



MAKHUDUTHAMAGA
LOCAL MUNICIPALITY

ANNUAL BUDGET
OF
Makhuduthamaga Local
Municipality

2025/26

To

2027/28

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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 2025/26 MTREF.

Honourable Speaker.

To achieve the 2025/26 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 2025/26 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 579 million** for 2025/26 budget year, **R 593 million** and **R 618 million** For the 2026/27 and 2028/29 financial years respectively. The total revenue budget for 2025/26 consists of **R 488 million** from national transfers and grants and **R 91 million** from own sources of revenue. The following table summarizes the sources of our projected revenue for the 2025/26 budget year:



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National Transfers and grants

Source of revenue	2025/2026 Annual Budget
Equitable Shares (ES)	R 361 580 000
Finance Management Grant (FMG)	R 1 900 000
Municipal Infrastructure Grant (MIG)	R 76 853 000
Incentive Grant: Public Works	R 2 443 000
Integrated National Electrification Programme Grant (INEP)	R 5 436 000
Operation and Maintenance Grant-SDM	R 40 000 000
Total national transfers and grants	R 488 212 000

Own revenue sources

Source of revenue	2025/2026 Annual Budget
Property Rates	R 53 000 000
Licenses and Permits	R 7 500 000
Interest Earned-External Investments	R 4 000 000
Waste Management	R 10 700 000
Traffic fines	R 1 400 000
Interests on outstanding debtors	R 13 000 000
Tender Documents	R 25 000
Site rental	R 250 000



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Other Income	R 1 400 000
TOTAL	R 91 275 000

The total National transfers and grants for 2026/2027 and 2027/2028 amount to **R 499 million** and **R 520 million** for the two outer years respectively. The total amount from own revenue sources is **R 94.6million** and **R 97.9 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 621 million** for the 2025/26 financial year. The total annual budgeted expenditure for the two outer year's amounts to **R 602 million** and **R 588 million** for 2026/27 and 2027/28 respectively. Out of the total **R 621 million** budgeted expenditure for 2026/27, we are funding capital projects with an amount of **R 162 million** and the operational expenditure is covered by the remaining **R 459 million**.

The total operational expenditure budget for 2025/26 is allocated per municipal vote as follows:

Vote - Department	202/2025 AnnualBudget
Executive Support	R 64 137 725.80
Municipal Manager's Office	R 12 996 898.56
Community services	R 70 351 936.78
Budget and Treasury Office	R 157 746 213.17
Corporate Services	R 42 938 254.60
Economic Development and Planning	R 21 851 592.20
Infrastructure Development	R 88 523 647.85



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Total	R 459 546 268.97
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Honourable speaker

The total operational expenditure of **R 459 million** for 2025/26 is allocated as follows per expenditure standard classification:

Vote - Department	2025/2026 Annual Budget
Salaries, Wages and Allowances	R 142 717 114
Councilors Allowances	R 28 904 497
FMG	R 1 900 000
General Expenses	R 52 619 809
Debt impairment	R 19 000 000.00
Depreciation (PPE)	R 36 850 672
Contracted Services	R 144 246 496
Repairs and Maintenance (Electricity)	R 2 000 000
Repairs and Maintenance (Other Assets)	R 5 672 000
Repairs and Maintenance (Building)	R 2 500 000
Repairs and Maintenance (Infrastructure Assets)	R 20 000 000.00
Repairs and Maintenance (Community Assets)	R 21 000 000.00
Repairs and Maintenance (ICT)	R 8 000 000
Repairs and Maintenance (Boreholes)	R 40 000 000.00
TOTAL	R 459 546 269



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Honorable speaker

The municipality has allocated a total amount of **R 162 million** for capital expenditure budget to be implemented in 2025/26 budget year.

The capital expenditure for the two outer years of the MTREF amounts to **R 164 million** and **R 128 million** for 2026/27 and 2027/28 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 2 million** for the IT Infrastructure and **R 11 million** for the purchase of other property, plant & equipment.

Honourable speaker

We have allocated total of **R 143 million** for roads, bridges and storm water construction in 2025/26 budget year and we also allocated **R 148 million** and **R 112 million** for 2026/27 and 2027/28 respectively.

We have allocated an amount of **R 5 million** for Electrification of villages in 2025/26 financial period we also allocated **R 14 million** and **R 14 million** for 2026/27 and 2027/28 respectively.

We have allocated **R 13 million** for operational capital expenditure for 2025/2026 financial year.

In the 2025/26 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	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Infrastructure Projects				
Construction of Mathapisa/Soetveld to Kgaruthuthu/Mampana Thabeng access Road_6km	MIG	2 000 000.00	-	-
Construction of access road from Brooklyn to Makoshala_3.2km	MIG	13 353 000.00	18 000 000.00	-
Upgrading of Jane furse CBD Internal Road Network(R579)	MIG		10 000 000.00	
Construction Sekwafi/Motlokwe Access Road	MIG	-		20 000 000.00
Construction of carbrieve internal street(4.12km)	MIG	38 679 650.00	-	
Design and construction of Masemola Majekaneng to Mabopane internal street	MIG	-	4 500 000.00	
Design and construction of Madibong internal road (3.2km)	MIG	15 000 000.00	10 000 000.00	-
Construction of access road from R579 to Jane Furse Library ,Artificial turf and new district offices	MIG	-	1 500 000.00	
Installation of solar 23 highmast within makhuduthamaga local municipality	MIG	1 000 000.00	12 200 000.00	-
Design and Construction of access road from Diphagane to maololo (10km)	MIG	-	7 000 000.00	-
Upgrading of Jane furse sports facility	MIG	3 000 000.00	1 500 000.00	4 000 000.00
Construction of ngwritsi sports facility	MIG			30 000 000.00
Construction of access road from mohwelere to molebeledi	MIG		14 100 000.00	28 354 000.00
Total MIG funded projects		73 032 650.00	78 800 000.00	82 354 000.00
NB - Lets consider access road to Library, Artificial turf and new district offices				
MIG Overheads		3 820 350.00	4 700 000.00	5 000 000.00
Total MIG Expenditure Budget		76 853 000.00	83 500 000.00	87 354 000.00
Equitable share funded projects				
Construction of Mokwete_Molepane Access Road PH2 (5 km)	E/S	18 000 000.00	20 000 000.00	-
Construction of access road from Glen Cowie old post office to Phokwane PH2	E/S	18 000 000.00		
Construction of access road from Maila Mapitsane to Magolego Tribal Office PH2 (2.5km)	E/S	-	10 000 000.00	
Construction of access road from Molebeledi/Mamatjেকে to Masemola moshate (5km)	E/S	20 000 000.00		
Construction of Access Road from motor gate wonderboom to R579_10km	E/S	-	16 000 000.00	-
Total Equitable shares funded projects		56 000 000.00	46 000 000.00	-
Other Infrastructure Projects				
Construction of Glen cowie via Setebong/Dikatone to thoto access road (9km)	P/R	2 000 000.00	6 000 000.00	7 000 000.00
Design and Construction of Masanteng access road	P/R	2 000 000.00		5 000 000.00
Construction of Phaahla/Mamatjেকে to Masehlaneng access road_18.7 km	P/R	10 000 000.00	18 000 000.00	18 000 000.00
		14 000 000.00	24 000 000.00	30 000 000.00
Total		143 032 650.00	148 800 000.00	112 354 000.00
INEPG funded projects				
Installation of electrical infrastructure at Ga Moloi (210 H/H)	INEP	5 436 000.00	14 327 000.00	14 975 000.00
		5 436 000.00	14 327 000.00	14 975 000.00
Total INEP funded projects				
Total infrastructure projects		148 468 650.00	163 127 000.00	127 329 000.00
Operational Capital				
		13 274 280.00	1 000 000.00	1 025 000.00
Security houses	E/S	2 100 000.00	-	-
Furniture and Office Equipment	E/S	1 700 000.00	-	-
Transport Assets	E/S	5 000 000.00	-	-
Computer Equipment	E/S	2 000 000.00	1 000 000.00	1 025 000.00
Skip bins	E/S	2 000 000.00	-	-
Communication Accesories and gages	E/S	474 280.00	-	-
Grand Total of Capital Budget		161 742 930.00	164 127 000.00	128 354 000.00



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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 2025-2026 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. 2025/26 – 2026/27 IDP
2. The 2025/26 MTREF Annual Budget.
3. Reviewed budget related policies.
4. National Treasury MFMA circular No.129 and 130.

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 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 so as to maintain sound financial stewardship. The municipality did consider MFMA budget circulars no 129 and 130 in the preparation on this annual budget for the 2025/26 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 2025/26 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 2025/26 MTREF budget:
 - The Capital annual budget for 2025/26 and the MTREF was 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 2025/26 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 2025/26 MTREF to ensure that the budget remains an Implementation tool for the municipality's IDP.
 - For the 2025/26 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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In view of the aforementioned, the following table is a consolidated overview of the 2025/26 Medium-term Revenue and Expenditure Framework as compared to the past budget year:

Table 1 Consolidated Overview of the 2025/2026 MTREF

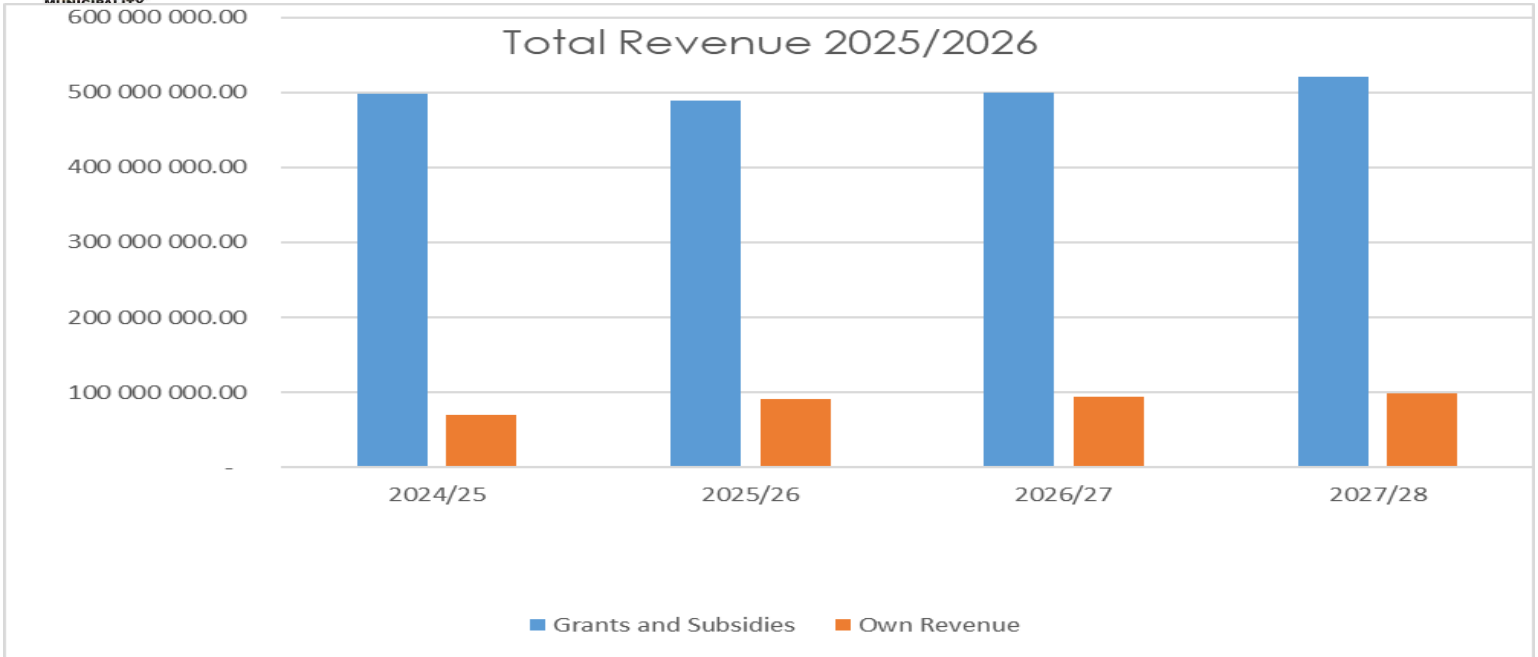
Description	Adjusted Budget 2024/2025	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Total Revenue	543 866 000.00	579 487 000.00	593 658 000.00	618 062 000.00
Total Operating Expenditure	480 101 034.93	459 546 268.97	438 142 474.47	459 811 561.34
Operating surplus/(Deficit)	63 764 965.07	119 940 731.03	155 515 525.53	158 250 438.66
VAT recovery	63 500 000.00	53 000 000.00	30 000 000.00	20 000 000.00
Surplus excluding capital expenditure	127 264 965.07	172 940 731.03	185 515 525.53	178 250 438.66
Infrastructure Assets:Roads and Bridges	105 550 995.93	143 032 650.00	148 800 000.00	112 354 000.00
Infrastructure Assets:Electricity	12 431 000.00	5 436 000.00	14 327 000.00	14 975 000.00
Other Assets:	8 908 500.00	13 274 280.00	1 000 000.00	1 025 000.00
Total Capital Expenditure	126 890 495.93	161 742 930.00	164 127 000.00	128 354 000.00
Total Surplus/ (Deficit)	374 469.14	11 197 801.03	21 388 525.53	49 896 438.66

The municipality has budgeted a total Revenue of **R 579 million** for 2025/26 financial year, **R 593 million** and **R 618 million** for 2026/27 and 2027/28 respectively. Total revenue has increased by **R11 million** for the 2025/26 financial year when compared to the 2024/25 Special adjusted revenue budget. For the two outer years, total revenue will increase by **2 %** and **4 %** respectively. The total revenue for 2025/26 includes the grants allocations from the national treasury to the amount of **R 488 million** and own revenue sources to the amount of **R 91 million**. For the two outer years of the MTREF 2026/27 and 2027/28 total grants allocations included in total revenue amounts to **R 499 million** and **R 520 million** respectively, while own revenue amount to **R 95 million** and **R 98 million** respectively.

The following bar chart indicates the revenue growth level of the municipality for the 2025/26 MTREF including the comparison to the current financial year:



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Total operating expenditure for the 2025/26 financial year has been appropriated at **R 459 million** and translates into an operating budgeted surplus of **R 119 million** as indicated in table 1 consolidated overview above. This surplus will be used to fund capital expenditure for 2025/26 as indicated in table 1 consolidated overview above. The operating surplus for 2025/26 increased by **47%** as compared to 2024/25 Special adjusted operational surplus. The operating surplus for the two outer years increases by **23%** in 2026/27 and increases by **2%** in 2027/28 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 **R103 million** to fund the capital expenditure in excess of the budgeted revenue over the MTREF.

The total capital budget for 2025/26 financial year amounts to **R 161 million**. For 2025/26 and the capital expenditure is budgeted at **R 164 million for 2026/27** and **R 128 million** in 2027/2028. The municipality's revenue enhancements strategies programme is aimed 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 affects negatively 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 be remain at 0.016 cents(Business Properties), 0.015(Government Properties)and 0.014 cents(Agricultural Properties) due to a material increase in the valuesof 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 2025/26 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%** annual collection rate for property rates and other key service charges;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of eachservice;
- 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 2025/26 MTREF (classified by main revenue source)



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Table 2 Summary of revenue classified by main revenue source;

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Waste Management	2	150	175	349	340	-	-	339	10 700	10 800	10 850
Sale of Goods and Rendering of Services		313	428	474	340	-	-	1 195	1 425	1 528	1 631
Agency services		5 360	5 669	6 262	6 000	-	-	5 796	7 500	7 800	8 100
Interest earned from Current and Non Current Assets		3 024	7 217	3 784	3 500	-	-	2 590	4 000	4 200	4 400
Rental from Fixed Assets		107	160	264	190	-	-	198	250	280	310
Operational Revenue		454 694	29 688	-	-	-	-	-	-	-	-
Non-Exchange Revenue											
Property rates	2	44 418	46 259	39 628	63 000	-	-	36 677	53 000	55 000	57 000
Fines, penalties and forfeits		217	1 093	668	800	-	-	1 892	1 400	1 550	1 700
Transfer and subsidies - Operational		300 035	337 037	362 492	390 802	-	-	376 506	409 743	406 005	422 742
Interest		38 355	13 627	12 211	13 000	-	-	10 541	13 000	13 500	14 000
Gains on disposal of Assets		11	328	(958)	-	-	-	244	-	-	-
Other Gains		465	1 814	(609)	-	-	-	1 449	-	-	-
Total Revenue (excluding capital transfers and contributions)		847 151	443 496	424 566	477 972	-	-	437 428	501 018	500 663	520 733

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 501 million** for 2025/26, **R 500 million** for 2026/27 and **R 520 million** for 2027/28. The total amount for operational grants to be received for 2025/26 is **R 409.7 million**. For the two outer years the total operational grants to be received amounts to **R 406 million** and **R 422.7 million** for 2026/27 and 2027/28 financial years respectively.

Revenue from waste management service charge increased by **97%** from **R340 thousand** to **R10.7 million** in 2025/26 financial period. This increment was informed by successful pilot implementation of waste removal services in various villages within Makhuduthamaga, namely Glen Cowie, Marishane garden and Mogorwane. The extension of waste management programme to household is a strategic decision aimed at enhancing municipal revenue and is supported by the additional waste management vehicles procured in 2024/25 financial period.

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. This line item increased by **25%** in 2025/26 as results of increased number of registered



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informal businesses after an instruction by the president to formalize unregistered businesses.

Revenue from government grants forms a significant percentage of the total operating revenue for the municipality for all of the 2025/26 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute **84%** of the total operating revenue in 2025/26 budget year and **81%** in 2026/27 and **81%** in 2027/28 respectively.

Revenue generated from property rates amounts to **R 53 million**, which increased by **23%** from **R43 million** 2024/25 financial period. The increased projections of property rates result from improved market values in the supplementary valuations due to additional developments.

Revenue from Licenses and permits under agency services amount to **R 7.5 million** for 2025/26 budget year, **R 7.8 million** and **R 8.1 million** for 2026/27 and 2027/28 financial years respectively. The municipality is currently approved by national department of transport to have the eNatis system operating from the municipal head office to accelerate the collection of revenue through the traffic licenses. The emanating competition with private business with regard to traffic licensing contributed to the lower collection in this revenue line item.

