

TSWELOPELE LOCAL MUNICIPALITY [FS 183]

CIVIC CENTRE, BOSMAN STREET

BULTFONTEIN, 9670

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ADJUSTMENT BUDGET

2024/2025

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1. PART 1: BUDGET FORMAT

2. Adjustment Budget Report (Mayoral Speech)

The speech to be delivered during the meeting when tabling adjustment budget.

3. Budget resolution by Council.

Council resolution will be availed after the meeting.

4. Executive summary

Tswelopele Municipality's 2024/2025 Budget was tabled to council and was approved on the 22nd of May 2024.

The adopted Budget was submitted to National and Provincial Treasury as required by the MFMA and MBRR.

The approved budget of the municipality was assessed by the National Treasury to determine its credibility and funding. For 2024/2025 MTREF, the budget of the municipality was found to be credible but not sustainable, due to issues such as, amongst others the ESKOM long outstanding debt.

For this reason, the municipality with the assistance of the Provincial Treasury and SALGA formulated a financial recovery plan that is still to be tabled to council for adoption in February 2025 together with the adjustment budget. This financial recovery plan is a strategy that will try to progressively improve the financial position and sustainability of the budget over the 2024/25 MTREF. The session with Provincial Treasury and SALGA resulted in a number of possible revenue initiatives that were listed for further exploration and eventual incorporation into the plan. However, majority of these initiatives are long term initiatives and can only yield results in the long future.

Tswelopele Local Municipality was approved to participate in the Eskom's Debt Relief Programme as was introduced through the MFMA Circular 124. The municipality was approved to participate in the programme from 01 December 2023. The Free State Provincial Treasury monitored and assessed the municipality's compliance with all the debt relief monthly conditions since approval. From the Provincial Treasury's assessment, the municipality achieved 61% average with the MFMA Circular 124. This performance poses the risk of the municipality being terminated from the programme.

One of the conditions that the municipality is struggling to comply with, is the maintenance of the Eskom's bulk current account. The municipality is faced with financial constraints and is only able to pay the current account to Eskom, no payments have been made towards the arrear debt as per the conditions of the programme. A newly proposed payment plan will be tabled to Eskom following approval of the Financial Recovery Plan.

Subsequent to the approval of the annual budget by the municipal council in May 2024, the National Treasury assessed the municipality's budget implementation and provided feedback on the accuracy of the data submitted (budget) and proposed improvements to the quality of the data strings. Therefore, this suggests that the mid-year assessment must be undertaken with the view to address issues already highlighted by National Treasury on the approved budget and its implementation as well as assessment of the municipal financial performance in the first half of the financial year.

As required by section 72 of the MFMA, the Accounting Officer performed the mid-year assessment for the 2024/2025 financial year to assess the municipal performance during the first half of the financial year.

The mid-year assessment gives an indication to municipal financial performance and status as at mid-way through the year and if there is a need to adjust the budget or not.

As per the assessment performed, the recommendation is that the council of the municipality must adjust its budget.

The Municipal Finance Management Act 56 of 2003 (MFMA) makes provision for municipalities in section 28 (1) to; revise an approved annual budget through an adjustments budget.

In terms of section 28(2)(b) of the MFMA and Section 23(3) of the Municipal Budget and Reporting Requirements (MBRR), municipalities may adjust their budgets through the adjustment budget.

Section 29 further gives provision for the mayor to authorise the unforeseen and unavoidable expenditure which no provision was made in an approved budget.

In line with the above, the municipality performed adjustments on its 2024/2025 budget as presented below:

The adjustment budget summary below gives overview of the adjustments that are made by the municipality on the 2024/2025 budget in the following sections.

Summary of Adjustment Budget

2024/2025 ADJUSTMENT BUDGET SUMMARY DESCRIPTION	ORIGINAL BUDGET	ADJUSTMENT BUDGET
Total Operating Revenue	R 282 827 000	R 258 091 000
Total Operating Expenditure (excl non-cash items)	R 220 791 000	R 238 860 000
Total Capital Budget	R 45 861 000	R 50 746 000

The budgeted revenue decreased with R 24 million during the adjustment budget process.

The significant contribution to this decrease resulted from revenue derived from the trading services. In the 2024-2025 financial year, the municipality introduced a new tariff structure as a means to ensure that the municipality's tariffs are cost reflective in order to enhance the revenue of the municipality, however, the new tariff structure proved to be overburdening the consumers of municipal services.

A petition against the new tariff structure was submitted to the municipality, after deliberations the municipal council arrived at a compromise and resolved to write-off the new tariff structure billing for the months of July and August 2024 to grant relief to the consumers. This would result in the municipality not being to fully archive its targeted revenue as budgeted hence the need to adjust these revenue items down.

The expenditure increased by a total increase of R 18 million, the increase can be attributed to different factors such as expenditure on the audit fees and other operational expenditure that were under budgeted.

The capital budget increase is from the roll-over of R 4.7 million that was approved for the Water Services Infrastructure Grant (WSIG).

4.1 Operating revenue overview

Tswelopele Municipal Budget vastly depends on grants from National Government. The operating government grant allocation for 2024/2025 amounts to R 106.3 million which constitutes almost half of the total budgeted revenue. It is also worth noting that, revenue from other sources such as property rates and services charges, is dependent on the municipal's ability to collect and are not monies guaranteed to be received as budgeted.

The table on the next page shows the adjustments on revenue and the explanation of each adjustment.

4.2 Revenue by source

4.2.1 The table below indicates the revenue by source after all adjustments.

FS183 Tswelopele - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	75 918	–	–	–	–	–	(17 344)	(17 344)	58 575	79 179	83 534
Service charges - Water	2	11 226	–	–	–	–	–	(2 004)	(2 004)	9 221	13 767	14 524
Service charges - Waste Water Management	2	12 626	–	–	–	–	–	(2 000)	(2 000)	10 626	15 132	15 964
Service charges - Waste Management	2	13 594	–	–	–	–	–	(6 500)	(6 500)	7 094	10 784	11 377
Sale of Goods and Rendering of Services		1 435	–	–	–	–	–	(7)	(7)	1 427	1 358	1 431
Agency services		–	–	–	–	–	–	–	–	–	–	–
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Current and Non Current Assets		2 382	–	–	–	–	–	818	818	3 200	2 258	2 382
Dividends		210	–	–	–	–	–	30	30	240	200	210
Rent on Land		633	–	–	–	–	–	(33)	(33)	600	630	665
Rental from Fixed Assets		543	–	–	–	–	–	(23)	(23)	520	513	540
Licence and permits		89	–	–	–	–	–	441	441	530	84	89
Operational Revenue		942	–	–	–	–	–	4 563	4 563	5 505	5 402	5 699
Non-Exchange Revenue												
Property rates	2	34 887	–	–	–	–	–	(3 944)	(3 944)	30 942	33 068	34 887
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		933	–	–	–	–	–	133	133	1 066	910	960
Licences or permits		–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		105 259	–	–	–	–	–	1 135	1 135	106 394	107 580	109 394
Interest		22 150	–	–	–	–	–	–	–	22 150	22 150	22 150
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		282 827	–	–	–	–	–	(24 735)	(24 735)	258 091	293 014	303 805

The decrease on all revenue from trading services line item relates to the tariff structure amended that was approved by council in August 2024 to grant relief to the over-burdened consumers as mentioned above.

