

BA-PHALABORWA MUNICIPALITY



“Home of Marula and Wildlife Tourism”

**TABLED BUDGET
2025/26 MTREF**

Vision

“Provision of quality services for community well-being and tourism development”



Mission

- to provide democratic and accountable government for local communities.
- to ensure the provision of services to communities in a sustainable manner.
- to promote social and economic development.
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organisations in the matters of local government.

Values

- Efficiency and effectiveness
- Accountability
- Innovation and creativity
- Professionalism & hospitality
- Transparency and fairness
- Continuous learning
- Conservation conscious

TABLE OF CONTENT

PART 1: ANNUAL BUDGET

1	Mayor' s Report.....	Page 7-12
2	Resolutions.....	Page 12-19
3	Executive summary.....	Page 21-28
4	Annual budget tables.....	Page 29-53

PART 2: SUPPORTING DOCUMENTATION

5	Overview of annual budget.....	Page 54-79
6	Overview of alignment of annual budget with Integrated Development Plan.....	Page 80-86
7	Measurable performance objectives and indicators.....	Page 87-89
8	Overview of budget-related Policies.....	Page 90-92
9	Overview of budget assumptions.....	Page 93-94
10	Overview of budget funding.....	Page 95-105
11	Expenditure on allocations and grant programmes.....	Page 106-107
12	Allocations and grants made by the municipality.....	Page 107
13	Councillors and board member allowance and employee benefits.....	Page 108-109
14	Monthly targets for revenue, expenditure and cash flow.....	Page 110-112
15	Annual budget and service delivery and budget implementation plans.....	Page 113
16	Contracts having future budgetary implications.....	Page 113
17	Capital Expenditure details.....	Page 114-119
18	Legislation compliance status.....	Page 120
19	Other supporting Documents.....	Page 121-135

TABLED BUDGET 2025/26

PART 3: ANNEXURES

- Annexure A : Tariff Schedule**
- Annexure B : Budget Related Policies**
- Annexure in IDP: Service Delivery Budget Implementation Plan (Section E)**

ABBREVIATIONS/ACCRONYMS

CFO	Chief Financial Officer
CPIX	Consumer Price Index
DoRA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DLGH	Department of Local Government and Housing
EXCO	Executive Committee
GRAP	Generally Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulation of South Africa

NT	National Treasury
PMS	Performance Management System
PPP	Public-Private Partnerships
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget and Implementation Plan

PART ONE

TABLED BUDGET

1. MAYOR'S REPORT

BA- PHALABORWA LOCAL MUNICIPALITY'S DRAFT BUDGET SPEECH FOR 2025/26

Delivered by Mayor, Cllr. MM. Malatji

On Thursday, 27th MARCH 2025

Honourable Speaker, Cllr. NO Mabunda

Chief Whip of Council, Cllr. D Rapatsa

Chairperson of MPAC, Cllr. MP Mkhari

Members of the Executive Committee

Leaders of Opposition Parties

Fellow Councillors

Traditional Leaders

Acting Municipal Manager

Senior Managers and officials

Members of our communities

Distinguished Guests

Members of the Media

Ladies and gentlemen,

Good morning/ Afternoon

TABLED BUDGET 2025/26

Today, I stand before you to present the proposed draft budget for the 2025/2026 financial year. This budget represents our commitment to building a sustainable future for our municipality, one that prioritizes service delivery, economic growth, and the well-being of all our residents.

Section 16 subsection 2 of Municipal Finance Management Act, 2003 states that 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.

MFMA Section 17. (1)

1. An annual budget of a municipality must be a schedule in the prescribed format—
 - (a) setting out realistically anticipated revenue for the budget year from each revenue source.
 - (b) appropriating expenditure for the budget year under the different votes of the municipality.
 - (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year.
 - (d) setting out—
 - (i) estimated revenue and expenditure by vote for the current year; and
 - (ii) And actual revenue and expenditure by vote for the financial year preceding the current year.
2. An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

Honourable Speaker, this draft budget aims to satisfy the constitutional obligation of the municipality which is outlined in Chapter 7 of the Constitution and mandate municipalities to provide democratic and accountable government, ensure sustainable service delivery, promote social and economic development, and foster a safe environment.

Honourable Speaker, municipalities face a difficult fiscal environment, and we are not immune to these challenges. I must indicate that it has been a difficult task in our municipality to come up with this draft budget as we are also faced with issues of low revenue collection. Liquidity remains a concern as the low collection rate on trade receivables remains a challenge in our municipality.

Due to weaker economic growth and other economic factors such as the current VAT increase which puts added pressure on households, households will likely struggle to pay municipal accounts which will impact more negatively on our own revenue.

To ensure that we meet our financial obligations and other commitments as it falls due, we need to minimise spending on non-core functions and put more focus on the implementation of the reviewed municipal financial recovery plan, Municipal revenue improvement plan, as well as the approved cost containment regulation.

REVENUE BUDGET

Honourable Speaker, the 2025/26 total projected revenue is estimated at **R787.3** million. The amount includes own generated revenue which totals to **R526.3** million for all municipal service charges, such as property rates electricity, and refuse removal and the total capital and operational transfers and subsidies amounts to **R261.1** million as per Division of Revenue Act.

It must be noted that own generated revenue is based on the projected revenue to be collected from the community based on the services that we are rendering on a monthly basis.

OPERATING BUDGET

Total expenditure budget for 2025/26 amounts to **R859.5** million. This total budget comprises of operational expenditure budget of **R794** million and capital budget of **R65.5** million.

- The budgeted allocation for employee-related costs for the 2025/26 financial year amounts to **R223.9** million which equals 28.2% of the total operating expenditure. The Salary and Wage Collective Agreement were signed by the parties of the South African Local Government Bargaining Council (SALGBC) on Friday, 6 September 2024 has been taken into consideration.
- The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). For the 2025/26 financial year the remuneration of councilors will amount to **R19.2** million.
- The provision of debt impairment was determined based on the current collection rate and Debt Write-off Policy of the municipality. While this expenditure is a non-cash flow item, it is informed by the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues and amount to **R110.1** million which equals to 13.9% of the operating expenditure.

- Provision for depreciation and asset impairment is informed by the Municipality's Asset Management Policy. Budget appropriations in this regard totals **R87.3** million for the 2025/26 financial and equates to 10.2% of the total operating expenditure.
- Bulk purchases are directly informed by the purchase of electricity from Eskom. The budgeted amount will be **R150.8** million and totals to 19% of the total operating expenditure. The annual price increases have been factored into the budget appropriations as per NERSA approval.
- The Interest (finance charges) for the 2025/26 financial year is estimated at **R20.7** million which constitutes 2.6% of the total operating expenditure.
- Contracted services for 2025/26 financial year amounts to **R69.2** million and equals to 8.7% of the total operating expenditure budget.
- Operational costs comprise of various line items relating to the daily operations of the municipality, for 2025/26 financial year is estimated at **R85.8** million which equates to 10.8% of total operational budget.

CAPITAL BUDGET

- Honourable Speaker, the total capital budget for 2025/26 financial year will be **R65.5** million, **R33.3** million will be funded from internally generated revenue, while **R33.2 million** will be funded from capital grants as per the Division of Revenue Act. Please note that the amounts are exclusive of VAT.

Tariffs

- Honourable Speaker, it is envisaged that the proposed tariffs will allow the municipality to generate revenue to sustain the municipal operations. The 2025/26 tariffs have been reviewed in line with the CPI as guided by National Treasury circulars.
- Electricity tariff increases is governed by NERSA; the Annexure of tariff book is attached on the budget document to highlight the categories of increases.

ANNUAL BUDGET RESOLUTIONS

The Council of Ba-Phalaborwa Local Municipality in its seating on the 27th of March 2025 resolved as follows regarding the annual Budget for 2025/26 Medium-Term Revenue and Expenditure Framework:

2.1. ANNUAL BUDGET FOR 2025/26 MTREF

Council resolved that the annual budget and MTREF and its supporting tables of the Ba-Phalaborwa municipality for the financial year 2025/26; be approved as set out in the following tables:

Table MBRR A1	Budget Summary
Table MBRR A2	Revenue and expenditure by functional classification
Table MBRR A3	Budgeted financial performance (Revenue and Expenditure by Municipal Vote)
Table MBRR A4	Budgeted financial performance (Revenue and Expenditure)

Table MBRR A5	Budgeted capital expenditure
Table MBRR A6	Financial position
Table MBRR A7	Budget cash flows
Table MBRR A8	Cash backed reserves, accumulated surplus reconciliation.
Table MBRR A9	Asset Management,
Table MBRR A10	Basic service delivery measures

2.2. ANNUAL BUDGET SUPPORT TABLES FOR 2025/26 MTREF

That the Annual budget of Ba-Phalaborwa municipality for the financial year 2025/26; and indicative figures for the two projected outer years 2025/26 and 2026/27 be approved as set-out in the following supporting tables:

Table MBRR SA1	Supporting details to budgeted financial performance.
Table MBRR SA2	Consolidated Matrix Financial performance
Table MBRR SA3	Budgeted financial position.
Table MBRR SA7	Measurable performance objective
Table MBRR SA8	Performance indicators and benchmark

TABLED BUDGET 2025/26

Table MBRR SA9 Social, economic and demographic statistics and assumption

Table MBRR SA10 Funding Measurements

Table MBRR SA14 Household bills

Table MBRR SA15 Investment particulars

Table MBRR SA16 Investment particulars by maturity

Table MBRR SA17 Borrowing

Table MBRR SA20 Reconciliation of transfer, grant receipt and unspent funds

Table MBRR SA21 Transfers and grants made by the municipality.

Table MBRR SA22 Summary of councillor and staff benefits

Table MBRR SA23 Salaries, allowances & benefits

Table MBRR SA25 Budgeted monthly revenue and expenditure (Standard Item)

Table MBRR SA26 Budgeted monthly revenue and expenditure (Municipal vote)

Table MBRR SA27 Budgeted monthly revenue and expenditure (functional classification)

Table MBRR SA28 Budgeted monthly capital expenditure (Municipal vote)

Table MBRR SA29 Budgeted monthly capital expenditure (functional classification)

TABLED BUDGET 2025/26

Table MBRR SA30 Budgeted monthly cash flow.

Table MBRR SA33 Contract having future budgetary implications.

Table MBRR SA34 Capital expenditure by asset classification

Table MBRR SA35 Future financial implications of the capital budget

Table MBRR SA36 Detailed capital budget

Table MBRR SA37 Detailed capital projects delayed from previous financial.

Table MBRR SA38 Consolidated detailed operational projects.

2.3. Property Rates and other municipal tax

Council resolves that property rates and other municipal tax as reflected on Tariff Schedule are imposed for the budget year 2025/26

2.4. Tariffs and charges

Council resolves that the tariffs and charges reflected on Tariff Schedule are approved for 2025/26 budget year be adopted for implementation.

2.5. Integrated Development Plan

Council resolves that the Integrated Development Plan be approved with this budget.

TABLED BUDGET 2025/26

2.6. Credit Control, Debt Collection

Council resolves that the credit control, debt collection and Consumer Care Policies be approved for 2025/26 financial year.

2.7. Indigent Policies

Council resolves that the Indigent Household Consumers Subsidy Policy be approved for 2025/26 financial year.

Indigent Support

2.7.1. Council resolves to support indigents households approved as per adopted indigent household consumer policy.

2.7.2. Council further resolves that, in the event that the total subsidy in respect of approved indigents exceeds the budgeted amount, the excess amount be re-allocated from the current provision for bad debts to the relevant indigent subsidies, in view of the fact that the current bad debt is adequately provided for and the resolution related to the approval of the Indigent Policy will remain intact.

2.7.3. Council resolves that for the 2025/26 financial year the indigents are subsidized as set out in adopted Household Consumer and Subsidy Policy and that the subsidy will consist of the following:

1. 6 kl of water per indigent household per month, where metered, alternatively the flat rate levied
2. 50 kw of electricity per indigent household per month, where metered, alternatively the flat rate levied
3. 100% Free refuse removal from residential stands in accordance with the Tariff Schedule
4. 100% Free sewer services to residential stands in accordance with the municipality's Tariff Schedule
5. Payment of Rates and Taxes on a residential property in accordance with the municipality's Property Rates and Tariff Policies
6. Payment of rental on council-occupied residential property in accordance with the municipality's Tariff Policy

DRAFT BUDGET RELATED POLICIES

Council resolves that the following Draft 2025/26 Annual budget related policies and By-laws be approved:

1. Property Rates Policy
2. Tariff Policy
3. Credit Control and Debt Collection By-law
4. Indigent Policy
5. Indigent Subsidy By-law
6. Supply Chain Management Policy
7. Virement policy
8. Budget policy
9. Petty Cash policy
10. Asset Management Policy
11. Bad Debts Write Off
12. Deposit & Refund Policy
13. Cash management and Investment Policy
14. Fleet management Policy
15. Unknown Deposit Policy
16. Electricity Supply By-law

TABLED BUDGET 2025/26

17. Subsistence and travelling Policy
18. Customer Care Service Standards Policy
19. Inventory Management Policy
20. Cost Containment Policy
21. Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy
22. Gifts, Donations and Sponsorship policy
23. Property Rates By-laws
24. Borrowings Policy
25. Traffic Bylaw
26. Credit Control and Debt Collection and Consumer Care Policy
27. Infrastructure Investment and Capital Projects
28. Long Term Financial Planning Policy
29. Funding and Reserves Policy
30. Retention Policy
31. Tariff book

Draft Procurement Plan

Council resolves that Draft Procurement Plan 2025/26 be approved.

Draft mSCOA Roadmap

Council resolves that Draft mSCOA Roadmap2025/26 be approved.

Draft Funding Plan

Council resolves that Draft Funding Plan 2025/26 be approved.

IN CONCLUSION

Ladies and gentlemen, I am confident that through our collective wisdom and unity of purpose; we will be able to make a significant progress towards improving service delivery and provide a better life for our people.

Honourable Speaker, I hereby table the draft budget as detailed in the document for Council approval and further recommend that the Draft Budget for 2025/2026 financial year be approved as per the MFMA and municipal budget regulations.

I, THANK YOU! BAIE DANKIE! INKOMU! KE A LEBOGA!

**CLLR NO. MABUNDA
SPEAKER OF BA-PHALABORWA LOCAL
MUNICIPALITY COUNCIL**

1. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

In terms of Section 16. (1) Of the MFMA, the council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year, (which is before the end of June each year). In order for a municipality to comply with the above statement indicated, the mayor of the municipality must table the annual budget at a council meeting at least **90 days** (which is before or by the end of March) before the start of the budget year.

Section 17 of the MFMA, further states that the annual budget of a municipality must be scheduled in the prescribed formats as indicated by National Treasury, and must do the following:

- Setting out **realistically anticipated revenue** for the budget year from each revenue source.
- Appropriating expenditure for the budget year under the different votes of the municipality.
- Setting out **indicative revenue per revenue source and projected expenditure by vote** for the two financial years following the budget year.

Section 18 of the MFMA, further states that the municipality may fund the expenditures from:

- Realistically anticipated revenues to be collected. (This will include all the Grants to be received by the municipality, Donations, Transfers, and Own Revenue Collection).
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes.
- Borrowed funds, but only for the capital budget.

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

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Cost containment circular 82 was considered in the preparation of budget. Key areas where savings were realized were on telephone

and internet usage, printing, workshops, travelling, accommodation, and catering. The economy is still volatile, and the South African economy is having a slow growth.

And so we must intensify our efforts to address economic constraints, improve our growth performance, create work opportunities and broaden economic participation. We need to achieve these goals if our National Development Plan is to be realised.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

National Treasury's MFMA Circular No. 64,66,67,70,72,74 and 75,80,81,82,82,84,85,86,89,91,94,98 and 99-129 were used to guide the compilation of the budget 2025/26 annual budget and MTREF. The planning of the budget involved consideration of all factors, which had far reached implications on the annual budget of the municipality.

The 2025/26 – 2026/27 budget and medium-term revenue and expenditure framework was prepared on the basis of the following priorities, guidelines and assumptions:

1. National priorities

The national government's main priorities for the medium-term is services and social infrastructure development and job creation and therefore the focus and priorities of all spheres of government should be geared towards the achievement of this priorities.

As we prepare our next five-year integrated development plan, we need to ensure that our plans and budgets are redirected towards the achievements of these priorities. We need to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Extended Public Works Programme.

The municipality should not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term.

The municipality ought to focus on maximizing its contribution to job creation by:

- (a) Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate.
- (b) Ensuring that service providers use labour intensive approaches;
- (c) Supporting labour intensive Local Economic Development projects;
- (d) Participating fully in the Extended Public Works Programme; and
- (e) Implementing interns' programmes to provide young people with on-the-job training.

The municipality should also play a critical role in creating an enabling environment for investments and other activities that lead to job creation.

Summary of Projected Revenue

Description	Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Own Funding Revenue	510 059 371.00	515 553 371.00	526 251 949.00	553 121 059.00	574 626 299.00
Transfer and subsidies - Operational	223 212 050.00	222 873 190.00	224 033 750.00	227 248 200.00	232 246 500.00
Transfers and subsidies - capital	40 097 950.00	35 283 950.00	37 083 250.00	40 074 800.00	41 809 500.00
Totals	773 369 371.00	773 710 511.00	787 368 949.00	820 444 059.00	848 682 299.00

The total projected revenue for budget year 2025/26 is R787 million. The budgeted financing activities breakdown are as follows:

- Own generated revenue amount to **R526 million**.
- Operational transfers grants as per Dora is **R224 million**.
- And capital transfers grants of **R37 million**.

Operational Budget

Total expenditure for the 2025/26 financial year amount to **R794 million**.

LIM334 Ba-Phalaborwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

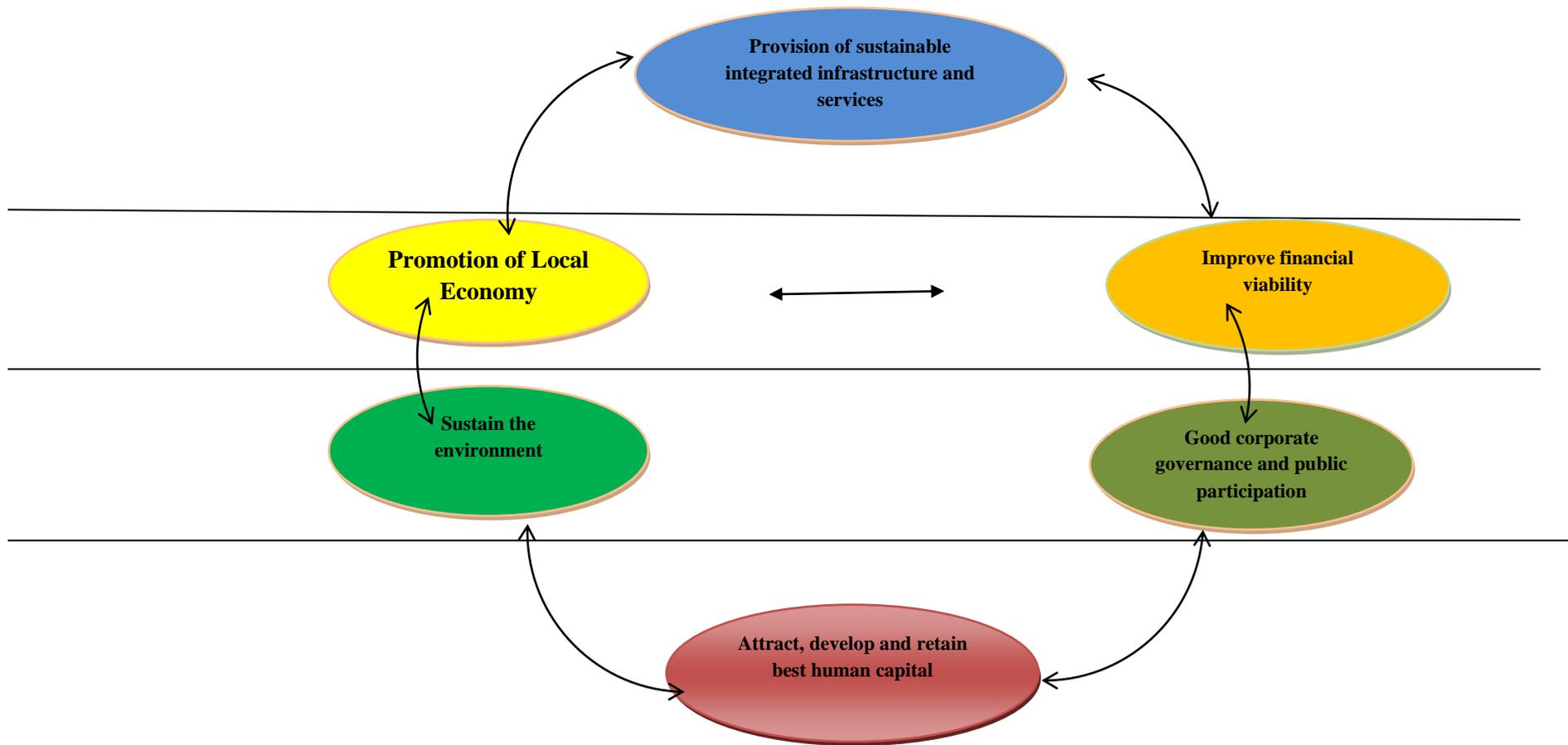
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure											
Employee related costs	2	165,677	172,122	167,310	211,878	211,878	211,878	117,254	223,941	239,580	256,254
Remuneration of councillors		17,262	18,189	16,987	18,067	18,067	18,067	11,065	19,196	20,539	21,977
Bulk purchases - electricity	2	101,086	93,614	116,160	155,868	153,890	153,890	97,865	150,812	158,805	168,651
Inventory consumed	8	29,761	36,006	46,282	24,104	25,204	25,204	16,191	26,313	27,497	28,184
Debt impairment	3	-	1,133	-	105,500	105,500	105,500	-	110,142	115,098	117,976
Depreciation and amortisation		86,780	47,422	43,073	83,646	83,646	83,646	54,205	87,327	91,256	93,538
Interest		18,266	20,847	22,902	20,552	20,552	20,552	-	20,722	21,654	22,196
Contracted services		71,025	48,792	75,829	78,607	83,153	83,153	36,125	69,216	77,599	70,111
Transfers and subsidies		9,854	7,390	10,676	1,076	676	676	142	522	454	473
Irrecoverable debts written off		136,917	(54,976)	258,191	-	-	-	-	-	-	-
Operational costs		69,106	56,582	58,958	115,540	115,196	115,196	66,870	85,822	89,469	90,315
Other Losses		(79,375)	404	1,519	-	-	-	-	-	-	-
Total Expenditure		626,360	447,526	817,887	814,838	817,762	817,762	399,716	794,011	841,955	869,676

Capital Budget

Description	Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Municipal Infrastructure Grants (MIG)	35 283 950.00	35 283 950.00	37 083 250.00	40 077 800.00	41 809 500.00
Integrated National Electricity Programme (INEP)	4 814 000.00	-			
Internally Funded Projects	19 694 463.00	19 694 463.00	38 285 000.00	13 500 000.00	13 500 000.00
Totals	59 792 413.00	54 978 413.00	75 368 250.00	53 577 800.00	55 309 500.00

- The total capital budget amounts to **R75 million** for 2025/26 financial year.
- MIG projects amount to **R37 million** VAT inclusive.
- Internally funded projects amount to **R38 million** VAT inclusive.
- Note that INEP is now recognised as other revenue as part of implementing mSCOA circular 16.

