

BA-PHALABORWA LOCAL MUNICIPALITY

September 12

SPECIAL ADJUSTMENT

BUDGET 2025/26

2025

MTREF

'THE HOME OF MARULA AND WILDLIFE TOURISM'

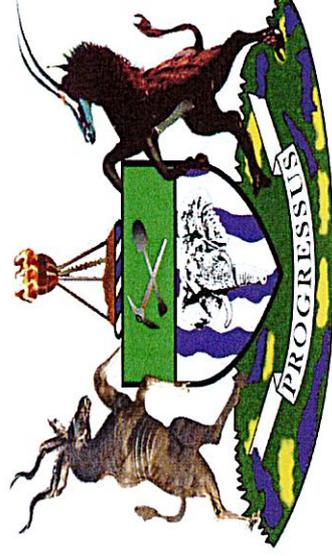


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Abbreviations and Acronyms

CPIX	Consumer Price Index
DORA	Division of Revenue Act
CoGTA	Department of Cooperative Governance and Traditional Affairs
EXCO	Executive Committee
DLGH	Department of Local Government and Housing
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
INEG	Integrated National Electrification Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
NT	National Treasury
PPP	Public-Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
EEDSMG	Electricity Efficiency Demand System Management Grant

PART ONE

Mayor's speech for tabling of the 2025/26 Special Adjustment Budget

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Total Operating revenue budget to remain unchanged at R750,3 million.

The following line items were affected:

- Service charges – Electricity remains unchanged at R193,9 million
- Service charges – Waste Management remains unchanged at R13,98 million.
- Sale of Goods and Rendering of Services remains unchanged at R5,9 million.
- Agency services remains unchanged at R11,9 million.
- Interest earned from Receivables remains unchanged at R16,8 million.
- Interest earned from Current and Non-Current Assets remains unchanged at R5,3 million.
- Licence and permits remains unchanged at R5,9 million.
- Operational Revenue remains unchanged at R7,4 million.
- Property rates remains unchanged at R214,1 million.
- Fines, penalties and forfeits remains unchanged at R1,3 million.
- Licences or permits remains unchanged at R5,9 million.
- Transfer and subsidies – Operational remain unchanged at R224 million
- Interest from Non-Exchange Revenue remains unchanged at R43,2 million.

Total Operating expenditure budget for 2025/26 remain unchanged amount to R795,1 million.

The expenditure by type that were affected by the adjustment are as follows:

- Employee related cost remains unchanged at R223,9 million.
- Remuneration of councillors remains unchanged at R19,2 million.
- Bulk purchases –Electricity remains unchanged at R150,8 million.
- Inventory consumed remains unchanged R26,3 million.
- Debt impairment remains unchanged R110,1 million.
- Depreciation and Amortisation remains unchanged R87,2 million.

- Interest (Finance charges) remains unchanged R20,7 million
- Contracted services remains unchanged at R68,6 million
- Transfers and subsidies remains unchanged at R522 thousand
- And Operational costs remains unchanged at R87,3 million

The total capital budget increased from R37,1 million to R47,1 million due to R10 million received from Municipal Disaster Relief Grant.

MUNICIPAL INFRASTRUCTURE GRANTS (MIG) PROJECTS WILL REMAIN UNCHANGED AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	9 000 000.00	-	9 000 000.00
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	7 304 325.24	-	7 304 325.24
Upgrading of gravel to asphalt street paving from clinic via ZCC ward 2	6 400 000.00	-	6 400 000.00
Installation of stormwater culvert at Shitshitwe culvert	4 000 000.00	-	4 000 000.00
Upgrade of gravel to asphalt from Nkateko high school to Pondo combined school	8 000 000.00	-	8 000 000.00
Upgrading of Benfarm phase 2	176 574.76	-	176 574.76
Installation of highmast lights in Ba-Phalaborwa	2 202 350.00	-	2 202 350.00
Totals	37 083 250.00	-	37 083 250.00

Total MIG projects to remains the same at R37,1 million which is VAT inclusive.

INTEGRATED ELECTRIFICATION PROGRAMME (INEP) REMAIN UNCHANGED AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Electrification of 150 household in Majeje phase 03	3 850 000.00	-	3 850 000.00
Construction of New Substation	2 000 000.00	-	2 000 000.00
Totals	5 850 000.00	-	5 850 000.00

- The budget for Integrated National Electrification Project (INEP) will remain the same at R5,9 million which is VAT inclusive.

MUNICIPAL DISASTER RELIEF GRANT (MDRG) AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Ward 14 Derrick Nyathi bridge (Rehabilitation)	-	4 000 000.00	4 000 000.00
Ward 03 Graveyard Selwane	-	6 000 000.00	6 000 000.00
Totals	-	10 000 000.00	10 000 000.00

- A new grant (Municipal Disaster Relief Grant) was given to the municipality to the value of R10 million which is VAT inclusive budget.

PROJECTS FUNDED INTERNALLY REMAINS UNCHANGED AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Upgrading of road from gravel to tar: Tambo phase 2	1 700 000.00	-	1 700 000.00
Development of Phalaborwa new landfill site Phase1	425 000.00	-	425 000.00
Office Furniture & Equipment	200 000.00	-	200 000.00
Refurbishment of Namakgale stadium	600 000.00	-	600 000.00
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	5 000 000.00	-	5 000 000.00
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	3 200 000.00	-	3 200 000.00
Construction of a Trapezoidal concrete lined stormwater channel, in ward 5 Namakgale	6 720 000.00	-	6 720 000.00
Totals	31 133 500.00	-	31 133 500.00

Internally funded projects remained unchanged at **R31,1 million** which is VAT inclusive.

Honourable Speaker, the municipality must continue to implement the **cost containment regulation 2019** as previously approved by Council and also continue to implement the revenue enhancement strategy and financial recovery plan in order to improve our financial status and maintain healthy cash flows.

Special Adjustment Budget Resolutions

1.1 SPECIAL ADJUSTMENT BUDGET for 2025/26

Council resolved that the adjustment and MTREF and its supporting tables of the Ba-Phalaborwa Municipality (LIM334) for the financial year 2025/26; be approved as set out on the following tables:

Table B1	Special Adjustment Budget summary
Table B2	Special Adjustment Budget financial performance – Standard Classification
Table B3	Special Adjustment Budget financial performance – Revenue and Expenditure by Municipal Vote
Table B4	Special Adjustment Budget financial performance – Revenue and Expenditure
Table B5	Special Adjustment Budget Capital Expenditure- Vote
Table B6	Special Adjustment Budget Financial Position
Table B7	Special Adjustment Budget Cash Flows
Table B8	Cash backed reserves/accumulated surplus reconciliation.
Table B9	Asset Management

1.2 Adjustment permitted in terms of Section 28 (2) of MFMA

Council resolved that the total budgeted annual Revenue remains the same at **R750,3 million** excludes capital grant be approved.

Council resolved that the total budgeted annual operating Expenditure remains the same at **R768,8 million** be approved.

Council resolved that the total budgeted Capital expenditure increased from **R37,1 million** to **R47,1 million** be approved.

1.3 Special adjustment budget supporting tables for 2025/26 MTREF

Council resolved that the special adjustment budget of the Ba-Phalaborwa Municipality for the financial year 2025/26, and indicative figures for two outer years 2026/27 and 2027/28 are approved as set out in the following tables.

Table SB1	Budgeted financial position.
Table SB2	Supporting details to financial position.
Table SB3	Special Adjustment - SDBIP- Performance objectives
Table SB4	Special Adjustment budget - performance indicators and benchmarks
Table SB5	Special Adjustment budget – Social, Economic, Demographic statistics and Assumptions
Table SB6	Special Adjustment budget – Funding Measurement
Table SB7	Special Adjustment budget – Transfers and Grant Receipts
Table SB8	Special Adjustment budget – Expenditure on Transfers and Grant Programme
Table SB9	Special Adjustment budget – Reconciliation of transfers, Grant Receipts and Unspent Funds
Table SB10	Special Adjustment budget – Transfers and Grant by the Municipality
Table SB11	Special Adjustment budget – Councillor and Staff benefits
Table SB12	Special Adjustment budget – Monthly Revenue and Expenditure (Municipal Votes)
Table SB13	Special Adjustment budget - Monthly Revenue and Expenditure (Functional Classification)
Table SB14	Special Adjustment budget – Monthly Revenue and Expenditure
Table SB15	Special Adjustment budget – Monthly Cash flows
Table SB16	Special Adjustment budget – Monthly Expenditure (Municipal Votes)
Table SB17	Special Adjustment budget – Monthly Capital expenditure (Functional Classification)
Table SB18a	Special Adjustment budget – Capital Expenditure on New Assets (Assets Class)

Table SB18b	Special Adjustment budget – Capital Assets on renewal of existing assets (Assets Class)
Table SB18c	Special Adjustment budget – Expenditure on Repairs and Maintenance (Assets Class)
Table SB19	Special Adjustment budget –List of Capital programme or projects affected. by Special Adjustment

1.4 Revised Service Delivery and Budget Implementation Plan (SDBIP)

Council note that the revised SDBIP will be tabled after the Special Adjustment Budget has been approved in line with MFMA section 54(1) (c).

1.5 Budget Related Polices

1. Property Rates Policy
2. Tariff Policy
3. Credit Control Policy
4. Debt Collection Policy
5. Indigent Household Consumer Subsidy policy
6. Virement policy
7. Budget policy
8. Petty Cash policy
9. Asset Management Policy
10. Bad Debts Write Off
11. Deposit Policy
12. Cash management and Investment Policy
13. Fleet management Policy

14. Electricity by-laws
15. Land use by-law
16. Electricity supply by-laws
17. Subsistence and travelling policy
18. Customer care Policy and Service Standards
19. Inventory Management Policy
20. Model SCM Policy for Infrastructure Procurement and Delivery Management
21. Sale and Disposal of Municipal Land/Property Policy
22. Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy
23. Supply Chain Management Policy

EXECUTIVE SUMMARY

In accordance with Section 28 of the Municipal Finance Management Act, 56 of 2003, a municipality may revise an approved annual budget through an adjustment budget. In terms of Section 72 (3) of the MFMA, the Accounting Officer must as part of review, make recommendations as to whether an Special Adjustment Budget is necessary and recommends revised projections for revenue and expenditure to the extent that this may be necessary.

