



MAKHUDUTHAMAGA
LOCAL MUNICIPALITY

DRAFT ANNUAL BUDGET
OF
Makhuduthamaga Local
Municipality

2026/27

To

2028/29

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Abbreviations and Acronyms

BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
MM	Municipal Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRRF	Capital Replacement Reserve Fund	MTREF	Medium-term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	NGO	Non-Governmental organizations
EE	Employment Equity	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
mSCO A	Municipal Standard Chart of Accounts	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
IDP	Integrated Development Strategy	PPP	Public Private Partnership
IT	Information Technology	RG	Restructuring Grant
km	kilometre	SALG A	South African Local Government Association
DFS	Government Financial Statistics	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	DOE	Department of Energy
LED	Local Economic Development	CBR	Cash Backed Reserves
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		
IGF	Internally Generated Funds		
FY	Full Year		



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2 PART 1 – Annual Budget & MTREF

2.1 Mayor's report

The Honourable speaker of council, Executive committee members, the Chief whip of council, Honourable Councilors, the Chairperson of MPAC, the Chair of chairs, the Municipal manager and his administration team, Managers from other government departments, Leaders of religious denominations, Members of ward committees, local Business leaders present here, Guests and all members of our communities.

Allow me to appreciate and thank all of you for honouring the Honourable speaker's invitation to this Ordinary council sitting of today. Your presence here enables not only the implementation and compliance with the provisions of Section 16 (2) of the Municipal Finance Management Act No.56 of 2003, but mainly ensures that our responsibilities towards our people as enshrined in the Constitution of the Republic of South Africa are carried out effectively in the best interest of the people.

Honourable speaker,

The Municipal Finance Management Act No.56 of 2003 section 16 (1) and (2) states that, "(1) *The council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year. (2)*

Honourable speaker,

Guided by the provisions of the MFMA as indicated above and other relevant sections of



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the Act, and the Municipal Systems Act No.32 of 2000, the management of the municipality working together with all relevant stakeholders have implemented the IDP/Budget time schedule of key deadlines (process plan) as approved by council in June 2021 and performed the annual review of the municipality's Integrated Development Plan as first approved in May 2022 and it is the reviewed IDP that informed the annual budget to be tabled in this council today.

Management have further presented to the Executive Committee, the reviewed budget related policies which are consistent with the applicable legislation, regulations and guidelines by the National Treasury. To ensure effective and efficient implementation of the municipality's IDP and Budget for the 2026/27 MTREF.

Honourable Speaker.

To achieve the 2026/27 MTREF service delivery objectives as set out in the budget, developmental projects were identified and the schedule of community consultation of the municipality prepared communities prepared and performance indicators were set as well as the annual targets to be achieved over the 2026/27 MTREF.



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Honourable speaker

Guided by the time schedule adopted by council, we have followed all the necessary processes to ensure that our Integrated Development Plan is not just a compliance document but a plan that carries solution for the needs of our communities.

On behalf of the executive committee of the municipality, I hereby present a projected total revenue budget to the amount of **R 548.5 million** for 2026/27 budget year, **R 545.9 million** and **R 579.6 million** For the 2027/28 and 2028/29 financial years respectively. The total revenue budget for 2027/26 consists of **R 456 million** from national transfers and grants and **R 92.4 million** from own sources of revenue. The following table summarizes the sources of our projected revenue for the 2026/27 budget year:



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National Transfers and grants

Source of revenue	2026/2027 Annual Budget
Equitable Shares (ES)	R 353 718 000
Finance Management Grant (FMG)	R 2 000 000
Municipal Infrastructure Grant (MIG)	R 77 818 000
Incentive Grant: Public Works	R 2 590 000
Integrated National Electrification Programme Grant (INEP)	R 1 136 000
Operation and Maintenance Grant-SDM	R 20 000 000
Total national transfers and grants	R 456 126 000

Own revenue sources

Source of revenue	2026/2027 Annual Budget
Property Rates	R 57 000 000
Licenses and Permits	R 9 100 000
Interest Earned-External Investments	R 4 400 000
Waste Management	R 600 000
Traffic fines	R 2 700 000
Interests on outstanding debtors	R 14 000 000
Tender Documents	R 31 000
Site rental	R 310 000



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Other Income	R 4236 000
TOTAL	R 92 377 000

The total National transfers and grants for 2027/2028 and 2028/2029 amount to **R 439.3 million** and **R 467.9million** for the two outer years respectively. The total amount from own revenue sources is **R 73 106.7million** and **R 111.8 million** for the two outer years respectively.

Honourable speaker

The total revenue, presented above is used to fund the total annual budgeted expenditure to the amount of **R 588.5 million** for the 2026/27 financial year. The total annual budgeted expenditure for the two outer year's amounts to **R 582 million** and **R 620.7 million** for 2027/28 and 2028/29 respectively. Out of the total **R 588.5 million** budgeted expenditure for 2026/27, we are funding capital projects with an amount of **R 164.9 million** and the operational expenditure is covered by the remaining **R 423.6 million**. The total expenditure budget for 2026/27 is allocated per municipal vote as follows:

Vote - Department	2026/2027 AnnualBudget
Executive Support	R 70 396 935.80
Municipal Manager's Office	R 11 480 490.09
Community services	R 62 618 597.94
Budget and Treasury Office	R 171 960 309.15
Corporate Services	R 43 141 338.61
Economic Development and Planning	R 18 706 710.254
Infrastructure Development	R 46 255 280.01



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Total	R 424 559 661.83
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Honorable speaker

The operational expenditure of **R 424 559 661.83** for 2025/26 is allocated as follows per expenditure standard classification:

Vote - Department	2025/2026 Annual Budget
Salaries, Wages and Allowances	R 140 758 269.86
Councillor Allowances	R 31 122 426.00
FMG	R2 000 000.00
General Expenses	R 55 654 163.00
Debt impairment	R 20 000 000.00
Depreciation (PPE)	R 38 344476.50
Contracted Services	R 67 580 326.48
Repairs and Maintenance (Electricity)	R 1 500 000.00
Repairs and Maintenance (Other Assets)	R 4 500 000.00
Repairs and Maintenance (Building)	R 1 500 000.00
Repairs and Maintenance (Infrastructure Assets)	R 15 000 000.00
Repairs and Maintenance (Community Assets)	R 17 600 000.00
Repairs and Maintenance (ICT)	R 9 000 000.00
Repairs and Maintenance (Boreholes)	R 20 000 000.00
TOTAL	R 424 559 661.83



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Honourable speaker

The municipality has allocated a total amount of **R 164.9 million** for capital expenditure budget to be implemented in 2026/27 budget year.

The capital expenditure for the two outer years of the MTREF amounts to **R 156.9 million** and **R 169 million** for 2027/28 and 2028/29 respectively. We tried our best to cover as many of our wards as possible with the limited financial resources available to our municipality, to ensure that service delivery is spread fairly to all wards of the municipality. We have budgeted **R 1.5 million** for the IT Infrastructure and **R 6.5 million** for the purchase of other property, plant & equipment.

Honourable speaker

We have allocated total of **R 155.8 million** for roads, bridges and storm water construction in 2026/27 budget year and we also allocated **R 141 million** and **R 152.8 million** for 2027/28 and 2028/29 respectively.

We have allocated an amount of **R 1.1 million** for Electrification of villages in 2026/27 financial period we also allocated **R 14.9 million** and **R 15.7million** for 2027/28 and 2087/29 respectively.

We have allocated **R 8 million** for operational capital expenditure for 2026/2027 financial year.

In the 2026/27 budget year we are going to implement the following capital projects which will be funded by a combination of the Municipal Infrastructure Grant, Equitable Share allocation and Integrated National Electrification Programme(Municipal) Grant;



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Project	Fund	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Infrastructure Projects						
Construction of Kome Internal Street phase 2_4.6km	MIG	20 809 000.00	-	-	-	-
Design and Construction of access road to Schoenoord/Ga Maloma command reservoir.	MIG	2 000 000.00	20 841 455.30	-	-	10 000 000.00
Design and Construction of access road from D... to Marulaneng clinic/tribal office	MIG	13 353 000.00	22 370 827.24	-	-	12 000 000.00
Construction of Mamone internal street	MIG	-	-	-	-	7 000 000.00
Designs for Construction of Dichueung internal street (3.5km)	MIG	38 679 650.00	27 798 067.46	3 000 000.00	15 000 000.00	20 000 000.00
Design and construction of Masemola Majekaneng to Mabopane internal street	MIG	-	-	15 642 658.00	27 957 342.00	-
Design and construction of Madibong internal road (3.2km)	MIG	15 000 000.00	1 000 000.00	40 075 342.00	-	-
Installation of solar 22 highmast within makhuduthamaga local municipality	MIG	1 000 000.00	1 000 000.00	8 200 000.00	-	-
Design and Construction of access road from Diphagane to maolola (10km)	MIG	3 000 000.00	-	7 000 000.00	18 740 000.00	-
Upgrading of Jane furse sports facility	MIG	-	-	-	-	17 364 658.00
Construction of access road to new district offices, Jane Furse Library and link to Vergelegen C	MIG	-	-	-	17 245 658.00	8 000 000.00
Design & Construction of access road from Ga Sekele to Mabule	MIG	-	-	-	3 500 000.00	8 000 000.00
Total MIG funded projects		73 032 650.00	73 010 350.00	73 918 000.00	82 443 000.00	85 084 000.00
NB - Lets consider access road to Library, Artificial turf and new district offices						
MIG Overheads		3 820 350.00	3 842 650.00	3 900 000.00	4 000 000.00	4 100 000.00
Total MIG Expenditure Budget		76 853 000.00	76 853 000.00	77 818 000.00	86 443 000.00	89 184 000.00
Equitable share funded projects						
Construction of Mokwete_Molepane Access Road PH2 (1.5 km)	E/S	18 000 000.00	2 500 000.00	13 000 000.00	13 500 000.00	17 250 000.00
Construction of access road from Glen Cowie old post office to Phokwane PH2	E/S	18 000 000.00	25 000 000.00	3 000 000.00	-	-
Construction of access road from Maila Mapitsane to Magolego Tribal Office PH2 (2.5km)	E/S	-	-	-	11 000 000.00	11 000 000.00
Construction of access road from Malebeledi/Mamatjekele to Masemola moshate (2.5km)	E/S	20 000 000.00	23 000 000.00	11 000 000.00	-	-
Construction of Access Road from motor gate wonderboom to R579_10km	E/S	-	-	10 500 000.00	11 000 000.00	13 000 000.00
Construction of pavement within Municipal main office yard	E/S	-	500 000.00	1 000 000.00	-	-
Construction of access road from Brooklyn to Makoshala_3.2km	E/S	-	-	10 000 000.00	-	-
Construction of carbrieve internal street(4.12km)	E/S	-	-	8 000 000.00	-	-
Construction makhuduthamaga new municipal offices	E/S	-	-	1 300 000.00	-	-
Total Equitable shares funded projects		56 000 000.00	50 500 000.00	57 800 000.00	35 500 000.00	41 250 000.00
Construction of glen cowie via setebong/dikatone to thoto access road (9km)	O/F	2 000 000.00	3 000 000.00	10 750 000.00	11 750 000.00	15 000 000.00
DESIGN AND CONSTRUCTION OF MASANTENG ACCESS ROAD	O/F	2 000 000.00	500 000.00	2 000 000.00	-	-
Construction of Phaahla/Mamatjekele to Masehlaneng access road_18.7 km	O/F	10 000 000.00	3 500 000.00	10 500 000.00	11 500 000.00	11 500 000.00
Installation of palisade fencing at Setebong landfill site		-	-	800 000.00	-	-
		14 000 000.00	7 000 000.00	24 050 000.00	23 250 000.00	26 500 000.00
Total		143 032 650.00	130 510 350.00	81 850 000.00	58 750 000.00	67 750 000.00
INEPG funded projects						
Installation of electrical infrastructure at Ga Moloi (210 H/H)	INEPG	5 436 000.00	5 436 000.00	-	-	-
Installation of electrical infrastructure Mokgapaneng	INEPG	-	-	1 136 000.00	14 975 000.00	15 652 000.00
Total INEG funded projects		5 436 000.00	10 872 000.00	1 136 000.00	14 975 000.00	15 652 000.00
Total infrastructure projects		148 468 650.00	141 382 350.00	156 904 000.00	156 168 000.00	168 486 000.00
Operational Capital		13 274 280.00	7 330 000.00	8 000 000.00	800 000.00	850 000.00
Total capital Projects for the entire municipality		161 742 930.00	148 712 350.00	164 904 000.00	156 968 000.00	169 336 000.00



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Honourable speaker

Due to funding constraints, we are forced to implement the longer roads in phases and provide for their funding in multi years.

Honorable speaker

I hereby table to this draft annual budget for 2026-2027 MTREF together with the following document as mandated by section 16(1) of MFMA read with section 74 and 75a of MSA and Municipal Property Rates Act of 2004:

1. 2026/27 – 2030/31 IDP
2. The 2026/27 MTREF Draft Annual Budget.
3. Reviewed budget related policies.
4. National Treasury MFMA circular No.132 and 134.

The Executive committee of the municipality recommends that, the documents as stated above be tabled and approved by Council.

I thank you.



2.2 Executive Summary.

Legislative background

In terms of the Municipal Finance Management Act No. 56 of 2003 section 16 (1), the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. It is a requirement in terms of section 16 (2) that at least 90 days before the start of the financial year, the Mayor of the municipality must table in a council meeting the annual draft budget before the start of the financial year.

Complying with section 21 (b) of the MFMA, the mayor of Makhuduthamaga Local Municipality has tabled in a council meeting held in July 2021 a time schedule outlining key deadlines for:

- (i) the preparation, tabling and approval of the annual budget;
- (ii) the annual review of :
 - The integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - The budget-related policies;
- (iii) the tabling and adoption of any amendments to the Integrated Development Plan and the budget-related policies; and
- (iv) All consultative processes forming part of the processes referred to in Subparagraphs (i), (ii)

Budget principles and assumptions

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 financial management strategies and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, considering the cost containment measures as approved by the cabinet, funds were transferred from low- to high-priority programmes to maintain sound financial stewardship. The municipality did consider MFMA budget circulars no 132 and 134 in the preparation on this annual budget for the 2026/27 MTREF.

The municipality has reviewed its revenue enhancement strategies to ensure that they are crafted to address the current revenue collection challenges considering the current circumstances and limitations within which the municipality operates. The current sources of revenue were reviewed to identify obstacles for revenue collection and strategies were put in place to improve and sustain collection of revenue from these sources. New available sources of revenue were also identified, and a plan of action was developed for implementation in the next financial years to start collecting revenue from such potential revenue sources.



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- The main challenges experienced during the compilation of the 2026/27 MTREF can be summarized as follows:
 - The need to reprioritize infrastructure projects and necessary operational expenditure within the existing limited resources considering the cash flow realities and cash position of the municipality.
 - The municipality's inability to generate enough own revenue to assist in addressing the infrastructure and other service delivery challenges in our communities.
 - The land ownership issues which affect revenue base growth in our municipality and proper town planning in the Jane Furse area, which is the most prominent economic growth point for the municipality.

- The following budgeting principles and guidelines directly informed the compilation of the 2026/27 MTREF budget:
 - The Capital annual budget for 2026/27 and the MTREF were prepared on a zero base principle, meaning that each item or programme was budgeted considering the specification of the project and not the historical expenditure.
 - The 2025/26 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were considered as the upper limits for the new baselines for the 2026/27 annual budget where resources allow and necessary.
 - Only programmes and capital projects contained in the municipality's Integrated Development Plan will be budgeted for during the 2026/27 MTREF to ensure that the budget remains an Implementation tool for the municipality's IDP.
 - For the 2026/27 financial year and throughout the MTREF, tariffs for property rates will be remain at 0.015 cents (Business Properties), 0.014 (Government Properties) and 0.014 cents (Agricultural Properties) in a rand to make property rates affordable to our communities and to encourage debtors to pay their accounts.
 - There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act.



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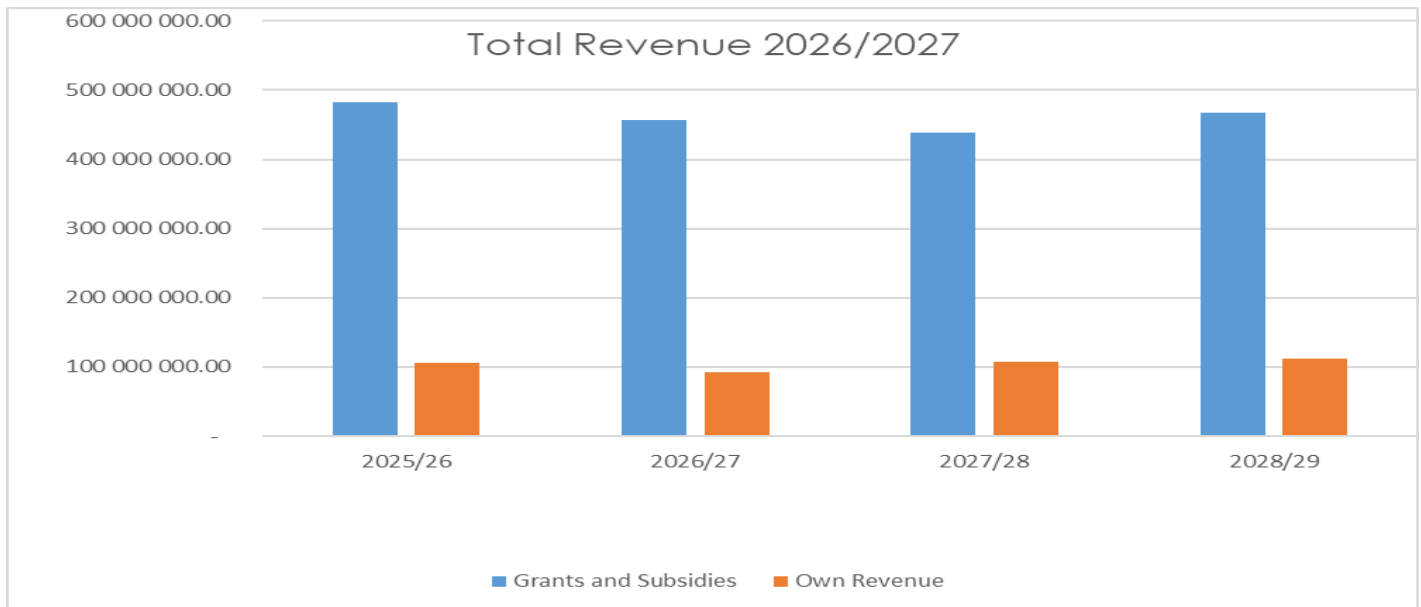
The following table is a consolidated overview of the 2026/27 Medium-term Revenue and Expenditure Framework as compared to the past budget year:

Table 1 Consolidated Overview of the 2026/2027 MTREF

Description	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Total Revenue	579 487 000.00	603 647 000.00	548 503 000.00	545 951 000.00	579 604 000.00
Total Operating Expenditure	459 546 268.97	511 564 197.17	424 559 661.83	426 428 982.06	452 379 829.48
Operating surplus/(Deficit)	119 940 731.03	92 082 802.83	123 943 338.17	119 522 017.94	127 224 170.52
VAT RECOVERY	53 000 000.00	53 000 000.00	41 709 596.00	38 514 503.00	42 287 031.00
Surplus excluding capital expenditure	172 940 731.03	145 082 802.83	165 652 934.17	158 036 520.94	169 511 201.52
Infrastructure Assets:Roads and Bridges	143 032 650.00	131 010 350.00	155 768 000.00	141 193 000.00	152 834 000.00
Infrastructure Assets:Electricity	5 436 000.00	5 436 000.00	1 136 000.00	14 975 000.00	15 652 000.00
Other Assets:	13 274 280.00	7 330 000.00	8 000 000.00	800 000.00	850 000.00
Total Capital Expenditure	161 742 930.00	143 776 350.00	164 904 000.00	156 968 000.00	169 336 000.00
Total surplus/(Deficit)	11 197 801.03	1 306 452.83	748 934.17	1 068 520.94	175 201.52

The municipality has budgeted a total Revenue of **R 548.5 million** for 2026/27 financial year, **R 545.9 million** and **R 579.6 million** for 2027/28 and 2028/29 respectively. Total revenue has decreased by **9** per cent for the 2026/27 financial year, when compared to the 2025/26 Annual adjusted revenue budget. For the two outer years, total revenue will increase by **1** per cent and **6** per cent respectively. The total revenue for 2026/27 includes the grants allocations from the national treasury to the amount of **R 456 million** and own revenue sources to the amount of **R 92 million**. For the two outer years of the MTREF 2026/27 and 2027/28 total grants allocations included in total revenue amounts to **R 439 Million** and **R 467.9 million** respectively while own revenue amount to **R 107 million** and **R 111.8 million** respectively.

The following bar chart indicates the revenue growth level of the municipality for the 2026/27 MTREF including the comparison to the current financial year:



Total operating expenditure for the 2026/27 financial year has been appropriated at **R 423.6 million** and translates into an operating budgeted surplus of **R 123.9 million** as indicated in table 1 consolidated overview above. This surplus will be used to fund capital expenditure for 2026/27 as indicated in table 1 consolidated overview above. The operating surplus for 2027/28 increased by **R 37 million** as compared to 2025/26 adjusted operational surplus. The operating surplus for the two outer years decreases to **R 119.5 million** for 2027/28 and increases to **R 127 million** in 2028/29 financial year. These surpluses will be used to fund capital projects for two outer years. The municipality will use Vat recovery to an amount of **R 122.5 million** to fund the capital expenditure in excess of the budgeted revenue over MTREF.

The total capital budget for 2026/27 financial year amounts to **R 164.9 million** and the capital expenditure is budgeted at **R 156.9 million** for **2027/28** and **R 169 million** in 2028/2027. The municipality's revenue enhancements strategies programme is aiming at amongst other things to address this reduction in capital expenditure in the future budget years.

Operating Revenue Framework

The need to generate sustainable revenue is essential to meet funding requirements for Makhuduthamagalocal municipality to continue improving the quality of services provided to its communities and to address the service delivery backlogs. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and high level of unemployment, inadequate town planning, and many other socio-economic challenges in our municipality which directly affect the municipality's revenue generation and collection.



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The expenditure required to address these challenges will always exceed available funding; hence difficult choices have to be made in relation to balance expenditures against realistically anticipated revenues.

The municipal property rates tariffs remain unchanged will at 0.016 cents (Business Properties), and 0.014 cents (Agricultural Properties) due to a material increase in the values of properties as per the new valuation roll for 2021 to 2026. Council will continue with programmes and steps that will ensure an improvement in community cooperation and improved collection on property rates as it is a major source of the municipality's own revenue. The municipality currently bill property rates on business properties and government properties only, due to the council resolution that was taken to exclude households pending certain processes to be completed.

In an attempt to ensure a strong revenue base, the municipality has also reviewed its revenue enhancement strategy to improve revenue collection in the 2026/27 financial year and the two outeryears.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management, which aims to ensure a 70 per cent annual collection rate for property rates and other key service charges;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs; (e.g. Waste collection project, business licensing)
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.
- The township establishment in Jane Furse as the primary note for development.

The following table is a summary of the 2026/27 MTREF (classified by main revenue source)



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Table 2 Summary of revenue classified by main revenue source;

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Waste Management	2	175	349	388	10 700	5 700	5 700	340	600	750	900
Sale of Goods and Rendering of Services	2	428	474	1 674	1 425	16 425	16 425	215	4 267	16 815	17 702
Agency services	2	5 669	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	8 600
Interest earned from Current and Non Current Assets	2	7 217	3 784	2 852	4 000	2 200	2 200	1 180	4 400	4 900	5 300
Rental from Fixed Assets	2	160	264	229	250	250	250	157	310	500	550
Operational Revenue	2	29 688	-	-	-	-	-	-	-	-	-
Non-Exchange Revenue											
Property rates	2	46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000
Fines, penalties and forfeits	2	1 093	668	1 932	1 400	2 000	2 000	1 096	2 700	1 900	2 200
Transfer and subsidies - Operational	2	336 255	360 632	383 039	409 743	418 926	418 926	279 823	382 208	356 843	382 768
Interest	2	13 627	12 211	14 339	13 000	19 000	19 000	10 702	14 000	14 500	15 500
Gains on disposal of Fixed and Intangible Assets	2	328	(958)	748	-	-	-	-	-	-	-
Other Gains	2	1 814	(609)	484	-	-	-	14 564	-	-	-
Total Revenue (excluding capital transfers and contribution)		442 713	422 705	452 035	501 018	525 201	525 201	344 013	474 585	463 508	494 520

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

The total revenue for the municipality excluding capital transfers amounts to **R 474.6 million** for 2026/27, **R 463.5 million** for 2027/28 and **R 494.5 million** for 2028/29. The total amount for operational grants to be received for 2026/27 is **R 382 million**. For the two outer years the total operational grants to be received amounts to **R 356.8 million** and **R 382.8 million** for 2027/28 and 2028/29 financial years respectively.

Revenue from service charger- waste management decreased by 90% from R 5 700 000 to R 600 000. This decrease was due to an anticipated decrease in number of clients that requested the service for household waste removal services.

Sales of goods and services consists of various items such as income received for selling tender documents, Business Licensing, plan approval and other allocations from LG SITA for skills development.



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Revenue from government grants forms a significant percentage of the total operating revenue for the municipality for all of the 2026/27 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute **83** per cent of the total operating revenue in 2026/27 budget year and **80** percent in 2027/28 and **81** percent in 2028/29.

Revenue generated from property rates amounts to **R 57 million** and the projected interest in property rates overdue accounts amounts to **R 14 million**. The projected interests were calculated considering the current outstanding accounts in the municipality's debtor's book. The total projected revenue from property rates when including interests on overdue accounts, amounts to **R 71 million** which is **77** percent of the total own revenue budget for the 2026/27 financial year. The municipality had committed **26** per cent of its own revenue to finance capital budget.

The revenue from Property rates is budgeted to grow to **R 59 million** in 2027/28 and **R 69 million** in 2028/29 financial year.

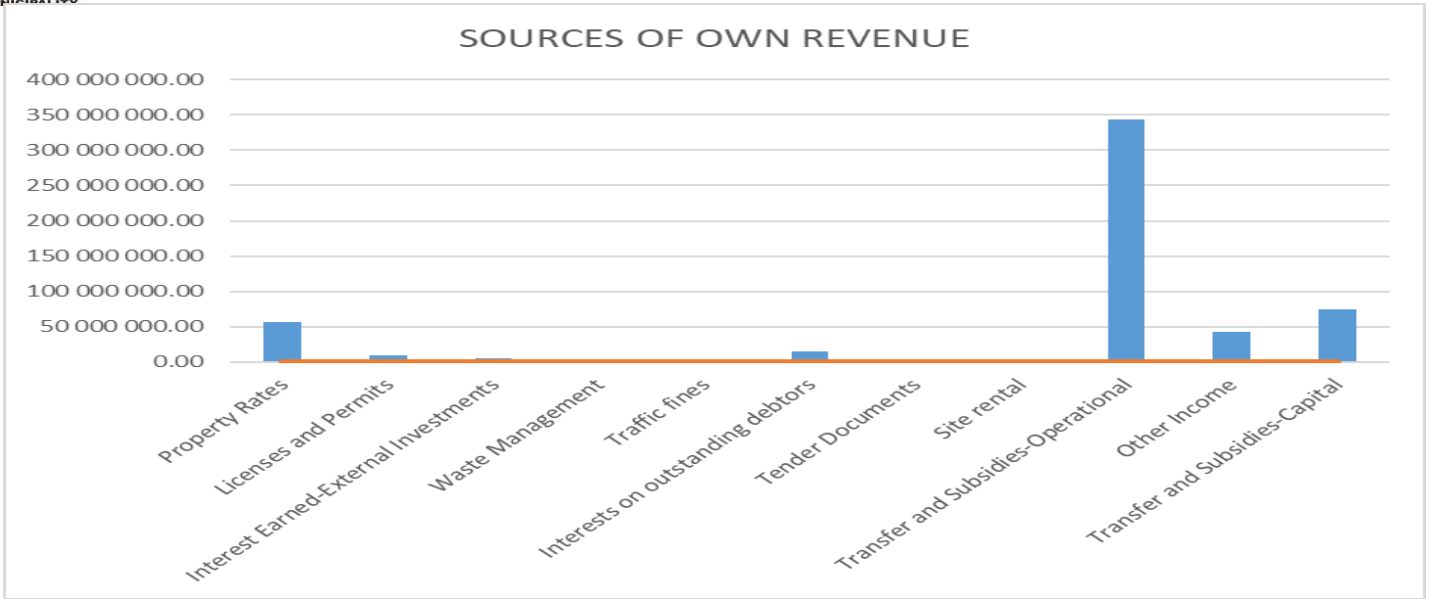
Revenue from Licenses and permits amount to **R 9.1 million** for 2026/27 budget year, **R 8.3 million** and **R 8.6 million** for 2027/28 and 2028/29 financial years respectively. The municipality is currently operating eNatis system operating from the municipal head office hence significant improvement in the collection of revenue in this line item.