The budget on the line-item interest earned from current and non-current assets is the interest from external investments. The increase of R 818 000 on this line was due to the municipality has benefiting from the interest hikes by the South-African reserve bank on their cash-backed funds. These interest hikes are anticipated to continue as the South African economy is almost in recession.

The budget on the line-item dividends received increased by R 30 000 this is a result of the performance of the shares that municipality has with Senwes.

The budget on the line-item fines, penalties and forfeits increased with R 133 000, this increase is for traffic fines that the municipality anticipates to issue and collect revenue from.

As a result of the new strict regulations for business owners to register their business, licence fees collected at mid-year required the municipality to increase the budgeted amount for licences and permits.

4.2.2 Grants and Subsidies

FS183 Tswelopele - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 2025/02/28

Description	Ref	2024/25							Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	8	9	10	11	12			
R thousands		A	A1	B	C	D	E	F		
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		106 394	–	–	–	–	–	106 394	107 580	109 394
Expanded Public Works Programme Integrated Grant		1 335	–	–	–	–	–	1 335	–	–
Local Government Financial Management Grant		2 100	–	–	–	–	–	2 100	2 100	2 300
Equitable Share		102 959	–	–	–	–	–	102 959	105 480	107 094
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	106 394	–	–	–	–	–	106 394	107 580	109 394
Capital Transfers and Grants										
National Government:		46 020	–	–	–	3 983	3 983	50 003	38 934	44 203
Municipal Infrastructure Grant		28 563	–	–	–	–	–	28 563	19 273	20 593
Integrated National Electrification Programme Grant		501	–	–	–	–	–	501	1 221	1 500
Water Services Infrastructure Grant		16 956	–	–	–	3 983	3 983	20 939	18 440	22 110
Provincial Government:		–	–	–	–	594	594	594	–	–
Specify (Add grant description)		–	–	–	–	594	594	594	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	150	150	150	158	158
Education, Training and Development Practices SETA		–	–	–	–	150	150	150	158	158
Total Capital Transfers and Grants	5	46 020	–	–	–	4 726	4 726	50 746	39 092	44 361
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	152 414	–	–	–	4 726	4 726	157 140	146 672	153 755

The budget for capital grants increased by R 4.7 million. The increase is informed by the roll-over of R 4.7 million that was approved for the Water Services Grant (WSIG).

4.3 Operating Expenditure Framework

FS183 Tswelopele - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Expenditure By Type												
Employee related costs		96 643	-	-	-	-	-	(3 258)	(3 258)	93 385	92 995	98 082
Remuneration of councillors		6 896	-	-	-	-	-	(251)	(251)	6 646	6 537	6 896
Bulk purchases - electricity		42 338	-	-	-	-	-	0	0	42 338	59 088	62 338
Inventory consumed		13 565	-	-	-	-	-	(108)	(108)	13 457	7 317	7 719
Debt impairment		10 000	-	-	-	-	-	-	-	10 000	-	-
Depreciation and amortisation		20 000	-	-	-	-	-	0	0	20 000	20 000	20 000
Interest		3 809	-	-	-	-	-	6 197	6 197	10 006	2 625	2 769
Contracted services		43 377	-	-	-	-	-	3 208	3 208	46 585	46 661	49 354
Transfers and subsidies		11	-	-	-	-	-	(1)	(1)	10	11	11
Irrecoverable debts written off		3 000	-	-	-	-	-	-	-	3 000	-	-
Operational costs		14 151	-	-	-	-	-	12 283	12 283	26 434	15 431	16 264
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		253 791	-	-	-	-	-	18 070	18 070	271 860	250 665	263 434
Surplus/(Deficit)		29 036	-	-	-	-	-	(42 805)	(42 805)	(13 769)	42 349	40 371
Transfers and subsidies - capital (monetary allocations)		45 861	-	-	-	-	-	4 885	4 885	50 746	37 871	42 869
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
<u>References</u>												

As evident on the table above, the operating expenditure of the Municipality increased from R 253.7 million to R 271.8 million.

The increase of R 18.1 million is exposed below:

- The decrease on the employees related costs and remuneration of councillors due to the incorrect salary increase that was applied at the time the original budget was prepared.
- Due to financial constraints some of the nice to have items such as non-basic cleaning detergents and coloured toners for printing had to be reduced this resulted in the decrease of R 230 000 on the inventory consumed line item;
- The line item for interest is mainly relating to the interest incurred on the Eskom and Sandvet arrear debt, this line item had to be increased by R 3.9 million due to the interest that has already incurred at midyear.
- An increase in the operational cost and contracted services line-item is informed by increase in expenditure such as, licence fees; advertisement costs, delegation costs; training; membership fees; audit fees; other main hiring of machinery and equipment and travelling costs.