The section further provides that Special Adjustment Budget may authorise the following:

- a) Provide for any other expenditure within a prescribed framework.
- b) Correct any errors in the annual budget (Budget overstated and under-stated)
- c) Spending of funds that were unspent at the end of the past financial year where under-spending could not reasonably have been foreseen at the time to include correctly projected roll-over amounts when the annual budget for the current year was approved by Council.
- d) Appropriation of projected savings in one vote towards spending under another vote

The following table reflects the approved and revised budget revenue 2025/26

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2				
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget				
		A	A1	B	C	D	E	F	G	H	I	J					
Revenue By Source																	
Exchange Revenue																	
Service charges - Electricity	2	193 957	-	-	-	-	-	-	-	-	-	-	-	193 957	204 237	216 879	
Service charges - Waste Management	2	19 894	-	-	-	-	-	-	-	-	-	-	-	19 894	20 789	21 309	
Sale of Goods and Rendering of Services		5 993	-	-	-	-	-	-	-	-	-	-	-	5 993	7 899	8 237	
Agency services		11 932	-	-	-	-	-	-	-	-	-	-	-	11 932	12 469	12 780	
Interest earned from Receivables		16 768	-	-	-	-	-	-	-	-	-	-	-	16 768	17 522	17 961	
Interest earned from Current and Non Current Assets		5 351	-	-	-	-	-	-	-	-	-	-	-	5 351	5 591	5 731	
Rental from Fixed Assets		349	-	-	-	-	-	-	-	-	-	-	-	349	365	374	
Operational Revenue		7 432	-	-	-	-	-	-	-	-	-	-	-	7 432	7 766	7 960	
Non-Exchange Revenue																	
Property rates	2	214 177	-	-	-	-	-	-	-	-	-	-	-	214 177	223 815	229 410	
Fines, penalties and forfeits		1 306	-	-	-	-	-	-	-	-	-	-	-	1 306	1 365	1 399	
Licences or permits		5 851	-	-	-	-	-	-	-	-	-	-	-	5 851	6 115	6 267	
Transfer and subsidies - Operational		224 034	-	-	-	-	-	-	-	-	-	-	-	224 034	227 248	232 247	
Interest		43 242	-	-	-	-	-	-	-	-	-	-	-	43 242	45 188	46 318	
Total Revenue (excluding capital transfers and contributions)		750 286	-	-	-	-	-	-	-	-	-	-	-	750 286	780 369	806 873	

The above table reflect the total revenue of R750,3 million for Special Adjustment Budget 2025/26, which remains the same.

The breakdown of Municipal Revenue per service which was affected by the Special Adjustment Budget for 2025/26 is illustrated below as follows:

- Service charges – Electricity remains unchanged at R193,9 million
- Service charges – Waste Management remains unchanged at R13,98 million.
- Sale of Goods and Rendering of Services remains unchanged at R5,9 million.
- Agency services remains unchanged at R11,9 million.
- Interest earned from Receivables remains unchanged at R16,8 million.
- Interest earned from Current and Non-Current Assets remains unchanged at R5,3 million.
- Licence and permits remains unchanged at R5,9 million.
- Operational Revenue remains unchanged at R7,4 million.
- Property rates remains unchanged at R214,1 million.
- Fines, penalties and forfeits remains unchanged at R1,3 million.
- Licences or permits remains unchanged at R5,9 million.
- Transfer and subsidies – Operational remain unchanged at R224 million
- Interest from Non-Exchange Revenue remains unchanged at R43,2 million.

The municipality continues to implement the approved revenue enhancement strategy and its credit control policy by issuing a cut-off list monthly.

The municipality has also employed a debt collector to focus in the township in order to collect the long outstanding debt from those that are owing the municipality.

The following table reflects the approved operating expenditure budget 2025/26, and the proposed revised budget.

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands	1	A	A1	B	C	D	E	F	G	H			
Expenditure By Type	-												
Employee related costs		223 845	-	-	-	-	-	-	-	223 845	-	239 485	256 159
Remuneration of councillors		19 196	-	-	-	-	-	-	-	19 196	-	20 539	21 977
Bulk purchases - electricity		150 812	-	-	-	-	-	-	-	150 812	-	158 805	168 651
Inventory consumed		26 313	-	-	-	-	-	-	-	26 313	-	27 497	28 184
Debt impairment		110 142	-	-	-	-	-	-	-	110 142	-	115 098	117 976
Depreciation and amortisation		87 220	-	-	-	-	-	-	-	87 220	-	91 145	93 423
Interest		20 722	-	-	-	-	-	-	-	20 722	-	21 654	22 196
Contracted services		68 642	-	-	-	-	-	-	-	68 642	-	76 165	68 589
Transfers and subsidies		522	-	-	-	-	-	-	-	522	-	454	473
Operational costs		87 732	-	-	-	-	-	-	-	87 732	-	91 191	92 133
Total Expenditure		795 146	-	-	-	-	-	-	-	795 146	-	842 035	869 762

Total Operating expenditure budget for 2025/26 remain unchanged amount to R795,1 million.

The following items on expenditure adjustments are as follows:

- Employee related cost remains unchanged at R223,9 million.
- Remuneration of councillors remains unchanged at R19,2 million.
- Bulk purchases -Electricity remains unchanged at R150,8 million.
- Inventory consumed remains unchanged R26,3 million.
- Debt impairment remains unchanged R110,1 million.
- Depreciation and Amortisation remains unchanged R87,2 million.
- Interest (Finance charges) remains unchanged R20,7 million
- Contracted services remains unchanged at R68,6 million
- Transfers and subsidies remains unchanged at R522 thousand
- And Operational costs remains unchanged at R87,3 million

GRANTS AND SUBSIDIES 2025/26

Operational transfers and grants remains unchanged at R224 million.
Capital transfers and grants increased from R37,1 million to R47,1 million.

LIM334 Ba-Phalaborwa - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2025/26							Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7	8	9	10	11	12		
			A1	B	C	D	E	F		
RECEIPTS:	1, 2									
-										
<u>Operating Transfers and Grants</u>		224 034	-	-	-	-	-	224 034	227 248	232 247
National Government:										
EPWP Incentive		1 806	-	-	-	-	-	1 806	-	-
Finance Management	-	3 000	-	-	-	-	-	3 000	3 000	3 100
Local Government Equitable Share	-	217 276	-	-	-	-	-	217 276	217 139	226 946
Municipal Infrastructure Grant	-	1 952	-	-	-	-	-	1 952	2 109	2 201
Energy Efficiency and Demand Management	-	-	-	-	-	-	-	-	5 000	-
Total Operating Transfers and Grants	6	224 034	-	-	-	-	-	224 034	227 248	232 247
<u>Capital Transfers and Grants</u>										
National Government:										
Municipal Infrastructure Grant (MIG)	-	37 083	-	-	10 000	-	10 000	47 083	40 075	41 810
Municipal Disaster Response Grant (MDRG)	-	37 083	-	-	-	-	-	37 083	40 075	41 810
Total Capital Transfers and Grants	6	37 083	-	-	10 000	-	10 000	47 083	40 075	41 810
TOTAL RECEIPTS OF TRANSFERS & GRANTS		261 117	-	-	10 000	-	10 000	271 117	267 323	274 056

MUNICIPAL INFRASTRUCTURE GRANTS (MIG) PROJECTS WILL REMAIN UNCHANGED AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	9 000 000.00	-	9 000 000.00
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	7 304 325.24	-	7 304 325.24
Upgrading of gravel to asphalt street paving from clinic via ZCC ward 2	6 400 000.00	-	6 400 000.00
Installation of stormwater culvert at Shitshitwe culvert	4 000 000.00	-	4 000 000.00
Upgrade of gravel to asphalt from Nkateko high school to Pondo combined school	8 000 000.00	-	8 000 000.00
Upgrading of Benfarm phase 2	176 574.76	-	176 574.76
Installation of highmast lights in Ba-Phalaborwa	2 202 350.00	-	2 202 350.00
Totals	37 083 250.00	-	37 083 250.00

INTEGRATED ELECTRIFICATION PROGRAMME (INEP) REMAIN UNCHANGED AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Electrification of 150 household in Majeje phase 03	3 850 000.00	-	3 850 000.00
Construction of New Substation	2 000 000.00	-	2 000 000.00
Totals	5 850 000.00	-	5 850 000.00

MUNICIPAL DISASTER RELIEF GRANT (MDRG) AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Ward 14 Derrick Nyathi bridge (Rehabilitation)	-	4 000 000.00	4 000 000.00
Ward 03 Graveyard Selwane	-	6 000 000.00	6 000 000.00
Totals	-	10 000 000.00	10 000 000.00

- A new grant (Municipal Disaster Relief Grant) was given to the municipality to the value of R10 million which is VAT inclusive budget.