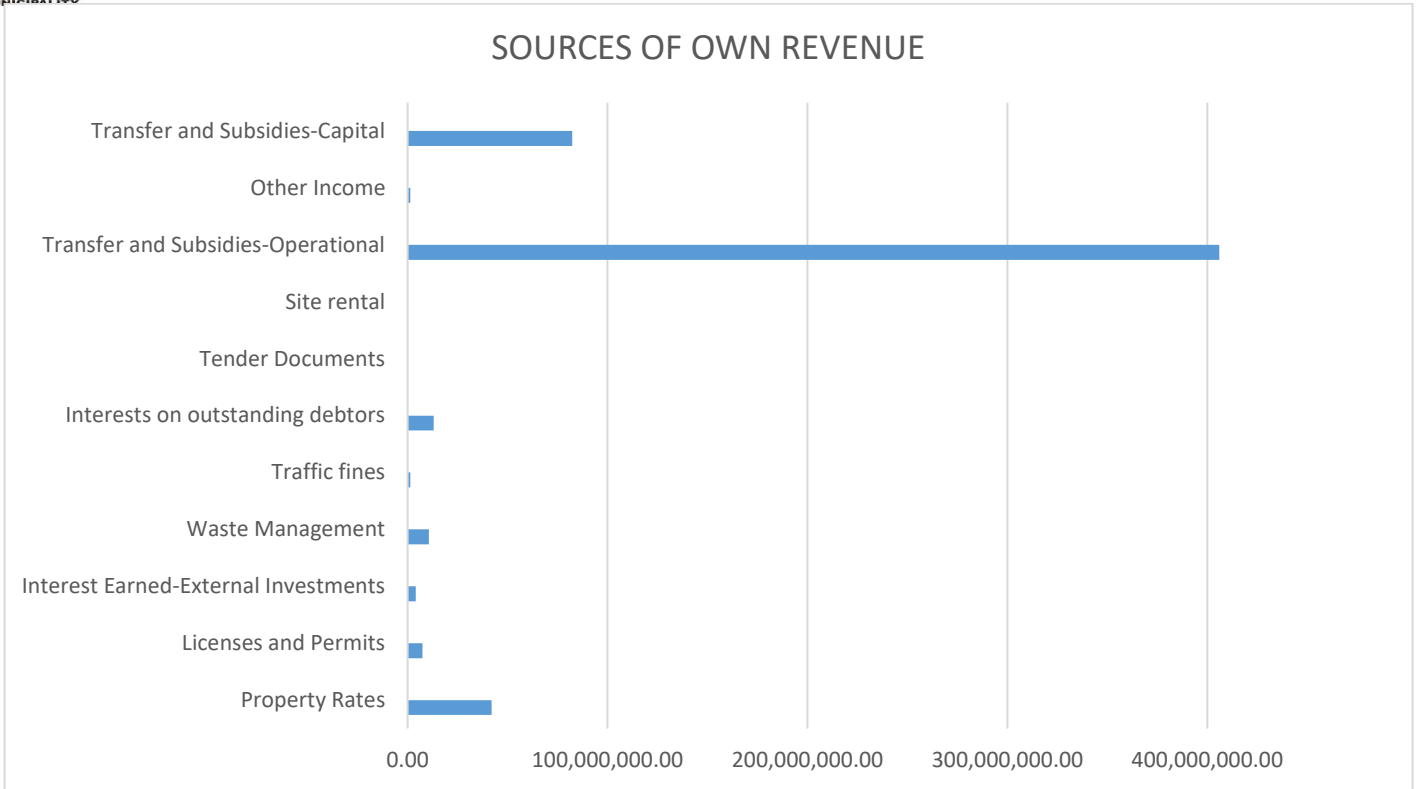
The following table and graph indicates the total revenue per source and the percentage of each source to the total operational revenue of **R 579 million** for the 2025/26 financial year:

Revenue per source and graph illustration

Source	Amount	Percentage
Property Rates	53 000 000.00	9%
Licenses and Permits	7 500 000.00	1%
Interest Earned-External Investments	4 000 000.00	1%
Waste Management	10 700 000.00	2%
Traffic fines	1 400 000.00	0%
Interests on outstanding debtors	13 000 000.00	2%
Tender Documents	25 000.00	0%
Site rental	250 000.00	0%
Transfer and Subsidies-Operational	405 923 000.00	70%
Other Income	1 400 000.00	0%
Transfer and Subsidies-Capital	82 289 000.00	14%
Total	579 487 000.00	100%



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Operating Expenditure Framework

The municipality’s expenditure framework for the 2025/26 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 2025/26 and MTREF (classified per main type of operating expenditure):



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure											
Employee related costs	2	89 506	101 174	115 498	145 051	-	-	81 671	143 979	150 401	154 130
Remuneration of councillors		24 015	23 812	27 817	29 563	-	-	20 167	28 904	30 205	30 960
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	4 195	3 269	2 465	2 300	-	-	3 484	1 500	1 568	1 607
Debt impairment	3	-	-	20 362	10 000	-	-	-	19 836	10 000	10 250
Depreciation and amortisation		30 572	28 667	34 937	34 775	-	-	23 011	36 851	38 509	39 472
Interest		2 035	2 685	2 232	-	-	-	-	-	-	-
Contracted services		219 643	253 733	285 626	153 146	-	-	116 634	160 918	140 305	153 525
Transfers and subsidies		6 781	5 871	9 077	6 980	-	-	5 082	10 728	11 098	11 375
Irrecoverable debts written off		374 764	26 175	20 563	-	-	-	-	-	-	-
Operational costs		50 154	70 333	69 605	57 994	-	-	46 954	56 830	56 057	58 493
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		801 664	515 720	588 181	439 808	-	-	297 002	459 546	438 142	459 812
Surplus/(Deficit)		45 487	(72 224)	(163 254)	38 164	-	-	127 139	41 472	52 321	50 771
Transfers and subsidies - capital (monetary)	6	81 777	94 915	94 109	81 789	-	-	46 607	78 469	93 127	97 329
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		127 264	22 691	(69 145)	119 953	-	-	173 747	119 941	145 448	148 100
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		127 264	22 691	(69 145)	119 953	-	-	173 747	119 941	145 448	148 100
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		127 264	22 691	(69 145)	119 953	-	-	173 747	119 941	145 448	148 100
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	127 264	22 691	(69 145)	119 953	-	-	173 747	119 941	145 448	148 100

Table 5 Summary of operating expenditure by standard classification item

Employee Related Costs

The budget allocation for employee related costs for the 2025/26 financial year is **R 143 million**, which equals to **31%** of the total operating expenditure.

The total employee related budget costs has increased by **R 12 million** in 2024/25 adjusted budget to **R143 million** in 2025/26 which reflect **9.2 %** increase. This is as a result of the annual estimated percentage of **7.2%** increase on employee related cost as per circular 129 and 30, plus **2%** 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 personnel and 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



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The vacant positions which are budgeted to be filled in the 2025/26 financial year

1	Senior Manager Executive (Vacant)
2	Traffic Officer (Vacant)
3	Management Rep (Vacant) (Nebo)
4	Management Rep(VTS)(Vacant)
5	Mayoral Chauffer (Vacant)
6	Finance Intern (Vacant)
7	Examiner - Vehicles (Vacant)
8	Supervisor Cashier (Vacant)

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 28.9 million** for 2025/26, **R 30 million** and **R 31 million** for 2026/27 and 2027/28 respectively. An increase was projected at inflation projections as per circular no 129 and 30.

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 2025/26 financial year this amount equates to **R 19 million**, decrease to **R 10 million** in 2026/27 and **R 10 million** in 2027/28 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.



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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 2023/2024 AFS and new acquisitions for the current year 2024/25 and 2025/26 and the MTREF. Budget appropriations in this regard are **R 36.8 million** for the 2025/26 financial year and equates to 8 per cent of the total operating expenditure. It increases to **R 38 million** and **R 39 million** for 2026/27 and 2027/28 budget years respectively.

Contracted Services

Contracted services comprises 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 162 million** for the 2025/26 financial year, it decrease to **R141 million** and increase **R 155 million** in the 2026/27 and 2027/28 outer years.

Repairs and maintenance has been budgeted at **22%** percent of the total operational budget.

Operational Expenditure

The municipality has also budgeted an amount of **R 53 million** on other general expenditure items for the 2025/26 financial year. The budget for the 2026/27 & 2027/28 is **R 54 million** & **R 56 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 2025/26 MTREF

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

Description	Amount	Percentage
Employees Related Costs	1 42 717 114.00	31%
Remuneration of Councillors	28 904 497.00	6%
Debt Impairment	19 836 000.00	4%
Depreciation & Assets impairment	36 850 672.00	8%
Contracted Services	77 474 177.00	17%
FMG	1 900 000.00	0%
Repairs and Maintenance	99 172 000.00	22%
Operation costs	52 691 809.00	11%
Total	459 546 269.00	100%

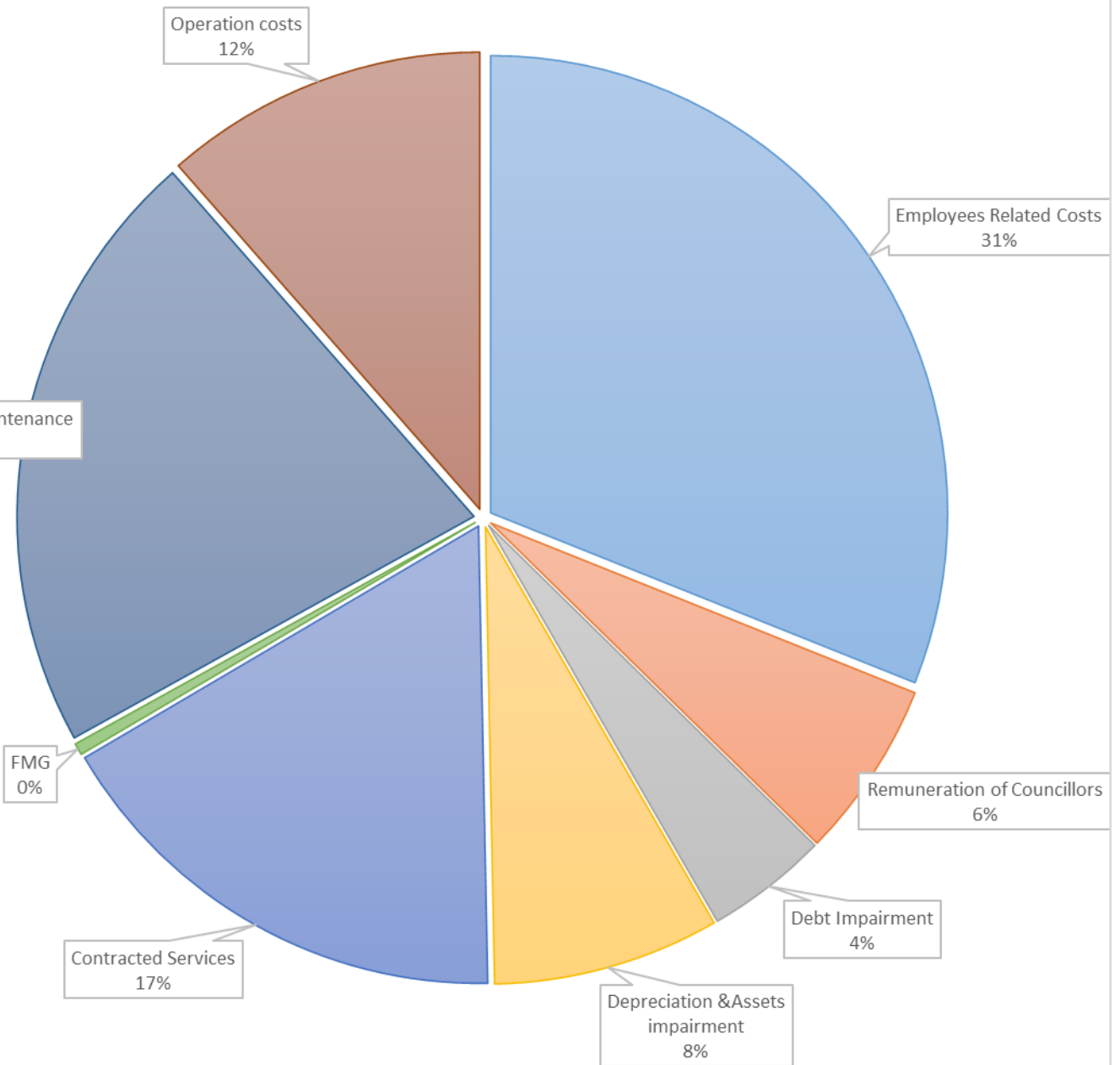


Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

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 2.6 million** for 2025/26, **R 2.7 million** and **R 2.8 million** for 2026/27 and 2027/28 respectively.

Capital expenditure

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



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Table 3 2025/26 Medium-term capital budget per vote

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Capital expenditure - Vote											
Single-year expenditure	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	474	-	-
Vote 2 - Finance & Administration		25 490	58 143	107 398	6 000	-	-	642 946	8 800	-	-
Vote 3 - Finance & Administration 2		-	0	3 293	1 900	-	-	3 293	2 000	1 000	1 025
Vote 4 - Community and Social Services		-	-	-	-	-	-	2 257	-	-	-
Vote 7 - Energy Sources		-	-	10 317	12 431	-	-	13 883	6 436	26 527	14 975
Vote 8 - Road Transport		16 045	45 381	(46 416)	124 558	-	-	22 375	142 033	129 600	112 354
Vote 9 - Public Safety		-	179	-	-	-	-	179	-	-	-
Vote 10 - Waste Management		(2 482)	(11 283)	2 284	10 800	-	-	4 991	2 000	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	7 000	-
Vote 15 - OTHER		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		39 053	92 420	76 876	155 689	-	-	689 924	161 743	164 127	128 354
Total Capital Expenditure - Vote		39 053	92 420	76 876	155 689	-	-	689 924	161 743	164 127	128 354
Capital Expenditure - Functional											
Governance and administration		25 490	58 143	110 691	7 900	-	-	653 272	11 274	1 000	1 025
Executive and council		-	-	-	-	-	-	1 050	474	-	-
Finance and administration		25 490	58 143	110 691	7 900	-	-	652 222	10 800	1 000	1 025
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	179	-	-	-	-	3 273	-	7 000	-
Community and social services		-	-	-	-	-	-	2 257	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	7 000	-
Public safety		-	179	-	-	-	-	1 016	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		16 045	45 381	(46 416)	124 558	-	-	94 950	142 033	129 600	112 354
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		16 045	45 381	(46 416)	124 558	-	-	94 950	142 033	129 600	112 354
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		(2 482)	(11 283)	12 601	23 231	-	-	24 426	8 436	26 527	14 975
Energy sources		-	-	10 317	12 431	-	-	19 436	6 436	26 527	14 975
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		(2 482)	(11 283)	2 284	10 800	-	-	4 991	2 000	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	3	39 053	92 420	76 876	155 689	-	-	775 922	161 743	164 127	128 354
Funded by:											
National Government		20 464	46 701	(36 099)	81 789	-	-	89 943	78 469	93 127	97 329
Transfers recognised	4	20 464	46 701	(36 099)	81 789	-	-	89 943	78 469	93 127	97 329
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		18 589	45 719	112 975	73 900	-	-	685 978	83 274	71 000	31 025
Total Capital Funding	7	39 053	92 420	76 876	155 689	-	-	775 922	161 743	164 127	128 354

New and Existing Capital Assets

For 2025/26 an amount of **R 161.7 million** has been appropriated for the new capital expenditure which will be funded by MIG to the amount of **R 73 million**, equitable share amounting to **69 million**, own revenue of **14 million**, and **INEP of R 5 million**.

For 2026/27 and 2027/28 the budget has been appropriated at **R 164 million** and **R 128 million** respectively.

Infrastructure and Development vote is appropriated the highest allocation of **R 143 million** which amounts to 88 % of the total capital budget for 2025/26 to build roads and bridges and, Corporate Services is allocated **1 %**, and Energy sources **3%**, community services 1% total capital budget. The remaining **7%** is allocated to Budget & Treasury Office.



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Project	Fund	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Infrastructure Projects				
Construction of Mathapisa/Soetveld to Kgaruthuthu/Mampana Thabeng access Road_6km	MIG	2 000 000.00	-	-
Construction of access road from Brooklyn to Makoshala_3.2km	MIG	13 353 000.00	18 000 000.00	-
Upgrading of Jane furse CBD Internal Road Network (R579)	MIG		10 000 000.00	
Construction Sekwati/Motlokwe Access Road	MIG	-		20 000 000.00
Construction of carbrievie internal street(4.12km)	MIG	38 679 650.00	-	
Design and construction of Masemola Majekaneng to Mabopane internal street	MIG	-	4 500 000.00	
Design and construction of Madibong internal road (3.2km)	MIG	15 000 000.00	10 000 000.00	-
Construction of access road from R579 to Jane Furse Library ,Artificial turf and new district offices	MIG	-	1 500 000.00	
Installation of solar 23 highmast within makhuduthamaga local municipality	MIG	1 000 000.00	12 200 000.00	-
Design and Construction of access road from Diphagane to maololo (10km)	MIG	-	1 500 000.00	4 000 000.00
Upgrading of Jane furse sports facility	MIG	3 000 000.00	7 000 000.00	-
Construction of ngwritsi sports facility	MIG			30 000 000.00
Construction of access road from mohwelere to molebeledi	MIG		14 100 000.00	28 354 000.00
Total MIG funded projects		73 032 650.00	78 800 000.00	82 354 000.00
NB - Lets consider access road to Library, Artificial turf and new district offices				
MIG Overheads		3 820 350.00	4 700 000.00	5 000 000.00
Total MIG Expenditure Budget		76 853 000.00	83 500 000.00	87 354 000.00
Equitable share funded projects				
Construction of Mokwete_Molepane Access Road PH2 (5 km)	E/S	18 000 000.00	20 000 000.00	-
Construction of access road from Glen Cowie old post office to Phokwane PH2	E/S	18 000 000.00		
Construction of access road from Maila Mapitsane to Magolego Tribal Office PH2 (2.5km)	E/S	-	10 000 000.00	
Construction of access road from Molebeledi/Mamatjেকে to Masemola moshate (5km)	E/S	20 000 000.00		
Construction of Access Road from motor gate wonderboom to R579_10km	E/S	-	16 000 000.00	-
Total Equitable shares funded projects		56 000 000.00	46 000 000.00	-
Construction of Glen cowie via Setebong/Dikatone to thoto access road (9km)	P/R	2 000 000.00	6 000 000.00	7 000 000.00
Design and Construction of Masanteng access road	P/R	2 000 000.00		5 000 000.00
Construction of Phaahla/Mamatjেকে to Masehlaneng access road_18.7 km	P/R	10 000 000.00	18 000 000.00	18 000 000.00
		14 000 000.00	24 000 000.00	30 000 000.00
Total		143 032 650.00	148 800 000.00	112 354 000.00
INEPG funded projects	INEP	5 436 000.00	14 327 000.00	14 975 000.00
Installation of electrical infrastructure at Ga Moloi (210 H/H)		5 436 000.00	14 327 000.00	14 975 000.00
Total INEG funded projects				
Total infrastructure projects		148 468 650.00	163 127 000.00	127 329 000.00
Operational Capital				
Security houses	E/S	2 100 000.00	-	-
Furniture and Office Equipment	E/S	1 700 000.00	-	-
Transport Assets	E/S	5 000 000.00	-	-
Computer Equipment	E/S	2 000 000.00	1 000 000.00	1 025 000.00
Skip bins	E/S	2 000 000.00	-	-
Communication Accesories and gades	E/S	474 280.00	-	-
Grand Total of Capital Budget		161 742 930.00	164 127 000.00	128 354 000.00



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

Below are the consolidated detailed operational projects which form part of the total budgeted operational expenditure for the 2025/26 financial year and the MTREF:

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Municipa Managers Office					
Operational Costs					
O0001/IE00595/F0041/X045/R0278/001/4200	Skills Development Fund Levy	43 514.56	46 625.85	48 724.02	49 942.12
O0001/IE00144/F0041/X045/R0278/001/4200	Own Transport	83 367.16	89 327.91	93 347.66	95 681.36
O0001/IE00144/F0041/X081/R0278/001/4200	Own Transport	32 794.26	35 139.05	36 720.30	37 638.31
O0001/IE00595/F0041/X056/R0278/001/4200	Skills Development Fund Levy	19 811.83	21 228.38	22 183.66	22 738.25
O0001/IE00015/F0041/X081/R0278/001/4200	Accounting and Auditing	500 000.00	550 000.00	574 750.00	589 118.75
O0001/IE00833/F0041/X081/R0278/001/4200	Audit Committee	850 000.00	850 000.00	888 250.00	910 456.25
O0001/IE00016/F0041/X056/R0278/001/4200	Business and Financial Management	250 000.00	-	-	-
		1 779 487.81	1 592 321.19	1 663 975.64	1 705 575.03



