452	3,773	4,606	43,295	45,999	49,858
Vote 2 - Municipal Manager		3,192	3,380	4,471	5,905	3,172	6,242	2,838	4,567	4,687	4,441	4,315	5,010	51,629	43,119	45,536
Vote 3 - Budget & Treasury		12,131	6,958	7,394	4,502	6,886	6,333	6,278	4,145	8,601	6,495	6,084	8,190	84,720	88,017	91,953
Vote 4 - Corporate Services		3,606	1,340	1,914	3,140	1,496	3,483	1,878	619	387	555	1,145	1,308	31,115	46,670	48,820
Vote 5 - Community Services		7,085	8,686	9,825	9,366	9,367	14,729	8,868	15,156	28,470	4,273	8,258	43,814	206,201	234,630	245,368
Vote 6 - Technical Services		20,858	23,317	30,688	23,212	17,608	20,955	19,809	28,432	22,886	18,334	24,267	21,898	265,197	271,788	295,250
Vote 7 - Developmental Planning		1,333	1,176	1,744	1,288	1,126	1,487	1,075	1,046	1,128	846	934	1,113	17,899	19,280	20,167
Vote 8 - Executive Support		2,310	1,913	2,151	2,034	2,179	3,192	1,879	3,273	3,480	3,373	3,068	2,860	26,747	18,711	19,569
Vote 9 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>		<b>54,305</b>	<b>49,536</b>	<b>60,948</b>	<b>54,719</b>	<b>45,710</b>	<b>59,909</b>	<b>45,398</b>	<b>60,776</b>	<b>73,964</b>	<b>40,769</b>	<b>51,844</b>	<b>88,798</b>	<b>726,803</b>	<b>768,214</b>	<b>816,521</b>
<b>Surplus/ (Deficit)</b>		<b>(17,044)</b>	<b>144,329</b>	<b>(18,724)</b>	<b>(17,769)</b>	<b>(18,662)</b>	<b>90,318</b>	<b>(19,782)</b>	<b>(21,396)</b>	<b>89,270</b>	<b>6,144</b>	<b>(17,163)</b>	<b>(45,552)</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>



**Table SB 13: Adjustment Budget – Monthly Revenue and Expenditure(Functional Classification)**

Description - Standard classification	Ref	2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue - Functional</b>																
<i>Governance and administration</i>		6,596	105,581	7,536	6,452	5,531	89,358	7,463	8,914	81,142	5,953	6,563	121	331,211	336,787	332,535
Executive and council		–	19,197	–	–	–	15,084	–	–	13,967	–	–	–	55,444	42,377	42,140
Finance and administration		6,596	78,832	7,536	6,452	5,531	67,823	7,463	8,914	59,287	5,953	6,563	4,273	256,883	274,658	269,753
Internal audit		–	7,552	–	–	–	6,452	–	–	7,888	–	–	–	18,884	19,753	20,642
<i>Community and public safety</i>		589	15,334	2,663	1,761	1,372	10,390	450	12	8,533	9	15	(12,198)	28,931	30,259	29,816
Community and social services		13	4,946	3	8	10	3,871	1	6	3,555	5	10	7	11,320	11,854	10,583
Sport and recreation		–	9,279	–	–	9	5,354	–	6	4,978	3	6	8	17,612	18,406	19,234
Public safety		576	1,110	2,660	1,753	1,354	1,164	449	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		18,639	39,717	13,725	15,183	5,658	22,173	1,058	11,153	39,086	25,148	13,355	91,349	296,244	269,330	304,307
Planning and development		642	11,311	393	486	587	7,965	122	962	8,724	238	319	300	27,921	25,418	24,526
Road transport		17,998	25,155	13,331	14,697	5,071	13,922	936	10,190	30,231	24,909	13,036	22,303	267,486	243,037	278,866
Environmental protection		–	3,252	–	–	–	286	–	–	131	–	–	–	836	875	914
<i>Trading services</i>		11,437	33,232	18,301	13,554	14,486	28,307	16,645	19,302	34,473	15,803	14,747	10,573	230,859	222,667	237,565
Energy sources		10,113	22,886	16,928	12,180	13,124	19,608	15,253	17,599	26,336	13,940	13,976	13,987	190,868	179,592	192,014
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		1,324	10,346	1,373	1,373	1,363	8,699	1,392	1,703	8,136	1,863	771	2,369	39,991	43,074	45,551
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>		<b>37,261</b>	<b>193,865</b>	<b>42,224</b>	<b>36,950</b>	<b>27,048</b>	<b>150,227</b>	<b>25,616</b>	<b>39,381</b>	<b>163,234</b>	<b>46,913</b>	<b>34,681</b>	<b>89,845</b>	<b>887,245</b>	<b>859,043</b>	<b>904,224</b>
<b>Expenditure - Functional</b>																
<i>Governance and administration</i>		25,124	17,009	22,643	21,640	18,408	25,092	17,325	18,180	22,350	18,478	20,595	34,182	261,026	266,915	281,200
Executive and council		4,262	3,686	3,282	5,738	4,364	4,169	3,305	3,783	4,824	3,029	4,562	5,440	51,199	54,495	58,743
Finance and administration		20,510	12,939	17,688	12,157	13,639	18,003	13,508	13,227	16,364	14,444	15,406	19,171	195,700	199,453	208,915
Internal audit		352	385	1,673	3,745	405	2,920	512	1,171	1,163	1,005	626	910	14,127	12,967	13,542
<i>Community and public safety</i>		3,421	3,450	3,946	4,079	4,077	7,479	3,472	1,943	2,312	1,982	2,004	(4,655)	33,511	36,187	37,728
Community and social services		526	604	757	624	568	1,046	541	(361)	(403)	(358)	(303)	(192)	8,026	17,394	18,070
Sport and recreation		1,358	1,303	1,502	1,863	1,920	3,992	1,235	2,269	2,682	2,302	2,275	3,158	25,212	18,794	19,658
Public safety		1,537	1,544	1,688	1,592	1,590	2,440	1,696	35	34	38	32	135	273	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		11,122	9,507	12,762	12,972	8,963	12,216	9,685	19,644	28,937	(1,235)	9,766	77,761	212,100	257,659	269,440
Planning and development		2,545	1,605	2,253	1,744	1,669	2,266	1,525	1,585	1,645	1,154	1,217	1,583	24,646	27,083	28,328
Road transport		8,578	7,902	10,509	11,199	7,294	9,950	8,160	18,178	27,149	(2,265)	8,652	38,208	187,278	229,807	240,308
Environmental protection		–	–	–	29	–	–	–	(119)	143	(125)	(104)	(49)	176	769	804
<i>Trading services</i>		14,638	19,570	21,596	16,029	14,262	15,123	14,917	21,009	20,364	21,544	19,479	21,635	220,166	207,453	228,153
Energy sources		12,031	15,641	17,666	12,623	10,096	10,692	11,749	16,301	14,920	14,287	15,379	13,805	158,050	155,828	174,083
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		2,607	3,929	3,929	3,406	4,165	4,431	3,168	4,708	5,444	7,257	4,100	6,629	62,115	51,625	54,071
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>		<b>54,305</b>	<b>49,536</b>	<b>60,948</b>	<b>54,719</b>	<b>45,710</b>	<b>59,909</b>	<b>45,398</b>	<b>60,776</b>	<b>73,964</b>	<b>40,769</b>	<b>51,844</b>	<b>128,923</b>	<b>726,803</b>	<b>768,214</b>	<b>816,521</b>
<b>Surplus/ (Deficit) 1.</b>		<b>(17,044)</b>	<b>144,329</b>	<b>(18,724)</b>	<b>(17,769)</b>	<b>(18,662)</b>	<b>90,318</b>	<b>(19,782)</b>	<b>(21,396)</b>	<b>89,270</b>	<b>6,144</b>	<b>(17,163)</b>	<b>(39,078)</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>

