



Nama Khoi LOCAL Municipality

MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

2025/2026 – 2027/2028

FINAL BUDGET

NAMA KHOI MUNICIPALITY: NC062

26 MAY 2025

STRATEGIC OBJECTIVE

The strategic objective of this report is to ensure good governance, financial viability, and optimal institutional transformation with the capacity to execute its mandate.

LEGISLATIVE REQUIREMENT

Budget Circular Applicable and other legislative requirements from National Treasury

16. Annual budgets. —(1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

18. Funding of expenditure. — (1) An annual budget may only be funded from—

- (a) realistically anticipated revenues to be collected.
- (b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- (c) borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, considering—

- (a) projected revenue for the current year based on collection levels to date; and
- (b) actual revenue collected in previous financial years.

22. Publication of annual budgets. —Immediately after an annual budget is tabled in a municipal council, the accounting officer of the municipality must—

- (a) in accordance with Chapter 4 of the Municipal Systems Act—
 - (i) make public the annual budget and the documents referred to in section 17 (3); and
 - (ii) invite the local community to submit representations in connection with the budget; and
- (b) submit the annual budget—
 - (i) in both printed and electronic formats to the National Treasury and the relevant provincial treasury; and
 - (ii) in either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.

Consultations on tabled budgets

23. (1) When the annual budget has been tabled, the municipal council must consider

any views of

(a) the local community; and

(b) the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.

(2) After considering all budget submissions, the council must give the mayor an opportunity—

(a) to respond to the submissions; and

(b) if necessary, to revise the budget and table amendments for consideration by the council.

(3) The National Treasury may issue guidelines on the manner in which municipal councils should process their annual budgets, including guidelines on the formation of a committee of the council to consider the budget and to hold public hearings.

(4) No guidelines issued in terms of subsection (3) are binding on a municipal council unless adopted by the council.

Approval of annual budgets

24. (1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

(2) An annual budget—

(a) must be approved before the start of the budget year;

(b) is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and

(c) must be approved together with the adoption of resolutions as may be

necessary—(i) imposing any municipal tax for the budget year;(ii) setting any municipal tariffs for the budget year;

(iii) approving measurable performance objectives for revenue from each source and for each vote in the budget;

(iv) approving any changes to the municipality's integrated development plan; and

(v) approving any changes to the municipality's budget-related policies.

(3) The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.

Key Principles and Objectives that is link to the Municipal Budget

- **Municipal Structures Act (Act No. 117 of 1998):**

This act forms the basis for the structure and operations of municipalities, emphasizing cooperation between district and local municipalities.

- **Cooperative Governance:**

Municipalities are expected to cooperate with each other, and with other levels of government, to achieve shared goals.

- **Integrated Development Planning (IDP):**

Municipalities must develop and implement IDPs to guide their development and service delivery.

- **Performance Management:**

Municipalities are required to have performance management systems to monitor and evaluate their performance.

- **Community Engagement:**

Municipalities must enable community participation in municipal processes, including IDP, performance management, and budget processes.

- **Local Economic Development (LED):**

Municipalities play a crucial role in promoting local economic development, supporting local businesses, and creating jobs.

- **Financial Management:**

Municipalities must manage their finances responsibly, ensuring that expenditure is developmental, effective, and efficient.

- **Risk Management:**

Municipalities must have a risk management framework to identify, assess, and manage risks

Summary of Final Budget

We budget for total revenue of R527,919,493 and expenditure of R564,107,283, which leaves us with a **DEFICIT** of R-31,062,54. This is the reflection of the Statement of Financial Performance, which includes non-financial expenditure items such as depreciation and debt impairment; furthermore, Capital Expenditure amounts to R 47,139,000 from Grant Funding and R 30,503,214 from own funds, equalling R 77,642,214

The municipality budget assessment is found to be Funded for the 2025-26 financial year

The tariff increases are as follows:

✓ Property Rates	0%
✓ Electricity	New tariff structure proposal
✓ Water	General 0% increase
✓ Wastewater Management	4.1 increase
✓ Refuse Removal	4.3 increase
✓ General Tariffs	4.3 increase

Narrative to the Final Budget and Processes the municipality intends to embark on

The municipality appointed Rural Maintenance as a Revenue Enhancement partner, and they conducted a Cost of Supply Study of electricity; the results have shown that the municipality must consider a new structure of tariffs. The proposal was submitted to NERSA and the municipality awaits final approval.

The municipality will implement the new tariff structure if approve the electricity increases will vary from customer group, the municipality intention is to lower the electricity purchases for indigent and low-income households will offering different options for larger users, the municipality will apply for time of use tariffs as well as green energy initiatives for users that has installed solar energy. The municipality was successful with the first ESKOM Debt Write-off and will continue to adhere to the legislative requirements.

The municipality intends to enter into the Water Incentive Scheme, which will see the municipality's debt be written off over a three-year period.

Property Rates - The municipality has appointed a consultant to conduct a study into the structure and tariffs; with data cleansing that is not finalised as yet the proposal is to keep the property rates tariffs as is with no increase for the 2025-26 financial year, this means the tariff after the rebate approve by Council in the previous financial year will become the new tariff.