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AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Operational Costs-Executive Support					
O0001/IE00144/F0041/X044/R0278/001/0000	Own Transport	210 000.00	219 240.00	229 105.80	234 833.45
O0001/IE00062/F0041/X044/R0278/001/0000	Food and Beverage (Served)	20 000.00	20 879.99	21 819.59	22 365.08
O0001/IE00595/F0041/X044/R0278/001/0000	Skills Development Fund Levy	105 898.88	110 558.43	115 533.56	118 421.90
O0001/IE01581/F0041/X044/R0278/001/0000	Air Transport	70 000.00	73 080.00	76 368.60	78 277.82
O0001/IE00060/F0041/X044/R0278/001/0000	Accommodation	450 000.00	400 000.00	418 000.00	428 450.00
O0001/IE00143/F0041/X044/R0278/001/0000	Car Rental	30 000.00	31 320.00	32 729.40	33 547.64
		885 898.88	855 078.43	893 556.96	915 895.88
Operational Costs-Speakers Office					
O0001/IE00595/F0041/X044/R0278/001/4520	Skills Development Fund Levy	259 455.01	278 006.04	290 516.32	297 779.22
O0001/IE00586/F0041/X044/R0279/001/4520	Ward Committees	6 322 307.31	6 840 000.00	7 524 000.00	8 208 000.00
O0001/IE00592/F0041/X044/R0279/001/4520	Seating Allowance for Traditional Leaders	-	300 000.00		
O1240-1/IE00571/F0041/X044/R0279/001/4520	Hire Charges	500 000.00	300 000.00	800 000.00	900 000.00
O0001/IE00144/F0041/X044/R0278/001/4520	Own Transport	264 589.07	283 507.19	296 265.02	303 671.64
O0001/IE00781/F0041/X044/R0278/001/4520	Total for All Other Councillors	10 000.00	30 000.00	35 000.00	40 000.00
O0001/IE00571/F0041/X044/R0278/001/4520	Hire Charges	150 000.00	250 000.00	380 000.00	450 000.00
O1223-1/IE00059/F0041/X044/R0279/001/4520	National	1 500 000.00	1 500 000.00	2 200 000.00	2 400 000.00
O1223-2/IE00059/F0041/X044/R0279/001/4520	National		800 000.00	1 300 000.00	1 400 000.00
		9 006 351.39	10 581 513.24	12 825 781.33	13 999 450.86
Operational Costs - Mayor's Office					
O1293-1/IE00571/F0041/X044/R0278/001/4530	Hire Charges	700 000.00	200 000.00	300 000.00	1 000 000.00
O0001/IE00751/F0041/X044/R0278/001/4530	Corporate and Municipal Activities	2 370 000.00	2 000 000.00	500 000.00	512 500.00
O1293-1/IE00754/F0041/X044/R0278/001/4530	Gifts and Promotional Items	700 000.00	330 000.00	344 520.00	353 133.00
O0001/IE00769/F0041/X044/R0278/001/4530	Cellular Expenditure	1 400 000.00	600 000.00	626 400.00	642 060.00
O0001/IE00583/F0045/X044/R0279/001/4530	Printing, Publications and Books	2 219 910.00	1 300 000.00	800 000.00	820 000.00
O1240-2/IE00571/F0041/X044/R0279/001/4530	Hire Charges	100 000.00	104 400.00	108 993.60	111 718.44
O1240-2/IE00754/F0041/X044/R0279/001/4530	Gifts and Promotional Items	600 000.00	500 000.00	522 000.00	535 050.00
O1240-2/IE00772/F0041/X044/R0279/001/4530	Radio and TV Transmissions	250 000.00	150 000.00	156 600.00	160 515.00
O1220-1/IE00571/F0041/X044/R0279/001/4530	Hire Charges	-	500 000.00	522 000.00	535 050.00
O0001/IE00595/F0041/X044/R0278/001/4530	Skills Development Fund Levy	14 447.69	15 083.39	15 747.05	16 140.73
		8 354 357.69	5 699 483.39	5 950 260.65	6 099 017.17
Contracted Services-Speaker's Office					
O1240-2/IE00703/F0041/X044/R0279/001/4520	Transport Services	180 000.00	187 920.00	196 188.48	201 093.19
O1240-1/IE00677/F0041/X044/R0279/001/4520	Catering Services	450 000.00	300 000.00	313 200.00	321 030.00
O1240-2/IE00667/F0041/X044/R0279/001/4520	Stage and Sound Crew	200 000.00	-	-	-
O0001/IE00677/F0041/X044/R0278/001/4520	Catering Services	200 000.00	208 800.00	217 987.20	223 436.88
O0001/IE00836/F0041/X044/R0279/001/4520	Commissions and Committees	450 000.00	200 000.00	208 800.00	214 020.00
		1 480 000.00	896 720.00	936 175.68	959 580.07
Contracted Services-Mayor's Office					
O1240-2/IE00677/F0041/X044/R0279/001/4530	Catering Services	500 000.00	322 000.00	336 168.00	344 572.20
O1240-2/IE00667/F0041/X044/R0279/001/4530	Stage and Sound Crew	50 000.00	-	-	-
O1240-2/IE00703/F0041/X044/R0279/001/4530	Transport Services	100 000.00	104 400.00	108 993.60	111 718.44
O1293-1/IE00667/F0041/X044/R0278/001/4530	Stage and Sound Crew	200 000.00	-	-	-
O1293-1/IE00703/F0041/X044/R0278/001/4530	Transport Services	650 000.00	378 600.00	395 258.40	405 139.86
O1293-1/IE00677/F0041/X044/R0278/001/4530	Catering Services	1 650 000.00	722 600.00	754 394.40	773 254.26
		3 150 000.00	1 527 600.00	1 594 814.40	1 634 684.76



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AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Budget and Treasury					
Operational costs					
O0001/IE00060/F0041/X049/R0278/001/5200	Accommodation	400 000.00	350 000.00	365 750.00	374 893.75
O0001/IE00143/F0041/X047/R0278/001/5200	Car Rental	11 431.67	11 934.66	12 471.72	12 783.52
O0001/IE00595/F0041/X049/R0278/001/5200	Skills Development Fund Levy	152 772.25	175 878.10	183 792.62	188 387.43
O0001/IE00805/F0041/X049/R0278/001/5200	Premiums	1 500 000.00	1 566 000.00	1 636 470.00	1 677 381.75
O0001/IE00579/F0041/X049/R0278/001/5200	Municipal Services	6 300 000.00	3 500 000.00	3 657 500.00	3 748 937.50
O0001/IE00607/F0041/X050/R0279/001/5200	Wet Fuel	4 720 000.00	3 000 000.00	3 135 000.00	3 213 375.00
O0001/IE00062/F0041/X058/R0278/001/5200	Food and Beverage (Served)	8 363.06	8 731.03	9 123.93	9 352.03
O0001/IE00062/F0041/X049/R0278/001/5200	Food and Beverage (Served)	16 815.24	17 555.11	18 345.09	18 803.71
O0001/IE00060/F0041/X047/R0278/001/5200	Accommodation	20 000.00	20 880.00	21 819.60	22 365.09
O0001/IE01581/F0041/X047/R0278/001/5200	Air Transport	8 025.73	8 378.86	8 755.91	8 974.81
O0001/IE00595/F0041/X047/R0278/001/5200	Skills Development Fund Levy	39 218.26	42 022.37	43 913.38	45 011.21
O0001/IE00595/F0041/X058/R0278/001/5200	Skills Development Fund Levy	48 913.46	52 410.77	54 769.25	56 138.48
O0001/IE00144/F0041/X058/R0278/001/5200	Own Transport	20 000.00	20 880.00	21 819.60	22 365.09
O0001/IE00060/F0041/X058/R0278/001/5200	Accommodation	30 000.00	31 320.00	32 729.40	33 547.64
O0001/IE00758/F0041/X058/R0279/001/5200	Tenders	1 400 000.00	800 000.00	836 000.00	856 900.00
O0001/IE01581/F0041/X049/R0278/001/5200	Air Transport	16 082.94	16 790.59	17 546.17	17 984.82
O0001/IE00062/F0041/X047/R0278/001/5200	Food and Beverage (Served)	16 757.36	17 494.68	18 281.94	18 738.99
O0001/IE00143/F0041/X049/R0278/001/5200	Car Rental	20 000.00	20 880.00	21 819.60	22 365.09
O0001/IE00605/F0041/X047/R0278/001/5200	Vehicle Tracking	113 482.25	118 475.47	123 806.87	126 902.04
O0001/IE00759/F0041/X049/R0278/001/5200	Bank Accounts	270 000.00	281 880.00	294 564.60	301 928.72
O0001/IE00808/F0041/X050/R0278/001/5200	Motor Vehicle Licence and Registrations	260 000.00	271 440.00	283 654.80	290 746.17
Total		15 371 862.21	10 332 951.65	10 797 934.47	11 067 882.84
Contracted services					
O1564-1/IE00651/F0041/X047/R0278/001/5200	Maintenance of Unspecified Assets	12 000 000.00	6 000 000.00	4 000 000.00	4 100 000.00
O0001/IE00848/F2496/X049/R0278/001/5200	Valuer and Assessors	700 000.00	1 000 000.00	-	-
O0001/IE00016/F0041/X049/R0278/001/5200	Business and Financial Management	6 798 000.00	1 500 000.00	800 000.00	820 000.00
O0001/IE00830/F0041/X049/R0278/001/5200	Accounting and Auditing	5 297 985.00	5 531 096.34	5 779 995.68	5 924 495.57
O0001/IE00698/F0041/X049/R0278/001/5200	Security Services	29 500 000.00	29 000 000.00	30 305 000.00	31 062 625.00
O0001/IE00678/F0041/X049/R0278/001/5200	Cleaning Services	7 160 000.00	7 475 040.00	7 811 416.80	8 006 702.22
O0001/IE00835/F2496/X049/R0278/001/5200	Business and Financial Management	2 000 000.00	2 088 000.00	2 181 960.00	2 236 509.00
O0001/IE00738/F0041/X049/R0278/001/5200	Printing And Stationery	1 900 000.00	1 500 000.00	1 567 500.00	1 606 687.50
Total		65 355 985.00	54 094 136.34	52 445 872.48	53 757 019.29
Transfers and subsidies					
Depreciation					
O0001/IE00711/F2496/X046/R0278/001/5200	Furniture and Office Equipment	694 509.32	725 067.73	757 695.78	776 638.17
O0001/IE00709/F2496/X052/R0278/001/5200	Computer Equipment	3 366 387.77	3 514 508.83	3 672 661.73	3 764 478.28
O0001/IE00030/F2496/X052/R0278/001/5200	Computer Software and Applications	679 894.81	709 810.18	741 751.64	760 295.43
O0001/IE07553/F2496/X032/R0278/001/5200	LV Networks	625 152.43	652 659.14	682 028.80	699 079.52
O0001/IE07587/F2496/X116/R0278/001/5200	Roads	18 594 331.59	19 412 482.18	20 286 043.88	20 793 194.98
O0001/IE07625/F2496/X046/R0279/001/5200	Municipal Offices	3 263 683.77	3 407 285.86	3 560 613.72	3 649 629.07
O0001/IE07587/F2496/X116/R0279/001/5200	Roads	2 531 666.51	2 643 059.84	2 761 997.53	2 831 047.47
O0001/IE07625/F2496/X116/R0278/001/5200	Municipal Offices	521 756.89	544 714.20	569 226.34	583 456.99
O0001/IE00723/F2496/X050/R0278/001/5200	Transport Assets	3 459 963.89	3 612 202.30	3 774 751.40	3 869 120.19
O0001/IE07620/F2496/X016/R0278/001/5200	Stalls	1 512 720.51	1 579 280.22	1 650 347.83	1 691 606.52
O0001/IE07560/F2496/X135/R0279/001/5200	Landfill Sites	47 510.70	49 601.17	51 833.22	53 129.05
Total		35 297 578.20	36 850 671.64	38 508 951.87	39 471 675.67
Operating Lease					
O0001/IE00545/F0041/X049/R0278/001/5200	Expenditure:Operating Leases:Machinery and Equipment	7 617 940.00	3 500 000.00	1 500 000.00	1 537 500.00
Total		7 617 940.00	3 500 000.00	1 500 000.00	1 537 500.00
D0001/IZ00041/F0001/X049/R0278/001/5200	Provision Bad Debt Provision	19 000 000.00	19 836 000.00	10 000 000.00	10 250 000.00
Total		19 000 000.00	19 836 000.00	10 000 000.00	10 250 000.00



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Corporate Services					
Operational Costs					
O0001/IE00595/F0041/X046/R0278/001/5520	Skills Development Fund Levy	53 234.46	57 040.73	59 607.56	61 097.75
O0001/IE01581/F0041/X052/R0278/001/5520	Air Transport	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00059/F0041/X046/R0278/001/5520	National	1 200 000.00	1 300 000.00	500 000.00	512 500.00
O0001/IE01581/F0041/X053/R0278/001/5520	Air Transport	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00060/F0041/X052/R0278/001/5520	Accommodation	70 000.00	73 080.00	76 368.60	78 277.82
O0001/IE00060/F0041/X046/R0278/001/5520	Accommodation	220 000.00	180 000.00	188 100.00	192 802.50
O0001/IE00060/F0041/X051/R0278/001/5520	Accommodation	220 000.00	180 000.00	188 100.00	192 802.50
O0001/IE00062/F0041/X052/R0278/001/5520	Food and Beverage (Served)	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00595/F0041/X052/R0278/001/5520	Skills Development Fund Levy	49 064.62	51 223.47	53 528.52	54 866.74
O0001/IE00595/F0041/X053/R0278/001/5520	Skills Development Fund Levy	15 590.78	16 276.77	17 009.23	17 434.46
O0001/IE00143/F0041/X051/R0278/001/5520	Car Rental	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00144/F0041/X046/R0278/001/5520	Own Transport	61 961.10	64 687.39	67 598.32	69 288.28
O0001/IE00604/F0041/X046/R0279/001/5520	Uniform and Protective Clothing	1 860 000.00	1 000 000.00	500 000.00	512 500.00
O0001/IE00595/F0041/X052/R0278/001/5520	Skills Development Fund Levy	30 428.22	31 767.06	33 196.58	34 026.50
O0001/IE00144/F0041/X052/R0278/001/5520	Own Transport	65 000.00	67 860.00	70 913.70	72 686.54
O0001/IE00062/F0041/X051/R0278/001/5520	Food and Beverage (Served)	15 000.00	15 660.00	16 364.70	16 773.82
O0001/IE00579/F0041/X046/R0278/001/5520	Municipal Services	2 100 000.00	1 600 000.00	800 000.00	820 000.00
O0001/IE00144/F0041/X053/R0278/001/5520	Own Transport	80 000.00	83 520.00	87 278.40	89 460.36
O0001/IE01581/F0041/X046/R0278/001/5520	Air Transport	47 105.55	49 178.20	51 391.22	52 676.00
O0001/IE00062/F0041/X053/R0278/001/5520	Food and Beverage (Served)	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE01581/F0041/X051/R0278/001/5520	Air Transport	15 000.00	15 660.00	16 364.70	16 773.82
O0001/IE00060/F0041/X053/R0278/001/5520	Accommodation	40 000.00	41 760.00	43 639.20	44 730.18
O0001/IE00144/F0041/X051/R0278/001/5520	Own Transport	200 000.00	120 000.00	125 400.00	128 535.00
O0001/IE00753/F0041/X054/R0278/001/5520	Customer/Client Information	1 400 000.00	500 000.00	522 500.00	535 562.50
O0001/IE00143/F0041/X052/R0278/001/5520	Car Rental	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00584/F0041/X051/R0278/001/5520	Professional Bodies, Membership and Subscription	2 100 000.00	2 192 400.00	2 291 058.00	2 348 334.45
O0001/IE00143/F0041/X053/R0278/001/5520	Car Rental	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00062/F0041/X046/R0278/001/5520	Food and Beverage (Served)	41 316.15	43 134.06	45 075.09	46 201.97
O0001/IE00555/F0041/X051/R0279/001/5520	Bursaries (Employees)	500 000.00	422 000.00	440 990.00	452 014.75
O0001/IE00757/F0041/X051/R0278/001/5520	Staff Recruitment	400 000.00	417 600.00	436 392.00	447 301.80
O0001/IE00143/F0041/X046/R0278/001/5520	Car Rental	42 840.55	44 725.54	46 738.19	47 906.64
O1297-1/IE00571/F0041/X046/R0278/001/5520	Hire Charges	800 000.00	835 200.00	500 000.00	512 500.00
		11 696 541.45	9 475 853.22	7 253 982.61	7 435 332.18
Contracted Services					
O0001/IE00008/F0041/X064/R0278/001/5520	Legal Advice and Litigation	10 500 000.00	3 000 000.00	1 500 000.00	1 537 500.00
O1547-1/IE00651/F0041/X052/R0278/001/5520	Maintenance of Unspecified Assets	12 955 382.78	8 000 000.00	4 000 000.00	4 100 000.00
		23 455 382.78	11 000 000.00	5 500 000.00	5 637 500.00
Transfers and Subsidies					
O1227-1/IE03752/F0041/X046/R0278/001/5520	Bursaries (Non-Employee)	4 620 000.00	4 823 280.00	5 040 327.60	5 166 335.79
		4 620 000.00	4 823 280.00	5 040 327.60	5 166 335.79



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Community Services					
Operational Costs					
O0001/IE00062/F0041/X006/R0278/001/5066	Food and Beverage (Served)	35 000.00	36 540.00	38 184.30	39 138.91
O0001/IE00144/F0041/X006/R0278/001/5066	Own Transport	190 000.00	140 000.00	146 300.00	149 957.50
O0001/IE00143/F0041/X006/R0278/001/5066	Car Rental	15 000.00	15 660.00	16 364.70	16 773.82
O0001/IE01583/F0041/X006/R0278/001/5066	Road Transport	10 000.00	10 440.00	10 909.80	11 182.55
O0001/IE00754/F0041/X007/R0278/001/5066	Gifts and Promotional Items	100 000.00	100 000.00	104 500.00	107 112.50
O0001/IE00595/F0041/X006/R0278/001/5066	Skills Development Fund Levy	236 344.85	253 243.50	264 639.46	271 255.45
O0001/IE00060/F0041/X006/R0278/001/5066	Accommodation	300 000.00	280 000.00	292 600.00	299 915.00
O0001/IE01581/F0041/X006/R0278/001/5066	Air Transport	30 000.00	31 320.00	32 729.40	33 547.64
O0001/IE00595/F0041/X024/R0278/001/5066	Skills Development Fund Levy	28 063.90	30 070.47	31 423.64	32 209.23
O0001/IE00144/F0041/X024/R0278/001/5066	Own Transport	16 728.04	17 464.07	18 249.96	18 706.21
O0001/IE00571/F0791/X007/R0279/001/5066	Hire Charges	-	100 000.00	104 500.00	107 112.50
		961 136.78	1 014 738.04	1 060 401.26	1 086 911.29
Contracted Services					
O0001/IE00677/F0041/X007/R0278/001/5066	Catering Services	100 000.00	150 000.00	156 750.00	160 668.75
		100 000.00	150 000.00	156 750.00	160 668.75

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Sports Parks and Recreation					
Operational Costs					
O1333-1/IE00751/F0041/X125/R0279/001/8550	Corporate and Municipal Activities	1 285 068.04	1 300 000.00	1 000 000.00	1 025 000.00
Contracted services					
O1308-1/IE00636/F0041/X018/R0279/001/8550	Event Promoters	810 262.50	800 000.00	500 000.00	512 500.00
		2 095 330.54	2 100 000.00	1 500 000.00	1 537 500.00

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Emergency Sources					
Operational Costs					
O0001/IE00595/F0041/X034/R0278/001/7200	Skills Development Fund Levy	7 656.56	8 204.00	8 573.18	8 787.51
O0001/IE00573/F0041/X032/R0278/001/7200	Indigent Relief	2 500 000.00	2 610 000.00	2 727 450.00	2 795 636.25
		2 507 656.56	2 618 204.00	2 736 023.18	2 804 423.76
Contracted Services					
O0293-1/IE00634/F0041/X032/R0279/001/7200	Electrical	2 500 000.00	2 000 000.00	1 000 000.00	1 025 000.00
O3584/IE00563/F0041/X035/R0279/001/7200	Electricity compliance certificate		-		
		2 500 000.00	2 000 000.00	1 000 000.00	1 025 000.00



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Roads Infrastructure					
Operational Costs					
O0001/IE00595/F0041/X116/R0278/001/7500	Skills Development Fund Levy	43 176	46 263	48 345	49 553
O1278-2/IE00599/F1169/X116/R0279/001/7500	Supplier Development Programme	7 900 000	8 247 600	8 618 742	8 834 211
		7 943 176	8 293 863	8 667 087	8 883 764
Contracted Services					
O1270-2/IE00085/F0041/X043/R0279/001/7500	Minning Authorisation permit		-	-	-
O2734-1/IE00649/F0041/X077/R0278/001/7500	Maintenance of Buildings and Facilities	4 000 000	2 500 000	1 500 000	2 500 000
O0005-1/IE00629/F12768/X147/R0279/001/7350	Bore Waterhole Drilling	22 435 000	40 000 000	40 000 000	40 000 000
O1537-1/IE00651/F0041/X116/R0279/001/7500	Maintenance of Unspecified Assets	35 000 000	20 000 000	10 000 000	20 000 000
		61 435 000	62 500 000	51 500 000	62 500 000

AccountNumber	AccountType	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Public Safety						
Operational Costs						
O1235-3/IE00571/F0041/X153/R0278/001/8510	4710 - Operational Cost [Expenditure]	Hire Charges	190 000.00	100 000.00	104 500.00	107 112.50
			190 000.00	100 000.00	104 500.00	107 112.50
Contract Services						
O0022-2/IE00847/F0041/X153/R0279/001/8510	4200 - Contracted Services [Expenditure]	Research and Advisory	2 369 000.00			
O0001/IE00632/F0041/X153/R0279/001/8510	4200 - Contracted Services [Expenditure]	Catering Services	220 000.00	250 000.00	261 250.00	267 781.25
			2 589 000.00	250 000.00	261 250.00	267 781.25

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Diaster Management					
Operational cost					
O1235-2/IE00571/F0041/X019/R0279/001/8250	Hire Charges	-	100 000.00	104 500.00	107 112.50
O0001/IE00595/F0041/X019/R0278/001/8250	Skills Development Fund Levy	7 931.89	8 499.02	8 881.47	9 103.51
O0001/IE00552/F0041/X019/R0278/001/8250	Bargaining Council	156.06	167.22	174.75	179.11
O0001/IE00144/F0041/X019/R0278/001/8250	Own Transport	12 000.56	12 528.58	13 092.37	13 419.68
		20 088.51	21 194.82	22 148.59	22 702.31
Contracted services					
O1235-2/IE00677/F0041/X019/R0279/001/8250	Catering Services	150 000.00	150 000.00	156 750.00	160 668.75
		150 000.00	150 000.00	156 750.00	160 668.75
Transfers and Subsidies					
O1265-1/IE01321/F0041/X019/R0279/001/8250	Social Relief	2 500 000.00	2 500 000.00	2 612 500.00	2 677 812.50
O1265-1/IE01312/F0041/X019/R0279/001/8250	Clothing Provided	800 000.00	800 000.00	836 000.00	856 900.00
		3 300 000.00	3 300 000.00	3 448 500.00	3 534 712.50



