

ADJUSTMENT BUDGET OF  
**MKHAMBATHINI**  
**MUNICIPALITY**



**2024/25 TO 2026/27**  
**MEDIUM TERM REVENUE AND EXPENDITURE**  
**FORECASTS**

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## Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	MBRR	Municipal Budget & Reporting Regulations
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CFO	Chief Financial Officer	MFMA	Municipal Financial Management Act
CM	Municipality Manager	MIG	Municipal Infrastructure Grant
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental Organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GDP	Gross Domestic Product	PBO	Public Benefit Organisations
GDS	Gauteng Growth and Development Strategy	PHC	Provincial Health Care
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
HR	Human Resources	PPP	Public Private Partnership
HSRC	Human Science Research Council	PTIS	Public Transport Infrastructure System
IDP	Integrated Development Plan	RG	Restructuring Grant
IT	Information Technology	RSC	Regional Services Council
kℓ	kilolitre	SALGA	South African Local Government Association
km	kilometre	SAPS	South African Police Service
KPA	Key Performance Area	SDBIP	Service Delivery Budget Implementation Plan
KPI	Key Performance Indicator	SMME	Small Micro and Medium Enterprises
kWh	kilowatt hour		
ℓ	litre		
LED	Local Economic Development		
M	Mayor		

## **Part 1 - Annual Budget**

### **1.1 Mayor's Report**

#### **SPEECH BY THE MAYOR OF MKHAMBATHINI MUNICIPALITY**

#### **CLLR. N.W. NTOMBELA PRESENTED TO THE MUNICIPAL COUNCIL ON THE OCCASION OF THE TABLING OF ADJUSTMENT BUDGET FOR 2024/2025 FINANCIAL YEAR ON A VISUAL PLATFORM MEETING**

**ON WEDNESDAY, 26 FEBRUARY 2025**

Speaker of the Council,

Deputy Mayor,

Executive Committee Members,

Councillors,

Traditional leaders,

Municipal Manager,

All Senior Managers,

Chief Financial Officer,

All Staff members present,

Members of the media if any are present and Public,

Distinguish guest, Ladies and Gentlemen.

Greetings to all

Chairperson, Mr Speaker, I would like to greet you and all members of the council and officials, and I hereby present Adjustment Budget for 2024/2025 financial year as outlined in the Municipal Finance Management Act. (MFMA, Section 28 of MFMA in relation to the tabling of Adjustment Budget).

I would like to highlight the following items:

## **Explanatory notes to MBRR Table B1 - Adjustment Budget Summary**

1. Table B1 the adjustment budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasise the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Adjustment Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognised is reflected on the Financial Performance Budget;
    - ii. Internally generated funds are financed from the current operating revenue that is generated through rate payers.

The adjustment on the operating and capital expenditure are as follow and also the municipality has managed to implement the Cost Containment measure.

- i. The total operating revenue has increase by R 2 327 962
- ii. The total operating expenditure has increase by R 19 788 157 million
- iii. The capital budget has increased by R 4 325 000 million
- iv. The Municipality also receive Maintenance Grant- Sport Facilities of R 415 000

Honourable Speaker and Councillors, this report reflects the wishes and aspirations of the people of Mkhambathini Municipality and it is aligned with the priorities set by Treasury and it is in line with the Mkhambathini Municipality SDBIP and IDP priorities which according to my administration's point of view should be implemented at a Local Level after considering the needs of the Community, therefore I recommend that the Municipal Council approves the adjustment budget and the revised Service Delivery and Budget Implementation Plan.

I would like to grant council members a chance to investigate the content and more details are contained in the attached reports.

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## **Governance**

The Internal Audit Activity is now operating as an Internal Audit as we have established our own Audit Unit which is an indication of a commitment in promoting good governance. Internal Audit Activity has formed a working relationship with the Provincial Internal Audit Unit and National Treasury Risk and Internal Audit Support Unit for skills and resources sharing and to strengthen the Internal Audit Activities operations. A risk-based audit plan has been developed and systems of internal control were tested to effectively monitor the vulnerability of operations within the municipality. Internal Audit also meets on a regular basis as well MPAC.