Water – The proposal is to have a 0% increase for consumers and have certain high-risk users' tariffs be instructed in aligned with Vaal Central Tariff increases

Wastewater Management will increase by 4.1% with further decreases in the installation fees of services.

Refuse Removal will only be increased with the proposed increase as per the Budget Circular.

Expenditure – The municipality, through the Rural Maintenance Revenue Enhancement Programme, intends to lower expenditure for bulk purchases by installing check meters and replacing faulty meters, applying for the consolidation of meters to lower interest and penalties to ESKOM, and the municipality also intends to implement water check meters in the Nama Khoi region to ensure the water accounts received illustrate the correct amounts.

The municipality made provisions for the repair and maintenance in the different departments to attend to the needs as identified in the public participation meetings.

Consultancy fees and system-related fees are budgeted as the municipality is trying to resolve its issues with incorrect billing and incorrect data.

Capital Expenditure – The municipality intends to fund several smaller ward-based projects through interest generated from grants and other municipal sources.

Debtors – The municipality wants to assist the Community with write-offs and wants to ensure that they can maintain their accounts; this will be done with the installation of pre-paid meters.

Creditors – The municipality intends to enter the Water Incentive Scheme, which will result in the municipality's debt being written off over a three-year period. The municipality is already on the ESKOM Debt Write-Off programme.

The municipality will continue to encourage the community to register as indigents.

Capital Projects 2025-26	Grants	Own Funding
Okiep Vaalhoek Sewer	12,696,000	
Upgrading of Waste Water Treatment Works Nababeep	10,000,000	
Computer Equipment		525,055
Office Equipment		525,055
Roads Machinery- Paving Machine and Pothole Patcher		2,312,638
3. Construct new drift at Buffelsrivier	3,666,000	
4. Demolish and reconstruct culvert bridge at Kleinzee	11,000,000	
Madeliefie Street: Construct new culvert crossing including road layer works at Bergsig	3,666,000	
2. Drift to Buffelsrivier: Reinststate river crossing to engineering standards at Buffelsrivier	6,111,000	
Sewer Network: Okiep Rocky Ridge (Own funding)		3,073,085
Steinkopf sewerage dams fencing		2,105,000
50KL Pressure Tower (Water)		800,000
Nababeep sewerage pipeline		1,000,000
Van Riebeeck straat springbok (opgradering van straat)		1,000,000
Matjieskloof main road (Opgradering van straat)		1,000,000
Catch pits springbok (Stormwater)		1,750,000
Komaggas reservoir existing project Own funding		1,595,381
Boreholes Concordia		750,000
Boreholes Matjieskloof		750,000
Kerk Street		1,000,000
Okiep - Vaalhoek No.1 Paving Road		1,000,000
Carolusberg Road		1,000,000
High mass lights - Whole of municipality area		4,517,000
Trucks		5,800,000

Notes on the Capital Expenditure

The municipality has projects to be funded from grant funding that include a project that is already in process, namely Nababeep Waste Water Treatment Projects; due to issues such as disputes and tenders that are exceeding the available funds, the projects for Okiep Vaalhoek as well as the projects for Disaster Response Grant was delayed, the municipality intension is to implement the projects for the next final year.

The municipality has conducted Strategic work sessions, as well as public participation processes, and the capital projects to be funded from its own sources is listed above; the intention is to improve service delivery.

Operating Revenue Framework

In municipalities, the operating revenue framework involves generating income through sources like property rates, service charges, and intergovernmental transfers, with the goal of funding day-to-day operations and essential services.

Here's a more detailed breakdown:

1. Key Revenue Sources:

Property Rates: Taxes levied on property values are a significant source of revenue.

Service Charges: Fees for services like electricity, water, sanitation, and waste management contribute significantly.

Intergovernmental Transfers: Funding from national and provincial governments is crucial for supporting municipal operations.

Licenses and Fees: Revenue generated from various licenses and fees, such as business licenses and parking fees, also contributes.

Other Revenue: This includes income from advertising, fines, and interest on investments.

The following table is a summary of the 2025/26 MTREF (classified by main revenue source):