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AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Waste Management					
Operational Costs					
O0001/IE00595/F0041/X132/R0278/001/7750	Skills Development Fund Levy	46 839.39	50 188.40	52 446.88	53 758.05
O1275-1/IE00751/F0041/X039/R0279/001/7750	Corporate and Municipal Activities	100 000.00	200 000.00	209 000.00	214 225.00
O0001/IE00583/F0041/X132/R0278/001/7750	Printing, Publications and Books	-	-	-	-
		146 839.39	250 188.40	261 446.88	267 983.05
Contracted Services					
O1275-2/IE00690/F0045/X131/R0279/001/7750	Mini Dumping Sites	20 000 000.00	21 000 000.00	10 000 000.00	10 250 000.00
O1270-1/IE00848/F0041/X039/R0279/001/7750	Valuer and Assessors	2 679 313.48	600 000.00	-	-
O3200-1/IE00651/F0041/X004/R0279/001/7750	Maintenance of Unspecified Asset	-	1 000 000.00	-	-
O0001/IE00632/F0041/X131/R0279/001/7750	Catering Services	100 000.00	100 000.00	104 500.00	107 112.50
		22 779 313.48	22 700 000.00	23 721 500.00	24 314 537.50

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Edp					
Operational Costs					
O0001/IE00143/F0041/X098/R0278/001/6200	Car Rental	20 000.00	20 880.00	21 819.60	22 365.09
O0001/IE01581/F0041/X098/R0278/001/6200	Air Transport	20 980.00	21 903.12	22 888.76	23 460.98
O0001/IE00144/F0041/X098/R0278/001/6200	Own Transport	200 000.00	100 000.00	104 500.00	107 112.50
O0001/IE00595/F0041/X098/R0278/001/6200	Skills Development Fund Levy	68 532.36	73 432.43	76 736.89	78 655.31
O0001/IE00062/F0041/X098/R0278/001/6200	Food and Beverage (Served)	15 735.00	70 000.00	73 150.00	74 978.75
O0001/IE00060/F0041/X098/R0278/001/6200	Accommodation	180 000.00	160 000.00	167 200.00	171 380.00
		505 247.36	446 215.55	466 295.25	477 952.63
Contracted Services					
O0001/IE00843/F0041/X098/R0279/001/6200	Organisational	560 000.00	584 640.00	-	-
O0025-3/IE00850/F0041/X101/R0279/001/6200	Architectural	-	300 000.00	150 000.00	153 750.00
O0025-1/IE00855/F2496/X098/R0279/001/6200	Land and Quantity Surveyors	-	500 000.00	-	-
O0025-6/IE00001/F0041/X098/R0279/001/6200	Town Planner	645 000.00	1 600 000.00	1 000 000.00	1 025 000.00
		1 205 000.00	2 984 640.00	1 150 000.00	1 178 750.00



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
LED					
Operational Costs					
O0001/IE00595/F0041/X096/R0278/001/6250	Skills Development Fund Levy	14 000.00	15 001.00	15 676.05	16 067.95
O1303-2/IE00599/F0041/X096/R0279/001/6250	Supplier Development Programme	1 000 000.00	1 000 000.00	1 045 000.00	1 071 125.00
O1354-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	215 000.00	120 000.00	125 400.00	128 535.00
O1302-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	315 000.00	500 000.00	522 500.00	535 562.50
		1 544 000.00	1 635 001.00	1 708 576.05	1 751 290.45
Contracted Services					
O1302-1/IE00677/F0041/X096/R0279/001/6250	Catering Services	-	100 000.00	104 500.00	107 112.50
O1302-2/IE00835/F0041/X098/R0279/001/6250	Business and Financial Management	971 750.00	1 500 000.00	1 000 000.00	1 025 000.00
O1217-1/IE00843/F0041/X096/R0279/001/6250	Organisational	350 000.00	365 400.00	381 843.00	391 389.08
		1 321 750.00	1 965 400.00	1 486 343.00	1 523 501.58
Transfer and Subsidies					
O1249-1/IE01307/F2496/X096/R0279/001/6250	Farmer Support Households (Cash)	1 197 775.00	2 500 000.00	2 500 000.00	2 562 500.00
O1249-2/IE01361-1/F0041/X096/R0279/001/6250	Unspecified	100 000.00	104 400.00	109 098.00	111 825.45
		1 297 775.00	2 604 400.00	2 609 098.00	2 674 325.45

AccountNumber	Item	Adjusted Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27	Draft Budget 2027/28
Technical					
Operational Costs					
O0001/IE00062/F0041/X099/R0278/001/7350	Food and Beverage (Served)	15 000.00	15 660.00	16 364.70	16 773.82
O0001/IE00595/F0041/X099/R0278/001/7350	Skills Development Fund Levy	16 210.71	17 369.78	18 151.42	18 605.20
O0001/IE00060/F0041/X099/R0278/001/7350	Accommodation	110 000.00	114 840.00	120 007.80	123 008.00
O0001/IE00143/F0041/X099/R0278/001/7350	Car Rental	40 000.00	41 760.00	43 639.20	44 730.18
O0001/IE00595/F1182/X099/R0278/001/7350	Skills Development Fund Levy	27 615.07	29 589.54	30 921.07	31 694.10
O0001/IE01581/F0041/X099/R0278/001/7350	Air Transport	50 000.00	52 200.00	54 549.00	55 912.73
O0001/IE00144/F1182/X099/R0278/001/7350	Own Transport	70 000.00	50 000.00	52 250.00	53 556.25
		328 825.78	321 419.32	335 883.19	344 280.27



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

2.3 ANNUAL BUDGET TABLES

The following are the ten main A schedule tables for the annual budget of Makhuduthamaga municipality for the 2025/26 MTREF

2.3.1 Table 7 MBRR A1 – Annual Budget Summary

LIM473 Makhuduthamaga - Table A1 Budget Summary



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

LIM473 Makhuduthamaga - Table A1 Budget Summary

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	44 418	46 259	39 628	63 000	-	-	30 009	53 000	55 000	57 000
Service charges	150	175	349	340	-	-	279	10 700	600	700
Investment revenue	3 024	7 217	3 784	3 500	-	-	2 100	4 000	4 200	4 400
Transfer and subsidies - Operational	300 035	337 037	362 492	390 802	-	-	373 905	409 743	406 005	422 742
Other own revenue	499 523	52 808	18 673	20 330	-	-	17 849	23 575	24 658	25 741
Total Revenue (excluding capital transfers and contributions)	847 151	443 496	424 927	477 972	-	-	424 142	501 018	490 463	510 583
Employee costs	89 506	101 174	115 498	145 051	-	-	81 671	143 979	150 401	154 130
Remuneration of councillors	24 015	23 812	27 817	29 563	-	-	20 167	28 904	30 205	30 960
Depreciation and amortisation	30 572	28 667	34 937	34 775	-	-	23 011	36 851	38 509	39 472
Interest	2 035	2 685	2 232	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	4 195	3 269	2 465	2 300	-	-	3 484	1 500	1 568	1 607
Transfers and subsidies	6 781	5 871	9 077	6 980	-	-	5 082	10 728	11 098	11 375
Other expenditure	644 561	350 242	396 155	221 140	-	-	163 588	237 584	206 362	222 268
Total Expenditure	801 664	515 720	588 181	439 808	-	-	297 002	459 546	438 142	459 812
Surplus/(Deficit)	45 487	(72 224)	(163 254)	38 164	-	-	127 139	41 472	52 321	50 771
Transfers and subsidies - capital (monetary allocations)	81 777	94 915	94 109	81 789	-	-	46 607	78 469	93 127	97 329
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	127 264	22 691	(69 145)	119 953	-	-	173 747	119 941	145 448	148 100
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	127 264	22 691	(69 145)	119 953	-	-	173 747	119 941	145 448	148 100
Capital expenditure & funds sources										
Capital expenditure	39 053	92 420	76 876	155 689	-	-	775 922	161 743	164 127	128 354
Transfers recognised - capital	20 464	46 701	(36 099)	81 789	-	-	89 943	78 469	93 127	97 329
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	18 589	45 719	112 975	73 900	-	-	685 978	83 274	71 000	31 025
Total sources of capital funds	39 053	92 420	76 876	155 689	-	-	775 922	161 743	164 127	128 354
Financial position										
Total current assets	224 559	27 671	30 363	133 795	-	-	94 291	100 714	145 642	170 756
Total non current assets	313 793	380 563	435 501	460 080	-	-	501 833	569 459	572 346	536 820
Total current liabilities	128 292	(11 013)	117 511	49 984	-	-	71 574	87 676	105 202	87 303
Total non current liabilities	17 667	8 037	9 718	11 797	-	-	9 718	9 718	9 761	9 786
Community wealth/Equity	435 204	458 557	389 412	616 267	-	-	563 159	619 409	649 694	657 177
Cash flows										
Net cash from (used) operating	-	1 090 932	2 233 138	(33 808)	-	-	(133 556)	173 515	172 266	166 358
Net cash from (used) investing	-	(93 987)	(145 113)	(179 042)	-	-	145 089	(186 004)	(170 346)	(147 607)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	-	996 944	2 088 026	(152 343)	-	-	11 532	1 411	3 331	22 082
Cash backing/surplus reconciliation										
Cash and investments available	104 817	6 644	13 897	30 199	-	-	57 644	5 411	20 083	37 149
Application of cash and investments	127 350	(14 674)	114 303	(21 715)	-	-	39 665	(41 263)	(40 370)	(60 475)
Balance - surplus (shortfall)	(22 533)	21 319	(100 406)	51 914	-	-	17 979	46 674	60 453	97 624
Asset management										
Asset register summary (WDV)	313 793	380 563	435 501	460 080	-	-	526 129	526 129	528 821	493 186
Depreciation	30 572	28 667	34 937	34 775	-	-	36 851	36 851	38 509	39 472
Renewal and Upgrading of Existing Assets	4 693	4 693	7 544	1 000	-	-	-	7 000	7 000	-
Repairs and Maintenance	72 517	35 519	38 834	41 055	-	-	39 500	39 500	20 500	31 725
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	(1 977)	(2 113)	(2 169)	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

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 A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
Revenue - Functional										
<i>Governance and administration</i>		923 568	537 959	519 010	537 261	-	-	535 187	539 090	563 212
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		923 568	537 959	519 010	537 261	-	-	535 187	539 090	563 212
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		5 360	-	-	2 500	-	-	4 300	4 500	4 700
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		5 360	-	-	2 500	-	-	4 300	4 500	4 700
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	20 000	-	-	40 000	40 000	40 000
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	20 000	-	-	40 000	40 000	40 000
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	928 928	537 959	519 010	559 761	-	-	579 487	583 590	607 912
Expenditure - Functional										
<i>Governance and administration</i>		578 168	268 775	305 386	258 010	-	-	253 937	241 527	248 568
Executive and council		63 916	67 203	71 676	73 503	-	-	71 061	76 019	78 772
Finance and administration		508 794	195 975	227 747	179 516	-	-	177 489	159 879	164 026
Internal audit		5 457	5 597	5 962	4 991	-	-	5 387	5 630	5 770
<i>Community and public safety</i>		31 408	36 011	41 472	43 582	-	-	44 853	44 019	46 082
Community and social services		26 575	30 708	35 717	37 042	-	-	40 703	41 153	42 182
Sport and recreation		1 392	1 026	1 645	1 200	-	-	1 300	1 000	1 025
Public safety		12	304	560	2 340	-	-	350	366	375
Housing		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		137 348	170 366	202 992	83 055	-	-	85 854	75 542	87 180
Planning and development		11 198	16 702	18 279	29 151	-	-	27 862	26 467	27 129
Road transport		126 055	153 634	184 625	53 104	-	-	57 192	48 865	59 837
Environmental protection		95	30	87	800	-	-	800	209	214
<i>Trading services</i>		54 741	40 568	38 332	54 861	-	-	74 902	77 055	77 981
Energy sources		23 705	11 131	7 003	4 481	-	-	6 074	5 257	5 389
Water management		-	-	-	20 000	-	-	40 000	40 000	40 000
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		31 036	29 437	31 329	30 380	-	-	28 828	31 797	32 592
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	801 664	515 720	588 181	439 508	-	-	459 546	438 142	459 812
Surplus/(Deficit) for the year		127 264	22 239	(69 171)	120 253	-	-	119 941	145 448	148 100



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

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

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

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue - Functional	1									
Municipal governance and administration		923 568	537 959	519 010	537 261	-	-	535 187	539 090	563 212
Finance and administration		923 568	537 959	519 010	537 261	-	-	535 187	539 090	563 212
Asset Management		11	328	(958)	-	-	-	-	-	-
Finance		923 557	537 631	519 968	537 261	-	-	535 187	539 090	563 212
Economic and environmental services		5 360	-	-	2 500	-	-	4 300	4 500	4 700
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		5 360	-	-	2 500	-	-	4 300	4 500	4 700
Road and Traffic Regulation		5 360	-	-	2 500	-	-	4 300	4 500	4 700
Trading services		-	-	-	20 000	-	-	40 000	40 000	40 000
Water management		-	-	-	20 000	-	-	40 000	40 000	40 000
Water Storage		-	-	-	20 000	-	-	40 000	40 000	40 000
Total Revenue - Functional	2	928 928	537 959	519 010	559 761	-	-	579 487	583 590	607 912
Expenditure - Functional										
Municipal governance and administration		578 168	268 775	305 386	258 010	-	-	253 937	241 527	248 568
Executive and council		63 916	67 203	71 676	73 503	-	-	71 061	76 019	78 772
Mayor and Council		58 418	64 752	67 273	68 465	-	-	65 138	69 829	72 428
Municipal Manager, Town Secretary and Chief Executive		5 498	2 451	4 404	5 037	-	-	5 923	6 190	6 345
Finance and administration		508 794	195 975	227 747	179 516	-	-	177 489	159 879	164 026
Administrative and Corporate Support		12 377	17 519	17 003	19 751	-	-	20 207	18 468	18 930
Asset Management		11 853	14 831	23 040	10 467	-	-	11 987	10 256	10 513
Finance		441 330	107 922	128 852	98 439	-	-	98 043	87 771	90 115
Fleet Management		7 202	8 815	9 634	6 780	-	-	6 884	7 193	7 373
Human Resources		6 487	8 265	9 420	9 065	-	-	9 697	10 133	10 387
Information Technology		18 117	22 193	21 373	19 602	-	-	15 871	12 225	12 531
Legal Services		4 678	6 118	8 101	4 360	-	-	5 020	3 611	3 701
Marketing, Customer Relations, Publicity and Media Co-		58	378	227	1 400	-	-	500	523	536
Risk Management		1 403	2 029	2 356	1 575	-	-	1 686	1 762	1 806
Supply Chain Management		5 288	7 904	7 740	8 078	-	-	7 594	7 936	8 135
Internal audit		5 457	5 597	5 962	4 991	-	-	5 387	5 630	5 770
Governance Function		5 457	5 597	5 962	4 991	-	-	5 387	5 630	5 770
Community and public safety		31 408	36 011	41 472	43 582	-	-	44 853	44 019	46 082
Community and social services		26 575	30 708	35 717	37 042	-	-	40 703	41 153	42 182
Cemeteries, Funeral Parlours and Crematoriums		-	957	-	-	-	-	1 000	-	-
Community Halls and Facilities		21 918	24 774	27 225	30 924	-	-	31 638	33 061	33 888
Cultural Matters		-	-	828	800	-	-	800	500	513
Disaster Management		2 746	2 946	5 183	2 712	-	-	4 414	4 613	4 728
Libraries and Archives		1 911	2 032	2 481	2 606	-	-	2 851	2 980	3 054
Sport and recreation		1 392	1 026	1 645	1 200	-	-	1 300	1 000	1 025
Sports Grounds and Stadiums		1 392	1 026	1 645	1 200	-	-	1 300	1 000	1 025
Public safety		12	304	560	2 340	-	-	350	366	375
Police Forces, Traffic and Street Parking Control		12	304	560	2 340	-	-	350	366	375
Pounds		-	-	-	-	-	-	-	-	-
Housing		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Housing		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		137 348	170 366	202 992	83 055	-	-	85 854	75 542	87 180
Planning and development		11 198	16 702	18 279	29 151	-	-	27 862	26 467	27 129
Billboards		-	-	-	-	-	-	-	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)		1 996	3 520	3 755	4 280	-	-	7 246	7 460	7 646
Economic Development/Planning		4 245	9 473	9 713	18 149	-	-	14 305	12 576	12 891
Town Planning, Building Regulations and Enforcement, and Project Management Unit		1 000	22	344	-	-	-	300	150	154
		3 956	3 688	4 467	6 722	-	-	6 011	6 281	6 438
Road transport		126 055	153 634	184 625	53 104	-	-	57 192	48 865	59 837
Roads		126 055	153 634	184 625	53 104	-	-	57 192	48 865	59 837
Environmental protection		95	30	87	800	-	-	800	209	214
Pollution Control		95	30	87	800	-	-	800	209	214
Trading services		54 741	40 568	38 332	54 861	-	-	74 902	77 055	77 981
Energy sources		23 705	11 131	7 003	4 481	-	-	6 074	5 257	5 389
Electricity		23 112	5 301	4 268	3 735	-	-	5 263	4 409	4 520
Street Lighting and Signal Systems		593	613	649	746	-	-	811	848	869
Nonelectric Energy		-	5 217	2 086	-	-	-	-	-	-
Water management		-	-	-	20 000	-	-	40 000	40 000	40 000
Water Storage		-	-	-	20 000	-	-	40 000	40 000	40 000
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		31 036	29 437	31 329	30 380	-	-	28 828	31 797	32 592
Solid Waste Disposal (Landfill Sites)		28 513	26 349	26 938	20 378	-	-	21 150	23 773	24 368
Solid Waste Removal		2 523	3 088	4 391	10 002	-	-	7 678	8 024	8 225
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	801 664	515 720	588 181	439 508	-	-	459 546	438 142	459 812
Surplus/(Deficit) for the year		127 264	22 239	(69 171)	120 253	-	-	119 941	145 448	148 100



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

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

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Waste Management	2	150	175	349	340	-	-	279	10 700	600	700
Sale of Goods and Rendering of Services		313	428	474	340	-	-	1 129	1 425	1 528	1 631
Agency services		5 360	5 669	6 262	6 000	-	-	5 037	7 500	7 800	8 100
Interest earned from Current and Non Current As		3 024	7 217	3 784	3 500	-	-	2 300	4 000	4 200	4 400
Rental from Fixed Assets		107	160	264	190	-	-	172	250	280	310
Operational Revenue		454 694	29 688	-	-	-	-	-	-	-	-
Non-Exchange Revenue											
Property rates	2	44 418	46 259	39 628	63 000	-	-	30 009	53 000	55 000	57 000
Fines, penalties and forfeits		217	1 093	668	800	-	-	1 291	1 400	1 550	1 700
Transfer and subsidies - Operational		300 035	337 037	362 492	390 802	-	-	374 396	409 743	406 005	422 742
Interest		38 355	13 627	12 575	13 000	-	-	10 485	13 000	13 500	14 000
Gains on disposal of Assets		11	328	(958)	-	-	-	244	-	-	-
Other Gains		465	1 814	(609)	-	-	-	1 449	-	-	-
Total Revenue (excluding capital transfers and		847 151	443 496	424 930	477 972	-	-	426 790	501 018	490 463	510 583
Expenditure											
Employee related costs	2	89 506	101 174	115 498	145 051	-	-	92 099	143 979	150 401	154 130
Remuneration of councillors		24 015	23 812	27 817	29 563	-	-	20 660	28 904	30 205	30 960
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	4 195	3 269	2 465	2 300	-	-	3 484	1 500	1 568	1 607
Debt impairment	3	-	-	20 362	10 000	-	-	-	19 836	10 000	10 250
Depreciation and amortisation		30 572	28 667	34 937	34 775	-	-	25 993	36 851	38 509	39 472
Interest		2 035	2 685	2 232	-	-	-	-	-	-	-
Contracted services		219 643	253 733	285 626	153 146	-	-	126 444	160 918	140 305	153 525
Transfers and subsidies		6 781	5 871	9 077	6 980	-	-	5 803	10 728	11 098	11 375
Irrecoverable debts written off		374 764	26 175	20 563	-	-	-	-	-	-	-
Operational costs		50 154	70 333	69 605	57 994	-	-	50 897	56 830	56 057	58 493
Total Expenditure		801 664	515 720	588 181	439 808	-	-	325 380	459 546	438 142	459 812
Surplus/(Deficit)		45 487	(72 224)	(163 251)	38 164	-	-	101 411	41 472	52 321	50 771
Transfers and subsidies - capital (monetary	6	81 777	94 915	94 109	81 789	-	-	53 635	78 469	93 127	97 329
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		127 264	22 691	(69 142)	119 953	-	-	155 045	119 941	145 448	148 100
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		127 264	22 691	(69 142)	119 953	-	-	155 045	119 941	145 448	148 100
Surplus/(Deficit) attributable to municipality		127 264	22 691	(69 142)	119 953	-	-	155 045	119 941	145 448	148 100
Surplus/(Deficit) for the year	1	127 264	22 691	(69 142)	119 953	-	-	155 045	119 941	145 448	148 100