Mkhambathini Municipality Youth Advisory Centre continues to service the youth who are seeking advice on careers, receiving vouchers for small businesses, life skills, and basic computer skills. The centre of gender issues also resides in the youth development office.

### **Property Rates**

The municipality appointed a service provider to prepare the New General Valuation Roll to be implemented as from 01 July 2024 with a validity period being 5 years.

I must mention Speaker, that after this meeting, the municipality will have public participation process to showcase the IDP and Budget and to share with our people different views on what I am about to table to this Council.

### **Back to basics**

Speaker, we all aware of the concept of Back to basics and the importance of implementing a back to basic plan. We are fortunate that through the COGTA assessment, Mkhambathini Municipality was found to be functional, but we must still make every effort to improve on upholding the 5 pillars of the Back-to-Basics concept and improve the lives of our citizens. We continue to align ourselves to the programmes rolled out by National and Provincial Government. We have provided an amount in our budget to deal with some priorities of Back to basics.

### **MSCOA**

Speaker, Local Government has seen many reforms since the Implementation of the Municipal Management Finance Act over the years. Recently National Treasury has commenced with the roll out of programmes to implement the Municipal standard chart of accounts - mSCOA. Funding for implementation mSCOA is from the Financial Management Grant and Municipal System Improvement Grant and own funding.

### **Current Economic Conditions and Funding**

Speaker, as you are aware, the Country is experiencing harsh economic times. As a result of this, food prices and other essential commodities are rising rapidly. This prompted National

and Provincial Government to introduce cost cutting and saving measures in order to deliver services and sacrifice effectively. As the result of this funding to Local Government has been being reduced. Grant funding has been reduced and affects, MIG. The effect of Governments austerity measures has placed the municipal budget under pressure and the Municipality has also embarked on cost saving measures and introduced them in this budget. Prudent Financial Management and constant monitoring of the budget must take place during the year and throughout the year in monitoring.

And I would like council members to have in mind the need to provide quality services to our community when considering Adjustment Budget, I thank you for this wonderful opportunity granted to me to present this report to the Council of Mkhambathini Municipality

I thank you.

## **1.2 RESOLUTION**

On the 26<sup>th</sup> February 2025, the Council of Mkhambathini Local Municipality met in the Council Chambers of Mkhambathini Local Municipality to adopt the 2024/25 Adjustment Budget. The council approved and adopted the following resolutions:

2.1. The Council of Mkhambathini Local Municipality, acting in terms of section 28 (1) of the Municipal Finance Management Act (Act 56 of 2003) approves and adopt:

- 2024/25 Adjustment Budget
  - 1.1 Adjusted Financial Performance (revenue & expenditure by standard classification)
  - 1.2 Adjusted Financial Performance (revenue and expenditure by municipal vote)
  - 1.3 Adjusted Financial Performance (revenue by source and expenditure by type)
  - 1.4 Single year capital appropriations by municipal vote and standard classification and associated funding by source
- 2. That the adjustment budget and Medium-Term Revenue and Expenditure Framework (MTEF) for the three-year period commencing in 2024/2025 financial year be adopted.
- 3. To take note of the operational and Capital adjustment budget for 2024/25

4. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set out in the following tables

4.1 Adjusted Financial Position

4.2 Adjusted Cash Flows

4.3 Cash backed reserves and accumulated surplus reconciliation

4.4 Asset Management

4.5 Basic service delivery measurement

5. That the tabled Adjustment budget for the year 2024/2025 & indicative figures for the 2 projected outer years be adopted by Council as set out in the following schedules:

- Table B1 Summary
- Table B2 Financial Performance (By Standard Classification)
- Table B3 Financial Performance (By Municipal Vote)
- Table B4 Financial Performance (Revenue & Expenditure)
- Table B5 Capital Expenditure
- Table B6 Financial Position
- Table B7 Cash Flows
- Table B8 Cash Backed Reserves
- Table B9 Asset Management
- Table B10 Basic Service Delivery Measurement
- Supporting documents from SB1 - SB20

That once this Adjustment budget is tabled the information be uploaded to the Go Muni with the necessary MSCOA information

### **1.3 Executive Summary**

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 sustainable, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes to maintain sound financial stewardship. A critical review was also



undertaken of expenditures on non-core and 'nice to have' items. Key areas where savings were realized were on telephone and internet usage, printing, workshops, travel, accommodation, and catering.

The Municipality has embarked on implementing a revenue collection strategy to optimize the collection of debt owed by ratepayers. In addition to supplementing the declining revenue base, and reduction in grant funding the Municipality has introduced a refuse tariff to areas within the Municipality which refuse is being collected. The tariff which is being introduced will be reviewed during the course of the year to ensure that it is cost reflective and sustainable, however this is still a challenge as the service is only be carried out in the urban area of Camperdown.

The main challenges experienced during the compilation of the 2024/25 adjustment can be summarised as follows:

- The ongoing difficulties in the national and local economy.
- Aging and poorly maintained roads infrastructure.
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and limited cash position of the municipality
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- The implementation of a sustainable refuse tariff

#### **1.4 Adjustment Budget Financial Performance (revenue and expenditure)**

The summary for the adjustment budget has been summarised as bellow :