Table 2: Summary of Revenue Classified by main revenue source

Table A4 Budgeted Financial Performance (revenue and expenditure)							
Description	Current Year 2024/25				025/26 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue							
Exchange Revenue							
Service charges - Electricity	120,610,505	141,220,962	141,220,962	141,220,962	159,926,757	186,121,041	216,679,302
Service charges - Water	57,879,354	58,675,664	58,675,664	58,675,664	61,257,394	64,013,977	65,614,327
Service charges - Waste Water Management	21,428,961	21,647,671	21,647,671	21,647,671	22,600,169	23,617,178	24,207,607
Service charges - Waste Management	25,847,033	25,847,033	25,847,033	25,847,033	26,984,303	28,198,597	28,903,562
Sale of Goods and Rendering of Services	3,922,066	4,204,211	4,204,211	4,204,211	4,389,195	4,586,710	4,701,379
Agency services	93,786	93,786	93,786	93,786	97,913	-	-
Interest earned from Receivables	22,299,427	22,299,427	22,299,427	22,299,427	23,280,602	24,328,229	24,936,435
Interest earned from Current and Non Current Assets	4,425,355	16,218,944	16,218,944	16,218,944	16,932,576	17,694,541	18,136,904
Rent on Land	1,252,978	1,252,978	1,252,978	1,252,978	1,308,109	1,366,973	1,401,147
Rental from Fixed Assets	3,399,035	3,399,035	3,399,035	3,399,035	3,548,593	3,708,279	3,800,987
Licence and permits	1,664,099	3,854,044	3,854,044	3,854,044	4,023,621	4,204,683	4,309,801
Operational Revenue	408,205	552,914	552,914	552,914	577,243	603,220	618,302
Non-Exchange Revenue							
Property rates	57,426,530	57,426,530	57,426,530	57,426,530	59,953,295	62,651,195	64,217,475
Fines, penalties and forfeits	603,022	607,809	607,809	607,809	634,553	663,108	679,686
Transfer and subsidies - Operational	73,321,000	339,363,535	339,363,535	339,363,535	77,232,000	78,991,000	82,426,000
Interest	4,391,925	4,391,925	4,391,925	4,391,925	4,585,170	4,791,503	4,911,291
Other Gains	60,588,000	60,588,000	60,588,000	60,588,000	60,588,000	60,588,000	60,588,000
Discontinued Operations	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	459,561,281	761,644,468	761,644,468	761,644,468	527,919,493	566,128,234	606,132,205

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as the inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and service charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise more than half of the total revenue mix. In the 2025/26 financial year, revenue from rates amounted to R59 953 295 provision was just made for the growth in properties that will result in an increase of property rates; services charges amounted to R 270,768,623 the increase is more in line with an improvement in electricity billing as result of replaced meters and the funds received from grants total R 77,232,000.

The municipality foresees growth in the electricity and water services because of the Rural Maintenance Revenue Enhancement Initiatives; interest from grants and other municipal sources will assist the municipality in generating funds to implement smaller ward-based projects as identified through the community participation and strategic planning sessions.

The revenue is showing a decline compared the previous financial year this is as result of the municipality receiving funds for the Kleinzee Town being taken over by the municipality and the municipality receiving a Contribution Settlement from De Beers.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Supporting Table SA18 Transfers and grant receipts			
Description	2025/26 Medium Term Revenue & Expenditure Framework		
	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
RECEIPTS:			
Operating Transfers and Grants			
National Government:	75,577,000	77,211,000	80,646,000
Local Government Equitable Share	70,976,000	74,211,000	77,546,000
Local Government Financial Management Grant	3,000,000	3,000,000	3,100,000
Expanded Public Works Programme Integrated Grant	1,601,000	-	-
Provincial Government:	1,655,000	1,780,000	1,780,000
CONDTNL - LIBRARY TRANS GRANT	1,655,000	1,780,000	1,780,000
Total Operating Transfers and Grants	77,232,000	78,991,000	82,426,000
Capital Transfers and Grants			
National Government:	22,696,000	39,329,000	50,278,000
Water Services Infrastructure Grant	10,000,000	20,000,000	26,250,000
Municipal Infrastructure Grant	12,696,000	18,017,000	18,657,000
Integrated National Electrification Programme Grant	-	1,312,000	1,371,000
Energy Efficiency and Demand-Side Management Grant	-	-	4,000,000
Total Capital Transfers and Grants	22,696,000	39,329,000	50,278,000
TOTAL RECEIPTS OF TRANSFERS & GRANTS	99,928,000	118,320,000	132,704,000

Notes on Grant Funding'

The municipality will receive grant for Equitable Share that will be as an extension to deliver services to the community, while also subsidizing the municipal accounts of indigents and the rest as per the requirements of the grant and is used in Council related cost.

Financial Management Grant is mostly used to ensure that the financial and other related systems stays operational, it is also further used for the employee related cost of interns, while a portion is budgeted for training compliance of municipal staff

Library grants is used for library operations and are link to the requirements and conditions of the grant.

Capital grants are project related and it align to the Capital Budget and Procurement Plan

Operating Expenditure Framework

Expenditure Priorities:

Employee-Related Costs:

A significant portion of municipal budgets is allocated to salaries and wages of municipal employees, this is as result of the municipality being service delivery driven, and much of the services to be delivered is human capital driven.

Bulk Purchases:

Costs associated with procuring essential goods and services, such as water, electricity, and refuse removal, are also significant.

Repairs and Maintenance:

Maintaining infrastructure and municipal assets requires substantial funding.

Other Expenditure:

This includes costs for general administration, social services, and other operational needs.