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

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital expenditure - Vote											
Single-year expenditure	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	474	-	-
Vote 2 - Finance & Administration		25 490	58 143	107 398	6 000	-	-	642 946	8 800	-	-
Vote 3 - Finance & Administration 2		-	0	3 293	1 900	-	-	3 293	2 000	1 000	1 025
Vote 4 - Community and Social Services		-	-	-	-	-	-	2 257	-	-	-
Vote 7 - Energy Sources		-	-	10 317	12 431	-	-	13 883	6 436	26 527	14 975
Vote 8 - Road Transport		16 045	45 381	(46 416)	124 558	-	-	22 375	142 033	129 600	112 354
Vote 9 - Public Safety		-	179	-	-	-	-	179	-	-	-
Vote 10 - Waste Management		(2 482)	(11 283)	2 284	10 800	-	-	4 991	2 000	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	7 000	-
Vote 15 - OTHER		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		39 053	92 420	76 876	155 689	-	-	689 924	161 743	164 127	128 354
Total Capital Expenditure - Vote		39 053	92 420	76 876	155 689	-	-	689 924	161 743	164 127	128 354
Capital Expenditure - Functional											
Governance and administration		25 490	58 143	110 691	7 900	-	-	653 272	11 274	1 000	1 025
Executive and council		-	-	-	-	-	-	1 050	474	-	-
Finance and administration		25 490	58 143	110 691	7 900	-	-	652 222	10 800	1 000	1 025
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	179	-	-	-	-	3 273	-	7 000	-
Community and social services		-	-	-	-	-	-	2 257	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	7 000	-
Public safety		-	179	-	-	-	-	1 016	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		16 045	45 381	(46 416)	124 558	-	-	94 950	142 033	129 600	112 354
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		16 045	45 381	(46 416)	124 558	-	-	94 950	142 033	129 600	112 354
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		(2 482)	(11 283)	12 601	23 231	-	-	24 426	8 436	26 527	14 975
Energy sources		-	-	10 317	12 431	-	-	19 436	6 436	26 527	14 975
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		(2 482)	(11 283)	2 284	10 800	-	-	4 991	2 000	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	3	39 053	92 420	76 876	155 689	-	-	775 922	161 743	164 127	128 354
Funded by:											
National Government		20 464	46 701	(36 099)	81 789	-	-	89 943	78 469	93 127	97 329
Transfers recognised	4	20 464	46 701	(36 099)	81 789	-	-	89 943	78 469	93 127	97 329
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		18 589	45 719	112 975	73 900	-	-	685 978	83 274	71 000	31 025
Total Capital Funding	7	39 053	92 420	76 876	155 689	-	-	775 922	161 743	164 127	128 354



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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	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
ASSETS											
Current assets											
Cash and cash equivalents		104 817	6 644	13 897	30 199	-	-	11 164	3 776	29 046	46 046
Trade and other receivables from exchange transactions	1	4 821	2 697	2 194	2 779	-	-	859	6 046	2 420	(746)
Receivables from non-exchange transactions	1	108 825	11 709	9 777	56 688	-	-	34 296	53 385	65 283	67 737
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	987	707	628	2 328	-	-	641	4 128	4 760	5 316
VAT		1 143	1 031	(1 734)	41 800	-	-	1 170	27 943	50 395	58 589
Other current assets		3 966	4 882	5 239	-	-	-	4 821	5 239	5 263	5 276
Total current assets		224 559	27 671	30 002	133 795	-	-	52 952	100 518	157 167	182 219
Non current assets											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		210	514	539 289.00	514	-	-	539	539	542	543
Property, plant and equipment	3	356 318	427 397	484 105	544 039	-	-	560 896	659 872	663 034	627 659
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-
Intangible assets		77	-	1 634	-	-	-	2 072	7 872	7 879	7 882
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		356 604	427 910	486 278	544 553	-	-	563 507	668 284	671 455	636 084
TOTAL ASSETS		581 163	455 581	516 280	678 348	-	-	616 460	768 802	828 622	818 302
LIABILITIES											
Current liabilities											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions	4	45 818	45 497	140 560	46 269	-	-	67 946	60 346	79 010	60 820
Trade and other payables from non-exchange transactions	5	-	71	7 551	1 871	-	-	35 596	10 458	10 639	10 743
Provision		98 196	(38 461)	(15 518)	813	-	-	(15 518)	12 541	12 597	12 629
VAT		(15 722)	(18 122)	(15 082)	1 031	-	-	(5 219)	4 331	4 486	4 634
Other current liabilities		-	-	-	-	-	-	-	-	-	-
Total current liabilities		128 292	(11 013)	117 511	49 984	-	-	82 805	87 676	106 732	88 826
Non current liabilities											
Financial liabilities	6	-	-	-	-	-	-	-	-	-	-
Provision	7	17 667	8 037	9 718	11 797	-	-	9 718	9 718	9 761	9 786
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-
Total non current liabilities		17 667	8 037	9 718	11 797	-	-	9 718	9 718	9 761	9 786
TOTAL LIABILITIES		145 959	(2 976)	127 229	61 781	-	-	92 523	97 393	116 494	98 611
NET ASSETS		435 204	458 557	389 051	616 567	-	-	523 937	671 408	712 128	719 691
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	435 204	458 557	389 051	616 267	-	-	523 937	671 408	712 128	719 691
Reserves and funds	9	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10	435 204	458 557	389 051	616 267	-	-	523 937	671 408	712 128	719 691



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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	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	23 724	57 437	49 770	-	-	82 565	41 870	43 845	46 120
Service charges		-	256	520	309	-	-	760	8 453	12 204	12 226
Other revenue		-	38 808	111 090	44 160	-	-	172 511	64 948	42 595	36 451
Transfers and Subsidies - Operational	1	-	333 845	705 974	403 233	-	-	1 083 946	415 179	420 332	437 717
Transfers and Subsidies - Capital	1	-	94 915	189 024	69 358	-	-	286 882	73 033	78 800	82 354
Interest		-	5 544	9 250	3 500	-	-	11 840	4 000	4 200	4 400
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		-	595 357	1 163 455	(597 557)	-	-	(813 179)	(425 219)	(408 740)	(431 671)
Interest		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	(3 080)	-	-	-	(4 823)	(5 040)	(5 166)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	1 092 449	2 236 751	(30 308)	-	-	825 326	177 440	188 196	182 430
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Payments											
Capital assets		-	(93 987)	(145 113)	(179 042)	-	-	145 113	(187 504)	(173 046)	(150 307)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(93 987)	(145 113)	(179 042)	-	-	145 113	(187 504)	(173 046)	(150 307)
CASH FLOWS FROM FINANCING ACTIVITIES											
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	998 462	2 091 639	(209 350)	-	-	970 439	(10 065)	15 150	32 123
Cash/cash equivalents at the year begin:	2	-	-	-	60 508	-	-	12 674	13 901	13 963	13 998
Cash/cash equivalents at the year end:	2	-	998 462	2 091 639	(148 843)	-	-	983 113	3 836	29 113	46 121



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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 2025/26 MTREF provide for a net decrease in cash of **R 10 million** for the 2025/26 financial year, net increase of **R 15 million** 2026/27 and net increase of **R 32 million** in 2027/28.
4. Cash Flow from Operating activities.
The municipality has projected to receive **R 41 million** from Property rates and **R 64 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 has been disregarded in the calculations.
5. Property Rates
 - The municipality has budgeted to collect about **R 41 million** from the property rates billing during the 2025/26 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 has already went above 79% in the current 2025/26 financial year.
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 2025/26 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 +/-5.4% interests p.a.

2.3.8 Table MBRR 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	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash and investments available											
Cash/cash equivalents at the year end	1	-	998 462	2 091 639	(148 843)	-	-	983 113	3 836	29 113	46 121
Other current investments > 90 days		104 817	(991 817)	(2 077 742)	179 042	-	-	(959 303)	-	0	(0)
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		104 817	6 644	13 897	30 199	-	-	23 810	3 836	29 113	46 121
Application of cash and investments											
Unspent conditional transfers		-	71	7 551	71	-	-	46 697	7 158	7 190	7 208
Unspent borrowing											
Statutory requirements	2	(16 664)	(19 152)	(11 287)	(56 338)	-	-	(5 467)	(37 784)	(60 796)	(69 257)
Other working capital requirements	3	45 818	42 867	133 699	33 739	-	-	32 137	(24 557)	(850)	(13 214)
Other provisions		98 196	(38 461)	(15 518)	813	-	-	(15 518)	12 541	12 597	12 629
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		127 350	(14 674)	114 445	(21 715)	-	-	57 849	(42 642)	(41 859)	(62 633)
Surplus(shortfall) - Excluding Non-Current Creditors		(22 533)	21 318	(100 548)	51 914	-	-	(34 039)	46 479	70 972	108 755
Creditors transferred to Debt Relief - Non-Current Creditors		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors		(22 533)	21 318	(100 548)	51 914	-	-	(34 039)	46 479	70 972	108 755

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

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.



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6. The municipality does not have non-current investments, and no projection has been 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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LIM473 Makhuduthamaga - Table A9 Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	578 759	678 418	759 156	154 689	-	-	161 743	164 127	128 354
Roads Infrastructure		386 454	462 750	517 316	122 058	-	-	142 033	129 600	112 354
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		7 298	10 341	23 845	12 431	-	-	6 436	26 527	14 975
Solid Waste Infrastructure		13 990	2 707	4 991	-	-	-	2 000	-	-
Infrastructure		407 741	475 798	546 151	134 489	-	-	150 469	156 127	127 329
Community Facilities		25 052	34 831	36 152	1 500	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	7 000	-
Community Assets		25 052	34 831	36 152	1 500	-	-	-	7 000	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Operational Buildings		62 823	69 586	77 218	-	-	-	-	-	-
Housing		-	476	1 655	-	-	-	2 100	-	-
Other Assets		62 823	70 062	78 873	-	-	-	2 100	-	-
Licences and Rights		8 215	8 215	10 216	-	-	-	-	-	-
Intangible Assets		8 215	8 215	10 216	-	-	-	-	-	-
Computer Equipment		27 051	33 436	30 135	1 900	-	-	2 000	1 000	1 025
Furniture and Office Equipment		9 578	10 510	9 148	1 000	-	-	1 700	-	-
Machinery and Equipment		-	179	179	-	-	-	474	-	-
Transport Assets		38 033	44 122	47 037	15 800	-	-	5 000	-	-
Land		265	1 265	1 265	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	4 693	4 693	7 544	1 000	-	-	-	7 000	-
Roads Infrastructure		-	-	-	1 000	-	-	-	-	-
Electrical Infrastructure		3 565	3 565	3 565	-	-	-	-	-	-
Infrastructure		3 565	3 565	3 565	1 000	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	7 000	-
Community Assets		-	-	-	-	-	-	-	7 000	-
Operational Buildings		1 127	1 127	3 979	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1 127	1 127	3 979	-	-	-	-	-	-
Total Capital Expenditure	4	583 451	683 111	766 701	155 689	-	-	161 743	171 127	128 354
Roads Infrastructure		386 454	462 750	517 316	123 058	-	-	142 033	129 600	112 354
Electrical Infrastructure		10 863	13 906	27 410	12 431	-	-	6 436	26 527	14 975
Solid Waste Infrastructure		13 990	2 707	4 991	-	-	-	2 000	-	-
Infrastructure		411 307	479 363	549 717	135 489	-	-	150 469	156 127	127 329
Community Facilities		25 052	34 831	36 152	1 500	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	14 000	-
Community Assets		25 052	34 831	36 152	1 500	-	-	-	14 000	-
Operational Buildings		63 951	70 713	81 197	-	-	-	-	-	-
Housing		-	476	1 655	-	-	-	2 100	-	-
Other Assets		63 951	71 190	82 852	-	-	-	2 100	-	-
Licences and Rights		8 215	8 215	10 216	-	-	-	-	-	-
Intangible Assets		8 215	8 215	10 216	-	-	-	-	-	-
Computer Equipment		27 051	33 436	30 135	1 900	-	-	2 000	1 000	1 025
Furniture and Office Equipment		9 578	10 510	9 148	1 000	-	-	1 700	-	-
Machinery and Equipment		-	179	179	-	-	-	474	-	-
Transport Assets		38 033	44 122	47 037	15 800	-	-	5 000	-	-
Land		265	1 265	1 265	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		583 451	683 111	766 701	155 689	-	-	161 743	171 127	128 354
ASSET REGISTER SUMMARY - PPE (WDV)	5	356 604	427 910	486 278	544 553	-	-	624 954	627 930	592 450
Roads Infrastructure		246 666	304 269	337 043	378 217	-	-	435 772	423 768	406 739
Electrical Infrastructure		5 558	8 115	20 939	15 052	-	-	12 839	32 933	21 381
Solid Waste Infrastructure		12 731	1 193	3 451	1 016	-	-	3 880	1 887	1 890
Information and Communication Infrastructure		-	-	-	-	-	-	474	-	-
Infrastructure		264 956	313 576	361 433	394 284	-	-	452 966	458 587	430 010
Community Assets		18 424	27 177	27 043	16 329	-	-	23 207	30 247	23 268
Investment properties		210	514	539	514	-	-	539	542	543
Other Assets		43 938	48 475	55 197	84 473	-	-	98 824	99 109	99 264
Intangible Assets		77	-	1 634	-	-	-	7 872	7 879	7 882
Computer Equipment		10 609	14 699	12 894	13 059	-	-	11 380	10 279	10 245
Furniture and Office Equipment		3 309	3 647	4 869	2 831	-	-	4 588	2 470	2 459
Machinery and Equipment		-	179	179	16 800	-	-	6 700	-	-
Transport Assets		14 818	18 378	21 225	14 998	-	-	17 612	17 545	17 504
Land		265	1 265	1 265	1 265	-	-	1 265	1 271	1 274
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		356 604	427 910	486 278	544 553	-	-	624 954	627 930	592 450
EXPENDITURE OTHER ITEMS		103 089	64 186	74 688	75 830	-	-	76 351	59 009	71 197
Depreciation	7	30 572	28 667	34 937	34 775	-	-	36 851	38 509	39 472
Repairs and Maintenance by Asset Class	3	72 517	35 519	39 751	41 055	-	-	39 500	20 500	31 725
Roads Infrastructure		46 416	-	917	20 000	-	-	20 000	10 000	20 000
Electrical Infrastructure		1 500	2 786	1 444	1 500	-	-	2 000	1 000	1 025
Infrastructure		47 916	2 786	2 361	21 500	-	-	22 000	11 000	21 025
Community Facilities		-	957	-	-	-	-	1 000	-	-
Community Assets		-	957	-	-	-	-	1 000	-	-
Operational Buildings		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Other Assets		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Computer Equipment		12 849	16 821	14 820	12 555	-	-	8 000	4 000	4 100
Machinery and Equipment		8 324	10 982	19 021	4 000	-	-	6 000	4 000	4 100
TOTAL EXPENDITURE OTHER ITEMS		103 089	64 186	74 688	75 830	-	-	76 351	59 009	71 197
Renewal and upgrading of Existing Assets as % of total capex		0.8%	0.7%	1.0%	0.6%	0.0%	0.0%	0.0%	4.1%	0.0%
Renewal and upgrading of Existing Assets as % of deprecn		15.3%	16.4%	21.6%	2.9%	0.0%	0.0%	0.0%	18.2%	0.0%
R&M as a % of PPE & Investment Property		20.3%	8.3%	8.2%	7.5%	0.0%	0.0%	6.4%	3.3%	5.4%
Renewal and upgrading and R&M as a % of PPE and Investme		21.7%	9.4%	9.8%	7.7%	0.0%	0.0%	6.4%	4.4%	5.4%

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

LIM473 Makhuduthamaga - Table A10 Basic service delivery measurement

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Household service targets	1									
Water:										
Other toilet provisions (< min.service level)		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-
Total number of households	5	(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-
Energy:										
Electricity/other energy (50kwh per household per month)		3 000	2 855	1 500	1 500	2 500	2 500	2 300	2 727	2 795
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		(1 977)	(2 113)	(2 169)	-	-	-	-	-	-
Total revenue cost of subsidised services provided		(3 954)	(4 226)	(4 337)	-	-	-	-	-	-

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), 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 the municipality’s indigent register with electricity tokens (Free Basic Electricity) and the other basic services 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 2025/26 MTREF:
 - Water services
 - Sanitation services
 - Electricity services
 - Refuse services
- The budget provides for 7900 households to be registered as indigent in 2025/26 and therefore entitled to receiving Free Basic Services. It is anticipated that these Free Basic Services will cost the municipality **R 2.3 million** in 2025/26, increasing to **R 2.7 million** in 2026/27 and **R 2.8 million** in 2027/28. 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 2020) 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 2021. 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

This is the first review of the IDP adopted by Council in July 2021.

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 2025/26 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 2025/26 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 2020/21 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, 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 2025/26 MTREF which was tabled before Council on June 2023 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:

- o Phases and activities of the process.
- o Structures that will manage the planning process and their respective roles
- o Public/community participation.
- o Time schedule for the planning process; and
- o 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 2023-2024 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 the Vision, Mission, Strategies and Objectives
Project phase	Identification of possible projects and their funding sources
Integration Phase	Sector plans summary inclusion and programmes of action.
Approval Phase	Submission of Annual IDP to council Road-show 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 appropriateness 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 newspaper 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 website 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)

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



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

Member of the Rep Forum includes:

- 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 2025-2026 f/y

Month	Action	Target date
PREPARATORY PHASE		
July 2024	<ul style="list-style-type: none"> ○ Exco provides political guidance over the budget process and priorities that must inform preparations of the budget ○ Table to council 4th quarter performance report and submit to COGHSTA after approval. ○ 4th Quarter Performance Lekgotla (2023-2024) ○ 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 2024
August 2024	<ul style="list-style-type: none"> ○ Ward to Ward based data collection ○ Collate information from ward-based data ○ Submit Annual Financial Statements for 2023-2024 to AG ○ Submit 2023-2024 Annual Performance Report to AG ○ Operational Risk Assessment for 2024-2025 	August 2024
Month	Activity	Target date
ANALYSIS PHASE		
September 2024	<ul style="list-style-type: none"> ○ 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 plan) ○ Consult provincial and national sector departments on sector specific programmes for alignment (libraries, schools, clinics, water, electricity, roads, sanitation, etc.) ○ Finalize ward-based data compilation for verification in December (IDP Rep forum) 	September 2024
Month	Activity	Target date
STRATEGIES PHASE		
October 2024	<ul style="list-style-type: none"> ○ Quarterly (1st) review of the 2024-2025 budget, related policies, amendments (if necessary), any related process ○ Risk committee meeting ○ Audit and performance meeting ○ Begin preliminary preparations on proposed budget for 2025-2026 financial year ○ 1st Quarter Performance Lekgotla (2024-2025) ○ Tabling of 2024-2025 1st quarter performance report to council and submit to COGHSTA after approval ○ mSCOA Steering Committee meeting 	October 2024



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Month	Activity	Target date
PROJECTS PHASE		
November 2024	<ul style="list-style-type: none"> ○ Confirm IDP Projects with District and Sector departments ○ Review and effect changes on the initial IDP draft 	November 2024
Month	Activity	Target date
INTEGRATION PHASE		
December 2024	<ul style="list-style-type: none"> ○ Consolidated Analysis Phase in Place ○ IDP/Budget Steering committee ○ IDP Representative Forum ○ mSCOA Steering Committee meeting 	December 2024
January 2025	<ul style="list-style-type: none"> ○ Table Draft 2023-2024 Annual Report to Council ○ Submit Draft Annual Report to AG, PT and Coghsta ○ Publish Draft Annual Report in the Municipal jurisdiction (website etc.) ○ Mid-Year Performance Lekgotla ○ Risk committee meeting ○ Audit and performance meeting ○ Table Mid-Year and 2nd quarter performance report to council and submit to National Treasury, Provincial Treasury, Coghsta ○ Table midyear budget to council and submit to National Treasury, Provincial Treasury, Coghsta 	January 2025
Month	Activity	Target date
February 2025	<ul style="list-style-type: none"> ○ Strategic Planning Session (Review of IDP/Budget, related policies) ○ Submit and Presentation of institutional Mid-Year performance assessment report to Provincial Treasury. ○ Adjust 2024/2025 budget and SDBIP and table to council for approval ○ Submit 2024-2025 Budget Adjustment and SDBIP to COGHSTA, Provincial Treasury. ○ Download of the latest mSCOA template ○ IDP/Budget Steering committee ○ 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 Adjustment budget onto the National Treasury's GoMuni portal. ○ Submission of Draft IDP/Budget for 2025-2026 to Management, relevant stakeholders and structures ○ mSCOA Steering Committee meeting 	February 2025
March 2025	<ul style="list-style-type: none"> ○ Council considers the 2025-2026 Draft IDP/Budget /SDBIP ○ Adoption of Oversight Report for 2023-2024 ○ Conduct Mid-Year Performance assessment for Municipal Manager and all Senior Managers for 2024-2025 financial Year. 	March 2025



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	<ul style="list-style-type: none"> ○ 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 	
	APPROVAL PHASE	
April 2025	<ul style="list-style-type: none"> ○ Publish the 2025-2026 IDP/Budget for public comments. ○ Submit 2025-2026 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 2024-2025 ○ 3rd Quarter Performance Lekgotla (2024-2025) ○ Table of 3rd quarter performance report to council and submit to COGHSTA ○ mSCOA Steering Committee meeting ○ Risk committee meeting ○ Audit and performance meeting ○ Consultation on tariffs and Free Basic Services (FBS) 	April 2025
May 2025	<ul style="list-style-type: none"> ○ IDP/Budget steering committee meeting ○ Submission of Draft IDP/Budget for 2025-2026 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. ○ Submit final annual procurement plan to Mayor, Provincial Treasury and National Treasury. ○ Table Municipal policies and By-Laws to council for approval. ○ Prepare SDBIP for 2025-2026 ○ Prepare operational Risk assessment for 2025-2026 	May 2025
June 2025	<ul style="list-style-type: none"> ○ Publish the approved 2024-2026 IDP/Budget ○ 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 2026/2027 to Council 	June 2025



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3.2 Overview of alignment of annual budget with IDP



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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 that 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

2024/25 Financial year	2025/26 Financial year
To ensure sustainable use of land and promote Growth and development.	To ensure acquisition and sustainable use of land and promote growth and development.
To improve quality of life of our citizens through sustainable roads infrastructure.	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



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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 create 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 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...
To provide assurance and build internal and public confidence on internal and external	Improve Internal and External operation of the municipality and its stakeholders



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In order 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 labour-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 safe working environments by effective enforcement 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 Optimising effective community participation in the ward committee system; and
 - o Implementing Batho Pele in the revenue management strategy.
- 5.1 Promote sound governance and transparency through:
 - o Publishing the outcomes of all tender processes on the municipal website



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- 5.2 Ensure financial sustainability through:
- o Reviewing the use of contracted services
 - o Continuing to implement the infrastructure management strategy and the repairs and maintenance plan
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- o Review of the organizational structure to optimize the use of personnel.