**PROVISION OF QUALITY SERVICES FOR COMMUNITY WELL-BEING AND TOURISM DEVELOPMENT
THE HOME OF MARULA AND WILDLIFE TOURIM**



2. ANNUAL BUDGET TABLES

2.1. BUDGET SUMMARY

LIM334 Ba-Phalaborwa - 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	133,398	135,075	127,740	194,706	194,706	194,706	134,560	214,177	223,815	229,410
Service charges	131,390	138,523	137,825	219,830	219,830	219,830	111,442	213,851	225,026	238,188
Investment revenue	2,434	4,026	5,120	5,394	5,894	5,894	3,783	5,351	5,591	5,731
Transfer and subsidies - Operational	182,025	196,070	215,659	223,212	222,873	222,873	292,643	224,034	227,248	232,247
Other own revenue	107,701	88,426	66,927	90,129	95,123	95,123	36,498	92,873	98,688	101,296
Total Revenue (excluding capital transfers and contributions)	556,948	562,120	553,272	733,271	738,427	738,427	578,926	750,286	780,369	806,873
Employee costs	165,677	172,122	167,310	211,878	211,878	211,878	117,254	223,941	239,580	256,254
Remuneration of councilor's	17,262	18,189	16,987	18,067	18,067	18,067	11,065	19,196	20,539	21,977
Depreciation and amortisation	86,780	47,422	43,073	83,646	83,646	83,646	54,205	87,327	91,256	93,538
Interest	18,266	20,847	22,902	20,552	20,552	20,552	-	20,722	21,654	22,196
Inventory consumed and bulk purchases	130,847	129,620	162,442	179,972	179,094	179,094	114,056	177,125	186,302	196,836
Transfers and subsidies	9,854	7,390	10,676	1,076	676	676	142	522	454	473
Other expenditure	197,672	51,936	394,498	299,647	303,849	303,849	102,994	265,179	282,167	278,402
Total Expenditure	626,360	447,526	817,887	814,838	817,762	817,762	399,716	794,011	841,955	869,676
Surplus/(Deficit)	(69,411)	114,594	(264,615)	(81,567)	(79,335)	(79,335)	179,210	(43,726)	(61,585)	(62,803)
Transfers and subsidies - capital (monetary allocations)	47,155	42,559	49,065	40,098	35,284	35,284	17,185	37,083	40,075	41,810
Transfers and subsidies - capital (in-kind)	11,899	332	51,703	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(10,357)	157,484	(163,847)	(41,469)	(44,051)	(44,051)	196,395	(6,643)	(21,510)	(20,994)
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(10,357)	157,484	(163,847)	(41,469)	(44,051)	(44,051)	196,395	(6,643)	(21,510)	(20,994)
Capital expenditure & funds sources										
Capital expenditure	89,087	(37,107)	88,781	59,793	54,979	54,979	164,142	65,538	46,587	48,269
Transfers recognised - capital	(427)	15,720	34,693	40,098	35,284	35,284	64,930	32,246	34,848	36,356
Internally generated funds	67,966	(31,279)	54,088	19,695	19,695	19,695	99,212	33,291	11,739	11,913
Total sources of capital funds	67,539	(15,558)	88,781	59,793	54,979	54,979	164,142	65,538	46,587	48,269
Financial position										
Total current assets	1,436,889	1,927,924	1,912,399	623,056	213,457	213,457	2,212,396	276,142	524,974	553,234
Total non current assets	1,244,502	1,247,158	1,266,906	1,285,447	1,248,477	1,248,477	1,236,083	1,255,355	1,324,859	1,324,260
Total current liabilities	1,763,971	1,939,056	2,133,850	511,529	446,691	446,691	2,221,938	479,404	544,066	552,295
Total non current liabilities	220,078	200,461	197,939	204,530	190,928	190,928	180,418	190,928	221,602	221,602
Community wealth/Equity	699,565	1,034,086	854,548	1,184,218	823,416	823,416	1,050,933	861,164	1,084,164	1,103,597
Cash flows										
Net cash from (used) operating	(40,587)	1,128,353	1,712,112	(89,321)	(62,351)	(62,351)	516,900	36,102	82,301	86,903
Net cash from (used) investing	-	(19,232)	(68,780)	(68,762)	(64,596)	(64,596)	(86,960)	(64,293)	(50,575)	(53,009)

TABLED BUDGET 2025/26

Net cash from (used) financing	–	18,700	1,700	(20,400)	(20,400)	(20,400)	1,700	(20,400)	(5,613)	–
Cash/cash equivalents at the year end	(40,587)	1,127,821	1,645,032	(178,482)	(147,347)	(147,347)	431,640	5,847	31,960	65,853
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	56,508	35,719	32,057	(60,237)	(22,420)	(22,420)	126,480	5,847	72,206	82,317
Application of cash and investments	1,655,230	1,576,204	1,673,529	268,795	270,608	270,608	1,482,057	(17,789)	(126,924)	(141,274)
Balance - surplus (shortfall)	(1,598,722)	(1,540,485)	(1,641,472)	(329,031)	(293,028)	(293,028)	(1,355,577)	23,636	199,130	223,592
<u>Asset management</u>										
Asset register summary (WDV)	1,182,023	1,189,619	1,256,048	1,193,795	1,193,343	1,193,343	1,200,222	1,200,222	1,228,990	1,228,391
Depreciation	86,787	74,880	69,119	83,646	83,646	83,646	87,327	87,327	91,256	93,538
Renewal and Upgrading of Existing Assets	(123)	36	51,703	14,875	11,004	11,004	23,643	–	–	–
Repairs and Maintenance	16,792	25,507	27,720	26,035	31,066	31,066	26,083	26,083	30,186	27,983
<u>Free services</u>										
Revenue cost of free services provided	(15,723)	(15,254)	(10,346)	(17,246)	(17,246)	(17,246)	(18,761)	(19,616)	(20,162)	–

NOTES

- Total Revenue excluding capital transfers and contributions is estimated at R750.3 million for 2025/26 financial year, R780 million and R807 million for the year 2026/27 and 2027/28 respectively.
- Total Expenditure is estimated at R794 million for 2025/26 financial year, R842 million and R870 million for the year 2026/27 and 2027/28 respectively.
- Total Capital expenditure budget for the financial year 2025/26 is estimated to be R65.5 million, which comprises of R32.2 million from Capital transfers Grants and R33.3 million funded internally.

2.2. BUDGETED FINANCIAL PERFORMANCE

LIM334 Ba-Phalaborwa - 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										
<i>Governance and administration</i>		376,539	381,637	432,797	481,434	481,675	481,675	493,250	505,385	522,369
Finance and administration		376,539	381,637	432,797	481,434	481,675	481,675	493,250	505,385	522,369
<i>Community and public safety</i>		39,045	16,037	13,971	6,672	6,722	6,722	14,440	15,090	15,467
Community and social services		181	267	282	227	277	277	328	343	351
Public safety		38,863	15,770	13,689	6,445	6,445	6,445	14,112	14,747	15,116
<i>Economic and environmental services</i>		33,950	38,174	37,304	40,731	40,781	40,781	42,577	43,998	45,870
Planning and development		440	176	284	275	275	275	301	315	323
Road transport		33,510	37,998	37,020	40,457	40,507	40,507	42,276	43,683	45,547
<i>Trading services</i>		165,305	158,620	171,443	244,532	244,532	244,532	237,102	255,970	264,977
Energy sources		140,226	132,274	142,299	209,912	209,912	209,912	205,673	223,127	231,313
Waste management		25,079	26,346	29,144	34,620	34,620	34,620	31,429	32,843	33,664
Total Revenue - Functional	2	614,839	594,468	655,516	773,369	773,711	773,711	787,369	820,444	848,682
Expenditure - Functional										
<i>Governance and administration</i>		344,815	139,212	465,696	364,312	364,930	364,930	349,726	369,909	383,771
Executive and council		31,494	41,238	41,136	55,413	55,921	55,921	47,561	51,521	54,687
Finance and administration		292,821	74,112	397,020	274,491	275,373	275,373	271,898	286,499	297,313
Internal audit		20,500	23,862	27,540	34,409	33,636	33,636	30,267	31,889	31,771
<i>Community and public safety</i>		75,358	54,256	42,315	71,815	68,601	68,601	70,342	76,903	81,903
Community and social services		19,130	19,171	6,904	23,432	21,556	21,556	22,029	23,859	24,459
Sport and recreation		2,992	2,750	2,762	4,151	5,353	5,353	4,579	4,773	4,948
Public safety		40,631	19,328	19,458	23,486	23,316	23,316	24,387	26,096	27,895
Health		12,605	13,008	13,190	20,745	18,375	18,375	19,348	22,175	24,601
<i>Economic and environmental services</i>		116,326	105,199	111,772	144,798	147,213	147,213	138,559	141,073	143,887
Planning and development		15,507	15,708	19,279	37,604	36,555	36,555	32,411	28,236	26,607
Road transport		100,819	89,491	92,494	107,194	110,658	110,658	106,148	112,837	117,280
<i>Trading services</i>		169,838	148,859	196,009	233,913	237,018	237,018	235,384	254,070	260,116
Energy sources		147,323	146,385	202,348	223,459	226,285	226,285	225,791	244,061	249,856
Waste management		22,515	2,474	(6,339)	10,454	10,734	10,734	9,593	10,009	10,260
Total Expenditure - Functional	3	706,336	447,526	815,792	814,838	817,762	817,762	794,011	841,955	869,676
Surplus/(Deficit) for the year		(91,497)	146,942	(160,276)	(41,469)	(44,051)	(44,051)	(6,643)	(21,510)	(20,994)

NOTES

TABLED BUDGET 2025/26

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure by functional classification.
- Total Revenue by functional Classification amount to **R787.4 million** for the financial year 2025/26 and total operating expenditure by functional Classification is estimated at **R794 million**.
- It must be noted that the Total Revenue on this table includes capital revenues (Transfers recognised – capital)

2.3. BUDGETED FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

LIM334 Ba-Phalaborwa - 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
Revenue by Vote	1									
Vote 1 - Executive and Councillors		–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury Office		376,294	380,822	432,151	481,149	481,310	481,310	492,900	505,020	521,994
Vote 3 - Corporate Services		246	815	647	285	365	365	349	365	374
Vote 4 - Community and Social Services		39,651	16,562	14,263	8,105	8,155	8,155	15,727	16,435	16,845
Vote 5 - Planning and Development Services		440	176	284	275	275	275	301	315	323
Vote 6 - Technical Services		198,209	196,093	208,172	283,555	283,605	283,605	278,091	298,309	309,145
Total Revenue by Vote	2	614,839	594,468	655,516	773,369	773,711	773,711	787,369	820,444	848,682
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Councillors		54,525	66,915	70,287	92,665	92,329	92,329	80,730	86,765	90,016
Vote 2 - Budget and Treasury Office		234,968	16,267	336,019	186,491	187,695	187,695	192,899	202,112	208,928
Vote 3 - Corporate Services		57,853	57,846	61,001	87,700	87,578	87,578	78,955	84,125	88,124
Vote 4 - Community and Social Services		103,691	66,183	43,091	88,427	86,853	86,853	87,477	95,040	101,062
Vote 5 - Planning and Development Services		13,870	13,475	16,570	34,314	33,280	33,280	29,887	25,611	23,859
Vote 6 - Technical Services		241,429	226,841	288,824	325,242	330,026	330,026	324,062	348,300	357,688
Total Expenditure by Vote	2	706,336	447,526	815,792	814,838	817,762	817,762	794,011	841,955	869,676
Surplus/(Deficit) for the year	2	(91,497)	146,942	(160,276)	(41,469)	(44,051)	(44,051)	(6,643)	(21,510)	(20,994)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote.
- Total Revenue by Municipal Vote is **R787.4 million** for the year 2025/26 and total Expenditure by Vote is estimated to be **R794 million**.
- The estimated expenditure by vote per department is allocated in the table above and the biggest one being technical department as service delivery department.

2.4. BUDGETED MUNICIPAL PERFORMANCE REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - 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
Revenue											
Exchange Revenue											
Service charges - Electricity	2	113,307	119,965	117,658	197,916	197,916	197,916	97,453	193,957	204,237	216,879
Service charges - Waste Management	2	18,082	18,558	20,167	21,914	21,914	21,914	13,990	19,894	20,789	21,309
Sale of Goods and Rendering of Services		887	664	795	784	5,698	5,698	932	5,993	7,899	8,237
Agency services		21,601	15,400	13,388	6,888	6,888	6,888	1,182	11,932	12,469	12,780
Interest earned from Receivables		11,337	25,626	14,251	18,470	18,470	18,470	7,190	16,768	17,522	17,961
Interest earned from Current and Non-Current Assets		2,434	4,026	5,120	5,394	5,894	5,894	3,783	5,351	5,591	5,731
Rental from Fixed Assets		205	512	342	285	365	365	342	349	365	374
Operational Revenue		9,790	613	497	8,186	8,186	8,186	170	7,432	7,766	7,960
Non-Exchange Revenue											
Property rates	2	133,398	135,075	127,740	194,706	194,706	194,706	134,560	214,177	223,815	229,410
Fines, penalties and forfeits		598	514	280	1,438	1,438	1,438	4	1,306	1,365	1,399
Licences or permits		20,358	4,143	4,296	6,445	6,445	6,445	1,102	5,851	6,115	6,267
Transfer and subsidies - Operational		182,025	196,070	215,659	223,212	222,873	222,873	292,643	224,034	227,248	232,247
Interest		41,761	30,429	34,468	47,632	47,632	47,632	25,577	43,242	45,188	46,318
Gains on disposal of Assets		-	(17)	87	-	-	-	-	-	-	-
Other Gains		1,163	10,542	(1,476)	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		556,948	562,120	553,272	733,271	738,427	738,427	578,926	750,286	780,369	806,873
Expenditure											
Employee related costs	2	165,677	172,122	167,310	211,878	211,878	211,878	117,254	223,941	239,580	256,254
Remuneration of councillors		17,262	18,189	16,987	18,067	18,067	18,067	11,065	19,196	20,539	21,977
Bulk purchases - electricity	2	101,086	93,614	116,160	155,868	153,890	153,890	97,865	150,812	158,805	168,651
Inventory consumed	8	29,761	36,006	46,282	24,104	25,204	25,204	16,191	26,313	27,497	28,184
Debt impairment	3	-	1,133	-	105,500	105,500	105,500	-	110,142	115,098	117,976
Depreciation and amortisation		86,780	47,422	43,073	83,646	83,646	83,646	54,205	87,327	91,256	93,538
Interest		18,266	20,847	22,902	20,552	20,552	20,552	-	20,722	21,654	22,196
Contracted services		71,025	48,792	75,829	78,607	83,153	83,153	36,125	69,216	77,599	70,111
Transfers and subsidies		9,854	7,390	10,676	1,076	676	676	142	522	454	473
Irrecoverable debts written off		136,917	(54,976)	258,191	-	-	-	-	-	-	-
Operational costs		69,106	56,582	58,958	115,540	115,196	115,196	66,870	85,822	89,469	90,315
Other Losses		(79,375)	404	1,519	-	-	-	-	-	-	-
Total Expenditure		626,360	447,526	817,887	814,838	817,762	817,762	399,716	794,011	841,955	869,676
Surplus/(Deficit)		(69,411)	114,594	(264,615)	(81,567)	(79,335)	(79,335)	179,210	(43,726)	(61,585)	(62,803)
Transfers and subsidies - capital (monetary allocations)	6	47,155	42,559	49,065	40,098	35,284	35,284	17,185	37,083	40,075	41,810
Transfers and subsidies - capital (in-kind)	6	11,899	332	51,703	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(10,357)	157,484	(163,847)	(41,469)	(44,051)	(44,051)	196,395	(6,643)	(21,510)	(20,994)

TABLED BUDGET 2025/26

Notes

- Total Revenue (excluding capital transfers and contributions) is **R750.3** million for 2025/26 financial year and increases to **R780.4** million for 2026/27 financial year and **R807** million for 2027/28 financial year.
- Revenue to be generated from property rate is estimated at **R214** million in 2025/26 financial year of which the property valuation roll was considered. It must be noted that the revenue excludes the revenue foregone.
- Services charges relating to electricity is **R194** million which is VAT Inclusive.
- Transfers recognised – operating grants includes the local government equitable share which shows an increase for the two outer years.
- Total operational expenditure is estimated to be **R794** million for 2025/26 which is VAT Inclusive.
- The employees' related cost is estimated to be **R224** million.
- The Remuneration of Councillors is projected at **R19.2** million and of which the municipality considered the Minister of COGSTA Determination of Upper Limits.
- The depreciation and amortisation has been estimated at **R87.3** million of which the Asset Register has been considered.

2.5. BUDGETED CAPITAL EXPENDITURE BY 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	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Capital Expenditure - Functional											
<i>Governance and administration</i>		41,744	(35,038)	(1,672)	1,700	1,700	1,700	6,984	1,478	1,739	1,913
Finance and administration		41,744	(35,038)	(1,672)	1,700	1,700	1,700	6,984	1,478	1,739	1,913
<i>Community and public safety</i>		(117)	117	39,954	13,575	12,637	12,637	40,599	9,043	-	-
Community and social services		-	-	-	1,000	1,000	1,000	644	-	-	-
Sport and recreation		(117)	117	39,954	11,775	10,837	10,837	39,954	9,043	-	-
Health		-	-	-	800	800	800	-	-	-	-
<i>Economic and environmental services</i>		(6)	15,299	46,442	31,504	32,442	32,442	80,746	48,753	31,851	33,445
Road transport		(6)	15,299	46,442	31,504	32,442	32,442	80,746	48,753	31,851	33,445
<i>Trading services</i>		47,467	(17,485)	4,056	13,014	8,200	8,200	35,813	6,263	12,997	12,911
Energy sources		(304)	304	-	8,014	3,200	3,200	1,775	1,915	4,301	4,216
Waste management		47,771	(17,789)	4,056	5,000	5,000	5,000	34,038	4,348	8,696	8,696
Total Capital Expenditure - Functional	3	89,087	(37,107)	88,781	59,793	54,979	54,979	164,142	65,538	46,587	48,269
Funded by:											
National Government		(427)	15,720	34,693	40,098	35,284	35,284	64,930	32,246	34,848	36,356
Transfers recognised - capital	4	(427)	15,720	34,693	40,098	35,284	35,284	64,930	32,246	34,848	36,356
Internally generated funds		67,966	(31,279)	54,088	19,695	19,695	19,695	99,212	33,291	11,739	11,913
Total Capital Funding	7	67,539	(15,558)	88,781	59,793	54,979	54,979	164,142	65,538	46,587	48,269

- The Capital Projects amount to **R65.3 million** which are appropriated per department in the municipality.
- Note that budget for 2025/26 – 2027/28 are VAT exclusive.

2.6. BUDGETED FINANCIAL POSITION

LIM334 Ba-Phalaborwa - 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
ASSETS											
Current assets											
Cash and cash equivalents		56,508	35,719	32,057	(60,237)	(22,420)	(22,420)	126,480	5,847	72,206	82,317
Trade and other receivables from exchange transactions	1	1,242,453	1,530,149	1,727,006	261,864	90,365	90,365	1,742,057	132,718	273,781	275,672
Receivables from non-exchange transactions	1	89,591	273,519	49,261	330,373	48,590	48,590	209,511	52,409	92,916	107,170
Current portion of non-current receivables		-	-	-	29	-	-	-	-	30	30
Inventory	2	21,354	20,926	17,030	20,926	17,030	17,030	33,041	17,030	22,076	23,291
VAT		25,827	59,240	76,645	61,892	69,390	69,390	90,912	56,758	54,460	55,226
Other current assets		1,154	8,372	10,399	8,210	10,500	10,500	10,394	11,378	9,504	9,527
Total current assets		1,436,889	1,927,924	1,912,399	623,056	213,457	213,457	2,212,396	276,142	524,974	553,234
Non-current assets											
Investment property		414,579	440,904	472,391,899.00	463,697	472,392	472,392	472,392	472,392	485,027	485,027
Property, plant and equipment	3	708,218	701,061	716,522	821,424	775,870	775,870	685,699	782,753	839,495	838,899
Heritage assets		121,522	104,952	77,843	333	317	317	77,843	317	348	348
Intangible assets		183	91	0	(6)	(102)	(102)	0	(107)	(11)	(14)
Non-current receivables from non-exchange transactions		-	149	149	-	-	-	149	-	-	-
Total non current assets		1,244,502	1,247,158	1,266,906	1,285,447	1,248,477	1,248,477	1,236,083	1,255,355	1,324,859	1,324,260
TOTAL ASSETS		2,681,391	3,175,082	3,179,305	1,908,503	1,461,934	1,461,934	3,448,478	1,531,496	1,849,832	1,877,494
LIABILITIES											
Current liabilities											
Financial liabilities	-	16,382	17,668	20,122	(1,866)	(278)	(278)	20,122	(278)	13,749	19,386
Consumer deposits		4,627	5,006	5,532	5,059	5,267	5,267	5,878	5,267	5,291	5,291
Trade and other payables from exchange transactions	4	1,674,435	1,798,611	1,959,313	445,755	388,271	388,271	2,009,561	385,631	422,033	422,556
Trade and other payables from non-exchange transactions	5	918	0	340	-	340	340	11,656	-	-	-
Provision		20,870	26,862	25,213	6,280	6,025	6,025	25,213	6,025	6,569	6,569
VAT		46,738	91,756	121,302	56,302	47,067	47,067	147,480	82,760	96,424	98,493
Other current liabilities		-	(848)	2,027	-	-	-	2,027	-	-	-
Total current liabilities		1,763,971	1,939,056	2,133,850	511,529	446,691	446,691	2,221,938	479,404	544,066	552,295
Non-current liabilities											