PROJECTS FUNDED INTERNALLY REMAINS UNCHANGED AS FOLLOWS:

Project Name	Original Budget 2025/26	Adjustment Amount 2025/26	Final Budget 2025/26
Upgrading of road from gravel to tar: Tambo phase 2	1 700 000.00	-	1 700 000.00
Development of Phalaborwa new landfill site Phase1	425 000.00	-	425 000.00
Office Furniture & Equipment	200 000.00	-	200 000.00
Refurbishment of Namakgale stadium	600 000.00	-	600 000.00

Upgrading of Honeyville to Dinoko Sebera from gravel to tar	5 000 000.00	-	5 000 000.00
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	3 200 000.00	-	3 200 000.00
Construction of a Trapezoidal concrete lined stormwater channel, in ward 5 Namakgale	6 720 000.00	-	6 720 000.00
Totals	31 133 500.00	-	31 133 500.00

SPECIAL ADJUSTMENT BUDGET TABLES 2025/26

1. SPECIAL ADJUSTMENT BUDGET TABLES
 1.1. SPECIAL ADJUSTMENT BUDGET SUMMARY

LIM334 Ba-Phalaborwa - Table B1
 Adjustments Budget Summary -

Description	Budget Year 2025/26										Budget Year +1	Budget Year +2
	Original Budget A	Prior Adjusted 1 A1	Accum. Funds 2 B	Multi-year capital 3 C	Unfore. Unavoid. 4 D	Nat. or Prov. Govt 5 E	Other Adjusts. 6 F	Total Adjusts. 7 G	Adjusted Budget 8 H	Adjusted Budget	Adjusted Budget	
R thousands												
Financial Performance												
Property rates	214 177	-	-	-	-	-	-	214 177	223 815	229 410		
Service charges	213 851	-	-	-	-	-	-	213 851	225 026	238 188		
Investment revenue	5 351	-	-	-	-	-	-	5 351	5 591	5 731		
Transfers recognised - operational	224 034	-	-	-	-	-	-	224 034	227 248	232 247		
Other own revenue	92 873	-	-	-	-	-	-	92 873	98 688	101 296		
Total Revenue (excluding capital transfers and contributions)	750 286	-	-	-	-	-	-	750 286	780 369	806 873		
Employee costs	223 845	-	-	-	-	-	-	223 845	239 485	256 159		
Remuneration of councillors	19 196	-	-	-	-	-	-	19 196	20 539	21 977		
Depreciation & asset impairment	197 362	-	-	-	-	-	-	197 362	206 243	211 399		
Finance charges	20 722	-	-	-	-	-	-	20 722	21 654	22 196		
Inventory consumed and bulk purchases	177 125	-	-	-	-	-	-	177 125	186 302	196 836		
Transfers and subsidies	522	-	-	-	-	-	-	522	454	473		
Other expenditure	156 374	-	-	-	-	-	-	156 374	167 356	160 722		
Total Expenditure	795 146	-	-	-	-	-	-	795 146	842 035	869 762		
Surplus/(Deficit)	(44 860)	-	-	-	-	-	-	(44 860)	(61 665)	(62 889)		
Transfers and subsidies - capital (monetary allocations)	37 083	-	-	-	-	10 000	10 000	47 083	40 075	41 810		
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-		
Surplus/(Deficit) after capital transfers & contributions	(7 777)	-	-	-	-	10 000	10 000	2 223	(21 591)	(21 080)		
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-		
Surplus/ (Deficit) for the year	(7 777)	-	-	-	-	10 000	10 000	2 223	(21 591)	(21 080)		
Capital expenditure & funds sources												

Total Operating revenue budget to remain unchanged at R750,3 million.

The following line items were affected:

- Service charges – Electricity remains unchanged at R193,9 million
- Service charges – Waste Management remains unchanged at R13,98 million.
- Sale of Goods and Rendering of Services remains unchanged at R5,9 million.
- Agency services remains unchanged at R11,9 million.
- Interest earned from Receivables remains unchanged at R16,8 million.
- Interest earned from Current and Non-Current Assets remains unchanged at R5,3 million.
- Licence and permits remains unchanged at R5,9 million.
- Operational Revenue remains unchanged at R7,4 million.
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- Licences or permits remains unchanged at R5,9 million.
- Transfer and subsidies – Operational remain unchanged at R224 million
- Interest from Non-Exchange Revenue remains unchanged at R43,2 million.

Total Operating expenditure budget for 2025/26 remain unchanged amount to R795,1 million.

The expenditure by type that were affected by the adjustment are as follows:

- Employee related cost remains unchanged at R223,9 million.
- Remuneration of councillors remains unchanged at R19,2 million.
- Bulk purchases –Electricity remains unchanged at R150,8 million.
- Inventory consumed remains unchanged R26,3 million.
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- Depreciation and Amortisation remains unchanged R87,2 million.

- Interest (Finance charges) remains unchanged R20,7 million
- Contracted services remains unchanged at R68,6 million
- Transfers and subsidies remains unchanged at R522 thousand
- Operational costs remains unchanged at R87,3 million

1.2 SPECIAL ADJUSTMENT BUDGET FINANCIAL PERFORMANCE (FUNCTIONAL CLASSIFICATION)

LIM334 Ba-Phalaborwa - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Functional													
Governance and administration		493 250	-	-	-	-	-	-	-	493 250	505 385	522 369	
Finance and administration		493 250	-	-	-	-	-	-	-	493 250	505 385	522 369	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
Community and public safety		14 440	-	-	-	-	-	-	-	14 440	15 090	15 467	
Community and social services		328	-	-	-	-	-	-	-	328	343	351	
Public safety		14 112	-	-	-	-	-	-	-	14 112	14 747	15 116	
Economic and environmental services		42 577	-	-	-	-	-	10 000	10 000	52 577	43 998	45 870	
Planning and development		301	-	-	-	-	-	-	-	301	315	323	
Road transport		42 276	-	-	-	-	-	10 000	10 000	52 276	43 683	45 547	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
Trading services		237 102	-	-	-	-	-	-	-	237 102	255 970	264 977	
Energy sources		205 673	-	-	-	-	-	-	-	205 673	223 127	231 313	
Waste management		31 429	-	-	-	-	-	-	-	31 429	32 843	33 664	
Other		-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Functional	2	787 369	-	-	-	-	-	10 000	10 000	797 369	820 444	848 682	
Expenditure - Functional													
Governance and administration		349 363	-	-	-	-	-	-	-	349 363	369 985	383 852	
Executive and council		47 561	-	-	-	-	-	-	-	47 561	51 521	54 687	
Finance and administration		271 970	-	-	-	-	-	-	-	271 970	286 574	297 394	
Internal audit		29 832	-	-	-	-	-	-	-	29 832	31 889	31 771	
Community and public safety		71 647	-	-	-	-	-	-	-	71 647	76 903	81 903	
Community and social services		22 029	-	-	-	-	-	-	-	22 029	23 859	24 459	
Sport and recreation		4 579	-	-	-	-	-	-	-	4 579	4 773	4 948	
Public safety		24 387	-	-	-	-	-	-	-	24 387	26 096	27 895	
Housing		-	-	-	-	-	-	-	-	-	-	-	

1.3 SPECIAL ADJUSTMENT BUDGET FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE)

LIM334 Ba-Phalaborwa - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands		A	A1	B	C	D	E	F	G	H			
Revenue by Vote	1												
Vote 1 - Executive and Councillors		-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - Budget and Treasury Office		492 900	-	-	-	-	-	-	-	492 900	505 020	521 994	
Vote 3 - Corporate Services		349	-	-	-	-	-	-	-	349	365	374	
Vote 4 - Community and Social Services		15 727	-	-	-	-	-	-	-	15 727	16 435	16 845	
Vote 5 - Planning and Development Services		301	-	-	-	-	-	-	-	301	315	323	
Vote 6 - Technical Services		278 091	-	-	-	-	10 000	-	10 000	288 091	298 309	309 145	
Total Revenue by Vote	2	787 369	-	-	-	-	-	10 000	10 000	797 369	820 444	848 682	
Expenditure by Vote	1												
Vote 1 - Executive and Councillors		80 295	-	-	-	-	-	-	-	80 295	86 765	90 016	
Vote 2 - Budget and Treasury Office		192 104	-	-	-	-	-	-	-	192 104	201 317	208 045	
Vote 3 - Corporate Services		79 823	-	-	-	-	-	-	-	79 823	84 997	89 088	
Vote 4 - Community and Social Services		88 781	-	-	-	-	-	-	-	88 781	95 040	101 062	
Vote 5 - Planning and Development Services		29 887	-	-	-	-	-	-	-	29 887	25 611	23 859	
Vote 6 - Technical Services		324 255	-	-	-	-	-	-	-	324 255	348 305	357 693	
Total Expenditure by Vote	2	795 146	-	-	-	-	-	-	-	795 146	842 035	869 762	
Surplus/ (Deficit) for the year	2	(7 777)	-	-	-	-	-	10 000	10 000	2 223	(21 591)	(21 080)	

The above table illustrates expenditure special adjustment budget per municipal vote.

- The executive and Councillors have no revenue and R80,3 million expenditure to be funded from other votes.
- Budget and treasury have R492,9 million revenue and R192,1 million expenditure.
- Corporate services have R349 thousand revenue with R79,8 million expenditure.
- Community services has R15,7 million revenue with R88,8 million expenditure.
- Planning and development has R301 thousand revenue with R29,9 million expenditure.
- Technical Services has R288,1 million revenue and R324,3 million expenditure.

1.4 BUDGETED FINANCIAL PERFORMANCE

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	2026/27	2027/28	
Revenue By Source													
Exchange Revenue													
Service charges - Electricity	2	193 957	-	-	-	-	-	-	-	193 957	204 237	216 879	
Service charges - Waste Management	2	19 894	-	-	-	-	-	-	-	19 894	20 789	21 309	
Sale of Goods and Rendering of Services		5 993	-	-	-	-	-	-	-	5 993	7 899	8 237	
Agency services		11 932	-	-	-	-	-	-	-	11 932	12 469	12 780	
Interest earned from Receivables		16 768	-	-	-	-	-	-	-	16 768	17 522	17 961	
Interest earned from Current and Non Current Assets		5 351	-	-	-	-	-	-	-	5 351	5 591	5 731	
Rental from Fixed Assets		349	-	-	-	-	-	-	-	349	365	374	
Operational Revenue		7 432	-	-	-	-	-	-	-	7 432	7 766	7 960	
Non-Exchange Revenue													
Property rates	2	214 177	-	-	-	-	-	-	-	214 177	223 815	229 410	
Fines, penalties and forfeits		1 306	-	-	-	-	-	-	-	1 306	1 365	1 399	
Licences or permits		5 851	-	-	-	-	-	-	-	5 851	6 115	6 267	
Transfer and subsidies - Operational		224 034	-	-	-	-	-	-	-	224 034	227 248	232 247	
Interest		43 242	-	-	-	-	-	-	-	43 242	45 188	46 318	
Total Revenue (excluding capital transfers and contributions)		750 286	-	-	-	-	-	-	-	750 286	780 369	806 873	
Expenditure By Type													
Employee related costs	-	223 845	-	-	-	-	-	-	-	223 845	239 485	256 159	
Remuneration of councillors		19 196	-	-	-	-	-	-	-	19 196	20 539	21 977	
Bulk purchases - electricity		150 812	-	-	-	-	-	-	-	150 812	158 805	168 651	
Inventory consumed		26 313	-	-	-	-	-	-	-	26 313	27 497	28 184	
Debt impairment		110 142	-	-	-	-	-	-	-	110 142	115 098	117 976	
Depreciation and amortisation		87 220	-	-	-	-	-	-	-	87 220	91 145	93 423	
Interest		20 722	-	-	-	-	-	-	-	20 722	21 654	22 196	
Contracted services		68 642	-	-	-	-	-	-	-	68 642	76 165	88 589	
Transfers and subsidies		522	-	-	-	-	-	-	-	522	454	473	