The decrease in relation to the interest earned from current and non-current assets was as result of the anticipated acceleration of SDBIP implementation, particularly capital project which requires a substantial cash-outflow.

The following graph indicates the total revenue per source and the percentage of each source to the total operational revenue of **R 548.5 million** for the 2026/27 financial year:



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Revenue per source and graph illustration

Revenue Source	Amount	Percentage
Property Rates	57 000 000.00	10%
Licenses and Permits	9 100 000.00	2%
Interest Earned-External Investments	4 400 000.00	1%
Waste Management	600 000.00	0%
Traffic fines	2 700 000.00	0%
Interests on outstanding debtors	14 000 000.00	3%
Tender Documents	25 000.00	0%
Site rental	250 000.00	0%
Transfer and Subsidies-Operational	344 150 000.00	63%
Other Income	42 360 000.00	8%
Transfer and Subsidies-Capital	73 918 000.00	13%
Total	548 503 000.00	100%



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Operating Expenditure Framework

The municipality's expenditure framework for the 2026/27 budget and MTREF is informed by the following:

- The municipality's Spatial Development Framework.
- The infrastructure projects plan in the IDP to address the backlog and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to backlog eradication plan;
- Operational gains/ surpluses will be directed to funding the capital budget.
- Funding was allocated to only projects which have projects implementation plans to guard against under spending.
- The Demand management plan and procurement plan of the municipality.

The following table is a high level summary of the operating annual budget for 2026/27 and MTREF (classified per main type of operating expenditure):



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Table 5 Summary of operating expenditure by standard classification item

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure											
Employee related costs	2	101 174	114 717	130 218	143 979	149 626	149 626	92 822	140 644	145 904	151 866
Remuneration of councillors	2	23 812	27 817	27 464	28 904	29 154	29 154	18 107	31 122	32 149	33 178
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	2,8	3 269	2 465	2 395	1 500	1 500	1 500	6 221	800	600	450
Debt impairment	2,3	-	20 362	12 740	19 836	25 036	25 036	-	20 000	20 660	21 321
Depreciation, amortisation and impairment	2	28 572	31 480	35 496	36 851	37 941	37 941	24 636	38 344	39 610	40 877
Interest, Dividends and Rent on Land	2	2 685	2 232	2 681	-	-	-	-	-	-	-
Contracted services	2	253 733	295 943	237 137	160 518	191 546	191 546	120 550	135 880	128 929	144 827
Transfers and subsidies	2	5 871	9 077	7 690	10 728	11 028	11 028	4 512	8 010	8 920	8 730
Irrecoverable debts written off	2	26 175	20 563	4 242	-	8 000	8 000	4 917	2 000	2 066	2 132
Operational costs	2	70 333	69 605	67 123	57 230	57 734	57 734	35 323	47 758	47 591	48 998
Disposal of Fixed and Intangible Assets	2	-	-	-	-	-	-	-	-	-	-
Other Losses	2	-	-	-	-	-	-	-	-	-	-
Total Expenditure		515 624	594 260	527 189	459 546	511 564	511 564	307 089	424 560	426 429	452 380
Surplus/(Deficit)		(72 911)	(171 555)	(75 154)	41 472	13 636	13 636	36 924	50 025	37 079	42 140
Transfers and subsidies - capital (monetary allocations)	6	94 915	94 109	97 858	78 469	78 446	78 446	54 554	73 918	82 443	85 084
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany /Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224

Employee Related Costs

The budget allocation for employee related costs for the 2026/27 financial year is **R 140.8 million**, which equals to **33** per cent of the total operating expenditure.

The total budget employee related costs for 2026/27 excludes vacant budgeted positions which will not be filled as results of cash flow challenges currently the Municipality is experiencing. The annual estimated percentage increase on employee relate cost as per circular 132 and 134 and plus **2** per cent on salary notch's for Makhuduthamaga employees .

As part of the municipality's cost reprioritization and cash management strategy to make enough funds available to fund capital projects, non-critical vacancies on the municipal structure were not funded. In addition, expenditure for overtime was only budgeted for the municipal drivers, political offices personnelland traffic officers for emergencies and strict measures has been put in place to ensure that it is not abused considering the cost containment measures as per MFMA circular number 82.



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The vacant positions which are budgeted will not be filled in the 2026/27 financial year

Remuneration of councilor's

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). The total budget for councilor allowances is **R 31 million** for 2026/27, **R 32 million** and **R 33 million** for 2027/28 and 2028/29 respectively. An increase was projected at inflation projections as per circular no 132 and 134.

It is anticipated that the consumption of inventory will be low as the municipality is running a paper-less programme, which is aimed achieving green economy.

Debt Impairment

For the 2026/27 financial year this amount equates to **R 20 million**, decrease to **R 20.6 million** in 2027/28 and **R 20.3 million** in 2028/29 respectively. This expenditure is projected for property rates debtors and is considered to be a non-cash flow item. This item is not cash funded as there is no service rendered that is associated with the billed debt and therefore no costs associated with rendering the services were determined, to require cash funding. Revenue generated from Property rates is used to fund this expenditure item to avoid cash flow problems that may arise when customers does not pay. For example, the expenditure for Debt recovery is funded through property rates as a percentage of the amount collected, which means, when there is no collection no expenditure will be incurred.

Furthermore, due to a pro-longed discussion with the traditional leaders and business community, it is anticipated that the municipality will impair more debtors as results of non-payment of property rates by businesses.

Depreciation

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy and GRAP 17. The projections were made taking into consideration the municipality's assets value as recorded in the 2024/2025 AFS and new acquisitions for the current year 2025/26 and 2026/27 and the MTREF. Budget appropriations in this regard are **R 38 million** for the 2026/27 financial year and equate to **9 per cent** of the total operating expenditure. It increases to **R 39.6 million** and **R 40.9 million** for 2027/28 and 2028/29 budget years respectively.

Contracted Services

Contracted services comprise of security services, cleaning services, repairs and maintenance for infrastructure assets and operating leases for office equipment and machinery and maintenance of the landfill side. The budget on contracted service is **R 135.8 million** for the 2026/27 financial year, it decrease to **R 128.9 million** and increase **R 144.8 million** in the 2027/28 and 2028/29 outer years.

Repairs and maintenance has been budgeted at **16 percent** of the total operational budget.



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Operational Expenditure

The municipality has also budgeted an amount of **R 47.6 million** on other general expenditure items for the 2026/27 financial year. The budget for the 2027/28 & 2028/29 is **R 47.6 million & R 48.9 million**.

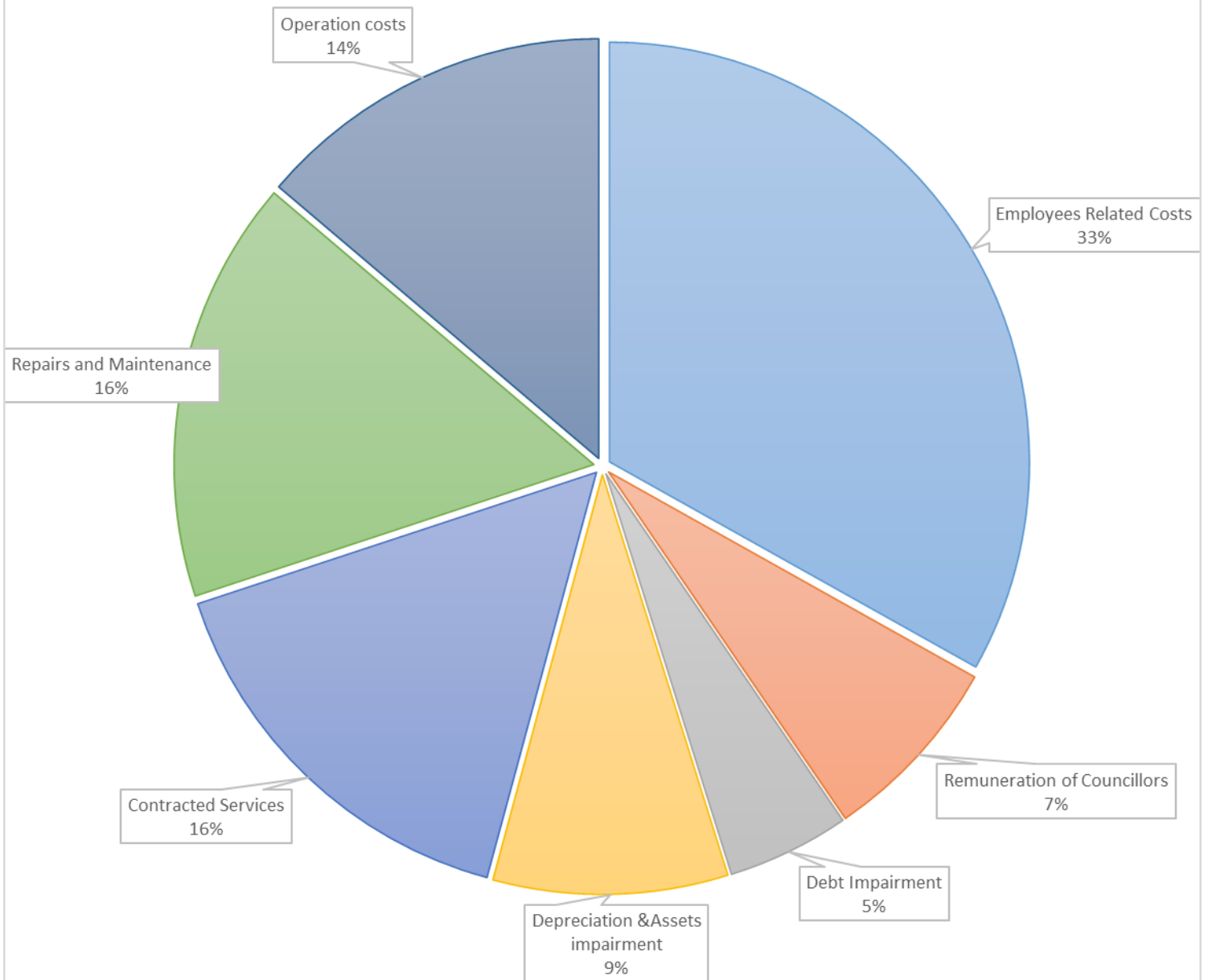
Furthermore, in compliance to the cost containment measures as approved by the cabinet, the municipality has reduced spending on excessive advertising, travelling, caterings, promotional materials and mandates that belong to other spheres of government for 2026/27 MTREF.

The following bar chart gives a breakdown of the main expenditure categories for the 2026/27 financial year



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SOURCES OF EXPENDITURE





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Free Basic Services: Electricity tokens

The municipality provides free basic electricity tokens to indigent households within the municipal jurisdictions to assist them as they cannot afford the electricity costs. Our municipality does not have a license to provide electricity and therefore buys the tokens from Eskom for the affected households who registered with the municipality. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. Details relating to free services, cost of free basic services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table MBRR Table A10 (Basic Service Delivery Measurement)

The cost of the free basic electricity of the registered indigent households is financed through the local government equitable share received in terms of the annual Division of Revenue Act and it has been allocated at **R 1 million** for 2026/27, **R 1.1 million** and **R 1,1 million** for 2027/28 and 2028/29 respectively.

Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:



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Table 3 2026/27 Medium-term capital budget per vote

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	474	630	630	-	-	-	-
Vote 2 - Finance & Administration		65 382	114 112	7 347	8 800	1 700	1 700	2 551	4 100	-	-
Vote 3 - Finance & Administration 2		0	3 293	(2 852)	2 000	2 000	2 000	469	1 500	800	850
Vote 7 - Energy Sources		-	-	0	6 436	6 436	6 436	-	9 336	14 975	15 652
Vote 8 - Road Transport		45 381	(46 416)	43 287	142 033	130 010	130 010	61 485	145 468	141 193	135 469
Vote 9 - Public Safety		179	-	(179)	-	-	-	-	-	-	-
Vote 10 - Waste Management		(11 283)	2 284	(1 089)	2 000	900	900	-	1 000	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-	17 365
Vote 14 - Housing		-	-	-	-	2 100	2 100	-	3 500	-	-
Vote 15 - OTHER		-	-	434	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Total Capital Expenditure - Vote		99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Capital Expenditure - Functional											
Governance and administration		65 382	117 405	4 496	11 274	4 330	4 330	3 021	5 600	800	850
Executive and council		-	-	-	474	630	630	-	-	-	-
Finance and administration		65 382	117 405	4 496	10 800	3 700	3 700	3 021	5 600	800	850
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		179	-	(179)	-	2 100	2 100	-	3 500	-	17 365
Sport and recreation		-	-	-	-	-	-	-	-	-	17 365
Public safety		179	-	(179)	-	-	-	-	-	-	-
Housing		-	-	-	-	2 100	2 100	-	3 500	-	-
Economic and environmental services		45 381	(46 416)	43 287	142 033	130 010	130 010	61 485	145 468	141 193	135 469
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		45 381	(46 416)	43 287	142 033	130 010	130 010	61 485	145 468	141 193	135 469
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		(11 283)	2 284	(1 089)	8 436	7 336	7 336	-	10 336	14 975	15 652
Energy sources		-	-	0	6 436	6 436	6 436	-	9 336	14 975	15 652
Waste management		(11 283)	2 284	(1 089)	2 000	900	900	-	1 000	-	-
Other		-	-	434	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Funded by:											
National Government		46 701	(46 416)	43 287	78 469	78 446	78 446	45 438	75 054	97 418	100 736
Transfers recognised - capital	4	46 701	(46 416)	43 287	78 469	78 446	78 446	45 438	75 054	97 418	100 736
Internally generated funds		52 958	119 689	3 662	83 274	65 330	65 330	19 068	89 850	59 550	68 600
Total Capital Funding	7	99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336

New and Existing Capital Assets

For 2026/27 an amount of **R 164.9 million** has been appropriated for the new capital expenditure which will be funded by MIG to the amount of **R 73.9 million**, equitable share amounting to **R 65.8 million**, own revenue of **R 24 million** and **INEP of R 1.1 million**.

For 2027/28 and 2028/29 the budget has been appropriated at **R 156.9 million** and **R 169 million** respectively.

Infrastructure and Development vote is appropriated the highest allocation of **R 156 million** which amounts to 95 % of the total capital budget for 2026/27 to build roads and bridges and , Corporate Services is allocated 1 %, and Energy sources 1%, community services 1% total capital budget. The remaining 2% is allocated to Budget & Treasury Office.



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Project	Fund	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Infrastructure Projects						
Contraction of Kome Internal Street phase 2_ 4.6km	MIG	20 809 000.00	-	-	-	-
Design and Construction of access road to Schoenoord/Ga Maloma command reservoir.	MIG	2 000 000.00	20 841 455.30	-	-	10 000 000.00
Design and Construction of access road from D... to Marulaneng clinic/tribal office	MIG	13 353 000.00	22 370 827.24	-	-	12 000 000.00
Construction of Mamone internal street	MIG	-	-	-	-	7 000 000.00
Designs for Construction of Dichueung internal street (3.5km)	MIG	38 679 650.00	27 798 067.46	3 000 000.00	15 000 000.00	20 000 000.00
Design and construction of Masemola Majekaneng to Mabopane internal street	MIG	-	-	15 642 658.00	27 957 342.00	-
Design and construction of Madibong internal road (3.2km)	MIG	15 000 000.00	1 000 000.00	40 075 342.00	-	-
Installation of solar 22 highmast within makhuduthamaga local municipality	MIG	1 000 000.00	1 000 000.00	8 200 000.00	-	-
Design and Construction of access road from Diphagane to maololo (10km)	MIG	3 000 000.00	-	7 000 000.00	18 740 000.00	-
Upgrading of Jane furse sports facility	MIG	-	-	-	-	17 364 658.00
Construction of access road to new district offices, Jane Furse Library and link to Vergelegen C	MIG	-	-	-	17 245 658.00	8 000 000.00
Design & Construction of access road from Ga Sekele to Mabule	MIG	-	-	-	3 500 000.00	8 000 000.00
Total MIG funded projects		73 032 650.00	73 010 350.00	73 918 000.00	82 443 000.00	85 084 000.00
NB - Lets consider access road to Library, Artificial turf and new district offices						
MIG Overheads		3 820 350.00	3 842 650.00	3 900 000.00	4 000 000.00	4 100 000.00
Total MIG Expenditure Budget		76 853 000.00	76 853 000.00	77 818 000.00	86 443 000.00	89 184 000.00
Equitable share funded projects						
Construction of Mokwete_Molepane Access Road PH2 (1.5 km)	E/S	18 000 000.00	2 500 000.00	13 000 000.00	13 500 000.00	17 250 000.00
Construction of access road from Glen Cowie old post office to Phokwane PH2	E/S	18 000 000.00	25 000 000.00	3 000 000.00	-	-
Construction of access road from Maila Mapitsane to Magolego Tribal Office PH2 (2.5km)	E/S	-	-	-	11 000 000.00	11 000 000.00
Construction of access road from Molebeledi/Mamatjekele to Masemola moshate (2.5km)	E/S	20 000 000.00	23 000 000.00	11 000 000.00	-	-
Construction of Access Road from motor gate wonderboom to R579_10km	E/S	-	-	10 500 000.00	11 000 000.00	13 000 000.00
Construction of pavement within Municipal main office yard	E/S	-	500 000.00	1 000 000.00	-	-
Construction of access road from Brooklyn to Makoshala_3.2km	E/S	-	-	10 000 000.00	-	-
Construction of carbrieve internal street(4.12km)	E/S	-	-	8 000 000.00	-	-
Construction makhuduthamaga new municipal offices	E/S	-	-	1 300 000.00	-	-
Total Equitable shares funded projects		56 000 000.00	50 500 000.00	57 800 000.00	35 500 000.00	41 250 000.00
Construction of glen cowie via setebong/dikatone to thoto access road (9km)	O/F	2 000 000.00	3 000 000.00	10 750 000.00	11 750 000.00	15 000 000.00
DESIGN AND CONSTRUCTION OF MASANTIENG ACCESS ROAD	O/F	2 000 000.00	500 000.00	2 000 000.00	-	-
Construction of Phaahla/Mamatjekele to Masehlaneng access road_18.7 km	O/F	10 000 000.00	3 500 000.00	10 500 000.00	11 500 000.00	11 500 000.00
Installation of palisade fencing at Setebong landfill site				800 000.00	-	-
				14 000 000.00	7 000 000.00	26 500 000.00
Total		143 032 650.00	130 510 350.00	81 850 000.00	58 750 000.00	67 750 000.00
INEPG funded projects						
Installation of electrical infrastructure at Ga Moloi (210 H/H)	INEPG	5 436 000.00	5 436 000.00	-	-	-
Installation of electrical infrastructure Mokgapaneng	INEPG	-	-	1 136 000.00	14 975 000.00	15 652 000.00
Total INEG funded projects		5 436 000.00	10 872 000.00	1 136 000.00	14 975 000.00	15 652 000.00
Total infrastructure projects		148 468 650.00	141 382 350.00	156 904 000.00	156 168 000.00	168 486 000.00
Operational Capital		13 274 280.00	7 330 000.00	8 000 000.00	800 000.00	850 000.00
Total capital Projects for the entire municipality		161 742 930.00	148 712 350.00	164 904 000.00	156 968 000.00	169 336 000.00



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Below are the consolidated detailed operational projects which form part of the total budgeted operational expenditure for the 2026/27 financial year and the MTREF:

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Municipal Manager's Office						
Operational Costs						
O0001/IE00595/F0041/X045/R0278/001/4200	Skills Development Fund Levy	46 625.85	30 625.85	32 693.10	33 771.97	34 852.67
O0001/IE00144/F0041/X045/R0278/001/4200	Own Transport	89 327.91	39 327.91	41 982.54	43 367.97	44 755.74
O0001/IE00144/F0041/X081/R0278/001/4200	Own Transport	35 139.05	30 139.05	32 173.43	33 235.16	34 298.68
O0001/IE00595/F0041/X056/R0278/001/4200	Skills Development Fund Levy	21 228.38	26 728.38	28 532.55	29 474.12	30 417.29
		192 321.19	126 821.19	135 381.62	139 849.21	144 324.39
Contracted Services						
O0001/IE00015/F0041/X081/R0278/001/4200	Accounting and Auditing	550 000.00	550 000.00	600 000.00	650 000.00	700 000.00
O0001/IE00833/F0041/X081/R0278/001/4200	Audit Committee	850 000.00	850 000.00	860 000.00	870 000.00	880 000.00
		1 400 000.00	1 400 000.00	1 460 000.00	1 520 000.00	1 580 000.00



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AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Operational Costs-Executive Support						
O0001/IE00144/F0041/X044/R0278/001/0000	Own Transport	219 240.00	369 240.00	382 901.88	395 537.64	408 194.85
O0001/IE00062/F0041/X044/R0278/001/0000	Food and Beverage (Served)	20 879.99	35 879.99	37 207.55	38 435.40	39 665.34
O0001/IE00595/F0041/X044/R0278/001/0000	Skills Development Fund Levy	110 558.43	145 558.43	150 944.09	155 925.24	160 914.85
O0001/IE01581/F0041/X044/R0278/001/0000	Air Transport	73 080.00	98 080.00	101 708.96	105 065.36	108 427.45
O0001/IE00060/F0041/X044/R0278/001/0000	Accommodation	400 000.00	470 000.00	250 000.00	258 250.00	266 514.00
O0001/IE00143/F0041/X044/R0278/001/0000	Car Rental	31 320.00	96 320.00	99 883.84	103 180.01	106 481.77
		855 078.43	1 215 078.43	1 022 646.33	1 056 393.66	1 090 198.25
Operational Costs-Speakers Office						
O0001/IE00595/F0041/X044/R0278/001/4520	Skills Development Fund Levy	278 006.04	278 006.04	296 771.45	306 564.91	316 374.99
O0001/IE00586/F0041/X044/R0279/001/4520	Ward Committees	6 840 000.00	7 040 000.00	7 300 480.00	7 541 395.84	7 782 720.51
O0001/IE00592/F0041/X044/R0279/001/4520	Seating Allowance for Traditional Leaders	300 000.00	100 000.00	50 000.00	51 650.00	53 302.80
O1240-1/IE00571/F0041/X044/R0279/001/4520	Hire Charges	300 000.00	300 000.00	50 000.00	51 650.00	53 302.80
O0001/IE00144/F0041/X044/R0278/001/4520	Own Transport	283 507.19	283 507.19	193 996.96	200 398.86	206 811.62
O0001/IE00781/F0041/X044/R0278/001/4520	Total for All Other Councillors	30 000.00	30 000.00	30 000.00	30 990.00	31 981.68
O0001/IE00571/F0041/X044/R0278/001/4520	Hire Charges	250 000.00	250 000.00	200 000.00	206 600.00	213 211.20
O1223-1/IE00059/F0041/X044/R0279/001/4520	National	1 500 000.00	1 600 000.00	1 000 000.00	1 033 000.00	1 066 056.00
O1223-2/IE00059/F0041/X044/R0279/001/4520	National	1 300 000.00	2 634 000.00	1 000 000.00	1 033 000.00	1 066 056.00
		11 081 513.24	12 515 513.24	10 121 248.41	10 455 249.61	10 789 817.59
Operational Costs - Mayor's Office						
O1293-1/IE00571/F0041/X044/R0278/001/4530	Hire Charges	200 000.00	300 000.00	50 000.00	51 650.00	53 302.80
O0001/IE00751/F0041/X044/R0278/001/4530	Corporate and Municipal Activities	2 000 000.00	1 350 000.00	500 000.00	516 500.00	533 028.00
O0001/IE00769/F0041/X044/R0278/001/4530	Cellular Expenditure	600 000.00	1 005 000.00	400 000.00	413 200.00	426 422.40
O0001/IE00583/F0045/X044/R0279/001/4530	Printing, Publications and Books	1 300 000.00	2 000 000.00	2 074 000.00	2 142 442.00	2 211 000.14
O1240-2/IE00571/F0041/X044/R0279/001/4530	Hire Charges	104 400.00	254 400.00	50 000.00	51 650.00	53 302.80
O1240-2/IE00754/F0041/X044/R0279/001/4530	Gifts and Promotional Items	500 000.00	400 000.00	200 000.00	206 600.00	213 211.20
O1240-2/IE00772/F0041/X044/R0279/001/4530	Radio and TV Transmissions	150 000.00	300 000.00	100 000.00	103 300.00	106 605.60
O1220-1/IE00571/F0041/X044/R0279/001/4530	Hire Charges	500 000.00	500 000.00	150 000.00	154 950.00	159 908.40
O0001/IE00595/F0041/X044/R0278/001/4530	Skills Development Fund Levy	15 083.39	15 083.39	15 641.47	16 157.64	16 674.68
		5 599 483.39	6 804 483.39	3 539 641.47	3 656 449.64	3 773 456.03
Contracted Services-Speaker's Office						
O1240-2/IE00703/F0041/X044/R0279/001/4520	Transport Services	187 920.00	187 920.00	200 000.00	206 600.00	213 211.20
O1240-1/IE00677/F0041/X044/R0279/001/4520	Catering Services	300 000.00	300 000.00	300 000.00	309 900.00	319 816.80
O0001/IE00677/F0041/X044/R0278/001/4520	Catering Services	208 800.00	458 800.00	200 000.00	206 600.00	213 211.20
O0001/IE00836/F0041/X044/R0279/001/4520	Commissions and Committees	200 000.00	736 920.00	250 000.00	258 250.00	266 514.00
		896 720.00	1 683 640.00	950 000.00	981 350.00	1 012 753.20
Contracted Services-Mayor's Office						
O1240-2/IE00677/F0041/X044/R0279/001/4530	Catering Services	322 000.00	322 000.00	200 000.00	206 600.00	213 211.20
O1240-2/IE00703/F0041/X044/R0279/001/4530	Transport Services	104 400.00	104 400.00	150 000.00	154 950.00	159 908.40
O1293-1/IE00703/F0041/X044/R0278/001/4530	Transport Services	278 600.00	388 600.00	250 000.00	258 250.00	266 514.00
O1293-1/IE00677/F0041/X044/R0278/001/4530	Catering Services	422 600.00	632 600.00	350 000.00	361 550.00	373 119.60
		1 127 600.00	1 607 600.00	950 000.00	981 350.00	1 012 753.20