TABLED BUDGET 2025/26

Financial liabilities	6	61,031	45,818	25,862	48,085	25,884	25,884	8,341	25,884	50,297	50,297
Provision	7	105,416	104,715	113,637	112,364	113,637	113,637	113,637	113,637	119,898	119,898
Other non-current liabilities		53,631	49,929	58,440	44,080	51,407	51,407	58,440	51,407	51,407	51,407
Total non current liabilities		220,078	200,461	197,939	204,530	190,928	190,928	180,418	190,928	221,602	221,602
TOTAL LIABILITIES		1,984,049	2,139,517	2,331,789	716,059	637,619	637,619	2,402,357	670,332	765,668	773,897
NET ASSETS		697,342	1,035,565	847,516	1,192,444	824,315	824,315	1,046,122	861,164	1,084,164	1,103,597
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	661,493	1,021,893	847,906	1,171,428	811,223	811,223	1,044,291	848,972	1,070,786	1,090,218
Reserves and funds	9	38,072	12,193	6,642	12,790	12,193	12,193	6,642	12,193	13,379	13,379
TOTAL COMMUNITY WEALTH/EQUITY	10	699,565	1,034,086	854,548	1,184,218	823,416	823,416	1,050,933	861,164	1,084,164	1,103,597

2.7. BUDGETED CASH FLOWS

LIM334 Ba-Phalaborwa - 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
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	88,202	164,757	163,553	163,553	163,553	218,453	171,338	223,815	229,410
Service charges		–	184,589	297,663	188,174	188,174	188,174	358,970	170,891	224,776	237,923
Other revenue		51,000	82,328	155,282	24,027	29,021	29,021	242,417	32,863	35,978	37,018
Transfers and Subsidies - Operational	1	2,418	199,057	414,290	223,212	222,873	222,873	584,201	224,034	227,248	232,247
Transfers and Subsidies - Capital	1	–	42,377	93,327	40,098	35,284	35,284	115,468	37,083	40,075	41,810
Interest		–	–	–	–	–	–	–	5,351	5,591	5,731
Payments											
Suppliers and employees		(94,005)	531,801	586,793	(724,692)	(697,964)	(697,964)	(1,002,608)	(584,213)	(653,074)	(674,567)
Interest		–	–	–	(2,617)	(2,617)	(2,617)	–	(20,722)	(21,654)	(22,196)
Transfers and Subsidies	1	–	–	–	(1,076)	(676)	(676)	–	(522)	(454)	(473)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(40,587)	1,128,353	1,712,112	(89,321)	(62,351)	(62,351)	516,900	36,102	82,301	86,903
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Payments											
Capital assets		–	(19,232)	(68,780)	(68,762)	(64,596)	(64,596)	(86,960)	(64,293)	(50,575)	(53,009)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(19,232)	(68,780)	(68,762)	(64,596)	(64,596)	(86,960)	(64,293)	(50,575)	(53,009)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Increase (decrease) in consumer deposits									–	25	–
Payments											
Repayment of borrowing		–	18,700	1,700	(20,400)	(20,400)	(20,400)	1,700	(20,400)	(5,638)	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	18,700	1,700	(20,400)	(20,400)	(20,400)	1,700	(20,400)	(5,613)	–
NET INCREASE/ (DECREASE) IN CASH HELD		(40,587)	1,127,821	1,645,032	(178,482)	(147,347)	(147,347)	431,640	(48,591)	26,113	33,893
Cash/cash equivalents at the year begin:	2	–	–	–	–	–	–	–	54,438	5,847	31,960
Cash/cash equivalents at the year end:	2	(40,587)	1,127,821	1,645,032	(178,482)	(147,347)	(147,347)	431,640	5,847	31,960	65,853

NOTES

- 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.
- Cash and cash equivalents total **R5.8 million** as at the end of the 2025/26 financial year

2.8. CASH BACKED RESERVES/ACCUMULATED SURPLUSES

LIM334 Ba-Phalaborwa - 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	(40,587)	1,127,821	1,645,032	(178,482)	(147,347)	(147,347)	431,640	5,847	31,960	65,853
Other current investments > 90 days		97,095	(1,092,102)	(1,612,974)	118,246	124,927	124,927	(305,160)	-	40,247	16,464
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		56,508	35,719	32,057	(60,237)	(22,420)	(22,420)	126,480	5,847	72,206	82,317
Application of cash and investments											
Unspent conditional transfers		918	0	340	-	340	340	11,656	-	-	-
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	1,654,311	1,576,203	1,673,189	268,795	270,268	270,268	1,470,400	(17,789)	(126,924)	(141,274)
Other provisions											
Total Application of cash and investments:		1,655,230	1,576,204	1,673,529	268,795	270,608	270,608	1,482,057	(17,789)	(126,924)	(141,274)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		(1,598,722)	(1,540,485)	(1,641,472)	(329,031)	(293,028)	(293,028)	(1,355,577)	23,636	199,130	223,592
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		(1,598,722)	(1,540,485)	(1,641,472)	(329,031)	(293,028)	(293,028)	(1,355,577)	23,636	199,130	223,592

NOTES

- As part of the budgeting and planning guidelines that informed the compilation of the 2025/26 MTREF the end objective of the medium-term framework was to ensure the budget is funded as per section 18 of the MFMA

2.9. ASSET MANAGEMENT

LIM334 Ba-Phalaborwa - Table A9 Asset Management

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
CAPITAL EXPENDITURE										
Total New Assets	1	56 162	51 944	89 058	44 918	43 975	43 975	41 894	46 587	48 269
<i>Roads Infrastructure</i>		-	-	-	25 692	30 652	30 652	32 849	30 546	23 879
<i>Storm water Infrastructure</i>		-	15 293	10 032	1 350	1 198	1 198	1 304	1 304	1 304
<i>Electrical Infrastructure</i>		(304)	-	-	8 014	3 200	3 200	1 915	4 301	4 216
<i>Solid Waste Infrastructure</i>		47 771	29 982	34 038	-	-	-	-	-	-
Infrastructure		47 467	45 275	44 070	35 056	35 050	35 050	36 068	36 152	29 400
Community Facilities		558	384	-	1 000	1 000	1 000	-	-	-
Sport and Recreation Facilities		-	-	39 954	938	-	-	-	-	-
Community Assets		558	384	39 954	1 938	1 000	1 000	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		1 068	1 400	1 698	-	-	-	-	-	-
Furniture and Office Equipment		-	1 206	767	1 700	1 700	1 700	1 478	1 739	1 913
Machinery and Equipment		1 281	2 313	1 343	-	-	-	-	-	8 261
Transport Assets		5 788	1 365	1 226	1 225	1 225	1 225	-	-	-
Land		-	-	-	5 000	5 000	5 000	4 348	8 696	8 696
Total Upgrading of Existing Assets	6	(123)	36	51 703	14 875	11 004	11 004	23 643	-	-
<i>Roads Infrastructure</i>		(6)	-	51 703	4 037	167	167	14 600	-	-
Infrastructure		(6)	-	51 703	4 037	167	167	14 600	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		(117)	-	-	10 837	10 837	10 837	9 043	-	-
Community Assets		(117)	-	-	10 837	10 837	10 837	9 043	-	-
Heritage Assets		-	36	-	-	-	-	-	-	-
Total Capital Expenditure	4	56 039	51 980	140 761	59 793	54 979	54 979	65 538	46 587	48 269
<i>Roads Infrastructure</i>		(6)	-	51 703	29 729	30 819	30 819	47 449	30 546	23 879
<i>Storm water Infrastructure</i>		-	15 293	10 032	1 350	1 198	1 198	1 304	1 304	1 304
<i>Electrical Infrastructure</i>		(304)	-	-	8 014	3 200	3 200	1 915	4 301	4 216
<i>Solid Waste Infrastructure</i>		47 771	29 982	34 038	-	-	-	-	-	-
Infrastructure		47 461	45 275	95 773	39 093	35 217	35 217	50 668	36 152	29 400
Community Facilities		558	384	-	1 000	1 000	1 000	-	-	-

TABLED BUDGET 2025/26

Sport and Recreation Facilities		(117)	-	39 954	11 775	10 837	10 837	9 043	-	-
Community Assets		441	384	39 954	12 775	11 837	11 837	9 043	-	-
Heritage Assets		-	36	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		1 068	1 400	1 698	-	-	-	-	-	-
Furniture and Office Equipment		-	1 206	767	1 700	1 700	1 700	1 478	1 739	1 913
Machinery and Equipment		1 281	2 313	1 343	-	-	-	-	-	8 261
Transport Assets		5 788	1 365	1 226	1 225	1 225	1 225	-	-	-
Land		-	-	-	5 000	5 000	5 000	4 348	8 696	8 696
TOTAL CAPITAL EXPENDITURE - Asset class		56 039	51 980	140 761	59 793	54 979	54 979	65 538	46 587	48 269
ASSET REGISTER SUMMARY - PPE (WDV)	5	1 182 023	1 189 619	1 256 048	1 193 795	1 193 343	1 193 343	1 200 222	1 228 990	1 228 391
<i>Roads Infrastructure</i>		349 247	362 442	376 959	420 036	217 805	217 805	232 884	437 221	429 592
<i>Storm water Infrastructure</i>		(45 541)	(30 247)	(22 823)	(39 947)	19 202	19 202	19 177	(42 027)	(42 109)
<i>Electrical Infrastructure</i>		9 032	9 053	692	4 226	104 412	104 412	102 671	(128)	(496)
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		47 771	29 982	34 038	-	-	-	-	-	-
Infrastructure		360 509	371 229	388 866	384 315	341 419	341 419	354 731	395 066	386 988
Community Assets		205 277	191 274	219 792	278 692	217 870	217 870	214 471	277 530	277 155
Heritage Assets		121 522	104 952	77 843	333	317	317	317	348	348
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Investment properties		414 579	440 904	472 392	463 697	472 392	472 392	472 392	485 027	485 027
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other Assets		(733)	(962)	15 616	(36 343)	63 720	63 720	63 114	(38 635)	(39 011)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Intangible Assets		183	91	0	(6)	(102)	(102)	(107)	(11)	(14)
Computer Equipment		619	1 143	1 840	(3 047)	(410)	(410)	(481)	(3 259)	(3 302)
Furniture and Office Equipment		(292)	601	881	1 854	2 154	2 154	1 898	1 865	2 018
Machinery and Equipment		798	2 076	2 455	9 988	9 988	9 988	9 901	10 358	18 565
Transport Assets		4 850	3 600	1 653	10 942	6 285	6 285	4 926	10 028	9 945
Land		74 711	74 711	74 711	83 372	79 711	79 711	79 059	90 672	90 672
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 182 023	1 189 619	1 256 048	1 193 795	1 193 343	1 193 343	1 200 222	1 228 990	1 228 391

TABLED BUDGET 2025/26

EXPENDITURE OTHER ITEMS		103 579	100 387	96 839	109 681	114 712	114 712	113 410	121 442	121 521
Depreciation	7	86 787	74 880	69 119	83 646	83 646	83 646	87 327	91 256	93 538
Repairs and Maintenance by Asset Class	3	16 792	25 507	27 720	26 035	31 066	31 066	26 083	30 186	27 983
<i>Roads Infrastructure</i>		5 481	5 317	8 095	12 950	14 450	14 450	9 569	12 530	12 735
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		4 371	7 952	11 270	3 000	3 556	3 556	5 000	5 744	3 149
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	3 415	2 728	1 213	3 213	3 213	2 917	3 048	3 124
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		100	47	326	500	770	770	-	-	-
Infrastructure		9 953	16 730	22 420	17 663	21 989	21 989	17 486	21 323	19 008
Community Facilities		273	378	63	1 373	1 248	1 248	1 870	1 802	1 815
Sport and Recreation Facilities		22	-	-	200	200	200	-	-	-
Community Assets		295	378	63	1 573	1 448	1 448	1 870	1 802	1 815
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		50	60	-	400	200	200	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		50	60	-	400	200	200	-	-	-
Furniture and Office Equipment		225	546	28	380	400	400	130	217	174
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		6 268	7 793	5 210	6 018	7 029	7 029	6 597	6 843	6 986
TOTAL EXPENDITURE OTHER ITEMS		103 579	100 387	96 839	109 681	114 712	114 712	113 410	121 442	121 521
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		-0.2%	0.1%	36.7%	24.9%	20.0%	20.0%	36.1%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		-0.1%	0.0%	74.8%	17.8%	13.2%	13.2%	27.1%	0.0%	0.0%
<i>R&M as a % of PPE & Investment Property</i>		1.6%	2.4%	2.4%	2.2%	2.6%	2.6%	2.2%	2.5%	2.3%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Property</i>		1.6%	2.4%	6.7%	3.4%	3.5%	3.5%	4.1%	2.5%	2.3%

NOTES

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

LIM334 Ba-Phalaborwa - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<u>Demographics</u>												
Population			131	127	151	151	151	151	151	151	151	151
Females aged 5 - 14			15		8	78	78	78	78	78	78	78
Males aged 5 - 14			15		7	73	73	73	73	73	73	73
Females aged 15 - 34			26		7	14	14	14	14	14	14	14
Males aged 15 - 34			24		8	23	23	23	23	23	23	23
Unemployment			36.0%	11.0%	37.4%	20	20	20	20	20	20	20
<u>Monthly household income (no. of households)</u>												
	1, 12											
No income			69.9%	54,960	63,891	63,891	63,891	63,891	63,891	63,891	63,891	63,891
R1 - R1 600			5.0%	13,467	14,672	56,476	56,476	56,476	56,476	56,476	56,476	56,476
R1 601 - R3 200			5.2%	5,893	6,632	6,632	6,632	6,632	6,632	6,632	6,632	6,632
R3 201 - R6 400			3.5%	3,678	5,268	5,268	5,268	5,268	5,268	5,268	5,268	5,268
R6 401 - R12 800			1.7%	3,123	5,375	5,357	5,357	5,357	5,357	5,357	5,357	5,357
R12 801 - R25 600			0.5%	2,090	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746
R25 601 - R51 200			0.2%	587	920	920	920	920	920	920	920	920
R52 201 - R102 400			0.1%	18	177	177	177	177	177	177	177	177

TABLED BUDGET 2025/26

R102 401 - R204 800			-	-	64	64	64	64	64	64	64	64	64
R204 801 - R409 600			-	-	78	78	78	78	78	78	78	78	78
R409 601 - R819 200 > R819 200													
Household/demographics (000)													
Number of people in municipal area						151	151	151	151	151	151	151	151
Number of poor people in municipal area						64	64	64	64	64	64	64	64
Number of households in municipal area						41	41	41	41	41	41	41	41
Housing statistics	3												
Formal			44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425
Informal			148	148	148	148	148	148	148	148	148	148	148
Total number of households			44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573

Detail on the provision of municipal services for
A10

Total municipal services	Ref.		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling	15	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	19	19	19	19	19	19	19	19	19
	8	Using public tap (at least min.service level)	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
	10	Other water supply (at least min.service level)	413	413	413	413	413	413	413	413	413
		<i>Minimum Service Level and Above sub-total</i>	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
	9	Using public tap (< min.service	-	-	-	-	-	-	-	-	-

	level)									
10	Other water supply (< min.service level)	234	234	234	234	234	234	234	234	234
	No water supply	2	2	2	2	2	2	2	2	2
	<i>Below Minimum Service Level sub-total</i>	236	236	236	236	236	236	236	236	236
	Total number of households	4,495								
	<u>Sanitation/sewera ge:</u>									
	Flush toilet (connected to sewerage)	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
	Flush toilet (with septic tank)	860	860	860	860	860	860	860	860	860
	Chemical toilet	424	424	424	424	424	424	424	424	424
	Pit toilet (ventilated)	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718
	Other toilet provisions (> min.service level)	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833
	<i>Minimum Service Level and Above sub-total</i>	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
	Bucket toilet	80	80	80	80	80	80	80	80	80
	Other toilet provisions (<	864	864	864	864	864	864	864	864	864

min.service level)									
No toilet provisions	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698
<i>Below Minimum Service Level sub-total</i>	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642
Total number of households	41,115								
<u>Energy:</u>									
Electricity (at least min.service level)	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Total number of households	37,345								
<u>Refuse:</u>									
Removed at least once a week	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
<i>Minimum Service Level and Above sub-total</i>	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
Removed less frequently than once a week	257	257	257	257	257	257	257	257	257

		Using communal refuse dump	684	684	684	684	684	684	684	684	684
		Using own refuse dump	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849
		Other rubbish disposal	327	327	327	327	327	327	327	327	327
		No rubbish disposal	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
		<i>Below Minimum Service Level sub-total</i>	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050
		Total number of households	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116
Municipal in-house services	Ref.		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		<u>Household service targets (000)</u>									
		<u>Water:</u>									
		Piped water inside dwelling	15	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	19	19	19	19	19	19	19	19	19

TABLED BUDGET 2025/26

8	Using public tap (at least min.service level)	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
10	Other water supply (at least min.service level)	413	413	413	413	413	413	413	413	413
	<i>Minimum Service Level and Above sub-total</i>	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
10	Other water supply (< min.service level)	234	234	234	234	234	234	234	234	234
	No water supply	2	2	2	2	2	2	2	2	2
	<i>Below Minimum Service Level sub- total</i>	236	236	236	236	236	236	236	236	236
	Total number of households	4,495								
	<u>Sanitation/sewera ge:</u>									
	Flush toilet (connected to sewerage)	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
	Flush toilet (with septic tank)	860	860	860	860	860	860	860	860	860
	Chemical toilet	424	424	424	424	424	424	424	424	424
	Pit toilet (ventilated)	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718
	Other toilet provisions (>	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833

min.service level)									
<i>Minimum Service Level and Above sub-total</i>	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
Bucket toilet	80	80	80	80	80	80	80	80	80
Other toilet provisions (< min.service level)	864	864	864	864	864	864	864	864	864
No toilet provisions	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698
<i>Below Minimum Service Level sub-total</i>	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642
Total number of households	41,115								
<u>Energy:</u>									
Electricity (at least min.service level)	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
<i>Minimum Service Level and Above sub-total</i>	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Total number of households	37,345								
<u>Refuse:</u>									
Removed at least once a week	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
<i>Minimum Service Level and</i>	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066

<i>Above sub-total</i>										
Removed less frequently than once a week	257	257	257	257	257	257	257	257	257	257
Using communal refuse dump	684	684	684	684	684	684	684	684	684	684
Using own refuse dump	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849
Other rubbish disposal	327	327	327	327	327	327	327	327	327	327
No rubbish disposal	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
<i>Below Minimum Service Level sub-total</i>	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050
Total number of households	41,116									

PART TWO

ANNUAL BUDGET SUPPORTING INFORMATION

5. OVERVIEW OF ANNUAL BUDGET

5.1 Schedule of key deadlines relating to budget process

IDP, Budget, PMS and MPAC Calendar for 2024–25

The IDP, Budget, PMS, Risk, mSCOA and MPAC calendar presents the activities that will be undertaken by both the District Municipality and Ba-Phalaborwa Municipality during the 2024/25 financial year. The activities will culminate in the adoption of the 2025/26 IDP and Budget both Mopani District Municipality and Ba-Phalaborwa Municipality.