The following table is a high-level summary of the 2025/26 budget and MTREF (classified per the main type of operating expenditure):

Expenditure	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure		
	Original Budget	Adjusted Budget	Full Year Forecas	Pre-audit outcom	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Employee related costs	105,612,784	114,509,103	114,509,103	114,509,103	119,327,554	125,305,870	131,583,696
Remuneration of councillors	7,282,094	7,661,429	7,661,429	7,661,429	8,044,502	8,607,616	9,210,147
Bulk purchases - electricity	125,880,000	135,000,000	135,000,000	135,000,000	152,145,000	176,031,765	203,668,752
Inventory consumed	50,096,000	50,221,000	50,221,000	50,221,000	54,490,724	56,942,808	58,366,379
Debt impairment	22,200,000	39,000,000	39,000,000	39,000,000	42,900,000	47,190,000	51,909,000
Depreciation and amortisation	72,391,567	72,391,567	72,391,567	72,391,567	72,391,567	72,391,567	72,391,567
Interest	17,225,338	19,782,776	19,782,776	19,782,776	20,653,218	21,582,613	22,122,178
Contracted services	22,215,720	41,359,512	41,359,512	41,359,512	45,075,084	44,877,415	39,824,349
Transfers and subsidies	-	-	-	-	-	-	-
Irrecoverable debts written off	1,000,000	1,000,000	1,000,000	1,000,000	1,100,000	1,210,000	1,331,000
Operational costs	27,434,094	35,545,129	35,545,129	35,545,129	37,827,573	39,529,811	40,518,060
Losses on disposal of Assets	-	-	-	-	-	-	-
Other Losses	3,420,552	9,724,196	9,724,196	9,724,196	10,152,061	10,608,904	10,874,127
Total Expenditure	454,758,149	526,194,712	526,194,712	526,194,712	564,107,283	604,278,369	641,799,255

The budgeted allocation for employee-related costs for the 2025/2026-year totals R119,327,554 which equals 21 percent of the total operating expenditure or 25 percent if non-cash items are deducted. The municipality had a increase of 4.2% increase compared to the previous financial year, but did adjust employee costs accordingly with approved legislative wage agreements.

The cost associated with the Remuneration of Councillors was adjusted by 5% compared to the previous financial year however, the municipality will adjust the Remuneration of

Councillors in line with the necessary approved Upper Limits as per the Government Gazette.

The provision of debt impairment was determined based on an annual collection rate of 90 % percent and the Debt Write-off Policy of the municipality.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for measuring the rate of asset consumption. Note that the implementation of the GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register.

The municipality foresee that the cost of Finance cost will be reduce enormously as the municipality is currently compliant to the ESKOM Debt Relief Programme and will enter into the Water Incentive Scheme in July 2025, this means no interest and penalties should be incurred with the only interest due the interest of the loan, the municipality potentially will have funds available to at to service delivery initiatives.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Inventory Consumed comprises amongst others the purchase of Water, materials for maintenance, cleaning materials, and chemicals. In line with the municipality repairs and maintenance plan, this group of expenditures has been prioritized to ensure the sustainability of the municipality's infrastructure.

Operational Costs comprise various line items relating to the daily operations of the municipality. This group of expenditures has also been identified as an area in which cost savings and efficiencies can be achieved.

1. Annual Budget Tables

Annual Budget Tables - Parent Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2020/21 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipalities budget from all 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 the 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 emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position, and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) 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. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget

Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing in the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget

Choose name from list - Table A1 Budget Summary										
Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	-	-	-	57,427	57,427	57,427	57,427	59,953	62,651	64,217
Service charges	-	-	-	225,766	247,391	247,391	247,391	270,769	301,951	335,405
Investment revenue	-	-	-	4,425	16,219	16,219	16,219	16,933	17,695	18,137
Transfer and subsidies - Operational	-	-	-	73,321	339,364	339,364	339,364	77,232	78,991	82,426
Other own revenue	-	-	-	98,623	101,244	101,244	101,244	103,033	104,841	105,947
Total Revenue (excluding capital transfers and contributions)	-	-	-	459,561	761,644	761,644	761,644	527,919	566,128	606,132
Employee costs	-	-	-	105,613	114,509	114,509	114,509	119,328	125,306	131,584
Remuneration of councillors	-	-	-	7,282	7,661	7,661	7,661	8,045	8,608	9,210
Depreciation and amortisation	-	-	-	72,392	72,392	72,392	72,392	72,392	72,392	72,392
Interest	-	-	-	17,225	19,783	19,783	19,783	20,653	21,583	22,122
Inventory consumed and bulk purchases	-	-	-	175,976	185,221	185,221	185,221	206,636	232,975	262,035
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Other expenditure	-	-	-	76,270	126,629	126,629	126,629	137,055	143,416	144,457
Total Expenditure	-	-	-	454,758	526,195	526,195	526,195	564,107	604,278	641,799
Surplus/(Deficit)	-	-	-	4,803	235,450	235,450	235,450	(36,188)	(38,150)	(35,667)
Transfers and subsidies - capital (monetary allocations)	-	-	-	26,322	60,765	60,765	60,765	22,696	39,329	50,278
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	-	-	31,125	296,215	296,215	296,215	(13,492)	1,179	14,611
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	-	-	31,125	296,215	296,215	296,215	(13,492)	1,179	14,611
Capital expenditure & funds sources										
Capital expenditure	-	-	-	28,122	71,121	71,121	71,121	77,642	40,770	47,660
Transfers recognised - capital	-	-	-	26,322	60,765	60,765	60,765	47,139	38,017	44,907
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	1,800	10,356	10,356	10,356	30,503	2,753	2,753
Total sources of capital funds	-	-	-	28,122	71,121	71,121	71,121	77,642	40,770	47,660
Financial position										
Total current assets	-	-	-	199,881	381,691	381,691	381,691	327,306	326,849	334,724
Total non current assets	-	-	-	707,315	764,529	764,529	764,529	769,780	738,158	713,427
Total current liabilities	-	-	-	127,572	258,388	258,388	258,388	282,754	309,475	337,957
Total non current liabilities	-	-	-	518,213	335,510	335,510	335,510	275,502	215,523	155,575
Community wealth/Equity	-	-	-	284,868	552,322	552,322	552,322	538,830	540,009	554,620
Cash flows										
Net cash from (used) operating	-	-	-	26,472	280,778	280,778	280,778	41,262	59,648	76,394
Net cash from (used) investing	-	-	-	(28,122)	(71,121)	(71,121)	(71,121)	(77,642)	(40,770)	(47,660)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	-	-	-	42,570	253,877	253,877	253,877	217,497	236,375	265,108
Cash backing/surplus reconciliation										
Cash and investments available	-	-	-	(8,100)	253,877	253,877	253,877	217,497	236,375	265,108
Application of cash and investments	-	-	-	(5,975)	197,713	197,713	197,713	185,865	225,906	268,842
Balance - surplus (shortfall)	-	-	-	(2,125)	56,163	56,163	56,163	31,632	10,468	(3,734)
Asset management										
Asset register summary (WDV)	-	-	-	696,745	762,819	762,819		768,070	736,449	711,718
Depreciation	-	-	-	-	-	-		-	-	-
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-		-	-	-
Repairs and Maintenance	-	-	-	-	-	-		-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	53,604	53,604	53,604		55,963	58,481	59,943
Revenue cost of free services provided	-	-	-	4,050	4,050	4,050		4,228	4,418	4,528
Households below minimum service level										
Water:	-	-	-	-	-	-		-	-	-
Sanitation/sewerage:	-	-	-	-	-	-		-	-	-
Energy:	-	-	-	-	-	-		-	-	-
Refuse:	-	-	-	-	-	-		-	-	-