Makhuduthamaga Local Municipality 2026/27 MTREF Draft Annual Budget

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Budget and Treasury						
Operational costs						
O0001/IE00060/F0041/X049/R0278/001/5200	Accommodation	350 000.00	250 000.00	150 000.00	154 950.00	159 908.40
O0001/IE00143/F0041/X047/R0278/001/5200	Car Rental	11 934.66	11 934.66	12 376.25	12 784.66	13 193.77
O0001/IE00595/F0041/X049/R0278/001/5200	Skills Development Fund Levy	175 878.10	175 878.10	182 385.59	188 404.32	194 433.25
O0001/IE00595/F0041/X049/R0278/001/5201	Skills Development Fund Levy		-	-	-	-
O0001/IE00805/F0041/X049/R0278/001/5200	Premiums	1 566 000.00	1 666 000.00	1 727 642.00	1 784 654.19	1 841 763.12
O0001/IE00579/F0041/X049/R0278/001/5200	Municipal Services	2 953 784.45	4 953 784.45	5 137 074.47	5 306 597.93	5 476 409.07
O0001/IE00607/F0041/X050/R0279/001/5200	Wet Fuel	3 000 000.00	3 700 000.00	3 836 900.00	3 963 517.70	4 090 350.27
O0001/IE00062/F0041/X058/R0278/001/5200	Food and Beverage (Served)	8 731.03	8 731.03	9 054.08	9 352.87	9 652.16
O0001/IE00062/F0041/X049/R0278/001/5200	Food and Beverage (Served)	17 555.11	17 555.11	18 204.65	18 805.40	19 407.17
O0001/IE00060/F0041/X047/R0278/001/5200	Accommodation	20 880.00	20 880.00	21 652.56	22 367.09	23 082.84
O0001/IE01581/F0041/X047/R0278/001/5200	Air Transport	8 378.86	8 378.86	8 688.88	8 975.61	9 262.83
O0001/IE00595/F0041/X047/R0278/001/5200	Skills Development Fund Levy	42 022.37	32 022.37	33 207.20	34 303.04	35 400.73
O0001/IE00595/F0041/X058/R0278/001/5200	Skills Development Fund Levy	52 410.77	52 410.77	54 349.97	56 143.51	57 940.11
O0001/IE00144/F0041/X058/R0278/001/5200	Own Transport	20 880.00	10 880.00	11 282.56	11 654.88	12 027.84
O0001/IE00060/F0041/X058/R0278/001/5200	Accommodation	31 320.00	31 320.00	32 478.84	33 550.64	34 624.26
O0001/IE00758/F0041/X058/R0279/001/5200	Tenders	800 000.00	900 000.00	733 300.00	757 498.90	781 738.86
O0001/IE00144/F0041/X047/R0278/001/5200	Own Transport	-	30 000.00	31 110.00	32 136.63	33 165.00
O0001/IE01581/F0041/X049/R0278/001/5200	Air Transport	16 790.59	41 790.59	43 336.84	44 766.96	46 199.50
O0001/IE00062/F0041/X047/R0278/001/5200	Food and Beverage (Served)	17 494.68	7 494.68	7 771.98	8 028.46	8 285.37
O0001/IE00143/F0041/X049/R0278/001/5200	Car Rental	20 880.00	45 880.00	47 577.56	49 147.62	50 720.34
O0001/IE00605/F0041/X047/R0278/001/5200	Vehicle Tracking	118 475.47	218 475.47	226 559.06	234 035.51	241 524.65
O0001/IE00759/F0041/X049/R0278/001/5200	Bank Accounts	281 880.00	281 880.00	292 309.56	301 955.78	311 618.36
O0001/IE14073/F2496/X049/R0279/001/5200	Bad debts written off		8 000 000.00	2 000 000.00	2 066 000.00	2 132 112.00
O0001/IE00808/F0041/X050/R0278/001/5200	Motor Vehicle Licence and Registrations	271 440.00	521 440.00	540 733.28	558 577.48	576 451.96
Total		9 786 736.10	20 986 736.10	15 157 995.34	15 658 209.18	16 159 271.88
Contracted services						
O1564-1/IE00651/F0041/X047/R0278/001/5200	Maintenance of Unspecified Assets	6 000 000.00	12 000 000.00	4 500 000.00	4 648 500.00	4 797 252.00
O0001/IE00848/F2496/X049/R0278/001/5200	Valuer and Assessors	1 000 000.00	2 450 000.00	1 500 000.00	2 000 000.00	2 500 000.00
O0001/IE00016/F0041/X049/R0278/001/5200	Business and Financial Management	1 500 000.00	1 800 000.00	2 300 000.00	2 400 000.00	2 500 000.00
O0001/IE00830/F0041/X049/R0278/001/5200	Accounting and Auditing	5 531 096.34	5 781 096.34	6 000 000.00	6 200 000.00	6 300 000.00
O0001/IE00698/F0041/X049/R0278/001/5200	Security Services	29 000 000.00	34 100 000.00	35 361 700.00	36 528 636.10	37 697 552.46
O0001/IE00678/F0041/X049/R0278/001/5200	Cleaning Services	7 475 040.00	7 875 040.00	8 166 416.48	8 435 908.22	8 705 857.29
O0001/IE00835/F2496/X049/R0278/001/5200	Business and Financial Management	2 088 000.00	2 088 000.00	1 800 000.00	1 859 400.00	1 918 900.80
O0001/IE00738/F0041/X049/R0278/001/5200	Printing And Stationery	1 500 000.00	1 500 000.00	800 000.00	600 000.00	450 000.00
Total		54 094 136.34	67 594 136.34	60 428 116.48	62 672 444.32	64 869 562.54
Depreciation						
O0001/IE00711/F2496/X046/R0278/001/5200	Furniture and Office Equipment	725 067.73	835 067.73	865 965.24	894 542.09	923 167.44
O0001/IE00709/F2496/X052/R0278/001/5200	Computer Equipment	3 514 508.83	3 214 508.83	3 333 445.66	3 443 449.37	3 553 639.75
O0001/IE00030/F2496/X052/R0278/001/5200	Computer Software and Applications	709 810.18	1 189 810.18	1 233 833.15	1 274 549.65	1 315 335.24
O0001/IE07553/F2496/X032/R0278/001/5200	LV Networks	652 659.14	632 659.14	656 067.52	677 717.75	699 404.72
O0001/IE07587/F2496/X116/R0278/001/5200	Roads	19 412 482.18	19 412 482.18	20 130 744.02	20 795 058.58	21 460 500.45
O0001/IE07625/F2496/X046/R0279/001/5200	Municipal Offices	3 407 285.86	3 457 285.86	3 585 205.44	3 703 517.21	3 822 029.77
O0001/IE07587/F2496/X116/R0279/001/5200	Roads	2 643 059.84	2 643 059.84	2 740 853.06	2 831 301.21	2 921 902.84
O0001/IE07625/F2496/X116/R0278/001/5200	Municipal Offices	544 714.20	604 714.20	627 088.62	647 782.55	668 511.59
O0001/IE00723/F2496/X050/R0278/001/5200	Transport Assets	3 612 202.30	4 412 202.30	3 575 453.79	3 693 443.76	3 811 633.96
O0001/IE07620/F2496/X016/R0278/001/5200	Stalls	1 579 280.22	1 499 280.22	1 554 753.59	1 606 060.45	1 657 454.39
O0001/IE07560/F2496/X135/R0279/001/5200	Landfill Sites	49 601.17	39 601.17	41 066.41	42 421.60	43 779.10
Total		36 850 671.64	37 940 671.64	38 344 476.50	39 609 844.22	40 877 359.23
Operating Lease						
O0001/IE00545/F0041/X049/R0278/001/5200	Expenditure:Operating Leases:Machinery and Equipme	3 500 000.00	6 800 000.00	1 500 000.00	1 549 500.00	1 599 084.00
Total		3 500 000.00	6 800 000.00	1 500 000.00	1 549 500.00	1 599 084.00
D0001/IZ00041/F0001/X049/R0279/001/CONTRA	Provision Bad Debt Provision	19 836 000.00	25 036 000.00	20 000 000.00	20 660 000.00	21 321 120.00
Total		19 836 000.00	25 036 000.00	20 000 000.00	20 660 000.00	21 321 120.00



Makhuduthamaga Local Municipality 2026/27 MTREF Draft Annual Budget

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Corporate Services						
Operational Costs						
O0001/IE00595/F0041/X046/R0278/001/5520	Skills Development Fund Levy	57 040.73	54 040.73	56 040.24	57 889.56	59 742.03
O0001/IE01581/F0041/X052/R0278/001/5520	Air Transport	10 440.00	10 440.00	10 826.28	11 183.55	11 541.42
O0001/IE00059/F0041/X046/R0278/001/5520	National	1 300 000.00	1 300 000.00	1 000 000.00	1 033 000.00	1 066 056.00
O0001/IE01581/F0041/X053/R0278/001/5520	Air Transport	10 440.00	5 440.00	5 641.28	5 827.44	6 013.92
O0001/IE00060/F0041/X052/R0278/001/5520	Accommodation	73 080.00	43 080.00	44 673.96	46 148.20	47 624.94
O0001/IE00060/F0041/X046/R0278/001/5520	Accommodation	180 000.00	180 000.00	186 660.00	192 819.78	198 990.01
O0001/IE00060/F0041/X051/R0278/001/5520	Accommodation	180 000.00	100 000.00	103 700.00	107 122.10	110 550.01
O0001/IE00062/F0041/X052/R0278/001/5520	Food and Beverage (Served)	10 440.00	5 440.00	5 641.28	5 827.44	6 013.92
O0001/IE00595/F0041/X051/R0278/001/5520	Skills Development Fund Levy	51 223.47	51 223.47	53 118.73	54 871.65	56 627.55
O0001/IE00595/F0041/X053/R0278/001/5520	Skills Development Fund Levy	16 276.77	15 276.77	15 842.01	16 364.80	16 888.47
O0001/IE00143/F0041/X051/R0278/001/5520	Car Rental	10 440.00	10 440.00	10 826.28	11 183.55	11 541.42
O0001/IE00144/F0041/X046/R0278/001/5520	Own Transport	64 687.39	64 687.39	67 080.82	69 294.49	71 511.91
O0001/IE00604/F0041/X046/R0279/001/5520	Uniform and Protective Clothing	1 000 000.00	300 000.00	450 000.00	470 000.00	490 000.00
O0001/IE00595/F0041/X052/R0278/001/5520	Skills Development Fund Levy	31 767.06	28 767.06	29 831.45	30 815.88	31 801.99
O0001/IE00144/F0041/X052/R0278/001/5520	Own Transport	67 860.00	67 860.00	70 370.82	72 693.06	75 019.23
O0001/IE00062/F0041/X051/R0278/001/5520	Food and Beverage (Served)	15 660.00	15 660.00	16 239.42	16 775.32	17 312.13
O0001/IE00579/F0041/X046/R0278/001/5520	Municipal Services	1 600 000.00	2 100 000.00	1 300 000.00	1 900 000.00	2 000 000.00
O1297-1/IE00059/F0041/X046/R0278/001/5520	National	-	-	300 000.00	309 900.00	319 816.80
O0001/IE00144/F0041/X053/R0278/001/5520	Own Transport	83 520.00	83 520.00	86 610.24	89 468.38	92 331.37
O0001/IE01581/F0041/X046/R0278/001/5520	Air Transport	49 178.20	49 178.20	50 997.79	52 680.72	54 366.50
O0001/IE00062/F0041/X053/R0278/001/5520	Food and Beverage (Served)	10 440.00	5 440.00	5 641.28	5 827.44	6 013.92
O0001/IE01581/F0041/X051/R0278/001/5520	Air Transport	15 660.00	10 660.00	11 054.42	11 419.22	11 784.63
O0001/IE00060/F0041/X053/R0278/001/5520	Accommodation	41 760.00	41 760.00	43 305.12	44 734.19	46 165.68
O0001/IE00144/F0041/X051/R0278/001/5520	Own Transport	120 000.00	120 000.00	124 440.00	128 546.52	132 660.01
O0001/IE00753/F0041/X054/R0278/001/5520	Customer/Client Information	500 000.00	400 000.00	250 000.00	470 000.00	490 000.00
O0001/IE00143/F0041/X052/R0278/001/5520	Car Rental	10 440.00	5 440.00	5 641.28	5 827.44	6 013.92
O0001/IE00584/F0041/X051/R0278/001/5520	Professional Bodies, Membership and Subscription	2 192 400.00	2 392 400.00	2 500 000.00	2 550 000.00	2 600 000.00
O0001/IE00143/F0041/X053/R0278/001/5520	Car Rental	10 440.00	10 440.00	10 826.28	11 183.55	11 541.42
O0001/IE00062/F0041/X046/R0278/001/5520	Food and Beverage (Served)	43 134.06	13 134.06	13 620.02	14 069.48	14 519.70
O0001/IE00555/F0041/X051/R0279/001/5520	Bursaries (Employees)	422 000.00	422 000.00	450 000.00	460 000.00	470 000.00
O0001/IE00757/F0041/X051/R0278/001/5520	Staff Recruitment	417 600.00	167 600.00	200 000.00	206 600.00	213 211.20
O0001/IE00143/F0041/X046/R0278/001/5520	Car Rental	44 725.54	34 725.54	36 010.38	37 198.73	38 389.09
O1297-1/IE00571/F0041/X046/R0278/001/5520	Hire Charges	835 200.00	435 200.00	460 000.00	470 000.00	480 000.00
		9 475 853.22	8 543 853.22	7 974 639.39	8 969 272.49	9 264 049.21
Contracted Services						
O0001/IE00008/F0041/X064/R0278/001/5520	Legal Advice and Litigation	3 000 000.00	3 000 000.00	3 000 000.00	3 100 000.00	3 200 000.00
O1547-1/IE00651/F0041/X052/R0278/001/5520	Maintenance of Unspecified Assets	8 000 000.00	18 000 000.00	9 000 000.00	9 297 000.00	9 594 504.00
		11 000 000.00	21 000 000.00	12 000 000.00	12 397 000.00	12 794 504.00
Transfers and Subsidies						
O1227-1/IE03752/F0041/X046/R0278/001/5520	Bursaries (Non-Employee)	4 823 280.00	6 123 280.00	4 200 000.00	4 300 000.00	4 400 000.00
		4 823 280.00	6 123 280.00	4 200 000.00	4 300 000.00	4 400 000.00
Capital Assets						
C0003-1/IA06173/F0002/X052/R0278/001/5520	Acquisitions	2 000 000.00	2 000 000.00	1 500 000.00	800 000.00	850 000.00
		2 000 000.00	2 000 000.00	1 500 000.00	800 000.00	850 000.00



Makhuduthamaga Local Municipality 2026/27 MTREF Draft Annual Budget

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Community Services						
Operational Costs						
O0001/IE00062/F0041/X006/R0278/001/5066	Food and Beverage (Served)	36 540.00	26 540.00	27 521.98	28 430.21	29 339.97
O0001/IE00144/F0041/X006/R0278/001/5066	Own Transport	140 000.00	200 000.00	207 400.00	214 244.20	221 100.01
O0001/IE00143/F0041/X006/R0278/001/5066	Car Rental	15 660.00	15 660.00	16 239.42	16 775.32	17 312.13
O0001/IE01583/F0041/X006/R0278/001/5066	Road Transport	10 440.00	10 440.00	10 826.28	11 183.55	11 541.42
O0001/IE00754/F0041/X007/R0278/001/5066	Gifts and Promotional Items	100 000.00	100 000.00	103 700.00	107 122.10	110 550.01
O0001/IE00595/F0041/X006/R0278/001/5066	Skills Development Fund Levy	253 243.50	243 243.50	252 243.51	260 567.55	268 905.71
O0001/IE00060/F0041/X006/R0278/001/5066	Accommodation	280 000.00	180 000.00	186 660.00	192 819.78	198 990.01
O0001/IE01581/F0041/X006/R0278/001/5066	Air Transport	31 320.00	21 320.00	22 108.84	22 838.43	23 569.26
O0001/IE00595/F0041/X024/R0278/001/5066	Skills Development Fund Levy	30 070.47	30 070.47	31 183.07	32 212.12	33 242.90
O0001/IE00144/F0041/X024/R0278/001/5066	Own Transport	17 464.07	17 464.07	18 110.25	18 707.88	19 306.54
O0001/IE00571/F0041/X007/R0279/001/5066	Hire Charges	100 000.00	100 000.00	130 000.00	134 290.00	138 587.28
		1 014 738.04	944 738.04	1 005 993.35	1 039 191.13	1 072 445.25
Contracted Services						
O0001/IE00677/F0041/X007/R0278/001/5066	Catering Services	150 000.00	150 000.00	90 000.00	92 970.00	95 945.04
		150 000.00	150 000.00	90 000.00	92 970.00	95 945.04

AccountNumber	Item	Adjusted Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Sports Parks and Recreation						
Operational Costs						
O1333-1/IE00751/F0041/X125/R0279/001/8550	Corporate and Municipal Activities	1 285 068.04	1 285 068.04	500 000.00	550 000.00	500 000.00
Contracted services						
O1308-1/IE00636/F0041/X018/R0279/001/8550	Event Promoters	810 262.50	810 262.50	500 000.00	450 000.00	500 000.00
		2 095 330.54	2 095 330.54	1 000 000.00	1 000 000.00	1 000 000.00



Makhuduthamaga Local Municipality 2026/27 MTREF Draft Annual Budget

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Public Safety						
Operational Costs						
O1235-3/IE00571/F0041/X153/R0278/001/8510	Hire Charges	100 000.00	100 000.00	103 700.00	107 122.10	110 550.01
O0001/IE00754/F0041/X153/R0279/001/8510	Gifts and Promotional Items	-		50 000.00	51 650.00	53 302.80
		100 000.00	100 000.00	153 700.00	158 772.10	163 852.81
Contract Services						
O0001/IE00632/F0041/X153/R0279/001/8510	Catering Services	250 000.00	250 000.00	150 000.00	154 950.00	159 908.40
		250 000.00	250 000.00	150 000.00	154 950.00	159 908.40

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Diaster Management						
Operational cost						
O1235-2/IE00571/F0041/X019/R0279/001/8250	Hire Charges	100 000.00	50 000.00	51 850.00	53 561.05	55 275.00
O0001/IE00595/F0041/X019/R0278/001/8250	Skills Development Fund Levy	8 499.02	8 499.02	9 072.70	9 372.10	9 672.01
O0001/IE00552/F0041/X019/R0278/001/8250	Bargaining Council	167.22	167.22	178.51	184.40	190.30
O0001/IE00144/F0041/X019/R0278/001/8250	Own Transport	12 528.58	21 528.58	22 325.14	23 061.87	23 799.85
		121 194.82	80 194.82	83 426.35	86 179.42	88 937.16
Contracted services						
O1235-2/IE00677/F0041/X019/R0279/001/8250	Catering Services	150 000.00	150 000.00	155 550.00	160 683.15	165 825.01
		150 000.00	150 000.00	155 550.00	160 683.15	165 825.01
Transfers and Subsidies						
O1265-1/IE01321/F0041/X019/R0279/001/8250	Social Relief	2 500 000.00	2 500 000.00	2 000 000.00	2 100 000.00	1 500 000.00
O1265-1/IE01312/F0041/X019/R0279/001/8250	Clothing Provided	800 000.00	800 000.00	700 000.00	900 000.00	1 000 000.00
		3 300 000.00	3 300 000.00	2 700 000.00	3 000 000.00	2 500 000.00



Makhuduthamaga Local Municipality 2026/27 MTREF Draft Annual Budget

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Waste Management						
Operational Costs						
O0001/IE00595/F0041/X132/R0278/001/7750	Skills Development Fund Levy	50 188.40	35 188.40	37 563.62	38 803.22	40 044.92
O1275-1/IE00751/F0041/X039/R0279/001/7750	Corporate and Municipal Activities	200 000.00	110 000.00	114 070.00	117 834.31	121 605.01
O0001/IE00583/F0041/X132/R0278/001/7750	Printing, Publications and Books	-				
		250 188.40	145 188.40	151 633.62	156 637.53	161 649.93
Contracted Services						
O1275-2/IE00690/F0045/X131/R0279/001/7750	Mini Dumping Sites	20 600 000.00	19 400 000.00	17 600 000.00	18 180 800.00	18 762 585.60
O1270-1/IE00848/F0041/X039/R0279/001/7750	Valuer and Assessors	600 000.00	600 000.00	600 000.00		
O0001/IE00632/F0041/X131/R0279/001/7750	Catering Services	100 000.00	180 000.00	186 660.00	192 819.78	198 990.01
O0001/IE00830/F0041/X131/R0279/001/7750	Accounting and Auditing	400 000.00	479 000.00	500 000.00	550 000.00	600 000.00
		22 700 000.00	20 659 000.00	18 886 660.00	18 923 619.78	19 561 575.61

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Roads Infrastructure						
Operational Costs						
O0001/IE00595/F0041/X116/R0278/001/7500	Skills Development Fund Levy	46 262.70	45 262.70	48 317.93	49 912.42	51 509.62
O1278-2/IE00599/F1169/X116/R0279/001/7500	Supplier Development Programme	8 247 600.00	1 947 600.00	1 000 000.00	1 000 000.00	1 000 000.00
		8 293 862.70	1 992 862.70	1 048 317.93	1 049 912.42	1 051 509.62
Contracted Services						
O1270-2/IE00085/F0041/X043/R0279/001/7500	Mining Authorisation permit	-		-		
O2734-1/IE00649/F0041/X077/R0278/001/7500	Maintenance of Buildings and Facilities	2 500 000.00	2 500 000.00	1 500 000.00	1 600 000.00	2 700 000.00
O0005-1/IE00629/F12768/X147/R0279/001/7350	Bore Waterhole Drilling	40 000 000.00	40 000 000.00	20 000 000.00		
O2390-1/IE00651/F0041/X116/R0279/001/7500	Maintenance of Unspecified Assets	20 000 000.00	20 000 000.00	15 000 000.00	11 000 000.00	22 000 000.00
O1522-1/IE00651/F1180/X116/R0279/001/7500	Disaster respond grant		9 160 000.00			
		62 500 000.00	71 660 000.00	36 500 000.00	12 600 000.00	24 700 000.00

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Energy Source						
Operational Costs						
O0001/IE00595/F0041/X034/R0278/001/7200	Skills Development Fund Levy	8 204.00	7 204.00	7 690.27	7 944.05	8 198.26
O0001/IE00573/F0041/X032/R0278/001/7200	Indigent Relief	2 610 000.00	1 010 000.00	1 078 175.00	1 113 754.78	1 149 394.93
		2 618 204.00	1 017 204.00	1 085 865.27	1 121 698.82	1 157 593.19
Contracted Services						
O0293-1/IE00634/F0041/X032/R0279/001/7200	Electrical	2 000 000.00	2 000 000.00	1 500 000.00	1 000 000.00	1 500 000.00
O3584/IE00563/F0041/X035/R0279/001/7200	Electricity compliance certificate	-				
		2 000 000.00	2 000 000.00	1 500 000.00	1 000 000.00	1 500 000.00



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AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
Technical Services						
Operational Costs						
O0001/IE00062/F0041/X099/R0278/001/7350	Food and Beverage (Served)	15 660.00	45 660.00	47 349.42	48 911.95	50 477.13
O0001/IE00595/F0041/X099/R0278/001/7350	Skills Development Fund Levy	17 369.78	10 369.78	10 753.46	11 108.32	11 463.79
O0001/IE00060/F0041/X099/R0278/001/7350	Accommodation	114 840.00	184 840.00	111 679.08	115 364.49	119 056.15
O0001/IE00143/F0041/X099/R0278/001/7350	Car Rental	41 760.00	21 760.00	22 565.12	23 309.77	24 055.68
O0001/IE00595/F1182/X099/R0278/001/7350	Skills Development Fund Levy	29 589.54	35 589.54	36 906.36	38 124.27	39 344.24
O0001/IE01581/F0041/X099/R0278/001/7350	Air Transport	52 200.00	22 200.00	23 021.40	23 781.11	24 542.10
O0001/IE00059/F0041/X0116/R0278/001/7350	Staff training			-	-	-
O0001/IE00144/F1182/X099/R0278/001/7350	Own Transport	50 000.00	100 000.00	103 700.00	107 122.10	110 550.01
		321 419.32	420 419.32	355 974.84	367 722.01	379 489.11

AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
EDP						
Operational Costs						
O0001/IE00143/F0041/X098/R0278/001/6200	Car Rental	20 880.00	20 880.00	21 652.56	22 367.09	23 082.84
O0001/IE01581/F0041/X098/R0278/001/6200	Air Transport	21 903.12	21 903.12	22 713.54	23 463.08	24 213.90
O0001/IE00144/F0041/X098/R0278/001/6200	Own Transport	100 000.00	300 000.00	311 100.00	321 366.30	331 650.02
O0001/IE00595/F0041/X098/R0278/001/6200	Skills Development Fund Levy	73 432.43	78 432.43	81 334.43	84 018.46	86 707.05
O0001/IE00062/F0041/X098/R0278/001/6200	Food and Beverage (Served)	70 000.00	50 000.00	51 850.00	53 561.05	55 275.00
O0001/IE00060/F0041/X098/R0278/001/6200	Accommodation	160 000.00	160 000.00	165 920.00	171 395.36	176 880.01
		446 215.55	631 215.55	654 570.52	676 171.35	697 808.83
Contracted Services						
O0025-6/IE00001/F0041/X098/R0279/001/6200	Town Planner	1 600 000.00	2 100 000.00	2 000 000.00	2 000 000.00	2 500 000.00
		2 984 640.00	2 984 640.00	2 000 000.00	2 000 000.00	2 500 000.00



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AccountNumber	Item	Approved Budget 2025/26	Adjusted Budget as at 28/02/2026	Draft Budget 2026/27	Draft Budget 2027/28	Draft Budget 2028/29
LED						
Operational Costs						
O0001/IE00595/F0041/X096/R0278/001/6250	Skills Development Fund Levy	15 001.00	13 001.00	13 878.57	14 336.56	14 795.33
O1303-2/IE00599/F0041/X096/R0279/001/6250	Supplier Development Program	1 000 000.00	1 000 000.00	1 500 000.00	1 500 000.00	1 500 000.00
O1354-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	120 000.00	40 000.00	200 000.00	200 000.00	200 000.00
O1302-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	500 000.00	358 743.26	500 000.00	550 000.00	600 000.00
		1 635 001.00	1 411 744.26	2 213 878.57	2 264 336.56	2 314 795.33
Contracted Services						
O1302-1/IE00677/F0041/X096/R0279/001/6250	Catering Services	100 000.00	100 000.00	100 000.00	110 000.00	120 000.00
O1302-2/IE00835/F0041/X098/R0279/001/6250	Business and Financial Managen	1 500 000.00	530 000.00	500 000.00	550 000.00	560 000.00
O1217-1/IE00843/F0041/X096/R0279/001/6250	Organisational	365 400.00	506 656.74	510 000.00	520 000.00	530 000.00
		1 965 400.00	1 136 656.74	1 110 000.00	1 180 000.00	1 210 000.00
Transfer and Subsidies						
O1249-1/IE01307/F2496/X096/R0279/001/6250	Farmer Support Households (Ca	2 500 000.00	1 500 000.00	1 000 000.00	1 500 000.00	1 700 000.00
O1249-2/IE01361-1/F0041/X096/R0279/001/6250	Unspecified	104 400.00	104 400.00	110 000.00	120 000.00	130 000.00
		2 604 400.00	1 604 400.00	1 110 000.00	1 620 000.00	1 830 000.00



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2.3 ANNUAL BUDGET TABLES

The following are the ten main A schedule tables for the annual budget of Makhuduthamaga municipality for the 2026/27 MTREF