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
IDP				
July 2024	Preparatory Phase <ul style="list-style-type: none"> • IDP, Budget & PMS Operational Meeting (Preparatory Phase) • IDP, Budget & PMS Technical Meeting (Preparatory Phase) • IDP, Budget & PMS Steering Meeting (Preparatory Phase) • IDP, Budget & PMS Rep Forum (Preparatory Phase) • Mayor tables IDP/Budget/PMS/MPAC Framework & Process Plan in (Special Council) 	Planning and Development <ul style="list-style-type: none"> • Senior Manager Planning and Development • Manager Strategic Planning 	<ul style="list-style-type: none"> • 18/07/2024 (10h00) • 18/07/2024 (13h00) • 22/07/2024 • 23/07/2024 • 25/07/2024 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
Budget and mSCOA				
	<ul style="list-style-type: none"> Establish Departmental Budget Committees (include councillors & officials). 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget 	<ul style="list-style-type: none"> 26/07/2024 05/09/2024 	–
PMS				
	<ul style="list-style-type: none"> Compilation of 2023/2024 4th quarterly report Conclude 2024/25 annual performance agreements Submit final approved SDBIP to Mayor 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 04/07/2024 - 15/07/2024 01/07/2024 - 29/07/2024 26/07/2024 	
MPAC				
	<ul style="list-style-type: none"> MPAC Framework and Process Plan. Consideration of SDBIP for fourth quarter. Report on SCM- disciplinary matters related to MFMA Monthly budget statements. MPAC and Audit Committee Quarterly meeting/ report on functioning of AC District MPAC technical forum. Project visit Provincial MPAC forum District broader forum 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 08/07/2024 11-29/07/2024 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> MPAC Provincial Exco Final Work Programme presented to Council. Irregular, Fruitless. Unauthorized and Wasteful Expenditure. 			
Risk Management				
	<ul style="list-style-type: none"> Risk Management Committee (2023/24 Fourth Quarter Risk Management Report) 	Office of Municipal Manager <ul style="list-style-type: none"> Manager Risk Management 	<ul style="list-style-type: none"> 15/07/2024 	
IDP				
August 2024	Analysis Phase <ul style="list-style-type: none"> Data collection (ward-based planning) Data analysis and interpretation Community Satisfaction Survey 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 01/08/2024 – 31/09/2024 01/08/2024 – 31/09/2024 01/08/2024 – 31/09/2024 	
Budget and mSCOA				
	<ul style="list-style-type: none"> 2024/25 internal analysis of financial and non-financial performance. Determine financial position and assess financial capacity against future strategies. 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget 	<ul style="list-style-type: none"> 30/08/2024 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> mSCOA Operational Meeting mSCOA Steering Meeting 		<ul style="list-style-type: none"> 08/08/2024 12/08/2024 	
PMS				
	<ul style="list-style-type: none"> 2023/24 IDP implementation feedback: Fourth Quarter Mayoral Imbizo Make public the 2024/25 SDBIP Make public 2024/25 annual performance agreements and ensure that copies are submitted to Council and MEC:CoGHSTA Place 2024/25 annual performance agreements on the municipal website. Individual performance assessments 2023/24 Annual 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning Office of Municipal Manager (Mayoral Imbizo) <ul style="list-style-type: none"> Manager in the office of the Municipal Manager Senior Public Participation Officer 	<ul style="list-style-type: none"> 01/08/2024 – 31/08/2024 12/08/2024 16/08/2024 14/08/2024 02/08/2024 – 31/08/2024 	
MPAC				
	<ul style="list-style-type: none"> MPAC Provincial Forum MPAC/Audit Committee 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC 	<ul style="list-style-type: none"> 2-19/08/2024 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> meeting Working Session on the UIFWE reports Monthly budget statements Annual performance plan prepared Performance agreements signed by MM & section 56 officials. Annual financial statements to be submitted to AG Declaration forms completed and updated by Cllrs and Staff. Probing 4th quarter performance report. Public hearing on the fourth quarter performance report. 	Researcher		
IDP				
September 2024	Analysis Phase	Planning and Development		
	<ul style="list-style-type: none"> Data collection (ward-based planning) Data analysis and interpretation Community Satisfaction Survey 	<ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 01/08/2024 – 31/09/2024 01/08/2024 – 30/09/2024 01/08/2024 – 30/09/2024 	
	<ul style="list-style-type: none"> IDP, Budget & PMS 		<ul style="list-style-type: none"> 20/09/2024 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	Operational Meeting (Analysis Phase) <ul style="list-style-type: none"> • IDP, Budget & PMS Technical Meeting (Analysis Phase) • IDP, Budget & PMS Steering Meeting (Analysis Phase) • IDP, Budget & PMS Rep Forum (Analysis Phase) 		23/09/2024 <ul style="list-style-type: none"> • 23/09/2024 • 26/09/2024 	
Budget and mSCOA				
	<ul style="list-style-type: none"> • Circulate budget schedules to all departments • Consolidate draft core departments business plans & budgets • Review resources frames and financial strategies • mSCOA Operational Meeting • mSCOA Steering Meeting 	Budget and Treasury <ul style="list-style-type: none"> • CFO • Manager Budget 	<ul style="list-style-type: none"> • 26/09/2024 – • 11/10/2024 • 09/09/2024 – • 16/09/2024 • 23/09/2024– • 01/11/2024 • 10/09/2024 • 12/09/2024 	
PMS				
	<ul style="list-style-type: none"> • Individual performance assessment report 2023/24 Annual • Submission of Final 2023/24 departmental annual reports 	Planning and Development <ul style="list-style-type: none"> • Senior Manager • Planning and Development • Manager 	<ul style="list-style-type: none"> • 09/09/2024 • 09/09/2024 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
		Strategic Planning		
MPAC				
	<ul style="list-style-type: none"> 4th Quarter Individual Performance Assessment Report Monthly budget statements Scrutinize UIF. District Wide Session MPAC /Audit Committee 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 02/09/2024 12/09/2024 16-17/09/2024 23/9/2024 	
IDP				
October 2024	Analysis Phase <ul style="list-style-type: none"> Community Satisfaction Survey presentation 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 10/10/2024 	
Budget and mSCOA				
	<ul style="list-style-type: none"> Commence preparation for the 2024/25 departmental operational plans and service delivery and budget 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget Manager 	<ul style="list-style-type: none"> 14-17/10/2024 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	implementation plan aligned to strategic priorities in IDP and inputs from other stakeholders including government and bulk service providers (and NERSA) <ul style="list-style-type: none"> • mSCOA Operational Meeting • mSCOA Steering Meeting 	Revenue	<ul style="list-style-type: none"> • 08/10/2024 • 10/10/2024 	
PMS				
	<ul style="list-style-type: none"> • Continuation of preparations for 2023/24 annual report utilizing financial and non-financial information first reviewed as part of budget and IDP analysis • Compilation of 2024/25 first quarter institutional performance report. 	Planning and Development <ul style="list-style-type: none"> • Senior Manager Planning and Development • Manager Strategic Planning 	<ul style="list-style-type: none"> • 10/10/2024 – 28/10/2024 • 10/10/2024 – 28/10/2024 	
MPAC				
	<ul style="list-style-type: none"> • District MPAC Technical meeting • MPAC Provincial technical forum • District MPAC Chairpersons forum • MPAC Strategic Planning Session • MPAC Provincial Exco • Consolidated AFS submitted 	Office of Municipal Manager <ul style="list-style-type: none"> • MPAC Researcher 	<ul style="list-style-type: none"> • 02/10/2024 • 11/10/2024 • 14/10/2024 • 15/10/2024 • 16-18 /10/2024 • 21/10/2024 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> to AG SDBIP for first quarter consideration Project Visit MPAC Provincial forum Report on SCM/disciplinary matters related to MFMA Monthly budget statements 		<ul style="list-style-type: none"> 22/10/2024 25/10/2024 28/10/2024 	
Risk Management				
	<ul style="list-style-type: none"> Risk Management Committee (2024/25 First Quarter Risk Management Report) 	Office of Municipal Manager Risk Management	<ul style="list-style-type: none"> 14/10/2024 	
Budget and Mscoa				
November 2024	<ul style="list-style-type: none"> Community and stakeholder consultation process, review inputs, financial models, assess impacts on tariffs and charges and consider funding decisions including borrowing. Adjust estimates based on plans and resources. Commence consultation on the proposed tariffs. Check the tariff submission date and 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget Manager Revenue 	<ul style="list-style-type: none"> 06/11/2024 29/11/2024 	-

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> align. Draft five-year Financial Plan mSCOA Operational Meeting mSCOA Steering Meeting 		<ul style="list-style-type: none"> 04/11/2024 – 29/11/2024 12/11/2024 14/11/2024 	
PMS				
	<ul style="list-style-type: none"> Mayoral Imbizo on first quarter performance 	Office of Municipal Manager <ul style="list-style-type: none"> Manager in the office of the Municipal Manager 	<ul style="list-style-type: none"> 07/11/2024 – 25/11/2024 	
MPAC				
	<ul style="list-style-type: none"> MPAC Project Visit MPAC Working Session 4th quarter report. Probe 1st Quarter Performance report. Monthly budget statements Technical Committee meeting Public hearing on the 1st Quarter performance report. 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 4/11/2024 10-11/11/2024 18/11/2024 21/11/2024 	
IDP				
December 2024	Strategies Phase <ul style="list-style-type: none"> Strategic Session 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and 	<ul style="list-style-type: none"> 02/12/2024 – 06/12/2024 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
		<ul style="list-style-type: none"> Development Manager Strategic Planning 		
PMS				
	<ul style="list-style-type: none"> Finalize the draft annual report incorporating financial and non financial information on performance, audit reports and annual financial statements 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 16/12/2024 	
MPAC				
	<ul style="list-style-type: none"> Develop schedule for considering the 2023/24 Annual Report 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 15 /12/2024 	
Budget and mSCOA				
	<ul style="list-style-type: none"> Finalise the 2025/26 inputs from bulk resource providers (and NERSA) and agree on proposed price increase. (Align after submission of proposed tariffs) 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget Manager Revenue 	<ul style="list-style-type: none"> 09/12/2024 – 13/12/2024 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
Budget and mSCOA				
January 2025	<ul style="list-style-type: none"> Mid-year Budget engagement session (Provincial Treasury) Mid-Year Performance Assessment and recommend and adjustment budget, if necessary. Incorporate priorities from the President's State of the Nation Address, National Treasury and SALGA for further budget consideration. Review all aspects of the 2023/24 budget including any unforeseen and unavoidable expenditure in light of need for an adjustment budget. mSCOA Operational Meeting mSCOA Steering Meeting 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget 	<ul style="list-style-type: none"> 24/01/2025 27/01/2025 23-31/01/2025 10/01/2025 – 24/01/2025 14/01/2025 16/01/2025 	
PMS				
	<ul style="list-style-type: none"> Compilation of 2024/25 Mid-year report 	Planning and Development	<ul style="list-style-type: none"> 03/01/2025 20/01/2025 	–

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> • Mayor tables 2023/24 annual report to council • Make public the 2023/24 annual report and invite comments from local community, submit report to Auditor-General, Provincial Treasury & CoGHSTA • Consider monthly & mid-year reports for the period ended 31 December 2024. • Review implementation of budget and service delivery plan (SDBIP), identify problems and amend or recommend appropriate amendments. Submit report to council and make public any amendments to the SDBIP by the end of January 2025 to Council the status of next three year budget, 2023/24 annual report (including AFS & audit report) and summarizes overall findings of 2023/24 annual performance report. 	<ul style="list-style-type: none"> • Senior Manager Planning and Development • Manager Strategic Planning 	<ul style="list-style-type: none"> • 30/01/2025 • 30/01/2025 • 30/01/2025 • 24/01/2025 • 24/01/2025 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
MPAC				
	<ul style="list-style-type: none"> • MPAC and Audit committee • MPAC District Technical • Mid-year report and budget of council • AFS returned from A-G Matters raised by A-G. • Report on disciplinary matters related to MFMA/Report on SCM • Monthly budget statements • Report in functioning of AC. • District MPAC Chairperson meeting • District MPAC Forum 	Office of Municipal Manager <ul style="list-style-type: none"> • MPAC Researcher 	<ul style="list-style-type: none"> • 06/01/2025 • 9/01/2025 • 13-16 /01/2025 • 17/01/2025 • 21/01/2025 	
Risk Management				
	<ul style="list-style-type: none"> • Risk Management Committee (2024/25 Second Quarter Risk Management Report) 	Office of Municipal Manager Manager Risk Management	<ul style="list-style-type: none"> • 16/01/2014 	
IDP				
February 2025	Strategies, Projects, Integration Phase <ul style="list-style-type: none"> • IDP, Budget & PMS Operational meeting (Strategies, Projects 	Planning and Development <ul style="list-style-type: none"> • Senior Manager Planning and Development • Manager 	<ul style="list-style-type: none"> • 03/02/2025 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<p>prioritisation and Sector plans)</p> <ul style="list-style-type: none"> • IDP, Budget & PMS Technical meeting (Strategies, Projects prioritisation and Sector plans) • IDP, Budget & PMS Steering meeting (Strategies, Projects prioritisation and Sector plans) • IDP, Budget & PMS Representative Forum (strategies, Projects prioritisation and Sector plans). 	Strategic Planning	<ul style="list-style-type: none"> • 06/02/2025 • 07/02/2025 • 13/02/2025 	
Budget and mSCOA				
	<ul style="list-style-type: none"> • Incorporate directives from the National budget and Provincial and National allocations to municipalities into budget. • Finalise the adjustment 2024/25 detailed operating & capital budgets in the prescribed formats incorporating National and Provincial budget allocations, integrate and align to IDP documentation and draft 	Budget and Treasury <ul style="list-style-type: none"> • CFO • Manager Budget 	<ul style="list-style-type: none"> • 07/02/2025 • 27/02/2025 • 21/02/2025 • 21/02/2025 	-

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<p>SDBIP, finalise budget policies including tariff policy.</p> <ul style="list-style-type: none"> • Tabling and approval of an adjustments budget (if necessary) • Submit the 2024/25 approved adjustments budget to the Provincial & National Treasury & any other affected organ of state (10 days after approval.) • MSCOA Operational meeting • MSCOA Steering meeting 		<ul style="list-style-type: none"> • 27/02/2025 • 28/02/2025 • 11/02/2025 • 13/02/2025 	
PMS				
	<ul style="list-style-type: none"> • Individual Performance Assessments 2024/25 Mid-year • Place 2023/24 annual report on the municipal website • Mayoral Imbizo 	<p>Planning and Development</p> <ul style="list-style-type: none"> • Senior Manager Planning and Development • Manager Strategic Planning <p>Office of Municipal Manager (Moyoral Imbizo)</p> <ul style="list-style-type: none"> • Manager in the office of 	<ul style="list-style-type: none"> • 01/02/2025 • 20/02/2025 • 03/02/2025 • 03/02/2025 – 10/02/2025 	-

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
		the Municipal Manager		
MPAC				
	<ul style="list-style-type: none"> Considering the 2023/24 annual report MPAC Working Session on the draft annual report MPAC public hearing preparation Review questions form the Executives MPAC Project visit District MPAC Forum 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 3/02/2025 10-14/02/2025 3/02/2025 3/03/2025 20/03/2025 	
IDP				
March 2025	Approval Phase (Draft IDP) <ul style="list-style-type: none"> IDP, Budget & PMS operational meeting (Draft 2025/26 IDP, Budget & PMS) IDP, Budget & PMS Technical 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager 	<ul style="list-style-type: none"> 03/03/2025 06/03/2025 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<p>approved adjustments budget to the Provincial & National Treasury & any other affected organ of state (Immediately after council approves)</p> <ul style="list-style-type: none"> mSCOA Operational Meeting mSCOA Steering Meeting 		<ul style="list-style-type: none"> 27/03/2025 11/03/2025 13/03/2024 	
PMS				
	<ul style="list-style-type: none"> Compile Individual performance assessment report (2024/25 Mid -Year Quarter) Council adopts the 2023/24 annual report with the comments of the oversight committee. Submit draft 2025/26 SDBIP to the Mayor Submit draft 2025/26 annual performance agreements to the Mayor 	<p>Planning and Development</p> <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 15/03/2025 27/03/2025 27/03/2025 27/03/2025 	
MPAC				
	<ul style="list-style-type: none"> Public hearing on the 2023/24 Annual Report Oversight report preparation 	<p>Office of Municipal Manager</p> <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 18/03/2025 26/03/2025 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> Monthly budget statements Submit Oversight Report and Annual Report to Council Review all matters referred to the committee by council 		<ul style="list-style-type: none"> 26/03/2025 	
IDP				
April 2025	Approval Phase (Draft IDP cont) <ul style="list-style-type: none"> Consultations on tabled Draft 2025/26 IDP, Budget & PMS 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning Office of Municipal Manager <ul style="list-style-type: none"> Manager in the office of the Municipal Manager Senior Officer Public Participation 	<ul style="list-style-type: none"> 03/04/2025–29/04/2025 	
Risk Management				
	<ul style="list-style-type: none"> Strategic Risk Assessment – Develop 2025/26 Strategic Register 	Office of Municipal Manager <ul style="list-style-type: none"> Manager Risk 	<ul style="list-style-type: none"> 07/04/2025 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
		Management		
	<ul style="list-style-type: none"> Risk Management Committee (2024/25 Third Quarter Risk Management Report and the Draft Strategic Risk Register) Council adopts the Strategic Risk Register 	Office of Municipal Manager Manager Risk Management	<ul style="list-style-type: none"> 18/04/2025 	
Budget and mSCOA				
	<ul style="list-style-type: none"> Make public the 2025/26 tabled annual budget & accompanying budget documentation, invite the community to submit representations and submit to Provincial & National Treasury and other affected organs of state. Consultation on tabled budget, publicise and conduct public hearings and meetings within wards. mSCOA Operational Meeting mSCOA Steering 	Budget and Treasury <ul style="list-style-type: none"> CFO Manager Budget 	<ul style="list-style-type: none"> 03/04/2025 – 24/04/2025 04/04/2025 – 11/04/2025 11/04/2025 12/04/2025 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	Committee Meeting			
PMS				
	<ul style="list-style-type: none"> Submit the 2023/24 Annual Report & Oversight Report to Provincial Treasury, CoGHSTA, AG and Legislature. Make public the 2023/24 oversight report Submission of third quarter departmental performance report 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 07/04/2025 11/04/2025 11/04/2025 	
MPAC				
	<ul style="list-style-type: none"> Oversight report made public Consider the 2024/25 Draft SDBIP for third quarter Report on SCM Report on disciplinary matters related to MFMA Monthly budget statements MPAC and Audit committee Quarterly meeting 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 07/04/2025 23/04/2025 	
IDP				
May 2025	Approval Phase (Final IDP) <ul style="list-style-type: none"> IDP, Budget & PMS Operational Teams (Analysis 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and 	<ul style="list-style-type: none"> 05/05/2025 (14h00) 	

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> & integration of public comments) • IDP, Budget & PMS Technical meeting (Analysis & integration of public comments) • IDP, Budget & PMS Steering meeting (analysis & integration of public comments) • IDP, Budget & PMS Representative meeting (analysis & integration of public comments) • Mayor tables Final 2025/26 IDP, Budget & PMS for final approval/adoption 	Development Manager Strategic Planning	<ul style="list-style-type: none"> • 07/05/2025 (14h00) • 12/05/2025 • 15/05/2025 • 29/05/2025 	
Budget and mSCOA				
	<ul style="list-style-type: none"> • Draft Benchmark exercise 2025/26 • Consider the views of the community and other stakeholders on the 2025/26 budget. • Respond to submissions received & if necessary revise the budget and table amendments for council consideration. 	Budget and Treasury <ul style="list-style-type: none"> • CFO • Manager Budget 	<ul style="list-style-type: none"> • 12-16/05/2025 • 13/05/2025–16/05/2025 • 13/05/2025 – 16/05/2025 	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> mSCOA Steering Meeting mSCOA Operational Meeting 		<ul style="list-style-type: none"> 08/05/2025 13/05/2025 	
MPAC				
	<ul style="list-style-type: none"> MPAC Technical committee meeting. MPAC District forum meeting Consider the Draft IDP, Budget and PMS Consider third Quarter report Monthly budget statements Probing and public hearing on third Quarter Institutional Performance Report. 	Office of Municipal Manager <ul style="list-style-type: none"> MPAC Researcher 	<ul style="list-style-type: none"> 25/05/2025 	
IDP				
June 2025	<ul style="list-style-type: none"> Public Notice on the adoption of IDP, Budget & PMS Submission of the Final Approved IDP to the MEC for Local Government & Housing 	Planning and Development <ul style="list-style-type: none"> Senior Manager Planning and Development Manager Strategic Planning 	<ul style="list-style-type: none"> 08/06/2025 13/06/2025 	
Budget				

TABLED BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> • Submit approved IDP/Budget to National & Provincial Treasury, CoGHSTA and District (10 working days after approval) • mSCOA Operational Meeting • mSCOA Steering Meeting 	Budget and Treasury <ul style="list-style-type: none"> • CFO Manager Budget 	<ul style="list-style-type: none"> • 14/06/2025 • 10/06/2025 • 13/06/2025 	
MPAC				
	<ul style="list-style-type: none"> • Monthly budget statements • Consider the alignment of final IDP, Budget, PMS and MPAC Work Programme • Tracking implementation of the resolutions of the council as a result of the recommendations of MPAC 	Office of Municipal Manager <ul style="list-style-type: none"> • MPAC Researcher 	<ul style="list-style-type: none"> • 10/6/2025 • 17-24/06/2025 	

6. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

6.1 VISION OF THE MUNICIPALITY

The vision was therefore revised as follows:

“Provision Of Quality Services for Community Well-Being and Tourism Development”

6.2 FIVE YEAR STRATEGIC FOCUS AREA

Good governance and institutional excellence: The learning and growth perspective entails skills development and capacitating of employees. Employees are the foundation of the municipality; if employees are skilled and capacitated, they will improve the ways they work and both service delivery and individual performance will improve. This perspective will also include leadership, financial and management training. This objective will address NSDP priority area “Effective administration and governance structure.”

Provide, maintain and upgrade municipal assets and services: The core function of the municipality is to provide access to services. Ba-Phalaborwa experiences the following challenges as mentioned under the binding constraints in the strategic alignment and which is directly linked to the NSDP and PGDS: Infrastructure development, poor maintenance plans and infrastructure development plans. If these are not addressed, the municipality will not be able to provide sustainable services to the community and investment and economic growth in the municipal area will be challenged. The infrastructure master plan such as Electricity, roads and water master plans to be developed as a matter of urgency to unlock gaps of the challenges of the infrastructure.

Environmental sustainability: PGDS strategic objective deals with environmental sustainability and climate change. A priority mentioned in the PGDS is that all municipalities have to have environmental management plans. Also mentioned

are waste management plans, recycling of waste and water and alternative energy plan. Ba-Phalaborwa plays a leading role in the achievement of this objective as mentioned under NSDP and PGDS priorities.

Develop effective and sustainable stakeholder relationships and partnerships: With the small revenue base it is crucial that partnerships be formed, and stakeholder relationships built to ensure cooperation and development of Ba-Phalaborwa and its community. Ba-Phalaborwa has established strategic relationships with the mines, Phalaborwa Foundation and DBSA. Stakeholder management, however, is not structured.

Facilitate local economic growth and provide for mobility and access: The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's location has established it as developmental and economic nodes in tourism, mining, agriculture and a service node.

Become financially viable: To be sustainable, it is necessary for the municipality to increase its revenue base through expanding its collection points, partnership and investment in the area. Again, investment will only be achieved if the necessary infrastructure is provided and therefore maintenance, upgrading and replacement of infrastructure is of utmost importance for the municipality.

Ensure community well-being; Community well-being does not only have to do with provision of services, but also deals with priorities such as HIV/Aids, education, health, safety and security and literacy. Ba-Phalaborwa strives, together with its stakeholders and partnerships to achieve on all these priorities to ensure healthy and sustained community.