Operational costs	87 732	-	-	-	-	-	-	87 732	91 191	92 133
Total Expenditure	795 146	-	-	-	-	-	-	795 146	842 035	869 762
Surplus/(Deficit)	(44 860)	-	-	-	-	-	-	(44 860)	(61 665)	(62 889)
Transfers and subsidies - capital (monetary allocations)	37 083	-	-	-	-	-	10 000	47 083	40 075	41 810
Transfers and subsidies - capital (in-kind - all)	(7 777)	-	-	-	-	-	10 000	2 223	(21 591)	(21 080)
Surplus/(Deficit) before taxation	-	-	-	-	-	-	10 000	-	-	-
Income Tax	(7 777)	-	-	-	-	-	10 000	2 223	(21 591)	(21 080)
Surplus/(Deficit) after taxation	-	-	-	-	-	-	10 000	-	-	-
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	(7 777)	-	-	-	-	-	10 000	2 223	(21 591)	(21 080)
Surplus/(Deficit) attributable to municipality	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1 (7 777)	-	-	-	-	-	10 000	2 223	(21 591)	(21 080)

Total Operating revenue budget to remain unchanged at R750,1 million.

The following line items were affected:

- Service charges – Electricity remains unchanged at R193,9 million
- Service charges – Waste Management remains unchanged at R13,98 million.
- Sale of Goods and Rendering of Services remains unchanged at R5,9 million.
- Agency services remains unchanged at R11,9 million.
- Interest earned from Receivables remains unchanged at R16,8 million.
- Interest earned from Current and Non-Current Assets remains unchanged at R5,3 million.
- Licence and permits remains unchanged at R5,9 million.
- Operational Revenue remains unchanged at R7,4 million.
- Property rates remains unchanged at R214,1 million.
- Fines, penalties and forfeits remains unchanged at R1,3 million.
- Licences or permits remains unchanged at R5,9 million.

- Transfer and subsidies – Operational remain unchanged at R224 million
- Interest from Non-Exchange Revenue remains unchanged at R43,2 million.

Total Operating expenditure budget for 2025/26 remain unchanged amount to R795,1 million.

The expenditure by type that were affected by the adjustment are as follows:

- Employee related cost remains unchanged at R223,9 million.
- Remuneration of councillors remains unchanged at R19,2 million.
- Bulk purchases –Electricity remains unchanged at R150,8 million.
- Inventory consumed remains unchanged R26,3 million.
- Debt impairment remains unchanged R110,1 million.
- Depreciation and Amortisation remains unchanged R87,2 million.
- Interest (Finance charges) remains unchanged R20,7 million
- Contracted services remains unchanged at R68,6 million
- Transfers and subsidies remains unchanged at R522 thousand
- Operational costs remains unchanged at R87,3 million

1.5 ADJUSTMENT CAPITAL EXPENDITURE BUDGET BY VOTE AND FUNDING

LIM334 Ba-Phalaborwa - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
Single-year expenditure to be adjusted	2												
Vote 1 - Executive and Councillors		-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services		1 478	-	-	-	-	-	-	-	1 478	1 739	1 913	
Vote 4 - Community and Social Services		3 478	-	-	-	-	-	-	-	3 478	8 696	8 696	
Vote 5 - Planning and Development Services		-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - Technical Services		54 362	-	-	-	-	-	8 696	8 696	63 058	39 423	37 660	
Capital single-year expenditure sub-total		59 319	-	-	-	-	-	8 696	8 696	68 015	49 858	48 269	
Total Capital Expenditure - Vote		59 319	-	-	-	-	-	8 696	8 696	68 015	49 858	48 269	
Capital Expenditure - Functional Governance and administration		1 478	-	-	-	-	-	-	-	1 478	1 739	1 913	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	
Finance and administration		1 478	-	-	-	-	-	-	-	1 478	1 739	1 913	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
Community and public safety		9 043	-	-	-	-	-	-	-	9 043	-	-	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		9 043	-	-	-	-	-	-	-	9 043	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		43 404	-	-	-	-	-	8 696	8 696	52 099	30 903	37 660	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	
Road transport		43 404	-	-	-	-	-	8 696	8 696	52 099	30 903	37 660	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
Trading services		5 393	-	-	-	-	-	-	-	5 393	17 215	8 696	
Energy sources		1 915	-	-	-	-	-	-	-	1 915	8 520	-	
Waste management		3 478	-	-	-	-	-	-	-	3 478	8 696	8 696	
Other		-	-	-	-	-	-	-	-	-	-	-	

Total Capital Expenditure - Functional	3	59 319	-	-	-	-	-	8 696	8 696	68 015	49 858	48 269
Funded by:												
National Government		32 246	-	-	-	-	-	8 696	8 696	40 942	34 848	36 356
Transfers recognised - capital	4	32 246	-	-	-	-	-	8 696	8 696	40 942	34 848	36 356
Internally generated funds		27 073	-	-	-	-	-	-	-	27 073	15 010	11 913
Total Capital Funding		59 319	-	-	-	-	-	8 696	8 696	68 015	49 858	48 269

- Total capital expenditure increased from R59,3 million to R68 million due to additional grant received from Disaster Relief.

1.6 SPECIAL ADJUSTMENT BUDGET FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table B6 Adjustments Budget Financial Position -

R thousands	Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
			Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
			A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
ASSETS														
Current assets														
Cash and cash equivalents			25 252	-	-	-	-	-	-	-	25 252	79 619	145 610	
Trade and other receivables from exchange transactions	1		131 496	-	-	-	-	-	-	-	131 496	272 110	273 906	
Receivables from non-exchange transactions	1		38 667	-	-	-	-	-	-	-	38 667	74 969	88 775	
Current portion of non-current receivables	2		-	-	-	-	-	-	-	-	-	30	30	
Inventory			-	-	-	-	-	-	-	-	-	-	-	
VAT			55 805	-	-	-	-	-	1 304	1 304	57 110	54 763	55 030	
Other current assets			11 378	-	-	-	-	-	-	-	11 378	9 504	9 527	
Total current assets			262 598	-	-	-	-	-	1 304	1 304	263 903	490 997	572 878	
Non current assets														
Investments			-	-	-	-	-	-	-	-	-	-	-	
Investment property			472 392	-	-	-	-	-	-	-	472 392	485 027	485 027	
Property, plant and equipment	3		778 830	-	-	-	-	-	8 696	8 696	787 526	1 092 708	1 095 919	
Biological assets			-	-	-	-	-	-	-	-	-	-	-	
Living and non-living resources			-	-	-	-	-	-	-	-	-	-	-	
Heritage assets			317	-	-	-	-	-	-	-	317	348	348	
Intangible assets			0	-	-	-	-	-	-	-	0	100	100	
Trade and other receivables from exchange transactions			-	-	-	-	-	-	-	-	-	-	-	
Non-current receivables from non-exchange transactions			-	-	-	-	-	-	-	-	-	-	-	
Other non-current assets			-	-	-	-	-	-	-	-	-	-	-	
Total non current assets			1 251 539	-	-	-	-	-	8 696	8 696	1 260 235	1 578 183	1 581 394	
TOTAL ASSETS			1 514 137	-	-	-	-	-	10 000	10 000	1 524 137	2 069 179	2 154 272	
LIABILITIES														
Current liabilities														
Bank overdraft			-	-	-	-	-	-	-	-	-	-	-	
Financial liabilities			7 951	-	-	-	-	-	-	-	7 951	(13 749)	(19 386)	
Consumer deposits			5 267	-	-	-	-	-	-	-	5 267	5 291	5 291	
Trade and other payables from exchange transactions			383 902	-	-	-	-	-	-	-	383 902	434 205	434 207	

1.7 SPECIAL ADJUSTMENT BUDGET CASH FLOWS

LIM334 Ba-Phalaborwa - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2025/26										Budget Year +1		Budget Year +2			
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget 2026/27	Adjusted Budget 2027/28					
R thousands																	
CASH FLOW FROM OPERATING ACTIVITIES																	
Receipts																	
Property rates		185 080	-											185 080			247 805
Service charges		172 351	-											172 351			239 955
Other revenue		32 863	-											32 863			37 018
Transfers and Subsidies - Operational	1	224 034	-											224 034			232 247
Transfers and Subsidies - Capital	1	37 083	-					10 000						47 083			41 810
Interest		5 351	-											5 351			5 731
Dividends		-	-											-			-
Payments																	
Suppliers and employees		(594 434)	-											(594 434)			(682 572)
Finance charges		(2 376)	-											(2 376)			(2 545)
Transfers and Subsidies	1	(522)	-											(522)			(473)
NET CASH FROM/(USED) OPERATING ACTIVITIES		59 431	-					10 000					10 000	69 431			118 976
CASH FLOWS FROM INVESTING ACTIVITIES																	
Receipts																	
Proceeds on disposal of PPE		-	-											-			-
Decrease (increase) in non-current receivables		-	-											-			-
Decrease (increase) in non-current investments		-	-											-			-
Payments																	
Capital assets		(68 217)	-					(10 000)						(78 217)			(53 009)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(68 217)	-					(10 000)					(10 000)	(78 217)			(53 009)
CASH FLOWS FROM FINANCING ACTIVITIES																	
Receipts																	
Short term loans		-	-											-			-
Borrowing long term/refinancing		-	-											-			-
Increase (decrease) in consumer deposits		-	-											-			-
Payments																	
Repayment of borrowing		(20 400)	-											(20 400)			-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(20 400)	-											(20 400)			-
NET INCREASE/ (DECREASE) IN CASH HELD		(29 186)	-											(29 186)			65 966
Cash/cash equivalents at the year begin:	2	54 438	-											54 438			79 643
Cash/cash equivalents at the year end:	2	25 252	-											25 252			145 610