4.3.1 Adjusted capital expenditure

FS183 Tswelopele - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Executive		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Water		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - Executive		535	-	-	-	-	-	45	45	580	525	554
Vote 2 - Budget and Treasury Office		826	-	-	-	-	-	447	447	1 274	557	587
Vote 3 - Community and Social Services		133	-	-	-	-	-	(13)	(13)	120	126	133
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	9 882	9 882	9 882	-	-
Vote 6 - Waste Management		55	-	-	-	-	-	(5)	(5)	50	53	55
Vote 7 - Waste Water Management		21 391	-	-	-	-	-	208	208	21 599	10 756	10 798
Vote 8 - Road Transport		2 769	-	-	-	-	-	16 004	16 004	18 773	2 625	2 769
Vote 9 - Water		22 199	-	-	-	-	-	(22 129)	(22 129)	70	37 879	40 512
Vote 10 - Electricity		3 000	-	-	-	-	-	(2 499)	(2 499)	501	-	-
Vote 11 - Corporate Services		111	-	-	-	-	-	39	39	150	105	111
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Total Capital Expenditure - Vote		51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Capital Expenditure - Functional												
Governance and administration		1 362	-	-	-	-	-	542	542	1 904	1 082	1 141
Executive and council		425	-	-	-	-	-	55	55	480	420	443
Finance and administration		937	-	-	-	-	-	487	487	1 424	662	698
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		133	-	-	-	-	-	9 869	9 869	10 002	126	133
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		133	-	-	-	-	-	9 869	9 869	10 002	126	133
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2 880	-	-	-	-	-	15 993	15 993	18 873	2 730	2 880
Planning and development		111	-	-	-	-	-	(11)	(11)	100	105	111
Road transport		2 769	-	-	-	-	-	16 004	16 004	18 773	2 625	2 769
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		46 645	-	-	-	-	-	(24 425)	(24 425)	22 220	48 687	51 365
Energy sources		3 000	-	-	-	-	-	(2 499)	(2 499)	501	-	-
Water management		22 199	-	-	-	-	-	(22 129)	(22 129)	70	37 879	40 512
Waste water management		21 391	-	-	-	-	-	208	208	21 599	10 756	10 798
Waste management		55	-	-	-	-	-	(5)	(5)	50	53	55
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Funded by:												
National Government		45 703	-	-	-	-	-	3 351	3 351	49 054	47 795	50 424
Provincial Government		-	-	-	-	-	-	594	594	594	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	45 703	-	-	-	-	-	3 945	3 945	49 648	47 795	50 424
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		5 316	-	-	-	-	-	(1 966)	(1 966)	3 350	4 830	5 096
Total Capital Funding		51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519

From the above table, it can be seen that the capital budget has increased by only R 1.9 million instead of R 4.7 million this is due to corrections informed by National Treasury assessments that were performed; The actual increase on the capex budget is R 4.7 million which is the amount for the roll-over that was approved for the Water Infrastructure Grant from the 2023/2024 financial year.

A decrease of R 2 million relates to the internal projects funded from the municipality's own funds. Due to financial constraints the municipality will no longer be able to make the capital assets acquisitions as initially planned at the beginning of the financial year.

5. Adjustment budget tables:

FS183 Tswelopele - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2024/25									Budget Year 2025/26	Budget Year 2026/27
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
<u>Financial Performance</u>											
Property rates	34 887	-	-	-	-	-	(3 944)	(3 944)	30 942	33 068	34 887
Service charges	113 365	-	-	-	-	-	(27 848)	(27 848)	85 517	118 861	125 398
Investment revenue	2 382	-	-	-	-	-	818	818	3 200	2 258	2 382
Transfers recognised - operational	105 259	-	-	-	-	-	1 135	1 135	106 394	107 580	109 394
Other own revenue	26 934	-	-	-	-	-	5 104	5 104	32 038	31 247	31 744
Total Revenue (excluding capital transfers and contributions)	282 827	-	-	-	-	-	(24 735)	(24 735)	258 091	293 014	303 805
Employee costs	96 643	-	-	-	-	-	(3 258)	(3 258)	93 385	92 995	98 082
Remuneration of councillors	6 896	-	-	-	-	-	(251)	(251)	6 646	6 537	6 896
Depreciation & asset impairment	30 000	-	-	-	-	-	0	0	30 000	20 000	20 000
Finance charges	3 809	-	-	-	-	-	6 197	6 197	10 006	2 625	2 769
Inventory consumed and bulk purchases	55 903	-	-	-	-	-	(108)	(108)	55 795	66 405	70 056
Transfers and subsidies	11	-	-	-	-	-	(1)	(1)	10	11	11
Other expenditure	60 528	-	-	-	-	-	15 491	15 491	76 019	62 093	65 618
Total Expenditure	253 791	-	-	-	-	-	18 070	18 070	271 860	250 665	263 434
Surplus/(Deficit)	29 036	-	-	-	-	-	(42 805)	(42 805)	(13 769)	42 349	40 371
Transfers and subsidies - capital (monetary allocations)	45 861	-	-	-	-	-	4 885	4 885	50 746	37 871	42 869
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
<u>Capital expenditure & funds sources</u>											
Capital expenditure	51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Transfers recognised - capital	45 703	-	-	-	-	-	3 945	3 945	49 648	47 795	50 424
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	5 316	-	-	-	-	-	(1 966)	(1 966)	3 350	4 830	5 096
Total sources of capital funds	51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
<u>Financial position</u>											
Total current assets	205 556	-	-	-	-	-	(21 036)	(21 036)	184 520	230 624	234 639
Total non current assets	137 282	-	-	-	-	-	1 979	1 979	139 261	138 888	141 782
Total current liabilities	87 593	-	-	-	-	-	18 863	18 863	106 456	103 945	107 833
Total non current liabilities	185 124	-	-	-	-	-	-	-	185 124	55 124	55 124
Community wealth/Equity	70 121	-	-	-	-	-	(37 920)	(37 920)	32 201	210 443	213 464
<u>Cash flows</u>											
Net cash from (used) operating	127 468	-	-	-	-	-	5 833	5 833	133 301	72 951	81 743
Net cash from (used) investing	(50 620)	-	-	-	-	-	-	-	(50 620)	(43 764)	(49 519)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	136 848	-	-	-	-	-	(61 579)	(61 579)	75 269	89 187	92 223
<u>Cash backing/surplus reconciliation</u>											
Cash and investments available	138 274	-	-	-	-	-	(61 579)	(61 579)	76 695	85 363	86 031
Application of cash and investments	6 459	-	-	-	-	-	(55 747)	(55 747)	(49 288)	(25 537)	(24 620)
Balance - surplus (shortfall)	131 815	-	-	-	-	-	(5 832)	(5 832)	125 983	110 900	110 652
<u>Asset Management</u>											
Asset register summary (WDV)	134 295	-	-	-	-	-	(42 138)	(42 138)	92 157	135 901	138 795
Depreciation	20 000	-	-	-	-	-	0	0	20 000	20 000	20 000
Renewal and Upgrading of Existing Assets	25 608	-	-	-	-	-	(14 182)	(14 182)	11 426	18 276	19 281
Repairs and Maintenance	21 463	-	-	-	-	-	(1 562)	(1 562)	19 901	20 344	21 462
<u>Free services</u>											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
<u>Households below minimum service level</u>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