6.3 ALIGNMENT OF IDP WITH NATIONAL AND PROVINCIAL GOVERNMENT

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Economic	Financial	1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods.		1. Ensuring more inclusive economic growth, decent work and sustainable livelihoods	3. Implement the community work programme and cooperatives supported	Local Economic Development	An economy that will create more jobs An inclusive and integrated rural economy		Growing economic environment
Social Infrastructure	Community Satisfaction	5. Improve the health profile of society	5. Fostering Development Partnerships, Social Cohesion and community mobilisation	4. Access to quality education		Basic Service Delivery	Improving the quality of education, training and innovation	Basic Services: Creating decent living conditions	Good corporate governance and public participation
Social Infrastructure	Community Satisfaction			5. Improved health care		Basic Service Delivery	Quality health care for all	Basic Services: Creating decent living conditions	Protected environment and enhanced community well-being
Social Infrastructure	Institutional	6. Intensify the fight against crime and corruption		6. Fighting crime and corruption		Good Governance and Public Participation	Fighting corruption	Good governance	Good corporate governance and public participation

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Social Infrastructure	Community Satisfaction	7. Building of cohesive, caring and sustainable communities		8. Cohesive and sustained communities		Basic Service Delivery	An inclusive and integrated rural economy Transforming society and uniting the country	Basic Services: Creating decent living conditions	Protected environment and enhanced community well-being
Social Infrastructure	Community Satisfaction		3. Accelerating service delivery and supporting the vulnerable	3. Rural development, food security and land reform		Basic Service Delivery	An inclusive and integrated rural economy	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes		3. Accelerating service delivery and supporting the vulnerable		2. Improved access to basic services	Basic Service Delivery	Improving infrastructure	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	2. Massive programmes to build economic and social infrastructure			1. Implement a differentiated approach to municipal financing, planning and support (Outcome 2 and 3)	Basic Service Delivery	Reforming public service Improving infrastructure	Sound financial management Building capable institutions and administrations	Sustainable integrated infrastructure and services

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Technical Infrastructure	Institutional Processes		3. Accelerating service delivery and supporting the vulnerable	2. Provision of economic and social infrastructure		Basic Service Delivery	Improving infrastructure	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	3. Comprehensive rural development strategy linked to land and agrarian reform and food security				Basic Service Delivery	Improving infrastructure An inclusive and integrated rural economy	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	9. Sustainable resource management and use		9. Sustainable resource management and use		Basic Service Delivery	Transition to a low-carbon economy	Basic Services: Creating decent living conditions	Protected environment and enhanced community well-being
Governance and Administration	Institutional Processes				6: Improved municipal financial and administrative capacity	Municipal Financial Viability and Management	Reforming the public service	Sound financial management Building capable institutions and administrations	Improved financial viability

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Governance and Administration	Institutional Processes		4. Improving the Developmental Capability of the Institution of Traditional Leadership.		5. Deepened democracy through a refined ward committee model	Good Governance and Public Participation	Reforming the public service	Public participation: Putting people first	Good corporate governance and public participation
Governance and Administration	Institutional Processes	3. Comprehensive rural development strategy linked to land and agrarian reform and food security		3. Rural development, food security and land reform	4. Actions supportive of human settlement outcomes	Municipal Transformation and Organisational Development	Reversing the spatial effect of apartheid	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Governance and Administration	Institutional Processes	10. Building of a developmental state including improving of public services and strengthening democratic institutions	1. Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive	10. A developmental state including improvement of public services	7. Single Window of coordination	Good Governance and Public Participation	Reforming the public service	Building capable institutions and administrations	Sustainable integrated infrastructure and services

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Governance and Administration	Institutional Processes		2. Strengthen Accountability and Clean Government	9. Sustainable resource management and use	6. Improved administrative capacity	Good Governance and Public Participation	Reforming the public service	Good governance	Skilled, competent and innovative workforce
Governance and Administration	Institutional Processes	6. Intensify the fight against crime and corruption		6. Fighting crime and corruption		Good Governance and Public Participation	Fighting corruption	Good governance	Good corporate governance and public participation
Governance and Administration	Institutional Processes	8. Pursuing African advancement and enhanced international cooperation		8. Creation of a better Africa and a better world			Reforming the public service	Good governance	Good corporate governance and public participation
Governance and Administration	Learning and Growth	4. Strengthening of skills and human resource base				Municipal Transformation and Organisational Development	Reforming the public service	Building capable institutions and administrations	Skilled, competent and innovative workforce

7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

7.1 Key Financial Indicators and ratios

LIM334 Ba-Phalaborwa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	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
<u>Borrowing Management</u>											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.9%	0.5%	2.6%	5.0%	5.0%	5.0%	-0.4%	5.2%	3.2%	2.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.3%	0.4%	3.8%	5.6%	5.5%	5.5%	-0.3%	5.5%	3.5%	2.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0.8	1.0	0.9	1.2	0.5	0.5	1.0	0.6	1.0	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.8	1.0	0.9	1.2	0.5	0.5	1.0	0.6	1.0	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.8	0.8	0.4	0.2	0.2	0.8	0.3	0.6	0.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	196.0%	333.6%	159.4%	156.0%	156.0%	513.8%	155.7%	192.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	196.0%	333.6%	159.4%	156.0%	156.0%	513.8%	155.7%	192.6%	189.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	99.0%	141.4%	111.2%	119.6%	82.3%	82.3%	139.2%	79.8%	83.9%	83.1%
<u>Creditors Management</u>											
Creditors to Cash and Investments		-4125.6%	159.5%	119.1%	-249.7%	-263.5%	-263.5%	465.6%	6595.6%	1320.5%	641.7%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.7%	30.6%	30.2%	28.9%	28.7%	28.7%	20.3%	29.8%	30.7%	31.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	29.7%	30.6%	33.3%	31.4%	31.1%	31.1%		32.4%	33.3%	34.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.0%	4.5%	5.0%	3.6%	4.2%	4.2%		3.5%	3.9%	3.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18.9%	12.1%	11.9%	14.2%	14.1%	14.1%	9.4%	14.4%	14.5%	14.3%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	(29.8)	(330.7)	27.1	35.9	35.9	35.9	22.5	66.8	136.2	140.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	88.9%	228.8%	94.0%	181.6%	58.1%	58.1%	293.7%	54.4%	69.1%	71.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(1.2)	32.4	43.5	(3.4)	(2.8)	(2.8)	17.4	0.1	0.6	1.1

TABLED BUDGET 2025/26

7.2 Measurable Performance Objectives and Indicators

Description	Unit of measurement	Current Year 2023/24			2025/26 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Vote 3 - Corporate Services	Office Furniture & Equipment	1 700 000	1 700 000	1 700 000	1 739 130	1 739 130	1 285 444
Vote 4 - Community and Social Services	Development of Phalaborwa new landfill site Phase1	5 000 000	5 000 000	5 000 000	4 347 826	8 695 652	8 695 652
	Procure LDV bakkie for warrant of arrest	600 000	600 000	600 000	0	0	0
	Procure Roadblock trailer fully fitted	425 000	425 000	425 000	0	0	0
	Procure a trailer for refuse collection enhancement	200 000	200 000	200 000	0	0	0
Vote 6 - Technical Services	Upgrading of road from gravel to tar: Tambo phase 2	6 719 463	6 719 463	6 719 463	0	0	0
	Electrification of villages	20 794 000	20 794 000	20 794 000	0	0	0
	Upgrading of Benfarm phase 2	4 037 446	4 037 446	4 037 446	0	0	0
	Refurbishment of Namakgale stadium	R10 837 179	R10 837 179	R10 837 179	0	0	0
	Installation of stormwater culverts at Mashishimale to Lejori, Makhushane, Humulani and Lulekani	1 896 829	1 896 829	1 896 829	0	0	0
	Selwane sports complex	937 661	937 661	937 661	0	0	0
	Upgrading of Honeyville to Dinoko Sebera from gravel to tar	5 937 241	5 937 241	5 937 241	7 826 087	10 011 095	0
	Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	4 737 594	4 737 594	4 737 594	6 351 587	13 404 849	0
	Installation of stormwater culvert at Tension Pilusa graveyard	6 900 000	6 900 000	6 900 000			0
	Installation of high mast lights				1 915 087	4 303 882	4 215 814
	Upgrade of gravel to asphalt from Nkateko high school to Pondo combined school				6 956 522	0	0

TABLED BUDGET 2025/26

	Upgrading of Benfarm phase 2				153 543	0	0
	Upgrading of gravel to asphalt street paving from clinic via ZCC ward 2				5 565 217	0	0
	Installation of stormwater culvert at Shitshitwe culvert				3 478 261	7 130 435	0
	Installation of precast storm water culverts at Mlambo stream						6 000 000
	Upgrading a gravel road to asphalt paved road from Maimele street to PMC bus stop & Lulekani graveyard (Matikoxikaya)						10 956 522
	Street Paving of Mabine to Sobby street						6 922 882
	Procurement of Refuse Compactor Trucks						2 608 696
	Procurement of TLB						2 173 913
	Procurement of Grader						3 478 261
	Refurbishment of Namakgale stadium				7 863 894	0	0
	Upgrading of Honeyville to Dinoko Sebera from gravel to tar				5 688 469	0	0
	Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana				2 307 750	0	0
	Benfarm upgrading of streets from gravel to tar				1 807 183	0	0
	Construction of a Trapezoidal concrete lined stormwater channel, in ward 5 Namakgale				1 134 216	1 134 216	1 134 216
TOTAL		59 792 414	59 792 414	59 792 414	65 537 609	46 589 391	48 095 217

Note:

The budget figures from 2025/26 - 2027/28 are VAT exclusive.

8. OVERVIEW OF BUDGET-RELATED POLICIES

The following policies has been reviewed and adopted with this budget for implementation as from July 2025

Tariff Policy

- The Tariff Policy was reviewed in line with relevant legislation and adopted with this budget for implementation as from July 2025

Property Rates Policy

- A policy in line with Local Government: Municipal Property Rates Act, Act No. 6 of 2004 was reviewed to take into consideration requirements of Gazette to ensure the implementation of the new property rates act and is adopted with this budget for implementation.

Budget Policy

- A budget policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2025.

Asset Management Policy

- A policy in line with relevant legislation is reviewed and adopted with this annual budget for implementation as July 2025.

Supply chain management policy

- The supply chain management policy in line with the reviewed PPPFA regulation has been reviewed and is adopted with this budget for implementation as from July 2025.

Indigent Household Consumer Policy

- The Indigent and household Consumer policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2025. The approved indigent register will be in force as from 1st July 2025.

Credit Control, Debt Collection and Consumer Care Policy

TABLED BUDGET 2025/26

- Credit Control and Debt Collection Policy of the municipality was reviewed to take into account relevant legislation and developments in court findings and orders during the year. The policy also covers Consumer Care principles. The policy is adopted with this budget for implementation from July 2025

Investment Policy

- The municipality was reviewing an Investment Policy to ensure proper cash management and investment in line with relevant legislation and the policy and is adopted with this budget for implementation. The policy will be implemented after adopting procedure manuals for implementation from July 2025.

Virement Policy

- Virement policy was reviewed by the municipality in line with legislation to ensure that the process of this policy is implemented, to enable budget manager to amend the budgets to reflect anticipated changes.

Petty Cash Policy

- The municipality reviewed the petty cash policy in line with relevant legislation and policy so that it may be able to improve the efficiency of departmental operations especially for purchases of minor items.

Bad Debt Write Off

- Bad debt write off policy was reviewed by the municipality in line with legislation and policy to ensure that the whole credit control and debt collection process have been followed in terms of trying to obtain payment due to Council by customer, taking into account developments of legislation governing financial management in local government as well as accounting standards.

Deposit Policy

- Deposit policy reviewed in order for municipality council in line with legislation to amend any clause, stipulation or tariff embodied in the policy in the interest of the parties concerned.

Fleet Management Policy

- Municipality reviewed this policy in line with legislation to regulate the use of official Municipal vehicles and to ensure that they are used in a safe and efficient manner in order to minimize accidents and abuse of vehicles.

Electricity Supply by-laws

- Electricity supply by-laws was reviewed by the municipality in line with legislation so that only the service provider shall supply or contract for the supply of electricity within the jurisdiction of the Service Authority.

Subsistence and Traveling Policy

- This policy was reviewed in line with legislation by municipality to sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official who travel from time to time to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government so that they can broaden their knowledge and understanding.

Inventory management Policy

The policy aims to achieve the following objectives which are to: -

- Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy. Eliminate any potential misuse of inventory and possible theft.
- To lay down procedures and processes for the procurement management and control over inventory (stock) items in accordance with all relevant regulations and legislation and other policies and directives.

The envisaged outcome is an efficient and effective control and inventory management tool for the Municipality.

9. OVERVIEW OF BUDGET ASSUMPTIONS

External factors

The following factors were taken consideration and assumption when compiling 2025/26 budget to ensure that the budget is meaningful and easy to understand during the calculation of estimated revenues and expenditures:

- Division of Revenue Bill, 2025
- Domestic outlook
- Population growth
- Risks to the global outlook
- National target in new growth path to create jobs over the next decade
- Sound macroeconomic policy enables the Country to fund social and economic priorities.
- Anticipated salary increases.
- Demand for services provision on free basic services
- Rates – Tariffs, charges and timing of revenue collection
- Sustainability – Consumer affordability to services municipal services
- Interest rate

Internal factors

KEY FINANCIAL TARGETS

The following assumptions were considered on compilation of 2025/26 budget on revenues: The multi – year budget is underpinned by the following key financial target assumptions:

- Increasing/ maximizing revenue collection on outstanding debtors
- Full implementation of credit control policy and intensifying debt collection
- Revision of cemetery tariffs and other minor sources of income such as building plans
- Improvement on billing system by means of ensuring correctness of meter readings

TABLED BUDGET 2025/26

- Customer education
- Improvement on public participation
- Tariff increase,
- Macro Growth factor indicator
- Capital Charges
- Total expenditure increases allowed.
- Increase in repairs and maintenance.

There are several sources of information gathered during the compilation of 2025/26 budget:

- Ba-Phalaborwa Integrated Development Plan
- mSCOA circulars
- Treasury circulars 99,98,94,91,89,86,85,82,75, 74, 72, 70, 67,66, 59, 58, 55, 54, 51 and 48-108, 112 and 115-123, 129
- Statistics SA guidelines on economic indicators
- Financial management system and departmental budget inputs submitted.
- Consumer/ Customers surveys on services

10. OVERVIEW OF BUDGET FUNDING

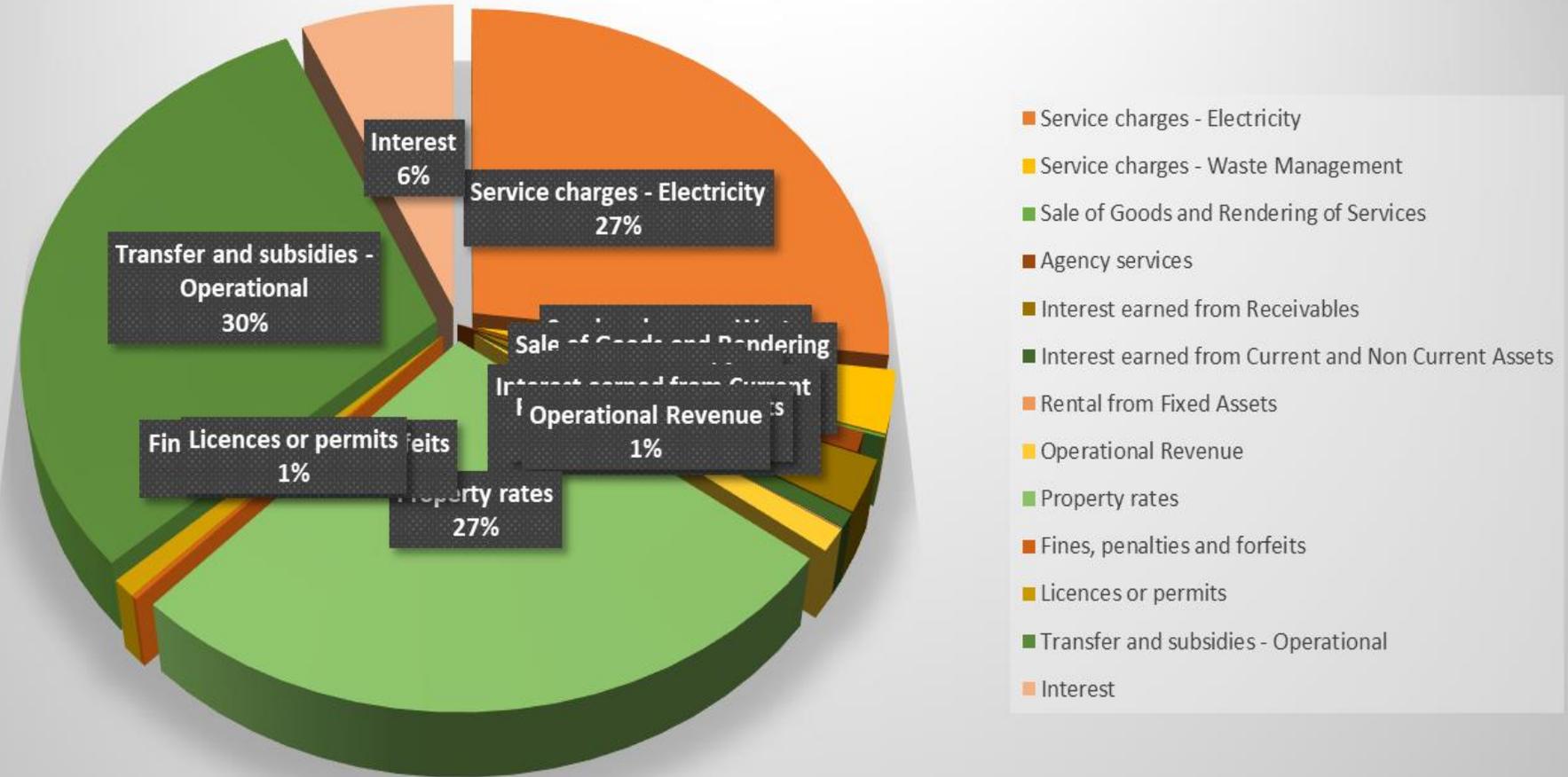
10.1 REVENUE AND FINANCING ACTIVITIES

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
Revenue											
Exchange Revenue											
Service charges - Electricity	2	113,307	119,965	117,658	197,916	197,916	197,916	97,453	193,957	204,237	216,879
Service charges - Waste Management	2	18,082	18,558	20,167	21,914	21,914	21,914	13,990	19,894	20,789	21,309
Sale of Goods and Rendering of Services		887	664	795	784	5,698	5,698	932	5,993	7,899	8,237
Agency services		21,601	15,400	13,388	6,888	6,888	6,888	1,182	11,932	12,469	12,780
Interest earned from Receivables		11,337	25,626	14,251	18,470	18,470	18,470	7,190	16,768	17,522	17,961
Interest earned from Current and Non-Current Assets		2,434	4,026	5,120	5,394	5,894	5,894	3,783	5,351	5,591	5,731
Rental from Fixed Assets		205	512	342	285	365	365	342	349	365	374
Operational Revenue		9,790	613	497	8,186	8,186	8,186	170	7,432	7,766	7,960
Non-Exchange Revenue											
Property rates	2	133,398	135,075	127,740	194,706	194,706	194,706	134,560	214,177	223,815	229,410
Fines, penalties and forfeits		598	514	280	1,438	1,438	1,438	4	1,306	1,365	1,399
Licences or permits		20,358	4,143	4,296	6,445	6,445	6,445	1,102	5,851	6,115	6,267
Transfer and subsidies - Operational		182,025	196,070	215,659	223,212	222,873	222,873	292,643	224,034	227,248	232,247
Interest		41,761	30,429	34,468	47,632	47,632	47,632	25,577	43,242	45,188	46,318
Gains on disposal of Assets		-	(17)	87	-	-	-	-	-	-	-
Other Gains		1,163	10,542	(1,476)	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		556,948	562,120	553,272	733,271	738,427	738,427	578,926	750,286	780,369	806,873

- The table above shows the summary of revenue and financing activities.
- The estimated revenue for 2025/26 is R750.3 million excluding capital grants.
- Equitable share allocation is as per Division of Revenue (Dora 2025)

Graphically Revenue per source:

Revenue per source



10.2.1 GRANTS AND SUBSIDIES AS PER DIVISION OF REVENUE 2025

LIM334 Ba-Phalaborwa - Supporting Table SA18 Transfers and grant receipts

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
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		183,539	195,949	213,809	223,212	222,873	222,873	224,034	227,248	232,247
Energy Efficiency and Demand Management	–	3,000	–	4,000	–	–	–	–	5,000	–
EPWP Incentive	–	1,195	1,186	1,470	1,769	1,769	1,769	1,806	–	–
Finance Management	–	3,100	3,100	3,100	3,000	3,000	3,000	3,000	3,000	3,100
Local Government Equitable Share	–	169,872	189,853	205,239	216,586	216,247	216,247	217,276	217,139	226,946
Municipal Infrastructure Grant	–	6,372	1,809	–	1,857	1,857	1,857	1,952	2,109	2,201
Total Operating Transfers and Grants	5	183,539	195,949	213,809	223,212	222,873	222,873	224,034	227,248	232,247
<u>Capital Transfers and Grants</u>										
National Government:		45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
Municipal Infrastructure Grant (MIG)	–	25,376	34,377	35,156	35,284	35,284	35,284	37,083	40,075	41,810
Integrated National Electrification Programme Grant	–	20,000	8,000	15,794	4,814	–	–	–	–	–
Total Capital Transfers and Grants	5	45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
TOTAL RECEIPTS OF TRANSFERS & GRANTS		228,915	238,325	264,759	263,310	258,157	258,157	261,117	267,323	274,056

- Equitable Share has increased as per Division of Revenue Act – from to R216.2 million to R217.3 million for 2025/26
- Financial Management Grant remain unchanged at R3 million as per the 2025 Division of Revenue Act
- Municipal Infrastructure Grant has increased as per Division of Revenue from R35.3 million to R37.1 million in 2025/26.
- Expanded public Works Grant has increased from R1.7 million to R1.8 as per Division of Revenue 2025

ALLOCATION OF EXPENDITURE PER STANDARD ITEM

LIM334 Ba-Phalaborwa - 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
Expenditure											
Employee related costs	2	165,677	172,122	167,310	211,878	211,878	211,878	117,254	223,941	239,580	256,254
Remuneration of councillors		17,262	18,189	16,987	18,067	18,067	18,067	11,065	19,196	20,539	21,977
Bulk purchases - electricity	2	101,086	93,614	116,160	155,868	153,890	153,890	97,865	150,812	158,805	168,651
Inventory consumed	8	29,761	36,006	46,282	24,104	25,204	25,204	16,191	26,313	27,497	28,184
Debt impairment	3	-	1,133	-	105,500	105,500	105,500	-	110,142	115,098	117,976
Depreciation and amortisation		86,780	47,422	43,073	83,646	83,646	83,646	54,205	87,327	91,256	93,538
Interest		18,266	20,847	22,902	20,552	20,552	20,552	-	20,722	21,654	22,196
Contracted services		71,025	48,792	75,829	78,607	83,153	83,153	36,125	69,216	77,599	70,111
Transfers and subsidies		9,854	7,390	10,676	1,076	676	676	142	522	454	473
Irrecoverable debts written off		136,917	(54,976)	258,191	-	-	-	-	-	-	-
Operational costs		69,106	56,582	58,958	115,540	115,196	115,196	66,870	85,822	89,469	90,315
Other Losses		(79,375)	404	1,519	-	-	-	-	-	-	-
Total Expenditure		626,360	447,526	817,887	814,838	817,762	817,762	399,716	794,011	841,955	869,676

- The estimated total operational expenditure as per standard item is R794 million for the financial year 2025/26
- Included on the expenditure per standard item is the depreciation and amortisation of assets at an estimated amount of R87.3 million.
- Employee related costs for entire staff members exclusive of councillors is estimated at R223.9 million in 2025/26 financial year.

Summary of operating expenditure by standard classification item

Employee Related Costs

The budgeted allocation for employee related costs for the 2025/26 financial year amounts to R223.9 million which equals 28.2% of the total operating expenditure.

Remuneration of councillors

- The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). For the 2025/26 financial year the remuneration of councillors will amount to R19.2 million.

Debt impairment

- The provision of debt impairment was determined based on a current collection rate and Debt Write-off Policy of the municipality. While this expenditure is considered to be a non-cash flow item, it is informed by the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues and amount to R110.1 million which equals to 13.9% of the operating expenditure.

Depreciation and asset impairment

- Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Budget appropriations in this regard total R87.3 million for the 2025/26 financial and equates to 11% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has been taken into account.

Bulk Purchases

- 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 and are equals to 19% of the total operating expenditure.

Contracted Services

- In the 2025/26 financial year, this group of expenditure totals R69.2 million which equals to 9% of the total operating expenditure.

