

ADJUSTMENT BUDGET OF
MKHAMBATHINI
MUNICIPALITY



2025/26 TO 2027/28
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

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Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	MBRR	Municipal Budget & Reporting Regulations
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CFO	Chief Financial Officer	MFMA	Municipal Financial Management Act
CM	Municipality Manager	MIG	Municipal Infrastructure Grant
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental Organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GDP	Gross Domestic Product	PBO	Public Benefit Organisations
GDS	Gauteng Growth and Development Strategy	PHC	Provincial Health Care
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
HR	Human Resources	PPP	Public Private Partnership
HSRC	Human Science Research Council	PTIS	Public Transport Infrastructure System
IDP	Integrated Development Plan	RG	Restructuring Grant
IT	Information Technology	RSC	Regional Services Council
kℓ	kilolitre	SALGA	South African Local Government Association
km	kilometre	SAPS	South African Police Service
KPA	Key Performance Area	SDBIP	Service Delivery Budget Implementation Plan
KPI	Key Performance Indicator	SMME	Small Micro and Medium Enterprises
kWh	kilowatt hour		
ℓ	litre		
LED	Local Economic Development		
M	Mayor		

Part 1 - Annual Budget

1.1 Mayor's Report

SPEECH BY THE MAYOR OF MKHAMBATHINI MUNICIPALITY

CLLR. N.W. NTOMBELA PRESENTED TO THE MUNICIPAL COUNCIL ON THE OCCASION OF THE TABLING OF ADJUSTMENT BUDGET FOR 2025/26 FINANCIAL YEAR ON A VISUAL PLATFORM MEETING

ON WEDNESDAY, 25 FEBRUARY 2026

Speaker of the Council,

Deputy Mayor,

Executive Committee Members,

Councillors,

Traditional leaders,

Municipal Manager,

All Senior Managers,

Chief Financial Officer,

All Staff members present,

Members of the media if any are present and Public,

Distinguish guest, Ladies and Gentlemen.

Greetings to all

Chairperson, Mr Speaker, I would like to greet you and all members of the council and officials, and I hereby present Adjustment Budget for 2025/2026 financial year as outlined in the Municipal Finance Management Act. (MFMA, Section 28 of MFMA in relation to the tabling of Adjustment Budget).

I would like to highlight the following items:

Explanatory notes to MBRR Table B1 - Adjustment Budget Summary

1. Table B1 the adjustment 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).
2. The table provides an overview of the amounts approved by Council 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.
3. 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 Adjustment Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - 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 revenue that is generated through rate payers.

The adjustment on the operating and capital expenditure are as follow and also the municipality has managed to implement the Cost Containment measure.

- i. The total operating revenue has decrease by R 465 000
- ii. The total operating expenditure has decrease by R 2.2 million
- iii. The capital budget has increased by R 663 000
- iv. The Municipality also receive Maintenance Grant- Sport Facilities of R 415 000 and additional funding from Library Grant of R 562 000.

Honourable Speaker and Councillors, this report reflects the wishes and aspirations of the people of Mkhambathini Municipality and it is aligned with the priorities set by Treasury and it is in line with the Mkhambathini Municipality SDBIP and IDP priorities which according to my administration's point of view should be implemented at a Local Level after considering the needs of the Community, therefore I recommend that the Municipal Council approves the adjustment budget and the revised Service Delivery and Budget Implementation Plan.

I would like to grant council members a chance to investigate the content and more details are contained in the attached reports.

Governance

The Internal Audit Activity is now operating as an Internal Audit as we have established our own Audit Unit which is an indication of a commitment in promoting good governance. Internal Audit Activity has formed a working relationship with the Provincial Internal Audit Unit and National Treasury Risk and Internal Audit Support Unit for skills and resources sharing and to strengthen the Internal Audit Activities operations. A risk-based audit plan has been developed and systems of internal control were tested to effectively monitor the vulnerability of operations within the municipality. Internal Audit also meets on a regular basis as well MPAC.

Mkhambathini Municipality Youth Advisory Centre continues to service the youth who are seeking advice on careers, receiving vouchers for small businesses, life skills, and basic computer skills. The centre of gender issues also resides in the youth development office.

Property Rates

The municipality appointed a service provider to prepare the New General Valuation Roll to be implemented as from 01 July 2024 with a validity period being 5 years.

I must mention Speaker, that after this meeting, the municipality will have public participation process to showcase the IDP and Budget and to share with our people different views on what I am about to table to this Council.

Back to basics

Speaker, we all aware of the concept of Back to basics and the importance of implementing a back to basic plan. We are fortunate that through the COGTA assessment, Mkhambathini Municipality was found to be functional, but we must still make every effort to improve on upholding the 5 pillars of the Back-to-Basics concept and improve the lives of our citizens. We continue to align ourselves to the programmes rolled out by National and Provincial Government. We have provided an amount in our budget to deal with some priorities of Back to basics.

MSCOA

Speaker, Local Government has seen many reforms since the Implementation of the Municipal Management Finance Act over the years. Recently National Treasury has commenced with the roll out of programmes to implement the Municipal standard chart of accounts - mSCOA. Funding for implementation mSCOA is from the Financial Management Grant and Municipal System Improvement Grant and own funding.

Current Economic Conditions and Funding

Speaker, as you are aware, the Country is experiencing harsh economic times. As a result of this, food prices and other essential commodities are rising rapidly. This prompted National and Provincial Government to introduce cost cutting and saving measures in order to deliver services and sacrifice effectively. As the result of this funding to Local Government has been being reduced. Grant funding has been reduced and affects, MIG. The effect of Governments austerity measures has placed the municipal budget under pressure and the Municipality has also embarked on cost saving measures and introduced them in this budget. Prudent Financial Management and constant monitoring of the budget must take place during the year and throughout the year in monitoring.

And I would like council members to have in mind the need to provide quality services to our community when considering Adjustment Budget, I thank you for this wonderful opportunity granted to me to present this report to the Council of Mkhambathini Municipality

I thank you.

1.2 RESOLUTION

On the 25th of February 2026, the Council of Mkhambathini Local Municipality met in the Council Chambers of Mkhambathini Local Municipality to adopt the 2025/2026 Adjustment Budget. The council approved and adopted the following resolutions:

2.1. The Council of Mkhambathini Local Municipality, acting in terms of section 28 (1) of the Municipal Finance Management Act (Act 56 of 2003) approves and adopt:

- 2024/25 Adjustment Budget
 - 1.1 Adjusted Financial Performance (revenue & expenditure by standard classification)
 - 1.2 Adjusted Financial Performance (revenue and expenditure by municipal vote)
 - 1.3 Adjusted Financial Performance (revenue by source and expenditure by type)
 - 1.4 Single year capital appropriations by municipal vote and standard classification and associated funding by source
- 2. That the adjustment budget and Medium-Term Revenue and Expenditure Framework (MTEF) for the three-year period commencing in 2025/2026 financial year be adopted.

3. To take note of the operational and Capital adjustment budget for 2025/2026
4. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set out in the following tables
 - 4.1 Adjusted Financial Position
 - 4.2 Adjusted Cash Flows
 - 4.3 Cash backed reserves and accumulated surplus reconciliation
 - 4.4 Asset Management
 - 4.5 Basic service delivery measurement
5. That the tabled Adjustment budget for the year 2025/2026 & indicative figures for the 2 projected outer years be adopted by Council as set out in the following schedules:
 - Table B1 Summary
 - Table B2 Financial Performance (By Standard Classification)
 - Table B3 Financial Performance (By Municipal Vote)
 - Table B4 Financial Performance (Revenue & Expenditure)
 - Table B5 Capital Expenditure
 - Table B6 Financial Position
 - Table B7 Cash Flows
 - Table B8 Cash Backed Reserves
 - Table B9 Asset Management
 - Table B10 Basic Service Delivery Measurement
 - Supporting documents from SB1 - SB20

That once this Adjustment budget is tabled the information be uploaded to the Go Muni with the necessary MSCOA information

1.3 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 sustainable, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. Key areas where savings were realized were on telephone and internet usage, printing, workshops, travel, accommodation, and catering.

The Municipality has embarked on implementing a revenue collection strategy to optimize the collection of debt owed by ratepayers. In addition to supplementing the declining revenue base, and reduction in grant funding the Municipality has introduced a refuse tariff to areas within the Municipality which refuse is being collected. The tariff which is being introduced will be reviewed during the course of the year to ensure that it is cost reflective and sustainable, however this is still a challenge as the service is only be carried out in the urban area of Camperdown.

The main challenges experienced during the compilation of the 2025/2026 adjustment can be summarised as follows:

- The ongoing difficulties in the national and local economy.
- Aging and poorly maintained roads infrastructure.
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and limited cash position of the municipality
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- The implementation of a sustainable refuse tariff

1.4 Adjustment Budget Financial Performance (revenue and expenditure)

The summary for the adjustment budget has been summarised as bellow :

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28	
	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	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
R thousands												
Financial Performance												
Property rates	32 674	-	-	-	-	-	1 191	1 191	33 865	34 144	34 998	
Service charges	685	-	-	-	-	-	5	5	690	716	734	
Investment revenue	4 290	-	-	-	-	-	(750)	(750)	3 540	4 483	4 595	
Transfers recognised - operational	110 979	-	-	-	-	-	977	977	111 956	104 774	105 296	
Other own revenue	10 468	-	-	-	-	-	(1 888)	(1 888)	8 580	10 405	10 665	
Total Revenue (excluding capital transfers and contributions)	159 096	-	-	-	-	-	(465)	(465)	168 632	154 523	156 289	
Employee costs	62 296	-	-	-	-	-	-	-	62 296	65 540	67 458	
Remuneration of councillors	7 958	-	-	-	-	-	-	-	7 958	8 316	8 524	
Depreciation & asset impairment	21 222	-	-	-	-	-	(1 122)	(1 122)	20 100	22 177	22 731	
Finance charges	-	-	-	-	-	-	-	-	-	-	-	
Inventory consumed and bulk purchases	4 136	-	-	-	-	-	(762)	(762)	3 374	4 267	4 373	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure	68 231	-	-	-	-	-	(317)	(317)	67 915	69 968	67 650	
Total Expenditure	163 842	-	-	-	-	-	(2 201)	(2 201)	161 641	170 267	170 735	
Surplus/(Deficit)	(4 745)	-	-	-	-	-	1 736	1 736	(3 010)	(15 744)	(14 446)	
Transfers and subsidies - capital (monetary allocations)	18 934	-	-	-	-	-	-	-	18 934	20 223	20 970	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524	
Capital expenditure & funds sources												
Capital expenditure	24 034	-	-	-	-	-	663	663	24 697	21 223	19 846	
Transfers recognised - capital	18 934	-	-	-	-	-	(758)	(758)	18 176	20 223	20 970	
Borrowing	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	5 100	-	-	-	-	-	1 421	1 421	6 521	1 000	1 000	
Total sources of capital funds	24 034	-	-	-	-	-	663	663	24 697	21 223	21 970	
Financial position												
Total current assets	33 871	-	-	-	-	-	4 009	4 009	37 880	30 991	32 875	
Total non current assets	276 791	-	-	-	-	-	20 951	20 951	297 742	304 941	319 473	
Total current liabilities	(20 605)	-	-	-	-	-	45 670	45 670	25 065	20 890	20 981	
Total non current liabilities	(7 784)	-	-	-	-	-	17 250	17 250	9 466	9 466	9 466	
Community wealth/Equity	339 051	-	-	-	-	-	(37 918)	(37 918)	301 133	305 255	321 524	
Cash flows												
Net cash from (used) operating	23 814	-	-	-	-	-	456	456	24 270	40 939	44 752	
Net cash from (used) investing	(27 639)	-	-	-	-	-	673	673	(26 966)	(24 406)	(25 266)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	
Cash/cash equivalents at the year end	13 112	-	-	-	-	-	1 863	1 863	14 975	34 203	37 157	
Cash backing/surplus reconciliation												
Cash and investments available	13 112	-	-	-	-	-	1 863	1 863	14 975	9 797	11 892	
Application of cash and investments	(41 762)	-	-	-	-	-	44 060	44 060	2 298	(483)	(400)	
Balance - surplus (shortfall)	54 874	-	-	-	-	-	(42 197)	(42 197)	12 677	10 280	12 292	
Asset Management												
Asset register summary (WDV)	246 179	-	-	-	-	-	19 775	19 775	265 954	271 564	284 427	
Depreciation	16 522	-	-	-	-	-	(2 122)	(2 122)	14 400	17 265	17 697	
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	2 719	2 719	2 719	-	-	
Repairs and Maintenance	11 060	-	-	-	-	-	(1 217)	(1 217)	9 843	11 557	11 846	
Free services												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	-	-	-	-	-	-	127	127	5 734	5 859	6 006	
Households below minimum service level												
Water:	-	-	-	-	-	-	-	-	-	-	-	
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-	
Energy:	-	-	-	-	-	-	-	-	-	-	-	
Refuse:	-	-	-	-	-	-	-	-	-	-	-	