**KZN226 Mkhambathini - Table B1 Adjustments Budget Summary - 26/02/2025**

Description	Budget Year 2024/25										Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
<b>R thousands</b>												
<b>Financial Performance</b>												
Property rates	31 877	-	-	-	-	-	-	-	31 877	33 344	34 877	
Service charges	685	-	-	-	-	-	-	-	685	717	750	
Investment revenue	3 224	-	-	-	-	-	1 066	1 066	4 290	3 372	3 524	
Transfers recognised - operational	105 999	-	-	-	-	-	415	415	106 414	103 032	102 313	
Other own revenue	9 614	-	-	-	-	-	847	847	10 461	10 057	10 519	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>151 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 328</b>	<b>2 328</b>	<b>153 728</b>	<b>150 522</b>	<b>151 983</b>	
Employee costs	59 635	-	-	-	-	-	-	-	59 635	62 484	65 273	
Remuneration of councillors	7 622	-	-	-	-	-	-	-	7 622	7 973	8 332	
Depreciation & asset impairment	16 530	-	-	-	-	-	3 995	3 995	20 525	16 475	17 216	
Finance charges	-	-	-	-	-	-	-	-	-	-	-	
Inventory consumed and bulk purchases	6 038	-	-	-	-	-	(168)	(168)	5 870	5 868	6 137	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure	68 156	-	-	-	-	-	15 961	15 961	84 116	70 164	74 054	
<b>Total Expenditure</b>	<b>157 981</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 788</b>	<b>19 788</b>	<b>177 769</b>	<b>162 963</b>	<b>171 011</b>	
<b>Surplus/(Deficit)</b>	<b>(6 581)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(24 041)</b>	<b>(12 442)</b>	<b>(19 028)</b>	
Transfers and subsidies - capital (monetary allocations)	18 159	-	-	-	-	-	-	-	18 159	18 847	20 128	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>	<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>	
<b>Capital expenditure &amp; funds sources</b>												
Capital expenditure	19 777	-	-	-	-	-	(1 560)	(1 560)	18 217	14 697	15 998	
Transfers recognised - capital	18 159	-	-	-	-	-	-	-	18 159	18 847	20 128	
Borrowing	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	3 700	-	-	-	-	-	4 325	4 325	8 025	1 000	1 000	
<b>Total sources of capital funds</b>	<b>21 859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 325</b>	<b>4 325</b>	<b>26 184</b>	<b>19 847</b>	<b>21 128</b>	
<b>Financial position</b>												
Total current assets	61 848	-	-	-	-	-	(23 692)	(23 692)	38 156	64 172	66 294	
Total non current assets	281 307	-	-	-	-	-	(1 669)	(1 669)	279 637	157 037	299 029	
Total current liabilities	(10 683)	-	-	-	-	-	(2 556)	(2 556)	(13 240)	(2 033)	(3 468)	
Total non current liabilities	(6 823)	-	-	-	-	-	(961)	(961)	(7 784)	(7 974)	(8 923)	
Community wealth/Equity	360 661	-	-	-	-	-	(21 844)	(21 844)	338 817	231 209	377 683	
<b>Cash flows</b>												
Net cash from (used) operating	20 037	-	-	-	-	-	(9 913)	(9 913)	10 124	20 103	15 373	
Net cash from (used) investing	(25 138)	-	-	-	-	-	(4 824)	(4 824)	(29 962)	(22 648)	(24 222)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	
<b>Cash/cash equivalents at the year end</b>	<b>42 810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25 873)</b>	<b>(25 873)</b>	<b>16 937</b>	<b>43 875</b>	<b>46 654</b>	
<b>Cash backing/surplus reconciliation</b>												
Cash and investments available	42 203	-	-	-	-	-	(27 762)	(27 762)	14 441	41 098	43 877	
Application of cash and investments	(13 470)	-	-	-	-	-	12 211	12 211	(1 258)	1 089	(354)	
<b>Balance - surplus (shortfall)</b>	<b>55 672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39 973)</b>	<b>(39 973)</b>	<b>15 699</b>	<b>40 009</b>	<b>44 231</b>	
<b>Asset Management</b>												
Asset register summary (WDV)	200 561	-	-	-	-	-	48 464	48 464	249 025	114 683	256 676	
Depreciation	11 830	-	-	-	-	-	3 995	3 995	15 825	11 558	12 078	
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	5 355	5 355	5 355	-	-	
Repairs and Maintenance	17 760	-	-	-	-	-	6 150	6 150	23 910	18 576	19 412	
<b>Free services</b>												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	145	-	-	-	-	-	-	-	5 615	5 873	6 143	
<b>Households below minimum service level</b>												
Water:	-	-	-	-	-	-	-	-	-	-	-	
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-	
Energy:	-	-	-	-	-	-	-	-	-	-	-	
Refuse:	499	-	-	-	-	-	-	-	499	500	505	

## **Adjustment Budget Assumption**

In the compilation of the Adjustment Budget , the following influencing factors were considered:

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in compiling Mkhambathini Local Municipality adjustment budget.

Mkhambathini Local Municipality expenditure framework for the 2024/25 Adjustment Budget is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA.
- The capital program is aligned to the asset renewal strategy and backlog eradication plan.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made