**Table SB 14: Adjustment Budget – Monthly Revenue and Expenditure(Transactional Classification)**

Description	Ref	2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue By Source</b>																
<b>Exchange Revenue</b>																
Service charges - Electricity		10,044	13,336	11,799	10,928	11,611	10,520	12,899	13,216	13,314	14,414	14,452	14,299	147,578	147,899	163,862
Service charges - Water		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management		1,073	1,114	1,121	1,117	1,102	1,111	1,121	1,384	1,366	1,373	1,423	1,446	14,276	13,062	13,663
Sale of Goods and Rendering of Services		263	66	43	101	232	368	124	397	518	321	367	347	3,000	2,119	2,217
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		307	286	307	332	339	343	313	319	582	490	(606)	923	7,889	10,382	10,856
Interest earned from Current and Non Current Assets		541	923	675	471	166	459	539	3,805	97	757	1,050	(2,221)	6,772	9,837	10,289
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		31	38	91	93	97	94	78	176	246	(142)	196	112	1,886	2,986	3,123
Licence and permits		578	611	549	520	468	455	511	988	–	1,524	–	91	7,302	7,638	7,989
Operational Revenue		9	(2)	(1)	–	10	7	390	168	200	56	125	189	1,296	1,012	1,059
<b>Non-Exchange Revenue</b>																
Property rates		3,704	5,260	5,356	5,243	4,148	5,198	5,188	4,341	4,245	4,576	4,732	4,743	61,818	70,257	73,489
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		589	1,110	2,660	1,802	1,397	1,213	823	9,039	(164)	7,776	4,739	5,554	98,497	129,243	165,188
Licences or permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		1,017	157,887	648	546	482	126,349	52	675	119,035	–	–	–	383,099	376,877	363,020
Interest		1,144	1,180	1,199	1,141	1,099	1,248	1,294	–	–	–	–	1,063	9,963	10,421	10,901
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	11	17	–	–	–	–	–	–	–	–	–	–	–
Other Gains		574	–	–	(574)	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue</b>		<b>12,582</b>	<b>16,305</b>	<b>14,540</b>	<b>13,462</b>	<b>13,793</b>	<b>12,989</b>	<b>15,852</b>	<b>20,056</b>	<b>15,805</b>	<b>18,471</b>	<b>16,639</b>	<b>14,839</b>	<b>743,376</b>	<b>781,734</b>	<b>825,656</b>
<b>Expenditure By Type</b>																
Employee related costs		14,612	14,768	16,166	14,973	15,672	24,956	15,899	14,692	14,421	13,655	13,672	15,091	196,286	221,255	231,154
Remuneration of councillors		2,021	2,145	2,174	2,087	3,026	2,539	2,302	2,657	2,656	2,581	2,641	2,689	29,661	30,996	34,095
Bulk purchases - electricity		11,293	14,733	14,861	11,807	8,962	9,040	10,711	14,305	14,419	13,514	13,896	12,602	139,391	136,530	153,896
Inventory consumed		3,400	958	8,755	4,900	1,810	3,940	2,107	2,357	4,836	1,115	3,862	5,256	41,563	38,908	40,698
Debt impairment		–	–	–	–	–	–	–	6,270	19,013	(5,227)	(2,126)	31,448	93,423	130,142	136,129
Depreciation and amortisation		5,091	5,828	5,286	5,473	5,298	5,539	4,932	8,875	4,666	2,203	5,253	4,107	63,542	62,436	65,308
Interest		–	79	71	–	–	246	–	26	119	53	247	363	1,104	1,737	1,815
Contracted services		5,328	7,381	8,860	5,740	6,561	6,135	6,524	8,648	9,034	7,461	7,772	8,638	84,910	68,548	72,158
Transfers and subsidies		740	811	90	814	1,398	963	822	1,562	1,650	1,009	703	1,008	12,133	9,913	10,442
Irrecoverable debts written off		160	343	149	309	364	170	95	(4,543)	(148)	651	625	1,311	1,413	8,331	8,715
Operational costs		11,661	2,490	4,536	8,593	2,620	6,381	1,984	5,927	3,291	3,748	5,294	6,276	63,308	59,366	62,056
Losses on disposal of Assets		–	–	–	23	–	–	22	1	7	7	6	8	67	53	55
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>54,305</b>	<b>49,536</b>	<b>60,948</b>	<b>54,719</b>	<b>45,710</b>	<b>59,909</b>	<b>45,398</b>	<b>60,776</b>	<b>73,964</b>	<b>40,769</b>	<b>51,844</b>	<b>88,798</b>	<b>726,803</b>	<b>768,214</b>	<b>816,521</b>
<b>Surplus/(Deficit)</b>		<b>(41,723)</b>	<b>(33,231)</b>	<b>(46,408)</b>	<b>(41,257)</b>	<b>(31,917)</b>	<b>(46,921)</b>	<b>(29,547)</b>	<b>(40,720)</b>	<b>(58,159)</b>	<b>(22,298)</b>	<b>(35,205)</b>	<b>(73,959)</b>	<b>16,574</b>	<b>13,520</b>	<b>9,135</b>
Transfers and subsidies - capital (monetary allocations)		17,389	12,058	17,766	15,211	5,897	2,862	2,284	4,873	23,795	15,768	8,203	16,700	143,868	77,309	78,567
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(24,334)</b>	<b>(21,173)</b>	<b>(28,642)</b>	<b>(26,046)</b>	<b>(26,020)</b>	<b>(44,058)</b>	<b>(27,262)</b>	<b>(35,847)</b>	<b>(34,364)</b>	<b>(6,530)</b>	<b>(27,002)</b>	<b>(57,259)</b>	<b>160,442</b>	<b>90,829</b>	<b>87,703</b>