Adjustment Budget Assumption

In the compilation of the Adjustment Budget, the following influencing factors were considered:

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in compiling Mkhambathini Local Municipality adjustment budget.

Mkhambathini Local Municipality expenditure framework for the 2025/2026 Adjustment Budget is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA.
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made

The adjustment on the table are as per below tables

Choose name from list - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27	+2 2027/28
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	685	-	-	-	-	-	5	5	690	716	734
Sale of Goods and Rendering of Services		723	-	-	-	-	-	120	120	843	756	775
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		4 290	-	-	-	-	-	(750)	(750)	3 540	4 483	4 595
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		185	-	-	-	-	-	(13)	(13)	173	196	201
Licence and permits		8 669	-	-	-	-	-	(1 715)	(1 715)	6 954	9 059	9 285
Special rating levies		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		888	-	-	-	-	-	(280)	(280)	608	392	402
Non-Exchange Revenue												
Property rates	2	32 674	-	-	-	-	-	1 191	1 191	33 865	34 144	34 998
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	-	-	-	-	-	-	-	2	2	2
Licences or permits		-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		110 979	-	-	-	-	-	977	977	111 956	104 774	105 296
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		159 096	-	-	-	-	-	(465)	(465)	158 632	154 523	156 289
Expenditure By Type												
Employee related costs		62 296	-	-	-	-	-	-	-	62 296	65 540	67 458
Remuneration of councillors		7 958	-	-	-	-	-	-	-	7 958	8 316	8 524
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		4 136	-	-	-	-	-	(762)	(762)	3 374	4 267	4 373
Debt impairment		4 700	-	-	-	-	-	1 000	1 000	5 700	4 912	5 034
Depreciation and amortisation		16 522	-	-	-	-	-	(2 122)	(2 122)	14 400	17 265	17 697
Interest		-	-	-	-	-	-	-	-	-	-	-
Contracted services		36 460	-	-	-	-	-	1 098	1 098	37 558	37 822	34 712
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-
Operational costs		31 771	-	-	-	-	-	(1 415)	(1 415)	30 357	32 146	32 938
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		163 842	-	-	-	-	-	(2 201)	(2 201)	161 641	170 267	170 735
Surplus/(Deficit)		(4 745)	-	-	-	-	-	1 736	1 736	(3 010)	(15 744)	(14 446)
Transfers and subsidies - capital (monetary allocations)		18 934	-	-	-	-	-	-	-	18 934	20 223	20 970
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524

Revenue Changes

The budgeted operational revenue for the 2025/2026 financial year was R 159 million excluding capital project. It was adjusted down by R 465 000 resulting in a total adjusted budgeted revenue of R 158.6 million .

The factors contributing to the revenue change are as follows:

- (a) Service charges- waste management increased by 5 000, due to that actual being slightly above 50% by 31 December 2025
- (b) An Increase in Sale of Goods and rendering of services (Tenders, Advertisements, Land usage Application, Building Plans, Clearance Certificate) of R120 000. Which is made up of the following:
 - i. Building plan approval increased by 200 000 due to number of applications for building plan increased.
 - ii. Application for Land use decreased by 80 000 due to the number of applications decreased.
- (c) interest earned from current and non-current assets - decreased by 750 000 due to that it was over budgeted, and the actuals after six months were about less than 30%.
- (d) Licence or Permits decrease by R 1 715 000 due to Decrease in Drivers Licence Application of R 480 000, decrease of R 500 000 from learners licence application, decrease of R 220 000 from learners certificate, decrease of R500 000 from motor vehicle licence and decrease of R 15 000 from trading which is due to the number motorist come to our municipality for their disc application.
- (e) Operational Revenue (Skills development levy refund, Insurance) decreased by R 280 000 is caused by the decrease in Skills development levy Refund that is due to be claim for training to LGSETA and insurance.
- (f) Transfers and subsidies increased by R 977 0000 due to maintenance grant - Sport facilities that the municipality received and additional grant for Library Grant.
- (g) Property rates- increased by 1 191 000 due to the face that the actuals in the first six months were greater than 50%.

Expenditure Changes

The budgeted operational expenditure for the 2025/2026 financial year was R 31 771 000. A downward adjustment of R 1 415 000, resulting in a total adjusted budgeted expenditure of R 30 357 000.

The expenditure for the municipality for 2024/25 financial year with comparison figures for original annual budget and proposed adjusted budget can be summarized as follows:

Employee related costs

No changes on the adjustment budget

Remuneration for councillors

National Department of Cooperative Governance and Traditional Affairs have not yet released the new upper limit for remuneration for councillors hence there is no adjustment for remuneration for councillors.

General Expenditure

The general expenditure has decreased as a result of a decrease in the non-cash items expenditure which was depreciation and amortisation and other items. Some of the vote items have also been affected since the municipality is trying to save on some votes and increase the expenditure in some votes.

Depreciation & amortisation decreased by R 2 122 000 due to over budgeting and ensure alignment with the period year audited figures. Further the debt impairment increased by 1 000 000 to ensure alignment with prior year audited figures and current year estimates.

Repairs & Maintenance

- (a) The Repairs and Maintenance that is under the contracted service has decreased by R 1 217 000 because of maintenance budget being reprioritised to capital projects.

1.5 CAPITAL EXPENDITURE

Capital Budget Changes

Choose name from list - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	+1 2026/27	+2 2027/28
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted												
Vote 1 - Finance and Administration	2	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration2		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community and Social Services2		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Health		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted												
Vote 1 - Finance and Administration	2	2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Vote 2 - Finance and Administration2		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		5 900	-	-	-	-	-	(1 990)	(1 990)	3 910	-	-
Vote 5 - Community and Social Services2		3 957	-	-	-	-	-	(621)	(621)	3 336	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		8 575	-	-	-	-	-	(4 681)	(4 681)	3 894	10 740	9 618
Vote 8 - Planning and Development		828	-	-	-	-	-	(758)	(758)	70	-	-
Vote 9 - Sport and Recreation		2 674	-	-	-	-	-	8 458	8 458	11 132	9 483	9 228
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Health		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		24 034	-	-	-	-	-	663	663	24 697	21 223	19 846
Total Capital Expenditure - Vote		24 034	-	-	-	-	-	663	663	24 697	21 223	19 846
Capital Expenditure - Functional												
Governance and administration		2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		12 531	-	-	-	-	-	5 848	5 848	18 378	9 483	9 228
Community and social services		9 857	-	-	-	-	-	(2 611)	(2 611)	7 246	-	-
Sport and recreation		2 674	-	-	-	-	-	8 458	8 458	11 132	9 483	9 228
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		9 403	-	-	-	-	-	(5 439)	(5 439)	3 964	10 740	9 618
Planning and development		828	-	-	-	-	-	(758)	(758)	70	-	-
Road transport		8 575	-	-	-	-	-	(4 681)	(4 681)	3 894	10 740	9 618
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	2 124
Energy sources		-	-	-	-	-	-	-	-	-	-	2 124
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	24 034	-	-	-	-	-	663	663	24 697	21 223	21 970
Funded by:												
National Government		18 934	-	-	-	-	-	(758)	(758)	18 176	20 223	20 970
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	18 934	-	-	-	-	-	(758)	(758)	18 176	20 223	20 970
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		5 100	-	-	-	-	-	1 421	1 421	6 521	1 000	1 000
Total Capital Funding		24 034	-	-	-	-	-	663	663	24 697	21 223	21 970

The over-commitment on Capital Projects resulted on the adjustment on the capital expenditure. The Capital projects funded by our revenue has increased by R 1 421 000 and Top slice budget was reallocated to operational budget, which resulted in the increase in the adjusted budget to R 24 697 000.

The municipality made the below changes:

- (a) New Computers and Printers increased by R 50 000, the budget was R 400 000 and its moved to R 450 000.
- (b) New Municipal Vehicle decreased by R 700 000, the budget was R 1 400 00 and its move to R 700 000, the municipality will only by one vehicle in this financial year.
- (c) The New yellow plant -TLB decreased by R 1 594 166.57, the budget was R 3 000 000, and it is adjusted to 1 405 833.43 in which it was the cost price for the TLB purchased.
- (d) Furniture decreased by R 100 000, the budget was 300 000 and I moved to 200 000.
- (e) Additional Allocation of R 1 421 434 to fund the projects

1.6 VOTES THAT AFFECTED BY ADJUSTMENT BUDGET

Capital Project

Details	Budget 2025/2026	Adjustment	Adjusted Budget 2025/2026
Internal funding			
New Computers and Printers	400 000.00	50 000.00	450 000.00
Municipal Vehicles	1 400 000.00	(700 000.00)	700 000.00
Server: Finance			-
New Yellow Plant - TLB	3 000 000.00	(1 594 166.57)	1 405 833.43
Furniture	300 000.00	(100 000.00)	200 000.00
Talla Valley		1 558 226.94	1 558 226.94
Imboyi Hall		192 849.63	192 849.63
Matigulu Access Road		156 735.69	156 735.69
Maqongqo Taxi Rank-		635 019.47	635 019.47
Makhokhoba Road		156 242.94	156 242.94
Construction of shelters		696 526.13	696 526.13
ECD projects		370 000.00	370 000.00
Total	5 100 000.00	1 421 434.23	6 521 434.23
MIG FUNDING			
			-
Mboyi Community Hall 3	3 956 858.85	(1 510 000.00)	2 446 858.85
Nonzila Creche W2	5 899 950.00	(1 990 000.00)	3 909 950.00
Matikulu Access Road	5 575 062.82	(3 400 000.00)	2 175 062.82
Topslice Project	828 200.00	(758 000.00)	70 200.00
Tala Valley Sportfield	2 673 928.33	6 900 000.00	9 573 928.33