2.3.1 Table 7 MBRR A1 – Annual Budget Summary

LIM473 Makhuduthamaga - Table A1 Budget Summary



Makhuduthamaga Local Municipality 2026/27 MTREF Draft Annual Budget

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands										
Financial Performance										
Property rates	46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000
Service charges	175	349	388	10 700	5 700	5 700	340	600	750	900
Investment revenue	7 217	3 784	2 852	4 000	2 200	2 200	1 180	4 400	4 900	5 300
Transfer and subsidies - Operational	336 255	360 632	383 039	409 743	418 926	418 926	279 823	382 208	356 843	382 768
Other own revenue	52 808	18 312	25 745	23 575	45 375	45 375	32 555	30 377	42 015	44 552
Total Revenue (excluding capital transfers and contributions)	442 713	422 705	452 035	501 018	525 201	525 201	344 013	474 585	463 508	494 520
Employee costs	101 174	114 717	130 218	143 979	149 626	149 626	92 822	140 644	145 904	151 866
Remuneration of councillors	23 812	27 817	27 464	28 904	29 154	29 154	18 107	31 122	32 149	33 178
Depreciation, amortisation and impairment	28 572	31 480	35 496	36 851	37 941	37 941	24 636	38 344	39 610	40 877
Interest, Dividends and Rent on Land	2 685	2 232	2 681	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	3 269	2 465	2 395	1 500	1 500	1 500	6 221	800	600	450
Transfers and subsidies	5 871	9 077	7 690	10 728	11 028	11 028	4 512	8 010	8 920	8 730
Other expenditure	350 242	406 473	321 244	237 584	282 316	282 316	160 791	205 639	199 246	217 279
Total Expenditure	515 624	594 260	527 189	459 546	511 564	511 564	307 089	424 560	426 429	452 380
Surplus/(Deficit)	(72 911)	(171 555)	(75 154)	41 472	13 636	13 636	36 924	50 025	37 079	42 140
Transfers and subsidies - capital (monetary allocations)	94 915	94 109	97 858	78 469	78 446	78 446	54 554	73 918	82 443	85 084
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Capital expenditure & funds sources										
Capital expenditure	99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Transfers recognised - capital	46 701	(46 416)	43 287	78 469	78 446	78 446	45 438	75 054	97 418	100 736
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	52 958	119 689	3 662	83 274	65 330	65 330	19 068	89 850	59 550	68 600
Total sources of capital funds	99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Financial position										
Total current assets	27 671	32 622	45 196	100 518	102 526	102 526	80 651	170 823	173 575	191 995
Total non current assets	428 006	479 513	505 158	668 284	649 227	649 227	545 622	632 918	592 724	618 831
Total current liabilities	(7 622)	124 602	140 169	87 676	98 485	98 485	124 609	143 945	129 073	150 766
Total non current liabilities	8 037	9 718	9 665	9 718	9 718	9 718	9 665	-	-	-
Community wealth/Equity	3 488 063	3 564 646	3 045 227	671 408	643 550	643 550	491 998	657 422	622 812	646 446
Cash flows										
Net cash from (used) operating	(98 265)	(90 159)	(91 330)	(10 125)	(11 690)	(11 690)	(55 389)	162 335	163 948	186 724
Net cash from (used) investing	(93 987)	(145 113)	(145 107)	(187 504)	(163 003)	(163 003)	2 533	(164 904)	(161 730)	(180 749)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 828	4 046	10 021
Cash backing/surplus reconciliation										
Cash and investments available	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 828	4 046	10 021
Application of cash and investments	(10 584)	117 645	103 535	22 403	33 009	33 009	113 201	(29 778)	(57 690)	(52 799)
Balance - surplus (shortfall)	(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 606	61 736	62 821
Asset management										
Asset register summary (WDV)	353 391	446 501	431 275	474 485	468 551	468 551	-	403 231	360 235	369 536
Depreciation	28 572	31 480	35 496	36 851	37 941	37 941	38 344	38 344	39 610	40 877
Renewal and Upgrading of Existing Assets	4 693	7 544	4 693	-	-	-	-	-	-	17 365
Repairs and Maintenance	35 519	39 751	70 028	39 500	54 500	54 500	31 500	31 500	27 546	40 592



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2.3.2 Table MBRR A2 – Budgeted Financial Performance (Functional Classification)

LIM473 Makhuduthamaga - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

LIM473 Makhuduthamaga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote	1									
Vote 2 - Finance & Administration		537 176	516 785	549 827	535 187	559 347	559 347	523 003	541 151	574 604
Vote 8 - Road Transport		-	-	-	4 300	4 300	4 300	5 500	4 800	5 000
Vote 12 - Water Management		-	-	-	40 000	40 000	40 000	20 000	-	-
Total Revenue by Vote	2	537 176	516 785	549 827	579 487	603 647	603 647	548 503	545 951	579 604
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive & Council		67 203	71 676	68 021	71 061	77 733	77 733	71 791	74 161	76 534
Vote 2 - Finance & Administration		156 263	169 009	159 454	121 575	150 584	150 584	132 839	145 764	151 049
Vote 3 - Finance & Administration 2		39 580	38 199	40 574	36 078	47 044	47 044	57 289	59 700	61 613
Vote 4 - Community and Social Services		30 743	34 070	33 905	39 903	37 705	37 705	37 115	42 532	39 556
Vote 5 - Planning and Development		16 702	18 279	18 261	27 862	24 955	24 955	22 743	24 393	25 738
Vote 6 - Internal Audit		5 597	5 962	5 417	5 387	5 217	5 217	2 440	2 532	2 625
Vote 7 - Energy Sources		5 913	4 628	6 151	6 074	4 479	4 479	4 127	3 714	4 301
Vote 8 - Road Transport		153 637	181 673	134 117	57 192	68 897	68 897	49 856	46 973	59 092
Vote 9 - Public Safety		304	560	2 078	350	350	350	413	427	440
Vote 10 - Waste Management		29 467	31 416	25 289	29 628	24 935	24 935	23 447	23 634	27 733
Vote 11 - Sports & Recreation		1 026	2 473	2 095	2 100	2 130	2 130	1 000	1 000	1 000
Vote 12 - Water Management		-	-	-	40 000	40 000	40 000	20 000	-	-
Vote 14 - Housing		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Total Expenditure by Vote	2	510 407	561 496	499 269	439 710	486 528	486 528	424 560	426 429	452 380
Surplus/(Deficit) for the year	2	26 769	(44 710)	50 557	139 777	117 119	117 119	123 943	119 522	127 224



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2.3.3 Table MBRR A3 – Budgeted Financial Performance (Municipal Vote)



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LIM473 Makhuduthamaga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

LIM473 Makhuduthamaga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote										
Vote 2 - Finance & Administration	1	537 176	516 785	549 827	535 187	559 347	559 347	523 003	541 151	574 604
Vote 8 - Road Transport		-	-	-	4 300	4 300	4 300	5 500	4 800	5 000
Vote 12 - Water Management		-	-	-	40 000	40 000	40 000	20 000	-	-
Total Revenue by Vote	2	537 176	516 785	549 827	579 487	603 647	603 647	548 503	545 951	579 604
Expenditure by Vote to be appropriated										
Vote 1 - Executive & Council	1	67 203	71 676	68 021	71 061	77 733	77 733	71 791	74 161	76 534
Vote 2 - Finance & Administration		156 263	169 009	159 454	121 575	150 584	150 584	132 839	145 764	151 049
Vote 3 - Finance & Administration 2		39 580	38 199	40 574	36 078	47 044	47 044	57 289	59 700	61 613
Vote 4 - Community and Social Services		30 743	34 070	33 905	39 903	37 705	37 705	37 115	42 532	39 556
Vote 5 - Planning and Development		16 702	18 279	18 261	27 862	24 955	24 955	22 743	24 393	25 738
Vote 6 - Internal Audit		5 597	5 962	5 417	5 387	5 217	5 217	2 440	2 532	2 625
Vote 7 - Energy Sources		5 913	4 628	6 151	6 074	4 479	4 479	4 127	3 714	4 301
Vote 8 - Road Transport		153 637	181 673	134 117	57 192	68 897	68 897	49 856	46 973	59 092
Vote 9 - Public Safety		304	560	2 078	350	350	350	413	427	440
Vote 10 - Waste Management		29 467	31 416	25 289	29 628	24 935	24 935	23 447	23 634	27 733
Vote 11 - Sports & Recreation		1 026	2 473	2 095	2 100	2 130	2 130	1 000	1 000	1 000
Vote 12 - Water Management		-	-	-	40 000	40 000	40 000	20 000	-	-
Vote 14 - Housing		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Total Expenditure by Vote	2	510 407	561 496	499 269	439 710	486 528	486 528	424 560	426 429	452 380
Surplus/(Deficit) for the year	2	26 769	(44 710)	50 557	139 777	117 119	117 119	123 943	119 522	127 224



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2.3.4 Table MBRR A4 – Budgeted Financial Performance (Operational Revenue and Expenditure)

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Waste Management	2	175	349	388	10 700	5 700	5 700	340	600	750	900
Sale of Goods and Rendering of Services	2	428	474	1 674	1 425	16 425	16 425	215	4 267	16 815	17 702
Agency services	2	5 669	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	8 600
Interest earned from Current and Non Current Assets	2	7 217	3 784	2 852	4 000	2 200	2 200	1 180	4 400	4 900	5 300
Rental from Fixed Assets	2	160	264	229	250	250	250	157	310	500	550
Operational Revenue	2	29 688	-	-	-	-	-	-	-	-	-
Non-Exchange Revenue											
Property rates	2	46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000
Fines, penalties and forfeits	2	1 093	668	1 932	1 400	2 000	2 000	1 096	2 700	1 900	2 200
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	336 255	360 632	383 039	409 743	418 926	418 926	279 823	382 208	356 843	382 768
Interest	2	13 627	12 211	14 339	13 000	19 000	19 000	10 702	14 000	14 500	15 500
Gains on disposal of Fixed and Intangible Assets	2	328	(958)	748	-	-	-	-	-	-	-
Other Gains	2	1 814	(609)	484	-	-	-	14 564	-	-	-
Total Revenue (excluding capital transfers and contribution)		442 713	422 705	452 035	501 018	525 201	525 201	344 013	474 585	463 508	494 520
Expenditure											
Employee related costs	2	101 174	114 717	130 218	143 979	149 626	149 626	92 822	140 644	145 904	151 866
Remuneration of councillors	2	23 812	27 817	27 464	28 904	29 154	29 154	18 107	31 122	32 149	33 178
Inventory consumed	2,8	3 269	2 465	2 395	1 500	1 500	1 500	6 221	800	600	450
Debt impairment	2,3	-	20 362	12 740	19 836	25 036	25 036	-	20 000	20 660	21 321
Depreciation, amortisation and impairment	2	28 572	31 480	35 496	36 851	37 941	37 941	24 636	38 344	39 610	40 877
Interest, Dividends and Rent on Land	2	2 685	2 232	2 681	-	-	-	-	-	-	-
Contracted services	2	253 733	295 943	237 137	160 518	191 546	191 546	120 550	135 880	128 929	144 827
Transfers and subsidies	2	5 871	9 077	7 690	10 728	11 028	11 028	4 512	8 010	8 920	8 730
Irrecoverable debts written off	2	26 175	20 563	4 242	-	8 000	8 000	4 917	2 000	2 066	2 132
Operational costs	2	70 333	69 605	67 123	57 230	57 734	57 734	35 323	47 758	47 591	48 998
Total Expenditure		515 624	594 260	527 189	459 546	511 564	511 564	307 089	424 560	426 429	452 380
Surplus/(Deficit)		(72 911)	(171 555)	(75 154)	41 472	13 636	13 636	36 924	50 025	37 079	42 140
Transfers and subsidies - capital (monetary allocations)	6	94 915	94 109	97 858	78 469	78 446	78 446	54 554	73 918	82 443	85 084
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Surplus/(Deficit) after income tax		22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Surplus/(Deficit) attributable to municipality		22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Surplus/(Deficit) for the year	1	22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224

2.3.5 Table 11 MBRR A5 – Budgeted Capital Expenditure (By Vote & Standard Classification)

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	474	630	630	-	-	-	-
Vote 2 - Finance & Administration		65 382	114 112	7 347	8 800	1 700	1 700	2 551	4 100	-	-
Vote 3 - Finance & Administration 2		0	3 293	(2 852)	2 000	2 000	2 000	469	1 500	800	850
Vote 7 - Energy Sources		-	-	0	6 436	6 436	6 436	-	9 336	14 975	15 652
Vote 8 - Road Transport		45 381	(46 416)	43 287	142 033	130 010	130 010	61 485	145 468	141 193	135 469
Vote 9 - Public Safety		179	-	(179)	-	-	-	-	-	-	-
Vote 10 - Waste Management		(11 283)	2 284	(1 089)	2 000	900	900	-	1 000	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-	17 365
Vote 14 - Housing		-	-	-	-	2 100	2 100	-	3 500	-	-
Vote 15 - OTHER		-	-	434	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Total Capital Expenditure - Vote		99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Capital Expenditure - Functional											
<i>Governance and administration</i>		65 382	117 405	4 496	11 274	4 330	4 330	3 021	5 600	800	850
Executive and council		-	-	-	474	630	630	-	-	-	-
Finance and administration		65 382	117 405	4 496	10 800	3 700	3 700	3 021	5 600	800	850
Internal audit		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		179	-	(179)	-	2 100	2 100	-	3 500	-	17 365
Sport and recreation		-	-	-	-	-	-	-	-	-	17 365
Public safety		179	-	(179)	-	-	-	-	-	-	-
Housing		-	-	-	-	2 100	2 100	-	3 500	-	-
<i>Economic and environmental services</i>		45 381	(46 416)	43 287	142 033	130 010	130 010	61 485	145 468	141 193	135 469
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		45 381	(46 416)	43 287	142 033	130 010	130 010	61 485	145 468	141 193	135 469
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		(11 283)	2 284	(1 089)	8 436	7 336	7 336	-	10 336	14 975	15 652
Energy sources		-	-	0	6 436	6 436	6 436	-	9 336	14 975	15 652
Waste management		(11 283)	2 284	(1 089)	2 000	900	900	-	1 000	-	-
<i>Other</i>		-	-	434	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Funded by:											
National Government		46 701	(46 416)	43 287	78 469	78 446	78 446	45 438	75 054	97 418	100 736
Transfers recognised - capital	4	46 701	(46 416)	43 287	78 469	78 446	78 446	45 438	75 054	97 418	100 736
Internally generated funds		52 958	119 689	3 662	83 274	65 330	65 330	19 068	89 850	59 550	68 600
Total Capital Funding	7	99 659	73 273	46 949	161 743	143 776	143 776	64 505	164 904	156 968	169 336



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2.3.1 Table MBRR A6 – Budgeted Financial Position

LIM473 Makhuduthamaga - Table A6 Budgeted Financial Position

LIM473 Makhuduthamaga - Table A6 Budgeted Financial Position											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
ASSETS											
Current assets											
Cash and cash equivalents	1	6 644	13 897	4 396	3 776	2 211	2 211	7 533	1 265	12 149	19 846
Trade and other receivables from exchange transactions	3	2 697	2 194	1 499	6 046	23 056	23 056	1 505	4 714	4 467	7 265
Receivables from non-exchange transactions	3	11 709	9 777	32 870	53 385	41 655	41 655	60 985	140 489	136 331	141 230
Inventory	5	707	628	186	4 128	4 128	4 128	379	386	625	815
VAT Receivable	6	1 031	886	1 277	27 943	26 236	26 236	5 054	23 595	25 588	32 226
Other current assets	7	4 882	5 239	4 967	5 239	5 239	5 239	5 195	-	-	-
Total current assets		27 671	32 622	45 196	100 518	102 526	102 526	80 651	170 449	179 161	201 381
Non current assets											
Investment property	9	514	539	462	539	539	539	462	462	477	492
Property, plant and equipment	10	427 492	477 340	503 729	659 872	641 296	641 296	544 636	675 037	636 607	663 677
Intangible assets	14	-	1 634	968	7 872	7 392	7 392	524	934	158	183
Total non current assets		428 006	479 513	505 158	668 284	649 227	649 227	545 622	676 432	637 241	664 352
TOTAL ASSETS		455 677	512 135	550 354	768 802	751 753	751 753	626 273	846 881	816 402	865 733
LIABILITIES											
Current liabilities											
Trade and other payables from exchange transactions	20	45 497	139 780	146 337	60 346	70 975	70 975	76 857	134 295	136 827	161 724
Trade and other payables from non-exchange transactions	21	71	7 551	(1 272)	11 383	13 139	13 139	43 682	3 020	3 330	2 841
Provision	22	(38 461)	(15 518)	(922)	12 541	12 541	12 541	(922)	8 631	8 916	9 201
VAT Payable	23	(14 730)	(7 210)	(3 974)	3 406	1 831	1 831	4 992	-	-	-
Total current liabilities		(7 622)	124 602	140 169	87 676	98 485	98 485	124 609	145 945	149 073	173 766
Non current liabilities											
Provision	26	8 037	9 718	9 665	9 718	9 718	9 718	9 665	-	-	-
Total non current liabilities		8 037	9 718	9 665	9 718	9 718	9 718	9 665	-	-	-
TOTAL LIABILITIES		415	134 320	149 834	97 393	108 203	108 203	134 275	145 945	149 073	173 766
NET ASSETS		455 261	377 815	400 519	671 408	643 550	643 550	491 998	700 936	667 329	691 968
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	3 488 063	3 564 646	3 045 227	671 408	643 550	643 550	491 998	700 936	667 329	691 968
TOTAL COMMUNITY WEALTH/EQUITY	32	3 488 063	3 564 646	3 045 227	671 408	643 550	643 550	491 998	700 936	667 329	691 968



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2.3.6 Table MBRR A7 – Budgeted Cash Flows

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		23 724	57 437	85 838	41 870	45 050	45 050	6 437	48 450	59 000	61 000
Service charges		256	520	788	8 453	4 845	4 845	270	510	750	900
Other revenue		38 808	111 090	196 548	64 948	64 190	64 190	21 339	16 377	27 515	29 052
Transfers and Subsidies - Operational	1	333 845	705 974	1 083 946	415 179	424 362	424 362	153 102	382 208	356 843	382 768
Transfers and Subsidies - Capital	1	94 915	189 024	286 882	73 033	73 010	73 010	193 979	73 918	82 443	85 084
Interest		5 544	9 250	12 007	4 000	2 200	2 200	1 181	4 400	4 900	5 300
Payments											
Suppliers and employees		(595 357)	(1 163 455)	(1 757 341)	(612 784)	(619 224)	(619 224)	(431 696)	(359 890)	(357 813)	(363 796)
Transfers and Subsidies	1	-	-	-	(4 823)	(6 123)	(6 123)	-	(4 200)	(4 300)	(4 400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(98 265)	(90 159)	(91 330)	(10 125)	(11 690)	(11 690)	(55 389)	161 773	169 338	195 908
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Payments											
Capital assets		(93 987)	(145 113)	(145 107)	(187 504)	(163 003)	(163 003)	2 533	(164 904)	(161 730)	(180 749)
Retention (Capital)		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(93 987)	(145 113)	(145 107)	(187 504)	(163 003)	(163 003)	2 533	(164 904)	(161 730)	(180 749)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(192 252)	(235 272)	(236 437)	(197 629)	(174 693)	(174 693)	(52 856)	(3 131)	7 608	15 159
Cash/cash equivalents at the year begin:	2	-	-	-	13 901	13 901	13 901	4 396	4 396	1 265	8 873
Cash/cash equivalents at the year end:	2	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032

2.3.7 Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2026/27 MTREF provides for a net decrease in cash of **R 3.1 million** for the 2026/27 financial year, net increase of **R 7.6 million** 2027/28 and net increase of **R 15 million** in 2028/29.
4. Cash Flow from Operating activities.
The municipality has been projected to receive **R 48.5 million** from Property rates and **R 16 million** from other revenue which consists mainly of VAT recovery for capital expenditure and other contracted services for operational purposes. Transfers from National government are projected to be received 100%. Trade and other payables as indicated in table A6 has been subtracted from the total expenditure included in the cash flow and non-cash flow items such as depreciation and debt impairment have been disregarded in the calculations.
5. Property Rates
 - The municipality has budgeted to collect about **R 48.5 million** from the property rates billing during the 2026/27 budget year.
6. Other Revenue
 - Other revenue sources include, rental of facilities and agency services income.
 - The municipality is anticipating 100% collection on these items of revenue on the basis that collection on all these revenue items.
7. Government Grants & Transfers Cash Flow Assumptions
 - All government grants are projected to be received at 100% and all conditional grants are projected to be spent at 100% during the 2026/27 budget year.
8. Interest on investments Cash Flow Assumptions
 - The interest on investments is projected to be received at 100%. All budgeted investments will be carried out as and when there is surplus cash available in the municipality's primary bank accounts and such available cash surpluses are not currently committed. The interest projection was made considering the fact that, irrespective of a separate investment account being opened, the positive balance in the municipality's primary account earn +/-7.5% interests p.a.



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2.3.8 Table MBRR A8 – Cash backed reserves/Accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash and investments available											
Cash/cash equivalents at the year end	1	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032
Application of cash and investments											
Unspent conditional transfers		71	7 551	(1 272)	7 158	7 158	7 158	43 682	320	330	341
Unspent borrowing											
Statutory requirements	2	(15 761)	(6 035)	(3 184)	(37 844)	(37 147)	(37 147)	2 634	(42 661)	(44 973)	(54 887)
Other working capital requirements	3	43 566	131 648	108 913	40 548	50 458	50 458	67 806	3 511	(24 782)	(10 674)
Other provisions		(38 461)	(15 518)	(922)	12 541	12 541	12 541	(922)	8 631	8 916	9 201
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(10 584)	117 645	103 535	22 403	33 009	33 009	113 201	(30 199)	(60 509)	(56 019)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Bene		(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Bene		(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2025/26 MTREF was fully funded.
6. The municipality does not have non-current investments and no projection has been



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made for unspent conditional grants as we plan to utilize 100% of the allocation by year end.

7. The municipality is planning to spend 100% of its conditional grants.

8. VAT input will always be more than VAT output which is reflecting in the cash flow from operating activities and therefore no amount will reflect under statutory requirements.

9. The municipality's third party payments such as SARS under the statutory requirements are accounted for under the employee related costs on B7 as part of the payments to suppliers and employees over the 2025/26 MTREF. The VAT portion is also accounted for as part of the payments to suppliers and employees and also under the capital assets payments on the B7.

10. The main purpose of the other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.



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Table MBRR table A9 – Asset Management

LIM 473 Makhuduthamaga - Table A9 Asset Management



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Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	678 418	748 839	798 640	161 743	143 776	143 776	164 904	156 968	151 971
<i>Roads Infrastructure</i>		462 750	517 316	560 603	142 033	130 010	130 010	145 468	141 193	135 469
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		10 341	13 528	13 528	6 436	6 436	6 436	9 336	14 975	15 652
<i>Solid Waste Infrastructure</i>		2 707	4 991	3 901	2 000	900	900	1 800	-	-
Infrastructure		475 798	535 834	578 032	150 469	137 346	137 346	156 604	156 168	151 121
Community Facilities		34 831	36 152	36 587	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		34 831	36 152	36 587	-	-	-	-	-	-
Operational Buildings		69 586	77 218	81 926	-	-	-	1 300	-	-
Housing		476	1 655	-	2 100	2 100	2 100	1 400	-	-
Other Assets		70 062	78 873	81 926	2 100	2 100	2 100	2 700	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		8 215	10 216	2 001	-	-	-	-	-	-
Intangible Assets		8 215	10 216	2 001	-	-	-	-	-	-
Computer Equipment		33 436	30 135	30 087	2 000	2 000	2 000	1 500	800	850
Furniture and Office Equipment		10 510	9 148	10 546	1 700	1 700	1 700	300	-	-
Machinery and Equipment		179	179	-	474	630	630	-	-	-
Transport Assets		44 122	47 037	58 196	5 000	-	-	3 800	-	-
Land		1 265	1 265	1 265	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	4 693	7 544	4 693	-	-	-	-	-	17 365
<i>Electrical Infrastructure</i>		3 565	3 565	3 565	-	-	-	-	-	-
Infrastructure		3 565	3 565	3 565	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	17 365
Community Assets		-	-	-	-	-	-	-	-	17 365
Operational Buildings		1 127	3 979	1 127	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1 127	3 979	1 127	-	-	-	-	-	-
Total Capital Expenditure	4	683 111	756 383	803 332	161 743	143 776	143 776	164 904	156 968	169 336
<i>Roads Infrastructure</i>		462 750	517 316	560 603	142 033	130 010	130 010	145 468	141 193	135 469
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		13 906	17 093	17 093	6 436	6 436	6 436	9 336	14 975	15 652
<i>Solid Waste Infrastructure</i>		2 707	4 991	3 901	2 000	900	900	1 800	-	-
Infrastructure		479 363	539 399	581 597	150 469	137 346	137 346	156 604	156 168	151 121
Community Facilities		34 831	36 152	36 587	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	17 365
Community Assets		34 831	36 152	36 587	-	-	-	-	-	17 365
Operational Buildings		70 713	81 197	83 053	-	-	-	1 300	-	-
Housing		476	1 655	-	2 100	2 100	2 100	1 400	-	-
Other Assets		71 190	82 852	83 053	2 100	2 100	2 100	2 700	-	-
Licences and Rights		8 215	10 216	2 001	-	-	-	-	-	-
Intangible Assets		8 215	10 216	2 001	-	-	-	-	-	-
Computer Equipment		33 436	30 135	30 087	2 000	2 000	2 000	1 500	800	850
Furniture and Office Equipment		10 510	9 148	10 546	1 700	1 700	1 700	300	-	-
Machinery and Equipment		179	179	-	474	630	630	-	-	-
Transport Assets		44 122	47 037	58 196	5 000	-	-	3 800	-	-
Land		1 265	1 265	1 265	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		683 111	756 383	803 332	161 743	143 776	143 776	164 904	156 968	169 336
ASSET REGISTER SUMMARY - PPE (WDV)	5	353 391	446 501	431 275	474 485	468 551	468 551	403 231	360 235	369 536
<i>Roads Infrastructure</i>		236 605	318 745	297 373	293 739	293 739	293 739	274 501	283 560	292 634
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		4 550	7 346	6 745	6 403	6 423	6 423	6 088	6 289	6 491
<i>Solid Waste Infrastructure</i>		1 193	1 930	800	1 880	1 890	1 890	1 559	784	809
Infrastructure		242 348	328 020	304 918	302 497	302 683	302 683	282 149	290 633	299 934
Community Assets		24 885	24 790	23 337	23 207	23 287	23 287	21 782	22 501	22 501
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		514	539	462	539	539	539	462	477	477
Other Assets		47 344	50 776	52 217	98 824	100 814	100 814	72 927	(4 351)	(4 351)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	1 634	968	7 872	7 392	7 392	934	158	158
Computer Equipment		14 772	13 116	12 576	11 380	11 680	11 680	10 743	10 348	10 348
Furniture and Office Equipment		3 706	4 956	4 560	4 588	2 378	2 378	3 694	3 816	3 816
Machinery and Equipment		179	179	-	6 700	1 700	1 700	11 145	7 045	7 045
Transport Assets		18 378	21 225	30 974	17 612	16 812	16 812	(1 869)	28 302	28 302
Land		1 265	1 265	1 265	1 265	1 265	1 265	1 265	1 307	1 307
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	353 391	446 501	431 275	474 485	468 551	468 551	403 231	360 235	369 536
EXPENDITURE OTHER ITEMS		64 090	71 231	105 524	76 351	92 441	92 441	69 844	67 155	81 469
<u>Depreciation</u>	7	28 572	31 480	35 496	36 851	37 941	37 941	38 344	39 610	40 877
<u>Repairs and Maintenance by Asset Class</u>	3	35 519	39 751	70 028	39 500	54 500	54 500	31 500	27 546	40 592
<i>Roads Infrastructure</i>		-	917	35 000	20 000	20 000	20 000	15 000	11 000	22 000
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		2 786	1 444	2 362	2 000	2 000	2 000	1 500	1 000	1 500
Infrastructure		2 786	2 361	37 362	22 000	22 000	22 000	16 500	12 000	23 500
Community Facilities		957	-	-	1 000	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		957	-	-	1 000	-	-	-	-	-
Operational Buildings		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Housing		-	-	-	-	-	-	-	-	-
Other Assets		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Computer Equipment		16 821	14 820	13 714	8 000	18 000	18 000	9 000	9 297	9 595
Machinery and Equipment		10 982	19 021	15 046	6 000	12 000	12 000	4 500	4 649	4 797
TOTAL EXPENDITURE OTHER ITEMS		64 090	71 231	105 524	76 351	92 441	92 441	69 844	67 155	81 469
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.7%	1.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	10.3%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		16.4%	24.0%	13.2%	0.0%	0.0%	0.0%	0.0%	0.0%	42.5%
<i>R&M as a % of PPE & Investment Property</i>		10.1%	8.9%	16.3%	8.5%	11.8%	11.8%	7.8%	7.6%	11.0%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Property</i>		11.4%	10.6%	17.4%	8.5%	11.8%	11.8%	7.8%	7.6%	15.7%



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2.3.9 Table 16 MBRR table A10 – Basic Service delivery measurement

Explanatory notes to Table A10 - Basic Service Delivery Measurement

LIM473 Makhuduthamaga - Table A10 Basic service delivery measurement

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		1 977	213	2 169	2 610	1 010	1 010	1 078	1 114	1 149
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided	8	1 977	213	2 169	2 610	1 010	1 010	1 078	1 114	1 149

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum servicelevel), for each of the main services.
- The municipality continues to make good progress with the eradication of backlogs on services that are within the functions of the municipality in terms of the South African Constitution and Municipal Systems Act. The municipality performs only the function of providing indigents registered in themunicipality's indigent register with electricity tokens (Free Basic Electricity) and the other basicservices as listed in table A10 are performed by the Sekhukhune District Municipality. It must be noted also that as the municipality does not sell electricity, but purchase the electricity from Eskom,therefore the revenue costs for providing free basic electricity is Zero.
- The following are the services that are provided by the district municipality and hence, no information has been completed on the table A10 of the municipality's Annual budget for 2026/27 MTREF:
 - Water services
 - Sanitation services
 - Electricity services
 - Refuse services
- The budget provides for 7900 households to be registered as indigent in 2026/76 and therefore entitled to receiving Free Basic Services. It is anticipated that these Free Basic Services will cost the municipality **R 1 million** in 2026/27, increasing to **R 1.1 million** in 2027/28 and **R 1.1 million** in 2028/29. This is covered by the municipality's equitable share allocation from national government.