FS183 Tswelopele - Table B2 Adjustments Budget Financial Performance (functional classification) - 2025/02/28

Standard Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
<i>Governance and administration</i>		158 277	-	-	-	-	-	2 890	2 890	161 166	171 786	175 913
Executive and council		94 644	-	-	-	-	-	5 591	5 591	100 235	110 389	112 273
Finance and administration		63 633	-	-	-	-	-	(2 701)	(2 701)	60 931	61 397	63 641
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 881	-	-	-	-	-	70	70	1 950	1 838	1 939
Community and social services		638	-	-	-	-	-	162	162	800	630	665
Sport and recreation		1 242	-	-	-	-	-	(92)	(92)	1 150	1 208	1 274
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20 914	-	-	-	-	-	8 739	8 739	29 653	19 575	20 908
Planning and development		255	-	-	-	-	-	745	745	1 000	242	255
Road transport		20 659	-	-	-	-	-	7 994	7 994	28 653	19 333	20 653
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		147 616	-	-	-	-	-	(31 548)	(31 548)	116 068	137 686	147 914
Energy sources		82 600	-	-	-	-	-	(19 882)	(19 882)	62 718	79 564	83 940
Water management		35 226	-	-	-	-	-	(3 166)	(3 166)	32 060	32 207	36 634
Waste water management		14 411	-	-	-	-	-	(2 000)	(2 000)	12 411	15 132	15 964
Waste management		15 379	-	-	-	-	-	(6 500)	(6 500)	8 879	10 784	11 377
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	328 688	-	-	-	-	-	(19 850)	(19 850)	308 838	330 884	346 674
Expenditure - Functional												
<i>Governance and administration</i>		90 115	-	-	-	-	-	14 572	14 572	104 687	101 013	105 552
Executive and council		29 702	-	-	-	-	-	4 768	4 768	34 470	45 341	46 734
Finance and administration		60 413	-	-	-	-	-	9 805	9 805	70 217	55 672	58 818
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		11 686	-	-	-	-	-	(197)	(197)	11 489	11 094	11 704
Community and social services		3 793	-	-	-	-	-	98	98	3 891	3 612	3 811
Sport and recreation		6 323	-	-	-	-	-	(142)	(142)	6 181	5 993	6 323
Public safety		1 570	-	-	-	-	-	(153)	(153)	1 417	1 488	1 570
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		32 918	-	-	-	-	-	36	36	32 954	27 975	29 513
Planning and development		8 618	-	-	-	-	-	(496)	(496)	8 123	8 128	8 575
Road transport		24 299	-	-	-	-	-	531	531	24 831	19 847	20 938
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		119 072	-	-	-	-	-	3 658	3 658	122 730	110 583	116 665
Energy sources		54 911	-	-	-	-	-	2 246	2 246	57 157	65 477	69 078
Water management		26 307	-	-	-	-	-	4 212	4 212	30 518	20 442	21 566
Waste water management		20 852	-	-	-	-	-	355	355	21 207	14 078	14 853
Waste management		17 002	-	-	-	-	-	(3 155)	(3 155)	13 847	10 586	11 168
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	253 791	-	-	-	-	-	18 070	18 070	271 860	250 665	263 434
Surplus/ (Deficit) for the year		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240

FS183 Tswelopele - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 2025/02/28

Vote Description [Insert departmental structure etc]	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Executive		94 810	-	-	-	-	-	5 895	5 895	100 705	110 546	112 439
Vote 2 - Budget and Treasury Office		26 373	-	-	-	-	-	(6 202)	(6 202)	20 171	6 022	6 437
Vote 3 - Community and Social Services		1 914	-	-	-	-	-	516	516	2 430	1 869	1 972
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		55	-	-	-	-	-	(5)	(5)	50	53	55
Vote 6 - Waste Management		15 379	-	-	-	-	-	(6 500)	(6 500)	8 879	10 784	11 377
Vote 7 - Waste Water Management		14 411	-	-	-	-	-	(2 000)	(2 000)	12 411	15 132	15 964
Vote 8 - Road Transport		20 659	-	-	-	-	-	7 994	7 994	28 653	19 333	20 653
Vote 9 - Water		35 226	-	-	-	-	-	(3 166)	(3 166)	32 060	32 207	36 634
Vote 10 - Electricity		82 600	-	-	-	-	-	(19 882)	(19 882)	62 718	79 564	83 940
Vote 11 - Corporate Services		37 260	-	-	-	-	-	3 500	3 500	40 760	55 376	57 203
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	328 688	-	-	-	-	-	(19 850)	(19 850)	308 838	330 884	346 674
Expenditure by Vote	1											
Vote 1 - Executive		38 321	-	-	-	-	-	4 272	4 272	42 593	53 469	55 309
Vote 2 - Budget and Treasury Office		39 697	-	-	-	-	-	10 028	10 028	49 725	36 047	38 113
Vote 3 - Community and Social Services		10 586	-	-	-	-	-	(101)	(101)	10 485	10 061	10 614
Vote 4 - Public Safety		970	-	-	-	-	-	(73)	(73)	897	910	960
Vote 5 - Sport and Recreation		130	-	-	-	-	-	(23)	(23)	107	123	130
Vote 6 - Waste Management		17 002	-	-	-	-	-	(3 155)	(3 155)	13 847	10 586	11 168
Vote 7 - Waste Water Management		20 852	-	-	-	-	-	355	355	21 207	14 078	14 853
Vote 8 - Road Transport		24 299	-	-	-	-	-	531	531	24 831	19 847	20 938
Vote 9 - Water		22 973	-	-	-	-	-	6 045	6 045	29 018	20 442	21 566
Vote 10 - Electricity		54 911	-	-	-	-	-	2 246	2 246	57 157	65 477	69 078
Vote 11 - Corporate Services		20 716	-	-	-	-	-	(224)	(224)	20 492	19 625	20 705
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	250 457	-	-	-	-	-	19 903	19 903	270 360	250 665	263 434
Surplus/ (Deficit) for the year	2	78 230	-	-	-	-	-	(39 753)	(39 753)	38 477	80 219	83 240