**Table SB 15: Adjustment Budget – Monthly Cash Flow**

Monthly cash flows	Ref	2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year 2025/26	Budget Year 2026/27
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Cash Receipts By Source</b>	1															
Property rates		3,293	4,223	1,612	6,841	4,228	3,680	3,723	4,904	3,463	6,639	5,729	4,634	64,791	71,969	75,280
Service charges - electricity revenue		7,801	16,462	5,334	17,664	10,830	16,066	12,477	12,802	14,133	13,919	13,958	14,089	149,000	149,222	165,244
Service charges - water revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - refuse		545	728	280	930	586	600	583	886	505	976	365	1,259	9,130	9,695	10,141
Rental of facilities and equipment		61	80	8	79	57	34	31	176	246	(142)	196	112	1,886	2,986	3,123
Interest earned - external investments		355	558	364	263	166	270	336	3,726	(102)	666	947	(2,488)	5,078	8,588	8,983
Interest earned - outstanding debtors		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		617	1,214	2,668	1,913	1,376	1,229	870	1,136	232	913	629	827	13,190	16,824	21,497
Licences and permits		—	—	—	—	—	—	—	988	—	1,524	—	91	7,302	7,638	7,989
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and Subsidies - Operational		3	160,823	29	1,174	—	125,897	27	(6,055)	119,035	—	—	—	376,370	379,202	365,452
Other revenue		713	3,469	9,190	(9,429)	237	22	1,914	565	769	374	538	531	4,486	3,335	3,488
<b>Cash Receipts by Source</b>		<b>13,388</b>	<b>187,557</b>	<b>19,485</b>	<b>19,434</b>	<b>17,480</b>	<b>147,798</b>	<b>19,961</b>	<b>19,129</b>	<b>138,281</b>	<b>24,868</b>	<b>22,362</b>	<b>19,054</b>	<b>631,234</b>	<b>649,458</b>	<b>661,198</b>
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		32,314	1,200	24,000	—	6,000	15,000	2,800	4,873	26,399	18,824	10,604	7,310	139,508	76,932	78,173
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on Disposal of Fixed and Intangible Assets		—	—	—	—	—	—	—	58	45	58	58	58	659	131	137
Short term loans		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current receivables		—	—	—	—	—	—	—	79	199	91	102	267	1,694	1,249	1,307
Decrease (increase) in non-current investments		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Cash Receipts by Source</b>		<b>45,702</b>	<b>188,757</b>	<b>43,485</b>	<b>19,434</b>	<b>23,480</b>	<b>162,798</b>	<b>22,761</b>	<b>24,139</b>	<b>164,924</b>	<b>43,842</b>	<b>33,127</b>	<b>26,690</b>	<b>773,095</b>	<b>727,770</b>	<b>740,814</b>
<b>Cash Payments by Type</b>																
Employee related costs		16,918	17,250	18,788	—	36,408	27,908	18,886	14,520	14,246	13,482	13,500	14,920	194,063	218,928	228,721
Remuneration of councillors		—	—	—	—	—	—	—	2,657	2,656	2,581	2,641	2,689	29,661	30,996	34,095
Finance charges		—	—	—	—	—	—	—	50	70	45	266	404	1,104	1,737	1,815
Bulk purchases - Electricity	2	—	—	—	—	—	—	—	11,963	16,438	6,206	9,858	14,621	139,391	136,530	153,896
Acquisitions - water & other inventory	3	5,209	1,578	7,348	5,421	3,162	7,260	5,635	2,037	3,183	732	1,592	3,183	31,831	32,323	33,810
Contracted services		5,086	8,124	9,868	8,611	9,254	1,120	12,517	9,009	9,050	7,476	7,787	8,654	85,455	68,548	72,158
Transfers and grants - other municipalities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants - other		—	—	3	—	—	—	—	1,365	1,508	1,541	1,285	742	12,133	9,913	10,442
Other expenditure		64,743	6,223	17,340	22,489	13,243	15,243	13,191	3,634	5,563	1,436	2,780	5,479	60,254	57,464	60,067
<b>Cash Payments by Type</b>		<b>91,957</b>	<b>33,175</b>	<b>53,347</b>	<b>36,522</b>	<b>62,066</b>	<b>51,531</b>	<b>50,228</b>	<b>45,234</b>	<b>52,713</b>	<b>33,499</b>	<b>39,709</b>	<b>50,692</b>	<b>553,893</b>	<b>556,439</b>	<b>595,004</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		13,406	8,526	17,245	19,241	9,683	4,728	7,324	9,543	17,330	22,151	25,245	15,498	142,480	75,203	74,932
Repayment of borrowing		—	841	849	—	—	3,437	—	608	1,514	783	1,039	1,514	11,751	8,895	9,125
Other Cash Flows/Payments		1,297	1,032	—	—	—	—	—	991	—	—	(495)	17,771	17,771	16,553	16,891
<b>Total Cash Payments by Type</b>		<b>106,660</b>	<b>43,574</b>	<b>71,441</b>	<b>55,762</b>	<b>71,749</b>	<b>59,696</b>	<b>57,552</b>	<b>56,376</b>	<b>71,556</b>	<b>56,432</b>	<b>65,498</b>	<b>85,474</b>	<b>725,894</b>	<b>657,090</b>	<b>695,953</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(60,958)</b>	<b>145,183</b>	<b>(27,957)</b>	<b>(36,329)</b>	<b>(48,269)</b>	<b>103,102</b>	<b>(34,791)</b>	<b>(32,237)</b>	<b>93,368</b>	<b>(12,591)</b>	<b>(32,371)</b>	<b>(58,784)</b>	<b>47,201</b>	<b>70,680</b>	<b>44,861</b>
Cash/cash equivalents at the month/year beginning:		22,674	(38,285)	106,899	78,942	42,614	(5,655)	97,446	62,655	30,418	123,785	111,195	78,824	22,674	9,553	18,048
Cash/cash equivalents at the month/year end:		(38,285)	106,899	78,942	42,614	(5,655)	97,446	62,655	30,418	123,785	111,195	78,824	20,040	69,875	80,233	62,910