Community Department

Account		Budget 2025/2026	Adjustments	Adjusted Budget 2025/2026
D0001/IR01149/F0046/X006/R1331/001/COMM	Community Assets	25 000.00	15 000.00	40 000.00
D0001/IR00992/F0930/X132/R1331/001/COMM	Refuse Removal	685 459.61	5 000.00	690 459.61
O0007-1/IE00703/F0041/X028/R1331/001/COMM	Transport Services	20 000.00	- 10 000.00	10 000.00
O1219-1/IE00677/F0041/X076/R1331/001/COMM	Catering Services	53 000.00	5 000.00	58 000.00
O1219-1/IE00703/F0041/X076/R1331/001/COMM	Transport Services	55 000.00	- 15 000.00	40 000.00
O1220-2/IE00677/F0041/X076/R1330/001/COMM	Catering Services	26 000.00	14 000.00	40 000.00
O1220-2/IE00694/F0041/X076/R1331/001/COMM	VIP Protection	130 000.00	- 30 000.00	100 000.00
O1243-3/IE00677/F0041/X028/R1331/001/COMM	Catering Services	40 000.00	32 000.00	72 000.00
O1243-3/IE00703/F0041/X028/R1331/001/COMM	Transport Services	20 000.00	- 13 000.00	7 000.00
O1243-4/IE00677/F0041/X028/R1331/001/COMM	Catering Services	97 600.00	- 27 600.00	70 000.00
O1243-4/IE00703/F0041/X028/R1331/001/COMM	Transport Services	40 000.00	- 20 000.00	20 000.00
O1244-1/IE00677/F0041/X021/R1331/001/COMM	Catering Services	130 000.00	25 000.00	155 000.00
O1244-1/IE00703/F0041/X021/R1331/001/COMM	Transport Services	128 000.00	32 000.00	160 000.00
O1244-4/IE00677/F0041/X018/R1331/001/COMM	Catering Services	31 200.00	30 000.00	61 200.00
O1244-4/IE00694/F0041/X018/R1331/001/COMM	VIP Protection	20 000.00	30 000.00	50 000.00
O1244-6/IE00677/F0041/X012/R1331/001/COMM	Catering Services	90 000.00	104 000.00	194 000.00
O1244-6/IE00703/F0041/X012/R1331/001/COMM	Transport Services	52 000.00	136 000.00	188 000.00
O1245-1/IE00677/F0041/X028/R1331/001/COMM	Catering Services	41 600.00	- 41 600.00	-
O1245-1/IE00703/F0041/X028/R1331/001/COMM	Transport Services	20 000.00	- 20 000.00	-
O1245-2/IE00703/F0041/X028/R1331/001/COMM	Transport Services	90 000.00	- 30 000.00	60 000.00
O1245-3/IE00640/F0041/X028/R1331/001/COMM	First Aid	13 000.00	25 000.00	38 000.00
O1245-3/IE00677/F0041/X028/R1331/001/COMM	Catering Services	20 000.00	6 000.00	26 000.00
O1245-3/IE00703/F0041/X028/R1331/001/COMM	Transport Services	20 000.00	13 000.00	33 000.00
O1248-1/IE00677/F0041/X012/R1331/001/COMM	Catering Services	50 000.00	- 50 000.00	-
O1248-1/IE00703/F0041/X012/R1331/001/COMM	Transport Services	20 000.00	- 20 000.00	-
O1252-1/IE00677/F0041/X028/R1331/001/COMM	Catering Services	20 000.00	55 000.00	75 000.00
O1252-1/IE00703/F0041/X028/R1331/001/COMM	Transport Services	50 000.00	16 000.00	66 000.00
O1264-1/IE00703/F0041/X019/R1331/001/COMM	Transport Services	30 000.00	- 10 000.00	20 000.00
O1305-1/IE00632/F0041/X098/R1331/001/COMM	Catering Services	50 000.00	- 20 000.00	30 000.00
O1305-1/IE00703/F0041/X098/R1331/001/COMM	Transport Services	30 000.00	- 10 000.00	20 000.00
O1333-1/IE00640/F0041/X125/R1331/001/COMM	First Aid	40 000.00	- 15 000.00	25 000.00
O1333-1/IE00703/F0041/X125/R1331/001/COMM	Transport Services	60 000.00	15 000.00	75 000.00
O1333-10/IE00677/F0041/X129/R1331/001/COMM	Catering Services	26 000.00	- 26 000.00	-
O1333-4/IE00677/F0041/X129/R1331/001/COMM	Catering Services	20 800.00	- 20 800.00	-
O1333-5/IE00694/F0041/X129/R1331/001/COMM	VIP Protection	200 000.00	- 50 000.00	150 000.00
O1333-5/IE00703/F0041/X129/R1331/001/COMM	Transport Services	100 000.00	- 20 000.00	80 000.00
O1333-6/IE00640/F0041/X129/R1331/001/COMM	First Aid	59 400.00	- 20 000.00	39 400.00
O1333-6/IE00677/F0041/X129/R1331/001/COMM	Catering Services	160 000.00	- 60 000.00	100 000.00
O1333-6/IE00694/F0041/X125/R1331/001/COMM	VIP Protection	52 000.00	- 20 000.00	32 000.00
O1333-6/IE00703/F0041/X129/R1331/001/COMM	Transport Services	70 000.00	- 20 000.00	50 000.00
O1333-7/IE00677/F0041/X129/R1331/001/COMM	Catering Services	80 000.00	96 000.00	176 000.00
O1333-7/IE00703/F0041/X129/R1331/001/COMM	Transport Services	200 000.00	- 100 000.00	100 000.00
O1333-9/IE00677/F0041/X129/R1331/001/COMM	Catering Services	100 000.00	- 80 000.00	20 000.00
O1333-9/IE00703/F0041/X129/R1331/001/COMM	Transport Services	52 000.00	- 45 500.00	6 500.00
O1355-1/IE00694/F0041/X022/R1331/001/COMM	VIP Protection	164 000.00	450 000.00	614 000.00
O1252-1/IE00694/F0041/X028/R1331/001/COMM	VIP Protection		85 000.00	85 000.00
O0001/IE00534/F0041/X132/R1331/001/COMM	Materials and Supplies	150 000.00	- 20 000.00	130 000.00
O0001/IE00534/F0041/X133/R1331/001/COMM	Materials and Supplies	100 000.00	- 50 000.00	50 000.00
O1243-4/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies	250 000.00	- 50 000.00	200 000.00
O1243-5/IE00534/F0041/X012/R1331/001/COMM	Materials and Supplies	70 000.00	- 20 000.00	50 000.00
O1244-8/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies	120 000.00	- 50 000.00	70 000.00
O1245-1/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies	80 000.00	- 40 000.00	40 000.00
O1265-1/IE00534/F0041/X019/R1331/001/COMM	Materials and Supplies	250 000.00	10 000.00	260 000.00
O1275-1/IE00534/F0041/X132/R1331/001/COMM	Materials and Supplies	80 000.00	- 40 000.00	40 000.00
O1333-6/IE00738/F0041/X129/R1331/001/COMM	Standard Rated	30 000.00	220 000.00	250 000.00
O1333-7/IE00534/F0041/X129/R1331/001/COMM	Materials and Supplies	170 000.00	40 000.00	210 000.00
O0001/IE00562/F0041/X131/R1330/001/COMM	Dumping Fees (District Council)	400 000.00	- 30 000.00	370 000.00
O0001/IE00571/F0041/X132/R1331/001/COMM	Hire Charges	41 600.00	- 20 000.00	21 600.00
O1241-1/IE00573/F0041/X028/R1331/001/COMM	Indigent Relief	400 000.00	- 100 000.00	300 000.00
O1243-4/IE00571/F0041/X028/R1331/001/COMM	Hire Charges	748 800.00	- 148 800.00	600 000.00
O1244-1/IE00060/F0041/X021/R1331/001/COMM	Accommodation	208 000.00	- 130 000.00	78 000.00
O1244-2/IE00549/F0041/X018/R1331/001/COMM	Achievements and Awards	304 000.00	- 50 000.00	254 000.00
O1244-6/IE00754/F0041/X012/R1331/001/COMM	Gifts and Promotional Items	300 000.00	560 000.00	860 000.00
O1245-2/IE00754/F0041/X028/R1331/001/COMM	Gifts and Promotional Items	200 000.00	80 000.00	280 000.00
O1278-2/IE00604/F1169/X125/R1331/001/COMM	Uniform and Protective Clothing	700 000.00	- 25 700.00	674 300.00
O1333-10/IE00060/F0041/X129/R1331/001/COMM	Accommodation	70 000.00	80 000.00	150 000.00
O1333-9/IE00754/F0041/X129/R1331/001/COMM	Gifts and Promotional Items	70 000.00	- 40 000.00	30 000.00
O1354-1/IE00571/F0041/X022/R1331/001/COMM	Hire Charges	1 300 000.00	- 600 000.00	700 000.00
O1333-1/IE00062/F0041/X125/R1331/001/COMM	Food and Beverage (Served)		50 000.00	50 000.00

Corporate Department

Account		Budget 2025/2026	Adjustments	Adjusted Budget 2025/26
D0001/IR01519/F0044/X091/R1330/001/CORP	Drivers Licence Application/Duplicate Drivers Licences	2 473 043.12	(480 000.00)	1 993 043.12
D0001/IR01523/F0044/X091/R1330/001/CORP	Learner Licence Application	1 914 636.05	(500 000.00)	1 414 636.05
D0001/IR01524/F0044/X091/R1330/001/CORP	Learners Certificate	585 437.48	(220 000.00)	365 437.48
D0001/IR01527/F0044/X091/R1330/001/CORP	Motor Vehicle Licence	3 654 000.29	(500 000.00)	3 154 000.29
D0001/IR01410/F0044/X091/R1330/001/CORP	Trading	41 760.11	(15 000.00)	26 760.11
D0001/IR01424/F0045/X046/R1331/001/CORP	Skills Development Levy Refund	800 000.00	(250 000.00)	550 000.00
O0001/IE00008/F0041/X053/R1331/001/CORP	Legal Advice and Litigation	200 000.00	500 000.00	700 000.00
O0001/IE00841/F0041/X051/R1330/001/CORP	Medical Examinations	10 000.00	10 000.00	20 000.00
O1300-2/IE00694/F0041/X051/R1330/001/CORP	VIP Protection (training)	800 000.00	(400 000.00)	400 000.00
O1336-2/IE00694/F0041/X052/R1331/001/CORP	VIP Protection (storage)	90 000.00	(20 000.00)	70 000.00
O0001/IE00534/F0041/X052/R1331/001/CORP	Materials and Supplies	90 000.00	190 000.00	280 000.00
O0001/IE00738/F0041/X046/R1330/001/CORP	Standard Rated (stationery)	300 000.00	150 000.00	450 000.00
O0001/IE00738/F0041/X091/R1331/001/CORP	Licence Agency Fees(learners and MA forms)	550 000.00	(200 000.00)	350 000.00
O0001/IE00543/F0041/X046/R1330/001/CORP	Land	285 999.61	(15 500.00)	270 499.61
O0001/IE00545/F0041/X046/R1330/001/CORP	Machinery and Equipment	500 000.00	70 000.00	570 000.00
O0001/IE00545/F0041/X046/R1331/001/CORP	Machinery and Equipment	220 000.00	(140 000.00)	80 000.00
O0001/IE00060/F0041/X046/R1331/001/CORP	Accommodation	60 000.00	(20 000.00)	40 000.00
O0001/IE00604/F0041/X046/R1331/001/CORP	Uniform and Protective Clothing	530 000.00	(50 000.00)	480 000.00
O0001/IE00751/F0041/X046/R1331/001/CORP	Corporate and Municipal Activities	500 000.00	(130 500.00)	369 500.00
O0001/IE00778/F0041/X046/R1330/001/CORP	Telephone, Fax, Telegraph and Telex	700 000.00	(100 000.00)	600 000.00
O0001/IE00787/F0041/X052/R1331/001/CORP	Internet Charge	350 000.00	(100 000.00)	250 000.00
O0001/IE00792/F0041/X052/R1331/001/CORP	Software Licences	1 600 000.00	156 000.00	1 756 000.00
O1299-2/IE00062/F0041/X051/R1331/001/CORP	Food and Beverage (Served)	100 000.00	100 000.00	200 000.00