3 PART 2 – SUPPORTING DOCUMENTS

3.1 Overview of municipal budget process.

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

The Budget Steering Committee of the municipality consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Portfolio chairperson for Finance.

The primary aims of the Budget Steering Committee are to ensure:

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

The budget steering committee had regular meetings to deal with the IDP/Budget processes as contained in the municipality's approved time schedule that sets out the process to review the IDP and prepare the annual budget.

3.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2025) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule in July 2025. Key dates applicable to the process were adhered to and progress was reported to council quarterly.

3.1.2 IDP and Service Delivery and Budget Implementation Plan

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.



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The Process Plan applicable to the first revision cycle included the following key IDP processes and deliverables:

- Registration of community needs.
- Compilation of departmental business plans including key performance indicators and targets.
- Financial planning and budgeting process.
- Public participation process.
- Compilation of the SDBIP

The SDBIP for 2025/26 has been completed and will be submitted to the relevant stakeholders within 28 days from the date of adopting the budget by council.

3.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2026/27 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2026/27 MTREF:

- Municipality's growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2025/26 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- The need for tariffs increases versus the ability of the community to pay for services.
- Improved and sustainable delivery service
- The municipality's Spatial Development Plan

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 98 & 99, 107 & 108 and 126 has been taken into consideration in the planning and prioritization process

3.1.4 Community Consultation

The below consultation schedule for 2026/27 draft MTREF which will be tabled before Council in March 2026 and was also published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and the municipality's community libraries and at tribal offices.

Makhuduthamaga Local Municipality IDP/Budget Process Plan is outlined as follows:

- Phases and activities of the process.
- Structures that will manage the planning process and their respective roles
- Public/community participation.
- Time schedule for the planning process; and
- Monitoring of the process

2) Phases and activities of the IDP/ Budget/PMS Process Plan

The table below shows the phases/stages of the IDP process and Activities entailed for the review of the 2026-2027 IDP

Stages/phases of the IDP process	
IDP phases	Activities
Preparatory Phase	Identification and establishment of stakeholders and or structures and sources of information Development of the IDP Framework and Process plan
Analysis Phase	Compilation of levels of development and backlogs that suggest areas of intervention
Strategies phase	Reviewing Vision, Mission, Strategies and Objectives
Project phase	Identification of possible projects and their funding sources
Integration Phase	Sector plans for summary inclusion and programmes of action.
Approval Phase	Submission of Annual IDP to council Roadshow on Public Participation and publication Amendments of the Annual IDP according to comments. Submission of final IDP to council for approval and adoption



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3. Institutional arrangements for the IDP process and implementation

In order to manage the Annealing of the IDP outputs effectively, Makhuduthamaga Local Municipality institutionalized the participation process thereby giving affected parties access to contribute to the decision-making process. The following structures, linked to the internal organizational arrangements, have therefore been established:

- The IDP Steering committee which is chaired by the Head of Budget and Treasury and is composed as follows: Senior Managers, Divisional Managers and Senior IDP Officer/IDP Officer
- IDP Representative Forum which is chaired by the Mayor and composed of the following stakeholders: Councilors, Ward committees, CDWs, Traditional leaders, organized business, Women's organizations, Youth movements, People with Disabilities, Advocacy Agents of unorganized groups, Sector departments, District municipality, Parastatals, NGOs and CBOs.

4. Context of public participation

Chapter 4 of the Municipal Systems Act, 2000 section 17(2) stipulates that a municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality. Four major functions can be aligned with the public participation process namely:

- Needs identification.
- Endorsement of appropriate solutions.
- Community ownership and buy-in; and
- Empowerment.

4.1 Mechanisms for participation

The following mechanisms for participation will be utilized:

- Print media

National and regional newspapers and the municipal newsletter will be used to inform the community of the activities of the process plan and even progress on implementation

- Radio slots

The local radio station and regional stations will be utilized to make public announcements and interviews about IDP process activities and progress on implementation.

- Municipal website

Municipal websites will also be utilized to communicate and inform community. Copies of IDP/Budget will be placed on the website for people and other stakeholders to view or download.

4.2 Procedures for participation

The following procedures for participation were utilized:

- IDP Representative Forum (IDP Rep Forum)



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The forum consists of members representing all stakeholders in the municipality. Efforts will be made to

bring additional organizations into the IDP Rep Forum and ensure their continued participation throughout the process. The IDP Representative forum is a structure which institutionalizes and guarantees representative participation in the IDP process.

Member of the Rep Forum include:

- Members of Executive Committee
- Councilors
- Traditional Leaders
- Ward committee Chairpersons

- All Senior Managers
- Sector Departments
- Organized group representatives

The forum will be responsible for:

- Represent the interest of their constituents in the IDP process
- Provide an organizational mechanism for discussion, negotiation and decision making between the stakeholders and the municipality
- Ensure communication between all the stakeholder representatives
- Monitor the performance of the planning and implementation



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Below is the Adopted Schedule for the review of IDP/Budget for the 2026-2027 f/y

Month	Action	Target date
PREPARATORY PHASE		
July 2025	<ul style="list-style-type: none"> ○ Table to council 4th quarter performance report and submit to COGHSTA after approval. ○ 4th Quarter Performance Lekgotla (2024-2025) ○ All Senior Managers and Municipal Manager's annual performance agreements developed signed and submitted to MEC for Coghsta. ○ Audit and Performance Audit Meeting ○ Risk committee meeting 	July 2025
August 2025	<ul style="list-style-type: none"> ○ Ward to Ward based data collection ○ Submit Annual Financial Statements for 2024-2025 to AG ○ Submit 2024-2025 Annual Performance Report to AG ○ Operational Risk Assessment for 2025-2026 	August 2025
Month	Activity	Target date
ANALYSIS PHASE		
September 2025	<ul style="list-style-type: none"> ○ The council determines strategic objectives for service delivery through IDP review processes and the development of the next 3-year budget (including review of sector department plans) ○ Consult provincial and national sector departments on sector specific programmes for alignment (libraries, schools, clinics, water, electricity, roads, sanitation, etc.) ○ Collate information from ward-based data ○ Finalize ward-based data compilation for verification in December (IDP Rep forum) 	September 2025
Month	Activity	Target date
STRATEGIES PHASE		
October 2025	<ul style="list-style-type: none"> ○ Quarterly (1st) review of the 2025-2026 budget, related policies, amendments (if necessary), any related process ○ Risk committee meeting ○ Audit and performance meeting ○ Preliminary preparations on proposed budget for 2026-2027 financial year begin ○ 1st Quarter Performance Lekgotla (2025-2026) ○ Tabling of 2025-2026 1st quarter performance 	October 2025



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	<ul style="list-style-type: none"> report to council and submit to COGHSTA after approval o mSCOA Steering Committee meeting 	
Month	Activity	Target date
PROJECTS PHASE		
November 2025	<ul style="list-style-type: none"> o Confirm IDP Projects with District and Sector departments o Review and effect changes on the initial IDP draft 	November 2025
Month	Activity	Target date
INTEGRATION PHASE		
December 2025	<ul style="list-style-type: none"> o Consolidated Analysis Phase in Place o IDP Representative Forum o mSCOA Steering Committee meeting 	December 2025
January 2026	<ul style="list-style-type: none"> o Table Draft 2024-2025 Annual Report to Council o Submit Draft Annual Report to AG, PT and Coghsta o Publish Draft Annual Report in the Municipal jurisdiction (website etc.) o Mid-Year Performance Lekgotla o Risk committee meeting o Audit and performance meeting o Table Mid-Year and 2nd quarter performance report to council and submit to National Treasury, Provincial Treasury, Coghsta 	January 2026
Month	Activity	Target date
February 2026	<ul style="list-style-type: none"> o Strategic Planning Session (Review of IDP/Budget, related policies) o Submit and Presentation of institutional Mid-Year performance assessment report to Provincial Treasury. o Adjust 2025/2026 budget and SDBIP and table to council for approval o Submit 2025-2026 Budget Adjustment and SDBIP to COGHSTA, Provincial Treasury. o IDP/Budget Steering committee o Capturing the IDP projects and Budget figures onto the Municipal Planning and Budget Module (MPBM) and approved to the Financial System. o Uploading of mSCOA data strings for the Adjustment budget onto the National Treasury's GoMuni portal. o Submission of Draft IDP/Budget for 2026-2027 to Management, relevant stakeholders and structures o mSCOA Steering Committee meeting 	February 2026



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<p>March 2026</p>	<ul style="list-style-type: none"> ○ Exco provides political guidance over the budget process and priorities that must inform preparations of the budget ○ Council considers the 2026-2027 Draft IDP/Budget /SDBIP ○ Download of the latest mSCOA template ○ Adoption of Oversight Report for 2024-2025 ○ Conduct Mid-Year Performance assessment for Municipal Manager and all Senior Managers for 2025-2026 financial Year. ○ Conduct Annual Performance assessment for senior managers, Municipal manager and managers reporting directly to the senior managers ○ Submit Annual Report and oversight report to COGHSTA, AG and municipal Website 	<p>March 2026</p>
APPROVAL PHASE		
<p>April 2026</p>	<ul style="list-style-type: none"> ○ Publish the 2026-2027 IDP/Budget for public comments. ○ Submit 2026-2027 Draft IDP/Budget to the National Treasury, Provincial Treasury, Coghsta and SDM in both printed and electronic formats ○ Community consultation with key stakeholders ○ Strategic Risk Assessment for 2025-2026 ○ 3rd Quarter Performance Lekgotla (2025-2026) ○ Table of 3rd quarter performance report to council and submitted to COGHSTA ○ mSCOA Steering Committee meeting ○ Risk committee meeting ○ Audit and performance meeting ○ Consultation on tariffs and Free Basic Services (FBS) 	<p>April 2026</p>
<p>May 2026</p>	<ul style="list-style-type: none"> ○ IDP/Budget steering committee meeting ○ Submission of Draft IDP/Budget for 2026-2027 with incorporated comments from stakeholders 'consultation to council for approval ○ Download of the latest mSCOA template ○ Capturing the IDP projects and Budget figures onto the Municipal Planning and Budget Module (MPBM) and approved to the Financial System. ○ Uploading of mSCOA data strings for the Adopted budget onto the National Treasury's GoMuni portal. 	<p>May 2026</p>



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	<ul style="list-style-type: none"> ○ Table Municipal policies and By-Laws to council for approval. ○ Prepare SDBIP for 2026-2027 ○ Prepare operational Risk assessment for 2026-2027 	
June 2026	<ul style="list-style-type: none"> ○ Publish the approved 2025-2026 IDP/Budget ○ Submit final annual procurement plan to the Mayor, Provincial Treasury and National Treasury. ○ Submission of the SDBIP to the Mayor for approval. ○ Submission of approved IDP/Budget and SDBIP to MEC for Coghsta / National and Provincial Treasury and to SDM ○ mSCOA Steering Committee meeting ○ Review of previous year's IDP/Budget process ○ Submit IDP/Budget Process Plan for 2027/2028 to Council 	June 2026



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3.2 Overview of alignment of annual budget with IDP

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

Our municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long-term strategic and budget priorities to create a development platform, which correlates with the term of office of the municipal council, was first adopted in July 2019. This plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. The Municipality's IDP is therefore a key instrument which was used to provide vision, leadership and direction to all those that have a role to play in the development of the municipality. The IDP enables the municipality to make the best use of scarce resources and speed up service delivery.

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2025/26 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 17 IDP Strategic Objectives

2025/26 Financial year	2026/2 Financial year
To ensure acquisition and sustainable use of land and promote growth and development.	To ensure acquisition and sustainable use of land and promote growth and development.



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<p>To reduce infrastructure and service backlogs in order to improve quality of life of the community by providing them with roads & storm water, bridges electricity and</p>	<p>To reduce infrastructure and service backlogs in order to improve quality of life of the community by providing them with roads & storm water, bridges electricity and housing</p>
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To create and manage an environment that will develop, stimulate and strengthen local economic growth	To create and manage an environment that will develop, stimulate and strengthen local economic growth
To promote social cohesion, safety, environmental welfare and disaster management for the municipality.	To promote social cohesion, safety, environmental welfare and disaster management for the municipality.
To provide sound and sustainable management of the financial affairs of the Municipality	To provide sound and sustainable management of the financial affairs of the Municipality
To effectively coordinate all general administrative, governance, human resources, IT and legal services.	To promote good governance, public participation, accountability, transparency, effectiveness and efficiency.
Improve Internal and External operation of the municipality and its stakeholders	Improve Internal and External operation of the municipality and its stakeholders



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

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

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - o Provide waste removal.
 - o Provide roads and storm water.
 - o Provide municipal planning services; and
 - o Maintaining the infrastructure of the municipality.
2. Economic growth and development that lead to sustainable job creation by:
 - o Ensuring there is a clear structural plan for the municipality.
 - o Ensuring planning processes function in accordance with set timeframes.
 - o Facilitating the use of labor-intensive approaches through the EPWP programme in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
 - o Effective implementation of the Indigent Policy.
 - o Working with the provincial department of health to assist on matters affecting primary health care.
 - o Extending waste removal services and ensuring effective municipal cleansing.
 - o Working with strategic partners such as SAPS to address crime.
 - o Ensuring saving working environments is effectively enforced of building and health regulations.
 - o Promote viable, sustainable communities through proper zoning; and
 - o Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
 - o Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly coordinated.
 - o Provision of bursaries for well-deserving students who are financially needy.
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
 - o Optimizing effective community participation in the ward committee system; and
 - o Implementing Batho Pele in the revenue management strategy.
5. Promote sound governance and transparency through:
 - o Publishing the outcomes of all tender processes on the municipal website



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Ensure financial sustainability through:

Reviewing the use of contracted services

Continuing to implement the infrastructure management strategy and the repairs and maintenance plan

Optimal institutional transformation to ensure capacity to achieve set objectives

Review of the organizational structure to optimize the use of personnel.

The 2026/27 budget and the MTREF have therefore been directly informed by the IDP revision process, and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

The 2025/26 budget and the MTREF has therefore been directly informed by the IDP revision process, and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

3.3 Measurable performance objectives and indicators

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

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

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

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



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3.3.1.1 Other Indicators

- Employee costs as a percentage of operating revenue continue to increase for the 2026/27 MTREF as the municipality continues to implement three-year collective agreement on municipal salaries for the year.
- Repairs and maintenance as percentage of operating expenditure is 16% for 2026/27 budget year. The municipality will always ensure that its existing assets are properly maintained and repaired to lengthen their life span and to keep them in good working conditions.

3.3.1 Free Basic Services: basic electricity tokens for indigent households

The free basic electricity token assists residents that have difficulty paying for electricity services and are registered as indigent households in terms of the Indigent Policy of the municipality.

For the 2026/27 financial year registered indigents are being provided with a fifty (50) KWh token per household per month at a total cost **R 1 million** to the municipality. The cost of free basic electricity remains the same at **R 1.1 million** in 2026/27 and 2027/28 respectively. The total number of units provided per household remains at 50 KWh for the 2026/27 MTREF.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 16 MBRR A10 (Basic Service Delivery Measurement)

3.4 Overview of budget related policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies of the municipality.

3.4.1 Review of credit control and debt collection procedures/policies

The Debt Collection Policy as approved by Council in May 2025 was reviewed. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review the tariff for property rates and certain components to encourage our customers to pay their accounts as they complained about the current rate and to achieve a higher collection rate. In addition, emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

The 2026/27 MTREF has been prepared based on achieving an average debtors' collection rate of 70 per cent on current debtors. In addition the collection of debt in excess of 90 days has been prioritized as a pertinent strategy in increasing the municipality's cash levels and since these overdue debtors have not paid in the past two financial years and an impairment was made to their balances as at 30 June 2025, the municipality has not made any projection for them in the cash flow statement for 2026/27 MTREF. In addition, the payment incentive scheme was consulted with the customers and is being implemented to encourage customers who were not paying to start paying by taking advantage of the settlement offer by the municipality.



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The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development.
- Revenue management and enhancement.
- National Treasury guidelines.
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the determination of the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff for the 2026/27 MTREF for Property rates can be shown as follows:

Revenue Category	Approved Tarrif 2023/24	Approved Tarrif 2024/25	Approved Tarrif 2025/26	Tarrif 2026/27
Business Property	0.016	0.016	0.016	0.016
Government Property	0.016	0.016	0.016	0.016
Agricultural Property	0.014	0.014	0.014	0.014
Residential	0	0	0.056	0.056
Vacant land	0	0	0.008	0.008

A R 250 000 exemption is applicable to all business properties

3.4.2 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium- term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management of the municipality. Some specific features include:

- Clear separation of receipts and payments within each cash flow category.
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and others to be provided for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed revenue and other own sources.

3.4.3 Budget Policy

The annual budget process is governed by various provisions in the MFMA and the Budget policy of the municipality which is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. The budget policy was reviewed to ensure that it is up to date considering the latest regulations and budget circulars.



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3.4.4 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in May 2020 and reviewed during the consultation in 2025/2026



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3.4.5 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy were adopted by Council in May 2020. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

3.4.6 Tariff Policies

The municipality's tariff policy provides a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The reviewed policy was reviewed and was approved in May 2025.

3.5 Overview of budget assumptions

3.5.1 External factors

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's available cash.

3.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2026/27 MTREF:

- National Government macro-economic targets.
- The general inflationary outlook and the impact on municipality's residents and businesses.
- The impact of municipal cost drivers.
- The increase in prices for electricity and water; and
- The increase in the cost of remuneration.

3.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilized to fund capital or refinancing of borrowing in certain conditions. The municipality is not planning to use borrowing to fund its capital projects and therefore no interest is to be paid. The municipality is forecasting to have surplus cash for investment and cash management and investment policy will be applied when investing such funds to generate revenue.



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3.5.4 Collection rate for revenue services

The municipality's assumption is that, the reduction of the property rates tariff implemented from 1 July 2016 will be affordable to the rate payers and collection will increase significantly as compared to the previous years. The settlement offer by the municipality to the property rates customers has also resulted in an increased collection rate during the 2024/25 financial year and the municipality remain positive that it will encourage the other to come on board.

3.5.5 Salary increases

We have budgeted salary increases as per the National Treasury Circular number 132 and 134. We budgeted 4.75% an increase of per cent for 2026/27 financial year.

3.5.6 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focused service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives are:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

3.6 Overview of budget funding

3.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 22 Breakdown of the operating revenue over the medium-term

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the transfers recognised – operational (government grants), Property rates, capital grants from organs of state and other minor charges (such as licenses and permits etc).



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The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- National Treasury guidelines;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the determination of the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff for the 2025/26 MTREF for Property rates can be shown as follows:

Revenue Category	Approved Tarrif 2022/24	Approved Tarrif 2024/25	Approved Tarrif 2025/26	Approved Tarrif 2026/27
Property Rates	0.16	0.16	0.014	0.014

A R 250 000 exemption is applicable to all business properties.

3.6.2 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand-ability for councilors and management of the municipality. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue and other own sources of revenue

The above table shows a net decrease in cash held for 2026/27 and net increase for both 2027/28 & 2028/29 financial years.



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Table 28 MBRR Table A7 - Budget cash flow statement

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		23 724	57 437	85 838	41 870	45 050	45 050	6 437	48 450	59 000	61 000
Service charges		256	520	788	8 453	4 845	4 845	270	510	750	900
Other revenue		38 808	111 090	196 548	64 948	64 190	64 190	21 339	16 377	27 515	29 052
Transfers and Subsidies - Operational	1	333 845	705 974	1 083 946	415 179	424 362	424 362	153 102	382 208	356 843	382 768
Transfers and Subsidies - Capital	1	94 915	189 024	286 882	73 033	73 010	73 010	193 979	73 918	82 443	85 084
Interest		5 544	9 250	12 007	4 000	2 200	2 200	1 181	4 400	4 900	5 300
Payments											
Suppliers and employees		(595 357)	(1 163 455)	(1 757 341)	(612 784)	(619 224)	(619 224)	(431 696)	(359 890)	(357 813)	(363 796)
Transfers and Subsidies	1	-	-	-	(4 823)	(6 123)	(6 123)	-	(4 200)	(4 300)	(4 400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(98 265)	(90 159)	(91 330)	(10 125)	(11 690)	(11 690)	(55 389)	161 773	169 338	195 908
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Payments											
Capital assets		(93 987)	(145 113)	(145 107)	(187 504)	(163 003)	(163 003)	2 533	(164 904)	(161 730)	(180 749)
Retention (Capital)		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(93 987)	(145 113)	(145 107)	(187 504)	(163 003)	(163 003)	2 533	(164 904)	(161 730)	(180 749)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
NET CASH FROM/(USED) FINANCING ACTIVITIES											
NET INCREASE/ (DECREASE) IN CASH HELD		(192 252)	(235 272)	(236 437)	(197 629)	(174 693)	(174 693)	(52 856)	(3 131)	7 608	15 159
Cash/cash equivalents at the year begin:	2	-	-	-	13 901	13 901	13 901	4 396	4 396	1 265	8 873
Cash/cash equivalents at the year end:	2	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032



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3.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding these and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year
- How are those funds used
- What is the net funds available or funding shortfall

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 29 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash and investments available											
Cash/cash equivalents at the year end	1	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032
Application of cash and investments											
Unspent conditional transfers		71	7 551	(1 272)	7 158	7 158	7 158	43 682	320	330	341
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(15 761)	(6 035)	(3 184)	(37 844)	(37 147)	(37 147)	2 634	(42 661)	(44 973)	(54 887)
Other working capital requirements	3	43 566	131 648	108 913	40 548	50 458	50 458	67 806	3 511	(24 782)	(10 674)
Other provisions		(38 461)	(15 518)	(922)	12 541	12 541	12 541	(922)	8 631	8 916	9 201
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(10 584)	117 645	103 535	22 403	33 009	33 009	113 201	(30 199)	(60 509)	(56 019)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Bene		(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Bene		(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052

From the above table it can be seen that the cash and investments available total is **R 1.3 million** in the 2026/27 financial year and increases to **R 8.9 million** by 2027/28 and **R 24 million** by 2028/29.

The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts offunds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.

It can be concluded that the municipality has a surplus against the cash backed and accumulated surpluses reconciliation.

3.6.4 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA.