**Table SB 16: Adjustment Budget – Monthly Capital Expenditure(Municipal Vote)**

Description - Municipal Vote	Ref	2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Multi-year expenditure appropriation</b>	1															
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		-	-	538	193	-	107	(9)	87	258	47	187	305	1,660	1,423	1,487
Vote 5 - Community Services		-	-	502	-	-	399	-	1,966	855	1,855	256	1,614	10,000	-	20,000
Vote 6 - Technical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	14,721	10,092
Vote 7 - Developmental Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital Multi-year expenditure sub-total</b>	3	-	-	1,041	193	-	505	(9)	2,053	1,114	1,903	444	1,919	11,660	16,144	31,579
<b>Single-year expenditure appropriation</b>																
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		-	-	39	59	-	-	28	(5,056)	3,177	56	54	-	710	314	328
Vote 5 - Community Services		-	-	-	81	130	696	-	(90)	34	470	64	259	2,124	2,428	1,956
Vote 6 - Technical Services		11,998	7,725	17,322	15,664	7,332	5,483	6,172	12,626	7,990	21,514	29,665	26,762	143,673	65,014	49,316
Vote 7 - Developmental Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	3	11,998	7,725	17,361	15,804	7,462	6,179	6,199	7,480	11,202	22,041	29,783	27,021	146,507	67,755	51,599
<b>Total Capital Expenditure</b>	2	11,998	7,725	18,402	15,998	7,462	6,685	6,191	9,534	12,315	23,943	30,226	28,940	158,167	83,899	83,179

**Table SB 17: Adjustment Budget – Monthly Capital Expenditure (Functional Classification)**

Description	Ref	2024/25												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2026/27
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Capital Expenditure - Functional</b>																
<i>Governance and administration</i>		–	–	577	252	–	107	19	(4,969)	3,436	104	242	2,603	2,370	1,737	1,815
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		–	–	577	252	–	107	19	(4,969)	3,436	104	242	305	2,370	1,737	1,815
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		–	–	502	–	130	1,095	–	2,093	846	1,979	247	4,082	10,974	1,814	21,328
Community and social services		–	–	–	–	–	696	–	87	(9)	93	(9)	101	696	1,500	1,000
Sport and recreation		–	–	502	–	130	399	–	2,006	855	1,886	256	1,644	10,278	314	20,328
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		11,998	7,242	12,096	14,215	6,895	4,368	3,762	11,849	5,802	18,394	27,599	(2,773)	121,446	70,028	54,225
Planning and development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Road transport		11,998	7,242	12,096	14,215	6,895	4,368	3,762	11,849	5,802	18,394	27,599	22,589	121,446	70,028	54,225
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Trading services</i>		–	483	5,226	1,531	437	1,116	2,409	560	2,232	3,467	2,139	3,777	23,377	10,321	5,810
Energy sources		–	483	5,226	1,449	437	1,116	2,409	777	2,189	3,120	2,066	4,173	22,227	9,707	5,183
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	81	–	–	–	(217)	43	347	73	128	1,150	614	628
<i>Other</i>		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Functional</b>		11,998	7,725	18,402	15,998	7,462	6,685	6,191	9,534	12,315	23,943	30,226	7,688	158,167	83,899	83,179