Finance Department

Account		Budget 2025/2026	Adjustments	Adjusted Budget 2025/2026
D0001/IR01061/F9426/X049/R1330/001/FIN	Short Term Investments and Call Accounts	4 290 000.00	(750 000.00)	3 540 000.00
D0001/IR01530/F0045/X049/R1331/001/FIN	Insurance	87 906.39	(30 000.00)	57 906.39
D0001/IR01193/F0046/X049/R1331/001/FIN	Other Assets	160 422.73	(30 000.00)	130 422.73
D0001/IR007145/F2496/X049/R1815/001/FIN	Agricultural	9 160 607.45	91 598.43	9 252 205.88
D0001/IR007141/F2496/X049/R1330/001/FIN	Commercial	4 121 883.75	(1 499 931.75)	2 621 952.00
D0001/IR007142/F2496/X049/R1330/001/FIN	Industrial	13 531 875.75	143 188.31	13 675 064.06
D0001/IR007147/F2496/X049/R1330/001/FIN	Public Service Purpose	3 942 419.58	1 022 137.51	4 964 557.08
D0001/IR007144/F2496/X049/R1330/001/FIN	Residential	4 721 371.40	643 249.56	5 364 620.96
D0001/IR007148/F2496/X049/R1330/001/FIN	Vacant Land	2 799 350.85	917 350.71	3 716 701.56
O3602/IR007145/F2496/X049/R1330/001/FIN	Agricultural Rebates	(4 587 547.40)	(45 873.12)	(4 633 420.52)
O3604/IR007142/F2496/X049/R1330/001/FIN	Industrial Rebates	(6 373.45)	(923.67)	(7 297.12)
O3604/IR007143/F2496/X049/R1330/001/FIN	Mining Property Rebates	(476.63)	86.39	(390.24)
O3604/IR007149/F2496/X049/R1331/001/FIN	Public Service Purpose Rebates	(10 402.73)	(2 476.64)	(12 879.36)
O3614/IR007144/F2496/X049/R1815/001/FIN	Residential	(1 002 290.10)	(77 415.38)	(1 079 705.48)
O0001/IE00516/F0001/X049/R1330/001/FIN	Bad Debts Written Off	4 700 000.00	1 000 000.00	5 700 000.00
O0001/IE00694/F1177/X049/R1330/001/FIN	Professional Services FMG	2 230 000.00	120 000.00	2 350 000.00
O0001/IE00830/F0041/X049/R1330/001/FIN	Accounting and Auditing	400 000.00	350 000.00	750 000.00
O0001/IE00848/F0041/X049/R1331/001/FIN	Valuer and Assessors	400 000.00	(200 000.00)	200 000.00
O1551-2/IE00651/F0041/X050/R1330/001/FIN	Maintenance of Unspecified Assets	1 059 552.00	(200 000.00)	859 552.00
O0001/IE00030/F0045/X047/R1331/001/FIN	Computer Software and Applications	52 897.39	(35 163.39)	17 734.00
O0001/IE00709/F0045/X047/R1330/001/FIN	Computer Equipment	932 609.38	(422 054.38)	510 555.00
O0001/IE00715/F0045/X047/R1330/001/FIN	Machinery and Equipment	1 064 638.84	(496 738.84)	567 900.00
O0001/IE00723/F0045/X047/R1331/001/FIN	Transport Assets	1 720 405.51	(474 506.51)	1 245 899.00
O0001/IE07587/F0045/X047/R1330/001/FIN	Roads	6 312 070.98	(211 303.98)	6 100 767.00
O0001/IE07606/F0045/X047/R1330/001/FIN	Halls	6 034 662.43	(429 000.43)	5 605 662.00
O0001/IE07625/F0045/X047/R1330/001/FIN	Municipal Offices	404 261.86	(53 261.86)	351 000.00
O0001/IE00060/F1177/X049/R1330/001/FIN	Accommodation	260 000.00	(105 000.00)	155 000.00
O0001/IE00567/F0041/X049/R1330/001/FIN	External Audit Fees	2 080 000.00	85 000.00	2 165 000.00
O0001/IE00607/F0041/X050/R1330/001/FIN	Wet Fuel	2 000 000.00	(90 000.00)	1 910 000.00
O0001/IE00758/F0041/X049/R1330/001/FIN	Tenders	100 000.00	(50 000.00)	50 000.00
O0001/IE00759/F0041/X049/R1330/001/FIN	Bank Accounts	400 000.00	(250 000.00)	150 000.00
O0011-1/IE00573/F0041/X049/R1331/001/FIN	Indigent Relief FBE	144 584.96	100 000.00	244 584.96
O1285-1/IE00595/F1177/X049/R1330/001/FIN	Skills Development Fund Levy	5 000.00	5 000.00	10 000.00

Executive and Council

Account		Budget 2025/2026	Adjustment	Adjusted Budget 2025/2026
O0001/IE00844/F0041/X045/R1331/001/EXEC	Project Management	295 000.00	(140 000.00)	155 000.00
O0001/IE00062/F0041/X044/R1331/001/EXEC	Food and Beverage (Served)	160 000.00	(30 000.00)	130 000.00
O0001/IE00143/F0041/X044/R1331/001/EXEC	Car Rental	90 000.00	70 000.00	160 000.00

Municipal Managers Department

Account		Budget 2025/26	Adjustments	Adjusted Budget 2025/26
O0001/IE00685/F0041/X055/R1330/001/MM	Internal Auditors	100 000.00	(20 000.00)	80 000.00
O0018-2/IE00833/F1177/X045/R1331/001/MM	Audit Committee	80 000.00	80 000.00	160 000.00
O1236-2/IE00677/F0041/X045/R1331/001/MM	Catering Services	120 000.00	380 000.00	500 000.00
O1236-2/IE00703/F0041/X045/R1331/001/MM	Transport Services	20 000.00	320 000.00	340 000.00
O1305-2/IE00694/F0041/X045/R1331/001/MM	VIP Protection	255 000.00	600 000.00	855 000.00
O1337-2/IE00645/F0041/X045/R1331/001/MM	Graphic Designers	100 000.00	920 000.00	1 020 000.00
O1244-9/IE00677/F0041/X028/R1331/001/MM	Catering Services Matric Awards	70 000.00	62 200.00	132 200.00
O1244-9/IE00703/F0041/X028/R1331/001/MM	Transport Services Matric Awards	31 200.00	(31 200.00)	-
O1244-9/IE00694/F0041/X028/R1331/001/MM	Professional Fees Matric Awards	60 000.00	(60 000.00)	-
O0013-1/IE00677/F0041/X028/R1331/001/MM	Catering Services Youth Council Campains	70 000.00	(40 000.00)	30 000.00
O0013-1/IE00694/F0041/X028/R1331/001/MM	Professional Fees Youth Council Campains	30 000.00	(30 000.00)	-
O0013-1/IE00703/F0041/X028/R1331/001/MM	Transport Services Youth Council Campains	60 000.00	(20 000.00)	40 000.00
O1444-1/IE00677/F0041/X028/R1331/001/MM	Catering Career Expo	90 000.00	(90 000.00)	-
O1444-1/IE00703/F0041/X028/R1331/001/MM	Transport Career Expo	80 000.00	(30 000.00)	50 000.00
O1444-6/IE00694/F0041/X028/R1331/001/MM	Professional fees Youth Skills Dev	280 000.00	(230 000.00)	50 000.00
O1244-10/IE00677/F0041/X028/R1331/001/MM	Catering Services Exam Prayer	85 000.00	(61 000.00)	24 000.00
O1244-10/IE00703/F0041/X028/R1331/001/MM	Transport Services Exam Prayer	60 000.00	(60 000.00)	-
O1236-1/IE00534/F0041/X045/R1331/001/MM	Materials and Supplies	1 000 000.00	(610 000.00)	390 000.00
O0013-1/IE00534/F0041/X028/R1331/001/MM	Materials and Supplies Youth	200 000.00	(200 000.00)	-
O0001/IE00060/F0041/X045/R1331/001/MM	Accommodation	701 600.00	(300 000.00)	401 600.00
O0001/IE00143/F0041/X045/R1331/001/MM	Car Rental	29 098.40	10 000.00	39 098.40
O0001/IE00584/F0041/X045/R1331/001/MM	Professional Bodies, Membership and Subscription	69 098.40	2 500.00	71 598.40
O1236-2/IE00571/F0041/X045/R1331/001/MM	Hire Charges	396 524.96	500 000.00	896 524.96
O1337-1/IE00583/F0041/X045/R1331/001/MM	Printing, Publications and Books	547 560.00	(500 000.00)	47 560.00
O0013-1/IE00060/F0041/X028/R1331/001/MM	Accommodation - Youth Council Campains	62 400.00	(62 400.00)	-
O0013-1/IE00572/F0041/X028/R1331/001/MM	Honoraria (Voluntarily Workers) - Youth Council Campains	52 000.00	(52 000.00)	-
O1244-9/IE00571/F0041/X028/R1331/001/MM	Hire Charges - School achievement Award	52 000.00	164 000.00	216 000.00
O1244-9/IE00572/F0041/X028/R1331/001/MM	Honoraria (Voluntarily Workers) - School Achievement Award:	104 000.00	225 000.00	329 000.00
O1444-1/IE00571/F0041/X028/R1331/001/MM	Hire Charges Career Expo	164 800.00	70 000.00	234 800.00
O1444-1/IE00754/F0041/X028/R1331/001/MM	Gifts and Promotional Items Career Expo	86 000.00	(86 000.00)	-
O1444-3/IE00750/F0041/X028/R1331/001/MM	Bursaries (Non-employees)	312 000.00	22 985.15	334 985.15
O1244-10/IE00571/F0041/X028/R1331/001/MM	Hire Charges Exam Prayer	331 085.15	(331 085.15)	0.00
O1244-10/IE00754/F0041/X028/R1331/001/MM	Gifts and Promotional Items Matric Exam Prayer	83 200.00	(83 200.00)	-
O1444-6/IE00060/F0041/X028/R1331/001/MM	Accommodation - Youth Skills Dev	124 800.00	(124 800.00)	-