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

- Table A2 is a view of the budgeted financial performance of revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure, and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Revenue - Functional										
Governance and administration		-	-	-	100,047	417,946	417,946	159,579	166,179	172,032
Executive and council		-	-	-	2,084	2,084	2,084	2,492	931	955
Finance and administration		-	-	-	97,963	415,862	415,862	157,087	165,248	171,077
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	3,559	3,589	3,589	3,695	3,912	3,966
Community and social services		-	-	-	3,421	3,451	3,451	3,551	3,762	3,811
Sport and recreation		-	-	-	138	138	138	144	151	154
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	1,677	3,699	3,699	3,862	3,934	4,032
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	1,677	3,699	3,699	3,862	3,934	4,032
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	380,345	396,855	396,855	383,145	431,083	476,023
Energy sources		-	-	-	198,275	208,348	208,348	226,672	253,238	286,683
Water management		-	-	-	74,743	74,746	74,746	78,173	81,701	84,114
Waste water management		-	-	-	64,615	99,058	99,058	62,812	79,948	88,257
Waste management		-	-	-	42,711	14,703	14,703	15,488	16,195	16,970
Other	4	-	-	-	256	320	320	334	349	357
Total Revenue - Functional	2	-	-	-	485,883	822,409	822,409	550,615	605,457	656,410
Expenditure - Functional										
Governance and administration		-	-	-	110,178	128,632	128,632	136,081	140,655	139,455
Executive and council		-	-	-	22,899	25,520	25,520	27,078	26,887	28,272
Finance and administration		-	-	-	85,687	101,497	101,497	107,307	111,987	109,313
Internal audit		-	-	-	1,593	1,615	1,615	1,696	1,781	1,869
Community and public safety		-	-	-	31,402	35,123	35,123	36,973	37,895	39,175
Community and social services		-	-	-	11,507	10,757	10,757	11,303	11,855	12,378
Sport and recreation		-	-	-	13,852	16,539	16,539	16,880	17,238	17,597
Public safety		-	-	-	6,043	7,826	7,826	8,790	8,802	9,201
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	19,657	23,443	23,443	25,798	27,079	28,373
Planning and development		-	-	-	5,573	7,631	7,631	7,860	8,253	8,664
Road transport		-	-	-	14,085	15,813	15,813	17,938	18,826	19,709
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	293,520	338,997	338,997	365,255	398,649	434,796
Energy sources		-	-	-	156,057	187,461	187,461	207,768	234,721	265,212
Water management		-	-	-	75,567	84,892	84,892	88,539	92,464	95,476
Waste water management		-	-	-	21,236	19,936	19,936	20,743	21,623	22,532
Waste management		-	-	-	40,660	46,708	46,708	48,205	49,841	51,575
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	-	-	454,758	526,195	526,195	564,107	604,278	641,799
Surplus/(Deficit) for the year		-	-	-	31,125	296,215	296,215	(13,492)	1,179	14,611