**Table SB 18a: Adjustment Budget – Capital Expenditure on New Assets by Asset Class**

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	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		23,968	-	-	-	-	20,000	(2,324)	17,676	41,644	11,555	5,283
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		2,174	-	-	-	-	-	(2,174)	(2,174)	-	1,739	-
Drainage Collection		2,174	-	-	-	-	-	(2,174)	(2,174)	-	1,739	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		21,544	-	-	-	-	-	-	-	21,544	9,516	4,983
Power Plants		-	-	-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-
MV Networks		21,544	-	-	-	-	-	-	-	21,544	9,516	4,983
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	20,000	-	20,000	20,000	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	20,000	-	20,000	20,000	-	-
Reservoirs		-	-	-	-	-	-	-	-	-	-	-
<b>Solid Waste Infrastructure</b>		250	-	-	-	-	-	(150)	(150)	100	300	300
Landfill Sites		250	-	-	-	-	-	(150)	(150)	100	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-	300	300
Waste Processing Facilities		-	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		1,360	-	-	-	-	-	300	300	1,660	1,423	1,487
Computer Equipment		1,360	-	-	-	-	-	300	300	1,660	1,423	1,487
<b>Furniture and Office Equipment</b>		6,110	-	-	-	-	-	(5,350)	(5,350)	760	628	656
Furniture and Office Equipment		6,110	-	-	-	-	-	(5,350)	(5,350)	760	628	656
<b>Machinery and Equipment</b>		983	-	-	-	-	-	(522)	(522)	461	505	527
Machinery and Equipment		983	-	-	-	-	-	(522)	(522)	461	505	527
<b>Total Capital Expenditure on new assets to be adjusted</b>	<b>1</b>	<b>32,420</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>(7,895)</b>	<b>12,105</b>	<b>44,525</b>	<b>14,110</b>	<b>7,954</b>



**Table SB 18b: Adjustment Budget – Capital Expenditure on Renewal of Existing Assets by Asset Class**

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	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		8,500	-	-	-	-	10,050	-	10,050	18,550	14,721	10,092
Roads Infrastructure		-	-	-	-	-	17,050	-	17,050	17,050	14,721	10,092
Roads		-	-	-	-	-	17,050	-	17,050	17,050	14,721	10,092
Road Structures		-	-	-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		500	-	-	-	-	-	-	-	500	-	-
Power Plants		-	-	-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		500	-	-	-	-	-	-	-	500	-	-
Solid Waste Infrastructure		8,000	-	-	-	-	(7,000)	-	(7,000)	1,000	-	-
Landfill Sites		8,000	-	-	-	-	(7,000)	-	(7,000)	1,000	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		800	-	-	-	-	-	(104)	(104)	696	-	-
Community Facilities		800	-	-	-	-	-	(104)	(104)	696	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		800	-	-	-	-	-	(104)	(104)	696	-	-
<b>Machinery and Equipment</b>		261	-	-	-	-	-	(23)	(23)	238	273	285
Machinery and Equipment		261	-	-	-	-	-	(23)	(23)	238	273	285
<b>Total Capital Expenditure on renewal of existing assets to be adjusted</b>	1	9,561	-	-	-	-	10,050	(127)	9,923	19,484	14,994	10,377

**Table SB 18c: Adjustment Budget – Expenditure on Repairs and Maintenance by Asset Class**

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 Adjuts.	Total Adjuts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		<b>14,718</b>	–	–	–	–	–	<b>1,138</b>	<b>1,138</b>	<b>15,856</b>	<b>14,696</b>	<b>15,370</b>
Roads Infrastructure		7,766	–	–	–	–	–	500	500	8,266	7,424	7,765
Roads		7,766	–	–	–	–	–	500	500	8,266	7,424	7,765
Road Structures		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4,750	–	–	–	–	–	–	–	4,750	4,968	5,197
Power Plants		–	–	–	–	–	–	–	–	–	–	–
MV Networks		4,750	–	–	–	–	–	–	–	4,750	4,968	5,197
LV Networks		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		2,203	–	–	–	–	–	638	638	2,841	2,304	2,408
Landfill Sites		2,203	–	–	–	–	–	638	638	2,841	2,304	2,408
Waste Transfer Stations		–	–	–	–	–	–	–	–	–	–	–
<b>Community Assets</b>		<b>6,262</b>	–	–	–	–	–	<b>1,424</b>	<b>1,424</b>	<b>7,686</b>	<b>6,550</b>	<b>6,852</b>
Community Facilities		6,262	–	–	–	–	–	1,424	1,424	7,686	6,550	6,852
Parks		6,262	–	–	–	–	–	1,424	1,424	7,686	6,550	6,852
<b>Furniture and Office Equipment</b>		<b>550</b>	–	–	–	–	–	–	–	<b>550</b>	<b>575</b>	<b>601</b>
Furniture and Office Equipment		550	–	–	–	–	–	–	–	550	575	601
<b>Machinery and Equipment</b>		<b>13,101</b>	–	–	–	–	–	<b>133</b>	<b>133</b>	<b>13,233</b>	<b>13,735</b>	<b>14,358</b>
Machinery and Equipment		13,101	–	–	–	–	–	133	133	13,233	13,735	14,358
<b>Transport Assets</b>		<b>1,724</b>	–	–	–	–	–	<b>500</b>	<b>500</b>	<b>2,224</b>	<b>1,803</b>	<b>1,886</b>
Transport Assets		1,724	–	–	–	–	–	500	500	2,224	1,803	1,886
<b>Total Repairs and Maintenance Expenditure to be</b>	<b>1</b>	<b>36,354</b>	–	–	–	–	–	<b>3,195</b>	<b>3,195</b>	<b>39,549</b>	<b>37,360</b>	<b>39,067</b>