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Table 30 MBRR SA10 – Funding compliance measurement

LIM473 Makhuduthamaga Supporting Table SA10 Funding measurement												
Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(192 252)	(235 272)	(236 437)	(183 728)	(160 792)	(160 792)	(48 459)	1 265	8 873	24 032
Cash + investments at the yr end less applications - R'000	18(1)b	2	(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052
Cash year end/monthly employee/supplier payments	18(1)b	3	(2,8)	(3,6)	(3,4)	(2,6)	(3,7)	(2,6)	(0,8)	0,0	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	22 004	(77 446)	22 704	119 941	92 083	92 083	91 479	123 943	119 522	127 224
Service charge rev % change - macro CPIx target exclusiv	18(1)a,(2)	5	N.A.	(19.9%)	(4.9%)	51.7%	(13.8%)	(6.0%)	(54.1%)	(7.9%)	(2.3%)	(2.4%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	13.4%	67.9%	108.9%	33.3%	31.7%	31.7%	14.5%	88.7%	100.6%	100.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	50.9%	31.5%	31.1%	42.7%	42.7%	0.0%	34.7%	34.6%	34.4%
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.	(16.9%)	187.1%	72.9%	8.9%	0.0%	(3.4%)	132.4%	(3.0%)	5.5%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(v)1	13	10.1%	8.9%	16.3%	8.5%	11.8%	11.8%	7.1%	6.8%	9.8%	0.0%
Asset renewal % of capital budget	20(1)(v)1	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a		0.0%	(13.9%)	1.1%	57.7%	(7.8%)	0.0%	(48.1%)	(1.9%)	3.7%	3.6%
% incr Property Tax	18(1)a		0.0%	(14.3%)	1.0%	32.5%	0.0%	0.0%	(43.2%)	7.5%	3.5%	3.4%
% incr Service charges - Electricity	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% 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%	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%	0.0%
% incr Service charges - Waste Management	18(1)a		0.0%	99.5%	11.0%	2659.3%	(46.7%)	0.0%	(94.0%)	(89.5%)	25.0%	20.0%
% 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%	0.0%
Total billable revenue	18(1)a		46 434	39 977	40 399	63 700	58 700	58 700	30 455	57 600	59 750	61 900
Service charges			46 434	39 977	40 399	63 700	58 700	58 700	30 455	57 600	59 750	61 900
Property rates			46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000
Service charges - refuse removal			175	349	388	10 700	5 700	5 700	340	600	750	900
Agency services			5 669	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	8 600
Capital expenditure excluding capital grant funding			52 958	119 689	803 332	83 274	65 330	65 330	19 068	89 850	59 550	68 600
Cash receipts from ratepayers	18(1)a		62 788	169 047	283 174	115 271	114 085	114 085	28 046	65 337	87 265	90 952
Ratepayer & Other revenue	18(1)a		468 513	248 861	260 058	346 025	359 825	359 825	193 641	73 667	86 765	90 402
Change in consumer debtors (current and non-current)			N/A	(2 435)	22 397	25 062	5 280	-	(2 221)	82 712	(4 405)	7 697
Operating and Capital Grant Revenue	18(1)a		431 170	454 741	480 897	488 212	497 372	497 372	334 378	456 126	439 286	467 852
Capital expenditure - total	20(1)(v)1		99 659	73 273	803 332	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Supporting benchmarks												
Grow th 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	(2 435)	22 397	25 062	5 280	-	(2 221)	82 712	(4 405)	7 697
Total Operating Revenue												
Total Operating Revenue			442 713	422 705	452 035	501 018	525 201	525 201	344 013	474 585	463 508	494 520
Total Operating Expenditure												
Total Operating Expenditure			515 624	594 260	527 189	459 546	511 564	511 564	307 089	424 560	426 429	452 380
Operating Performance Surplus/(Deficit)												
Operating Performance Surplus/(Deficit)			(72 911)	(171 555)	(75 154)	41 472	13 636	13 636	36 924	50 025	37 079	42 140
Cash and Cash Equivalents (30 June 2012)												
Cash and Cash Equivalents									1 265			
Revenue												
% Increase in Total Operating Revenue				(4.5%)	6.9%	10.8%	4.8%	0.0%	(34.5%)	(9.6%)	(2.3%)	6.7%
% Increase in Property Rates Revenue				(14.3%)	1.0%	32.5%	0.0%	0.0%	(43.2%)	89.3%	3.5%	3.4%
% Increase in Electricity Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				(13.9%)	1.1%	57.7%	(7.8%)	0.0%	(48.1%)	(1.9%)	3.7%	3.6%
Expenditure												
% Increase in Total Operating Expenditure			0.0%	15.3%	(11.3%)	(12.8%)	11.3%	0.0%	(40.0%)	(17.0%)	0.4%	6.1%
% Increase in Employee Costs			0.0%	13.4%	13.5%	10.6%	3.9%	0.0%	(38.0%)	(5.9%)	12.1%	3.2%
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)			0	282553.8103	484083.6022	769941.7968	1024833.048	864888.0058	496373.3636	752718.016	1081161.082	941622.5665
Average Cost Per Councillor (Remuneration)			0	442971.3871	466201.5645	470233.8226	0	292046.2419	501974.6129	518539.8065	0	0
R&M % of PPE			10.1%	8.9%	16.3%	8.5%	11.8%	11.8%	7.1%	7.1%	6.8%	9.8%
Asset Renewal and R&M as a % of PPE			11.4%	10.6%	17.4%	8.5%	11.8%	11.8%	7.1%	7.1%	6.8%	14.0%
Debt Impairment % of Total Billable Revenue			0.0%	50.9%	31.5%	31.1%	42.7%	42.7%	0.0%	34.7%	34.6%	34.4%
Capital Revenue												
Internally Funded & Other (R'000)			52 958	119 689	-	83 274	65 330	65 330	19 068	89 850	59 550	68 600
Borrowing (R'000)			-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)			46 701	(46 416)	-	78 469	78 446	78 446	45 438	75 054	97 418	100 736
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	0.0%	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			46.9%	(63.3%)	0.0%	48.5%	54.6%	54.6%	70.4%	45.5%	62.1%	59.5%
Capital Expenditure												
Total Capital Programme (R'000)			99 659	73 273	803 332	161 743	143 776	143 776	64 505	164 904	156 968	169 336
Asset Renewal			4 693	7 544	4 693	-	-	-	-	-	-	17 365
Asset Renewal % of Total Capital Expenditure			4.7%	10.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.3%
Cash												
Cash Receipts % of Rate Payer & Other			13.4%	67.9%	108.9%	33.3%	31.7%	31.7%	14.5%	88.7%	100.6%	100.6%
Cash Coverage Ratio			(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	-	-
Borrowing												
Most recent Credit Rating										0		
Capital Charges to Operating			0.5%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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			(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052
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%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			442 713	422 705	452 035	501 018	525 201	525 201	344 013	474 585	463 508	494 520
Total Operating Expenditure			515 624	594 260	527 189	459 546	511 564	511 564	307 089	424 560	426 429	452 380
Surplus/(Deficit) Budgeted Operating Statement			(72 911)	(171 555)	(75 154)	41 472	13 636	13 636	36 924	50 025	37 079	42 140
Surplus/(Deficit) Considering Reserves and Cash Backing			(181 668)	(352 917)	(339 972)	(206 131)	(193 801)	(193 801)	(161 660)	31 464	69 382	80 052
MTREF Funded (1) / Unfunded (0)	15		0	0	0	0	0	0	0	1	1	1
MTREF Funded ✓ / Unfunded ✗	15		✗	✗	✗	✗	✗	✗	✗	✓	✓	✓



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3.6.5 Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

3.6.6 Legislation compliance status

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

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.
2. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed six interns undergoing training in various divisions of the Budget and Treasury Department, Risk management and Audit section. Since the introduction of the Internship programme the municipality has successfully trained 22 interns and employed 10 of the total trained on permanent positions. Three of this total was permanently employed by the district municipality and two was recently employed by our municipality.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP is and aligned with the 2026/27 budget & MTREF.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training
The MFMA training module in electronic format is presented at the municipality and training is ongoing.
8. Policies
An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

3.7 Expenditure on allocations and grants programmes

Table 30 MBRR SA18 - Transfers and Grants Received

LIM473 Makhuduthamaga - Supporting Table SA18 Transfers and grant receipts

LIM473 Makhuduthamaga - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS	1.2									
Operating										
<u>National Government</u>										
Monetary Allocations										
Local Government Equitable Share	-	324 200	344 706	363 154	361 580	361 580	361 580	353 718	350 643	376 368
EPWP Incentive	-	1 925	3 708	6 356	2 443	2 443	2 443	2 590	-	-
Municipal Drought Relief	-	-	-	-	-	9 160	9 160	-	-	-
Finance Management	-	1 720	3 440	5 240	1 900	1 900	1 900	2 000	2 200	2 300
Municipal Infrastructure Grant	-	-	-	-	3 820	3 843	3 843	3 900	4 000	4 100
Total Monetary Allocations		327 845	351 854	374 750	369 743	378 926	378 926	362 208	356 843	382 768
Total Operating/National Government		327 845	351 854	374 750	369 743	378 926	378 926	362 208	356 843	382 768
Limpopo_DC 47 - Sekhukhune_Infrastructure_Specify (Add grant description)_Rece	-	-	2 620	6 447	40 000	40 000	40 000	20 000 000	-	-
Total Operating/District Municipalities		-	2 620	6 447	40 000	40 000	40 000	20 000	-	-
National Departmental Agencies_Construction, Education and Training SETA_Rece	-	170	170	418	-	-	-	-	-	-
Allocations In-kind										
Total Operating/Other Grant Providers		170	170	418	-	-	-	-	-	-
Total Operating	5	328 015	354 644	381 615	409 743	418 926	418 926	362 208 000	356 843 000	382 768 000
Municipal Infrastructure Grant (MIG)	-	94 915	189 024	286 882	73 033	73 010	73 010	73 918 000	82 443 000	85 084 000
Integrated National Electrification Programme Grant	-	6 000 000	27 350 000	37 720 000	5 436 000	5 436 000	5 436 000	-	-	-
Monetary Allocations										
Total Capital	5	94 915	189 024	286 882	73 033	73 010	73 010	-	-	-
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		422 930	543 668	668 497	482 776	491 936	491 936	362 208	356 843	382 768

Table 31 MBRR SA19 - Expenditure on Transfers & Grants

LIM473 Makhuduthamaga - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Local Government Equitable Share	-	324 200	344 706	363 154	361 580	361 580	361 580	353 718	350 643	376 368
EPWP Incentive	-	1 925	3 708	6 356	2 443	2 443	2 443	2 590	-	-
Municipal Drought Relief	-	-	-	-	-	9 160	9 160	-	-	-
Finance Management	-	1 720	3 440	5 240	1 900	1 900	1 900	2 000	2 200	2 300
Municipal Infrastructure Grant	-	-	-	-	3 820	3 843	3 843	3 900	4 000	4 100
Total Monetary Allocations		327 845	351 854	374 750	369 743	378 926	378 926	362 208	356 843	382 768
Total Operating/National Government		327 845	351 854	374 750	369 743	378 926	378 926	362 208	356 843	382 768
Limpopo-DC 47 - Sekhukhune-Infrastructure	-	-	2 227	8 039	40 000	40 000	40 000	20 000	-	-
National Departmental Agencies-Construction, Education and Training SETA-Transferred to Revenue/Capital Expenditure	-	98 636	98 636	98 636	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants		327 845	351 854	374 750	369 743	378 926	378 926	362 208	356 843	382 768
Integrated National Electrification Programme Grant	-	-	-	-	5 436	5 436	5 436	-	-	-
Municipal Infrastructure Grant	-	(92 200)	(182 809)	(277 023)	73 033	73 010	73 010	73 918	82 443	85 084
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		327 845	351 854	374 750	369 743	378 926	378 926	362 208	356 843	382 768



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Table 32 MBRR SA 20 – Reconciliation of transfers, grant receipts and unspent funds

LIM473 Makhuduthamaga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent fund

LIM473 Makhuduthamaga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Operating transfers and grants:	1,3									
Monetary Allocations										
Balance unspent at beginning of the year										
Current year receipts		3 645	7 148	11 596	8 163	17 346	17 346	8 490	6 200	6 400
Repayment of grants										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		3 645	7 148	11 596	8 163	17 346	17 346	8 490	6 200	6 400
Current year receipts		-	-	2 620	6 447	40 000	40 000	40 000	20 000	-
Conditions met - transferred to revenue		-	-	2 620	6 447	40 000	40 000	40 000	20 000	-
Current year receipts		170	170	418	-	-	-	-	-	-
Conditions met - transferred to revenue		170	170	418	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		170	170	3 038	6 447	40 000	40 000	40 000	20 000	-
Total operating transfers and grants - CTBM	2	3 645	7 148	11 596	8 163	17 346	17 346	8 490	6 200	6 400
Capital transfers and grants:	1,3									
TOTAL TRANSFERS AND GRANTS REVENUE		170	170	3 038	6 447	40 000	40 000	40 000	20 000	-
TOTAL TRANSFERS AND GRANTS - CTBM		3 645	7 148	11 596	8 163	17 346	17 346	8 490	6 200	6 400



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3.8 Allocations and grants made by the municipality.

Our municipality does not have any allocations any grants transferred to other municipalities or entities as indicated by the table below.

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Monetary Transfers to Entities/Other External Mechanisms											
SMME's	2	73	71	14	104	104	104	16	110	120	130
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Monetary Transfers To Entities/Ems'		73	71	14	104	104	104	16	110	120	130
Monetary Transfers to Groups of Individuals											
SMME's		5 798	9 006	7 311	10 623	10 923	10 923	4 295	7 900	8 800	8 600
		-	-	-	-	-	-	-	-	-	-
Total Monetary Transfers To Groups Of Individuals:		5 798	9 006	7 311	10 623	10 923	10 923	4 295	7 900	8 800	8 600
TOTAL Monetary TRANSFERS AND GRANTS	6	5 871	9 077	7 325	10 728	11 028	11 028	4 311	8 010	8 920	8 730
TOTAL TRANSFERS AND GRANTS	6	5 871	9 077	7 325	10 728	11 028	11 028	4 311	8 010	8 920	8 730



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3.9 Councilors and employee benefits

Table 33 MBRR SA22 - Summary of councilors and staff benefits

R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
		13 588	15 646	15 712	16 413	16 413	16 413	17 521	18 099	18 678
		2 526	3 283	2 909	3 061	3 061	3 061	3 267	3 375	3 483
		296	460	461	594	594	594	634	655	676
		4 935	5 671	5 709	5 995	6 245	6 245	6 667	6 887	7 107
		21 345	25 060	24 791	26 063	26 313	26 313	28 089	29 016	29 944
Total Allowances and Service Related Benefits										
Social Contributions										
		-	-	-	-	-	-	-	-	-
		2 467	2 757	2 673	2 842	2 842	2 842	3 034	3 134	3 234
		2 467	2 757	2 673	2 842	2 842	2 842	3 034	3 134	3 234
		23 812	27 817	27 464	28 904	29 154	29 154	31 122	32 149	33 178
			16.8%	(1.3%)	5.2%	0.9%	-	6.8%	3.3%	3.2%
% increase										
Senior Managers of the Municipality										
Salaries and Allowances										
		3 085	2 904	4 198	5 451	5 896	5 896	6 342	6 551	6 761
		-	155	(91)	104	104	104	111	115	119
		3 085	3 059	4 107	5 555	6 000	6 000	6 453	6 666	6 880
Allowance										
		-	-	-	-	-	-	-	-	-
		104	96	123	169	245	245	187	194	200
		68	19	46	73	212	212	294	303	313
		-	20	-	-	-	-	-	-	-
		1 106	987	1 475	1 421	1 958	1 958	1 771	1 829	1 888
		-	-	-	-	-	-	-	-	-
		1 277	1 121	1 645	1 663	2 415	2 415	2 252	2 326	2 401
		1 277	1 121	1 645	1 663	2 415	2 415	2 252	2 326	2 401
Total Allowance										
Service Related Benefits										
		-	-	-	46	46	46	49	51	52
		3	73	-	46	76	76	49	51	52
		4 365	4 255	5 752	7 264	8 491	8 491	8 754	9 043	9 332
		4 365	4 255	5 752	7 264	8 491	8 491	8 754	9 043	9 332
Total Service Related Benefits										
Total Salaries and Allowances										
		1	0	1	1	1	1	1	1	1
		-	-	-	-	-	-	-	-	-
		438	373	479	549	552	552	526	543	561
		469	270	276	317	370	370	439	454	468
		9	16	53	13	65	65	14	14	14
		918	659	809	879	988	988	980	1 012	1 044
		918	659	809	879	988	988	980	1 012	1 044
Total Social Contributions										
Post-retirement Benefit										
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		5 283	4 914	6 561	8 143	9 479	9 479	9 734	10 055	10 377
		5 283	4 914	6 561	8 143	9 479	9 479	9 734	10 055	10 377
Total Post-retirement Benefit										
			(7.0%)	33.5%	24.1%	16.4%	-	2.7%	3.3%	3.2%
			(7.0%)	33.5%	24.1%	16.4%	-	2.7%	3.3%	3.2%
% increase										
Other Municipal Staff										
Salaries and Allowances										
		54 663	63 320	71 175	84 329	85 990	85 990	74 467	89 354	92 197
Allowance										
		2 276	2 624	2 948	3 065	2 975	2 975	3 020	3 120	3 220
		3 076	3 483	4 151	4 136	4 370	4 370	4 489	4 637	4 785
		-	20	24	-	-	-	-	-	-
		11 742	13 561	15 637	14 872	15 211	15 211	16 237	16 773	17 309
		11 742	13 561	15 637	14 872	15 211	15 211	16 237	16 773	17 309
Total Allowance										
Service Related Benefits										
		241	559	367	255	160	160	171	177	182
		4 680	4 485	6 042	6 260	8 207	8 207	8 488	8 785	9 082
		19	254	1 096	751	284	284	303	313	323
		-	-	-	-	-	-	-	-	-
		-	-	-	816	639	639	956	987	1 019
		2 146	2 290	1 629	1 123	1 260	1 260	1 345	1 389	1 434
		32	61	57	70	85	85	90	93	96
		1 182	1 025	1 467	45	443	443	-	-	-
		8 300	8 674	10 658	9 320	11 078	11 078	11 353	11 744	12 136
		8 300	8 674	10 658	9 320	11 078	11 078	11 353	11 744	12 136
Total Service Related Benefits										
Total Salaries and Allowances										
		24	28	30	38	36	36	37	38	39
		5 044	5 845	6 115	6 674	6 892	6 892	7 599	7 599	7 842
		10 373	11 808	12 406	12 871	13 018	13 018	13 463	13 907	14 352
		391	440	513	530	577	577	603	623	643
		15 833	18 121	19 064	20 114	20 523	20 523	21 459	22 167	22 877
		15 833	18 121	19 064	20 114	20 523	20 523	21 459	22 167	22 877
Total Social Contributions										
Post-retirement Benefit										
		95 891	109 803	123 658	135 836	140 147	140 147	131 025	147 795	152 524
			14.5%	12.6%	9.8%	3.2%	-	(6.5%)	12.8%	3.2%
			14.5%	12.6%	9.8%	3.2%	-	(6.5%)	12.8%	3.2%
% increase										
Total Parent Municipality										
		124 986	142 534	157 683	172 884	178 780	178 780	171 881	189 999	196 079
		124 986	142 534	157 683	172 884	178 780	178 780	171 881	189 999	196 079
TOTAL SALARY, ALLOWANCES & BENEFITS										
			14.0%	10.6%	9.6%	3.4%	-	(3.9%)	10.5%	3.2%
			14.0%	10.6%	9.6%	3.4%	-	(3.9%)	10.5%	3.2%
% increase										
TOTAL MANAGERS AND STAFF										
		101 174	114 717	130 218	143 979	149 626	149 626	140 758	157 850	162 901
		101 174	114 717	130 218	143 979	149 626	149 626	140 758	157 850	162 901



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2.9 The following table SA23 indicates the remuneration for the political office bearers.

LIM473 Makhuduthamaga - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.					2.
Councillors	3							
Speaker	4		764 689	211 636	57 570	-	-	1 033 895
Chief Whip			515 186	370 232	56 736	-	-	942 154
Executive Mayor			686 603	493 416	58 755	-	-	1 238 774
Deputy Executive Mayor			-	-	-	-	-	-
Executive Committee			5 271 738	2 619 221	455 639	-	-	8 346 598
Total for all other councillors			12 825 285	5 807 721	927 995	-	-	19 561 001
Total Councillors	8	-	20 063 501	9 502 226	1 556 695			31 122 422
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 414 572	108 000	378 510			1 901 082
Chief Finance Officer			879 242	66 000	492 747			1 437 989
Senior Managers-Corporate Services			813 089	221 822	403 078			1 437 989
Senior Managers-Infrastructure Development			732 711	91 258	486 720			1 310 689
Senior Managers- Community Services			804 743	217 197	416 049			1 437 989
Senior Managers- Economic Development & Planning			806 251	242 524	389 125			1 437 900
Senior Managers- Exective Support			781 719	74 934	454 036			1 310 689
Total Senior Managers of the Municipality	8,10	-	6 232 327	1 021 735	3 020 265	-		10 274 327
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	26 295 828	10 523 961	4 576 960	-		41 396 749



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3. SA24 Indicates the Personnel Numbers

LIM473 Makhuduthamaga - Supporting Table SA24 Summary of personnel numbers											
Summary of Personnel Numbers		Ref	2024/25			Current Year 2025/26			Budget Year 2026/27		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)			62	62	-	62	62	-	62	62	-
Municipal Manager and Senior Managers		3	6	6	-	7	7	-	7	7	-
Other Managers		7	-	-	-	-	-	-	-	-	-
Professionals			104	104	101	115	104	112	115	104	112
Finance			48	48	48	44	48	44	44	48	44
Spatial/town planning			9	9	8	9	9	8	9	9	8
Information Technology			4	4	4	4	4	4	4	4	4
Roads			6	6	4	6	6	4	6	6	4
Electricity			1	1	1	1	1	1	1	1	1
Other			36	36	36	85	40	85	85	40	85
Clerks (Clerical and administrative)			31	31	27	31	31	27	31	31	27
TOTAL PERSONNEL NUMBERS		9	203	203	128	249	208	173	249	208	173
% increase						22.7%	2.5%	35.2%	-	-	-



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3.10 Monthly targets for revenue, expenditure and cash flow

The following tables shows how the municipality is planning to receive its budgeted revenue and spend funds appropriated per cost center, standard classification and the cash inflow and out flowper month.

Table 364 MBRR SA25 - Budgeted monthly revenue and expenditure

LIM473 Makhuduthamaga - Supporting Table SA25 Budgeted monthly revenue and expenditure																
Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue																
Exchange Revenue																
Service charges - Waste Management		50	50	50	50	50	50	50	50	50	50	50	50	600	750	900
Sale of Goods and Rendering of Services		356	356	356	356	356	356	356	356	356	356	356	356	4 267	16 815	17 702
Agency services		758	758	758	758	758	758	758	758	758	758	758	758	9 100	8 300	8 600
Interest earned from Current and Non Current Assets		367	367	367	367	367	367	367	367	367	367	367	367	4 400	4 900	5 300
Rental from Fixed Assets		26	26	26	26	26	26	26	26	26	26	26	26	310	500	550
Non-Exchange Revenue																
Property rates		4 750	4 750	4 750	4 750	4 750	4 750	4 750	4 750	4 750	4 750	4 750	4 750	57 000	59 000	61 000
Fines, penalties and forfeits		225	225	225	225	225	225	225	225	225	225	225	225	2 700	1 900	2 200
Transfer and subsidies - Operational		31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	382 208	356 843	382 768
Interest		1 167	1 167	1 167	1 167	1 167	1 167	1 167	1 167	1 167	1 167	1 167	1 167	14 000	14 500	15 500
Total Revenue (excluding capital transfers and contributions)		39 549	39 549	39 549	39 549	39 549	39 549	39 549	39 549	39 549	39 549	39 549	39 549	474 585	463 508	494 520
Expenditure																
Employee related costs		11 730	11 730	11 730	11 730	11 730	11 730	11 730	11 730	11 730	11 730	11 730	11 730	140 758	157 850	162 901
Remuneration of councillors		2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	31 122	32 149	33 178
Inventory consumed		67	67	67	67	67	67	67	67	67	67	67	67	800	600	450
Debt impairment		1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	20 000	20 660	21 321
Depreciation, amortisation and impairment		3 195	3 195	3 195	3 195	3 195	3 195	3 195	3 195	3 195	3 195	3 195	3 195	38 344	39 610	40 877
Contracted services		11 339	11 339	11 339	11 339	11 339	11 339	11 339	11 339	11 339	11 339	11 339	11 339	136 070	114 710	131 415
Transfers and subsidies		668	668	668	668	668	668	668	668	668	668	668	668	8 010	8 920	8 730
Irrecoverable debts written off		167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 066	2 132
Operational costs		3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	3 955	47 455	49 864	51 376
Total Expenditure		35 380	35 380	35 380	35 380	35 380	35 380	35 380	35 380	35 380	35 380	35 380	35 380	424 560	426 429	452 380
Surplus/(Deficit)		4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	50 025	37 079	42 140
Transfers and subsidies - capital (monetary allocations)		6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	73 918	82 443	85 084
Surplus/(Deficit) after capital transfers & contributions		10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	123 943	119 522	127 224
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	123 943	119 522	127 224
Surplus/(Deficit) attributable to municipality		10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	123 943	119 522	127 224
Surplus/(Deficit) for the year	1	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	10 329	123 943	119 522	127 224

Table 37 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

LIM473 Makhuduthamaga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand																
Revenue by Vote																
Vote 2 - Finance & Administration		43 584	43 584	43 584	43 584	43 584	43 584	43 584	43 584	43 584	43 584	43 584	43 584	523 003	541 151	574 604
Vote 8 - Road Transport		458	458	458	458	458	458	458	458	458	458	458	458	5 500	4 800	5 000
Vote 12 - Water Management		1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	20 000	-	-	
Total Revenue by Vote		45 709	45 709	45 709	45 709	45 709	45 709	45 709	45 709	45 709	45 709	45 709	45 709	548 503	545 951	579 604
Expenditure by Vote to be appropriated																
Vote 1 - Executive & Council		5 983	5 983	5 983	5 983	5 983	5 983	5 983	5 983	5 983	5 983	5 983	5 983	71 791	74 161	76 534
Vote 2 - Finance & Administration		11 070	11 070	11 070	11 070	11 070	11 070	11 070	11 070	11 070	11 070	11 070	11 070	132 839	145 764	151 049
Vote 3 - Finance & Administration 2		3 107	3 107	3 107	3 107	3 107	3 107	3 107	3 107	3 107	3 107	3 107	3 107	37 289	39 040	40 292
Vote 4 - Community and Social Services		3 093	3 093	3 093	3 093	3 093	3 093	3 093	3 093	3 093	3 093	3 093	3 093	37 115	42 532	39 556
Vote 5 - Planning and Development		1 895	1 895	1 895	1 895	1 895	1 895	1 895	1 895	1 895	1 895	1 895	1 895	22 743	24 393	25 738
Vote 6 - Internal Audit		203	203	203	203	203	203	203	203	203	203	203	203	2 440	2 532	2 625
Vote 7 - Energy Sources		344	344	344	344	344	344	344	344	344	344	344	344	4 127	3 714	4 301
Vote 8 - Road Transport		4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	49 856	46 973	59 092
Vote 9 - Public Safety		34	34	34	34	34	34	34	34	34	34	34	34	413	427	440
Vote 10 - Waste Management		1 954	1 954	1 954	1 954	1 954	1 954	1 954	1 954	1 954	1 954	1 954	1 954	23 447	23 634	27 733
Vote 11 - Sports & Recreation		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 000	1 000
Vote 12 - Water Management		1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	20 000	-	-
Vote 14 - Housing		125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 600	2 700
Total Expenditure by Vote		33 713	33 713	33 713	33 713	33 713	33 713	33 713	33 713	33 713	33 713	33 713	33 713	404 560	405 769	431 059
Surplus/(Deficit) before assoc.		11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	143 943	140 182	148 545
Surplus/(Deficit)	1	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	11 995	143 943	140 182	148 545



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Table 38 MBRR SA27 - Budgeted monthly revenue and expenditure (Standard classification)

LIM473 Makhuduthamaga - Supporting Table SA27 Bu 0

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>		44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	535 187	549 290	573 362
Finance and administration		44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	44 599	535 187	549 290	573 362
<i>Economic and environmental services</i>		358	358	358	358	358	358	358	358	358	358	358	358	4 300	4 500	4 700
Road transport		358	358	358	358	358	358	358	358	358	358	358	358	4 300	4 500	4 700
<i>Trading services</i>		3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	40 000	40 000	40 000
Water management		3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	40 000	40 000	40 000
Total Revenue - Functional		48 291	48 291	48 291	48 291	48 291	48 291	48 291	48 291	48 291	48 291	48 291	48 291	579 487	593 790	618 062
Expenditure - Functional																
<i>Governance and administration</i>		21 161	21 161	21 161	21 161	21 161	21 161	21 161	21 161	21 161	21 161	21 161	21 161	253 937	241 527	248 568
Executive and council		5 922	5 922	5 922	5 922	5 922	5 922	5 922	5 922	5 922	5 922	5 922	5 922	71 061	76 019	78 772
Finance and administration		14 791	14 791	14 791	14 791	14 791	14 791	14 791	14 791	14 791	14 791	14 791	14 791	177 489	159 879	164 026
Internal audit		449	449	449	449	449	449	449	449	449	449	449	449	5 387	5 630	5 770
<i>Community and public safety</i>		3 738	3 738	3 738	3 738	3 738	3 738	3 738	3 738	3 738	3 738	3 738	3 738	44 853	44 019	46 082
Community and social services		3 392	3 392	3 392	3 392	3 392	3 392	3 392	3 392	3 392	3 392	3 392	3 392	40 703	41 153	42 182
Sport and recreation		108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 000	1 025
Public safety		29	29	29	29	29	29	29	29	29	29	29	29	350	366	375
Housing		208	208	208	208	208	208	208	208	208	208	208	208	2 500	1 500	2 500
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		7 155	7 155	7 155	7 155	7 155	7 155	7 155	7 155	7 155	7 155	7 155	7 155	85 854	75 542	87 180
Planning and development		2 322	2 322	2 322	2 322	2 322	2 322	2 322	2 322	2 322	2 322	2 322	2 322	27 862	26 467	27 129
Road transport		4 766	4 766	4 766	4 766	4 766	4 766	4 766	4 766	4 766	4 766	4 766	4 766	57 192	48 865	59 837
Environmental protection		67	67	67	67	67	67	67	67	67	67	67	67	800	209	214
<i>Trading services</i>		6 242	6 242	6 242	6 242	6 242	6 242	6 242	6 242	6 242	6 242	6 242	6 242	74 902	77 055	77 981
Energy sources		506	506	506	506	506	506	506	506	506	506	506	506	6 074	5 257	5 389
Water management		3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	40 000	40 000	40 000
Waste management		2 402	2 402	2 402	2 402	2 402	2 402	2 402	2 402	2 402	2 402	2 402	2 402	28 828	31 797	32 592
Total Expenditure - Functional		38 296	38 296	38 296	38 296	38 296	38 296	38 296	38 296	38 296	38 296	38 296	38 296	459 546	438 142	459 812
Surplus/(Deficit) before assoc.		9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	119 941	155 648	158 250
Surplus/(Deficit)	1	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	9 995	119 941	155 648	158 250