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance of the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance of the organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	388	388	388	405	423	434
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	1,708	1,708	1,708	2,100	521	534
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	3,231	3,460	3,460	3,613	3,775	3,870
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	94,696	412,193	412,193	153,256	161,245	166,974
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	46,372	18,627	18,627	19,533	20,472	21,310
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	1,852	3,879	3,879	4,049	4,129	4,232
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	337,637	382,155	382,155	367,660	414,891	459,056
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: IE)		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	485,883	822,409	822,409	550,615	605,457	656,410
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	12,914	14,231	14,231	14,928	15,822	16,718
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	11,597	12,929	12,929	13,872	12,873	13,452
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	30,030	33,726	33,726	35,268	36,744	37,859
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	50,595	62,138	62,138	64,874	67,779	63,923
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	63,969	72,040	72,040	74,325	76,769	79,276
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	11,489	13,483	13,483	14,909	15,226	15,937
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	274,163	317,648	317,648	345,931	379,065	414,634
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: IE)		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	454,758	526,195	526,195	564,107	604,278	641,799
Surplus/(Deficit) for the year	2	-	-	-	31,125	296,215	296,215	(13,492)	1,179	14,611

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Revenue to be generated from property rates was budgeted to remain relatively constant over the medium-term
2. Services charges relating to electricity, water, sanitation, and refuse removal constitute the biggest component of the revenue basket of the municipality. This growth can mainly be attributed to the increase in the bulk prices of electricity.
3. Transfers recognized – operating includes the local government's equitable share and other grants from national and provincial governments. It needs to be noted that in real terms the grant receipts from the national government are decreasing rapidly over the MTREF. The municipality is grant-dependent and is it important to increase the equitable share every year.

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	120,611	141,221	141,221	141,221	159,927	186,121	216,679
Service charges - Water	2	-	-	-	57,879	58,676	58,676	58,676	61,257	64,014	65,614
Service charges - Waste Water Management	2	-	-	-	21,429	21,648	21,648	21,648	22,600	23,617	24,208
Service charges - Waste Management	2	-	-	-	25,847	25,847	25,847	25,847	26,984	28,199	28,904
Sale of Goods and Rendering of Services					3,922	4,204	4,204	4,204	4,389	4,587	4,701
Agency services					94	94	94	94	98	-	-
Interest					-	-	-	-	-	-	-
Interest earned from Receivables					22,299	22,299	22,299	22,299	23,281	24,328	24,936
Interest earned from Current and Non Current Assets					4,425	16,219	16,219	16,219	16,933	17,695	18,137
Dividends					-	-	-	-	-	-	-
Rent on Land					1,253	1,253	1,253	1,253	1,308	1,367	1,401
Rental from Fixed Assets					3,399	3,399	3,399	3,399	3,549	3,708	3,801
Licence and permits					1,664	3,854	3,854	3,854	4,024	4,205	4,310
Special rating levies					-	-	-	-	-	-	-
Operational Revenue					408	553	553	553	577	603	618
Non-Exchange Revenue	2	-	-	-	57,427	57,427	57,427	57,427	59,953	62,651	64,217
Property rates					-	-	-	-	-	-	-
Surcharges and Taxes					603	608	608	608	635	663	680
Fines, penalties and forfeits					-	-	-	-	-	-	-
Licences or permits					-	-	-	-	-	-	-
Transfer and subsidies - Operational					73,321	339,364	339,364	339,364	77,232	78,991	82,426
Interest					4,392	4,392	4,392	4,392	4,585	4,792	4,911
Fuel Levy					-	-	-	-	-	-	-
Operational Revenue					-	-	-	-	-	-	-
Gains on disposal of Assets					-	-	-	-	-	-	-
Other Gains					60,588	60,588	60,588	60,588	60,588	60,588	60,588
Discontinued Operations					-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	459,561	761,644	761,644	761,644	527,919	566,128	606,132
Expenditure											
Employee related costs	2	-	-	-	105,613	114,509	114,509	114,509	119,328	125,306	131,584
Remuneration of councillors					7,282	7,661	7,661	7,661	8,045	8,608	9,210
Bulk purchases - electricity	2	-	-	-	125,880	135,000	135,000	135,000	152,145	176,032	203,669
Inventory consumed	8	-	-	-	50,096	50,221	50,221	50,221	54,491	56,943	58,366
Debt impairment	3	-	-	-	22,200	39,000	39,000	39,000	42,900	47,190	51,909
Depreciation and amortisation		-	-	-	72,392	72,392	72,392	72,392	72,392	72,392	72,392
Interest		-	-	-	17,225	19,783	19,783	19,783	20,653	21,583	22,122
Contracted services		-	-	-	22,216	41,360	41,360	41,360	45,075	44,877	39,824
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	1,000	1,000	1,000	1,000	1,100	1,210	1,331
Operational costs		-	-	-	27,434	35,545	35,545	35,545	37,828	39,530	40,518
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	3,421	9,724	9,724	9,724	10,152	10,609	10,874
Total Expenditure		-	-	-	454,758	526,195	526,195	526,195	564,107	604,278	641,799
Surplus/(Deficit)		-	-	-	4,803	235,450	235,450	235,450	(36,188)	(38,150)	(35,667)
Transfers and subsidies - capital (monetary allocations)	6	-	-	-	26,322	60,765	60,765	60,765	22,696	39,329	50,278
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	31,125	296,215	296,215	296,215	(13,492)	1,179	14,611
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		-	-	-	31,125	296,215	296,215	296,215	(13,492)	1,179	14,611
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	-	-	31,125	296,215	296,215	296,215	(13,492)	1,179	14,611
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	-	-	-	31,125	296,215	296,215	296,215	(13,492)	1,179	14,611