FS183 Tswelopele - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10			
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	75 918	-	-	-	-	-	(17 344)	(17 344)	58 575	79 179	83 534
Service charges - Water	2	11 226	-	-	-	-	-	(2 004)	(2 004)	9 221	13 767	14 524
Service charges - Waste Water Management	2	12 626	-	-	-	-	-	(2 000)	(2 000)	10 626	15 132	15 964
Service charges - Waste Management	2	13 594	-	-	-	-	-	(6 500)	(6 500)	7 094	10 784	11 377
Sale of Goods and Rendering of Services		1 435	-	-	-	-	-	(7)	(7)	1 427	1 358	1 431
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		2 382	-	-	-	-	-	818	818	3 200	2 258	2 382
Dividends		210	-	-	-	-	-	30	30	240	200	210
Rent on Land		633	-	-	-	-	-	(33)	(33)	600	630	665
Rental from Fixed Assets		543	-	-	-	-	-	(23)	(23)	520	513	540
Licence and permits		89	-	-	-	-	-	441	441	530	84	89
Operational Revenue		942	-	-	-	-	-	4 563	4 563	5 505	5 402	5 699
Non-Exchange Revenue												
Property rates	2	34 887	-	-	-	-	-	(3 944)	(3 944)	30 942	33 068	34 887
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		933	-	-	-	-	-	133	133	1 066	910	960
Licences or permits		-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		105 259	-	-	-	-	-	1 135	1 135	106 394	107 580	109 394
Interest		22 150	-	-	-	-	-	-	-	22 150	22 150	22 150
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		282 827	-	-	-	-	-	(24 735)	(24 735)	258 091	293 014	303 805
Expenditure By Type												
Employee related costs		96 643	-	-	-	-	-	(3 258)	(3 258)	93 385	92 995	98 082
Remuneration of councillors		6 896	-	-	-	-	-	(251)	(251)	6 646	6 537	6 896
Bulk purchases - electricity		42 338	-	-	-	-	-	0	0	42 338	59 088	62 338
Inventory consumed		13 565	-	-	-	-	-	(108)	(108)	13 457	7 317	7 719
Debt impairment		10 000	-	-	-	-	-	-	-	10 000	-	-
Depreciation and amortisation		20 000	-	-	-	-	-	0	0	20 000	20 000	20 000
Interest		3 809	-	-	-	-	-	6 197	6 197	10 006	2 625	2 769
Contracted services		43 377	-	-	-	-	-	3 208	3 208	46 585	46 661	49 354
Transfers and subsidies		11	-	-	-	-	-	(1)	(1)	10	11	11
Irrecoverable debts written off		3 000	-	-	-	-	-	-	-	3 000	-	-
Operational costs		14 151	-	-	-	-	-	12 283	12 283	26 434	15 431	16 264
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		253 791	-	-	-	-	-	18 070	18 070	271 860	250 665	263 434
Surplus/(Deficit)		29 036	-	-	-	-	-	(42 805)	(42 805)	(13 769)	42 349	40 371
Transfers and subsidies - capital (monetary allocations)		45 861	-	-	-	-	-	4 885	4 885	50 746	37 871	42 869
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	74 897	-	-	-	-	-	(37 920)	(37 920)	36 977	80 219	83 240

FS183 Tswelopele - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5	6	7	8	9	10	11	12		
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Executive		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Water		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - Executive		535	-	-	-	-	-	45	45	580	525	554
Vote 2 - Budget and Treasury Office		826	-	-	-	-	-	447	447	1 274	557	587
Vote 3 - Community and Social Services		133	-	-	-	-	-	(13)	(13)	120	126	133
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	9 882	9 882	9 882	-	-
Vote 6 - Waste Management		55	-	-	-	-	-	(5)	(5)	50	53	55
Vote 7 - Waste Water Management		21 391	-	-	-	-	-	208	208	21 599	10 756	10 798
Vote 8 - Road Transport		2 769	-	-	-	-	-	16 004	16 004	18 773	2 625	2 769
Vote 9 - Water		22 199	-	-	-	-	-	(22 129)	(22 129)	70	37 879	40 512
Vote 10 - Electricity		3 000	-	-	-	-	-	(2 499)	(2 499)	501	-	-
Vote 11 - Corporate Services		111	-	-	-	-	-	39	39	150	105	111
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Total Capital Expenditure - Vote		51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Capital Expenditure - Functional												
Governance and administration		1 362	-	-	-	-	-	542	542	1 904	1 082	1 141
Executive and council		425	-	-	-	-	-	55	55	480	420	443
Finance and administration		937	-	-	-	-	-	487	487	1 424	662	698
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		133	-	-	-	-	-	9 869	9 869	10 002	126	133
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		133	-	-	-	-	-	9 869	9 869	10 002	126	133
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2 880	-	-	-	-	-	15 993	15 993	18 873	2 730	2 880
Planning and development		111	-	-	-	-	-	(11)	(11)	100	105	111
Road transport		2 769	-	-	-	-	-	16 004	16 004	18 773	2 625	2 769
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		46 645	-	-	-	-	-	(24 425)	(24 425)	22 220	48 687	51 365
Energy sources		3 000	-	-	-	-	-	(2 499)	(2 499)	501	-	-
Water management		22 199	-	-	-	-	-	(22 129)	(22 129)	70	37 879	40 512
Waste water management		21 391	-	-	-	-	-	208	208	21 599	10 756	10 798
Waste management		55	-	-	-	-	-	(5)	(5)	50	53	55
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519
Funded by:												
National Government		45 703	-	-	-	-	-	3 351	3 351	49 054	47 795	50 424
Provincial Government		-	-	-	-	-	-	594	594	594	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	45 703	-	-	-	-	-	3 945	3 945	49 648	47 795	50 424
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		5 316	-	-	-	-	-	(1 966)	(1 966)	3 350	4 830	5 096
Total Capital Funding		51 019	-	-	-	-	-	1 979	1 979	52 998	52 625	55 519