1.8 CASH BACKED RESERVES /ACCUMULATED SURPLUS RECONCILIATION

LIM334 Ba-Phalaborwa - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2	
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget 2026/27	Adjusted Budget 2027/28		
Cash and investments available														
Cash/cash equivalents at the year end	1	25 252	-	-	-	-	-	-	-	25 252	-	-	79 619	145 610
Other current investments > 90 days		38 667	-	-	-	-	-	-	-	38 667	-	-	74 969	88 775
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		63 919	-	-	-	-	-	-	-	63 919	-	-	154 588	234 385
Applications of cash and investments														
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing														
Statutory requirements														
Other working capital requirements	2	252 073	-	-	-	-	-	(8 815)	(8 815)	243 258	-	-	94 591	79 429
Other provisions														
Long term investments committed														
Reserves to be backed by cash/investments														
Total Application of cash and investments:		252 073	-	-	-	-	-	(8 815)	(8 815)	243 258	-	-	94 591	79 429
Surplus(shortfall)		(188 154)	-	-	-	-	-	8 815	8 815	(179 339)	-	-	59 997	154 956

1.9 ASSET MANAGEMENT

LIM334 Ba-Phalaborwa - Table B9 Asset Management -

Budget Year 2025/26												
Description	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1	Budget Year +2
											Adjusted Budget	Adjusted Budget
R thousands		A	7	8	9	10	11	12	13	14	2026/27	2027/28
			A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	37 754	-	-	-	-	-	-	-	37 754	49 858	48 269
Roads Infrastructure		29 578	-	-	-	-	-	-	-	29 578	29 599	28 095
Storm water Infrastructure		1 304	-	-	-	-	-	-	-	1 304	1 304	1 304
Electrical Infrastructure		1 915	-	-	-	-	-	-	-	1 915	8 520	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		32 797	-	-	-	-	-	-	-	32 797	39 423	29 400
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		1 478	-	-	-	-	-	-	-	1 478	1 739	1 913
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	8 261
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		3 478	-	-	-	-	-	-	-	3 478	8 696	8 696
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	21 565	-	-	-	-	-	8 696	8 696	30 261	-	-
Roads Infrastructure		12 522	-	-	-	-	-	8 696	8 696	21 217	-	-
Infrastructure		12 522	-	-	-	-	-	8 696	8 696	21 217	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		9 043	-	-	-	-	-	-	-	9 043	-	-
Community Assets		9 043	-	-	-	-	-	-	-	9 043	-	-
Total Capital Expenditure to be adjusted	4	59 319	-	-	-	-	-	8 696	8 696	68 015	49 858	48 269
Roads Infrastructure		42 099	-	-	-	-	-	8 696	8 696	50 795	29 599	28 095
Storm water Infrastructure		1 304	-	-	-	-	-	-	-	1 304	1 304	1 304
Electrical Infrastructure		1 915	-	-	-	-	-	-	-	1 915	8 520	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		45 319	-	-	-	-	-	8 696	8 696	54 015	39 423	29 400
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		9 043	-	-	-	-	-	-	-	9 043	-	-

Community Assets		9 043	-	-	-	-	-	-	9 043	-	-	-
Furniture and Office Equipment		1 478	-	-	-	-	-	-	1 478	1 739	-	1 913
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	8 261
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		3 478	-	-	-	-	-	-	3 478	8 696	-	8 696
TOTAL CAPITAL EXPENDITURE to be adjusted	4	59 319	-	-	-	-	-	-	68 015	49 858	-	48 269
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Roads Infrastructure		1 196 406	-	-	-	-	-	-	1 205 101	1 482 314	-	1 485 526
Storm water Infrastructure		227 535	-	-	-	-	-	-	236 230	436 273	-	433 808
Electrical Infrastructure		19 177	-	-	-	-	-	-	19 177	19 918	-	20 755
Information and Communication Infrastructure		102 671	-	-	-	-	-	-	102 671	82 436	-	76 051
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
		349 382	-	-	-	-	-	-	358 078	538 627	-	530 614
Community Assets		214 471	-	-	-	-	-	-	214 471	277 530	-	277 155
Heritage Assets		317	-	-	-	-	-	-	317	348	-	348
Investment properties		472 392	-	-	-	-	-	-	472 392	485 027	-	485 027
Other Assets		63 114	-	-	-	-	-	-	63 114	65 877	-	69 061
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		0	-	-	-	-	-	-	0	100	-	100
Computer Equipment		1 816	-	-	-	-	-	-	1 816	1 882	-	2 020
Furniture and Office Equipment		1 898	-	-	-	-	-	-	1 898	1 865	-	2 018
Machinery and Equipment		9 901	-	-	-	-	-	-	9 901	10 358	-	18 565
Transport Assets		4 926	-	-	-	-	-	-	4 926	10 028	-	9 945
Land		78 189	-	-	-	-	-	-	78 189	90 672	-	90 672
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 196 406	-	-	-	-	-	-	1 205 101	1 482 314	-	1 485 526
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		87 220	-	-	-	-	-	-	87 220	91 145	-	93 423
Repairs and Maintenance by asset class	3	10 093	-	-	-	-	-	-	10 093	13 729	-	13 789
Roads Infrastructure		1 739	-	-	-	-	-	-	1 739	4 348	-	4 348
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-

Electrical Infrastructure	2 261	-	-	-	-	-	-	-	-	2 261	3 136	3 149
Solid Waste Infrastructure	2 917	-	-	-	-	-	-	-	-	2 917	3 048	3 124
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	6 917	-	-	-	-	-	-	-	-	6 917	10 532	10 621
Community Facilities	1 870	-	-	-	-	-	-	-	-	1 870	1 802	1 815
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Community Assets	1 870	-	-	-	-	-	-	-	-	1 870	1 802	1 815
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	130	-	-	-	-	-	-	-	-	130	217	174
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Transport Assets	1 176	-	-	-	-	-	-	-	-	1 176	1 178	1 179
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	97 313	-	-	-	-	-	-	-	-	97 313	104 874	107 212
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	36.4%	0.0%	-	-	-	-	-	-	-	44.5%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>	24.7%	0.0%	-	-	-	-	-	-	-	34.7%	0.0%	0.0%
<i>R&M as a % of PPE</i>	0.8%	0.0%	-	-	-	-	-	-	-	0.8%	0.9%	0.9%
<i>Renewal and upgrading and R&M as a % of PPE</i>	2.6%	0.0%	-	-	-	-	-	-	-	3.3%	0.9%	0.9%

PART TWO

SPECIAL ADJUSTMENT BUDGET

SUPPORTING TABLES

2.1. SUPPORTING DETAILS TO BUDGETED FINANCIAL PERFORMANCE

LIM334 Ba-Phalaborwa - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2		
		Original Budget A	Prior Adjusted 6 A1	Accum. Funds 7 B	Multi-year capital 8 C	Unfore. Unavoid. 9 D	Nat. or Prov. Govt 10 E	Other Adjusts. 11 F	Total Adjusts. 12 G	Adjusted Budget 13 H	Adjusted Budget	Adjusted Budget			
REVENUE ITEMS															
<u>Non-exchange revenue by source</u>															
<u>Property rates</u>															
Total Property Rates		231 351	-										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>		17 173	-										17 173	17 946	18 395
Net Property Rates		214 177	-										214 177	223 815	229 410
<u>Exchange revenue service charges</u>															
<u>Service charges - Electricity</u>															
Total Service charges - Electricity		195 370	-										195 370	205 725	218 459
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>		1 413	-										1 413	1 488	1 580
<i>Less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-										-	-	-
Net Service charges - Electricity		193 957	-										193 957	204 237	216 879
<u>Service charges - Waste Management</u>															
Total refuse removal revenue		20 069	-										20 069	20 972	21 496
Total landfill revenue		-	-										-	-	-
<i>Less Revenue Foregone (in excess of one removal a week to indigent households)</i>		175	-										175	183	187
<i>Less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-										-	-	-
Service charges - Waste Management		19 894	-										19 894	20 789	21 309
-															

EXPENDITURE ITEMS

Employee related costs

Basic Salaries and Wages	122 413	-	-	-	122 413	130 969	140 047
Pension and UIF Contributions	25 476	-	-	-	25 476	27 244	29 151
Medical Aid Contributions	12 973	-	-	-	12 973	13 881	14 853
Overtime	4 656	-	-	-	4 656	4 982	5 331
Performance Bonus	9 808	-	-	-	9 808	10 495	11 230
Motor Vehicle Allowance	22 408	-	-	-	22 408	23 977	25 655
Cellphone Allowance	2 182	-	-	-	2 182	2 335	2 499
Housing Allowances	1 056	-	-	-	1 056	1 130	1 209
Other benefits and allowances	7 034	-	-	-	7 034	7 526	8 053
Payments in lieu of leave	11 060	-	-	-	11 060	11 835	12 663
Acting and post related allowance	4 777	-	-	-	4 777	5 111	5 469
In kind benefits	-	-	-	-	-	-	-
sub-total	223 845	-	-	-	223 845	239 485	256 159

Less: Employees costs capitalised to PPE

Total Employee related costs

1	223 845	-	-	-	223 845	239 485	256 159
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Depreciation and amortisation

Depreciation of Property, Plant & Equipment	87 220	-	-	-	87 220	91 145	93 423
Lease amortisation	-	-	-	-	-	-	-
Capital asset impairment	-	-	-	-	-	-	-

Total Depreciation and amortisation

1	87 220	-	-	-	87 220	91 145	93 423
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Bulk purchases

Electricity Bulk Purchases	150 812	-	-	-	150 812	158 805	168 651
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Total bulk purchases

1	150 812	-	-	-	150 812	158 805	168 651
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Transfers and grants

Cash transfers and grants	522	522	-	-	522	454	473
Non-cash transfers and grants	-	-	-	-	-	-	-

Total transfers and grants

1	522	522	-	-	522	454	473
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Contracted services