**The adjustment on the table are as per below tables**

KZN226 Mkhambathini - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26 Adjusted Budget	+2 2026/27 Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Revenue By Source</b>												
<b>Exchange Revenue</b>												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	685	-	-	-	-	-	-	-	685	717	750
Sale of Goods and Rendering of Services		561	-	-	-	-	-	132	132	693	587	614
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		3 224	-	-	-	-	-	1 066	1 066	4 290	3 372	3 524
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		316	-	-	-	-	-	(138)	(138)	179	331	346
Licence and permits		8 351	-	-	-	-	-	(47)	(47)	8 304	8 735	9 137
Operational Revenue		384	-	-	-	-	-	900	900	1 284	402	420
<b>Non-Exchange Revenue</b>												
Property rates	2	31 877	-	-	-	-	-	-	-	31 877	33 344	34 877
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	-	-	-	-	-	-	-	2	2	2
Licences or permits		-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		105 999	-	-	-	-	-	415	415	106 414	103 032	102 313
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>151 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 328</b>	<b>2 328</b>	<b>153 728</b>	<b>150 522</b>	<b>151 983</b>
<b>Expenditure By Type</b>												
Employee related costs		59 635	-	-	-	-	-	-	-	59 635	62 484	65 273
Remuneration of councillors		7 622	-	-	-	-	-	-	-	7 622	7 973	8 332
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		6 038	-	-	-	-	-	(168)	(168)	5 870	5 868	6 137
Debt impairment		4 700	-	-	-	-	-	-	-	4 700	4 916	5 137
Depreciation and amortisation		11 830	-	-	-	-	-	3 995	3 995	15 825	11 558	12 078
Interest		-	-	-	-	-	-	-	-	-	-	-
Contracted services		40 726	-	-	-	-	-	11 335	11 335	52 061	41 613	44 217
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-
Operational costs		27 430	-	-	-	-	-	4 626	4 626	32 055	28 552	29 837
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>157 981</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 788</b>	<b>19 788</b>	<b>177 769</b>	<b>162 963</b>	<b>171 011</b>
<b>Surplus/(Deficit)</b>		<b>(6 581)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(24 041)</b>	<b>(12 442)</b>	<b>(19 028)</b>
Transfers and subsidies - capital (monetary allocations)		18 159	-	-	-	-	-	-	-	18 159	18 847	20 128
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>1</b>	<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>

## Revenue Changes

The budgeted operational revenue for the 2024/2025 financial year was R 151,400,079 excluding capital project. It was adjusted upwards by R 2,327,962, resulting in a total adjusted budgeted revenue of R 153,728,041.

The factors contributing to the revenue change are as follows:

- (a) Operational Revenue (Skills development levy refund, Insurance) increased of R 9 00 000 is caused by the Skills development levy Refund that is due to be claim for training to LGSETA.
- (b) An Increase in Sale of Goods and rendering of services (Tenders, Advertisements, Land usage Application, Building Plans, Clearance Certificate) of R131 882. Which is made up of the following:
  - I. Application fees increase By R 81 629 due to increase in the number of applications.
  - II. Tender fees increase by R 31 632 due to increase for the number of advertised in the past 6 months.
  - III. Buildings Plans increase by R 18 621
- (c) Licence or Permits decrease by R 47 333 due to Decrease in Drivers Licence Application of R 1000 000 and increase of R 826 971 from Motor vehicle application which is due to the number motorist come to our municipality for their dick.
- (d) Short Term Investments and Call Accounts interest increase by R 1 066 000 due to the interest rate we get from quoting for the new investment
- (e) Transfers and subsidies increase of R 415 000 is for maintenance grant - Sport facilities that the municipality received.

### **Expenditure Changes**

The budgeted operational expenditure for the 2024/2025 financial year was R 157 981 103. An upwards adjustment of R 19 788 157, resulting in a total adjusted budgeted expenditure of R 177 769 260.

The expenditure for the municipality for 2024/25 financial year with comparison figures for original annual budget and proposed adjusted budget can be summarized as follows:

### **Employee related costs**

No changes on the adjustment budget

### **Remuneration for councillors**

National Department of Cooperative Governance and Traditional Affairs have not yet released the new upper limit for remuneration for councillors hence they is no adjustment for remuneration for councillors.

### **General Expenditure**

The general expenditure has increased as a result of an increase in the non-cash items expenditure which was depreciation and amortisation. Some of the vote item has also affected since the municipality is trying to save to some votes and increase the expenditure in some votes.

#### Repairs & Maintenance

- (a) The Repairs and Maintenance that is under the contracted service has increased as a result of more maintenance that was done to the roads due to bad weather condition. The municipality is repairing the gravel road regular, but this year change due climate change.
- (b) Depreciation and Amortisation increase of R 3 994 890 because the company has bought more assets.
- (c) The below are some of list of line items affected by the adjustment budget
  - I. Legal fees decreased by R 200 000, the budget was R 500 000 and its move to R 300 000
  - II. Software Licences increased by R 435 848
  - III. SDF (Project Management) decreased by R 350 000 because the appointment for the service provider was less than what we were budgeted for.