Table 39 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Multi-year expenditure to be appropriated	1															
Single-year expenditure to be appropriated																
Vote 2 - Finance & Administration		342	342	342	342	342	342	342	342	342	342	342	342	4 100	-	-
Vote 3 - Finance & Administration 2		125	125	125	125	125	125	125	125	125	125	125	125	1 500	800	850
Vote 7 - Energy Sources		778	778	778	778	778	778	778	778	778	778	778	778	9 336	14 975	15 652
Vote 8 - Road Transport		12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	145 468	141 193	135 469
Vote 10 - Waste Management		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Vote 14 - Housing		292	292	292	292	292	292	292	292	292	292	292	292	3 500	-	-
Capital single-year expenditure sub-total	2	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	164 904	156 968	169 336
Total Capital Expenditure	2	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	164 904	156 968	169 336

Table 40 MBRR SA29 - Budgeted monthly capital expenditure (Standard classification)

LIM473 Makhuduthamaga - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

LIM473 Makhuduthamaga - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		467	467	467	467	467	467	467	467	467	467	467	467	5 600	800	850
Finance and administration		467	467	467	467	467	467	467	467	467	467	467	467	5 600	800	850
<i>Community and public safety</i>		292	292	292	292	292	292	292	292	292	292	292	292	3 500	-	17 365
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	17 365
Housing		292	292	292	292	292	292	292	292	292	292	292	292	3 500	-	-
<i>Economic and environmental services</i>		12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	145 468	141 193	135 469
Road transport		12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	12 122	145 468	141 193	135 469
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		861	861	861	861	861	861	861	861	861	861	861	861	10 336	14 975	15 652
Energy sources		778	778	778	778	778	778	778	778	778	778	778	778	9 336	14 975	15 652
Waste management		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Total Capital Expenditure - Functional	2	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	164 904	156 968	169 336
Funded by:																
National Government		6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	75 054	97 418	100 736
Transfers recognised - capital		6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	6 255	75 054	97 418	100 736
Internally generated funds		7 488	7 488	7 488	7 488	7 488	7 488	7 488	7 488	7 488	7 488	7 488	7 488	89 850	59 550	68 600
Total Capital Funding		13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	164 904	156 968	169 336



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Table 41 MBRR SA30 - Budgeted monthly cash flow (Standard classification)

LIM473 Makhuduthamaga - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand															
Cash Receipts By Source													1		
Property rates	4 038	4 038	4 038	4 038	4 038	4 038	4 038	4 038	4 038	4 038	4 038	4 038	48 450	59 000	61 000
Service charges - refuse revenue	43	43	43	43	43	43	43	43	43	43	43	43	510	750	900
Rental of facilities and equipment	26	26	26	26	26	26	26	26	26	26	26	26	310	500	550
Interest earned - external investments	367	367	367	367	367	367	367	367	367	367	367	367	4 400	4 900	5 300
Fines, penalties and forfeits	225	225	225	225	225	225	225	225	225	225	225	225	2 700	1 900	2 200
Agency services	758	758	758	758	758	758	758	758	758	758	758	758	9 100	8 300	8 600
Transfers and Subsidies - Operational	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	382 208	356 843	382 768
Other revenue	356	356	356	356	356	356	356	356	356	356	356	356	4 267	16 815	17 702
Cash Receipts by Source	37 662	37 662	37 662	37 662	37 662	37 662	37 662	37 662	37 662	37 662	37 662	37 662	451 945	449 008	479 020
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	73 918	82 443	85 084
Total Cash Receipts by Source	43 822	43 822	43 822	43 822	43 822	43 822	43 822	43 822	43 822	43 822	43 822	43 822	525 863	531 451	564 104
Cash Payments by Type															
Employee related costs	11 855	11 855	11 855	11 855	11 855	11 855	11 855	11 855	11 855	11 855	11 855	11 855	142 257	159 398	164 499
Remuneration of councillors	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	2 594	31 122	32 149	33 178
	96	96	96	96	96	96	96	96	96	96	96	96	1 150	1 188	1 226
Contracted services	11 402	11 402	11 402	11 402	11 402	11 402	11 402	11 402	11 402	11 402	11 402	11 402	136 822	131 916	133 127
Transfers and subsidies - other	350	350	350	350	350	350	350	350	350	350	350	350	4 200	4 300	4 400
Other expenditure	4 212	4 212	4 212	4 212	4 212	4 212	4 212	4 212	4 212	4 212	4 212	4 212	50 539	53 162	54 766
Cash Payments by Type	30 507	30 507	30 507	30 507	30 507	30 507	30 507	30 507	30 507	30 507	30 507	30 507	366 090	382 113	391 196
Other Cash Flows/Payments by Type															
Capital assets	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	13 742	164 904	161 730	180 749
Total Cash Payments by Type	44 249	44 249	44 249	44 249	44 249	44 249	44 249	44 249	44 249	44 249	44 249	44 249	530 994	543 843	571 945
NET INCREASE/(DECREASE) IN CASH HELD	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(428)	(3 131)	7 608	15 159
Cash/cash equivalents at the monthly year begin:	4 396	3 969	3 541	3 113	2 686	2 258	1 831	1 403	976	548	120	(307)	4 396	1 265	8 873
Cash/cash equivalents at the monthly year end:	3 969	3 541	3 113	2 686	2 258	1 831	1 403	976	548	120	(307)	(735)	1 265	8 873	24 032



3.11 Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium- term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

3.12 Capital expenditure details

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

Table 42 MBRR SA 34a - Capital expenditure on new assets by asset class

LIM473 Makhuduthamaga - Supporting Table SA34a Capital expenditure on new assets by asset class



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LIM473 Makhuduthamaga - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		475 798	535 834	578 032	150 469	137 346	137 346	156 604	156 168	151 121
Roads Infrastructure		462 750	517 316	560 603	142 033	130 010	130 010	145 468	141 193	135 469
<i>Roads</i>		39 215	19 165	62 452	124 033	127 510	127 510	132 468	127 693	118 219
<i>Road Structures</i>		423 535	498 151	498 151	18 000	2 500	2 500	13 000	13 500	17 250
Electrical Infrastructure		10 341	13 528	13 528	6 436	6 436	6 436	9 336	14 975	15 652
<i>MV Networks</i>		10 341	13 528	13 528	-	-	-	-	-	-
<i>LV Networks</i>		-	-	-	6 436	6 436	6 436	9 336	14 975	15 652
Solid Waste Infrastructure		2 707	4 991	3 901	2 000	900	900	1 800	-	-
<i>Landfill Sites</i>		2 707	4 991	3 901	2 000	900	900	1 800	-	-
Community Assets		34 831	36 152	36 587	-	-	-	-	-	-
Community Facilities		34 831	36 152	36 587	-	-	-	-	-	-
<i>Centres</i>		2 257	2 257	2 257	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	434	-	-	-	-	-	-
<i>Markets</i>		32 573	33 895	33 895	-	-	-	-	-	-
Other assets		70 062	78 873	81 926	2 100	2 100	2 100	2 700	-	-
Operational Buildings		69 586	77 218	81 926	-	-	-	1 300	-	-
<i>Municipal Offices</i>		63 975	70 377	74 881	-	-	-	1 300	-	-
<i>Workshops</i>		5 611	6 841	7 045	-	-	-	-	-	-
Housing		476	1 655	-	2 100	2 100	2 100	1 400	-	-
<i>Staff Housing</i>		476	1 655	-	2 100	2 100	2 100	1 400	-	-
Intangible Assets		8 215	10 216	2 001	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		8 215	10 216	2 001	-	-	-	-	-	-
<i>Computer Software and Applications</i>		8 215	10 216	2 001	-	-	-	-	-	-
Computer Equipment		33 436	30 135	30 087	2 000	2 000	2 000	1 500	800	850
Computer Equipment		33 436	30 135	30 087	2 000	2 000	2 000	1 500	800	850
Furniture and Office Equipment		10 510	9 148	10 546	1 700	1 700	1 700	300	-	-
Furniture and Office Equipment		10 510	9 148	10 546	1 700	1 700	1 700	300	-	-
Machinery and Equipment		179	179	-	474	630	630	-	-	-
Machinery and Equipment		179	179	-	474	630	630	-	-	-
Transport Assets		44 122	47 037	58 196	5 000	-	-	3 800	-	-
Transport Assets		44 122	47 037	58 196	5 000	-	-	3 800	-	-
Land		1 265	1 265	1 265	-	-	-	-	-	-
Land		1 265	1 265	1 265	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	678 418	748 839	798 640	161 743	143 776	143 776	164 904	156 968	151 971

Table 43 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

LIM473 Makhuduthamaga - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing	1	-	-	-	-	-	-	-	-	-
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table 44 MBRR SA34c - Repairs and maintenance expenditure by asset class

LIM473 Makhuduthamaga - Supporting Table SA34c Repairs and maintenance expenditure by asset class

LIM473 Makhuduthamaga - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		2 786	2 361	37 362	22 000	22 000	22 000	16 500	12 000	23 500
Roads Infrastructure		–	917	35 000	20 000	20 000	20 000	15 000	11 000	22 000
Roads		–	917	35 000	20 000	20 000	20 000	15 000	11 000	22 000
Electrical Infrastructure		2 786	1 444	2 362	2 000	2 000	2 000	1 500	1 000	1 500
Power Plants		2 786	1 444	2 362	2 000	2 000	2 000	1 500	1 000	1 500
Cemeteries/Crematoria		957	–	–	1 000	–	–	–	–	–
Other assets		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Operational Buildings		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Building Plan Offices		3 974	3 550	3 907	2 500	2 500	2 500	1 500	1 600	2 700
Computer Equipment		16 821	14 820	13 714	8 000	18 000	18 000	9 000	9 297	9 595
Computer Equipment		16 821	14 820	13 714	8 000	18 000	18 000	9 000	9 297	9 595
Machinery and Equipment		10 982	19 021	15 046	6 000	12 000	12 000	4 500	4 649	4 797
Machinery and Equipment		10 982	19 021	15 046	6 000	12 000	12 000	4 500	4 649	4 797
Total Repairs and Maintenance Expenditure	1	35 519	39 751	70 028	39 500	54 500	54 500	31 500	27 546	40 592
R&M as a % of PPE & Investment Property		10.1%	8.9%	16.3%	8.5%	11.8%	11.8%	7.1%	6.8%	9.8%
R&M as % Operating Expenditure		6.9%	6.7%	13.3%	8.6%	10.7%	10.7%	10.3%	6.5%	9.5%

Table 45 MBRR SA34d – Depreciation by Asset class

LIM473 Makhuduthamaga - Supporting Table SA34d Depreciation by asset class

LIM473 Makhuduthamaga - Supporting Table SA34d Depreciation by asset class										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Depreciation by Asset Class/Sub-class										
Infrastructure		19 434	19 514	22 013	22 758	22 728	22 728	23 569	24 347	25 126
Roads Infrastructure		18 693	19 097	21 372	22 056	22 056	22 056	22 872	23 626	24 382
<i>Roads</i>		18 693	19 097	21 372	22 056	22 056	22 056	22 872	23 626	24 382
Electrical Infrastructure		486	391	601	653	633	633	656	678	699
<i>LV Networks</i>		486	391	601	653	633	633	656	678	699
Solid Waste Infrastructure		255	26	40	50	40	40	41	42	44
<i>Landfill Sites</i>		255	26	40	50	40	40	41	42	44
Community Assets		1 060	1 416	1 453	1 579	1 499	1 499	1 555	1 606	1 657
Community Facilities		1 060	1 416	1 453	1 579	1 499	1 499	1 555	1 606	1 657
<i>Stalls</i>		1 060	1 416	1 453	1 579	1 499	1 499	1 555	1 606	1 657
Other assets		2 705	3 299	3 823	3 952	4 062	4 062	4 212	4 351	4 491
Operational Buildings		2 705	3 299	3 823	3 952	4 062	4 062	4 212	4 351	4 491
<i>Municipal Offices</i>		2 705	3 299	3 823	3 952	4 062	4 062	4 212	4 351	4 491
Intangible Assets		77	367	666	710	1 190	1 190	1 234	1 275	1 315
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		77	367	666	710	1 190	1 190	1 234	1 275	1 315
<i>Computer Software and Applications</i>		77	367	666	710	1 190	1 190	1 234	1 275	1 315
Computer Equipment		2 231	3 054	3 213	3 515	3 215	3 215	3 333	3 443	3 554
Computer Equipment		2 231	3 054	3 213	3 515	3 215	3 215	3 333	3 443	3 554
Furniture and Office Equipment		535	636	726	725	835	835	866	895	923
Furniture and Office Equipment		535	636	726	725	835	835	866	895	923
Transport Assets		2 528	3 193	3 603	3 612	4 412	4 412	3 575	3 693	3 812
Transport Assets		2 528	3 193	3 603	3 612	4 412	4 412	3 575	3 693	3 812
Total Depreciation	1	28 572	31 480	35 496	36 851	37 941	37 941	38 344	39 610	40 877

Table 46 MBRR SA34e – Capital expenditure on the upgrading of existing assets

LIM473 Makhuduthamaga - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

LIM473 Makhuduthamaga - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		3 565	3 565	3 565	-	-	-	-	-	-
Electrical Infrastructure		3 565	3 565	3 565	-	-	-	-	-	-
MV Networks		3 565	3 565	3 565	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	17 365
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	17 365
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	17 365
Other assets		1 127	3 979	1 127	-	-	-	-	-	-
Operational Buildings		1 127	3 979	1 127	-	-	-	-	-	-
Municipal Offices		1 127	3 979	1 127	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	4 693	7 544	4 693	-	-	-	-	-	17 365
Upgrading of Existing Assets as % of total capex		0.7%	1.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	10.3%
Upgrading of Existing Assets as % of deprecn"		16.4%	24.0%	13.2%	0.0%	0.0%	0.0%	0.0%	0.0%	42.5%



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Table 47 MBRR SA35 - Future financial implications of the capital budget

LIM473 Makhuduthamaga - Supporting Table SA35 Future financial implications of the capital budget

LIM473 Makhuduthamaga - Supporting Table SA35 Future financial implications of the capital budget								
Vote Description	Ref	2026/27 Medium Term Revenue & Expenditure Framework			Forecasts			Present value
		Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	
R thousand								
Capital expenditure	1							
Vote 2 - Finance & Administration		4 100	–	–				
Vote 3 - Finance & Administration 2		1 500	800	850				
Vote 7 - Energy Sources		9 336	14 975	15 652				
Vote 8 - Road Transport		145 468	141 193	135 469				
Vote 9 - Public Safety		–	–	–				
Vote 10 - Waste Management		1 000	–	–				
Vote 11 - Sports & Recreation		–	–	17 365				
Vote 14 - Housing		3 500	–	–				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		164 904	156 968	169 336	–	–	–	–
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		164 904	156 968	169 336	–	–	–	–



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Table 48 MBRR SA36 - Detailed capital budget per municipal vote

Table with columns: R thousand, Function, Project Description, Project Number, Type, MTPD Service Outcome, IUDF, Own Strategic Objectives, Asset Class, Asset Sub-Class, Ward Location, GPS Longitude, GPS Latitude, 2022/23 Audited Outcome, 2023/24 Audited Outcome, 2024/25 Audited Outcome, Current Year 2025/26 (Original Budget, Adjusted Budget, Full Year Forecast), 2026/27 Medium Term Revenue & Expenditure Framework (Budget Year 2026/27, Budget Year +1 2027/28, Budget Year +2 2028/29).



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Table 49 MBRSA37 – Projects delayed from previous years

The table above indicate that the municipality does not have any of its projects implemented delayed from the previous financial years.

LIM473 Makhuduthamaga - Supporting Table SA37 Projects delayed from previous financial years																				
R thousand	Function	Project name	Project number	Type	MDTP Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2025/26		2026/27 Medium Term Revenue & Expenditure Framework				
														Original Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29		
Parent municipality:																				
List all capital projects grouped by Function																				
06156d3-5805-402b-45dc-3b94852c290d	Asset Management						sustainable m	Land	Land	act:37d-415f-420d-8034-45e8b5f500b	29.8999977	-24.5300069	-0.1	67 000	17 000	41 000	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Budget and Treasury Office		0000000000000000		and development	Spatial integration	of the financial	Land	Land	act:37d-415f-420d-8034-45e8b5f500b	29.8999977	-24.5300069	238996	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Budget and Treasury Office		0000000000000000		and development	Growth	of the financial	Furniture and Office Equipment	Furniture and Office Equipment	act:37d-415f-420d-8034-45e8b5f500b	29.8999977	-24.5300069	0	(71 400)	(71 400)	(12 600)	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Budget and Treasury Office		0000000000000000		and development	Growth	of the financial	Transport Assets	Transport Assets	act:37d-415f-420d-8034-45e8b5f500b	29.8999977	-24.5300069	0	(210 000)	-	-	(159 600)	-	-	-
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Electrical Infrastructure	Electrical Infrastructure	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	-406999910	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Electrical Infrastructure	MV Networks	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	911663458.8	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Roads Infrastructure	Road Structures	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	91582034.8	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Roads Infrastructure	Road Structures	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	-1.8	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Roads Infrastructure	Road Structures	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	16926482268	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Spatial integration	sustainable m	Land	Land	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	7990000	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Operational Buildings	Operational Buildings	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	1406224139	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Operational Buildings	Municipal Offices	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	282121334	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0040000000000000		and development	Growth	sustainable m	Operational Buildings	Workshops	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	209853465.6	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Computer Equipment	Computer Equipment	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	754568986.2	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Furniture and Office Equipment	Furniture and Office Equipment	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	273584224.2	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Licences and Rights	Computer Software and Applications	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	580953095.4	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Non-revenue Generating	Unimproved Property	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	27690000	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Machinery and Equipment	Machinery and Equipment	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	0	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Transport Assets	Transport Assets	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	1658411252	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Operational Buildings	Operational Buildings	act:37d-415f-420d-8034-45e8b5f500b	29.8999977	-24.5300069	18253000	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Electrical Infrastructure	MV Networks	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	35653202.1	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Roads Infrastructure	Road Structures	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	213919216.2	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Operational Buildings	Municipal Offices	act:37d-415f-420d-8034-45e8b5f500b	29.8999977	-24.5300069	-4965407728	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Transport Assets	Transport Assets	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	0	1 381 978	1 381 978	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	sustainable m	Community Facilities	Centres	2c200772-0b77-4023-ac4f-1b7804f64ac	29.8999977	-24.5300069	135449590.8	-	-	980 026	980 026	980 026	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Electrical Infrastructure	LV Networks	6b67459-1414-429e-8e9f-5df6e600ec	29.8999977	-24.5300069	0.3	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Electrical Infrastructure	LV Networks	423955a-ac3b-8239-3010-2262a29f44	29.8999977	-24.5300069	0.3	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Electrical Infrastructure	LV Networks	7eaf46e-6ea7-4959-9104-05292e1c71a	29.8999977	-24.5300069	-0.3	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Road Structures	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	10652173.91	14 000	6 300	7 000	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	sustainable m	Solid Waste Infrastructure	Landfill Sites	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	43211536.02	(84 000)	(37 800)	14 858	58 734	60 614	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	4f00011-0da3-4073-9aeb-5df9a5457d	29.8999977	-24.5300069	334790469.5	160 236	268 450	-	-	144 000	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	65e9e780-5263-4611-9223-3eac3396ab2	29.8999977	-24.5300069	1549124417	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	4e329616-4e5c-4e6d-2a9f-8517510f0e1	29.8999977	-24.5300069	0	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	8b32e2a9-9742-4a0e-9509-17eae73878	29.8999977	-24.5300069	-234782608.9	240 000	276 000	132 000	-	-	-	-
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	2c200772-0b77-4023-ac4f-1b7804f64ac	29.8999977	-24.5300069	0	-	-	126 000	132 000	156 000	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	e84cb125-2072-448d-9ac1-9c68a06e3e3	29.8999977	-24.5300069	130434782.7	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	1af6-1b8d-2307-479e-afc1-851771e4e93f	29.8999977	-24.5300069	35722991.5	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	8c61f3b-6e1f-447f-8c9e-50f13a022390	29.8999977	-24.5300069	7737063.9	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	maintenance of the c	Roads Infrastructure	Road Structures	055a5e3-9e01-45ae-aab9-8a0262353a5d	29.8999977	-24.5300069	0	216 000	30 000	156 000	162 000	217 000	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	and access of life of the c	Roads Infrastructure	Road Structures	118a8649-026-4e82-8075-4e7113b51a	29.8999977	-24.5300069	0.09	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	and access of life of the c	Roads Infrastructure	Roads	118a8649-026-4e82-8075-4e7113b51a	29.8999977	-24.5300069	0.54	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		and development	Growth	y of life of the c	Community Facilities	Testing Stations	1c226736-9505-43e3-a3b4-7877f99622b	29.8999977	-24.5300069	13034275.8	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Road Structures	1e42e6b7-f8f-40d2-9e15-f1e8727a135	29.8999977	-24.5300069	-1.2	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Road Structures	0e0b1e40-a51-4a6d-act2-f9f90e499e	29.8999977	-24.5300069	1.8	-	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	e05610a-e5a5-47ab-a095-6a5d117518a	29.8999977	-24.5300069	50236997.8	0	-	-	-	-	-	
06156d3-5805-402b-45dc-3b94852c290d	Statement of Financial Position		0000000000000000		responsive econ	Growth	y of life of the c	Roads Infrastructure	Roads	e05610a-e5a5-47ab-a095-6a5d117518a	29.8999977	-24.5300069	0	14 000	21 000	75 250	82 2			



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Table 50 MBRR

SA38 – Consolidated Detailed Operational Projects



MUNICIPALITY

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Table with columns for Item Number, Description, Status, Category, Sub-category, and Budget Values (Total, Voted, Non-voted, Contingent, Reserve, Unallocated, Capital, Debt, and Other). Rows include various municipal services like Asset Management, Water and Sanitation, and Social Services.



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3.13 Legislation compliance status

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

9. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.
10. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed six interns undergoing training in various divisions of the Budget and Treasury Department, Risk management and Audit section. Since the introduction of the Internship programme the municipality has successfully trained 22 interns and employed 10 of the total trained on permanent positions. Three of this total was permanently employed by the district municipality and two was recently employed by our municipality.
11. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
12. Audit Committee
An Audit Committee has been established and is fully functional.
13. Service Delivery and Implementation Plan
The detail SDBIP is and aligned with the 2022/23 budget & MTREF.
14. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
15. MFMA Training
The MFMA training module in electronic format is presented at the municipality and training is ongoing.



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16. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.



3.14 Other supporting documents

Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance

LIM473 Makhuduthamaga - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'



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Municipality												
LIM473 Makhuduthamaga - Supporting Table SA1 Supporting detail to Budgeted Financial Performance												
Description	Ref	2023/24			2024/25			Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework	
		Audited Outcomes	Audited Outcomes	Audited Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
REVENUE ITEMS:												
Exchange Revenue												
Service charges - Waste Management	0	175	349	388	10 700	5 700	5 700	340	600	750	900	
Waste fines		175	349	388	10 700	5 700	5 700	340	600	750	900	
Total refuse removal revenue		175	349	388	10 700	5 700	5 700	340	600	750	900	
Net Service charges - Waste Management		175	349	388	10 700	5 700	5 700	340	600	750	900	
Encroachment Fees		350	432	1 647	1 400	16 400	16 400	203	4 236	16 775	17 652	
Sale of Goods		70	42	26	25	25	25	13	31	40	50	
Total Sale of Goods and Rendering of Services		420	474	1 674	1 425	16 425	16 425	215	4 267	16 815	17 702	
Agency Services		5 609	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	7 800	
Limpopo		5 609	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	7 800	
Total Provincial		5 609	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	7 800	
Total Agency Services		5 609	6 262	6 340	7 500	7 700	7 700	5 822	9 100	8 300	7 800	
Bank Accounts		7 217	3 764	2 852	4 000	2 200	2 200	1 180	4 400	4 900	5 300	
Financial Assets		-	-	-	-	-	-	-	-	-	-	
Short Term Investments and Call Accounts		-	-	-	-	-	-	-	-	-	-	
Total Interest earned from Current and Non Current Assets		7 217	3 764	2 852	4 000	2 200	2 200	1 180	4 400	4 900	5 300	
Investment Property		160	264	220	250	250	250	157	310	550	550	
Property Plant and Equipment		160	264	220	250	250	250	157	310	550	550	
Total Market Related		160	264	220	250	250	250	157	310	550	550	
Total Rental from Fixed Assets		160	264	220	250	250	250	157	310	550	550	
Incidental Cash Surpluses		25 058	-	-	-	-	-	-	-	-	-	
Total Operational Revenue		29 688	-	-	-	-	-	-	-	-	-	
Non-Exchange Revenue		-	-	-	-	-	-	-	-	-	-	
Property Rates		15 598	13 223	13 600	9 000	9 000	9 000	10 312	10 000	10 000	11 000	
Business and Commercial Properties		30 661	26 405	26 405	28 000	28 000	28 000	30 000	30 000	31 000	32 000	
Public Service Purposes Properties		46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000	
Total Property Rates		46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000	
Net Property Rates		46 259	39 628	40 011	53 000	53 000	53 000	30 115	57 000	59 000	61 000	
Fines, Penalties and Forfeits		1 003	668	1 400	1 400	2 000	2 000	1 006	2 700	1 900	2 200	
Fines		1 003	668	1 400	1 400	2 000	2 000	1 006	2 700	1 900	2 200	
Licences or Permits		99	72	258	-	-	-	72	-	-	-	
Departmental Agencies and Accounts		99	72	258	-	-	-	72	-	-	-	
Total Allocations In-kind		99	72	258	-	-	-	72	-	-	-	
Monetary Allocations		8 862	15 906	19 628	40 000	40 000	40 000	-	20 000	-	6 400	
National Government		324 200	363 584	363 584	363 584	363 584	363 584	353 718	358 800	370 000	380 000	
National Revenue Fund		3 094	20	-	-	-	-	-	-	-	-	
Provincial Government		338 156	363 524	363 584	400 743	418 526	418 526	273 731	362 208	356 843	362 768	
Total Monetary Allocations		336 258	369 532	383 212	400 743	418 526	418 526	273 731	362 208	356 843	362 768	
Total Transfer and subsidies - Operational		336 258	369 532	383 212	400 743	418 526	418 526	273 731	362 208	356 843	362 768	
Interest Receivables		13 627	12 211	14 339	13 000	19 000	19 000	10 702	14 000	14 500	15 500	
Property Rates		13 627	12 211	14 339	13 000	19 000	19 000	10 702	14 000	14 500	15 500	
Investment Property		308	-	-	-	-	-	-	-	-	-	
Living Resources		24	(694)	625	-	-	-	-	-	-	-	
Property, Plant and Equipment		328	(958)	748	-	-	-	-	-	-	-	
Total Disposal of Fixed and Intangible Assets		328	(958)	748	-	-	-	-	-	-	-	
Other Gains		-	-	-	-	-	-	-	-	-	-	
Debt waived		452	29	67	-	-	-	14 564	-	-	-	
Less Accrual Assessments		452	29	67	-	-	-	-	-	-	-	
Interest rate Swaps		1 362	(636)	418	-	-	-	-	-	-	-	
Total Fair Value Adjustment		1 814	(607)	485	-	-	-	-	-	-	-	
Total Other Gains		1 814	(607)	485	-	-	-	-	-	-	-	
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	
Total Revenue		442 713	422 705	423 335	501 018	525 201	525 201	344 013	474 585	463 508	494 520	
EXPENDITURE ITEMS:												
Employee related costs												
Salaries and Allowances	2	57 748	66 224	75 374	89 779	91 885	91 885	56 115	80 809	98 905	98 598	
Basic Salary		57 748	66 224	75 374	89 779	91 885	91 885	56 115	80 809	98 905	98 598	
Bonus		-	155	(91)	104	104	104	111	111	111	111	
Allowances		2 380	2 720	3 071	3 234	3 220	3 220	3 281	3 208	3 313	3 419	
Housing Benefits		3 144	3 012	4 198	4 210	4 582	4 582	4 782	4 782	4 940	5 098	
Non-pecuniary		12 848	14 547	17 112	16 293	17 169	17 169	11 253	18 008	18 602	19 197	
Travel of Motor Vehicle		-	-	-	-	-	-	-	-	-	-	
Voluntary Work		-	-	-	-	-	-	-	-	-	-	
Total Allowance		16 371	20 809	24 405	23 737	24 971	24 971	16 316	25 997	26 855	27 715	
Service Related Benefits		4 601	559	367	251	190	190	139	171	182	182	
Adm		4 601	559	367	251	190	190	139	171	182	182	
Bonus		2 240	4 485	1 008	6 260	8 207	8 207	4 170	8 488	8 785	9 082	
Long Service Award		401	-	-	-	-	-	-	-	-	-	
Uniform-Special-Protective Clothing		2 146	2 290	1 629	862	685	685	878	1 005	1 038	1 072	
Long Term Service Award		1 188	61	87	87	85	85	90	96	93	96	
Total Service Related Benefits		8 305	8 747	9 368	11 154	11 154	11 154	6 551	11 795	12 189	12 189	
Total Salaries and Allowances		64 423	95 936	110 346	122 986	128 119	128 119	78 982	118 320	134 671	138 980	
Social Contributions		25	29	31	37	37	37	38	38	39	40	
Medical		5 483	6 218	6 593	7 223	7 444	7 444	4 588	8 162	8 403	8 403	
Pension		10 843	12 078	12 863	13 188	13 387	13 387	13 902	14 361	14 820	15 420	
Unemployment Insurance		401	-	-	-	-	-	-	-	-	-	
Total Social Contributions		16 781	18 786	19 873	20 993	21 511	21 511	13 840	22 438	23 179	23 921	
Total Post-retirement Benefit		101 174	114 717	130 218	143 979	149 626	149 626	92 822	140 758	157 850	162 901	
Sub-Total		101 174	114 717	130 218	143 979	149 626	149 626	92 822	140 758	157 850	162 901	
Less: Employee costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-	
Total Employee Related Cost		101 174	114 717	130 218	143 979	149 626	149 626	92 822	140 758	157 850	162 901	
Remuneration of Councilors												
Basic Salary		13 588	15 646	15 712	16 413	16 413	16 413	10 346	17 521	18 099	18 678	
Call phone Allowance		2 598	3 283	2 969	3 061	3 061	3 061	1 938	3 267	3 375	3 483	
Market Related Non-pecuniary Allowance		4 935	5 873	6 709	6 995	6 245	6 245	8 848	6 687	7 107	7 107	
Travel Allowance		21 345	20 863	24 713	24 813	26 813	26 813	28 089	28 089	28 089	28 089	
Total Allowances and Service Related Benefits		24 467	27 572	27 863	28 842	28 842	28 842	18 119	30 334	31 324	32 334	
Pension Fund Contributions		2 467	2 757	2 673	2 842	2 842	2 842	1 810	3 034	3 134	3 234	
Total Social Contributions		2 467	2 757	2 673	2 842	2 842	2 842	1 810	3 034	3 134	3 234	
Total Remuneration of Councilors		23 812	27 812	27 863	28 964	29 154	29 154	16 109	33 149	34 149	35 149	
Inventory related costs												
Consumables		3 269	2 465	2 395	1 500	1 500	1 500	976	800	600	450	
Materials and Supplies		3 269	2 465	2 395	1 500	1 500	1 500	976	800	600	450	
Sub-Total		3 269	2 465	2 395	1 500	1 500	1 500	976	800	600	450	
Less: Capitalisation of inventory consumed		-	-	-	-	-	-	-	-	-	-	
Total Inventory Consumed		3 269	2 465	2 395	1 500	1 500	1 500	976	800	600	450	
Business and Commercial Properties		-	-	-	-	-	-	-	-	-	-	
Total Property Rates		-	-	-	-	-	-	-	-	-	-	
Service Charges		-	-	-	-	-	-	-	-	-	-	
Total Other Receivables from Non-exchange Revenue		-	-	-	-	-	-	-	-	-	-	
Total Debt Impairment		-	-	-	-	-	-	-	-	-	-	
Depreciation, Amortisation and Impairment		-	-	-	-	-	-	-	-	-	-	
Amortisation		77	367	666	710	1 190	1 190	444	1 234	1 275	1 316	
Intangible Assets		77	367	666	710	1 190	1 190	444	1 234	1 275	1 316	
Total Amortisation		77	367	666	710	1 190	1 190	444	1 234	1 275	1 316	
Depreciation		1 060	1 416	1 453	1 579	1 499	1 499	967	1 555	1 606		