FS183 Tswelopele - Table B6 Adjustments Budget Financial Position - 2025/02/28

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash and cash equivalents		136 848	-	-	-	-	-	(61 579)	(61 579)	75 269	83 937	84 606
Trade and other receivables from exchange transactions	1	17 684	-	-	-	-	-	44 252	44 252	61 936	78 229	80 816
Receivables from non-exchange transactions	1	26 002	-	-	-	-	-	(3 817)	(3 817)	22 185	41 933	41 948
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		2 446	-	-	-	-	-	108	108	2 554	3 406	3 292
VAT		20 964	-	-	-	-	-	-	-	20 964	21 507	22 365
Other current assets		1 612	-	-	-	-	-	-	-	1 612	1 612	1 612
Total current assets		205 556	-	-	-	-	-	(21 036)	(21 036)	184 520	230 624	234 639
Non current assets												
Investments		1 426	-	-	-	-	-	-	-	1 426	1 426	1 426
Investment property		102 571	-	-	-	-	-	-	-	102 571	102 571	102 571
Property, plant and equipment	3	31 019	-	-	-	-	-	1 979	1 979	32 998	32 625	35 519
Biological assets		705	-	-	-	-	-	-	-	705	705	705
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Intangible assets		-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		1 561	-	-	-	-	-	-	-	1 561	1 561	1 561
Total non current assets		137 282	-	-	-	-	-	1 979	1 979	139 261	138 888	141 782
TOTAL ASSETS		342 838	-	-	-	-	-	(19 057)	(19 057)	323 781	369 512	376 421
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		2 769	-	-	-	-	-	-	-	2 769	2 769	2 769
Consumer deposits		1 700	-	-	-	-	-	-	-	1 700	1 700	1 700
Trade and other payables from exchange transactions		66 888	-	-	-	-	-	20 158	20 158	87 046	82 609	85 413
Trade and other payables from non-exchange transactions		1 294	-	-	-	-	-	(1 295)	(1 295)	(1)	1 221	1 492
Provisions		863	-	-	-	-	-	-	-	863	863	863
VAT		14 079	-	-	-	-	-	-	-	14 079	14 783	15 596
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		87 593	-	-	-	-	-	18 863	18 863	106 456	103 945	107 833
Non current liabilities												
Borrowing	1	6 146	-	-	-	-	-	-	-	6 146	6 146	6 146
Provisions	1	141 077	-	-	-	-	-	-	-	141 077	41 077	41 077
Long term portion of trade payables		30 000	-	-	-	-	-	-	-	30 000	-	-
Other non-current liabilities		7 901	-	-	-	-	-	-	-	7 901	7 901	7 901
Total non current liabilities		185 124	-	-	-	-	-	-	-	185 124	55 124	55 124
TOTAL LIABILITIES		272 717	-	-	-	-	-	18 863	18 863	291 580	159 068	162 957
NET ASSETS	2	70 121	-	-	-	-	-	(37 920)	(37 920)	32 201	210 443	213 464
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		70 121	-	-	-	-	-	(37 920)	(37 920)	32 201	210 443	213 464
Funds and Reserves		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		70 121	-	-	-	-	-	(37 920)	(37 920)	32 201	210 443	213 464

FS183 Tswelopele - Table B7 Adjustments Budget Cash Flows - 2025/02/28

Description	Ref	2024/25								Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H	
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		47 930	-	-	-	-	-	-	-	47 930	33 383
Service charges		131 386	-	-	-	-	-	-	-	131 386	91 970
Other revenue		14 043	-	-	-	-	-	259	259	14 302	12 195
Transfers and Subsidies - Operational	1	106 394	-	-	-	-	-	150	150	106 544	107 738
Transfers and Subsidies - Capital	1	46 020	-	-	-	-	-	4 576	4 576	50 596	38 934
Interest		2 592	-	-	-	-	-	848	848	3 440	2 457
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(218 386)	-	-	-	-	-	-	-	(218 386)	(216 341)
Finance charges		(2 500)	-	-	-	-	-	-	-	(2 500)	2 625
Transfers and Subsidies	1	(11)	-	-	-	-	-	-	-	(11)	(11)
NET CASH FROM/(USED) OPERATING ACTIVITIES		127 468	-	-	-	-	-	5 833	5 833	133 301	72 951
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		(50 620)	-	-	-	-	-	-	-	(50 620)	(43 764)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(50 620)	-	-	-	-	-	-	-	(50 620)	(43 764)
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		76 848	-	-	-	-	-	5 833	5 833	82 681	29 187
Cash/cash equivalents at the year begin:	2	60 000	-	-	-	-	-	(67 412)	(67 412)	(7 412)	60 000
Cash/cash equivalents at the year end:	2	136 848	-	-	-	-	-	(61 579)	(61 579)	75 269	92 223

FS183 Tswelopele - Table B8 Cash backed reserves/accumulated surplus reconciliation - 2025/02/28

Description	Ref	2024/25								Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H	
Cash and investments available											
Cash/cash equivalents at the year end	1	136 848	-	-	-	-	-	(61 579)	(61 579)	75 269	89 187
Other current investments > 90 days		-	-	-	-	-	-	-	-	(5 250)	(7 618)
Non current assets - Investments	1	1 426	-	-	-	-	-	-	-	1 426	1 426
Cash and investments available:		138 274	-	-	-	-	-	(61 579)	(61 579)	76 695	86 031
Applications of cash and investments											
Unspent conditional transfers		1 294	-	-	-	-	-	(1 294)	(1 294)	-	1 221
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements		(6 885)	-	-	-	-	-	(0)	(0)	(6 885)	(6 724)
Other working capital requirements	2	11 186	-	-	-	-	-	(54 453)	(54 453)	(43 267)	(20 897)
Other provisions		863	-	-	-	-	-	-	-	863	863
Long term investments committed		-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		6 459	-	-	-	-	-	(55 747)	(55 747)	(49 288)	(25 537)
Surplus(shortfall)		131 815	-	-	-	-	-	(5 832)	(5 832)	125 983	110 900