IV. Wet fuel decreased by R 300 000

## **1.5 CAPITAL EXPENDITURE**

### **Capital Budget Changes**

KZN226 Mkhambathini - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	+1 2025/26	+2 2026/27
<b>R thousands</b>												
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>												
Vote 1 - [NAME OF VOTE 1]	2	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - [NAME OF VOTE 2]		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - [NAME OF VOTE 4]		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	3	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be adjusted</b>												
Vote 1 - [NAME OF VOTE 1]	2	3 550	-	-	-	-	-	(1 560)	(1 560)	1 990	1 000	1 000
Vote 2 - [NAME OF VOTE 2]		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - [NAME OF VOTE 4]		-	-	-	-	-	-	-	-	-	2 638	2 638
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		16 227	-	-	-	-	-	-	-	16 227	673	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	10 386	12 360
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		19 777	-	-	-	-	-	(1 560)	(1 560)	18 217	14 697	15 998
<b>Total Capital Expenditure - Vote</b>		19 777	-	-	-	-	-	(1 560)	(1 560)	18 217	14 697	15 998
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		3 550	-	-	-	-	-	(1 560)	(1 560)	1 990	1 000	1 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		3 550	-	-	-	-	-	(1 560)	(1 560)	1 990	1 000	1 000
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		16 377	-	-	-	-	-	-	-	16 377	13 697	14 998
Community and social services		16 227	-	-	-	-	-	-	-	16 227	3 311	2 638
Sport and recreation		-	-	-	-	-	-	-	-	-	10 386	12 360
Public safety		150	-	-	-	-	-	-	-	150	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		1 932	-	-	-	-	-	5 885	5 885	7 817	-	5 130
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		1 932	-	-	-	-	-	5 885	5 885	7 817	-	5 130
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	5 150	-
Energy sources		-	-	-	-	-	-	-	-	-	5 150	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	21 859	-	-	-	-	-	4 325	4 325	26 184	19 847	21 128
<b>Funded by:</b>												
National Government		18 159	-	-	-	-	-	-	-	18 159	18 847	20 128
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	18 159	-	-	-	-	-	-	-	18 159	18 847	20 128
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		3 700	-	-	-	-	-	4 325	4 325	8 025	1 000	1 000
<b>Total Capital Funding</b>		21 859	-	-	-	-	-	4 325	4 325	26 184	19 847	21 128



The over-commitment on Capital Projects resulted on the adjustment on the capital expenditure. The Capital projects funded by our revenue has increased by R 4 325 000 which resulted in the increase in the adjusted budget to R 26 184 000.

The municipality made the below changes:

- (a) New Computers and Printers increased by R 170 000, the budget was R 200 000 and its move to R 370 000
- (b) New Municipal Vehicle decreased by R 1 000 000, the budget was R 1 400 00 and its move to R 400 000, the municipality will only by one vehicle in this financial year (Traffic Department Car)
- (c) Generator/Solar decreased by R 500 000, the budget was R 500 000 and its move to R 0, the municipality will move this project for next financial year.
- (d) Additional Allocation of R4.9 million to fund the Makhokhoba Access Road Phase 2 (Quantities not included on the original scope)
- (e) Additional Allocation of R1 million to fund standing time for Maqongqo Taxi Rank caused by delays (land dispute)
- (f) Municipal Fencing increased by R 470 000, the budget was R 0 and its move to R 470 00, the last payment for this project was done this financial year.