Technical Department

Account		Budget 2025/2026	Adjustments	Adjusted Budget 2025/26
D0001/IR01149/F0046/X129/R1331/001/TECH	Community Assets		2 300.00	2 300.00
D0001/IR01428/F0047/X101/R1331/001/TECH	Application Fees for Land Usage	177 479.90	- 80 000.00	97 479.90
D0001/IR01429/F0047/X101/R1331/001/TECH	Building Plan Approval	365 400.10	200 000.00	565 400.10
O1762-1/IE00651/F0041/X116/R1814/001/TECH	Maintenance of Unspecified Assets	7 000 000.00	- 496 526.13	6 503 473.87
O2774-1/IE00649/F0041/X047/R1331/001/TECH	Maintenance of Buildings and Facilities	1 000 000.00	- 930 000.00	70 000.00
O3259-1/IE00649/F0041/X016/R1331/001/TECH	Maintenance of Buildings and Facilities Halls and other facilities	1 000 000.00	1 340 000.00	2 340 000.00
O3399-1/IE00649/F0041/X129/R1331/001/TECH	Maintenance of Buildings and Facilities sport ground	1 000 000.00	- 930 000.00	70 000.00
O0001/IE00694/F1182/X099/R1330/001/TECH	VIP Protection (Training MIG Topsplice)		30 000.00	30 000.00
O0001/IE00534/F0041/X058/R1331/001/TECH	Materials and Supplies	295 672.00	- 190 000.00	105 672.00

2 Part 2 - Supporting Documentation

2.1 Overview of the Adjustment budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act. EXCO acts as the Budget Steering Committee.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Process Overview

The municipality has table section 72 report and also have engage with provincial treasury about the assessment.

The treasury mid-year assessment has guided the municipality on the adjustment budget assessment and all department has an input on the adjustment budget preparation

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the adjustment , extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the adjustment budget :

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- Cash Flow Management Strategy
- Debtor payment levels

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 108 have been taken into consideration in the planning and prioritisation process.

2.2 Overview of alignment of Adjustment Budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a

development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (PGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal

integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2025/2026 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 1 IDP Strategic Objectives

2025/2026 Financial Year	2025/2026 Adjustment
1. The provision of quality basic services and infrastructure	1. Provision of quality basic services and infrastructure
2. Acceleration of higher and shared economic growth and development	2. Economic growth and development that leads to sustainable job creation
3. Fighting of poverty, building clean, healthy, safe and sustainable communities	3.1 Fight poverty and build clean, healthy, safe and sustainable communities
	3.2 Integrated Social Services for empowered and sustainable communities
4. Fostering participatory democracy and adherence to MKHAMBATHINI principles through a caring, accessible and accountable service	4. Foster participatory democracy and Mk principles through a caring, accessible and accountable service
5. Good governance, Financial viability and institutional governance	5.1 Promote sound governance
	5.2 Ensure financial sustainability
	5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide Municipality planning services; and
 - Maintaining the infrastructure of the Municipality.

2. Economic growth and development that leads to sustainable job creation by:

- Ensuring there is a clear structural plan for the Municipality;
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
- Effective implementation of the Indigent Policy;
 - Working with the provincial department of health to provide primary health care services;
 - Extending waste removal services and ensuring effective Municipality cleansing;
 - Ensuring all waste water treatment works are operating optimally;
 - Working with strategic partners such as SAPS to address crime;
 - Ensuring safe working environments by effective enforcement of building and health regulations;
 - Promote viable, sustainable communities through proper zoning; and
 - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Mkhambathini principles through a caring, accessible and accountable service by:
- Optimising effective community participation in the ward committee system; and
 - Implementing Mkhambathini in the revenue management strategy.
- 5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
 - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines - so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the 2023/24 revised IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2023/24 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

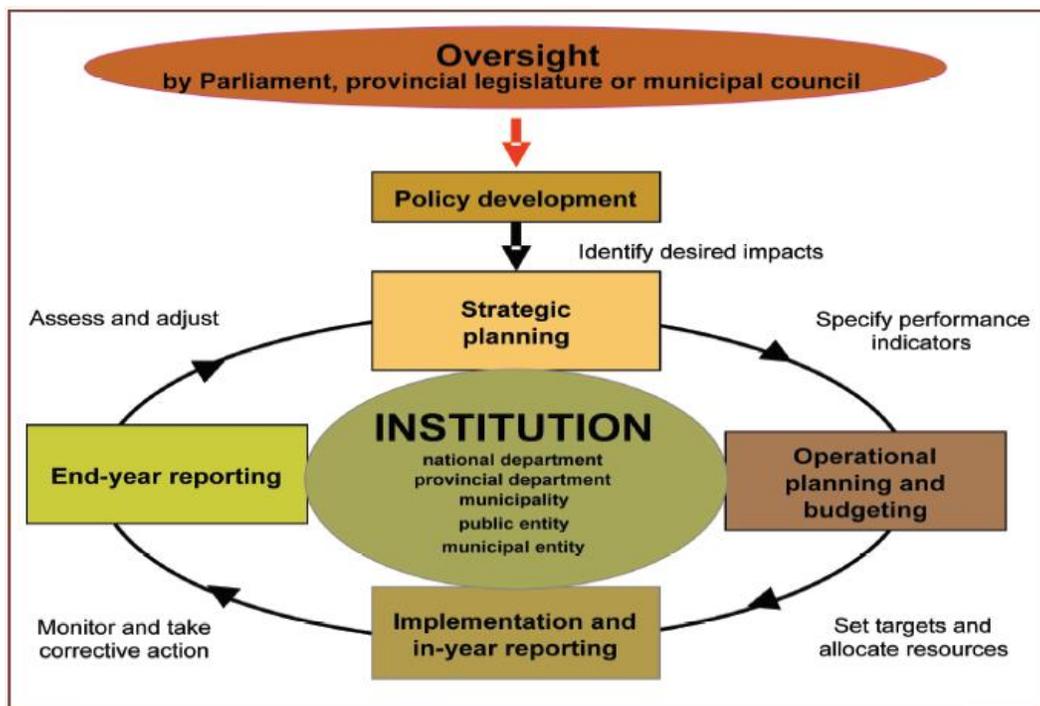
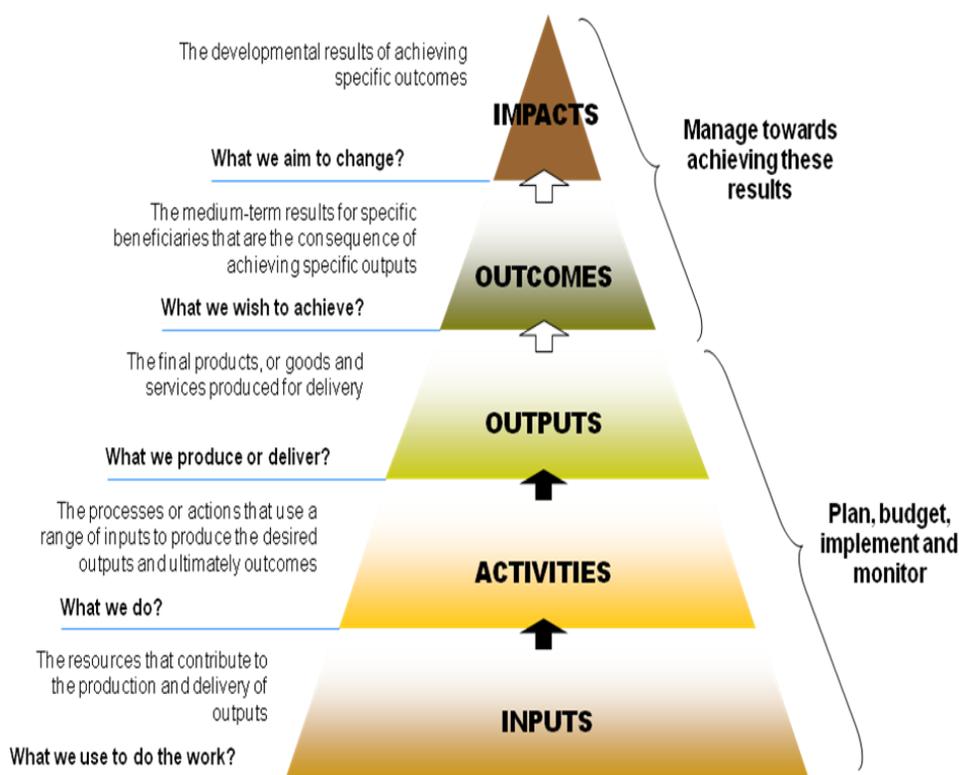


Figure 1 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



Choose name from list - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year 2025/26										Budget Year	Budget Year
		Original	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	+1 2026/27	+2 2027/28
		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H			
R thousands													
REVENUE ITEMS													
<i>Non-exchange revenue by source</i>													
Property rates													
Total Property Rates		38 281						1 318	1 318	39 599	40 004	41 004	
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		5 607						127	127	5 734	5 859	6 006	
Net Property Rates		32 674						1 191	1 191	33 865	34 144	34 998	
Exchange revenue service charges													
Service charges - Electricity													
Total Service charges - Electricity													
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>													
<i>Less Cost of Free Basis Services (50 kwh per indigent household per month)</i>													
Net Service charges - Electricity													
Service charges - Water													
Total Service charges - water													
<i>Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>													
<i>Less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>													
Net Service charges - Water													
Service charges - Waste Water Management													
Total Service charges - Waste Water Management													
<i>Less Revenue Foregone (in excess of free sanitation service to indigent households)</i>													
<i>Less Cost of Free Basis Services (free sanitation service to indigent households)</i>													
Net Service charges - Waste Water Management													
Service charges - Waste Management													
Total refuse removal revenue		685						5	5	690	716	734	
Total landfill revenue													
<i>Less Revenue Foregone (in excess of one removal a week to indigent households)</i>													
<i>Less Cost of Free Basis Services (removed once a week to indigent households)</i>													
Service charges - Waste Management		685						5	5	690	716	734	
EXPENDITURE ITEMS													
Employee related costs													
Basic Salaries and Wages		44 641								44 641	46 959	48 134	
Pension and UIF Contributions		7 154								7 154	7 530	7 831	
Medical Aid Contributions		2 697								2 697	2 838	2 952	
Overtime		988								988	1 040	1 082	
Performance Bonus		3 542								3 542	3 728	3 877	
Motor Vehicle Allowance		502								502	528	549	
Cellphone Allowance		334								334	352	366	
Housing Allowances		155								155	163	170	
Other benefits and allowances		398								398	418	435	
Payments in lieu of leave		1 305								1 305	1 374	1 429	
Long service awards		579								579	610	634	
Post-retirement benefit obligations	4												
Entertainment													
Scarify													
Aiding and post related allowance													
In kind benefits													
sub-total		62 296								62 296	65 540	67 458	
<i>Less: Employees costs capitalised to PPE</i>													
Total Employee related costs	1	62 296								62 296	65 540	67 458	
Depreciation and amortisation													
Depreciation of Property, Plant & Equipment		16 469						(2 087)	(2 087)	14 382	17 210	17 640	
Lease amortisation		53						(35)	(35)	18	55	57	
Capital asset impairment													
Total Depreciation and amortisation	1	16 522						(2 122)	(2 122)	14 400	17 265	17 697	
Bulk purchases													
Electricity Bulk Purchases													
Total bulk purchases	1												
Transfers and grants													
Cash transfers and grants													
Non-cash transfers and grants													
Total transfers and grants													
Contracted services													
Outsourced Services		7 429						1 025	1 025	8 453	7 194	7 418	
Consultants and Professional Services		1 735						900	900	2 335	1 447	1 484	
Contractors		27 296						(527)	(527)	26 769	29 180	25 810	
Total contracted services		36 460						1 098	1 098	37 557	37 822	34 712	
Operational Costs													
Collection costs													
Contributions to 'other' provisions													
Audit fees		2 080						85	85	2 165	2 174	2 228	
<i>Other Operational Costs</i>		29 691						(1 500)	(1 500)	28 192	29 972	30 710	
Total Other Operational Costs	1	31 771						(1 415)	(1 415)	30 357	32 146	32 938	
Repairs and Maintenance by Expenditure Item													
Employee related costs													
Inventory Consumed (Project Maintenance)		11 060								11 060	11 557	11 846	
Contracted Services													
Other Expenditure													
Total Repairs and Maintenance Expenditure	15	11 060								11 060	11 557	11 846	
Inventory Consumed													
Inventory Consumed - Water													
Inventory Consumed - Other		4 136						(762)	(762)	3 374	4 267	4 373	
Total Inventory Consumed & Other Material		4 136						(762)	(762)	3 374	4 267	4 373	