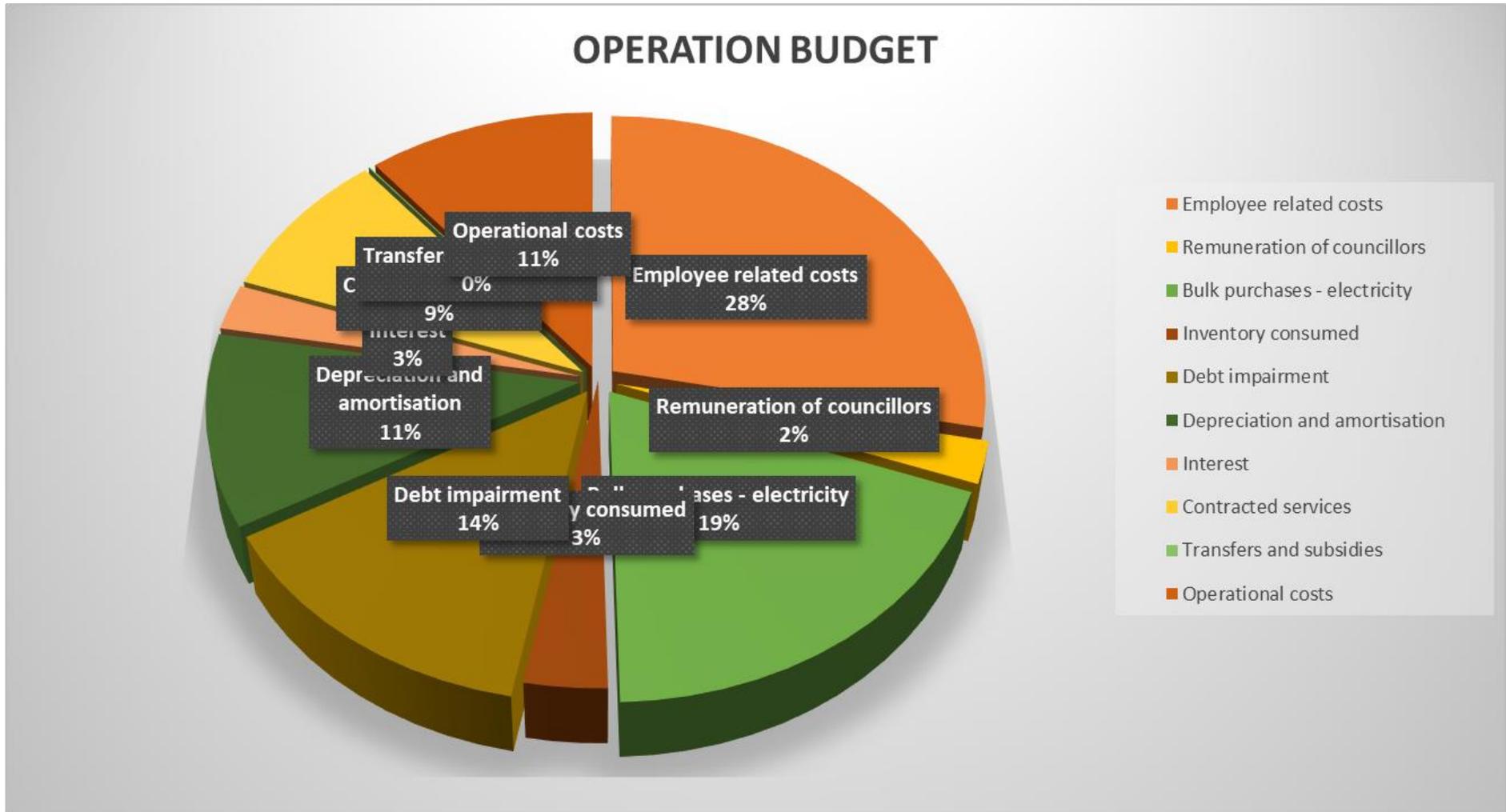
Other Expenditure

- Other expenditure comprises of various line items relating to the daily operations of the municipality, for 2025/26 financial year is estimated at R85.8 million which equals to 10.8% of total operational budget.

Interest (Finance Charges)

- The Interest (finance charges) for 2025/26 financial year is estimated at R20.7 million which constitute 2.6% of the total operating expenditure.

The following graph gives a breakdown of the main expenditure categories for the 2025/26 financial year.



10.2.2 ALLOCATION OF MAIN VOTE

LIM334 Ba-Phalaborwa - 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
Revenue by Vote	1									
Vote 1 - Executive and Councillors		–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury Office		376,294	380,822	432,151	481,149	481,310	481,310	492,900	505,020	521,994
Vote 3 - Corporate Services		246	815	647	285	365	365	349	365	374
Vote 4 - Community and Social Services		39,651	16,562	14,263	8,105	8,155	8,155	15,727	16,435	16,845
Vote 5 - Planning and Development Services		440	176	284	275	275	275	301	315	323
Vote 6 - Technical Services		198,209	196,093	208,172	283,555	283,605	283,605	278,091	298,309	309,145
Total Revenue by Vote	2	614,839	594,468	655,516	773,369	773,711	773,711	787,369	820,444	848,682
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Councillors		54,525	66,915	70,287	92,665	92,329	92,329	80,730	86,765	90,016
Vote 2 - Budget and Treasury Office		234,968	16,267	336,019	186,491	187,695	187,695	192,899	202,112	208,928
Vote 3 - Corporate Services		57,853	57,846	61,001	87,700	87,578	87,578	78,955	84,125	88,124
Vote 4 - Community and Social Services		103,691	66,183	43,091	88,427	86,853	86,853	87,477	95,040	101,062
Vote 5 - Planning and Development Services		13,870	13,475	16,570	34,314	33,280	33,280	29,887	25,611	23,859
Vote 6 - Technical Services		241,429	226,841	288,824	325,242	330,026	330,026	324,062	348,300	357,688
Total Expenditure by Vote	2	706,336	447,526	815,792	814,838	817,762	817,762	794,011	841,955	869,676
Surplus/(Deficit) for the year	2	(91,497)	146,942	(160,276)	(41,469)	(44,051)	(44,051)	(6,643)	(21,510)	(20,994)

- Allocation of expenditure per main vote highlights the share per department's budget.
- The directorate receiving a bigger share in terms of the main votes are Technical Services
- The least directorate receiving smaller share of budget is Planning and Development services.

10.5 FUNDING MEASUREMENT

LIM334 Ba-Phalaborwa Supporting Table SA10 Funding measurement

Description	MFMA section	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
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(40,587)	1,127,821	1,645,032	(178,482)	(147,347)	(147,347)	431,640	5,847	31,960	65,853
Cash + investments at the yr end less applications - R'000	18(1)b	2	(1,598,722)	(1,540,485)	(1,641,472)	(329,031)	(293,028)	(293,028)	(1,355,577)	23,636	199,130	223,592
Cash year end/monthly employee/supplier payments	18(1)b	3	(1.2)	32.4	43.5	(3.4)	(2.8)	(2.8)	17.4	0.1	0.6	1.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(10,357)	157,484	(163,847)	(41,469)	(44,051)	(44,051)	196,395	(6,643)	(21,510)	(20,994)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(2.7%)	(8.9%)	50.1%	(6.0%)	(6.0%)	(46.7%)	(2.7%)	(1.1%)	(1.8%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	3.8%	30.1%	53.5%	21.7%	21.9%	21.9%	75.7%	74.5%	91.5%	91.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7		0.4%	0.0%	25.5%	25.5%	25.5%	0.0%	25.7%	25.6%	25.2%
Capital payments % of capital expenditure	18(1)c,19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	35.4%	(1.5%)	(66.7%)	(76.5%)	0.0%	1304.5%	(90.5%)	98.1%	4.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.6%	2.4%	2.4%	2.2%	2.6%	2.6%	2.2%	2.5%	2.3%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Supporting indicators												
% incr <i>total service charges (incl prop rates)</i>	18(1)a	-	-	3.3%	(2.9%)	56.1%	0.0%	0.0%	(40.7%)	3.3%	4.9%	4.2%
% incr Property Tax	18(1)a			1.3%	(5.4%)	52.4%	0.0%	0.0%	(30.9%)	10.0%	4.5%	2.5%
% incr Service charges - Electricity	18(1)a			5.9%	(1.9%)	68.2%	0.0%	0.0%	(50.8%)	(2.0%)	5.3%	6.2%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			2.6%	8.7%	8.7%	0.0%	0.0%	(36.2%)	(9.2%)	4.5%	2.5%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		264,788	273,598	265,565	414,536	414,536	414,536	246,002	428,029	448,841	467,599
Service charges			264,788	273,598	265,565	414,536	414,536	414,536	246,002	428,029	448,841	467,599
Property rates			133,398	135,075	127,740	194,706	194,706	194,706	134,560	214,177	223,815	229,410
Service charges - electricity revenue			113,307	119,965	117,658	197,916	197,916	197,916	97,453	193,957	204,237	216,879

TABLED BUDGET 2025/26

Service charges - refuse removal			18,082	18,558	20,167	21,914	21,914	21,914	13,990	19,894	20,789	21,309
Agency services			21,601	15,400	13,388	6,888	6,888	6,888	1,182	11,932	12,469	12,780
Capital expenditure excluding capital grant funding			89,515	(52,828)	54,088	19,695	19,695	19,695	99,212	33,291	11,739	11,913
Cash receipts from ratepayers	18(1)a		51,000	355,119	617,702	375,754	380,748	380,748	819,840	375,092	484,569	504,352
Ratepayer & Other revenue	18(1)a		1,331,803	1,178,623	1,154,757	1,730,546	1,735,940	1,735,940	1,083,060	503,784	529,642	550,560
Change in consumer debtors (current and non-current)			N/A	471,772	(27,401)	(1,184,151)	(453,310)	-	1,812,762	(1,766,590)	181,599	16,146
Operating and Capital Grant Revenue	18(1)a		229,180	238,628	264,724	263,310	258,157	258,157	309,828	261,117	267,323	274,056
Capital expenditure - total	20(1)(vi)		89,087	(37,107)	88,781	59,793	54,979	54,979	164,142	65,538	46,587	48,269
Capital expenditure - renewal	20(1)(vi)		-	-	-	-	-	-	-	-	-	-
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
Trend												
Change in consumer debtors (current and non-current)			N/A	471,772	(27,401)	(1,184,151)	(453,310)	-	1,812,762	(1,766,590)	181,599	16,146
Total Operating Revenue			556,948	562,120	553,272	733,271	738,427	738,427	578,926	750,286	780,369	806,873
Total Operating Expenditure			626,360	447,526	817,887	814,838	817,762	817,762	399,716	794,011	841,955	869,676
Operating Performance Surplus/(Deficit)			(69,411)	114,594	(264,615)	(81,567)	(79,335)	(79,335)	179,210	(43,726)	(61,585)	(62,803)
Cash and Cash Equivalents (30 June 2012)									5,847			
Revenue												
% Increase in Total Operating Revenue				0.9%	(1.6%)	32.5%	0.7%	0.0%	(21.6%)	1.6%	4.0%	3.4%
% Increase in Property Rates Revenue				1.3%	(5.4%)	52.4%	0.0%	0.0%	(30.9%)	59.2%	4.5%	2.5%
% Increase in Electricity Revenue				5.9%	(1.9%)	68.2%	0.0%	0.0%	(50.8%)	(2.0%)	5.3%	6.2%
% Increase in Property Rates & Services Charges				3.3%	(2.9%)	56.1%	0.0%	0.0%	(40.7%)	3.3%	4.9%	4.2%
Expenditure												
% Increase in Total Operating Expenditure				(28.6%)	82.8%	(0.4%)	0.4%	0.0%	(51.1%)	(2.9%)	6.0%	3.3%
% Increase in Employee Costs				3.9%	(2.8%)	26.6%	0.0%	0.0%	(44.7%)	5.7%	7.0%	7.0%
% Increase in Electricity Bulk Purchases				(7.4%)	24.1%	34.2%	(1.3%)	0.0%	(36.4%)	(2.0%)	5.3%	6.2%
Average Cost Per Budgeted Employee Position (Remuneration)				0	0	0	0	0	0	0	0	0
Average Cost Per Councillor (Remuneration)				0	0	0	0	0	0	0	0	0
R&M % of PPE			1.6%	2.4%	2.4%	2.2%	2.6%	2.6%		2.2%	2.5%	2.3%
Asset Renewal and R&M as a % of PPE			1.6%	2.4%	6.7%	3.4%	3.5%	3.5%		4.1%	2.5%	2.3%
Debt Impairment % of Total Billable Revenue			0.0%	0.4%	0.0%	25.5%	25.5%	25.5%	0.0%	25.7%	25.6%	25.2%
Capital Revenue												
Internally Funded & Other (R'000)			67,966	(31,279)	54,088	19,695	19,695	19,695	99,212	33,291	11,739	11,913
Borrowing (R'000)			-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)			(427)	15,720	34,693	40,098	35,284	35,284	64,930	32,246	34,848	36,356
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			(0.6%)	(101.0%)	39.1%	67.1%	64.2%	64.2%	39.6%	49.2%	74.8%	75.3%
Capital Expenditure												
Total Capital Programme (R'000)			89,087	(37,107)	88,781	59,793	54,979	54,979	164,142	65,538	46,587	48,269

TABLED BUDGET 2025/26

Asset Renewal		(123)	36	51,703	14,875	11,004	11,004	23,643	-	-	-
Asset Renewal % of Total Capital Expenditure		(0.2%)	(0.2%)	58.2%	24.9%	20.0%	20.0%	14.4%	0.0%	0.0%	0.0%
Cash											
Cash Receipts % of Rate Payer & Other		3.8%	30.1%	53.5%	21.7%	21.9%	21.9%	75.7%	74.5%	91.5%	91.6%
Cash Coverage Ratio		(0)	0	0	(0)	(0)	(0)	0	0	0	0
Borrowing											
Most recent Credit Rating									0		
Capital Charges to Operating		2.9%	0.5%	2.6%	5.0%	5.0%	5.0%	(0.4%)	5.2%	3.2%	2.6%
Borrowing Receipts % of Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves											
Uncommitted reserves after application of cash and investments		(1,598,722)	(1,540,485)	(1,641,472)	(329,031)	(293,028)	(293,028)	(1,355,577)	23,636	199,130	223,592
Free Services											
Free Basic Services as a % of Equitable Share		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)		(4.2%)	(4.2%)	(3.1%)	(3.4%)	(3.3%)	(3.3%)		(3.6%)	(3.5%)	(3.5%)
High Level Outcome of Funding Compliance											
Total Operating Revenue		556,948	562,120	553,272	733,271	738,427	738,427	578,926	750,286	780,369	806,873
Total Operating Expenditure		626,360	447,526	817,887	814,838	817,762	817,762	399,716	794,011	841,955	869,676
Surplus/(Deficit) Budgeted Operating Statement		(69,411)	114,594	(264,615)	(81,567)	(79,335)	(79,335)	179,210	(43,726)	(61,585)	(62,803)
Surplus/(Deficit) Considering Reserves and Cash Backing		(1,598,722)	(1,540,485)	(1,641,472)	(329,031)	(293,028)	(293,028)	(1,355,577)	23,636	199,130	223,592
MTREF Funded (1) / Unfunded (0)	15	0	0	0	0	0	0	0	1	1	1
MTREF Funded ✓ / Unfunded ✘	15	✘	✘	✘	✘	✘	✘	✘	✓	✓	✓

11 . EXPENDITURE ON ALLOCATIONS

Summary of Expenditure per Sub-Vote

LIM334 Ba-Phalaborwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

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
Expenditure by Vote	1									
Vote 1 - Executive and Councillors		54,525	66,915	70,287	92,665	92,329	92,329	80,730	86,765	90,016
1.1 - Mayor and Council		18,328	27,317	26,900	37,906	39,144	39,144	29,855	31,803	33,613
1.2 - Municipal Manager, Town Secretary and Chief Executive		13,166	13,920	14,236	17,507	16,777	16,777	17,706	19,719	21,073
1.3 - Governance Function		20,500	23,862	27,540	34,409	33,636	33,636	30,267	31,889	31,771
1.4 - Disaster Management		2,532	1,815	1,611	2,543	2,673	2,673	2,859	3,094	3,297
1.5 - Risk Management		-	-	-	300	100	100	43	261	261
Vote 2 - Budget and Treasury Office		234,968	16,267	336,019	186,491	187,695	187,695	192,899	202,112	208,928
2.1 - Finance		167,667	(29,810)	290,378	62,119	62,526	62,526	63,046	66,581	69,587
2.2 - Asset Management		51,158	21,012	24,345	21,501	21,841	21,841	22,515	23,799	24,588
2.3 - Supply Chain Management		15,205	22,449	19,006	16,386	16,843	16,843	17,049	17,379	18,041
2.4 - Valuation Service		-	-	-	83,455	83,455	83,455	87,127	91,048	93,324
2.6 - Fleet Management		938	2,615	2,290	3,030	3,030	3,030	3,163	3,306	3,388
Vote 3 - Corporate Services		57,853	57,846	61,001	87,700	87,578	87,578	78,955	84,125	88,124
3.1 - Administrative and Corporate Support		19,761	23,992	25,627	33,674	35,790	35,790	35,842	38,149	40,482
3.2 - Information Technology		15,849	15,812	15,599	29,849	27,293	27,293	21,632	23,620	24,511
3.3 - Human Resources		11,079	8,928	6,234	12,437	12,782	12,782	10,871	11,214	11,602
3.4 - Legal Services		11,164	9,114	13,541	11,740	11,713	11,713	10,610	11,143	11,529
Vote 4 - Community and Social Services		103,691	66,183	43,091	88,427	86,853	86,853	87,477	95,040	101,062
4.1 - Community Halls and Facilities		60	12,941	76	12,281	11,281	11,281	11,530	12,439	12,351
4.2 - Cemeteries, Funeral Parlours and Crematoriums		4,026	1,935	2,796	4,753	3,643	3,643	3,656	4,090	4,311
4.3 - Community Parks (including Nurseries)		2,992	2,750	2,762	4,151	5,353	5,353	4,579	4,773	4,948
4.4 - Road and Traffic Regulation		14,313	12,925	11,085	17,371	17,491	17,491	16,990	18,096	19,245
4.5 - Libraries and Archives		12,512	2,479	2,421	3,854	3,958	3,958	3,984	4,236	4,501
4.6 - Health Services		12,605	13,008	13,190	20,745	18,375	18,375	19,348	22,175	24,601
4.7 - Licensing and Control of Animals		40,631	19,328	19,458	23,486	23,316	23,316	24,387	26,096	27,895
4.8 - Solid Waste Disposal (Landfill Sites)		16,552	817	(8,698)	1,784	3,434	3,434	3,004	3,135	3,211

TABLED BUDGET 2025/26

Vote 5 - Planning and Development Services		13,870	13,475	16,570	34,314	33,280	33,280	29,887	25,611	23,859
5.1 - Economic Development/Planning		6,308	5,563	5,931	10,160	10,788	10,788	9,590	10,327	9,698
5.2 - Corporate Wide Strategic Planning (IDPs, LEDs)		1,902	2,315	3,664	6,855	6,340	6,340	6,014	6,585	6,958
5.3 - Town Planning, Building Regulations and Enforcement, and City Engineer		5,213	5,201	6,503	16,499	15,219	15,219	13,544	7,960	6,463
5.4 - Development Facilitation		447	396	473	800	933	933	739	739	739
Vote 6 - Technical Services		241,429	226,841	288,824	325,242	330,026	330,026	324,062	348,300	357,688
6.1 - Solid Waste Removal		5,963	1,657	2,359	8,670	7,299	7,299	6,589	6,874	7,048
6.2 - Roads		86,506	76,566	81,408	89,824	93,167	93,167	89,159	94,741	98,036
6.3 - Project Management Unit		1,637	2,234	2,709	3,290	3,275	3,275	2,524	2,625	2,748
6.6 - Electricity		147,323	146,385	202,348	223,459	226,285	226,285	225,791	244,061	249,856
Total Expenditure by Vote	2	706,336	447,526	815,792	814,838	817,762	817,762	794,011	841,955	869,676

12 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

In the 2025/26 MTREF no allocations will be made by the Municipality to:

- ✚ Other municipalities.
- ✚ Municipal Entities and other external service delivery mechanisms;
- ✚ Any other organs of state; and
- ✚ Any other organisation outside government

13 COUNCILLORS AND BOARD MEMBER ALLOWANCE AND EMPLOYEE BENEFITS

13.1 Summary of Councillors and Staff Benefits

LIM334 Ba-Phalaborwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	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
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		-	-	11,711	12,088	12,088	12,088	12,843	13,742	14,704
Cellphone Allowance		-	-	1,716	1,785	1,785	1,785	1,897	2,030	2,172
Other benefits and allowances		-	-	3,560	4,194	4,194	4,194	4,456	4,768	5,101
Sub Total - Councillors		-	-	16,987	18,067	18,067	18,067	19,196	20,539	21,977
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,082	1,987	3,534	4,583	4,583	4,583	4,869	5,210	5,575
Pension and UIF Contributions		7	6	13	13	13	13	14	14	16
Performance Bonus		146	46	283	-	-	-	-	-	-
Motor Vehicle Allowance	3	997	995	1,974	1,528	1,528	1,528	1,623	1,737	1,858
Cellphone Allowance	3	81	80	358	152	152	152	161	173	185
Other benefits and allowances	3	47	-	-	129	129	129	137	146	157
Payments in lieu of leave		210	194	-	-	-	-	-	-	-
Acting and post related allowance		83	43	-	-	-	-	64	68	73
Sub Total - Senior Managers of Municipality		3,653	3,351	6,161	6,404	6,404	6,404	6,868	7,348	7,863
Other Municipal Staff										
Basic Salaries and Wages		87,743	94,520	93,970	111,712	111,712	111,712	117,644	125,859	134,572
Pension and UIF Contributions		18,154	19,660	20,018	23,997	23,997	23,997	25,462	27,229	29,135
Medical Aid Contributions		5,749	9,216	11,457	12,190	12,190	12,190	12,973	13,881	14,853
Overtime		6,871	3,844	1,394	4,455	4,455	4,455	4,656	4,982	5,331
Performance Bonus		7,012	7,906	7,820	9,233	9,233	9,233	9,808	10,495	11,230
Motor Vehicle Allowance	3	13,320	13,859	13,762	19,493	19,493	19,493	20,785	22,240	23,797
Cellphone Allowance	3	1,361	1,463	1,580	1,852	1,852	1,852	2,021	2,162	2,314
Housing Allowances	3	645	727	590	897	897	897	1,056	1,130	1,209
Other benefits and allowances	3	10,615	2,820	1,402	7,019	7,019	7,019	6,893	7,375	7,892
Payments in lieu of leave		5,360	11,005	8,216	10,170	10,170	10,170	11,060	11,835	12,663
Long service awards		2,466	(994)	(2,196)	76	76	76	-	-	-
Post-retirement benefit obligations	6	-	1,749	-	-	-	-	-	-	-

TABLED BUDGET 2025/26

Acting and post related allowance		2,727	2,996	3,136	4,381	4,381	4,381	4,713	5,043	5,396
Sub Total - Other Municipal Staff		162,024	168,771	161,149	205,475	205,475	205,475	217,073	232,232	248,392
Total Parent Municipality		165,677	172,122	184,297	229,945	229,945	229,945	243,136	260,120	278,231
TOTAL SALARY, ALLOWANCES & BENEFITS		165,677	172,122	184,297	229,945	229,945	229,945	243,136	260,120	278,231
% increase	4		3.9%	7.1%	24.8%	-	-	5.7%	7.0%	7.0%
TOTAL MANAGERS AND STAFF	5,7	165,677	172,122	167,310	211,878	211,878	211,878	223,941	239,580	256,254