FS183 Tswelopele - Table B9 Asset Management - 2025/02/28

Description	Ref	2024/25										Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Mat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H	I	J	K
R thousands													
CAPITAL EXPENDITURE													
Total New Assets to be adjusted	1	25 411	—	—	—	—	—	12 179	12 179	37 589	34 349	36 238	
<i>Roads Infrastructure</i>		—	—	—	—	—	—	12 796	12 796	12 796	—	—	—
<i>Electrical Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>		89	—	—	—	—	—	(19)	(19)	70	84	89	—
<i>Sanitation Infrastructure</i>		20 593	—	—	—	—	—	(3 637)	(3 637)	16 956	29 991	31 641	—
<i>Solid Waste Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Infrastructure</i>		20 682	—	—	—	—	—	9 140	9 140	29 822	30 075	31 729	—
<i>Community Facilities</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Community Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Heritage Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Investment properties</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		264	—	—	—	—	—	(14)	(14)	250	263	277	—
<i>Housing</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Other Assets</i>		264	—	—	—	—	—	(14)	(14)	250	263	277	—
<i>Biological or Cultivated Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Intangible Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Computer Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Furniture and Office Equipment</i>		1 209	—	—	—	—	—	21	21	1 230	924	975	—
<i>Machinery and Equipment</i>		487	—	—	—	—	—	(107)	(107)	380	462	487	—
<i>Transport Assets</i>		2 769	—	—	—	—	—	3 138	3 138	5 908	2 625	2 769	—
<i>Land</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Living Resources</i>		—	—	—	—	—	—	—	—	—	—	—	—
Total Renewal of Existing Assets to be adjusted	2	3 000	—	—	—	—	—	(2 499)	(2 499)	501	—	—	—
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		3 000	—	—	—	—	—	(2 499)	(2 499)	501	—	—	—
<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>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Infrastructure</i>		3 000	—	—	—	—	—	(2 499)	(2 499)	501	—	—	—
<i>Community Facilities</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Community Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Heritage Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Investment properties</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Housing</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Other Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Biological or Cultivated Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Intangible Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Computer Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Furniture and Office Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Machinery and Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Transport Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Land</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Living Resources</i>		—	—	—	—	—	—	—	—	—	—	—	—
Total Upgrading of Existing Assets to be adjusted	2a	22 688	—	—	—	—	—	(12 277)	(12 277)	10 411	18 276	19 281	—
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>		22 110	—	—	—	—	—	(22 110)	(22 110)	—	17 804	18 783	—
<i>Sanitation Infrastructure</i>		498	—	—	—	—	—	(48)	(48)	450	473	498	—
<i>Solid Waste Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Infrastructure</i>		22 608	—	—	—	—	—	(22 158)	(22 158)	450	18 276	19 281	—
<i>Community Facilities</i>		—	—	—	—	—	—	9 882	9 882	9 882	—	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	9 882	9 882	9 882	—	—	—
<i>Community Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Heritage Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Investment properties</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Housing</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Other Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Biological or Cultivated Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Intangible Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Computer Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Furniture and Office Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Machinery and Equipment</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Transport Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Land</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Living Resources</i>		—	—	—	—	—	—	—	—	—	—	—	—
Total Capital Expenditure to be adjusted	4	51 019	—	—	—	—	—	(2 597)	(2 597)	48 422	52 625	55 519	—
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	12 796	12 796	12 796	—	—	—
<i>Electrical Infrastructure</i>		3 000	—	—	—	—	—	(2 499)	(2 499)	501	—	—	—
<i>Water Supply Infrastructure</i>		22 190	—	—	—	—	—	(22 129)	(22 129)	70	17 888	18 872	—
<i>Sanitation Infrastructure</i>		21 091	—	—	—	—	—	(3 689)	(3 689)	17 406	30 464	32 139	—
<i>Solid Waste Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Infrastructure</i>		46 290	—	—	—	—	—	(15 518)	(15 518)	30 773	48 351	51 011	—
<i>Community Facilities</i>		—	—	—	—	—	—	9 882	9 882	9 882	—	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	9 882	9 882	9 882	—	—	—
<i>Community Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Heritage Assets</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Investment properties</i>		—	—	—	—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		264	—	—	—	—	—	(14)	(14				

ASSET REGISTER SUMMARY - PPE (WDV)	5	134 295	-	-	-	-	-	(2 597)	(2 597)	131 698	135 901	138 795
Roads Infrastructure		(3 333)	-	-	-	-	-	(1 667)	(1 667)	(5 000)	-	-
Storm water Infrastructure		-	-	-	-	-	-	12 796	12 796	12 796	19 991	21 641
Electrical Infrastructure		(333)	-	-	-	-	-	(166)	(166)	(499)	-	-
Water Supply Infrastructure		12 199	-	-	-	-	-	(19 129)	(19 129)	(6 930)	17 888	18 872
Sanitation Infrastructure		21 091	-	-	-	-	-	(3 685)	(3 685)	17 406	10 473	10 498
Solid Waste Infrastructure		(3 333)	-	-	-	-	-	(3 667)	(3 667)	(7 000)	(20 000)	(20 000)
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		26 290	-	-	-	-	-	(15 518)	(15 518)	10 773	28 351	31 011
Community Assets		-	-	-	-	-	-	9 882	9 882	9 882	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		102 571	-	-	-	-	-	-	-	102 571	102 571	102 571
Other Assets		264	-	-	-	-	-	(14)	(14)	250	263	277
Biological or Cultivated Assets		705	-	-	-	-	-	-	-	705	705	705
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		1 209	-	-	-	-	-	21	21	1 230	924	975
Machinery and Equipment		487	-	-	-	-	-	(107)	(107)	380	462	487
Transport Assets		2 769	-	-	-	-	-	3 138	3 138	5 908	2 625	2 769
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	134 295	-	-	-	-	-	(2 597)	(2 597)	131 698	135 901	138 795
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		20 000	-	-	-	-	-	0	0	20 000	20 000	20 000
Repairs and Maintenance by asset class	3	21 463	-	-	-	-	-	(1 589)	(1 589)	19 875	20 344	21 462
Roads Infrastructure		6 271	-	-	-	-	-	(155)	(155)	6 116	6 243	6 587
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		4 464	-	-	-	-	-	(434)	(434)	4 030	4 232	4 464
Water Supply Infrastructure		2 836	-	-	-	-	-	(76)	(76)	2 760	2 688	2 836
Sanitation Infrastructure		1 972	-	-	-	-	-	(12)	(12)	1 960	1 869	1 972
Solid Waste Infrastructure		809	-	-	-	-	-	(109)	(109)	700	767	809
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		16 352	-	-	-	-	-	(786)	(786)	15 566	15 798	16 667
Community Facilities		119	-	-	-	-	-	(12)	(12)	107	112	119
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		119	-	-	-	-	-	(12)	(12)	107	112	119
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		2 173	-	-	-	-	-	(231)	(231)	1 942	1 760	1 857
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		2 173	-	-	-	-	-	(231)	(231)	1 942	1 760	1 857
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		6	-	-	-	-	-	5	5	11	5	6
Furniture and Office Equipment		987	-	-	-	-	-	42	42	1 029	935	985
Machinery and Equipment		1 828	-	-	-	-	-	(608)	(608)	1 220	1 733	1 828
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		41 463	-	-	-	-	-	(1 589)	(1 589)	39 875	40 344	41 462
Renewal and upgrading of Existing Assets as % of total capex		50.2%	0.0%							22.4%	34.7%	34.7%
Renewal and upgrading of Existing Assets as % of deprecn		128.0%	0.0%							54.2%	91.4%	96.4%
R&M as a % of PPE		16.0%	0.0%							15.1%	15.0%	15.5%
Renewal and upgrading and R&M as a % of PPE		35.1%	0.0%							23.3%	28.4%	29.4%
References												
1. Detail of new assets provided in Table SB18a												
2. Detail of renewal of existing assets provided in Table SB18b												