## 1.6 VOTES THAT AFFECTED BY ADJUSTMENT BUDGET

### Capital Project

Details	Budget 2024/2025	Adjustment	Adjusted
New Computers and Printers	200 000.00	170 000.00	370 000.00
Municipal Vehicles	1 400 000.00	(1 000 000.00)	400 000.00
Generator/Solar	500 000.00	(500 000.00)	-
Server: Finance	1 200 000.00	(700 000.00)	500 000.00
Municipal Fencing		470 000.00	470 000.00
Makhokhoba Access Road		4 885 000.00	4 885 000.00
Maqongqo Taxi Rank Standing		1 000 000.00	1 000 000.00

### Community Department

Account	Item Description	Budget 2024/2025	Adjustment	Adjusted Budget 2024/2025
D0001/IR01149/F0046/X006/R1331/001/COMM	Community Assets	12 588.00	12 412.00	25 000.00
O0007-1/IE00677/F0041/X028/R1331/001/COMM	Catering Services	83 200.00	- 43 200.00	40 000.00
O0007-1/IE00703/F0041/X028/R1331/001/COMM	Transport Services	41 600.00	- 21 600.00	20 000.00
O1219-1/IE00677/F0041/X076/R1331/001/COMM	Catering Services	93 600.00	- 40 600.00	53 000.00
O1219-1/IE00703/F0041/X076/R1331/001/COMM	Transport Services	41 600.00	13 400.00	55 000.00
O1220-2/IE00694/F0041/X076/R1331/001/COMM	VIP Protection	147 680.00	- 17 680.00	130 000.00
O1243-3/IE00677/F0041/X028/R1331/001/COMM	Catering Services	62 400.00	- 22 400.00	40 000.00
O1243-3/IE00703/F0041/X028/R1331/001/COMM	Transport Services	31 200.00	- 11 200.00	20 000.00
O1243-4/IE00677/F0041/X028/R1331/001/COMM	Catering Services	197 600.00	- 100 000.00	97 600.00
O1243-4/IE00703/F0041/X028/R1331/001/COMM	Transport Services	138 320.00	- 98 320.00	40 000.00
O1244-1/IE00677/F0041/X021/R1331/001/COMM	Catering Services	176 800.00	- 46 800.00	130 000.00
O1244-1/IE00703/F0041/X021/R1331/001/COMM	Transport Services	52 000.00	76 000.00	128 000.00
O1244-2/IE00677/F0041/X018/R1331/001/COMM	Catering Services	300 352.00	- 200 352.00	100 000.00
O1244-4/IE00694/F0041/X018/R1331/001/COMM	VIP Protection	41 600.00	- 21 600.00	20 000.00
O1244-4/IE00703/F0041/X018/R1331/001/COMM	Transport Services	62 400.00	- 22 400.00	40 000.00
O1244-6/IE00677/F0041/X012/R1331/001/COMM	Catering Services	156 000.00	- 66 000.00	90 000.00
O1245-1/IE00703/F0041/X028/R1331/001/COMM	Transport Services	52 000.00	- 32 000.00	20 000.00
O1245-2/IE00703/F0041/X028/R1331/001/COMM	Transport Services	35 360.00	54 640.00	90 000.00
O1245-3/IE00640/F0041/X028/R1331/001/COMM	First Aid	10 400.00	2 600.00	13 000.00
O1245-3/IE00677/F0041/X028/R1331/001/COMM	Catering Services	41 600.00	- 21 600.00	20 000.00
O1245-3/IE00703/F0041/X028/R1331/001/COMM	Transport Services	52 000.00	- 32 000.00	20 000.00
O1248-1/IE00677/F0041/X012/R1331/001/COMM	Catering Services	72 800.00	- 22 800.00	50 000.00
O1248-1/IE00703/F0041/X012/R1331/001/COMM	Transport Services	41 600.00	- 21 600.00	20 000.00
O1252-1/IE00677/F0041/X028/R1331/001/COMM	Catering Services	52 000.00	- 32 000.00	20 000.00
O1252-1/IE00703/F0041/X028/R1331/001/COMM	Transport Services	109 200.00	- 59 200.00	50 000.00
O1264-1/IE00677/F0041/X019/R1331/001/COMM	Catering Services	83 200.00	- 43 200.00	40 000.00
O1264-1/IE00703/F0041/X019/R1331/001/COMM	Transport Services	62 400.00	- 32 400.00	30 000.00
O1305-1/IE00632/F0041/X098/R1331/001/COMM	Catering Services	83 200.00	- 33 200.00	50 000.00
O1305-1/IE00694/F0041/X098/R1331/001/COMM	VIP Protection	62 400.00	- 32 400.00	30 000.00
O1305-1/IE00703/F0041/X098/R1331/001/COMM	Transport Services	62 400.00	- 32 400.00	30 000.00
O1333-1/IE00640/F0041/X125/R1331/001/COMM	First Aid	10 400.00	29 600.00	40 000.00
O1333-1/IE00703/F0041/X125/R1331/001/COMM	Transport Services	52 000.00	8 000.00	60 000.00
O1333-4/IE00640/F0041/X129/R1331/001/COMM	First Aid	5 200.00	- 5 200.00	-
O1333-5/IE00677/F0041/X129/R1331/001/COMM	Catering Services	15 600.00	- 15 600.00	-
O1333-5/IE00694/F0041/X129/R1331/001/COMM	VIP Protection	53 040.00	146 960.00	200 000.00
O1333-5/IE00703/F0041/X129/R1331/001/COMM	Transport Services	41 600.00	58 400.00	100 000.00
O1333-6/IE00640/F0041/X129/R1331/001/COMM	First Aid	166 400.00	- 107 000.00	59 400.00
O1333-6/IE00677/F0041/X129/R1331/001/COMM	Catering Services	156 000.00	4 000.00	160 000.00
O1333-6/IE00703/F0041/X129/R1331/001/COMM	Transport Services	124 800.00	- 54 800.00	70 000.00
O1333-7/IE00677/F0041/X129/R1331/001/COMM	Catering Services	140 400.00	- 60 400.00	80 000.00