14. MONTHLY TARGETS FOR REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue																
Exchange Revenue																
Service charges - Electricity		16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	193,957	204,237	216,879
Service charges - Waste Management		1,658	1,658	1,658	1,658	1,658	1,658	1,658	1,658	1,658	1,658	1,658	1,658	19,894	20,789	21,309
Sale of Goods and Rendering of Services		499	499	499	499	499	499	499	499	499	499	499	499	5,993	7,899	8,237
Agency services		994	994	994	994	994	994	994	994	994	994	994	994	11,932	12,469	12,780
Interest earned from Receivables		1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	1,397	16,768	17,522	17,961
Interest earned from Current and Non Current																
Assets		446	446	446	446	446	446	446	446	446	446	446	446	5,351	5,591	5,731
Rental from Fixed Assets		29	29	29	29	29	29	29	29	29	29	29	29	349	365	374
Operational Revenue		619	619	619	619	619	619	619	619	619	619	619	619	7,432	7,766	7,960
Non-Exchange Revenue																
Property rates		17,848	17,848	17,848	17,848	17,848	17,848	17,848	17,848	17,848	17,848	17,848	17,848	214,177	223,815	229,410
Fines, penalties and forfeits		109	109	109	109	109	109	109	109	109	109	109	109	1,306	1,365	1,399
Licences or permits		488	488	488	488	488	488	488	488	488	488	488	488	5,851	6,115	6,267
Transfer and subsidies - Operational		18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	224,034	227,248	232,247
Interest		3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	43,242	45,188	46,318
Total Revenue (excluding capital transfers and contributions)		62,524	62,524	62,524	62,524	62,524	62,524	62,524	62,524	62,524	62,524	62,524	62,524	750,286	780,369	806,873
Expenditure																
Employee related costs		18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	223,941	239,580	256,254
Remuneration of councillors		1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,196	20,539	21,977
Bulk purchases - electricity		12,568	12,568	12,568	12,568	12,568	12,568	12,568	12,568	12,568	12,568	12,568	12,568	150,812	158,805	168,651
Inventory consumed		2,193	2,193	2,193	2,193	2,193	2,193	2,193	2,193	2,193	2,193	2,193	2,193	26,313	27,497	28,184
Debt impairment		9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	110,142	115,098	117,976
Depreciation and amortisation		7,277	7,277	7,277	7,277	7,277	7,277	7,277	7,277	7,277	7,277	7,277	7,277	87,327	91,256	93,538
Interest		1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	20,722	21,654	22,196
Contracted services		5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	69,216	77,599	70,111
Transfers and subsidies		43	43	43	43	43	43	43	43	43	43	43	43	522	454	473
Operational costs		7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	7,152	85,822	89,469	90,315
Total Expenditure		66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	794,011	841,955	869,676
Surplus/(Deficit)		(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(3,644)	(43,726)	(61,585)	(62,803)
Transfers and subsidies - capital (monetary allocations)		3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	37,083	40,075	41,810
Surplus/(Deficit) for the year	1	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(6,643)	(21,510)	(20,994)

TABLED BUDGET 2025/26

BUDGETED MONTHLY REVENUE AND EXPENDITURE (FUNCTIONAL CLASSIFICATION)

LIM334 Ba-Phalaborwa - Supporting Table
SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue - Functional	-															
<i>Governance and administration</i>		41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	493,250	505,385	522,369
Finance and administration		41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	41,104	493,250	505,385	522,369
<i>Community and public safety</i>		1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	14,440	15,090	15,467
Community and social services		27	27	27	27	27	27	27	27	27	27	27	27	328	343	351
Public safety		1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	1,176	14,112	14,747	15,116
<i>Economic and environmental services</i>		3,548	3,548	3,548	3,548	3,548	3,548	3,548	3,548	3,548	3,548	3,548	3,548	42,577	43,998	45,870
Planning and development		25	25	25	25	25	25	25	25	25	25	25	25	301	315	323
Road transport		3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	3,523	42,276	43,683	45,547
<i>Trading services</i>		19,758	19,758	19,758	19,758	19,758	19,758	19,758	19,758	19,758	19,758	19,758	19,758	237,102	255,970	264,977
Energy sources		17,139	17,139	17,139	17,139	17,139	17,139	17,139	17,139	17,139	17,139	17,139	17,139	205,673	223,127	231,313
Waste management		2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	2,619	31,429	32,843	33,664
Total Revenue - Functional		65,614	65,614	65,614	65,614	65,614	65,614	65,614	65,614	65,614	65,614	65,614	65,614	787,369	820,444	848,682
			82,806	82,806	82,806	82,806	82,806	82,806	82,806	82,806	82,806	82,806	82,806			
Expenditure - Functional	-															
<i>Governance and administration</i>		29,144	29,144	29,144	29,144	29,144	29,144	29,144	29,144	29,144	29,144	29,144	29,144	349,726	369,909	383,771
Executive and council		3,963	3,963	3,963	3,963	3,963	3,963	3,963	3,963	3,963	3,963	3,963	3,963	47,561	51,521	54,687
Finance and administration		22,658	22,658	22,658	22,658	22,658	22,658	22,658	22,658	22,658	22,658	22,658	22,658	271,898	286,499	297,313
Internal audit		2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	2,522	30,267	31,889	31,771
<i>Community and public safety</i>		5,862	5,862	5,862	5,862	5,862	5,862	5,862	5,862	5,862	5,862	5,862	5,862	70,342	76,903	81,903
Community and social services		1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	22,029	23,859	24,459
Sport and recreation		382	382	382	382	382	382	382	382	382	382	382	382	4,579	4,773	4,948
Public safety		2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	24,387	26,096	27,895
Health		1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612	19,348	22,175	24,601
<i>Economic and environmental services</i>		11,547	11,547	11,547	11,547	11,547	11,547	11,547	11,547	11,547	11,547	11,547	11,547	138,559	141,073	143,887
Planning and development		2,701	2,701	2,701	2,701	2,701	2,701	2,701	2,701	2,701	2,701	2,701	2,701	32,411	28,236	26,607
Road transport		8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	106,148	112,837	117,280
<i>Trading services</i>		19,615	19,615	19,615	19,615	19,615	19,615	19,615	19,615	19,615	19,615	19,615	19,615	235,384	254,070	260,116
Energy sources		18,816	18,816	18,816	18,816	18,816	18,816	18,816	18,816	18,816	18,816	18,816	18,816	225,791	244,061	249,856
Waste management		799	799	799	799	799	799	799	799	799	799	799	799	9,593	10,009	10,260
Total Expenditure - Functional		66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	66,168	794,011	841,955	869,676
Surplus/(Deficit)	1	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(554)	(6,643)	(21,510)	(20,994)

TABLED BUDGET 2025/26

BUDGETED MONTHLY CASH FLOW

LIM334 Ba-Phalaborwa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash Receipts By Source													1			
Property rates	14,278	14,278	14,278	14,278	14,278	14,278	14,278	14,278	14,278	14,278	14,278	14,278	171,338	223,815	229,410	
Service charges - electricity revenue	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	12,916	154,996	204,014	216,642	
Service charges - refuse revenue	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	15,894	20,762	21,281	
Rental of facilities and equipment	29	29	29	29	29	29	29	29	29	29	29	29	349	365	374	
Interest earned - external investments	446	446	446	446	446	446	446	446	446	446	446	446	5,351	5,591	5,731	
Fines, penalties and forfeits	109	109	109	109	109	109	109	109	109	109	109	109	1,306	1,365	1,399	
Licences and permits	488	488	488	488	488	488	488	488	488	488	488	488	5,851	6,115	6,267	
Agency services	994	994	994	994	994	994	994	994	994	994	994	994	11,932	12,469	12,780	
Transfers and Subsidies - Operational	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	18,669	224,034	227,248	232,247	
Other revenue	1,119	1,119	1,119	1,119	1,119	1,119	1,119	1,119	1,119	1,119	1,119	1,119	13,425	15,665	16,197	
Cash Receipts by Source	50,373	50,373	50,373	50,373	50,373	50,373	50,373	50,373	50,373	50,373	50,373	50,373	604,476	717,408	742,330	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	37,083	40,075	41,810	
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	25	-	
Total Cash Receipts by Source	53,463	53,463	53,463	53,463	53,463	53,463	53,463	53,463	53,463	53,463	53,463	53,463	641,559	757,508	784,139	
Cash Payments by Type																
Employee related costs	17,273	17,273	17,273	17,273	17,273	17,273	17,273	17,273	17,273	17,273	17,273	17,273	207,276	240,963	257,671	
Remuneration of councillors	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	19,196	20,539	21,977	
Interest	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	20,722	21,654	22,196	
Bulk purchases - electricity	14,453	14,453	14,453	14,453	14,453	14,453	14,453	14,453	14,453	14,453	14,453	14,453	173,434	182,626	193,949	
Acquisitions - water & other inventory	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	19,313	20,497	20,184	
Contracted services	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	71,685	89,226	80,614	
Transfers and subsidies - other	43	43	43	43	43	43	43	43	43	43	43	43	522	454	473	
Other expenditure	7,776	7,776	7,776	7,776	7,776	7,776	7,776	7,776	7,776	7,776	7,776	7,776	93,309	99,222	100,171	
Cash Payments by Type	50,455	50,455	50,455	50,455	50,455	50,455	50,455	50,455	50,455	50,455	50,455	50,455	605,457	675,183	697,236	
Other Cash Flows/Payments by Type																
Capital assets	5,358	5,358	5,358	5,358	5,358	5,358	5,358	5,358	5,358	5,358	5,358	5,358	64,293	50,575	53,009	
Repayment of borrowing	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	20,400	5,638	-	
Total Cash Payments by Type	57,513	57,513	57,513	57,513	57,513	57,513	57,513	57,513	57,513	57,513	57,513	57,512	690,150	731,395	750,246	
NET INCREASE/(DECREASE) IN CASH HELD	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(4,049)	(48,591)	26,113	33,893	
Cash/cash equivalents at the month/year begin:	54,438	50,388	46,339	42,290	38,241	34,192	30,142	26,093	22,044	17,995	13,945	9,896	54,438	5,847	31,960	
Cash/cash equivalents at the month/year end:	50,388	46,339	42,290	38,241	34,192	30,142	26,093	22,044	17,995	13,945	9,896	5,847	5,847	31,960	65,853	

TABLED BUDGET 2025/26

15 ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

The service delivery and budget implementation plan will be tabled by the Mayor after approving the budget and IDP within 28 working days.

16 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATION

All services to be acquired on contracts are within the MTREF budget allocation. There is no project indicative to spent multi-year and above three years.

17 CAPITAL EXPENDITURE DETAILS

17.1 CAPITAL EXPENDITURE ON NEW ASSETS BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SA34a Capital expenditure on new assets by asset class

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
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		47,467	45,275	44,070	35,056	35,050	35,050	36,068	36,152	29,400
Roads Infrastructure		-	-	-	25,692	30,652	30,652	32,849	30,546	23,879
<i>Roads</i>		-	-	-	18,792	24,336	24,336	29,370	23,416	23,879
<i>Road Structures</i>		-	-	-	6,900	6,316	6,316	3,478	7,130	-
Storm water Infrastructure		-	15,293	10,032	1,350	1,198	1,198	1,304	1,304	1,304
<i>Drainage Collection</i>		-	-	-	850	850	850	1,304	1,304	1,304
<i>Storm water Conveyance</i>		-	15,293	10,032	500	348	348	-	-	-
Electrical Infrastructure		(304)	-	-	8,014	3,200	3,200	1,915	4,301	4,216
<i>MV Networks</i>		65	-	-	3,200	3,200	3,200	-	-	-
<i>LV Networks</i>		(369)	-	-	4,814	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	1,915	4,301	4,216
Solid Waste Infrastructure		47,771	29,982	34,038	-	-	-	-	-	-
<i>Landfill Sites</i>		47,771	29,982	34,038	-	-	-	-	-	-
Community Assets		558	384	39,954	1,938	1,000	1,000	-	-	-
Community Facilities		558	384	-	1,000	1,000	1,000	-	-	-
<i>Cemeteries/Crematoria</i>		558	384	-	1,000	1,000	1,000	-	-	-
Sport and Recreation Facilities		-	-	39,954	938	-	-	-	-	-
<i>Indoor Facilities</i>		-	-	39,954	938	-	-	-	-	-
Computer Equipment		1,068	1,400	1,698	-	-	-	-	-	-
Computer Equipment		1,068	1,400	1,698	-	-	-	-	-	-
Furniture and Office Equipment		-	1,206	767	1,700	1,700	1,700	1,478	1,739	1,913
Furniture and Office Equipment		-	1,206	767	1,700	1,700	1,700	1,478	1,739	1,913
Machinery and Equipment		1,281	2,313	1,343	-	-	-	-	-	8,261
Machinery and Equipment		1,281	2,313	1,343	-	-	-	-	-	8,261
Transport Assets		5,788	1,365	1,226	1,225	1,225	1,225	-	-	-
Transport Assets		5,788	1,365	1,226	1,225	1,225	1,225	-	-	-
Land		-	-	-	5,000	5,000	5,000	4,348	8,696	8,696
Land		-	-	-	5,000	5,000	5,000	4,348	8,696	8,696
Total Capital Expenditure on new assets	1	56,162	51,944	89,058	44,918	43,975	43,975	41,894	46,587	48,269

The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

For 2025/26 financial year the infrastructure- electricity is budgeted for R1.9 million and followed by the infrastructure road transport, which is budgeted for R32.8 million for 2025/26 financial year.

The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality.

Funding on Capital Assets budget year 2025/26

The capital programme is funded from grants and transfers – MIG and internally generated funds from the current year’s collection. For 2025/26 financial year on the MTREF.

DETAILED CAPITAL PROGRAMMES MIG CAPITAL PROJECTS

Project Name	Project Description and Location	Ward	Sources of funding	2025/26	2026/27	2027/28
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	Upgrading of road from gravel to block paving	08 & 09	MIG	R9 000 000.00	R11 512 759.00	R0.00
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	Upgrading of road from gravel to block paving Makhushane	02	MIG	R7 304 325.24	R15 415 576.59	R0.00
Upgrading of gravel to asphalt street paving from clinic via ZCC ward 2	Upgrading of road from gravel to block paving Kanana	02	MIG	R6 400 000.00	R0.00	
Installation of stormwater culvert at Shitshitwe culvert	Construction of culvert bridge Phalaborwa area	09	MIG	R4 000 000.00	R8 200 000.00	R0.00
Upgrade of gravel to asphalt from Nkateko high school to Pondo combined school	Upgrading of road from gravel to block paving Lulekani	14	MIG	R8 000 000.00	R0.00	R0.00
Upgrading of Benfarm phase 2	Upgrading of road from gravel to asphalt Majeje	03	MIG	R176 574.76	R0.00	R0.00
Installation of highmast lights in Ba-Phalaborwa	Installation of highmast lights Phalaborwa area	All wards	MIG	R2 202 350.00	R4 949 464.41	R4 848 185.59
Installation of precast storm water culverts at Mlambo stream	Construction of stormwater culvert Lulekani	14	MIG	R0.00	R0.00	R6 900 000.00
Upgrading of gravel road to asphalt paved road from Maimele street to PMC bus stop &	Upgrading of road from gravel to tar Location:	16	MIG	R0.00	R0.00	R12 600 000.00

TABLED BUDGET 2025/26

Lulekani graveyard	Matikoxikaya					
Street paving of Mabine to Sobby street	Upgrading of road from gravel to tar Location: Mashishimale	08	MIG	R0.00	R0.00	R7 961 314.41
Procurement of Refuse Compactor Trucks	Procurement of Refuse Compactor Trucks	All Wards	MIG	R0.00	R0.00	R3 000 000.00
Procurement of TLB	Procurement of TLB	All Wards	MIG	R0.00	R0.00	R2 500 000.00
Procurement of Grader	Procurement of Grader	All Wards	MIG	R0.00	R0.00	R4 000 000.00
Total				R37 083 250.00	R40 077 800.00	R41 809 500.00

Note: The budget figure is inclusive of VAT.

INEP PROJECTS (SALES OF GOODS)

Project Name	Sources of funding	2025/26
Electrification of 150 household in Majeje phase 03	INEP	R3 850 000.00
Construction of New Substation	INEP	R2 000 000.00
Total		R5 850 000.00

Note: The budget figure is inclusive of VAT.

INTERNALLY FUNDED CAPITAL PROJECTS

Project Name	Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Construction of over headline from Ext 6 to Spar	3 200 000.00	3 200 000.00			
Construction of trapezoidal concrete drain (160m)at Potgieter stream	850 000.00	850 000.00			
Upgrading of road from gravel to tar: Tambo phase 2	6 719 462.65	6 719 462.65	6 720 000.00	-	-
Establishment cemetery at Gravelotte	1 000 000.00	1 000 000.00			
Development of Phalaborwa new landfill site Phase1	5 000 000.00	5 000 000.00	5 000 000.00	10 000 000.00	10 000 000.00
Procure LDV bakkie for environmental law enforcement	600 000.00	600 000.00			
Procure Roadblock trailer fully fitted	425 000.00	425 000.00			
Procure a trailer for refuse collection enhancement	200 000.00	200 000.00			
Office Furniture & Equipment	1 700 000.00	1 700 000.00	1 700 000.00	2 000 000.00	2 000 000.00
Refurbishment of Namakgale stadium			10 400 000.00		
Upgrading of Honeyville to Dinoko Sebera from gravel to tar			7 523 000.00		
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana			3 052 000.00		
Benfarm upgrading of streets from gravel to tar			2 390 000.00		
Construction of a Trapezoidal concrete lined stormwater channel, in ward 5 Namakgale			1 500 000.00	1 500 000.00	1 500 000.00
Totals	19 694 462.65	19 694 462.65	38 285 000.00	13 500 000.00	13 500 000.00

Note: The budget figure is inclusive of VAT.

18 . LEGISLATION COMPLIANCE STATUS

The budget compilation has taken into account the following legislative documents.

- Municipal Finance Management Act (MFMA), Act No.56 of 2003
- Division of Revenue of Act (DoRA) 2025
- The Bill 2022
- Budget Regulations and Circulars
- Asset Management Regulations
- Municipal Systems Act, 2000
- Minimum Competency Levels of Municipal Finance Officers Regulations
- Local Government: Municipal Property Rates Act (MPRA)
- Municipal Budget and Reporting Regulations (MBRR)
- Municipal Standard Charts of Account (mSCOA)

19 OTHER SUPPORTING DOCUMENTS

19.1 Supporting details to Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

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											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue											
Total Property Rates	6	148,908	149,893	135,509	210,319	210,319	210,319	140,385	231,351	241,761	247,805
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		(15,510)	(14,818)	(7,769)	(15,612)	(15,612)	(15,612)	(5,826)	(17,173)	(17,946)	(18,395)
Net Property Rates		133,398	135,075	127,740	194,706	194,706	194,706	134,560	214,177	223,815	229,410
Exchange revenue service charges											
Service charges - Electricity											
Total Service charges - Electricity	6	113,307	119,965	119,145	199,357	199,357	199,357	98,510	195,370	205,725	218,459
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>		-	-	(1,487)	(1,441)	(1,441)	(1,441)	(1,058)	(1,413)	(1,488)	(1,580)
Net Service charges - Electricity		113,307	119,965	117,658	197,916	197,916	197,916	97,453	193,957	204,237	216,879
Service charges - Water											
Total refuse removal revenue	6	18,296	18,993	21,257	22,106	22,106	22,106	14,738	20,069	20,972	21,496
<i>Less Revenue Foregone (in excess of one removal a week to indigent households)</i>		(213)	(436)	(1,090)	(192)	(192)	(192)	(748)	(175)	(183)	(187)
Net Service charges - Waste Management		18,082	18,558	20,167	21,914	21,914	21,914	13,990	19,894	20,789	21,309
EXPENDITURE ITEMS:											
Employee related costs											

TABLED BUDGET 2025/26

Basic Salaries and Wages	2	89,825	96,507	97,504	116,294	116,341	116,341	69,467	122,513	131,069	140,147
Pension and UIF Contributions		18,162	19,667	20,031	24,009	23,977	23,977	13,898	25,476	27,244	29,151
Medical Aid Contributions		5,749	9,216	11,457	12,190	12,210	12,210	5,912	12,973	13,881	14,853
Overtime		6,871	3,844	1,394	4,455	4,382	4,382	1,537	4,656	4,982	5,331
Performance Bonus		7,159	7,952	8,103	9,233	9,231	9,231	4,671	9,808	10,495	11,230
Motor Vehicle Allowance		14,317	14,854	15,736	21,020	21,090	21,090	11,148	22,408	23,977	25,655
Cellphone Allowance		1,442	1,543	1,938	2,004	2,054	2,054	1,231	2,182	2,335	2,499
Housing Allowances		645	727	590	897	994	994	355	1,056	1,130	1,209
Other benefits and allowances		10,662	2,820	1,402	7,148	6,616	6,616	988	7,030	7,522	8,048
Payments in lieu of leave		5,571	11,199	8,216	10,170	10,410	10,410	5,613	11,060	11,835	12,663
Long service awards		2,466	(994)	(2,196)	76	76	76	114	-	-	-
Post-retirement benefit obligations	4	-	1,749	-	-	-	-	-	-	-	-
Acting and post related allowance		2,810	3,039	3,136	4,381	4,496	4,496	2,322	4,777	5,111	5,469
sub-total	5	165,677	172,122	167,310	211,878	211,878	211,878	117,254	223,941	239,580	256,254
<u>Less: Employees costs capitalised to PPE</u>		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	165,677	172,122	167,310	211,878	211,878	211,878	117,254	223,941	239,580	256,254
<u>Depreciation and amortisation</u>											
Depreciation of Property, Plant & Equipment		86,696	74,789	69,028	83,544	83,544	83,544	54,205	87,220	91,145	93,423
Lease amortisation		91	91	91	102	102	102	-	107	112	114
Capital asset impairment		(7)	(27,458)	(26,046)	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	86,780	47,422	43,073	83,646	83,646	83,646	54,205	87,327	91,256	93,538
<u>Bulk purchases - electricity</u>											
Electricity bulk purchases		101,086	93,614	116,160	155,868	153,890	153,890	97,865	150,812	158,805	168,651
Total bulk purchases	1	101,086	93,614	116,160	155,868	153,890	153,890	97,865	150,812	158,805	168,651
<u>Transfers and grants</u>											
Cash transfers and grants		9,854	7,390	10,676	1,076	676	676	142	522	454	473
Total transfers and grants	1	9,854	7,390	10,676	1,076	676	676	142	522	454	473
<u>Contracted Services</u>											
Outsourced Services		46,089	23,118	28,006	33,915	31,611	31,611	17,764	29,480	32,875	34,744