Outsourced Services	27 601	-	-	-	27 601	31 440	33 223
Consultants and Professional Services	18 565	-	-	-	18 565	13 058	10 332
Contractors	22 475	-	-	-	22 475	31 667	25 034

Total contracted services

1	68 642	-	-	-	68 642	76 165	68 589
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2.2. SUPPORTING DETAILS TO FINANCIAL POSITION BUDGET

LIM334 Ba-Phalaborwa - Supporting Table SB2 Supporting detail to 'Financial Position Budget' -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	4 A1	5 B	6 C	7 D	8 E	9 F	10 G	11 H	2026/27	2027/28	
ASSETS													
<u>Trade and other receivables from exchange transactions</u>													
Electricity		143 042	-	-	-	-	-	-	-	143 042	247 095	249 049	
Water		-	-	-	-	-	-	-	-	-	-	-	
Waste		211 311	-	-	-	-	-	-	-	211 311	216 780	217 378	
Waste Water		11 534	-	-	-	-	-	-	-	11 534	12 054	12 355	
Other trade receivables from exchange transactions		22 177	-	-	-	-	-	-	-	22 177	(8 008)	(8 465)	
Gross: Trade and other receivables from exchange transactions		388 064	-	-	-	-	-	-	-	388 064	467 921	470 318	
Less: Impairment for debt	1	(256 568)	-	-	-	-	-	-	-	(256 568)	(195 811)	(196 412)	
Impairment for Electricity		(88 008)	-	-	-	-	-	-	-	(88 008)	(73 153)	(73 612)	
Impairment for Water		-	-	-	-	-	-	-	-	-	-	-	
Impairment for Waste		(157 115)	-	-	-	-	-	-	-	(157 115)	(116 732)	(116 875)	
Impairment for Waste Water		-	-	-	-	-	-	-	-	-	-	-	
Impairment for other trade receivables from exchange transactions		(11 446)	-	-	-	-	-	-	-	(11 446)	(5 925)	(5 925)	
Total net Trade and other receivables from Exchange Transactions		131 496	-	-	-	-	-	-	-	131 496	272 110	273 906	
<u>Receivables from non-exchange transactions</u>													
Property rates		624 788	-	-	-	-	-	-	-	624 788	678 386	695 463	
Less: Impairment of Property rates		(586 317)	-	-	-	-	-	-	-	(586 317)	(603 651)	(606 927)	
Net Property rates		38 471	-	-	-	-	-	-	-	38 471	74 735	88 536	
Other receivables from non-exchange transactions		196	-	-	-	-	-	-	-	196	34 575	34 580	
Impairment for other receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	(34 341)	(34 341)	
Net other receivables from non-exchange transactions		196	-	-	-	-	-	-	-	196	234	239	
Total net Receivables from non-exchange transactions		38 667	-	-	-	-	-	-	-	38 667	74 969	88 775	
<u>Property, plant & equipment</u>													
PPE at cost/valuation (excl. finance leases)		2 053 844	-	-	-	-	-	8 696	8 696	2 062 540	2 557 766	2 577 121	
Leases recognised as PPE	2	-	-	-	-	-	-	-	-	-	-	-	
Less: Accumulated depreciation		(1 275 014)	-	-	-	-	-	-	-	(1 275 014)	(1 465 059)	(1 481 202)	
Total Property, plant & equipment	1	778 830	-	-	-	-	-	8 696	8 696	787 526	1 092 708	1 095 919	
LIABILITIES													
<u>Current liabilities - Financial liabilities</u>													
Short term loans (other than bank overdraft)		5 638	-	-	-	-	-	-	-	5 638	(12 485)	(18 123)	

	2 313	-	-	-	-	-	-	-	2 313	(1 264)	(1 264)	(1 264)
Current portion of long-term liabilities	7 951	-	-	-	-	-	-	-	7 951	(13 749)	(13 749)	(19 386)
Total Current liabilities - Financial liabilities												
Trade and other payables	383 902	-	-	-	-	-	-	-	383 902	434 205	434 205	434 207
Trade and other payables from exchange transactions	-	-	-	-	-	-	-	-	-	-	-	-
Other trade payables from exchange transactions	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Grants	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Other	-	-	-	-	-	-	-	-	-	-	-	-
VAT	82 998	-	-	-	-	-	-	-	82 998	96 674	96 674	98 758
Total Trade and other payables	466 900	-	-	-	-	-	-	-	466 900	530 880	530 880	532 964
Non current liabilities - Financial liabilities	24 752	-	-	-	-	-	-	-	24 752	46 700	46 700	46 700
Borrowing	1 132	-	-	-	-	-	-	-	1 132	3 597	3 597	3 597
Other financial liabilities	23 620	-	-	-	-	-	-	-	23 620	43 103	43 103	43 103
Total Non current liabilities - Financial liabilities	25 884	-	-	-	-	-	-	-	25 884	50 297	50 297	50 297
Non current liabilities - Long Term portion of trade payables	-	-	-	-	-	-	-	-	-	-	-	-
Provisions - non current	51 407	-	-	-	-	-	-	-	51 407	46 108	46 108	46 108
Retirement benefits	106 867	-	-	-	-	-	-	-	106 867	117 457	117 457	117 457
Refuse landfill site rehabilitation	6 770	-	-	-	-	-	-	-	6 770	7 740	7 740	7 740
Other	165 045	-	-	-	-	-	-	-	165 045	171 305	171 305	171 305
Total Provisions - non current												
CHANGES IN NET ASSETS	849 681	-	-	-	-	-	-	-	849 681	1 321 372	1 321 372	1 399 451
Accumulated surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated surplus/(Deficit) - opening balance	849 681	-	-	-	-	-	-	-	849 681	1 321 372	1 321 372	1 399 451
GRAP adjustments	(7 777)	-	-	-	-	-	-	10 000	2 223	(21 591)	(21 591)	(21 080)
Restated balance	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to/from Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation offsets	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	841 905	-	-	-	-	-	-	10 000	851 905	1 299 781	1 299 781	1 378 372
Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Housing Development Fund	-	-	-	-	-	-	-	-	-	-	-	-
Capital replacement	-	-	-	-	-	-	-	-	-	-	-	-
Self-insurance	-	-	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	12 193	-	-	-	-	-	-	-	12 193	13 379	13 379	13 379
Total Reserves	12 193	-	-	-	-	-	-	-	12 193	13 379	13 379	13 379
TOTAL COMMUNITY WEALTH/EQUITY	854 098	-	-	-	-	-	-	10 000	864 098	1 313 160	1 313 160	1 391 750

2.3 SUPPORTING INFORMATION TO BUDGETED PERFORMANCE INDICATORS AND BENCHMARKS

LIM334 Ba-Phalaborwa - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks -

Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Budget Year 2025/26		Budget Year +1 2026/27	Budget Year +2 2027/28
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget
<u>Borrowing Management</u>								
Credit Rating	Short term/long term rating				16.4%	0.0%	14.3%	13.6%
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>	Long Term Borrowing/ Funds & Reserves				203.0%	0.0%	349.1%	349.1%
Gearing								
<u>Liquidity</u>								
Current Ratio	Current assets/current liabilities				54.0%	0.0%	92.8%	109.0%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				54.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				0.1	0.0	0.3	0.4
<u>Revenue Management</u>								
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing							
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)								
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				93.1%	0.0%	113.7%	111.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>	% of Creditors Paid Within Terms (within MFMA s 65(e))							
Creditors System Efficiency								
Creditors to Cash and Investments								
<u>Other Indicators</u>								
Electricity Distribution Losses (2)	Total Volume Losses (kW)				1849.0%	0.0%	666.8%	366.0%
	Total Volume Losses (kW) non technical							
	Total Cost of Losses (Rand '000)							
	% Volume (units purchased and generated less units sold)/units purchased and generated							

Water Volumes :System input	Bulk Purchase						
Water treatment works							
Natural sources							
Total Volume Losses (kℓ)							
Total Cost of Losses (Rand '000)							
% Volume (units purchased and generated less units sold)/units purchased and generated		29.8%	0.0%	29.8%	30.7%	31.7%	
Employee costs	Employee costs/(Total Revenue - capital revenue)						
Remuneration	Total remuneration/(Total Revenue - capital revenue)	1.3%	0.0%	1.3%	1.8%	1.7%	
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	18.2%	0.0%	18.2%	18.3%	18.1%	
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	621.4%	0.0%	621.4%	661.5%	683.9%	
<u>IDP regulation financial viability indicators</u>	(Total Operating Revenue - Operating Grants)/(Debt service payments due within financial year)						
i. Debt coverage	Total outstanding service debtors/annual revenue received for services	17.5%	0.0%	17.5%	34.9%	33.9%	
ii. O/S Service Debtors to Revenue	(Available cash + Investments)/monthly fixed operational expenditure	0.0	0.0	0.0	0.0	0.0	
iii. Cost coverage							

2.4 SPECIAL ADJUSTMENT BUDGET - FUNDING MEASUREMENT

LIM334 Ba-Phalaborwa - Supporting Table SB6 Adjustments Budget - funding measurement -

Description	Ref	MFMA section	2022/23	2023/24	2024/25	Medium Term Revenue and Expenditure Framework		Adjusted Budget	Budget Year +1 2026/27	Budget Year +2 2027/28
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted			
R thousands										
Funding measures										
Cash/cash equivalents at the year end - R'000	-	-				25 252	-	25 252	79 619	145 610
Cash + investments at the yr end less applications - R'000	1	18(1)b				(188 154)	-	(179 339)	59 997	154 956
Cash year end/monthly employee/supplier payments	2	18(1)b				-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	3	18(1)b				(7 777)	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	4	18(1)				0.0%	0.0%	0.0%	-0.8%	-2.0%
Cash receipts % of Ratepayer & Other revenue	5	18(1)a,(2)				77.5%	0.0%	77.5%	95.2%	95.3%
Debt impairment expense as a % of total billable revenue	6	18(1)a,(2)				0.0%	0.0%	0.0%	31.6%	32.3%
Capital payments % of capital expenditure	7	18(1)a,(2)				115.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	8	18(1)c;19				0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	9	18(1)c				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	10	18(1)a				0.0%	0.0%	0.0%	104.0%	3.9%
Long term receivables % change - incr(decr)	11	18(1)a				0.0%	0.0%	0.0%	13.1%	0.0%
R&M % of Property Plant & Equipment	12	18(1)a				0.8%	0.0%	0.8%	0.9%	0.9%
Asset renewal % of capital budget	13	20(1)(vi)				0.0%	0.0%	0.0%	0.0%	0.0%
	14	20(1)(vi)								