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Table 52 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

LIM473 Makhuduthamaga - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

LIM473 Makhuduthamaga - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)																	
Description	Ref	Vote 1 - Executive &	Vote 2 - Finance &	Vote 3 - Finance &	Vote 4 - Community	Vote 5 - Planning and	Vote 6 - Internal	Vote 7 - Energy	Vote 8 - Road Transport	Vote 9 - Public Safety	Vote 10 - Waste	Vote 11 - Sports &	Vote 12 - Water	Vote 13 - Waste Water	Vote 14 - Housing	Vote 15 - OTHER	Total
R thousand																	
Revenue																	
Exchange Revenue																	
Service charges - Waste Management		-	600	-	-	-	-	-	-	-	-	-	-	-	-	-	600
Sale of Goods and Rendering of Services		-	4 267	-	-	-	-	-	-	-	-	-	-	-	-	-	4 267
Agency services		-	3 600	-	-	-	-	-	5 500	-	-	-	-	-	-	-	9 100
Interest earned from Current and Non Current Assets		-	4 400	-	-	-	-	-	-	-	-	-	-	-	-	-	4 400
Rental from Fixed Assets		-	310	-	-	-	-	-	-	-	-	-	-	-	-	-	310
Non-Exchange Revenue																	
Property rates		-	57 000	-	-	-	-	-	-	-	-	-	-	-	-	-	57 000
Fines, penalties and forfeits		-	2 700	-	-	-	-	-	-	-	-	-	-	-	-	-	2 700
Transfer and subsidies - Operational		-	362 208	-	-	-	-	-	-	-	-	-	20 000	-	-	-	382 208
Interest		-	14 000	-	-	-	-	-	-	-	-	-	-	-	-	-	14 000
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and con		-	449 085	-	-	-	-	-	5 500	-	-	-	20 000	-	-	-	474 585
Expenditure																	
Employee related costs		(24 011)	(43 081)	(10 414)	(31 445)	(15 299)	(948)	(885)	(10 309)	-	(4 367)	-	-	-	-	-	(140 758)
Remuneration of councillors		(31 122)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(31 122)
Inventory consumed		-	(800)	-	-	-	-	-	-	-	-	-	-	-	-	-	(800)
Depreciation, amortisation and impairment		-	(3 575)	(9 018)	(1 555)	-	-	(656)	(23 499)	-	(41)	-	-	-	-	-	(38 344)
Interest, Dividends and Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		(1 900)	(62 628)	(9 000)	(326)	(3 110)	(1 460)	(1 500)	(15 000)	(259)	(18 887)	(500)	(20 000)	-	(1 500)	-	(136 070)
Transfers and subsidies		-	-	(4 200)	(2 700)	(1 110)	-	-	-	-	-	-	-	-	-	-	(8 010)
Irrecoverable debts written off		-	(2 000)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2 000)
Operational costs		(14 758)	(20 754)	(4 657)	(1 089)	(3 224)	(32)	(1 086)	(1 048)	(154)	(152)	(500)	-	-	-	-	(47 455)
Total Expenditure		(71 791)	(132 839)	(37 289)	(37 115)	(22 743)	(2 440)	(4 127)	(49 856)	(413)	(23 447)	(1 000)	(20 000)	-	(1 500)	-	(404 560)
Surplus/(Deficit)		71 791	581 924	37 289	37 115	22 743	2 440	4 127	55 356	413	23 447	1 000	40 000	-	1 500	-	879 145
Transfers and subsidies - capital (monetary allocations)		-	73 918	-	-	-	-	-	-	-	-	-	-	-	-	-	73 918
Surplus/(Deficit) after capital transfers & contributions		71 791	655 842	37 289	37 115	22 743	2 440	4 127	55 356	413	23 447	1 000	40 000	-	1 500	-	953 063



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Table 53 MBRR Table SA3 – Supporting detail to Statement of Financial Position



Makhuduthamaga Local Municipality 2026/27 Draft Annual Budget and MTREF

LIM473 Makhuduthamaga - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'																	
R thousand	Description	Ref	2022/23			2023/24			2024/25			Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29					
ASSETS																	
Current Assets																	
Cash and Cash Equivalents																	
	Call Deposits and Investments		945	1 023	1 118	1 023	1 023	1 023	(95)	1 118	1 155	1 192					
	Cash at Bank		5 699	12 877	3 282	2 753	1 188	1 188	6 793	(1 849)	(9 002)	(4 343)					
	Cash on Hand		0	(4)	(4)	0	-	-	834	(4)	(4)	(4)					
	Total Cash and Cash Equivalents		6 644	13 897	4 396	3 776	2 211	2 211	7 533	(735)	(7 851)	(3 154)					
Short term Investments																	
Deposit Taking Institutions																	
Trade and other receivables from exchange transactions																	
	Waste Management		77	210	267	12 515	6 765	6 765	386	867	1 026	1 184					
	Other trade receivables from exchange transactions		2 621	1 984	1 232	(6 469)	15 976	15 976	1 119	722	522	413					
	VAT Receivable Input Tax Accrual		-	-	-	-	315	315	-	2 864	310	2 668					
	Gross: Trade and other receivables from exchange transactions		2 697	2 194	1 499	6 046	23 056	23 056	1 505	4 453	1 858	4 265					
	Total net Trade and other receivables from Exchange Transactions		2 697	2 194	1 499	6 046	23 056	23 056	1 505	4 453	1 858	4 265					
Receivables from non-exchange transactions																	
Property rates																	
	Agricultural Properties		5 022	2 431	2 080	5 671	3 781	3 781	2 796	3 580	2 149	2 217					
	Business and Commercial Properties		47 181	31 866	33 880	37 746	36 066	36 066	30 997	38 389	34 998	36 118					
	Public Service Purposes Properties		64 198	79 984	100 179	9 289	8 329	8 329	129 913	102 729	103 485	106 796					
	Residential Properties		-	-	-	13 000	19 000	19 000	-	14 000	14 500	15 500					
	Gross: Property rates		116 402	114 281	136 138	65 706	67 176	67 176	163 706	158 688	155 131	160 631					
	Less: Impairment of Property rates		(106 978)	(106 978)	(106 978)	(14 795)	(19 995)	(19 995)	(106 978)	(19 609)	(20 256)	(20 904)					
	Net Property rates		9 424	7 304	29 161	50 911	47 181	47 181	56 728	139 080	134 875	139 727					
	Other receivables from non-exchange transactions		2 285	2 474	3 709	2 474	(5 526)	(5 526)	4 257	1 409	1 456	1 502					
	Less: Impairment for other receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-					
	Total net receivables from non-exchange transactions		2 285	2 474	3 709	2 474	(5 526)	(5 526)	4 257	1 409	1 456	1 502					
	Total net Receivables from non-exchange transactions		11 709	9 777	32 870	53 385	41 655	41 655	60 985	140 489	136 331	141 230					
Inventory																	
	Materials and Supplies		707	628	186	4 128	4 128	4 128	379	386	625	815					
	Total Inventory		707	628	186	4 128	4 128	4 128	379	386	625	815					
VAT Receivable																	
	Input Tax General		1 031	886	1 277	24 035	24 035	24 035	5 054	1 277	1 228	1 300					
	VAT Control (Receivable)		-	-	-	3 909	2 201	2 201	-	22 579	26 969	33 926					
	Total VAT Receivable		1 031	886	1 277	27 943	26 236	26 236	5 054	23 856	28 197	35 226					
Other current assets																	
	Construction Contracts and Receivables		4 882	5 239	4 967	5 239	5 239	5 239	5 195	-	-	-					
	Total Other current assets		4 882	5 239	4 967	5 239	5 239	5 239	5 195	-	-	-					
	Total Current Assets		27 671	32 622	45 196	100 518	102 526	102 526	80 651	168 449	159 161	178 381					
Investment Property																	
	Investment Property at Cost / Fair Value		514	539	462	539	539	539	462	462	477	492					
	Total Investment Property		514	539	462	539	539	539	462	462	477	492					
Property, Plant and Equipment																	
	Property, Plant and Equipment at Cost / Revaluation		600 281	713 155	727 449	722 595	717 750	717 750	730 469	722 458	661 036	682 439					
	Less: Accumulated Depreciation		(247 403)	(268 827)	(297 603)	(256 521)	(257 131)	(257 131)	(321 201)	(277 109)	(256 918)	(266 011)					
	Total Property, Plant and Equipment		352 878	444 327	429 846	466 073	460 619	460 619	409 269	445 350	404 118	416 428					
Construction Work-in-progress																	
	Acquisitions		74 614	33 013	73 883	150 469	137 346	137 346	61 485	155 804	156 168	168 486					
	Opening Balance		-	-	-	43 330	43 330	43 330	73 883	73 883	76 321	78 763					
	Total Construction Work-in-progress		74 614	33 013	73 883	193 799	180 676	180 676	135 368	229 687	232 489	247 249					
Intangible Assets																	
	Heritage Assets at Cost / Revaluation		8 215	10 216	2 001	-	-	-	2 001	3 201	2 500	2 600					
	Less: Accumulated Amortisation		(8 215)	(8 582)	(1 033)	7 872	7 392	7 392	(1 477)	(2 267)	(2 342)	(2 417)					
	Total Intangible Assets		-	1 634	968	7 872	7 392	7 392	524	934	158	183					
Trade and other receivables from exchange transactions																	
Total Other non-current assets																	
	Total Non Current Assets		428 006	479 513	505 158	668 284	649 227	649 227	545 622	676 432	637 241	664 352					
TOTAL ASSETS																	
	Total Assets		455 677	512 135	550 354	768 802	751 753	751 753	626 273	844 881	796 402	842 733					
Trade and Other Payable Exchange Transactions																	
	Advance Payments		991	1 193	1 123	-	-	-	1 319	-	-	-					
	Affiliates, Related Parties and Associated Companies		13	13	13	13	13	13	13	14	14						
	Agency Fees Payable		40	42	40	42	42	42	6 460	40	43						
	Bonus		3 255	2 580	2 780	3 361	3 361	3 361	2 780	2 872	2 964						
	Control, Clearing and Interface Accounts		525	6 137	5 730	8 742	7 742	7 742	6 600	6 594	7 285	6 776					
	Leave Accrual		11 405	10 921	10 662	10 921	10 921	10 921	10 574	10 662	11 014	11 366					
	Payables and Accruals		2 203	89 626	97 477	8 000	18 990	18 990	33 407	111 863	95 248	116 296					
	Retentions		26 760	28 959	28 169	28 959	28 959	28 959	15 352	-	-	-					
	Unallocated Deposits		306	308	341	308	308	308	353	341	353	364					
	Total Trade and Other Payable Exchange Transactions		45 497	139 780	146 337	60 346	70 975	70 975	76 857	132 295	116 827	138 724					
Transfers and Subsidies Payable																	
	Capital		-	-	-	3 300	3 300	3 300	-	2 700	3 000	2 500					
	Total Transfers and Subsidies Payable		-	-	-	3 300	3 300	3 300	-	2 700	3 000	2 500					
Transfers and Subsidies Unspent																	
	Capital		8 715	33 565	47 579	33 565	33 565	33 565	61 697	47 579	49 149	50 722					
	Operational		(8 644)	(26 015)	(48 851)	(26 407)	(26 407)	(26 407)	(18 016)	(47 260)	(48 819)	(50 381)					
	Total Transfers and Subsidies Unspent		71	7 551	(1 272)	7 158	7 158	7 158	43 682	320	330	341					
	VAT Payables Output Tax Accrual		-	-	-	926	2 681	2 681	-	-	-	-					
	Total Trade and Other Payable Non-exchange Transactions		71	7 551	(1 272)	11 383	13 139	13 139	43 682	3 020	3 330	2 841					
Provision																	
	Alien Vegetation		(48 421)	(28 059)	(15 319)	-	-	-	(15 319)	-	-	-					
	Pension Fund Investment Return Shortfall		4 573	5 494	5 766	5 494	5 494	5 494	5 766	-	-	-					
	Staff Parity		5 387	7 047	8 631	7 047	7 047	7 047	8 631	8 631	8 916	9 201					
	Total Provision		(38 461)	(15 518)	(922)	12 541	12 541	12 541	(922)	8 631	8 916	9 201					
VAT Payable																	
	VAT Payable: Output Tax		3 563	5 430	7 715	-	-	-	7 866	-	-	-					
	VAT Payable: VAT Control		(18 293)	(12 641)	(11 689)	3 406	1 831	1 831	(2 874)	-	-	-					
	Total VAT Payable		(14 730)	(7 211)	(3 974)	3 406	1 831	1 831	4 992	-	-	-					
Total Other current liabilities																	
	Total Current Liabilities		(7 622)	124 602	140 169	87 676	98 485	98 485	124 609	143 945	129 073	150 766					
Provisions																	
	Decommissioning, Restoration and Similar Liabilities		8 037	9 718	9 665	9 718	9 718	9 718	9 665	-	-	-					
	Total Provisions		8 037	9 718	9 665	9 718	9 718	9 718	9 665	-	-	-					
Total non current liabilities																	
	Total Non Current Liabilities		8 037	9 718	9 665	9 718	9 718	9 718	9 665	-	-	-					
TOTAL LIABILITIES																	
	Total Liabilities		415	134 320	149 834	97 393	108 203	108 203	134 275	143 945	129 073	150 766					
CHANGES IN NET ASSETS																	
	Total Change in Net Assets		455 261	377 815	400 519	671 408	643 550	643 550	491 998	700 936	667 329	691 968					
COMMUNITY WEALTH/EQUITY																	
Accumulated Surplus/(Deficit)																	
	Transfers to/from operating revenue and expenditure		3 488 063	3 564 646	3 045 227	119 941	92 083	92 083	91 479	123 943	119 522	127 224					
	Total Accumulated Surplus/(Deficit)		3 488 063	3 564 646	3 045 227	671 408	643 550	643 550	491 998	700 936	667 329	691 968					
	TOTAL COMMUNITY WEALTH/EQUITY		3 488 063	3 564 646	3 045 227	<											



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Table 54 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

LIM473 Makhuduthamaga - Supporting Table SA9 Social, economic and demographic statistics and assumptions

LIM473 Makhuduthamaga - Supporting Table SA9 Social, economic and demographic statistics and assumptions														
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework				
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome		
Detail of Free Basic Services (FBS) provided	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Electricity		<i>Location of households for each type of FBS</i>												
Electricity		Formal settlements - (50 kwh per indigent household per month Rands)				1 977	2 130	2 169	2 169	1 010	1 010	1 078	1 114	1 490
		<i>Number of HH receiving this type of FBS</i>				-	-	-	-	-	-	-	-	-



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Table 55 MBRR Table SA11 – Property rates summary

LIM473 Makhuduthamaga - Supporting Table SA11 Property rates summary										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Valuation:	1									
Date of valuation:		30/06/2023	30/06/2024	30/06/2025	30/06/2026	30/06/2026	30/06/2026	30/06/2027	30/06/2028	30/06/2029
Financial year valuation used		0	0	0	0			0	0	0
Municipal by-laws s6 in place? (Y/N)	2	0	0	0	Yes			0	0	0
Municipal/assistant valuer appointed? (Y/N)	2	0	0	0	Yes			0	0	0
Municipal partnership s38 used? (Y/N)		0	0	0	No	0	0	0	0	0
No. of assistant valuers (FTE)	3	-	-	-	1	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	1	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	-	-	-	1	-	-	-	-	-
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		0	0	0	No			0	0	0
No. of supplementary valuations		-	-	-	2	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-
No. of objections by rate payers		-	-	-	83	-	-	-	-	-
No. of appeals by rate payers		-	-	-	-	-	-	-	-	-
No. of successful objections	8	-	-	-	83	-	-	-	-	-
No. of successful objections > 10%	8	-	-	-	1	-	-	-	-	-
Supplementary valuation		-	-	-	-	-	-	-	-	-
Public service infrastructure value (Rm)	5	-	-	-	R551 000	-	-	-	-	-
Municipality owned property value (Rm)		-	-	-	0	-	-	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)		0	0	0	0	0	0	0	0	0
Special rating area used? (Y/N)		0	0	0	No			0		
Phasing-in properties s21 (number)		0	0	0	No	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		0	0	0	Yes			0		
Fixed amount minimum value (R'000)		-	-	-	-	-	-	-	-	-
Non-residential prescribed ratio s19? (%)		-	-	-	-	-	-	-	-	-
Rate revenue:										
Rate revenue budget (R '000)	6	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)	6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected cash collection rate (%)		-	-	-	-	-	-	-	-	-
Special rating areas (R'000)	7	-	-	-	-	-	-	-	-	-

Table 56 MBRR Table SA12a – Property rates by category (current year)

LIM473 Makhuduthamaga - Supporting Table SA12a Property rates by category (current year)												
Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Current Year 2025/26												
Valuation:												
No. of properties		1 298	-	-	2 073	244	-	4	4	-	-	-
No. of supplementary valuations		1	-	-	1	1	-	1	1	-	-	-
No. of objections by rate-payers		1	-	-	3	-	-	-	-	-	-	-
No. of successful objections	5	1	-	-	3	-	-	-	-	-	-	-
Years since last valuation (select)		1	-	-	1	1	-	4	4	-	-	-
Frequency of valuation (select)		5	-	-	5	5	-	5	5	-	-	-
Valuation reductions:												
Valuation reductions-R15,000 threshold (Rm)		15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	-	-	-
Total valuation reductions:												
Total value of improvements (Rm)	6	22 420	2 080	-	621 800	26 500	-	-	-	-	-	-
Rating:												
Rebates, exemptions - indigent (R'000)		5.000000	5.000000	5.000000	5.000000	5.000000	5.000000	5.000000	5.000000	-	-	-
Rebates, exemptions - pensioners (R'000)		5.000000	5.000000	5.000000	5.000000	5.000000	5.000000	5.000000	5.000000	-	-	-
Total rebates, exemptns, reductns, discs (R'000)												



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Table 57 MBRR Table SA13a – Service tariffs by category.

LIM473 Makhuduthamaga - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
							Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Property rates (rate in the Rand)	1								
Residential properties			0.0560	0.0560	0.0560	0.0560	0.0560	0.0560	0.0560
Residential properties - vacant land			0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			0.0140	0.0140	0.0140	0.0140	0.0140	0.0140	0.0140
Farm properties - not used			-	-	-	-	-	-	-
Industrial properties			0.0160	0.0160	0.0160	0.0160	0.0160	0.0160	0.0160
Business and commercial properties			0.0160	0.0160	0.0160	0.0160	0.0160	0.0160	0.0160
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000



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Table 58 MBRR Table SA13b – Service tariffs by category (explanatory)

The Municipality is billing property rates for Business and Government.

LIM473 Makhuduthamaga - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
							Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
							Exemptions, reductions and rebates (Rands)		
<i>[Insert lines as applicable]</i>									
Water tariffs									
<i>[Insert blocks as applicable]</i>									
(fill in thresholds)									
Waste water tariffs									
<i>[Insert blocks as applicable]</i>									
(fill in structure)									
Electricity tariffs									
<i>[Insert blocks as applicable]</i>									
(fill in thresholds)									

Table 59 MBRR Table SA14 – Household bills.

The Municipality does not bill households.

LIM473 Makhuduthamaga - Supporting Table SA14 Household bills

LIM473 Makhuduthamaga - Supporting Table SA14 Household bills

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27 % incr.	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
		Rand/cent									
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-



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Table 60 MBRR Table SA15 – Investment particulars by type.

LIM473 Makhuduthamaga - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
Investments										
Bank Repurchase Agreements										
Specify 1		-	-	-	-	-	-	-	-	-
Total Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificate										
Specify 1		-	-	-	-	-	-	-	-	-
Total Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-
Deposit Taking Institutions										
Specify 1		-	-	-	-	-	-	-	-	-
Total Deposit Taking Institutions		-	-	-	-	-	-	-	-	-
Derivative Financial Assets										
Specify 1		-	-	-	-	-	-	-	-	-
Total Derivative Financial Assets		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (Sinking)										
Specify 1		-	-	-	-	-	-	-	-	-
Total Guaranteed Endowment Policies (Sinking)		-	-	-	-	-	-	-	-	-
Interest Rate Swaps										
Specify 1		-	-	-	-	-	-	-	-	-
Total Interest Rate Swaps		-	-	-	-	-	-	-	-	-
Listed/Unlisted Bonds and Stocks										
Specify 1		-	-	-	-	-	-	-	-	-
Total Listed/Unlisted Bonds and Stocks		-	-	-	-	-	-	-	-	-
Municipal Bonds										
Specify 1		-	-	-	-	-	-	-	-	-
Total Municipal Bonds		-	-	-	-	-	-	-	-	-
National Government Securities										
Specify 1		-	-	-	-	-	-	-	-	-
Total National Government Securities		-	-	-	-	-	-	-	-	-
Negotiable Certificate of Deposits										
Specify 1		-	-	-	-	-	-	-	-	-
Total Negotiable Certificate of Deposits		-	-	-	-	-	-	-	-	-
Unamortised Debt Expense										
Specify 1		-	-	-	-	-	-	-	-	-
Total Unamortised Debt Expense		-	-	-	-	-	-	-	-	-
Unamortised Preference Share Expense										
Specify 1		-	-	-	-	-	-	-	-	-
Total Unamortised Preference Share Expense		-	-	-	-	-	-	-	-	-
Total Investments		-	-	-	-	-	-	-	-	-



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Table 61 MBRR Table SA16 – Investment particulars by maturity.

The Municipality does not have Investments

LIM473 Makhuduthamaga - Supporting Table SA16 Investment particulars by maturity

LIM473 Makhuduthamaga - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
Parent municipality														-
														-
														-
														-
Municipality sub-total										-		-	-	-
Entities														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									-		-	-	-

Table 62 MBRR Table SA17 – Borrowing.

The Municipality does not have borrowings

LIM473 Makhuduthamaga - Supporting Table SA17 Borrowing



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LIM473 Makhuduthamaga - Supporting Table SA17 Borrowing										
Borrowing - Categorized by type R thousand	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Borrowings										
Annuity and Bullet Loans										
Banks		-	-	-	-	-	-	-	-	-
Total Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificate										
Banks		-	-	-	-	-	-	-	-	-
Total Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-
Concessionary Loan		-	-	-	-	-	-	-	-	-
Derivative Financial Liability										
Banks		-	-	-	-	-	-	-	-	-
Total Derivative Financial Liability		-	-	-	-	-	-	-	-	-
Finance Lease Liability										
Banks		-	-	-	-	-	-	-	-	-
Total Finance Lease Liability		-	-	-	-	-	-	-	-	-
Government Loans		-	-	-	-	-	-	-	-	-
Intercompany/Parent-subsidary Transactions		-	-	-	-	-	-	-	-	-
Local Registered Stock		-	-	-	-	-	-	-	-	-
Banks		-	-	-	-	-	-	-	-	-
Total Registered Stock		-	-	-	-	-	-	-	-	-
Marketable Bonds										
Banks		-	-	-	-	-	-	-	-	-
Total Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-annuity Loans										
Banks		-	-	-	-	-	-	-	-	-
Total Non-annuity Loans		-	-	-	-	-	-	-	-	-
Non-marketable Bonds										
Banks		-	-	-	-	-	-	-	-	-
Total Non-marketable Bonds		-	-	-	-	-	-	-	-	-
PPP Liabilities										
Banks		-	-	-	-	-	-	-	-	-
Total PPP Liabilities		-	-	-	-	-	-	-	-	-
Securities										
Banks		-	-	-	-	-	-	-	-	-
Total Securities		-	-	-	-	-	-	-	-	-
Interest Rate Swaps		-	-	-	-	-	-	-	-	-
Total Borrowings	1	-	-	-	-	-	-	-	-	-

4. Annual Budget of Municipal entities

- The municipality does not have entities.



Makhuduthamaga Local Municipality 2026/27 Draft Annual Budget and MTREF