FS183 Tswelopele - Table B10 Basic service delivery measurement - 28/02/2023

Description	Ref	2022/23									Budget Year 2023/24	Budget Year 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		3825000							-	3 825		
Piped water inside yard (but not in dwelling)		7022000							-	7 022		
Using public tap (at least min.service level)	2	632000							-	632		
Other water supply (at least min.service level)									-	-		
Minimum Service Level and Above sub-total		11 479	-	-	-	-	-	-	-	11 479	-	-
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3,4	514000							-	514		
No water supply									-	-		
Below Minimum Service Level sub-total		514	-	-	-	-	-	-	-	514	-	-
Total number of households	5	11 993	-	-	-	-	-	-	-	11 993	-	-
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		11992							-	11 992		
Flush toilet (with septic tank)									-	-		
Chemical toilet									-	-		
Pit toilet (ventilated)									-	-		
Other toilet provisions (> min.service level)									-	-		
Minimum Service Level and Above sub-total		11 992	-	-	-	-	-	-	-	11 992	-	-
Bucket toilet									-	-		
Other toilet provisions (< min.service level)									-	-		
No toilet provisions									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	11 992	-	-	-	-	-	-	-	11 992	-	-
Energy:												
Electricity (at least min. service level)		11993							-	11 993		
Electricity - prepaid (> min.service level)									-	-		
Minimum Service Level and Above sub-total		11 993	-	-	-	-	-	-	-	11 993	-	-
Electricity (< min.service level)									-	-		
Electricity - prepaid (< min. service level)									-	-		
Other energy sources									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	11 993	-	-	-	-	-	-	-	11 993	-	-
Refuse:												
Removed at least once a week (min.service)		11993							-	11 993		
Minimum Service Level and Above sub-total		11 993	-	-	-	-	-	-	-	11 993	-	-
Removed less frequently than once a week									-	-		
Using communal refuse dump									-	-		
Using own refuse dump									-	-		
Other rubbish disposal									-	-		
No rubbish disposal									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	11 993	-	-	-	-	-	-	-	11 993	-	-

6. Explanatory Notes to Adjustment Budget Tables

Explanatory Notes to Table B1: Table B1 is a summary of the budget of Tswelopele Local Municipality that gives an overview of the budget. This is the most important as it gives users of the budget a “snapshot” of what is going to follow in the next nine (9) main table. It includes, the following key aspects –

- **Financial Performance:** This is a summary of income statement of the Municipality.
- **Capital Expenditure and funding sources:** This gives a brief overview of the capital expenditure and its funding sources.
- **Financial Position:** This is the balance sheet of Tswelopele Local Municipality.
- **Cash Flow:** This gives a brief overview of the Cash flow of the Municipality.
- **Asset Management:** This is the overview of the total assets of the Municipality.
- **Free Services:** This section gives the total amount of free basic services as provided by the municipality.

Explanatory Notes to Table B2: Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table B4 as Table B4 exclude capital transfers

Explanatory Note to Table B3: Table B3 is an overview of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. Profits made on these services are used to subsidise non-trading services.

Explanatory note on table B4: Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the budgeted revenue of Tswelopele Local Municipality. Transfers recognised – operating includes the local

government equitable share and other operating grants from national and provincial government. Major component of expenditure relates to employee costs.

Currently the municipality is providing and billing Property rates and service charges as follows:

- Property rates:

The municipality is charging property rates in line with the policy. As of the first of July 2022, the municipality implemented the new valuation roll as per the requirements of the Municipal Property Rates Act.

- Electricity:

The municipality is only licenced to provide electricity in Bultfontein and Hoopstad. Phahameng and Tikwana purchase their electricity direct from Eskom.

- Water:

Municipality bills Phahameng and Tikwana on flat rate, Bultfontein and Hoopstad are billed on consumption basis.

The first 6kl of water is only granted free to indigent consumers. However, the indigent households in Phahameng and Tikwana receive hundred percent relief benefit on water billing as the billing in the townships is a flat rate.

- Sewerage and refuse:

Sewerage and refuse are provided on flat rate around the whole municipality.

Explanatory note on Table B5: Table B5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

Explanatory Notes to Table B6: Table B6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet). This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Explanatory note to Table B7: The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Tswelopele municipal’s budget is currently funded but not sustainable to the long outstanding debt with services such as Eskom and Sandvet.

A financial Recovery Plan will be submitted together with this budget. It will be used a bridge to ensure that the budget is sustainable.

Explanatory note to table B8: The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

7. PART 2: BUDGET FORMAT

8. Adjustment budget assumptions

Municipal Financial Management Act (MFMA) mentions six (6) steps (i.e. Planning, Strategizing, Preparing, Tabling, Consulting and Finalising/ Adopting) that the municipality must follow in order to prepare the adjustment budget that is credible. The

planning and strategizing processes started with the preparation of budget timelines as required by MFMA and IDP review process plan. 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 annual 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.

The adjustment budget was prepared on the incremental budgeting process with the assumption that goods and services as previously budgeted will increase by a certain percentage which is more than the current CPI. National Circular 128 was used for other assumptions of the budget and the following are some of the assumptions made:

- Economic climate and poverty levels within the Municipality will remain the same /constant for major part of the financial year given the limited economic activities within the Municipality.
- Cash flow projections will strictly be maintained to ensure that the municipality will meet its financial obligations.
- Operating costs will be maintained at current levels or reduced as cost containment measures and where there is material decrease in revenue collection-rate, expenditure will have to be reduced at the same proportion.

9. FUNDING OF THE BUDGET ADJUSTMENT

MFMA section 18 states that the expenditure of the budget may only be funded from:

- Realistically anticipated revenue to be collected
- Cash-backed accumulated funds from Previous years' surpluses not committed for other purpose
- Borrowed funds, but only for capital budget referred to in section 17 (2)

Tswelopele Local Municipality's adjusted operating budget is funded from: grants; service charges and other revenue. The capital budget of the municipality is funded from the MIG; WSIG; and INEP grants and own internally generated funds.



TSWELOPELE
LOCAL MUNICIPALITY
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MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, **MLE Leseane**, the Municipal Manager of **TSWELOPELE LOCAL MUNICIPALITY (FS 183)**, hereby certify that the Adjustment Budget and Supporting Documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Signature: _____

Date: _____