**Table SB 18d: Adjustment Budget – Depreciation by Asset Class**

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	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Depreciation by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		<b>40,397</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,749</b>	<b>3,749</b>	<b>44,147</b>	<b>42,255</b>	<b>44,199</b>
Roads Infrastructure		36,420	-	-	-	-	-	(92)	(92)	36,327	38,095	39,847
Roads		35,937	-	-	-	-	-	-	-	35,937	37,590	39,319
Road Structures		241	-	-	-	-	-	(14)	(14)	227	252	264
Road Furniture		242	-	-	-	-	-	(79)	(79)	163	253	264
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		42	-	-	-	-	-	-	-	42	44	46
Drainage Collection		42	-	-	-	-	-	-	-	42	44	46
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3,226	-	-	-	-	-	2,973	2,973	6,199	3,374	3,530
Power Plants		-	-	-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		1,639	-	-	-	-	-	1,398	1,398	3,037	1,714	1,793
MV Switching Stations		376	-	-	-	-	-	(55)	(55)	321	393	411
MV Networks		1,212	-	-	-	-	-	(613)	(613)	599	1,267	1,326
LV Networks		-	-	-	-	-	-	641	641	641	-	-
Capital Spares		-	-	-	-	-	-	1,601	1,601	1,601	-	-
Solid Waste Infrastructure		710	-	-	-	-	-	869	869	1,578	742	776
Landfill Sites		417	-	-	-	-	-	8	8	426	437	457
Waste Transfer Stations		-	-	-	-	-	-	-	-	-	-	-
Waste Processing Facilities		289	-	-	-	-	-	860	860	1,150	303	317
Waste Drop-off Points		-	-	-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		3	-	-	-	-	-	-	-	3	3	3
<b>Community Assets</b>		<b>1,117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(47)</b>	<b>(47)</b>	<b>1,071</b>	<b>1,169</b>	<b>1,223</b>
Community Facilities		854	-	-	-	-	-	(47)	(47)	807	893	934
Halls		31	-	-	-	-	-	(3)	(3)	28	33	34
Centres		193	-	-	-	-	-	(8)	(8)	185	202	211

Cemeteries/Crematoria		97	-	-	-	-	-	(4)	(4)	93	101	106
Police		-	-	-	-	-	-	-	-	-	-	-
Purrs		3	-	-	-	-	-	(1)	(1)	1	3	3
Taxi Ranks/Bus Terminals		263	-	-	-	-	-	(16)	(16)	247	275	288
Capital Spares		267	-	-	-	-	-	(14)	(14)	253	279	292
Sport and Recreation Facilities		263	-	-	-	-	-	-	-	263	276	288
Indoor Facilities		-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities		263	-	-	-	-	-	-	-	263	276	288
<b>Heritage assets</b>		<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>7</b>	<b>7</b>
Other Heritage		6	-	-	-	-	-	-	-	6	7	7
<b>Other assets</b>		<b>6,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,364)</b>	<b>(1,364)</b>	<b>5,003</b>	<b>6,659</b>	<b>6,966</b>
Operational Buildings		2,608	-	-	-	-	-	(522)	(522)	2,086	2,728	2,853
Municipal Offices		2,574	-	-	-	-	-	(1,036)	(1,036)	1,538	2,692	2,816
Stores		34	-	-	-	-	-	200	200	234	36	37
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Housing		3,759	-	-	-	-	-	(842)	(842)	2,917	3,932	4,112
Staff Housing		-	-	-	-	-	-	-	-	-	-	-
Social Housing		3,759	-	-	-	-	-	(842)	(842)	2,917	3,932	4,112
<b>Intangible Assets</b>		<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>23</b>	<b>24</b>
Servitudes		14	-	-	-	-	-	-	-	14	14	15
Licences and Rights		8	-	-	-	-	-	-	-	8	8	9
Computer Software and Applications		8	-	-	-	-	-	-	-	8	8	9
<b>Computer Equipment</b>		<b>994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27)</b>	<b>(27)</b>	<b>967</b>	<b>1,040</b>	<b>1,088</b>
Computer Equipment		994	-	-	-	-	-	(27)	(27)	967	1,040	1,088
<b>Furniture and Office Equipment</b>		<b>840</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,592</b>	<b>1,592</b>	<b>2,433</b>	<b>879</b>	<b>920</b>
Furniture and Office Equipment		840	-	-	-	-	-	1,592	1,592	2,433	879	920
<b>Machinery and Equipment</b>		<b>3,168</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>771</b>	<b>771</b>	<b>3,939</b>	<b>3,313</b>	<b>3,466</b>
Machinery and Equipment		3,168	-	-	-	-	-	771	771	3,939	3,313	3,466
<b>Transport Assets</b>		<b>5,990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(823)</b>	<b>(823)</b>	<b>5,168</b>	<b>6,266</b>	<b>6,554</b>
Transport Assets		5,990	-	-	-	-	-	(823)	(823)	5,168	6,266	6,554
<b>Total Depreciation to be adjusted</b>	<b>1</b>	<b>58,901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,853</b>	<b>3,853</b>	<b>62,754</b>	<b>61,611</b>	<b>64,445</b>