2.5 TRANSFERS AND GRANTS RECEIVED

LIM334 Ba-Phalaborwa - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2025/26						Adjusted Budget	Budget Year +1 2026/27	Adjusted Budget	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.				
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F			
RECEIPTS:	1,2										
-											
<u>Operating Transfers and Grants</u>											
National Government:		224 034	-	-	-	-	-	224 034	227 248	232 247	
EPWP Incentive		1 806	-	-	-	-	-	1 806	-	-	
Finance Management	-	3 000	-	-	-	-	-	3 000	3 000	3 100	
Local Government Equitable Share	-	217 276	-	-	-	-	-	217 276	217 139	226 946	
Municipal Infrastructure Grant	-	1 952	-	-	-	-	-	1 952	2 109	2 201	
Energy Efficiency and Demand Management	-	-	-	-	-	-	-	-	5 000	-	
Total Operating Transfers and Grants	6	224 034	-	-	-	-	-	224 034	227 248	232 247	
<u>Capital Transfers and Grants</u>											
National Government:		37 083	-	-	10 000	-	10 000	47 083	40 075	41 810	
Municipal Infrastructure Grant (MIG)	-	37 083	-	-	-	-	-	37 083	40 075	41 810	
Municipal Disaster Response Grant (MIDRG)	-	-	-	-	10 000	-	10 000	10 000	-	-	
Total Capital Transfers and Grants	6	37 083	-	-	10 000	-	10 000	47 083	40 075	41 810	
TOTAL RECEIPTS OF TRANSFERS & GRANTS		261 117	-	-	10 000	-	10 000	271 117	267 323	274 056	

2.6 EXPENDITURE ON TRANSFERS AND GRANTS PROGRAMME

LIM334 Ba-Phalaborwa - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2025/26						Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
R thousands		A	2	3	4	5	6	7	
			A1	B	C	D	E	F	
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1								
<u>Operating expenditure of Transfers and Grants</u>									
National Government:		224 034	-	-	-	-	-	224 034	227 248
EPWP Incentive		1 806	-	-	-	-	-	1 806	-
Finance Management		3 000	-	-	-	-	-	3 000	3 100
Local Government Equitable Share		217 276	-	-	-	-	-	217 276	226 946
Municipal Infrastructure Grant		1 952	-	-	-	-	-	1 952	2 201
Energy Efficiency and Demand Management		-	-	-	-	-	-	-	5 000
Total operating expenditure of Transfers and Grants:		224 034	-	-	-	-	-	224 034	227 248
<u>Capital expenditure of Transfers and Grants</u>									
National Government:		37 083	-	-	10 000	-	10 000	47 083	40 075
Municipal Infrastructure Grant (MIG)		37 083	-	-	-	-	-	37 083	40 075
Municipal Disaster Response Grant (MDRG)		-	-	-	10 000	-	10 000	10 000	-
Total capital expenditure of Transfers and Grants		37 083	-	-	10 000	-	10 000	47 083	40 075
Total capital expenditure of Transfers and Grants		261 117	-	-	10 000	-	10 000	271 117	267 323
									274 056

2.7 RECONCILIATIONS OF TRANSFERS, GRANTS RECEIPTS AND UNSPENT FUNDS

LIM334 Ba-Phalaborwa - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds -

Description	Ref	Budget Year 2025/26							Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	
R thousands		A	2	3	4	5	6	7		
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year										
Current year receipts		(224 034)	-	-	-	-	-	(224 034)	(227 248)	
Repayment of grants										
Conditions met - transferred to revenue		(448 068)	-	-	-	-	-	(448 068)	(454 496)	
Conditions still to be met - transferred to liabilities		224 034	-	-	-	-	-	224 034	227 248	
Total operating transfers and grants revenue		(448 068)	-	-	-	-	-	(448 068)	(454 496)	
Total operating transfers and grants - CTBM	2	224 034	-	-	-	-	-	224 034	227 248	
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year										
Current year receipts		(37 083)	-	-	(10 000)	-	(10 000)	(47 083)	(40 075)	
Conditions met - transferred to revenue		(74 166)	-	-	(20 000)	-	(20 000)	(94 166)	(80 150)	
Conditions still to be met - transferred to liabilities		37 083	-	-	10 000	-	10 000	47 083	40 075	
Total capital transfers and grants revenue		(74 166)	-	-	(20 000)	-	(20 000)	(94 166)	(80 150)	
Total capital transfers and grants - CTBM		37 083	-	-	10 000	-	10 000	47 083	40 075	
TOTAL TRANSFERS AND GRANTS REVENUE		(522 234)	-	-	(20 000)	-	(20 000)	(542 234)	(534 646)	
TOTAL TRANSFERS AND GRANTS - CTBM		261 117	-	-	10 000	-	10 000	271 117	267 323	

2.8 TRANSFERS AND GRANTS MADE BY THE MUNICIPALITY

LIM334 Ba-Phalaborwa - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H			
<u>Groups of Individuals</u> <i>External Bursaries</i> <i>[insert description]</i> <i>[insert description]</i>		522	-					-	-	522	454	473	
Total Non-Cash Grants To Groups Of Individuals:		522	-	-	-	-	-	-	-	522	454	473	
TOTAL CASH TRANSFERS	5	522	-	-	-	-	-	-	-	-	-	-	
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-	
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-	
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-	
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:		-	-	-	-	-	-	-	-	-	-	-	
TOTAL NON-CASH TRANSFERS	5	-	-	-	-	-	-	-	-	-	-	-	
TOTAL TRANSFERS		522	-	-	-	-	-	-	-	-	-	-	

2.9 COUNCILLORS AND STAFF BENEFITS

LIM334 Ba-Phalaborwa - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Budget Year 2025/26											
Summary of remuneration	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	% change
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<u>Councillors (Political Office Bearers plus Other)</u>											
Basic Salaries and Wages		12 843	-							12 843	0.0%
Cellphone Allowance		1 897	-							1 897	0.0%
Housing Allowances		-	-							-	0.0%
Other benefits and allowances		4 456	-							4 456	0.0%
Sub Total - Councillors		19 196	(0)							19 196	0.0%
% increase											
<u>Senior Managers of the Municipality</u>											
Basic Salaries and Wages		4 869	-							4 869	0.0%
Pension and UIF Contributions		14	-							14	0.0%
Motor Vehicle Allowance		1 623	-							1 623	0.0%
Cellphone Allowance		161	-							161	0.0%
Housing Allowances		-	-							-	0.0%
Other benefits and allowances		137	-							137	0.0%
Acting and post related allowance		64	-							64	0.0%
In kind benefits		-	-							-	0.0%
Sub Total - Senior Managers of Municipality		6 804	(0)							6 804	0.0%
% increase											
<u>Other Municipal Staff</u>											
Basic Salaries and Wages		117 544	-							117 544	0.0%
Pension and UIF Contributions		25 462	-							25 462	0.0%
Medical Aid Contributions		12 973	-							12 973	0.0%
Overtime		4 656	-							4 656	0.0%
Performance Bonus		9 808	-							9 808	0.0%
Motor Vehicle Allowance		20 785	-							20 785	0.0%
Cellphone Allowance		2 021	-							2 021	0.0%

Housing Allowances												1 056							0.0%
Other benefits and allowances												6 897							0.0%
Payments in lieu of leave												11 060							0.0%
Acting and post related allowance												4 713							0.0%
In kind benefits												-							0.0%
Sub Total - Other Municipal Staff												216 977							0.0%
% increase																			
Total Parent Municipality												242 977							0.0%
TOTAL SALARY, ALLOWANCES & BENEFITS												242 977							0.0%
% increase																			
TOTAL MANAGERS AND STAFF												223 781							0.0%

2.10 Monthly revenues and Expenditure per Municipal vote - SB12

LIM334 Ba-Phalaborwa - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) -

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
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget						
R thousands															
Revenue by Vote															
Vote 1 - Executive and Councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		111 821	20 835	22 047	21 658	20 418	72 563	41 075	41 075	41 075	41 075	41 075	41 075	505 020	521 994
Vote 3 - Corporate Services		243	109	312	84	175	25	29	29	29	29	29	29	365	374
Vote 4 - Community and Social Services		1 728	2 763	2 044	601	1 995	500	1 311	1 311	1 311	1 311	1 311	1 311	16 435	16 845
Vote 5 - Planning and Development Services		15	22	18	21	24	23	25	25	25	25	25	25	315	323
Vote 6 - Technical Services		22 053	11 222	13 156	16 503	15 499	3 430	24 008	24 008	24 008	24 008	24 008	24 008	298 309	309 145
Total Revenue by Vote		135 859	34 952	37 577	38 867	38 111	76 541	66 447	820 444	848 682					
Expenditure by Vote															
Vote 1 - Executive and Councillors		4 677	5 925	4 372	6 476	5 565	2 483	6 691	6 691	6 691	6 691	6 691	6 691	86 765	90 016
Vote 2 - Budget and Treasury Office		6 154	6 350	8 064	7 917	3 835	4 066	16 009	16 009	16 009	16 009	16 009	16 009	201 317	208 045
Vote 3 - Corporate Services		3 669	6 936	5 777	8 988	6 017	1 287	6 652	6 652	6 652	6 652	6 652	6 652	84 997	89 088
Vote 4 - Community and Social Services		5 320	5 969	5 349	6 119	5 608	869	7 398	7 398	7 398	7 398	7 398	7 398	95 040	101 062
Vote 5 - Planning and Development Services		1 110	1 061	1 260	1 462	1 276	94	6 652	6 652	6 652	6 652	6 652	6 652	25 611	23 859
Vote 6 - Technical Services		21 658	26 589	24 628	21 736	22 728	712	27 021	27 021	27 021	27 021	27 021	27 021	348 305	357 693
Total Expenditure by Vote		42 587	52 830	49 451	52 698	45 029	9 512	70 423	842 035	869 762					
Surplus/ (Deficit)		93 272	(17 878)	(11 873)	(13 831)	(6 918)	67 029	(3 976)	(21 591)	(21 080)					