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	1,800	1,800	1,800	1,800	1,050	1,224	1,224
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	16,322	65,589	65,589	65,589	50,212	38,017	44,907
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	18,122	67,389	67,389	67,389	51,262	39,241	46,131
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	-	-	-	-	5,800	-	-
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	3,732	3,732	3,732	20,580	1,530	1,530
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	3,732	3,732	3,732	26,380	1,530	1,530
Total Capital Expenditure - Vote		-	-	-	18,122	71,121	71,121	71,121	77,642	40,770	47,660
Capital Expenditure - Functional											
Governance and administration		-	-	-	1,800	1,800	1,800	1,800	1,050	1,224	1,224
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	1,800	1,800	1,800	1,800	1,050	1,224	1,224
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	9,063	1,530	1,530
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	9,063	1,530	1,530
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	26,322	69,321	69,321	69,321	67,529	38,017	44,907
Energy sources		-	-	-	-	-	-	-	4,517	-	-
Water management		-	-	-	-	1,627	1,627	1,627	9,695	-	-
Waste water management		-	-	-	26,322	67,694	67,694	67,694	53,317	38,017	44,907
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	-	-	28,122	71,121	71,121	71,121	77,642	40,770	47,660
Funded by:											
National Government		-	-	-	26,322	60,765	60,765	60,765	47,139	38,017	44,907
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov		-	-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-	-
Enterprises, Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	26,322	60,765	60,765	60,765	47,139	38,017	44,907
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	1,800	10,356	10,356	10,356	30,503	2,753	2,753
Total Capital Funding	7	-	-	-	28,122	71,121	71,121	71,121	77,642	40,770	47,660

Choose name from list - Table A6 Budgeted Financial Position											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents					2,592	253,877	253,877	253,877	217,497	236,375	265,108
Trade and other receivables from exchange transactions	1	–	–	–	104,117	83,036	83,036	83,036	95,133	107,255	118,640
Receivables from non-exchange transactions	1	–	–	–	20,018	13,509	13,509	13,509	(10,255)	(35,088)	(60,543)
Current portion of non-current receivables					–	–	–	–	–	–	–
Inventory	2	–	–	–	3,363	(3,224)	(3,224)	(3,224)	(9,562)	(16,185)	(22,973)
VAT					69,417	25,739	25,739	25,739	25,739	25,739	25,739
Other current assets					374	8,753	8,753	8,753	8,753	8,753	8,753
Total current assets		–	–	–	199,881	381,691	381,691	381,691	327,306	326,849	334,724
Non current assets											
Investments					–	–	–	–	–	–	–
Investment property					124,391	124,022	124,022	124,022	124,022	124,022	124,022
Property, plant and equipment	3	–	–	–	579,798	637,202	637,202	637,202	642,452	610,831	586,100
Biological assets					–	–	–	–	–	–	–
Living and non-living resources					–	–	–	–	–	–	–
Heritage assets					1,484	1,484	1,484	1,484	1,484	1,484	1,484
Intangible assets					152	111	111	111	111	111	111
Trade and other receivables from exchange transactions					–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions					1,490	1,710	1,710	1,710	1,710	1,710	1,710
Other non-current assets					–	–	–	–	–	–	–
Total non current assets		–	–	–	707,315	764,529	764,529	764,529	769,780	738,158	713,427
TOTAL ASSETS		–	–	–	907,196	1,146,220	1,146,220	1,146,220	1,097,086	1,065,007	1,048,152
LIABILITIES											
Current liabilities											
Bank overdraft					–	–	–	–	–	–	–
Financial liabilities		–	–	–	3,615	4,782	4,782	4,782	4,782	4,782	4,782
Consumer deposits					3,734	4,509	4,509	4,509	4,509	4,509	4,509
Trade and other payables from exchange transactions	4				34,371	231,624	231,624	231,624	255,853	282,432	310,764
Trade and other payables from non-exchange transactions	5				15,679	8,974	8,974	8,974	8,974	8,974	8,974
Provision					17,140	8,500	8,500	8,500	8,636	8,779	8,929
VAT					53,032	–	–	–	–	–	–
Other current liabilities					–	–	–	–	–	–	–
Total current liabilities		–	–	–	127,572	258,388	258,388	258,388	282,754	309,475	337,957
Non current liabilities											
Financial liabilities	6	–	–	–	21,624	15,952	15,952	15,952	127,952	127,952	127,952
Provision	7	–	–	–	118,951	135,827	135,827	135,827	136,407	137,016	137,655
Long term portion of trade payables		–	–	–	354,181	183,731	183,731	183,731	11,143	(49,445)	(110,033)
Other non-current liabilities					23,456	–	–	–	–	–	–
Total non current liabilities		–	–	–	518,213	335,510	335,510	335,510	275,502	215,523	155,575
TOTAL LIABILITIES		–	–	–	645,785	593,898	593,898	593,898	558,256	524,999	493,532
NET ASSETS		–	–	–	261,411	552,322	552,322	552,322	538,830	540,009	554,620
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8				284,637	552,091	552,091	552,091	538,600	539,779	554,389
Reserves and funds	9	–	–	–	230	230	230	230	230	230	230
Other					–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10	–	–	–	284,868	552,322	552,322	552,322	538,830	540,009	554,620