**Table SB 18e: Adjustment Budget – Capital Expenditure on Upgrading of Existing Assets by Asset Class**

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	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		58,514	-	-	-	-	10,600	15,044	25,644	84,158	53,295	43,848
Roads Infrastructure		58,514	-	-	-	-	10,600	15,044	25,644	84,158	53,295	43,848
Roads		58,514	-	-	-	-	10,600	15,044	25,644	84,158	53,295	43,848
Road Structures		-	-	-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		10,000	-	-	-	-	-	-	-	10,000	1,500	21,000
Community Facilities		-	-	-	-	-	-	-	-	-	1,500	1,000
Halls		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-	1,500	1,000
Sport and Recreation Facilities		10,000	-	-	-	-	-	-	-	10,000	-	20,000
Indoor Facilities		-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities		10,000	-	-	-	-	-	-	-	10,000	-	20,000
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets to be adjusted</b>	1	68,514	-	-	-	-	10,600	15,044	25,644	94,158	54,795	64,848

**Table SB 19: Adjustment Budget – List of Capital Projects**

Function	Project Description	Type	Asset Class	Medium Term Revenue and Expenditure Framework					
				Budget Year 2024/25		Budget Year 2025/26		Budget Year 2026/27	
				Original	Adjusted	Original	Adjusted	Original	Adjusted
<b>R thousands</b>									
<b>Parent municipality:</b>									
<i>List all capital projects grouped by Function</i>									
Technical Services	Groblersdal Smart Metering	New	Electrical Infrastructure	–	–	–	–	–	–
Technical Services	Groblersdal traffic lights	New	Furniture and Office Equipment	435	500	–	–	–	–
Technical Services	Aircons	New	Machinery and Equipment	183	183	191	191	200	200
Technical Services	Electrification of Doorom (Designs)	New	Electrical Infrastructure	200	200	–	–	3 675	3 675
Technical Services	Electrification of Luckau Maganagobuswa	New	Electrical Infrastructure	5 277	5 277	–	–	–	–
Technical Services	Electrification of Lusaka (Designs)	New	Electrical Infrastructure	200	200	–	–	–	–
Technical Services	Electrification of Magukubjane	New	Electrical Infrastructure	4 267	4 267	–	–	–	–
Technical Services	Electrification of Mantrombi Section	New	Electrical Infrastructure	2 000	2 000	–	–	–	–
Technical Services	Electrification of Phooko	New	Electrical Infrastructure	3 000	3 000	–	–	–	–
Technical Services	Electrification of Motetema High view	New	Electrical Infrastructure	2 000	2 000	–	–	–	–
Technical Services	Electrification of Ntswelemotse	New	Electrical Infrastructure	200	200	2 940	2 940	–	–
Technical Services	Electrification of Oorlog (Designs)	New	Electrical Infrastructure	200	200	–	–	1 308	1 308
Technical Services	Electrification of Zaaiplass Police Station (Designs)	New	Electrical Infrastructure	200	200	2 576	2 576	–	–
Technical Services	Energy Efficiency Project	New	Electrical Infrastructure	4 000	4 000	4 000	4 000	–	–
Technical Services	Groblersdal Lanfillsite	New	Solid Waste Infrastructure	8 000	–	–	–	–	–
Technical Services	Culverts and Road signs	New	Roads Infrastructure	–	–	600	600	750	750
Technical Services	Groblersdal Stormwater	New	Roads Infrastructure	2 174	–	1 739	1 739	–	–
Technical Services	Upgrading of Stompo Bus Road	New	Roads Infrastructure	300	300	–	–	–	–
Technical Services	Renewal of Hlogotlou to Bopanang Internal Streets	Renewal	Roads Infrastructure	–	–	14 121	14 121	9 342	9 342
Technical Services	Upgrading of Kgobokwane-Kgaphamadi Road	Upgrading	Roads Infrastructure	11 000	21 000	29 420	29 420	–	–
Technical Services	Upgrading of Kgobokwane-Kgaphamadi Road (Internal)	Upgrading	Roads Infrastructure	–	2 834	–	–	–	–
Technical Services	Upgrading of Malaeneng A Ntwane Access Road	Upgrading	Roads Infrastructure	17 750	17 750	–	–	–	–
Technical Services	Upgrading of Malaeneng A Ntwane Access Road (Internal)	Upgrading	Roads Infrastructure	–	127	–	–	–	–