2.3.1.1 *Borrowing Management*

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The following financial performance indicators have formed part of the compilation of the Adjustment Budget:

- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is nil per cent.

2.3.1.2 *Safety of Capital*

2.3.1.3 *Liquidity*

2.3.1.4 *Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1, hence at no point in time should this ratio be less than 1.*

2.3.1.5 *The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.*

2.3.1.6 *Revenue Management*

- As part of the financial sustainability strategy, an aggressive revenue management framework is going to be implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. For this purpose and exercise with Trans Union has commenced.

2.3.1.7 *Creditors Management*

- The Municipality managed to ensure that creditors are settled within the legislated 30 days of invoice.

2.4 Adjustment budgets and SDBIPs - internal departments

In terms of section 53(1)©(ii) the Mayor must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the

mayor within 28 days after the approval of the budget and adjustments/ amendments made on the 2025/2026 SDBIP.

2.5 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed six interns undergoing training in various divisions of the Financial Services Department.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP document is in line with the Adjusted budget.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.6 ADJUSTMENT SUPPORTING TABLES

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2025/26									Budget Year	Budget Year	
	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	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
R thousands												
Financial Performance												
Property rates	32 674	-	-	-	-	-	1 191	1 191	33 865	34 144	34 998	
Service charges	685	-	-	-	-	-	5	5	690	716	734	
Investment revenue	4 290	-	-	-	-	-	(750)	(750)	3 540	4 483	4 595	
Transfers recognised - operational	110 979	-	-	-	-	-	977	977	111 956	104 774	105 296	
Other own revenue	10 468	-	-	-	-	-	(1 888)	(1 888)	8 580	10 405	10 665	
Total Revenue (excluding capital transfers and contributions)	159 096	-	-	-	-	-	(465)	(465)	158 632	154 523	156 289	
Employee costs	62 296	-	-	-	-	-	-	-	62 296	65 540	67 458	
Remuneration of councillors	7 958	-	-	-	-	-	-	-	7 958	8 316	8 524	
Depreciation & asset impairment	21 222	-	-	-	-	-	(1 122)	(1 122)	20 100	22 177	22 731	
Finance charges	-	-	-	-	-	-	-	-	-	-	-	
Inventory consumed and bulk purchases	4 136	-	-	-	-	-	(762)	(762)	3 374	4 267	4 373	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure	68 231	-	-	-	-	-	(317)	(317)	67 915	69 988	67 650	
Total Expenditure	163 842	-	-	-	-	-	(2 201)	(2 201)	161 641	170 267	170 735	
Surplus/(Deficit)	(4 745)	-	-	-	-	-	1 736	1 736	(3 010)	(15 744)	(14 446)	
Transfers and subsidies - capital (monetary allocations)	18 934	-	-	-	-	-	-	-	18 934	20 223	20 970	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524	
Capital expenditure & funds sources												
Capital expenditure	24 034	-	-	-	-	-	663	663	24 697	21 223	19 846	
Transfers recognised - capital	18 934	-	-	-	-	-	(758)	(758)	18 176	20 223	20 970	
Borrowing	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	5 100	-	-	-	-	-	1 421	1 421	6 521	1 000	1 000	
Total sources of capital funds	24 034	-	-	-	-	-	663	663	24 697	21 223	21 970	
Financial position												
Total current assets	33 871	-	-	-	-	-	4 009	4 009	37 880	30 991	32 875	
Total non current assets	276 791	-	-	-	-	-	20 951	20 951	297 742	304 941	319 473	
Total current liabilities	(20 605)	-	-	-	-	-	45 670	45 670	25 065	20 890	20 981	
Total non current liabilities	(7 784)	-	-	-	-	-	17 250	17 250	9 466	9 466	9 466	
Community wealth/Equity	339 051	-	-	-	-	-	(37 918)	(37 918)	301 133	305 255	321 524	
Cash flows												
Net cash from (used) operating	23 814	-	-	-	-	-	456	456	24 270	40 939	44 752	
Net cash from (used) investing	(27 639)	-	-	-	-	-	673	673	(26 966)	(24 406)	(25 266)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	
Cash/cash equivalents at the year end	13 112	-	-	-	-	-	1 863	1 863	14 975	34 203	37 157	
Cash backing/surplus reconciliation												
Cash and investments available	13 112	-	-	-	-	-	1 863	1 863	14 975	9 797	11 892	
Application of cash and investments	(41 762)	-	-	-	-	-	44 060	44 060	2 298	(483)	(400)	
Balance - surplus (shortfall)	54 874	-	-	-	-	-	(42 197)	(42 197)	12 677	10 280	12 292	
Asset Management												
Asset register summary (WDV)	246 179	-	-	-	-	-	19 775	19 775	265 954	271 564	284 427	
Depreciation	16 522	-	-	-	-	-	(2 122)	(2 122)	14 400	17 285	17 697	
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	2 719	2 719	2 719	-	-	
Repairs and Maintenance	11 060	-	-	-	-	-	(1 217)	(1 217)	9 843	11 557	11 846	
Free services												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	-	-	-	-	-	-	127	127	5 734	5 859	6 006	
Households below minimum service level												
Water:	-	-	-	-	-	-	-	-	-	-	-	
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-	
Energy:	-	-	-	-	-	-	-	-	-	-	-	
Refuse:	-	-	-	-	-	-	-	-	-	-	-	

Choose name from list - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27	+2 2027/28
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
Governance and administration		150 261	-	-	-	-	-	131	131	150 392	150 532	156 337
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		150 261	-	-	-	-	-	131	131	150 392	150 532	156 337
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		2 248	-	-	-	-	-	994	994	3 243	2 363	2 472
Community and social services		2 248	-	-	-	-	-	577	577	2 825	2 360	2 470
Sport and recreation		-	-	-	-	-	-	417	417	417	2	3
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		543	-	-	-	-	-	120	120	663	567	581
Planning and development		543	-	-	-	-	-	120	120	663	567	581
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		16 309	-	-	-	-	-	5	5	16 314	12 225	8 582
Energy sources		15 624	-	-	-	-	-	-	-	15 624	11 509	7 848
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		685	-	-	-	-	-	5	5	690	716	734
Other		8 669	-	-	-	-	-	(1 715)	(1 715)	6 954	9 059	9 285
Total Revenue - Functional	2	178 030	-	-	-	-	-	(465)	(465)	177 566	174 746	177 259
Expenditure - Functional												
Governance and administration		105 230	-	-	-	-	-	(905)	(905)	104 325	110 144	113 573
Executive and council		26 081	-	-	-	-	-	1 303	1 303	27 384	27 351	28 237
Finance and administration		79 148	-	-	-	-	-	(2 207)	(2 207)	76 941	82 793	85 336
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		28 087	-	-	-	-	-	(448)	(448)	27 639	27 735	28 656
Community and social services		24 260	-	-	-	-	-	551	551	24 811	23 786	24 608
Sport and recreation		3 562	-	-	-	-	-	(972)	(972)	2 590	3 674	3 765
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		264	-	-	-	-	-	(26)	(26)	238	276	283
Economic and environmental services		13 580	-	-	-	-	-	(447)	(447)	13 134	13 869	13 626
Planning and development		690	-	-	-	-	-	50	50	740	355	364
Road transport		12 890	-	-	-	-	-	(497)	(497)	12 394	13 514	13 261
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		16 396	-	-	-	-	-	(160)	(160)	16 236	17 944	14 291
Energy sources		15 624	-	-	-	-	-	-	-	15 624	17 192	13 522
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		772	-	-	-	-	-	(160)	(160)	612	752	769
Other		550	-	-	-	-	-	(200)	(200)	350	575	589
Total Expenditure - Functional	3	163 842	-	-	-	-	-	(2 159)	(2 159)	161 683	170 267	170 735
Surplus/ (Deficit) for the year		14 189	-	-	-	-	-	1 694	1 694	15 882	4 479	6 524

Choose name from list - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		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 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
Revenue by Vote	1											
Vote 1 - Finance and Administration		150 261	-	-	-	-	-	131	131	150 392	150 532	156 337
Vote 2 - Finance and Administration2		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		2 223	-	-	-	-	-	562	562	2 785	2 334	2 443
Vote 5 - Community and Social Services2		25	-	-	-	-	-	15	15	40	26	27
Vote 6 - Energy Sources		15 624	-	-	-	-	-	-	-	15 624	11 509	7 848
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		543	-	-	-	-	-	120	120	663	567	581
Vote 9 - Sport and Recreation		-	-	-	-	-	-	417	417	417	2	3
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		8 669	-	-	-	-	-	(1 715)	(1 715)	6 954	9 059	9 285
Vote 12 - Waste Management		685	-	-	-	-	-	5	5	690	716	734
Vote 13 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Health		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	178 030	-	-	-	-	-	(465)	(465)	177 566	174 746	177 259
Expenditure by Vote	1											
Vote 1 - Finance and Administration		78 853	-	-	-	-	-	(2 107)	(2 107)	76 746	82 484	85 019
Vote 2 - Finance and Administration2		296	-	-	-	-	-	(100)	(100)	196	309	317
Vote 3 - Executive and Council		26 081	-	-	-	-	-	1 303	1 303	27 384	27 351	28 237
Vote 4 - Community and Social Services		12 469	-	-	-	-	-	(790)	(790)	11 680	11 384	11 727
Vote 5 - Community and Social Services2		11 791	-	-	-	-	-	1 340	1 340	13 131	12 402	12 881
Vote 6 - Energy Sources		15 624	-	-	-	-	-	-	-	15 624	17 192	13 522
Vote 7 - Road Transport		12 890	-	-	-	-	-	(497)	(497)	12 394	13 514	13 261
Vote 8 - Planning and Development		690	-	-	-	-	-	50	50	740	355	364
Vote 9 - Sport and Recreation		3 562	-	-	-	-	-	(972)	(972)	2 590	3 674	3 765
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		550	-	-	-	-	-	(200)	(200)	350	575	589
Vote 12 - Waste Management		772	-	-	-	-	-	(160)	(160)	612	752	769
Vote 13 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Health		264	-	-	-	-	-	(26)	(26)	238	276	283
Total Expenditure by Vote	2	163 842	-	-	-	-	-	(2 159)	(2 159)	161 683	170 267	170 735
Surplus/ (Deficit) for the year	2	14 188	-	-	-	-	-	1 694	1 694	15 882	4 479	6 524