TABLED BUDGET 2025/26

<i>Consultants and Professional Services</i>		12,112	10,022	15,740	23,504	23,104	23,104	9,866	18,130	13,058	10,332
<i>Contractors</i>		12,824	15,652	32,083	21,188	28,438	28,438	8,495	21,606	31,667	25,034
Total contracted services		71,025	48,792	75,829	78,607	83,153	83,153	36,125	69,216	77,599	70,111
<u>Operational Costs</u>	-										
Collection costs		1,158	481	896	1,200	1,350	1,350	974	1,217	1,304	1,304
Contributions to 'other' provisions		18,415	(2,598)	(11,427)	1,200	800	800	498	261	261	261
Audit fees		4,698	6,950	7,076	7,500	8,300	8,300	7,674	7,391	7,724	8,048
<i>Other Operational Costs</i>		44,835	51,749	62,413	105,640	104,746	104,746	57,723	76,952	80,180	80,702
Total Operational Costs	1	69,106	56,582	58,958	115,540	115,196	115,196	66,870	85,822	89,469	90,315
Repairs and Maintenance by Expenditure Item	8										
Inventory Consumed (Project Maintenance)		16,792	25,507	27,720	26,035	31,066	31,066	-	26,083	30,186	27,983
Total Repairs and Maintenance Expenditure	9	16,792	25,507	27,720	26,035	31,066	31,066	-	26,083	30,186	27,983
Inventory Consumed											
Total Inventory Consumed & Other Material		8,454	8,418	15,174	24,104	25,204	25,204	10,105	26,313	27,497	28,184

b. Matrix Financial Performance

Description	Ref	Vote 1 - Executive and Councillors	Vote 2 - Budget and Treasury Office	Vote 3 - Corporate Services	Vote 4 - Community and Social Services	Vote 5 - Planning and Development Services	Vote 6 - Technical Services	Total
R thousand	1							
Revenue								
Exchange Revenue								
Service charges - Electricity		-	(1,413)	-	-	-	195,370	193,957
Service charges - Waste Management		-	-	-	-	-	19,894	19,894
Sale of Goods and Rendering of Services		-	144	-	309	301	5,239	5,993
Agency services		-	3,671	-	8,261	-	-	11,932
Interest earned from Receivables		-	22	-	-	-	16,746	16,768
Interest earned from Current and Non Current Assets		-	5,351	-	-	-	-	5,351
Rental from Fixed Assets		-	-	349	-	-	-	349
Operational Revenue		-	7,431	-	-	-	1	7,432
Non-Exchange Revenue								
Property rates		-	214,177	-	-	-	-	214,177
Surcharges and Taxes		-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	1,306	-	-	1,306
Licences or permits		-	-	-	5,851	-	-	5,851
Transfer and subsidies - Operational		-	220,276	-	-	-	3,758	224,034
Interest		-	43,242	-	-	-	-	43,242
Total Revenue (excluding capital transfers and contributions)		-	492,900	349	15,727	301	241,008	750,286
Expenditure								
Employee related costs		(23,026)	(32,244)	(42,212)	(60,824)	(16,024)	(49,612)	(223,941)
Remuneration of councillors		(19,196)	-	-	-	-	-	(19,196)
Bulk purchases - electricity		-	-	-	-	-	(150,812)	(150,812)
Inventory consumed		(192)	(4,725)	(629)	(1,911)	(50)	(18,806)	(26,313)
Debt impairment		-	(87,127)	-	-	-	(23,015)	(110,142)
Depreciation and amortisation		-	(20,906)	(4,650)	(11,434)	-	(50,336)	(87,327)
Interest		-	(20,722)	-	-	-	-	(20,722)
Contracted services		(24,135)	(6,002)	(9,419)	(5,444)	(9,907)	(14,309)	(69,216)
Transfers and subsidies		-	-	(522)	-	-	-	(522)
Operational costs		(14,182)	(21,174)	(21,522)	(7,864)	(3,907)	(17,173)	(85,822)
Total Expenditure		(80,730)	(192,899)	(78,955)	(87,477)	(29,887)	(324,062)	(794,011)
Surplus/(Deficit)		80,730	685,800	79,305	103,204	30,189	565,070	(43,726)
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	37,083	37,083
Surplus/(Deficit) after capital transfers & contributions		80,730	685,800	79,305	103,204	30,189	602,153	(6,643)

c. Supporting Details to Budgeted Financial Position

LIM334 Ba-Phalaborwa - Supporting Table SA3 Supporting detail to '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											
<u>Trade and other receivables from exchange transactions</u>											
Electricity		78,505	86,684	70,861	240,482	108,453	108,453	143,579	144,130	248,583	250,629
Water		947,544	1,217,092	1,404,351	-	-	-	1,495,029	-	-	-
Waste		133,011	175,671	188,352	206,278	210,320	210,320	194,448	211,284	216,753	217,350
Waste Water		150,232	199,143	265,636	12,706	12,706	12,706	309,465	11,534	12,054	12,355
Other trade receivables from exchange transactions		218,661	9,374	31,330	(11,350)	14,485	14,485	(166,940)	22,338	(7,798)	(8,250)
Gross: Trade and other receivables from exchange transactions		1,527,953	1,687,964	1,960,530	448,115	345,964	345,964	1,975,581	389,287	469,591	472,085
Less: Impairment for debt		(285,500)	(157,815)	(233,524)	(186,252)	(255,598)	(255,598)	(233,524)	(256,568)	(195,811)	(196,412)
Impairment for Electricity		(45,066)	(49,936)	(70,438)	(69,212)	(87,267)	(87,267)	(70,438)	(88,008)	(73,153)	(73,612)
Impairment for Water		-	-	-	-	-	-	-	-	-	-
Impairment for Waste		(116,180)	(101,200)	(151,669)	(111,374)	(156,885)	(156,885)	(151,669)	(157,115)	(116,732)	(116,875)
Impairment for Waste Water		-	-	-	-	-	-	-	-	-	-
Impairment for other trade receivables from exchange transactions		(124,253)	(6,679)	(11,416)	(5,665)	(11,446)	(11,446)	(11,416)	(11,446)	(5,925)	(5,925)
Total net Trade and other receivables from Exchange Transactions		1,242,453	1,530,149	1,727,006	261,864	90,365	90,365	1,742,057	132,718	273,781	275,672
<u>Receivables from non-exchange transactions</u>											
Property rates		525,630	642,485	600,427	444,969	631,234	631,234	760,678	638,530	696,332	713,857
Less: Impairment of Property rates		(436,805)	(370,299)	(551,167)	(114,624)	(582,645)	(582,645)	(551,167)	(586,317)	(603,651)	(606,927)
Net Property rates		88,824	272,186	49,261	330,345	48,590	48,590	209,511	52,214	92,682	106,931
Other receivables from non-exchange transactions		31,450	1,333	1,605	32,859	-	-	1,605	196	34,575	34,580
Impairment for other receivables from non-exchange transactions		(30,683)	-	(1,605)	(32,831)	-	-	(1,605)	-	(34,341)	(34,341)
Net other receivables from non-exchange transactions		767	1,333	-	28	-	-	-	196	234	239

TABLED BUDGET 2025/26

Total net Receivables from non-exchange transactions		89,591	273,519	49,261	330,373	48,590	48,590	209,511	52,409	92,916	107,170
Acquisitions		-	-	-	-	-	-	-	26,313	27,497	28,184
Closing balance - Agricultural		-	-	-	-	-	-	-	26,313	27,497	28,184
Opening Balance		-	(8,591)	(19,869)	-	-	-	(19,869)	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues	7	(8,591)	(11,278)	(19,083)	(1,479)	(1,479)	(1,479)	(14,015)	(1,545)	(1,614)	(1,654)
Closing balance - Consumables Standard Rated		(8,591)	(19,869)	(38,952)	(1,479)	(1,479)	(1,479)	(33,883)	(1,545)	(1,614)	(1,654)
Zero Rated											
Materials and Supplies											
Opening Balance		21,631	29,945	40,794	20,926	15,481	15,481	40,794	15,481	22,076	23,291
Acquisitions		8,772	8,394	11,504	24,104	25,204	25,204	22,447	-	-	-
Issues	7	137	2,859	3,909	(22,624)	(23,724)	(23,724)	3,910	(24,768)	(25,883)	(26,530)
Adjustments	8	(12)	(44)	(16)	-	-	-	(16)	-	-	-
Write-offs	9	(582)	(360)	(210)	-	-	-	(210)	-	-	-
Correction of Prior period errors		-	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies		29,945	40,794	55,982	22,405	16,961	16,961	66,924	(9,287)	(3,806)	(3,239)
Land											
Opening Balance		-	-	-	-	1,549	1,549	-	1,549	-	-
Closing Balance - Land		-	-	-	-	1,549	1,549	-	1,549	-	-
Closing Balance - Inventory & Consumables		21,354	20,926	17,030	20,926	17,030	17,030	33,041	17,030	22,076	23,291
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		1,552,602	1,589,319	1,646,483	2,075,165	2,049,504	2,049,504	1,669,864	2,060,063	2,154,666	2,156,348
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		844,383	888,258	929,960	1,253,741	1,273,634	1,273,634	984,165	1,277,310	1,315,171	1,317,450
Total Property, plant and equipment (PPE)	2	708,218	701,061	716,522	821,424	775,870	775,870	685,699	782,753	839,495	838,899
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		15,459	16,516	17,809	(3,074)	(2,591)	(2,591)	17,809	(2,591)	12,485	18,123

TABLED BUDGET 2025/26

Current portion of long-term liabilities		923	1,152	2,313	1,208	2,313	2,313	2,313	2,313	1,264	1,264
Total Current liabilities - Borrowing		16,382	17,668	20,122	(1,866)	(278)	(278)	20,122	(278)	13,749	19,386
<u>Trade and other payables</u>											
Trade and other payables from exchange transactions	5	1,674,435	1,798,611	1,959,313	445,755	388,271	388,271	2,009,561	385,631	422,033	422,556
Other trade payables from exchange transactions		-	(848)	2,027	-	-	-	2,027	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Grants		918	0	340	-	340	340	11,656	-	-	-
Trade payables from Non-exchange transactions: Other VAT		-	-	-	-	-	-	-	-	-	-
		46,738	91,756	121,302	56,302	47,067	47,067	147,480	82,760	96,424	98,493
Total Trade and other payables	2	1,722,092	1,889,520	2,082,983	502,057	435,678	435,678	2,170,725	468,391	518,457	521,048
<u>Non current liabilities - Financial liabilities</u>											
Borrowing	4	57,377	42,561	24,752	44,646	24,752	24,752	9,452	24,752	46,700	46,700
Other financial liabilities		3,654	3,257	1,110	3,438	1,132	1,132	(1,110)	1,132	3,597	3,597
Total Non current liabilities - Financial liabilities		61,031	45,818	25,862	48,085	25,884	25,884	8,341	25,884	50,297	50,297
<u>Non current liabilities - Long Term portion of trade payables</u>											
<u>Provisions - non-current</u>											
Retirement benefits		53,631	49,929	58,440	44,080	51,407	51,407	58,440	51,407	46,108	46,108
Refuse landfill site rehabilitation		103,193	107,046	106,867	112,292	106,867	106,867	106,867	106,867	117,457	117,457
Other		-	(853)	(262)	7,400	6,770	6,770	(262)	6,770	7,740	7,740
Total Provisions non-current		156,824	156,122	165,045	163,772	165,045	165,045	165,045	165,045	171,305	171,305
CHANGES IN NET ASSETS											
<u>Accumulated surplus/(deficit)</u>											
Accumulated surplus/(deficit) - opening balance		-	488,305	883,933	1,212,897	855,274	855,274	(883,933)	855,614	1,092,296	1,111,212
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		-	488,305	883,933	1,212,897	855,274	855,274	(883,933)	855,614	1,092,296	1,111,212
Surplus/(Deficit)		(10,357)	157,484	(163,847)	(41,469)	(44,051)	(44,051)	196,395	(6,643)	(21,510)	(20,994)
Other adjustments		449,035	201,034	18,783	-	-	-	(18,773)	-	-	-
Accumulated Surplus/(Deficit)	1	438,677	846,823	738,869	1,171,428	811,223	811,223	(706,311)	848,972	1,070,786	1,090,218
<u>Reserves</u>											
Revaluation	-	38,072	12,193	6,642	12,790	12,193	12,193	6,642	12,193	13,379	13,379
Total Reserves	2	38,072	12,193	6,642	12,790	12,193	12,193	6,642	12,193	13,379	13,379
TOTAL COMMUNITY WEALTH/EQUITY	2	476,750	859,015	745,511	1,184,218	823,416	823,416	(699,669)	861,164	1,084,164	1,103,597

d. The municipality has no entities.

e. Reconciliation of transfers, Grant Receipts and Unspent Funds

LIM334 Ba-Phalaborwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

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
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		13,667	6,095	8,570	6,626	6,626	6,626	6,758	10,109	5,301
Repayment of grants										
Conditions met - transferred to revenue		193,595	201,865	223,924	229,838	229,499	229,499	230,792	237,357	237,547
Conditions still to be met - transferred to liabilities		(179,928)	(195,770)	(215,354)	(223,212)	(222,873)	(222,873)	(224,034)	(227,248)	(232,247)
Total operating transfers and grants revenue		193,595	201,865	223,924	229,838	229,499	229,499	230,792	237,357	237,547
Total operating transfers and grants - CTBM	2	(179,928)	(195,770)	(215,354)	(223,212)	(222,873)	(222,873)	(224,034)	(227,248)	(232,247)
Capital transfers and grants:	1,3									
National Government:										
Current year receipts		45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
Conditions met - transferred to revenue		(3,835)	(1,097)	1,885	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		49,212	43,474	49,065	40,098	35,284	35,284	37,083	40,075	41,810
Current year receipts		45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
Conditions met - transferred to revenue		45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		41,541	41,280	52,835	40,098	35,284	35,284	37,083	40,075	41,810
Total capital transfers and grants - CTBM	2	49,212	43,474	49,065	40,098	35,284	35,284	37,083	40,075	41,810
TOTAL TRANSFERS AND GRANTS REVENUE		235,136	243,145	276,759	269,936	264,783	264,783	267,875	277,432	279,357
TOTAL TRANSFERS AND GRANTS - CTBM		(130,717)	(152,296)	(166,289)	(183,114)	(187,589)	(187,589)	(186,951)	(187,173)	(190,437)

f. Future Financial Implications

- The municipality has no programmes above the three-year budgeting cycle.

g. Projects Delayed from Previous Financial Years

- No project delays from the previous financial year.

Other supporting tables

LIM334 Ba-Phalaborwa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

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
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		9,953	16,730	22,420	17,663	21,989	21,989	17,486	21,323	19,008
Roads Infrastructure		5,481	5,317	8,095	12,950	14,450	14,450	9,569	12,530	12,735
<i>Roads</i>		5,481	5,317	8,095	12,950	14,450	14,450	9,569	12,530	12,735
Electrical Infrastructure		4,371	7,952	11,270	3,000	3,556	3,556	5,000	5,744	3,149
<i>HV Substations</i>		-	-	-	-	-	-	1,609	-	-
<i>MV Substations</i>		4,371	7,952	11,270	-	556	556	522	527	540
<i>MV Networks</i>		-	-	-	-	-	-	1,130	2,609	-
<i>LV Networks</i>		-	-	-	3,000	3,000	3,000	1,739	2,609	2,609
Solid Waste Infrastructure		-	3,415	2,728	1,213	3,213	3,213	2,917	3,048	3,124
<i>Landfill Sites</i>		-	3,415	2,728	1,213	3,213	3,213	2,917	3,048	3,124
Information and Communication Infrastructure		100	47	326	500	770	770	-	-	-
<i>Data Centres</i>		-	-	-	-	-	-	-	-	-
<i>Core Layers</i>		100	47	326	500	770	770	-	-	-
Community Assets		295	378	63	1,573	1,448	1,448	1,870	1,802	1,815
Community Facilities		273	378	63	1,373	1,248	1,248	1,870	1,802	1,815
<i>Halls</i>		196	3	62	650	675	675	565	498	511
<i>Cemeteries/Crematoria</i>		77	375	1	723	573	573	1,304	1,304	1,304
Sport and Recreation Facilities		22	-	-	200	200	200	-	-	-
<i>Indoor Facilities</i>		22	-	-	200	200	200	-	-	-
Other assets		50	60	-	400	200	200	-	-	-
Operational Buildings		50	60	-	400	200	200	-	-	-
<i>Municipal Offices</i>		50	60	-	-	-	-	-	-	-

TABLED BUDGET 2025/26

<i>Building Plan Offices</i>		-	-	-	400	200	200	-	-	-
<u>Furniture and Office Equipment</u>		225	546	28	380	400	400	130	217	174
Furniture and Office Equipment		225	546	28	380	400	400	130	217	174
<u>Transport Assets</u>		6,268	7,793	5,210	6,018	7,029	7,029	6,597	6,843	6,986
Transport Assets		6,268	7,793	5,210	6,018	7,029	7,029	6,597	6,843	6,986
Total Repairs and Maintenance Expenditure	1	16,792	25,507	27,720	26,035	31,066	31,066	26,083	30,186	27,983

LIM334 Ba-Phalaborwa - Supporting Table SA34d Depreciation by asset class

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									
Depreciation by Asset Class/Sub-class										
-										
Infrastructure		55,075	40,428	43,066	48,626	48,626	48,626	50,765	53,050	54,376
Roads Infrastructure		1,585	40,403	32,731	35,262	35,262	35,262	36,814	38,470	39,432
<i>Roads</i>		1,585	40,403	32,731	9,024	9,024	9,024	9,421	9,845	10,091
<i>Road Structures</i>		-	-	-	390	390	390	408	426	437
<i>Road Furniture</i>		-	-	-	25,848	25,848	25,848	26,985	28,200	28,905
Storm water Infrastructure		45,541	25	2,163	2,997	2,997	2,997	3,129	3,270	3,352
<i>Drainage Collection</i>		-	-	-	21	21	21	22	23	24
<i>Storm water Conveyance</i>		45,541	25	2,163	2,976	2,976	2,976	3,107	3,247	3,328
<i>Attenuation</i>		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		7,949	-	8,173	10,366	10,366	10,366	10,822	11,309	11,592
<i>MV Substations</i>		-	-	8,173	4,960	4,960	4,960	5,179	5,412	5,547
<i>MV Switching Stations</i>		-	-	-	281	281	281	293	306	314
<i>MV Networks</i>		7,949	-	-	4,456	4,456	4,456	4,652	4,861	4,983
<i>LV Networks</i>		-	-	-	669	669	669	699	730	748
Community Assets		12,860	12,914	11,114	13,759	13,759	13,759	14,364	15,010	15,386
Community Facilities		12,860	12,914	11,114	11,016	11,016	11,016	11,500	12,018	12,318
<i>Halls</i>		-	-	-	315	315	315	329	344	353
<i>Libraries</i>		12,860	4	11,114	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>		-	-	-	63	63	63	66	69	71
<i>Public Ablution Facilities</i>		-	12,909	-	10,637	10,637	10,637	11,105	11,605	11,895
Sport and Recreation Facilities		-	-	-	2,743	2,743	2,743	2,864	2,993	3,067
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		-	-	-	2,743	2,743	2,743	2,864	2,993	3,067
Other assets		16,606	16,606	10,365	13,778	13,778	13,778	14,384	15,031	15,407
Operational Buildings		16,606	16,606	10,365	13,778	13,778	13,778	14,384	15,031	15,407
<i>Municipal Offices</i>		16,606	16,606	10,365	13,778	13,778	13,778	14,384	15,031	15,407
Intangible Assets		91	91	91	102	102	102	107	112	114

TABLED BUDGET 2025/26

Licences and Rights		91	91	91	102	102	102	107	112	114
<i>Computer Software and Applications</i>		91	91	91	102	102	102	107	112	114
<u>Computer Equipment</u>		445	877	852	1,598	1,598	1,598	1,668	1,743	1,787
Computer Equipment		445	877	852	1,598	1,598	1,598	1,668	1,743	1,787
<u>Furniture and Office Equipment</u>		288	314	479	778	778	778	812	849	870
Furniture and Office Equipment		288	314	479	778	778	778	812	849	870
<u>Machinery and Equipment</u>		483	1,035	861	1,976	1,976	1,976	2,063	2,156	2,210
Machinery and Equipment		483	1,035	861	1,976	1,976	1,976	2,063	2,156	2,210
<u>Transport Assets</u>		938	2,615	2,290	3,030	3,030	3,030	3,163	3,306	3,388
Transport Assets		938	2,615	2,290	3,030	3,030	3,030	3,163	3,306	3,388
Total Depreciation	1	86,787	74,880	69,119	83,646	83,646	83,646	87,327	91,256	93,538

LIM334 Ba-Phalaborwa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

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									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
-										
Infrastructure		(6)	-	51,703	4,037	167	167	14,600	-	-
Roads Infrastructure		(6)	-	51,703	4,037	167	167	14,600	-	-
<i>Roads</i>		(6)	-	-	4,037	167	167	14,600	-	-
<i>Road Structures</i>		-	-	51,703	-	-	-	-	-	-
Community Assets		(117)	-	-	10,837	10,837	10,837	9,043	-	-
Sport and Recreation Facilities		(117)	-	-	10,837	10,837	10,837	9,043	-	-
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		(117)	-	-	10,837	10,837	10,837	9,043	-	-
Heritage assets		-	36	-	-	-	-	-	-	-
Monuments		-	36	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	(123)	36	51,703	14,875	11,004	11,004	23,643	-	-

LIM334 Ba-Phalaborwa - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2025/26 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Executive and Councillors		-	-	-				
Vote 2 - Budget and Treasury Office		-	-	-				
Vote 3 - Corporate Services		1,478	1,739	1,913				
Vote 4 - Community and Social Services		4,348	8,696	8,696				
Vote 5 - Planning and Development Services		-	-	-				
Vote 6 - Technical Services		59,712	36,152	37,660				
Total Capital Expenditure		65,538	46,587	48,269	-	-	-	-
Net Financial Implications		65,538	46,587	48,269	-	-	-	-

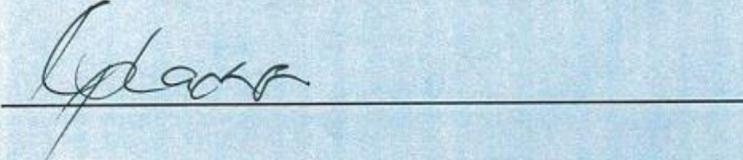
MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I **MS MOTLALEPULA E MPHACHOE**, Acting Municipal Manager of **BA-PHALABORWA MUNICIPALITY**, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act 53 of 2003 and regulations made under the act, and that the annual budget and supporting documents made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name:

Municipal Manager: **Ba-Phalaborwa Municipality (LIM334)**

Signature: 

Date: 