2.14 Monthly Capital Expenditure by Municipal Vote

LIM334 Ba-Phalaborwa - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) -

Description - Municipal Vote	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework			
		July Outcome	August Outcome	Sept. Outcome	October Outcome	November Outcome	December Outcome	January Adjusted Budget	February Adjusted Budget	March Adjusted Budget	April Adjusted Budget	May Adjusted Budget	June Adjusted Budget	Budget Year 2025/26 Adjusted Budget	Budget Year +1 Adjusted Budget	Budget Year +2 Adjusted Budget	
<u>Single-year expenditure appropriation</u>																	
Vote 1 - Executive and Councilors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services	49	-	-	-	-	-	-	123	123	123	123	123	1478	1739	1913		
Vote 4 - Community and Social Services		-	-	-	-	-	-	290	290	290	290	290	3478	8696	8696		
Vote 5 - Planning and Development Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - Technical Services	8 226	5 255	469	4 191	5 255	6 419	5 255	5 255	5 255	5 255	5 255	6 970	63 058	39 423	37 660		
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total	3	8 275	5 255	469	4 191	5 255	6 419	5 668	5 668	5 668	5 668	5 668	5 668	5 668	9 812	68 015	48 269
Total Capital Expenditure	2	8 275	5 255	469	4 191	5 255	6 419	5 668	5 668	5 668	5 668	5 668	5 668	5 668	9 812	68 015	48 269

2.16 ADJUSTMENTS ON CAPITAL EXPENDITURE (NEW ASSETS)

LIM334 Ba-Phalaborwa - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class -

Description	Ref	Budget Year 2025/26										Adjusted Budget	Adjusted Budget
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget		
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
R thousands													
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>													
- <u>Infrastructure</u>		32 797	-	-	-	-	-	-	-	32 797	-	39 423	29 400
Roads Infrastructure		29 578	-	-	-	-	-	-	-	29 578	-	29 599	28 095
Roads		26 099	-	-	-	-	-	-	-	26 099	-	22 468	28 095
Road Structures		3 478	-	-	-	-	-	-	-	3 478	-	7 130	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 304	-	-	-	-	-	-	-	1 304	-	1 304	1 304
Drainage Collection		1 304	-	-	-	-	-	-	-	1 304	-	1 304	1 304
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1 915	-	-	-	-	-	-	-	1 915	-	8 520	-
Capital Spares		1 915	-	-	-	-	-	-	-	1 915	-	8 520	-
<u>Furniture and Office Equipment</u>		1 478	-	-	-	-	-	-	-	1 478	-	1 739	1 913
Furniture and Office Equipment		1 478	-	-	-	-	-	-	-	1 478	-	1 739	1 913
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-	-	-	8 261
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-	8 261
<u>Land</u>		3 478	-	-	-	-	-	-	-	3 478	-	8 696	8 696
Land		3 478	-	-	-	-	-	-	-	3 478	-	8 696	8 696
Total Capital Expenditure on new assets to be adjusted	1	37 754	-	-	-	-	-	-	-	37 754	-	49 858	48 269

2.17 EXPENDITURE ON REPAIRS AND MAINTENANCE BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class -

Description	Ref	Budget Year 2025/26										Adjusted Budget	Adjusted Budget
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget		
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
R thousands													
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>													
<u>Infrastructure</u>													
Roads Infrastructure		6 917	-	-	-	-	-	-	-	6 917	10 532	10 621	
Roads													
Road Structures		1 739	-	-	-	-	-	-	-	1 739	4 348	4 348	
Road Furniture		1 739	-	-	-	-	-	-	-	1 739	4 348	4 348	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Power Plants		2 261	-	-	-	-	-	-	-	2 261	3 136	3 149	
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-	
MV Substations		522	-	-	-	-	-	-	-	522	527	540	
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-	
MV Networks		-	-	-	-	-	-	-	-	-	-	-	
LV Networks		1 739	-	-	-	-	-	-	-	1 739	2 609	2 609	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	
Solid Waste Infrastructure		2 917	-	-	-	-	-	-	-	2 917	3 048	3 124	
Landfill Sites		2 917	-	-	-	-	-	-	-	2 917	3 048	3 124	
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	
<u>Community Assets</u>		1 870	-	-	-	-	-	-	-	1 870	1 802	1 815	
Community Facilities		1 870	-	-	-	-	-	-	-	1 870	1 802	1 815	
Halls		565	-	-	-	-	-	-	-	565	498	511	
Libraries		-	-	-	-	-	-	-	-	-	-	-	
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-	-	-	
Taxi Ranks/Bus Terminals		1 304	-	-	-	-	-	-	-	1 304	1 304	1 304	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	

2.18 ADJUSTMENT ON BUDGET - DEPRECIATION BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SB18d Adjustments Budget - depreciation by asset class -

Description	Ref	Budget Year 2025/26										Budget Year +1 2026/27		Budget Year +2 2027/28			
		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget					
Depreciation by Asset Class/Sub-class																	
Infrastructure		50 765	-	-	-	-	-	-	-	-	-	-	50 765	53 050	54 376		
Roads Infrastructure		36 814	-	-	-	-	-	-	-	-	-	-	36 814	38 470	39 432		
Roads		9 421	-	-	-	-	-	-	-	-	-	-	9 421	9 845	10 091		
Road Structures		408	-	-	-	-	-	-	-	-	-	-	408	426	437		
Road Furniture		26 985	-	-	-	-	-	-	-	-	-	-	26 985	28 200	28 905		
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Storm water Infrastructure		3 129	-	-	-	-	-	-	-	-	-	-	3 129	3 270	3 352		
Drainage Collection		22	-	-	-	-	-	-	-	-	-	-	22	23	24		
Storm water Conveyance		3 107	-	-	-	-	-	-	-	-	-	-	3 107	3 247	3 328		
Attenuation		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Electrical Infrastructure		10 822	-	-	-	-	-	-	-	-	-	-	10 822	11 309	11 592		
MV Substations		5 179	-	-	-	-	-	-	-	-	-	-	5 179	5 412	5 547		
MV Switching Stations		293	-	-	-	-	-	-	-	-	-	-	293	306	314		
MV Networks		4 652	-	-	-	-	-	-	-	-	-	-	4 652	4 861	4 983		
LV Networks		699	-	-	-	-	-	-	-	-	-	-	699	730	748		
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Community Assets		14 364	-	-	-	-	-	-	-	-	-	-	14 364	15 010	15 386		
Community Facilities		11 500	-	-	-	-	-	-	-	-	-	-	11 500	12 018	12 318		
Halls		329	-	-	-	-	-	-	-	-	-	-	329	344	353		
Cemeteries/Crematoria		66	-	-	-	-	-	-	-	-	-	-	66	69	71		
Police		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Nature Reserves		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Public Ablution Facilities		11 105	-	-	-	-	-	-	-	-	-	-	11 105	11 605	11 895		
Capital Spares		2 864	-	-	-	-	-	-	-	-	-	-	2 864	2 993	3 067		
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Indoor Facilities		2 864	-	-	-	-	-	-	-	-	-	-	2 864	2 993	3 067		
Outdoor Facilities		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-	-	-		

2.19 ADJUSTMENTS BUDGET – CAPITAL EXPENDITURE ON UPGRADING OF EXISTING ASSETS BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SB18e Adjustments Budget - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	Budget Year 2025/26										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class													
Infrastructure													
Roads Infrastructure		12 522	-	-	-	-	-	8 696	8 696	21 217	-	-	
Roads		12 522	-	-	-	-	-	8 696	8 696	21 217	-	-	
		12 522	-	-	-	-	-	-	-	12 522	-	-	
Community Assets		9 043	-	-	-	-	-	-	-	9 043	-	-	
Community Facilities		-	-	-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities		9 043	-	-	-	-	-	-	-	9 043	-	-	
Indoor Facilities		-	-	-	-	-	-	-	-	-	-	-	
Outdoor Facilities		9 043	-	-	-	-	-	-	-	9 043	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on upgrading of existing assets to be adjusted	1	21 565	-	-	-	-	-	8 696	8 696	30 261	-	-	

OVERVIEW OF SPECIAL ADJUSTMENT BUDGET ASSUMPTIONS

The Special Adjustment Budget always focuses on service delivery programmes in line with current challenges faced by the municipality such as electricity infrastructure and dilapidated roads infrastructure.

The following decisions remains unchanged considering service delivery issues:

- Collection of electricity revenue must be prioritised in Phalaborwa town.
- Continuous implementation of policies such as credit control and debt collection policy to reach the acceptable collection norm.
- Continuous Implementation of approved funding plan, financial recovery plan and cost containment regulations as approved by Council.

4. OVERVIEW OF SPECIAL ADJUSTMENT BUDGET FUNDING

4.1.1 Tariff schedule

The tariff schedule for 2025/26 on all services remains unchanged.

4.1.2 Government Grant and Subsidies allocation

Government grants increased from R261,1 million to R271,1 million (Which is top up of R10 million for Disaster Relief).

5. REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

- The revised SDBIP will be attached once finalised and approved.

6. LEGISLATION COMPLIANCE STATUS

6.1 Compliance to Municipal Finance Management Act (MFMA, 56 of 2003)

The MFMA came into effect on 01 July 2004. This legislation provides for significant changes in the way municipalities in South Africa manage their financial affairs. The legislation not only deals with Financial Management issues but also with general management issues.

7. MUNICIPAL MANAGER'S QUALITY

QUALITY CERTIFICATE

I Ms Buys Yi Acting Municipal Manager of BA-PHALABORWA LOCAL MUNICIPALITY (LIM334) hereby certify that the adjustment budget and its supporting documentation have been prepared in accordance with the Municipal Finance Management Act 53 OF 2003 and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

Print Name _____ BUYS IY _____

Municipal Manager of Ba-Phalaborwa _____ LIM334

Signature _____


Date 12-09-2025 _____