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.

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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, assess 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 realising its goals and objectives, complied 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 2025/26 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 15% for 2025/26 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 2025/26 financial year registered indigents are being provided with a fifty (50) KWh token per household per month at a total cost **R 2.5 million** to the municipality. The cost of free basic electricity remains at **R2.6 million** in 2026/27 and **2.7 million** 2027/28. The total amount of units provided per household remains at 50 KWh for the 2025/26 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 2023 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 with 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 2025/26 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 76 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 2023, the municipality has not made any projection for them in the cash flow statement for 2025/26 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 2025/26 MTREF for Property rates can be shown as follows:

Revenue Category	Approved Tarrif 2022/23	Approved Tarrif 2023/24	Approved Tarrif 2024/25	Approved Tarrif 2025/26
Business Property	0.16	0.16	0.016	0.016
Government Property	0.16	0.16	0.015	0.015
Agricultural Property	0.16	0.16	0.014	0.014

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 other' to be provided for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed revenue and other own source

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 2024/2025



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3.4.5 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy was 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 introduce time frames to achieve certain benchmarks.

3.4.6 Tariff Policies

The municipality's tariff policy provide 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 approval in May 2024.

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 2025/26 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 utilised 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 interests are 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 remains 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 129 and 30. We budgeted 5.15% an increase of percent for 2025/26 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 recognized – 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 2023/24	Approved Tarrif 2024/25	Approved Tarrif 2025/26
Property Rates	0.16	0.16	0.016	0.016

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 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 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 2023/24 and net increase for both 2025/26 & 2025/26 financial years.



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Table 28 MBRR Table A7 - Budget cash flow statement



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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 budgeting 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 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	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash and investments available											
Cash/cash equivalents at the year end	1	-	998 462	2 091 639	(148 843)	-	-	983 113	3 836	29 113	46 121
Other current investments > 90 days		104 817	(991 817)	(2 077 742)	179 042	-	-	(959 303)	-	0	(0)
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		104 817	6 644	13 897	30 199	-	-	23 810	3 836	29 113	46 121
Application of cash and investments											
Unspent conditional transfers		-	71	7 551	71	-	-	46 697	7 158	7 190	7 208
Unspent borrowing											
Statutory requirements	2	(16 664)	(19 152)	(11 287)	(56 338)	-	-	(5 467)	(37 784)	(60 796)	(69 257)
Other working capital requirements	3	45 818	42 867	133 699	33 739	-	-	32 137	(24 557)	(850)	(13 214)
Other provisions		98 196	(38 461)	(15 518)	813	-	-	(15 518)	12 541	12 597	12 629
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		127 350	(14 674)	114 445	(21 715)	-	-	57 849	(42 642)	(41 859)	(62 633)
Surplus(shortfall) - Excluding Non-Current Creditors		(22 533)	21 318	(100 548)	51 914	-	-	(34 039)	46 479	70 972	108 755
Creditors transferred to Debt Relief - Non-Current Creditors		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors		(22 533)	21 318	(100 548)	51 914	-	-	(34 039)	46 479	70 972	108 755

From the above table it can be seen that the cash and investments available total is **R 3.8 million** in the 2025/26 financial year and increases to **R 28 million** by 2026/27 and **R 45 million** by 2027/28.

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.

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



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

LIM473 Makhuduthamaga Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	–	998 462	2 091 639	(148 843)	–	–	983 113	3 836	29 113	46 121
Cash + investments at the yr end less applications - R'000	18(1)b	2	(22 533)	21 318	(100 548)	51 914	–	–	(34 039)	46 479	70 972	108 755
Cash year end/monthly employee/supplier payments	18(1)b	3	–	28.8	51.3	(4.8)	–	–	41.0	0.1	1.0	1.4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	127 264	22 691	(69 506)	119 953	–	–	140 602	119 941	155 648	158 250
Service charge rev % change - macro CPIX target ex clusiv e	18(1)a,(2)	5	N.A.	(1.8%)	(19.9%)	52.4%	(106.0%)	(6.0%)	(6.0%)	(6.0%)	(2.7%)	(2.9%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	16.8%	52.2%	20.1%	0.0%	0.0%	84.4%	132.5%	109.4%	101.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	50.9%	15.8%	0.0%	0.0%	0.0%	31.1%	15.2%	15.1%
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 (ex cl. 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	–	–	–	–	–	–	–	–	–	–
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(87.3%)	(16.9%)	396.7%	(100.0%)	0.0%	0.0%	73.7%	13.9%	(1.1%)
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)(vi)	13	20.3%	8.3%	8.2%	7.5%	0.0%	0.0%	6.4%	3.3%	5.4%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a			4.2%	(13.9%)	58.4%	(100.0%)	0.0%	0.0%	0.0%	3.3%	3.1%
% incr Property Tax	18(1)a			4.1%	(14.3%)	59.0%	(100.0%)	0.0%	0.0%	0.0%	3.8%	3.6%
% 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%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			16.6%	99.5%	(2.7%)	(100.0%)	0.0%	0.0%	0.0%	0.9%	0.5%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		44 569	46 434	39 977	63 340	–	–	37 016	63 700	65 800	67 850
Service charges	18(1)a		44 569	46 434	39 977	63 340	–	–	37 016	63 700	65 800	67 850
Property rates	18(1)a		44 418	46 259	39 628	63 000	–	–	36 677	53 000	55 000	57 000
Service charges - refuse removal	18(1)a		150	175	349	340	–	–	339	10 700	10 800	10 850
Agency services	18(1)a		5 360	5 669	6 262	6 000	–	–	5 796	7 500	7 800	8 100
Capital expenditure excluding capital grant funding	18(1)a		25 468	52 958	119 689	73 900	–	–	768 366	83 274	71 000	31 025
Cash receipts from ratepayers	18(1)a		–	62 788	169 047	94 238	–	–	255 836	115 271	98 644	94 797
Ratepayer & Other revenue	18(1)a		504 409	373 105	323 709	468 620	–	–	303 184	87 025	90 178	93 281
Change in consumer debtors (current and non-current)		N/A		(99 240)	(2 435)	47 496	(59 468)	–	34 214	25 217	8 272	(713)
Operating and Capital Grant Revenue	18(1)a		381 813	431 952	456 601	472 591	–	–	431 915	488 212	499 132	520 071
Capital expenditure - total	20(1)(vi)		45 932	99 659	83 590	155 689	–	–	867 290	161 743	164 127	128 354
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
Trend												
Change in consumer debtors (current and non-current)			N/A	(99 240)	(2 435)	47 496	(59 468)	–	34 214	25 217	8 272	(713)
Total Operating Revenue												
Total Operating Revenue			847 151	443 496	424 566	477 972	–	–	437 428	501 018	500 663	520 733
Total Operating Expenditure												
Total Operating Expenditure			801 664	515 720	588 181	439 808	–	–	352 235	459 546	438 142	459 812
Operating Performance Surplus/(Deficit)												
Operating Performance Surplus/(Deficit)			45 487	(72 224)	(163 615)	38 164	–	–	85 193	41 472	62 521	60 921
Cash and Cash Equivalents (30 June 2012)												
Cash and Cash Equivalents (30 June 2012)										3 836		
Revenue												
% Increase in Total Operating Revenue				(47.6%)	(4.3%)	12.6%	(100.0%)	0.0%	0.0%	0.0%	(0.1%)	4.0%
% Increase in Property Rates Revenue				4.1%	(14.3%)	59.0%	(100.0%)	0.0%	0.0%	44.5%	3.8%	3.6%
% 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				4.2%	(13.9%)	58.4%	(100.0%)	0.0%	0.0%	0.0%	3.3%	3.1%
Expenditure												
% Increase in Total Operating Expenditure				(35.7%)	14.1%	(25.2%)	(100.0%)	0.0%	0.0%	0.0%	(4.7%)	4.9%
% Increase in Employee Costs				13.0%	14.2%	25.6%	(100.0%)	0.0%	0.0%	0.0%	4.5%	2.5%
% Increase in Electricity Bulk Purchases				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)					429359.0297	6907167.619				947231.0197		
Average Cost Per Councillor (Remuneration)					448665.3065	476816.4516				466201.5645		
R&M % of PPE			20.3%	8.3%	8.2%	7.5%	0.0%	0.0%	6.4%	3.3%	5.4%	
Asset Renewal and R&M as a % of PPE			21.7%	9.4%	9.8%	7.7%	0.0%	0.0%	6.4%	4.4%	5.4%	
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	50.9%	15.8%	0.0%	0.0%	0.0%	31.1%	15.2%	15.1%
Capital Revenue												
Internally Funded & Other (R'000)			25 468	52 958	119 689	73 900	–	–	768 366	83 274	71 000	31 025
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			20 464	46 701	(36 099)	81 789	–	–	98 924	78 469	93 127	97 329
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	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			44.6%	46.9%	(43.2%)	52.5%	0.0%	0.0%	11.4%	48.5%	56.7%	75.8%
Capital Expenditure												
Total Capital Programme (R'000)			45 932	99 659	83 590	155 689	–	–	867 290	161 743	164 127	128 354
Asset Renewal			4 693	4 693	7 544	1 000	–	–	–	7 000	7 000	–
Asset Renewal % of Total Capital Expenditure			10.2%	4.7%	9.0%	0.6%	0.0%	0.0%	0.0%	4.3%	4.3%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			0.0%	16.8%	52.2%	20.1%	0.0%	0.0%	84.4%	132.5%	109.4%	101.6%
Cash Coverage Ratio			–	0	0	(0)	–	–	0	0	0	0
Borrowing												
Most recent Credit Rating												
Capital Charges to Operating			0.3%	0.5%	0.4%	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			(22 533)	21 318	(100 548)	51 914	–	–	(34 039)	46 479	70 972	108 755
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)			(0.7%)	(4.0%)	(7.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			847 151	443 496	424 566	477 972	–	–	437 428	501 018	500 663	520 733
Total Operating Expenditure			801 664	515 720	588 181	439 808	–	–	352 235	459 546	438 142	459 812
Surplus/(Deficit) Budgeted Operating Statement			45 487	(72 224)	(163 615)	38 164	–	–	85 193	41 472	62 521	60 921
Surplus/(Deficit) Considering Reserves and Cash Backing			(22 533)	21 318	(100 548)	51 914	–	–	(34 039)	46 479	70 972	108 755
MTREF Funded (1) / Unfunded (0)		15	0	1	0	1	1	1	0	1	1	1
MTREF Funded ✓ / Unfunded *		15	x	✓	x	✓	✓	✓	x	✓	✓	✓



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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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		296 332	327 845	351 854	370 802	-	-	369 743	366 005	382 742
EPWP Incentive	-	-	1 925	3 708	2 348	-	-	2 443	-	-
Finance Management	-	-	1 720	3 440	1 800	-	-	1 900	2 000	2 200
Local Government Equitable Share	-	296 332	324 200	344 706	363 154	-	-	361 580	359 305	375 542
Municipal Infrastructure Grant	-	-	-	-	3 500	-	-	3 820	4 700	5 000
District Municipality:		-	-	2 620	20 000	-	-	40 000	40 000	40 000
Limpopo_DC 47 - Sekhukhune_Infrastructure	-	-	-	2 620	20 000	-	-	40 000	40 000	40 000
Other grant providers:		-	170	170	-	-	-	-	-	-
National Departmental Agencies_Construction	-	-	170	170	-	-	-	-	-	-
Total Operating Transfers and Grants	5	296 332	328 015	354 644	390 802	-	-	409 743	406 005	422 742
Capital Transfers and Grants										
National Government:		-	100 915	216 374	81 789	-	-	78 469	93 127	97 329
Municipal Infrastructure Grant (MIG)	-	-	94 915	189 024	69 358	-	-	73 033	78 800	82 354
Integrated National Electrification Programme	-	-	6 000	27 350	12 431	-	-	5 436	14 327	14 975
Total Capital Transfers and Grants	5	-	100 915	216 374	81 789	-	-	78 469	93 127	97 329
TOTAL RECEIPTS OF TRANSFERS & GRANTS		296 332	428 930	571 018	472 591	-	-	488 212	499 132	520 071



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Table 31 MBRR SA19 - Expenditure on Transfers & Grants

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

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		296 332	327 845	351 854	(370 802)	-	-	(369 743)	(366 005)	(382 742)
EPWP Incentive	-	-	1 925	3 708	(2 348)	-	-	(2 443)	-	-
Finance Management	-	-	1 720	3 440	(1 800)	-	-	(1 900)	(2 000)	(2 200)
Local Government Equitable Share	-	296 332	324 200	344 706	(363 154)	-	-	(361 580)	(359 305)	(375 542)
Municipal Infrastructure Grant	-	-	-	-	(3 500)	-	-	(3 820)	(4 700)	(5 000)
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	2 227	20 000	-	-	40 000	40 000	40 000
<i>Limpopo-DC 47 - Sekhukhune-Infrastructure</i>	-	-	-	2 227	20 000	-	-	40 000	40 000	40 000
Other grant providers:		-	99	99	-	-	-	-	-	-
<i>National Departmental Agencies-Construction</i>	-	-	99	99	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants		296 332	327 944	354 180	(350 802)	-	-	(329 743)	(326 005)	(342 742)
Capital expenditure of Transfers and Grants										
National Government:		-	(92 200)	(182 809)	81 789	-	-	78 469	93 127	97 329
Integrated National Electrification Programme	-	-	-	-	12 431	-	-	5 436	14 327	14 975
Municipal Infrastructure Grant	-	-	(92 200)	(182 809)	69 358	-	-	73 033	78 800	82 354
Total capital expenditure of Transfers and Grants		-	(92 200)	(182 809)	81 789	-	-	78 469	93 127	97 329
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		296 332	235 744	171 371	(269 013)	-	-	(251 275)	(232 878)	(245 413)

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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Operating transfers and grants:	1,3									
National Government:										
Current year receipts		-	3 645	7 148	7 648	-	-	8 163	6 700	7 200
Repayment of grants										
Conditions met - transferred to revenue		296 332	331 490	359 002	(363 154)	-	-	(361 580)	(359 305)	(375 542)
Conditions still to be met - transferred to liabilities		(296 332)	(327 845)	(351 854)	370 802	-	-	369 743	366 005	382 742
Current year receipts		-	-	2 620	20 000	-	-	40 000	40 000	40 000
Conditions met - transferred to revenue		-	-	4 847	40 000	-	-	80 000	80 000	80 000
Conditions still to be met - transferred to liabilities		-	-	(2 227)	(20 000)	-	-	(40 000)	(40 000)	(40 000)
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	170	170	-	-	-	-	-	-
Conditions met - transferred to revenue		-	269	269	-	-	-	-	-	-
Total operating transfers and grants revenue		296 332	331 759	364 118	(323 154)	-	-	(281 580)	(279 305)	(295 542)
Total operating transfers and grants - CTBM	2	(296 332)	(327 944)	(354 180)	350 802	-	-	329 743	326 005	342 742
Capital transfers and grants:	1,3									
National Government:										
Current year receipts		-	100 915	216 374	81 789	-	-	78 469	93 127	97 329
Conditions met - transferred to revenue		-	193 115	399 183	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	(92 200)	(182 809)	81 789	-	-	78 469	93 127	97 329
Current year receipts		-	100 915	216 374	81 789	-	-	78 469	93 127	97 329
Conditions met - transferred to revenue		-	100 915	216 374	81 789	-	-	78 469	93 127	97 329
Total capital transfers and grants revenue		-	294 030	615 557	81 789	-	-	78 469	93 127	97 329
Total capital transfers and grants - CTBM	2	-	(92 200)	(182 809)	81 789	-	-	78 469	93 127	97 329
TOTAL TRANSFERS AND GRANTS REVENUE		296 332	625 788	979 674	(241 365)	-	-	(203 111)	(186 178)	(198 213)
TOTAL TRANSFERS AND GRANTS - CTBM		(296 332)	(420 143)	(536 988)	432 591	-	-	408 212	419 132	440 071



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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.