Choose name from list - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27	+2 2027/28
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	685	-	-	-	-	-	5	5	690	716	734
Sale of Goods and Rendering of Services		723	-	-	-	-	-	120	120	843	756	775
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		4 290	-	-	-	-	-	(750)	(750)	3 540	4 483	4 595
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		185	-	-	-	-	-	(13)	(13)	173	196	201
Licence and permits		8 669	-	-	-	-	-	(1 715)	(1 715)	6 954	9 059	9 285
Special rating levies		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		888	-	-	-	-	-	(280)	(280)	608	392	402
Non-Exchange Revenue												
Property rates	2	32 674	-	-	-	-	-	1 191	1 191	33 865	34 144	34 998
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	-	-	-	-	-	-	-	2	2	2
Licences or permits		-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		110 979	-	-	-	-	-	977	977	111 956	104 774	105 296
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		159 096	-	-	-	-	-	(465)	(465)	158 632	154 523	156 289
Expenditure By Type												
Employee related costs		62 296	-	-	-	-	-	-	-	62 296	65 540	67 458
Remuneration of councillors		7 958	-	-	-	-	-	-	-	7 958	8 316	8 524
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		4 136	-	-	-	-	-	(762)	(762)	3 374	4 267	4 373
Debt impairment		4 700	-	-	-	-	-	1 000	1 000	5 700	4 912	5 034
Depreciation and amortisation		16 522	-	-	-	-	-	(2 122)	(2 122)	14 400	17 265	17 697
Interest		-	-	-	-	-	-	-	-	-	-	-
Contracted services		36 460	-	-	-	-	-	1 098	1 098	37 558	37 822	34 712
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-
Operational costs		31 771	-	-	-	-	-	(1 415)	(1 415)	30 357	32 146	32 938
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		163 842	-	-	-	-	-	(2 201)	(2 201)	161 641	170 267	170 735
Surplus/(Deficit)		(4 745)	-	-	-	-	-	1 736	1 736	(3 010)	(15 744)	(14 446)
Transfers and subsidies - capital (monetary allocations)		18 934	-	-	-	-	-	-	-	18 934	20 223	20 970
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	14 189	-	-	-	-	-	1 736	1 736	15 924	4 479	6 524

Choose name from list - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27	+2 2027/28
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted												
	2	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - Finance and Administration		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration2		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community and Social Services2		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Health		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted												
	2	2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Vote 1 - Finance and Administration		2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Vote 2 - Finance and Administration2		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		5 900	-	-	-	-	-	(1 900)	(1 900)	3 910	-	-
Vote 5 - Community and Social Services2		3 957	-	-	-	-	-	(621)	(621)	3 336	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		8 575	-	-	-	-	-	(4 681)	(4 681)	3 894	10 740	9 618
Vote 8 - Planning and Development		828	-	-	-	-	-	(758)	(758)	70	-	-
Vote 9 - Sport and Recreation		2 674	-	-	-	-	-	8 458	8 458	11 132	9 483	9 228
Vote 10 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Health		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		24 034	-	-	-	-	-	663	663	24 697	21 223	19 846
Total Capital Expenditure - Vote		24 034	-	-	-	-	-	663	663	24 697	21 223	19 846
Capital Expenditure - Functional												
Governance and administration		2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		2 100	-	-	-	-	-	255	255	2 355	1 000	1 000
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		12 531	-	-	-	-	-	5 848	5 848	18 378	9 483	9 228
Community and social services		9 857	-	-	-	-	-	(2 611)	(2 611)	7 246	-	-
Sport and recreation		2 674	-	-	-	-	-	8 458	8 458	11 132	9 483	9 228
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		9 403	-	-	-	-	-	(5 439)	(5 439)	3 964	10 740	9 618
Planning and development		828	-	-	-	-	-	(758)	(758)	70	-	-
Road transport		8 575	-	-	-	-	-	(4 681)	(4 681)	3 894	10 740	9 618
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	2 124
Energy sources		-	-	-	-	-	-	-	-	-	-	2 124
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	24 034	-	-	-	-	-	663	663	24 697	21 223	21 970
Funded by:												
National Government		18 934	-	-	-	-	-	(758)	(758)	18 176	20 223	20 970
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	18 934	-	-	-	-	-	(758)	(758)	18 176	20 223	20 970
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		5 100	-	-	-	-	-	1 421	1 421	6 521	1 000	1 000
Total Capital Funding		24 034	-	-	-	-	-	663	663	24 697	21 223	21 970

Choose name from list - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		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 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		13 112	-	-	-	-	-	1 863	1 863	14 975	9 797	11 892
Trade and other receivables from exchange transactions	1	2 758	-	-	-	-	-	1 333	1 333	4 091	4 051	4 051
Receivables from non-exchange transactions	1	(1 751)	-	-	-	-	-	6 612	6 612	4 861	3 246	3 219
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		73	-	-	-	-	-	298	298	371	425	482
VAT		19 680	-	-	-	-	-	(6 097)	(6 097)	13 583	13 472	13 230
Other current assets		-	-	-	-	-	-	-	-	-	-	-
Total current assets		33 871	-	-	-	-	-	4 009	4 009	37 880	30 991	32 675
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		14 765	-	-	-	-	-	(849)	(849)	13 916	13 916	13 916
Property, plant and equipment	3	262 008	-	-	-	-	-	21 782	21 782	283 790	291 027	305 590
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Intangible assets		18	-	-	-	-	-	17	17	35	(2)	(3)
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		276 791	-	-	-	-	-	20 951	20 951	297 742	304 941	319 473
TOTAL ASSETS		310 662	-	-	-	-	-	24 960	24 960	335 622	335 933	352 348
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions		(5 790)	-	-	-	-	-	11 386	11 386	5 597	1 514	1 570
Trade and other payables from non-exchange transactions		(2 549)	-	-	-	-	-	3 114	3 114	566	444	444
Provisions		(4 187)	-	-	-	-	-	8 958	8 958	4 770	4 797	4 826
VAT		(8 079)	-	-	-	-	-	22 211	22 211	14 132	14 134	14 141
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		(20 605)	-	-	-	-	-	45 670	45 670	25 065	20 890	20 981
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	-	-	-	-	-	-	-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		(7 784)	-	-	-	-	-	17 250	17 250	9 466	9 466	9 466
Total non current liabilities		(7 784)	-	-	-	-	-	17 250	17 250	9 466	9 466	9 466
TOTAL LIABILITIES		(28 389)	-	-	-	-	-	62 920	62 920	34 531	30 356	30 447
NET ASSETS	2	339 051	-	-	-	-	-	(37 960)	(37 960)	301 091	305 577	321 901
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		339 051	-	-	-	-	-	(37 918)	(37 918)	301 133	305 255	321 524
Funds and Reserves		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		339 051	-	-	-	-	-	(37 918)	(37 918)	301 133	305 255	321 524

Choose name from list - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	+1 2026/27	+2 2027/28
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	Adjusted Budget	Adjusted Budget
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		31 040	-					1 131	1 131	32 172	34 144	34 998
Service charges		651	-					103	103	754	824	844
Other revenue		10 624	-					(1 878)	(1 878)	8 745	10 568	10 833
Transfers and Subsidies - Operational	1	110 979	-					977	977	111 956	104 774	105 296
Transfers and Subsidies - Capital	1	18 934	-					-	-	18 934	20 223	20 970
Interest		4 290	-					(750)	(750)	3 540	4 483	4 595
Dividends		-	-					-	-	-	-	-
Payments												
Suppliers and employees		(152 704)	-					873	873	(151 832)	(134 078)	(132 784)
Finance charges		-	-					-	-	-	-	-
Transfers and Subsidies	1	-	-					-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		23 814	-	-	-	-	-	456	456	24 270	40 939	44 782
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-					-	-	-	-	-
Decrease (increase) in non-current receivables		-	-					-	-	-	-	-
Decrease (increase) in non-current investments		-	-					-	-	-	-	-
Payments												
Capital assets		(27 639)	-					673	673	(26 966)	(24 406)	(25 266)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(27 639)	-	-	-	-	-	673	673	(26 966)	(24 406)	(25 266)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-					-	-	-	-	-
Borrowing long term/refinancing		-	-					-	-	-	-	-
Increase (decrease) in consumer deposits		-	-					-	-	-	-	-
Payments												
Repayment of borrowing		-	-					-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(3 825)	-	-	-	-	-	1 129	1 129	(2 696)	16 532	19 487
Cash/cash equivalents at the year begin:	2	16 937	-					734	734	17 671	17 671	17 671
Cash/cash equivalents at the year end:	2	13 112	-					1 863	1 863	14 975	34 203	37 157

Choose name from list - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	+1 2026/27	+2 2027/28
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	Adjusted Budget	Adjusted Budget
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	13 112	-					1 863	1 863	14 975	34 203	37 157
Other current investments > 90 days		-	-					-	-	-	(24 406)	(25 265)
Non current assets - Investments	1	-	-					-	-	-	-	-
Cash and investments available:		13 112	-	-	-	-	-	1 863	1 863	14 975	9 797	11 892
Applications of cash and investments												
Unspent conditional transfers		(2 549)	-					3 114	3 114	566	444	444
Unspent borrowing		-	-					-	-	-	-	-
Statutory requirements		(28 260)	-					28 308	28 308	48	134	134
Other working capital requirements	2	(6 766)	-					3 679	3 679	(3 086)	(5 859)	(5 776)
Other provisions		(4 187)	-					8 958	8 958	4 770	4 797	4 797
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:		(41 762)	-	-	-	-	-	44 060	44 060	2 298	(483)	(400)
Surplus(shortfall)		54 874	-	-	-	-	-	(42 197)	(42 197)	12 677	10 280	12 292