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- 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.
- Table 66 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of several items, including:
 - Call investments deposits.
 - Consumer debtors.
 - Property, plant, and equipment.
 - Trade and other payables.
 - Provisions non-current.
 - Changes in net assets; and
 - Reserves

4. 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. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact the Budgeted Financial Position. As an example, the collection rate assumption will impact the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year-end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

Choose name from list - Table A7 Budgeted Cash Flows											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates					55,018	55,637	55,637	55,637	88,303	92,276	94,583
Service charges					205,264	205,017	205,017	205,017	243,743	271,809	301,919
Other revenue					4,096	12,712	12,712	12,712	13,271	13,766	14,110
Transfers and Subsidies - Operational	1				79,315	365,037	365,037	365,037	77,232	78,991	82,426
Transfers and Subsidies - Capital	1				26,322	36,322	36,322	36,322	22,696	39,329	50,278
Interest					4,425	11,925	11,925	11,925	12,450	13,010	13,336
Dividends					-	-	-	-	-	-	-
Payments											
Suppliers and employees					(330,744)	(386,089)	(386,089)	(386,089)	(395,779)	(427,951)	(458,136)
Interest					(17,225)	(19,783)	(19,783)	(19,783)	(20,653)	(21,583)	(22,122)
Transfers and Subsidies	1				-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	26,472	280,778	280,778	280,778	41,262	59,648	76,394
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					(28,122)	(71,121)	(71,121)	(71,121)	(77,642)	(40,770)	(47,660)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	(28,122)	(71,121)	(71,121)	(71,121)	(77,642)	(40,770)	(47,660)
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		-	-	-	(1,650)	209,657	209,657	209,657	(36,380)	18,878	28,734
Cash/cash equivalents at the year begin:	2				44,220	44,220	44,220	44,220	253,877	217,497	236,375
Cash/cash equivalents at the year end:	2				42,570	253,877	253,877	253,877	217,497	236,375	265,108

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The Cash Flow Budget is funded as the funds of receive for the Town of Kleinsee is reserved in a call account.

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	-	-	-	2,592	253,877	253,877	253,877	217,497	236,375	265,108
Other current investments > 90 days		-	-	-	(10,692)	0	0	0	0	0	0
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		-	-	-	(8,100)	253,877	253,877	253,877	217,497	236,375	265,108
Application of cash and investments											
Unspent conditional transfers		-	-	-	15,679	8,974	8,974	8,974	8,974	8,974	8,974
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	-	-	-	(21,884)	188,740	188,740	188,740	168,026	207,927	250,858
Other provisions		-	-	-	-	-	-	-	8,634	8,775	8,781
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	230	-	-	-	230	230	230
Total Application of cash and investments:		-	-	-	(5,975)	197,713	197,713	197,713	185,865	225,906	268,842
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		-	-	-	(2,125)	56,163	56,163	56,163	31,632	10,468	(3,734)
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	142,560	-	-	-	11,143	(49,445)	(110,033)
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		-	-	-	140,435	56,163	56,163	56,163	42,776	(38,976)	(113,767)

Explanatory notes to Table A8 – Cash-backed reserves/accumulated surplus reconciliation

The municipality will be assessed to check the funding of the budget, municipality are encouraged to table Funded Budget and if it is not possible the municipality are required to adopt a Funded Budget Plan or Financial Recovery Plan, in Nama Khoi Municipality case the Draft Budget was founded to be funded and our assessment shows that the Final Budget is also funded, the municipality will however, going to submit the Funded Budget Plan as well as the Cost Containment Report as part of the monthly Section 71 submission,

It must be noted that the municipality is currently in the ESKOM Debt Relief Programme and has already received 1/3 write-off of the debt, the municipality is three months away of having the second write-off, meaning the municipality debt to ESKOM might be written-off entirely in by next year August.

The municipality also had positive engagements with Vaal Central Water and will see an substantial amount written of by both parties that will see debtors and creditors by both parties be affected positively, the municipality will also enter the Water Incentive Scheme that will see the municipality debt be written off over a three year period.

The above explanation will finally put the municipality in a position to entirely focus on service delivery issues while maintaining only monthly account to bulk purchases.

This table is significant to make sure that we have a funded Budget. Nama Khoi Showed a surplus of R42 million which indicates we have a **FUNDED BUDGET**.

Public Participation

The municipality conducted IDP/Budget consultation session in the municipality region the input from the different communities is attached.

INTEGRATED DEVELOPMENT PLAN

The IDP will be submitted to Council as a separate document

A1 Schedule, Policies, Tariffs and All other required documents will be submitted as attachments to the budget

Quality Certificate

I, JAN IZAK SWARTZ, Municipal Manager of Nama Khoi Municipality, at this moment, certify that the Final Budget and supporting documentation have been prepared by the Municipal Finance Management Act and the regulations made under the Act and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Municipal Manager of Nama Khoi Municipality (NC062)

Signature

Date 26/05/2025