LIM473 Makhuduthamaga - Supporting Table SA21 Transfers and grants made by the municipality											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	
Cash Transfers to Entities/Other External Mechanisms											
SMMes	2	-	73	71	100	-	-	-	104	109	112
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		-	73	71	100	-	-	-	104	109	
Cash Transfers to other Organs of State											
<i>Insert description</i>	3	240	-	-	-	-	-	170	-	-	-
Total Cash Transfers To Other Organs Of State:		240	-	-	-	-	-	170	-	-	
Cash Transfers to Groups of Individuals											
SMMes		6 541	5 798	9 006	6 880	-	-	6 667	10 623	10 989	11 264
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		6 541	5 798	9 006	6 880	-	-	6 667	10 623	10 989	
TOTAL CASH TRANSFERS AND GRANTS	6	6 781	5 871	9 077	6 980	-	-	6 837	10 728	11 098	
Non-Cash Transfers to other municipalities											
TOTAL TRANSFERS AND GRANTS	6	6 781	5 871	9 077	6 980	-	-	6 837	10 728	11 098	



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3.9 Councilors and employee benefits

Table 33 MBRR SA22 - Summary of councilors and staff benefits

LIM473 Makhuduthamaga - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		–	–	15 646	16 135	–	–	16 413	17 152	17 580
Pension and UIF Contributions		–	–	2 757	3 069	–	–	2 842	2 970	3 044
Cellphone Allowance		–	–	3 283	3 581	–	–	3 061	3 198	3 278
Other benefits and allowances		–	–	6 131	6 777	–	–	6 589	6 886	7 058
Sub Total - Councillors		–	–	27 817	29 563	–	–	28 904	30 205	30 960
% increase	4		–	–	6.3%	(100.0%)	–	–	4.5%	2.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2 893	3 085	2 904	4 186	4 186	4 186	5 451	5 696	5 838
Pension and UIF Contributions		953	479	286	513	513	513	329	344	352
Medical Aid Contributions		475	438	373	722	722	722	549	573	588
Performance Bonus		295	–	155	97	97	97	104	109	112
Motor Vehicle Allowance	3	1 258	1 106	987	1 576	1 576	1 576	1 421	1 485	1 522
Cellphone Allowance	3	112	104	96	182	182	182	169	177	181
Housing Allowances	3	77	68	19	75	75	75	73	77	78
Other benefits and allowances	3	1	1	21	2	2	2	1	1	1
Payments in lieu of leave		7	3	73	186	186	186	–	–	–
Long service awards		–	–	–	–	–	–	46	48	49
Sub Total - Senior Managers of Municipality		6 071	5 283	4 914	7 540	7 540	7 540	8 143	8 510	8 722
% increase	4		(13.0%)	(7.0%)	53.4%	–	–	8.0%	4.5%	2.5%
Other Municipal Staff										
Basic Salaries and Wages		47 020	54 663	63 320	89 868	89 868	89 868	84 329	88 072	90 245
Pension and UIF Contributions		9 179	10 765	12 247	12 796	12 796	12 796	13 402	14 004	14 354
Medical Aid Contributions		4 671	5 044	5 845	6 014	6 014	6 014	6 674	6 974	7 149
Overtime		1 238	2 146	2 290	1 052	1 052	1 052	1 123	1 173	1 203
Performance Bonus		3 944	4 680	5 265	5 556	5 556	5 556	6 260	6 537	6 699
Motor Vehicle Allowance	3	10 120	11 742	13 561	13 993	13 993	13 993	14 872	15 541	15 930
Cellphone Allowance	3	1 997	2 276	2 624	2 874	2 874	2 874	3 065	3 203	3 283
Housing Allowances	3	2 804	3 076	3 483	3 741	3 741	3 741	4 136	4 323	4 431
Other benefits and allowances	3	59	56	110	75	75	75	108	113	116
Payments in lieu of leave		1 319	19	254	484	484	484	751	785	804
Long service awards		862	1 182	1 025	824	824	824	861	900	922
Acting and post related allowance		222	241	559	233	233	233	255	267	273
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		83 435	95 891	110 583	137 511	137 511	137 511	135 836	141 892	145 407
% increase	4		14.9%	15.3%	24.4%	–	–	(1.2%)	4.5%	2.5%
Total Parent Municipality		89 506	101 174	143 315	174 613	145 051	145 051	172 884	180 607	185 090
			13.0%	41.7%	21.8%	(16.9%)	–	19.2%	4.5%	2.5%
Board Members of Entities										
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		89 506	101 174	143 315	174 613	145 051	145 051	172 884	180 607	185 090
% increase	4		13.0%	41.7%	21.8%	(16.9%)	–	19.2%	4.5%	2.5%
TOTAL MANAGERS AND STAFF	5,7	89 506	101 174	115 498	145 051	145 051	145 051	143 979	150 401	154 130



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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	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		549 339.00	319 295.00	49 925.00	-	-	918 559
Chief Whip			515 237.00	97 071.00	256 020.00	-	-	868 328
Executive Mayor			686 669.00	398 999.00	49 925.00	-	-	1 135 593
Deputy Executive Mayor			-	-	-	-	-	-
Executive Committee			3 269 551.00	617 232.00	1 757 142.00	-	-	5 643 925
Total for all other councillors			11 346 964.00	2 141 993.00	7 035 017.00	-	-	20 523 974
Total Councillors	8	-	16 367 760	3 574 590	9 148 029			29 090 379
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 625 925	18 384	-			1 644 309
Chief Finance Officer			585 473	110 316	365 623			1 061 412
Senior Managers-Corporate Services			1 079 247	5 538	61 248			1 146 033
Senior Managers-Infrastructure Development			584 170	182 873	294 369			1 061 412
Senior Managers- Community Services			678 135	89 360	386 530			1 154 025
Senior Managers- Economic Development & Planning			583 888	269 902	207 622			1 061 412
Total Senior Managers of the Municipality	8,10	-	5 136 837	676 374	1 315 392	-		7 128 603
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	21 504 597	4 250 964	10 463 421	-		36 218 982



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3. SA24 Indicates the Personnel Numbers

LIM473 Makhuduthamaga - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2023/24			Current Year 2024/25			Budget Year 2025/26		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Number	1,2									
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		62	62	–	62	62	–	62	–	–
Municipal Manager and Senior Managers	3	6	6	–	6	6	–	6	–	–
Professionals		104	104	101	11	115	112	115	112	–
<i>Finance</i>		48	48	48	8	44	44	44	44	–
<i>Spatial/town planning</i>		9	9	8	1	9	8	9	8	–
<i>Information Technology</i>		4	4	4	–	4	4	4	4	–
<i>Roads</i>		6	6	4	2	6	4	6	4	–
<i>Electricity</i>		1	1	1	–	1	1	1	1	–
<i>Other</i>		36	36	36	–	51	51	51	51	–
Technicians		–	–	–	–	–	–	–	–	–
Clerks (Clerical and administrative)		31	31	27	4	31	27	31	27	–
TOTAL PERSONNEL NUMBERS	9	203	203	128	83	214	139	214	139	–
% increase					(59.1%)	5.4%	8.6%	157.8%	(35.0%)	(100.0%)



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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 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue																
Exchange Revenue																
Service charges - Waste Management		892	892	892	892	892	892	892	892	892	892	892	892	10 700	10 800	10 850
Sale of Goods and Rendering of Services		119	119	119	119	119	119	119	119	119	119	119	119	1 425	1 528	1 631
Agency services		625	625	625	625	625	625	625	625	625	625	625	625	7 500	7 800	8 100
Interest earned from Current and Non Current As		333	333	333	333	333	333	333	333	333	333	333	333	4 000	4 200	4 400
Rental from Fixed Assets		21	21	21	21	21	21	21	21	21	21	21	21	250	280	310
Non-Exchange Revenue																
Property rates		4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	4 417	53 000	55 000	57 000
Fines, penalties and forfeits		117	117	117	117	117	117	117	117	117	117	117	117	1 400	1 550	1 700
Transfer and subsidies - Operational		34 145	34 145	34 145	34 145	34 145	34 145	34 145	34 145	34 145	34 145	34 145	34 145	409 743	406 005	422 742
Interest		1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	1 083	13 000	13 500	14 000
Total Revenue (excluding capital transfers and		41 752	41 752	41 752	41 752	41 752	41 752	41 752	41 752	41 752	41 752	41 752	41 752	501 018	500 663	520 733
Expenditure																
Employee related costs		11 998	11 998	11 998	11 998	11 998	11 998	11 998	11 998	11 998	11 998	11 998	11 998	143 979	150 401	154 130
Remuneration of councillors		2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	28 904	30 205	30 960
Inventory consumed		125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 568	1 607
Debt impairment		1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	19 836	10 000	10 250
Depreciation and amortisation		3 071	3 071	3 071	3 071	3 071	3 071	3 071	3 071	3 071	3 071	3 071	3 071	36 851	38 509	39 472
Contracted services		13 377	13 377	13 377	13 377	13 377	13 377	13 377	13 377	13 377	13 377	13 377	13 377	160 518	140 305	153 525
Transfers and subsidies		894	894	894	894	894	894	894	894	894	894	894	894	10 728	11 098	11 375
Operational costs		4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	4 769	57 230	56 057	58 493
Total Expenditure		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)		3 456	3 456	3 456	3 456	3 456	3 456	3 456	3 456	3 456	3 456	3 456	3 456	41 472	62 521	60 921
Transfers and subsidies - capital (monetary allocations)		6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	78 469	93 127	97 329
Surplus/(Deficit) after capital transfers & contributions		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) after income tax		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) attributable to municipality		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) for the year	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



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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 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 by Vote																
Vote 2 - Finance & 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
Vote 8 - Road Transport		358	358	358	358	358	358	358	358	358	358	358	358	4 300	4 500	4 700
Vote 12 - [NAME OF VOTE 12]		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 by Vote		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 by Vote to be appropriated																
Vote 1 - Executive & 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
Vote 2 - Finance & Administration		11 784	11 784	11 784	11 784	11 784	11 784	11 784	11 784	11 784	11 784	11 784	11 784	141 411	129 186	132 566
Vote 3 - Finance & Administration 2		3 006	3 006	3 006	3 006	3 006	3 006	3 006	3 006	3 006	3 006	3 006	3 006	36 078	30 693	31 460
Vote 4 - Community and Social Services		3 325	3 325	3 325	3 325	3 325	3 325	3 325	3 325	3 325	3 325	3 325	3 325	39 903	40 653	41 670
Vote 5 - 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
Vote 6 - Internal Audit		449	449	449	449	449	449	449	449	449	449	449	449	5 387	5 630	5 770
Vote 7 - Energy Sources		506	506	506	506	506	506	506	506	506	506	506	506	6 074	5 257	5 389
Vote 8 - 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
Vote 9 - Public Safety		29	29	29	29	29	29	29	29	29	29	29	29	350	366	375
Vote 10 - Waste Management		2 469	2 469	2 469	2 469	2 469	2 469	2 469	2 469	2 469	2 469	2 469	2 469	29 628	32 006	32 806
Vote 11 - Sports & Recreation		175	175	175	175	175	175	175	175	175	175	175	175	2 100	1 500	1 538
Vote 12 - [NAME OF VOTE 12]		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
Vote 14 - Housing		208	208	208	208	208	208	208	208	208	208	208	208	2 500	1 500	2 500
Total Expenditure by Vote		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



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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



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

LIM473 Makhuduthamaga - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Multi-year expenditure to be appropriated	1															
Single-year expenditure to be appropriated																
Vote 1 - Executive & Council		40	40	40	40	40	40	40	40	40	40	40	40	474	-	-
Vote 2 - Finance & Administration		733	733	733	733	733	733	733	733	733	733	733	733	8 800	-	-
Vote 3 - Finance & Administration 2		167	167	167	167	167	167	167	167	167	167	167	167	2 000	1 000	1 025
Vote 7 - Energy Sources		536	536	536	536	536	536	536	536	536	536	536	536	6 436	26 527	14 975
Vote 8 - Road Transport		11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	142 033	129 600	112 354
Vote 10 - Waste Management		167	167	167	167	167	167	167	167	167	167	167	167	2 000	-	-
Capital single-year expenditure sub-total	2	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	161 743	164 127	128 354
Total Capital Expenditure	2	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	161 743	164 127	128 354



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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 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		940	940	940	940	940	940	940	940	940	940	940	940	11 274	1 000	1 025
Executive and council		40	40	40	40	40	40	40	40	40	40	40	40	474	-	-
Finance and administration		900	900	900	900	900	900	900	900	900	900	900	900	10 800	1 000	1 025
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	7 000	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	7 000	-
<i>Economic and environmental services</i>		11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	142 033	129 600	112 354
Road transport		11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	11 836	142 033	129 600	112 354
<i>Trading services</i>		703	703	703	703	703	703	703	703	703	703	703	703	8 436	26 527	14 975
Energy sources		536	536	536	536	536	536	536	536	536	536	536	536	6 436	26 527	14 975
Waste management		167	167	167	167	167	167	167	167	167	167	167	167	2 000	-	-
Total Capital Expenditure - Functional	2	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	161 743	164 127	128 354
Funded by:																
National Government		6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	78 469	93 127	97 329
Transfers recognised - capital		6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	6 539	78 469	93 127	97 329
Internally generated funds		6 940	6 940	6 940	6 940	6 940	6 940	6 940	6 940	6 940	6 940	6 940	6 940	83 274	71 000	31 025
Total Capital Funding		13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	161 743	164 127	128 354

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

LIM473 Makhuduthamaga - Supporting Table SA30 Budgeted monthly cash flow

LIM473 Makhuduthamaga - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	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
R thousand															
Cash Receipts By Source															
Property rates	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	41 870	43 845	46 120
Service charges - refuse revenue	704	704	704	704	704	704	704	704	704	704	704	704	8 453	12 204	12 226
Rental of facilities and equipment	24	24	24	24	24	24	24	24	24	24	24	24	288	322	3 565
Interest earned - external investments	333	333	333	333	333	333	333	333	333	333	333	333	4 000	4 200	4 400
Fines, penalties and forfeits	117	117	117	117	117	117	117	117	117	117	117	117	1 400	1 550	1 700
Agency services	719	719	719	719	719	719	719	719	719	719	719	719	8 625	8 970	9 315
Transfers and Subsidies - Operational	34 598	34 598	34 598	34 598	34 598	34 598	34 598	34 598	34 598	34 598	34 598	34 598	415 179	420 332	437 717
Other revenue	4 553	4 553	4 553	4 553	4 553	4 553	4 553	4 553	4 553	4 553	4 553	4 553	54 635	31 753	21 871
Cash Receipts by Source	44 537	44 537	44 537	44 537	44 537	44 537	44 537	44 537	44 537	44 537	44 537	44 537	534 450	523 176	536 914
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	6 086	6 086	6 086	6 086	6 086	6 086	6 086	6 086	6 086	6 086	6 086	6 086	73 033	78 800	82 354
Total Cash Receipts by Source	50 624	50 624	50 624	50 624	50 624	50 624	50 624	50 624	50 624	50 624	50 624	50 624	607 483	601 976	619 268
Cash Payments by Type															
Employee related costs	12 119	12 119	12 119	12 119	12 119	12 119	12 119	12 119	12 119	12 119	12 119	12 119	145 427	151 913	155 679
Remuneration of councillors	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	28 904	30 205	30 960
Acquisitions - water & other inventory	335	335	335	335	335	335	335	335	335	335	335	335	4 025	4 600	5 175
Contracted services	15 388	15 388	15 388	15 388	15 388	15 388	15 388	15 388	15 388	15 388	15 388	15 388	184 656	161 351	176 554
Transfers and subsidies - other	402	402	402	402	402	402	402	402	402	402	402	402	4 823	5 040	5 166
Other expenditure	5 184	5 184	5 184	5 184	5 184	5 184	5 184	5 184	5 184	5 184	5 184	5 184	62 207	60 671	63 303
Cash Payments by Type	35 837	35 837	35 837	35 837	35 837	35 837	35 837	35 837	35 837	35 837	35 837	35 837	430 043	413 780	436 837
Other Cash Flows/Payments by Type															
Capital assets	15 625	15 625	15 625	15 625	15 625	15 625	15 625	15 625	15 625	15 625	15 625	15 625	187 504	173 046	150 307
Total Cash Payments by Type	51 462	51 462	51 462	51 462	51 462	51 462	51 462	51 462	51 462	51 462	51 462	51 462	617 547	586 826	587 144
NET INCREASE/(DECREASE) IN CASH HELD	(839)	(839)	(839)	(839)	(839)	(839)	(839)	(839)	(839)	(839)	(839)	(839)	(10 065)	15 150	32 123
Cash/cash equivalents at the month/year begin:	13 901	13 062	12 223	11 385	10 546	9 707	8 869	8 030	7 191	6 352	5 514	4 675	13 901	13 963 367.62	13 998 276.06
Cash/cash equivalents at the month/year end:	13 062	12 223	11 385	10 546	9 707	8 869	8 030	7 191	6 352	5 514	4 675	3 836	3 836	29 113	46 121



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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		407 741	475 798	546 151	134 489	-	-	150 469	156 127	127 329
Roads Infrastructure		386 454	462 750	517 316	122 058	-	-	142 033	129 600	112 354
<i>Roads</i>		19 695	39 215	19 165	93 058	-	-	124 033	109 600	112 354
<i>Road Structures</i>		366 758	423 535	498 151	29 000	-	-	18 000	20 000	-
Electrical Infrastructure		7 298	10 341	23 845	12 431	-	-	6 436	26 527	14 975
<i>MV Networks</i>		7 298	10 341	13 528	-	-	-	-	-	-
<i>LV Networks</i>		-	-	10 317	12 431	-	-	6 436	26 527	14 975
Solid Waste Infrastructure		13 990	2 707	4 991	-	-	-	2 000	-	-
<i>Landfill Sites</i>		13 990	2 707	4 991	-	-	-	2 000	-	-
Community Assets		25 052	34 831	36 152	1 500	-	-	-	7 000	-
Community Facilities		25 052	34 831	36 152	1 500	-	-	-	-	-
<i>Centres</i>		2 257	2 257	2 257	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	-	1 500	-	-	-	-	-
<i>Markets</i>		22 795	32 573	33 895	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	7 000	-
<i>Outdoor Facilities</i>		-	-	-	-	-	-	-	7 000	-
Other assets		62 823	70 062	78 873	-	-	-	2 100	-	-
Operational Buildings		62 823	69 586	77 218	-	-	-	-	-	-
<i>Municipal Offices</i>		58 340	63 975	70 377	-	-	-	-	-	-
<i>Workshops</i>		4 484	5 611	6 841	-	-	-	-	-	-
Housing		-	476	1 655	-	-	-	2 100	-	-
<i>Staff Housing</i>		-	476	1 655	-	-	-	2 100	-	-
Intangible Assets		8 215	8 215	10 216	-	-	-	-	-	-
Licences and Rights		8 215	8 215	10 216	-	-	-	-	-	-
<i>Computer Software and Applications</i>		8 215	8 215	10 216	-	-	-	-	-	-
Computer Equipment		27 051	33 436	30 135	1 900	-	-	2 000	1 000	1 025
Computer Equipment		27 051	33 436	30 135	1 900	-	-	2 000	1 000	1 025
Furniture and Office Equipment		9 578	10 510	9 148	1 000	-	-	1 700	-	-
Furniture and Office Equipment		9 578	10 510	9 148	1 000	-	-	1 700	-	-
Machinery and Equipment		-	179	179	-	-	-	474	-	-
Machinery and Equipment		-	179	179	-	-	-	474	-	-
Transport Assets		38 033	44 122	47 037	15 800	-	-	5 000	-	-
Transport Assets		38 033	44 122	47 037	15 800	-	-	5 000	-	-
Land		265	1 265	1 265	-	-	-	-	-	-
Land		265	1 265	1 265	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	578 759	678 418	759 156	154 689	-	-	161 743	164 127	128 354



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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

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
<u>Infrastructure</u>		-	-	-	-	-	-	-	-	-
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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		47 916	2 786	1 444	21 500	-	-	22 000	11 000	21 025
Roads Infrastructure		46 416	-	-	20 000	-	-	20 000	10 000	20 000
Roads		46 416	-	-	20 000	-	-	20 000	10 000	20 000
Electrical Infrastructure		1 500	2 786	1 444	1 500	-	-	2 000	1 000	1 025
Power Plants		1 500	2 786	1 444	1 500	-	-	2 000	1 000	1 025
Community Assets		-	957	-	-	-	-	1 000	-	-
Community Facilities		-	957	-	-	-	-	1 000	-	-
Cemeteries/Crematoria		-	957	-	-	-	-	1 000	-	-
Other assets		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Operational Buildings		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		3 429	3 974	3 550	3 000	-	-	2 500	1 500	2 500
Computer Equipment		12 849	16 821	14 820	12 555	-	-	8 000	4 000	4 100
Computer Equipment		12 849	16 821	14 820	12 555	-	-	8 000	4 000	4 100
Machinery and Equipment		8 324	10 982	19 021	4 000	-	-	6 000	4 000	4 100
Machinery and Equipment		8 324	10 982	19 021	4 000	-	-	6 000	4 000	4 100
Total Repairs and Maintenance Expenditure	1	72 517	35 519	38 834	41 055	-	-	39 500	20 500	31 725



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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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		18 879	19 435	22 752	22 359	-	-	22 758	23 782	24 376
Roads Infrastructure		17 932	18 694	22 046	21 446	-	-	22 056	23 048	23 624
Roads		17 932	18 694	22 046	21 446	-	-	22 056	23 048	23 624
Electrical Infrastructure		487	487	680	735	-	-	653	682	699
LV Networks		487	487	680	735	-	-	653	682	699
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		461	255	26	178	-	-	50	52	53
Landfill Sites		461	255	26	178	-	-	50	52	53
Community Assets		3 900	1 026	1 455	1 142	-	-	1 579	1 650	1 692
Community Facilities		3 900	1 026	1 455	1 142	-	-	1 579	1 650	1 692
Stalls		3 900	1 026	1 455	1 142	-	-	1 579	1 650	1 692
Other assets		2 349	2 702	3 302	3 423	-	-	3 952	4 130	4 233
Operational Buildings		2 349	2 702	3 302	3 423	-	-	3 952	4 130	4 233
Municipal Offices		2 349	2 702	3 302	3 423	-	-	3 952	4 130	4 233
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		506	77	367	170	-	-	710	742	760
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		506	77	367	170	-	-	710	742	760
Computer Software and Applications		506	77	367	170	-	-	710	742	760
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		2 195	2 304	3 203	3 536	-	-	3 515	3 673	3 764
Computer Equipment		2 195	2 304	3 203	3 536	-	-	3 515	3 673	3 764
Furniture and Office Equipment		576	595	664	765	-	-	725	758	777
Furniture and Office Equipment		576	595	664	765	-	-	725	758	777
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		2 167	2 528	3 193	3 380	-	-	3 612	3 775	3 869
Transport Assets		2 167	2 528	3 193	3 380	-	-	3 612	3 775	3 869
Total Depreciation	1	30 572	28 667	34 937	34 775	-	-	36 851	38 509	39 472

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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		3 565	3 565	3 565	1 000	-	-	-	-	-
Roads Infrastructure		-	-	-	1 000	-	-	-	-	-
Road Furniture		-	-	-	1 000	-	-	-	-	-
Electrical Infrastructure		3 565	3 565	3 565	-	-	-	-	-	-
MV Networks		3 565	3 565	3 565	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	7 000	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	7 000	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	7 000	-
Other assets		1 127	1 127	3 979	-	-	-	-	-	-
Operational Buildings		1 127	1 127	3 979	-	-	-	-	-	-
Municipal Offices		1 127	1 127	3 979	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing a	1	4 693	4 693	7 544	1 000	-	-	-	7 000	-
Upgrading of Existing Assets as % of total capex		0.9%	0.8%	1.1%	0.6%	0.0%	0.0%	0.0%	4.3%	0.0%
Upgrading of Existing Assets as % of deprecn"		15.3%	16.4%	21.6%	2.9%	0.0%	0.0%	0.0%	18.2%	0.0%



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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	2025/26 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Executive & Council		474	-	-				
Vote 2 - Finance & Administration		8 800	-	-				
Vote 3 - Finance & Administration 2		2 000	1 000	1 025				
Vote 4 - Community and Social Services		-	-	-				
Vote 5 - Planning and Development		-	-	-				
Vote 6 - Internal Audit		-	-	-				
Vote 7 - Energy Sources		6 436	26 527	14 975				
Vote 8 - Road Transport		142 033	129 600	112 354				
Vote 9 - Public Safety		-	-	-				
Vote 10 - Waste Management		2 000	-	-				
Vote 11 - Sports & Recreation		-	7 000	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - Waste Water Management		-	-	-				
Vote 14 - Housing		-	-	-				
Vote 15 - OTHER		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		161 743	164 127	128 354	-	-	-	-
Future operational costs by vote	2							
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		161 743	164 127	128 354	-	-	-	-



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Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

Table 50 MBRR

SA38 – Consolidated Detailed Operational Projects



Makhuduthamaga Local Municipality 2025/26 Annual Budget and MTREF

3.13 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 2022/23 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.