Choose name from list - Table B9 Asset Management -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	+1 2026/27	+2 2027/28
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
R thousands													
CAPITAL EXPENDITURE													
Total New Assets to be adjusted	1	24 034	-	-	-	-	-	(2 056)	(2 056)	21 978	21 223	21 970	
Roads Infrastructure		5 575	-	-	-	-	-	(2 547)	(2 547)	3 028	10 740	9 618	
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	2 124	
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Infrastructure		5 575	-	-	-	-	-	(2 547)	(2 547)	3 028	10 740	11 742	
Community Facilities		9 857	-	-	-	-	-	(3 307)	(3 307)	6 550	-	-	
Sport and Recreation Facilities		2 674	-	-	-	-	-	6 900	6 900	9 574	9 483	9 228	
Community Assets		12 531	-	-	-	-	-	3 593	3 593	16 124	9 483	9 228	
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		814	-	-	-	-	-	(364)	(364)	450	200	200	
Furniture and Office Equipment		714	-	-	-	-	-	(444)	(444)	270	300	300	
Machinery and Equipment		3 000	-	-	-	-	-	(1 594)	(1 594)	1 406	-	-	
Transport Assets		1 400	-	-	-	-	-	(700)	(700)	700	500	500	
Land		-	-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	
Mature		-	-	-	-	-	-	-	-	-	-	-	
Immature		-	-	-	-	-	-	-	-	-	-	-	
Living Resources		-	-	-	-	-	-	-	-	-	-	-	
Total Renewal of Existing Assets to be adjusted	2	-	-	-	-	-	-	1 005	1 005	1 005	-	-	
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Community Facilities		-	-	-	-	-	-	370	370	370	-	-	
Sport and Recreation Facilities		-	-	-	-	-	-	635	635	635	-	-	
Community Assets		-	-	-	-	-	-	1 005	1 005	1 005	-	-	
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		-	-	-	-	-	-	-	-	-	-	-	
Transport Assets		-	-	-	-	-	-	-	-	-	-	-	
Land		-	-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	
Mature		-	-	-	-	-	-	-	-	-	-	-	
Immature		-	-	-	-	-	-	-	-	-	-	-	
Living Resources		-	-	-	-	-	-	-	-	-	-	-	

Total Upgrading of Existing Assets to be adjusted	2a	-	-	-	-	-	-	1 714	1 714	1 714	-	-
Roads Infrastructure		-	-	-	-	-	-	156	156	156	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	156	156	156	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	1 558	1 558	1 558	-	-
Community Assets		-	-	-	-	-	-	1 558	1 558	1 558	-	-
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		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	24 034	-	-	-	-	-	663	663	24 697	21 223	21 970
Roads Infrastructure		5 575	-	-	-	-	-	(2 390)	(2 390)	3 185	10 740	9 618
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	2 124
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		5 575	-	-	-	-	-	(2 390)	(2 390)	3 185	10 740	11 742
Community Facilities		9 857	-	-	-	-	-	(2 937)	(2 937)	6 920	-	-
Sport and Recreation Facilities		2 674	-	-	-	-	-	9 093	9 093	11 767	9 483	9 228
Community Assets		12 531	-	-	-	-	-	6 156	6 156	18 687	9 483	9 228
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		814	-	-	-	-	-	(364)	(364)	450	200	200
Furniture and Office Equipment		714	-	-	-	-	-	(444)	(444)	270	300	300
Machinery and Equipment		3 000	-	-	-	-	-	(1 594)	(1 594)	1 406	-	-
Transport Assets		1 400	-	-	-	-	-	(700)	(700)	700	500	500
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	24 034	-	-	-	-	-	663	663	24 697	21 223	21 970
ASSET REGISTER SUMMARY - PPE (WDV)	5	246 179	-	-	-	-	-	19 775	19 775	265 954	271 564	284 427
Roads Infrastructure		103 512	-	-	-	-	-	16 632	16 632	120 144	133 357	138 531
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	2 124
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		103 512	-	-	-	-	-	16 632	16 632	120 144	133 357	140 655
Community Assets		115 181	-	-	-	-	-	(2 586)	(2 586)	112 596	107 667	112 479
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		14 765	-	-	-	-	-	(849)	(849)	13 916	13 916	13 916
Other Assets		170	-	-	-	-	-	5 910	5 910	6 080	6 330	6 658
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		18	-	-	-	-	-	17	17	35	(2)	(3)
Computer Equipment		1 346	-	-	-	-	-	335	335	1 680	1 054	1 121
Furniture and Office Equipment		2 303	-	-	-	-	-	662	662	2 966	3 130	3 272
Machinery and Equipment		3 051	-	-	-	-	-	(1 477)	(1 477)	1 574	(340)	(329)
Transport Assets		5 104	-	-	-	-	-	(832)	(832)	4 272	3 761	3 969
Land		728	-	-	-	-	-	1 962	1 962	2 690	2 690	2 690
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	246 179	-	-	-	-	-	19 775	19 775	265 954	271 564	284 427

EXPENDITURE OTHER ITEMS		27 581	-	-	-	-	-	(3 339)	(3 339)	24 243	28 822	29 543
Depreciation & asset impairment		16 522	-	-	-	-	-	(2 122)	(2 122)	14 400	17 265	17 697
Repairs and Maintenance by asset class	3	11 060	-	-	-	-	-	(1 217)	(1 217)	9 843	11 557	11 846
<i>Roads Infrastructure</i>		7 000	-	-	-	-	-	(497)	(497)	6 503	7 315	7 498
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		7 000	-	-	-	-	-	(497)	(497)	6 503	7 315	7 498
Community Facilities		1 000	-	-	-	-	-	1 340	1 340	2 340	1 045	1 071
Sport and Recreation Facilities		1 000	-	-	-	-	-	(930)	(930)	70	1 045	1 071
Community Assets		2 000	-	-	-	-	-	410	410	2 410	2 090	2 142
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		1 000	-	-	-	-	-	(930)	(930)	70	1 045	1 071
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		1 000	-	-	-	-	-	(930)	(930)	70	1 045	1 071
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		1 060	-	-	-	-	-	(200)	(200)	860	1 107	1 135
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		27 581	-	-	-	-	-	(3 339)	(3 339)	24 243	28 822	29 543
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.0%	0.0%							11.0%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>		0.0%	0.0%							18.9%	0.0%	0.0%
<i>R&M as a % of PPE</i>		4.5%	0.0%							3.7%	4.3%	4.2%
<i>Renewal and upgrading and R&M as a % of PPE</i>		4.5%	0.0%							4.7%	4.3%	4.2%

2.7 Adjustment of Capital expenditure details

The following tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Choose name from list - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class -

Description	Ref	Budget Year 2028/26							Budget Year +1	Budget Year +2		
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Uniform Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget I	
R thousands												
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		5 875						(2 547)	(2 547)	3 028	10 740	11 742
Roads Infrastructure		5 875						(2 547)	(2 547)	3 028	10 740	11 742
Roads		5 875						(3 243)	(3 243)	2 332	10 740	9 618
Road Structures								697		697		
Road Furniture												
Capital Spares												
Storm water Infrastructure												
Drainage Collection												
Storm water Conveyance												
Attenuation												
Electrical Infrastructure												2 124
Power Plants												
HV Substations												
HV Switching Station												
HV Transmission Conductors												
MV Substations												
MV Switching Stations												
MV Networks												
LV Networks												
Capital Spares												2 124
Water Supply Infrastructure												
Dams and Weirs												
Boreholes												
Reservoirs												
Pump Stations												
Water Treatment Works												
Bulk Mains												
Distribution												
Distribution Points												
RTV Stations												
Capital Spares												
Sanitation Infrastructure												
Pump Station												
Reticulation												
Waste Water Treatment Works												
Outfall Sewers												
Toilet Facilities												
Capital Spares												
Solid Waste Infrastructure												
Landfill Sites												
Waste Transfer Stations												
Waste Processing Facilities												
Waste Drop-off Points												
Waste Separation Facilities												
Electricity Generation Facilities												
Capital Spares												
Rail Infrastructure												
Rail Lines												
Rail Structures												
Rail Furniture												
Drainage Collection												
Storm water Conveyance												
Attenuation												
MV Substations												
LV Networks												
Capital Spares												
Coastal Infrastructure												
Sand Pumps												
Piers												
Revetments												
Promenades												
Capital Spares												
Information and Communication Infrastructure												
Data Centres												
Cable Layers												
Distribution Layers												
Capital Spares												
Community Assets		12 531						3 593	3 593	10 124	9 483	9 228
Community Facilities		9 807						(3 307)	(3 307)	6 556		
Halls		3 957						(1 317)	(1 317)	2 640		
Centres												
Cribres		5 900						(1 990)	(1 990)	3 910		
Clinics/Care Centres												
Fire/Ambulance Stations												
Feeding Stations												
Museums												
Galleries												
Theatres												
Libraries												
Cemeteries/Crematoria												
Police												
Parks												
Public Open Space												
Nature Reserves												
Public Ablution Facilities												
Markets												
Stalls												
Abattoirs												
Airports												
Taxi Ranks/Bus Terminals												
Capital Spares												
Sport and Recreation Facilities		2 674						6 900	6 900	9 574	9 483	9 228
Indoor Facilities												
Outdoor Facilities		2 674						6 900	6 900	9 574	9 483	9 228
Capital Spares												
Heritage assets												
Monuments												
Historic Buildings												
Works of Art												
Conservation Areas												
Other Heritage												
Investment properties												
Revenue Generating												
Improved Property												
Unimproved Property												
Non-revenue Generating												
Improved Property												
Unimproved Property												
Other assets												
Operational Buildings												
Municipal Offices												
Play/Enquiry Points												
Building Plan Offices												
Workshops												
Yards												
Stores												
Laboratories												
Training Centres												
Manufacturing Plant												
Depots												
Capital Spares												
Housing												
Staff Housing												
Social Housing												
Capital Spares												
Biological or Cultivated Assets												
Biological or Cultivated Assets												
Intangible Assets												
Services												
Licences and Rights												
Water Rights												
Effluent Licenses												
Solid Waste Licenses												
Computer Software and Applications												
Load Settlement Software Applications												
Unspecified												
Computer Equipment		814						(364)	(364)	450	200	300
Computer Equipment		814						(364)	(364)	450	200	300
Furniture and Office Equipment		714						(444)	(444)	270	300	300
Furniture and Office Equipment		714						(444)	(444)	270	300	300
Machinery and Equipment		3 000						(1 594)	(1 594)	1 406		
Machinery and Equipment		3 000						(1 594)	(1 594)	1 406		
Transport Assets		1 400						(700)	(700)	700	500	500
Transport Assets		1 400						(700)	(700)	700	500	500
Land												
Land												
Zoo's, Marine and Non-biological Animals												
Zoo's, Marine and Non-biological Animals												
Living resources												
Mature												
Planting and Protection												
Zoological plants and animals												
Immature												
Planting and Protection												
Zoological plants and animals												
Total Capital Expenditure on new assets to be adjusted	1	24 034						(2 056)	(2 056)	21 978	21 223	21 970

2.8 Other supporting documents

The below listed annexures for another supporting document.

- i. Annexure A: Data strings
- ii. Annexure D: B Schedule
- iii. SDBIP with the supporting documentation
- iv. Council Resolution



Municipal Manager's Quality Certificate

OFFICE OF THE MUNICIPAL MANAGER

QUALITY CERTIFICATE

I, Mr. S Mngwengwe, Municipal Manager of Mkhambathini Local Municipality, hereby certify that the 2025/2026 Adjustment Budget and SDBIP with the supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and the budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Mr. S Mngwengwe

Municipal Manager of Mkhambathini Local Municipality KZ226

Signature: _____

Date: 25 February 2026