Function	Project Description	Type	Asset Class	Medium Term Revenue and Expenditure Framework					
				Budget Year 2024/25		Budget Year 2025/26		Budget Year 2026/27	
R thousands				Original	Adjusted	Original	Adjusted	Original	Adjusted
Parent municipality:									
<i>List all capital projects grouped by Function</i>									
Technical Services	Upgrading of Mokumong access road to Marateng taxi rank (Inter	Upgrading	Roads Infrastructure	–	2 927	–	–	–	–
Technical Services	Upgrading of Mokumong access road to Marateng taxi rank (MIG)	Upgrading	Roads Infrastructure	10 990	16 990	16 710	16 710	–	–
Technical Services	Upgrading of Maraganeng internal Access road (Internal)	Upgrading	Roads Infrastructure	–	1 155	–	–	–	–
Technical Services	Upgrading of Maraganeng internal Access road (MIG)	Upgrading	Roads Infrastructure	16 574	8 574	–	–	–	–
Technical Services	Upgrading of Tafelkop Bapeding Bus route	Upgrading	Roads Infrastructure	600	600	–	–	–	–
Technical Services	construction of washbay at Groblersdal landfill site	New	Solid Waste Infrastructure	250	–	–	–	–	–
Technical Services	Upgrading of Waalkral Bus route (Internal)	Upgrading	Roads Infrastructure	700	700	–	–	–	–
Technical Services	Upgrading of Waalkral Bus route (MIG)	Upgrading	Roads Infrastructure	–	–	7 165	7 165	43 848	43 848
Technical Services	Contruction of Jerusalem/Motsephiri stormwater control	Renewal	Roads Infrastructure	–	12 350	–	–	–	–
Technical Services	Re - construction of culvert bridge at Kgobokwane village	Renewal	Roads Infrastructure	–	3 500	–	–	–	–
Technical Services	Re -construction of gabions on RHS & LHS at Marapong Village	Renewal	Roads Infrastructure	–	1 200	–	–	–	–
Technical Services	Sekhukhune Boreholes	New	Water Supply Infrastructure	–	20 000	–	–	–	–
Technical Services	Upgrading of gravel road to pave and stormwater at Moteti	Upgrading	Roads Infrastructure	–	10 600	–	–	–	–
Technical Services	Infrastructure Office Furniture	New	Furniture and Office Equipment	–	–	–	–	–	–
Technical Services	Machinery and Equipment(tools)	New	Machinery and Equipment	261	238	273	273	285	285
Technical Services	Upgrading of Talane Bus route (Internal)	Upgrading	Roads Infrastructure	600	600	–	–	–	–
Community Services	Upgrading of Tafelkop stadium	Upgrading	Roads Infrastructure	10 000	10 000	–	–	20 000	20 000
Community Services	Furniture and Office Equipment	New	Furniture and Office Equipment	300	50	314	314	328	328
Community Services	500 Twenty Skip Bins	New	Solid Waste Infrastructure	500	–	–	–	–	–
Community Services	Disaster Management Centre & Emergency Relief Store room	New	Community Facilities	–	–	–	–	–	–
Community Services	No Illegal Dumping	New	Solid Waste Infrastructure	–	–	–	–	–	–
Community Services	Landfill site - Notice boards	New	Solid Waste Infrastructure	–	100	–	–	–	–
Community Services	Construction of Skip Bin Ramps at Hlogotlou Waste Transfers	New	Solid Waste Infrastructure	–	–	300	300	300	300
Community Services	Fencing of Elandsdoorn/Ntwane Cemetery	Renewal	Community Facilities	800	696	–	–	–	–
Community Services	Elandsdoorn Landfill Site	Renewal	Community assets	–	1 000	–	–	–	–
Community Services	Fencing of Roossenekal Landfill Site	New	Solid Waste Infrastructure	–	–	–	–	–	–
Community Services	Professional Lawn Mowers and Industrial Bruch Cutters	New	Machinery and Equipment	300	278	314	314	328	328
Information Technology	Computer Equipment	New	Computer Equipment	1 000	1 300	1 046	1 046	1 093	1 093
Human Resources	Furniture and Office Equipment	New	Furniture and Office Equipment	300	710	314	314	328	328
Human Resources	Computer Equipment - SETA	New	Computer Equipment	426	360	377	377	394	394
Human Resources	Printers	New	Furniture and Office Equipment	5 510	–	–	–	–	–
Economic Development Planni	Fencing of Groblersdal Cemetry	Upgrading	Community Facilities	–	–	1 500	1 500	1 000	1 000
Parent Capital expenditure				110 495	158 167	83 899	83 899	83 179	83 179

## **PROJECTS ADJUSTED:**

### **Funded by Municipal Infrastructure Grant (MIG)**

- Groblersdal Landfill site adjusted downwards by R8 000 000
- Upgrading of Kgobokwane-Kgaphamadi Road adjusted upwards by R10 000 000
- Upgrading of Maraganeng internal Access road adjusted downwards by R8 000 000
- Upgrading of Mokumong access road to Marateng taxi rank adjusted upwards by R6 000 000

### **Funded internally**

- Upgrading of Kgobokwane-Kgaphamadi Road adjusted upwards by R2 834 000
- Upgrading of Malaeneng A Ntwane Access Road adjusted upwards by R127 000
- Upgrading of Maraganeng internal Access road adjusted upwards by R1 155 000
- Upgrading of Mokumong access road to Marateng taxi rank adjusted upwards by R2 927 000
- Professional Lawn Mowers and Industrial Brush Cutters adjusted downwards by R22 000
- Printers adjusted downwards by R5 099 566
- Fencing of Elandsdoorn/Ntwane Cemetery adjusted downwards by R4 000 (savings)
- Machinery and Equipment(tools) adjusted downwards by R22 922
- Construction of washbay at Groblersdal landfill site adjusted downwards by R250 000
- Elansdooren Landfill Site adjusted upwards by R500 000
- Computer equipment adjusted upwards by R300 000
- Groblersdal stormwater was adjusted downwards by R2 174 914
- Furniture and office equipment adjusted downwards by R250 000



**Funded by Municipal Disaster Recovery Grant (MDRG)**

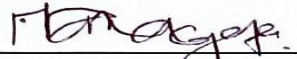
- Construction of Jerusalema/Motsephiri stormwater control adjusted upwards by R12 350 000
- Re - construction of culvert bridge at Kgobokwane village adjusted upwards by R3 500 000
- Re -construction of gabions on RHS & LHS at Marapong Village adjusted upwards by R1 200 000
- Upgrading of gravel road to pave and stormwater at Moteti adjusted upwards by R10 600 000

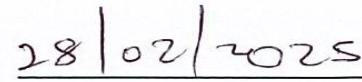
**Funded by Water Services Infrastructure Grant (WSIG)**

- Sekhukhune boreholes adjusted upwards by R20 000 000

## QUALITY CERTIFICATE

I, **NAMUDI REGINAH MAKGATA**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the 2024/25 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.

  
Signature

  
Date