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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue											
Total Property Rates	6	46 396	48 372	41 797	63 000	-	-	38 762	53 000	55 000	57 000
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		(1 977)	(2 113)	(2 169)	-	-	-	(2 085)	-	-	-
Net Property Rates		44 418	46 259	39 628	63 000	-	-	36 677	53 000	55 000	57 000
Exchange revenue service charges											
Service charges - Electricity											
Service charges - Waste Management											
Total refuse removal revenue	6	150	175	349	340	-	-	339	10 700	10 800	10 850
Net Service charges - Waste Management		150	175	349	340	-	-	339	10 700	10 800	10 850
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	49 913	57 748	66 224	94 054	-	-	60 032	89 779	93 767	96 083
Pension and UIF Contributions		10 132	11 244	12 533	13 309	-	-	11 004	13 731	14 348	14 706
Medical Aid Contributions		5 146	5 483	6 218	6 736	-	-	5 471	7 223	7 548	7 736
Overtime		1 238	2 146	2 290	1 052	-	-	1 149	1 123	1 173	1 203
Performance Bonus		4 239	4 680	5 421	5 653	-	-	4 904	6 364	6 646	6 810
Motor Vehicle Allowance		11 378	12 848	14 547	15 569	-	-	12 995	16 293	17 026	17 452
Cellphone Allowance		2 109	2 380	2 720	3 056	-	-	2 404	3 234	3 380	3 464
Housing Allowances		2 881	3 144	3 502	3 817	-	-	3 163	4 210	4 399	4 509
Other benefits and allowances		59	57	131	76	-	-	97	109	114	117
Payments in lieu of leave		1 325	22	327	671	-	-	136	751	785	804
Long service awards		862	1 182	1 025	824	-	-	819	907	948	972
Acting and post related allowance		222	241	559	233	-	-	304	255	267	273
sub-total	5	89 506	101 174	115 498	145 051	-	-	102 480	143 979	150 401	154 130
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	89 506	101 174	115 498	145 051	-	-	102 480	143 979	150 401	154 130
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		30 066	28 591	34 570	34 605	-	-	28 316	36 141	37 767	38 711
Lease amortisation		506	77	367	170	-	-	555	710	742	760
Capital asset impairment		-	-	-	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	30 572	28 667	34 937	34 775	-	-	28 871	36 851	38 509	39 472
Bulk purchases - electricity											
Electricity bulk purchases		-	-	-	-	-	-	-	-	-	-
Total bulk purchases	1	-	-	-	-	-	-	-	-	-	-
Transfers and grants											
Cash transfers and grants		6 781	5 871	9 077	6 980	-	-	6 837	10 728	11 098	11 375
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	6 781	5 871	9 077	6 980	-	-	6 837	10 728	11 098	11 375
Contracted Services											
Outsourced Services		82 130	68 821	74 689	69 338	-	-	54 263	61 749	65 848	67 495
Consultants and Professional Services		64 075	106 294	136 250	20 883	-	-	22 966	18 119	13 091	13 418
Contractors		73 439	78 619	74 687	62 925	-	-	54 549	80 650	61 366	72 612
Total contracted services		219 643	253 733	285 626	153 146	-	-	131 778	160 518	140 305	153 525
Operational Costs											
Other Operational Costs		50 154	70 333	69 605	57 994	-	-	55 723	57 230	56 057	58 493
Total Operational Costs	1	50 154	70 333	69 605	57 994	-	-	55 723	57 230	56 057	58 493
Repairs and Maintenance by Expenditure Item											
Inventory Consumed (Project Maintenance)	8	72 517	35 519	39 751	41 055	-	-	-	39 500	20 500	31 725
Total Repairs and Maintenance Expenditure	9	72 517	35 519	39 751	41 055	-	-	-	39 500	20 500	31 725
Inventory Consumed											
Inventory Consumed - Other		-	3 269	3 269	2 300	-	-	3 269	1 500	1 568	1 607
Total Inventory Consumed & Other Material		-	3 269	3 269	2 300	-	-	3 269	1 500	1 568	1 607



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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 & Council	Vote 2 - Finance & Administration	Vote 3 - Finance & Administration 2	Vote 4 - Community and Social Services	Vote 5 - Planning and Development	Vote 6 - Internal Audit	Vote 7 - Energy Sources	Vote 8 - Road Transport	Vote 9 - Public Safety	Vote 10 - Waste Management	Vote 11 - Sports & Recreation	Vote 12 - [NAME OF VOTE 12]	Vote 13 - Waste Water Management	Vote 14 - Housing	Vote 15 - OTHER	Total
R thousand																	
Revenue																	
Exchange Revenue																	
Service charges - Waste Management		-	10 700	-	-	-	-	-	-	-	-	-	-	-	-	-	10 700
Sale of Goods and Rendering of Services		-	1 425	-	-	-	-	-	-	-	-	-	-	-	-	-	1 425
Agency services		-	3 200	-	-	-	-	-	4 300	-	-	-	-	-	-	-	7 500
Interest earned from Current and Non Current Assets		-	4 000	-	-	-	-	-	-	-	-	-	-	-	-	-	4 000
Rental from Fixed Assets		-	250	-	-	-	-	-	-	-	-	-	-	-	-	-	250
Property rates		-	53 000	-	-	-	-	-	-	-	-	-	-	-	-	-	53 000
Fines, penalties and forfeits		-	1 400	-	-	-	-	-	-	-	-	-	-	-	-	-	1 400
Transfer and subsidies - Operational		-	369 743	-	-	-	-	-	-	-	-	-	40 000	-	-	-	409 743
Interest		-	13 000	-	-	-	-	-	-	-	-	-	-	-	-	-	13 000
Total Revenue (excluding capital transfers and contributions)		-	456 718	-	-	-	-	-	4 300	-	-	-	40 000	-	-	-	501 018
Expenditure																	
Employee related costs		(22 460)	(42 825)	(9 520)	(32 588)	(17 905)	(3 952)	(803)	(6 298)	-	(7 628)	-	-	-	-	-	(143 979)
Remuneration of councillors		(28 904)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28 904)
Inventory consumed		-	(1 500)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1 500)
Debt impairment		-	(19 836)	-	-	-	-	-	-	-	-	-	-	-	-	-	(19 836)
Depreciation and amortisation		-	(3 612)	(8 357)	(1 579)	-	-	(653)	(22 600)	-	(50)	-	-	-	-	-	(36 851)
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		(2 024)	(55 584)	(8 000)	(1 300)	(4 950)	(1 400)	(2 000)	(20 000)	(250)	(21 700)	(800)	(40 000)	-	(2 500)	-	(160 518)
Transfers and subsidies		-	-	(4 823)	(3 300)	(2 604)	-	-	-	-	-	-	-	-	-	-	(10 728)
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational costs		(17 672)	(18 044)	(5 378)	(1 136)	(2 403)	(35)	(2 618)	(8 294)	(100)	(250)	(1 300)	-	-	-	-	(57 230)
Total Expenditure		(71 061)	(141 411)	(36 078)	(39 903)	(27 862)	(5 387)	(6 074)	(57 192)	(350)	(29 628)	(2 100)	(40 000)	-	(2 500)	-	(459 546)
Surplus/(Deficit)		71 061	598 130	36 078	39 903	27 862	5 387	6 074	61 492	350	29 628	2 100	80 000	-	2 500	-	41 472
Transfers and subsidies - capital (monetary allocations)		-	78 469	-	-	-	-	-	-	-	-	-	-	-	-	-	78 469
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		71 061	676 598	36 078	39 903	27 862	5 387	6 074	61 492	350	29 628	2 100	80 000	-	2 500	-	119 941



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

LIM473 Makhuduthamaga - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'											
Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
ASSETS											
<u>Trade and other receivables from exchange transactions</u>											
Waste		59	130	77	838	838	838	197	468	483	498
Waste Water		-	-	-	-	-	-	-	-	-	-
Other trade receivables from exchange transactions		1 351	4 692	2 621	6 243	3 097	3 097	1 852	2 312	2 349	2 475
Gross: Trade and other receivables from exchange transactions		1 409	4 821	2 697	7 080	3 935	3 935	2 049	2 779	2 832	2 974
Less: Impairment for debt		-	-	-	-	-	-	-	-	-	-
Total net Trade and other receivables from Exchange Transactions		1 409	4 821	2 697	7 080	3 935	3 935	2 049	2 779	2 832	2 974
<u>Receivables from non-exchange transactions</u>											
Property rates		544 845	107 022	116 234	146 714	143 112	143 112	144 475	63 264	53 885	58 830
Less: Impairment of Property rates		-	-	(107 369)	(5 729)	(7 836)	(7 836)	(107 369)	(10 000)	(10 460)	(10 931)
Net Property rates		544 845	107 022	8 865	140 984	135 276	135 276	37 106	53 264	43 425	47 899
Other receivables from non-exchange transactions		1 267	1 803	2 285	4 025	3 425	3 425	2 382	3 425	3 596	3 776
Impairment for other receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Net other receivables from non-exchange transactions		1 267	1 803	2 285	4 025	3 425	3 425	2 382	3 425	3 596	3 776
Total net Receivables from non-exchange transactions		546 112	108 825	11 150	145 009	138 701	138 701	39 488	56 688	47 021	51 675
Closing balance - Finished Goods		-	-	-	-	-	-	-	-	-	-
Materials and Supplies											
Opening Balance		-	-	-	1 167	987	987	-	2 128	2 328	2 423
Acquisitions		955	987	3 976	3 600	3 600	3 600	4 170	2 500	2 900	3 000
Issues	7	160	-	(3 269)	(1 459)	(2 459)	(2 459)	(3 269)	(2 300)	(2 805)	(2 931)
Closing balance - Materials and Supplies		1 115	987	707	3 308	2 128	2 128	901	2 328	2 423	2 492
Closing Balance - Land		-	-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables		1 115	987	707	3 308	2 128	2 128	901	2 328	2 423	2 492
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		520 866	566 798	666 401	809 176	778 432	778 432	817 313	784 117	816 344	862 356
Leases recognised as PPE		-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		188 951	215 659	243 955	66 493	(2 506)	(2 506)	264 436	240 078	251 943	264 359
Total Property, plant and equipment (PPE)	2	331 915	351 139	422 446	742 683	780 939	780 939	552 876	544 039	564 401	597 997
LIABILITIES											
Current liabilities - Financial liabilities											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		-	-	-	-	-	-	-	-	-	-
Total Current liabilities - Financial liabilities		-	-	-	-	-	-	-	-	-	-
<u>Trade and other payables from exchange transactions</u>											
Trade and other payables from exchange transactions	5	41 402	45 818	45 460	52 426	44 216	44 216	42 718	46 269	49 842	49 677
Other trade payables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Grants		114	-	71	(0)	-	-	37 170	71	75	79
Trade payables from Non-exchange transactions: Other		-	-	-	332	2 452	2 452	-	1 800	1 383	1 445
VAT		(11 276)	(15 722)	(18 122)	5 188	6 223	6 223	(2 595)	1 031	1 072	1 104
Total Trade and other payables from exchange transactions	2	30 240	30 096	27 410	57 946	52 892	52 892	77 293	49 171	52 372	52 305
Provisions											
Retirement benefits		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	8 037	-	-	-	8 037	8 037	8 439	8 861
Other		18 731	17 667	-	83 424	83 424	83 424	-	3 760	3 948	4 145
Total Provisions		18 731	17 667	8 037	83 424	83 424	83 424	8 037	11 797	12 387	13 007
CHANGES IN NET ASSETS											
Accumulated surplus/(deficit)											
Accumulated surplus/(deficit) - opening balance		-	-	-	607 583	678 392	678 392	-	496 313	487 889	508 146
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		-	-	-	607 583	678 392	678 392	-	496 313	487 889	508 146
Surplus/(Deficit)		43 463	111 791	6 390	180 516	143 273	143 273	121 689	119 953	107 719	114 191
Accumulated Surplus/(Deficit)	1	43 463	111 791	6 390	788 099	821 664	821 664	121 689	616 267	595 608	622 337
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	43 463	111 791	6 390	788 099	821 664	821 664	121 689	616 267	595 608	622 337



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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	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework				
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome		
Total municipal services	Ref.					2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
						(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-
						-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-	-	
		No toilet provisions		-	-	-	-	-	-	-	-	-	-	
		<i>Below Minimum Service Level sub-total</i>		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-	-	
		Total number of households		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-	-	
		<u>Energy:</u>												
Municipal in-house services	Ref.					2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
						(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-
						-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-		
		No toilet provisions		-	-	-	-	-	-	-	-	-		
		<i>Below Minimum Service Level sub-total</i>		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-		
		Total number of households		(1 977 176)	(2 113 080)	(2 168 682)	-	-	-	-	-	-		
Detail of Free Basic Services (FBS) provided	Ref.					2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Electricity		<u>Location of households for each type of FBS</u>												
Free Basic Electricity		Formal settlements - (50 kwh per indigent household per month Rands)		2 200 000	2 854 553	1 500 000	1 500 000	2 500 000	2 500 000	2 610 000	2 727 450	2 795 636		
		Number of HH receiving this type of FBS		2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300	2 300		



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Table 55 MBRR Table SA11 – Property rates summary

LIM473 Makhuduthamaga - Supporting Table SA11 Property rates summary

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Valuation:										
Date of valuation:	1	1/0/1900	1/0/1900	1/0/1900	7/1/2021	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Financial year valuation used		1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Municipal by-laws s6 in place? (Y/N)	2	1/0/1900	1/0/1900	1/0/1900	Yes	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Municipal/assistant valuer appointed? (Y/N)		1/0/1900	1/0/1900	1/0/1900	Yes	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Municipal partnership s38 used? (Y/N)		1/0/1900	1/0/1900	1/0/1900	No	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of assistant valuers (FTE)	3	1/0/1900	1/0/1900	1/0/1900	1/1/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of data collectors (FTE)	3	1/0/1900	1/0/1900	1/0/1900	1/1/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of internal valuers (FTE)	3	1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of external valuers (FTE)	3	1/0/1900	1/0/1900	1/0/1900	1/1/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of additional valuers (FTE)	4	1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Valuation appeal board established? (Y/N)		1/0/1900	1/0/1900	1/0/1900	No	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Implementation time of new valuation roll (mths)		1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of properties	5	1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of sectional title values	5	1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of unreasonably difficult properties s7(2)		1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of supplementary valuations		1/0/1900	1/0/1900	1/0/1900	1/2/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of valuation roll amendments		1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of objections by rate payers		1/0/1900	1/0/1900	1/0/1900	3/23/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of appeals by rate payers		1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of successful objections	8	1/0/1900	1/0/1900	1/0/1900	3/23/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
No. of successful objections > 10%	8	1/0/1900	1/0/1900	1/0/1900	1/1/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Supplementary valuation		1/0/1900	1/0/1900	1/0/1900	-	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Public service infrastructure value (Rm)	5	1/0/1900	1/0/1900	1/0/1900	R551 000	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Municipality owned property value (Rm)		1/0/1900	1/0/1900	1/0/1900	R29 641 500	1/0/1900	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Valuation reductions:										
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		0	0	0	No	-	-	0	-	-
Differential rates used? (Y/N)	5	0	0	0	Yes	-	-	0	-	-
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	0	0	0	0
Fixed amount minimum value (R'000)		0	0	0	R250 000.00	0	0	0	0	0
Non-residential prescribed ratio s19? (%)		0	0	0	0,0%	0	0	0	0	0
Rate revenue:										
Expected cash collection rate (%)		-	-	-	0,0%	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)		-	-	-	-	-	-	-	-	-

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 2024/25												
Valuation:												
No. of properties		1 298	-	-	2 073	244	-	4	4	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		1	-	-	1	1	-	1	1	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		1	-	-	3	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	1	-	-	3	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-
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	-	-	-
Total valuation reductions:												
Total value of improvements (Rm)	6	22 420 000	2 080 000	-	621 800 000	26 500 000	-	-	-	-	-	-
Rating:												
Rebates, exemptions - indigent (R'000)		5 000	5 000	-	5 000	5 000	-	5 000	5 000	-	-	-
Rebates, exemptions - pensioners (R'000)		5 000	5 000	-	5 000	5 000	-	5 000	5 000	-	-	-
Total rebates, exemptns, reductns, discs (R'000)												

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	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
							Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
							Property rates (rate in the Rand)		
	1								
Residential properties			0	0	0	0.0088	-	-	-
Residential properties - vacant land			0	0	0	0.0088	-	-	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			0	0	0	0.0022	-	-	-
Farm properties - not used			0	0	0	0.0022	-	-	-
Industrial properties			0	0	0	0.0174	-	-	-
Business and commercial properties			0	0	0	0.0351	-	-	-
State-owned properties			0	0	0	0.0557	-	-	-
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
General residential rebate			30 000	30 000	30 000	30 000	-	-	-
Indigent rebate or exemption			5 000	5 000	5 000	5 000	-	-	-
Pensioners/social grants rebate or exemption			5 000	5 000	5 000	5 000	-	-	-



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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	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
							Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
							Exemptions, reductions and rebates (Rands)		
Water tariffs									
Waste water tariffs									
[Insert blocks as applicable]		(fill in structure)							
Electricity tariffs									
[Insert blocks as applicable]		(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	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26 % incr.	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Rand/cent											
Monthly Account for Household - 'Middle Income Range'											
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity : Basic lev y		-	-	-	-	-	-	-	-	-	-
Electricity : Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic lev y		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease		-	-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Affordable Range'											
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity : Basic lev y		-	-	-	-	-	-	-	-	-	-
Electricity : Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic lev y		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease		-	-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services											
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity : Basic lev y		-	-	-	-	-	-	-	-	-	-
Electricity : Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic lev y		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease		-	-	-	-	-	-	-	-	-	-

Table 60 MBRR Table SA15 – Investment particulars by type.

LIM473 Makhuduthamaga - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Parent municipality										
Deposits - Bank		896	945	1 023	0	-	-	1 023	1 028	1 031
Municipality sub-total	1	896	945	1 023	0	-	-	1 023	1 028	1 031
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		896	945	1 023	0	-	-	1 023	1 028	1 031



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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	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									-			-		-



2.1 Annual Budget of Municipal entities

- The municipality does not have entities.