O1333-7/IE00703/F0041/X129/R1331/001/COMM	Transport Services	48 048.00	151 952.00	200 000.00
O1333-9/IE00640/F0041/X129/R1331/001/COMM	First Aid	10 400.00	- 10 400.00	-
O1333-9/IE00677/F0041/X129/R1331/001/COMM	Catering Services	41 600.00	58 400.00	100 000.00
O1355-1/IE00694/F0041/X022/R1331/001/COMM	VIP Protection	364 000.00	- 200 000.00	164 000.00
O0001/IE00534/F0041/X132/R1331/001/COMM	Materials and Supplies	120 000.00	210 000.00	330 000.00
O0001/IE00534/F0041/X133/R1331/001/COMM	Materials and Supplies	300 000.00	- 200 000.00	100 000.00
O0013-1/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies		50 000.00	50 000.00
O1243-4/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies	560 000.00	- 260 000.00	300 000.00
O1243-5/IE00534/F0041/X012/R1331/001/COMM	Materials and Supplies	130 000.00	- 60 000.00	70 000.00
O1244-4/IE00534/F0041/X018/R1331/001/COMM	Materials and Supplies	40 500.00	149 500.00	190 000.00
O1244-8/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies	215 700.00	- 95 700.00	120 000.00
O1245-1/IE00534/F0041/X028/R1331/001/COMM	Materials and Supplies	170 000.00	- 100 000.00	70 000.00
O1265-1/IE00534/F0041/X019/R1331/001/COMM	Materials and Supplies	560 000.00	- 210 000.00	350 000.00
O1278-2/IE00534/F1169/X125/R1331/001/COMM	Materials and Supplies	518 600.00	- 200 600.00	318 000.00
O1305-3/IE00534/F0041/X098/R1331/001/COMM	Materials and Supplies	50 800.00	- 50 800.00	-
O1333-6/IE00738/F0041/X129/R1331/001/COMM	Standard Rated		30 000.00	30 000.00
O1333-7/IE00534/F0041/X129/R1331/001/COMM	Materials and Supplies		170 000.00	170 000.00
O0001/IE00562/F0041/X131/R1330/001/COMM	Dumping Fees (District)	499 200.00	- 99 200.00	400 000.00
O0001/IE00595/F0041/X006/R1330/001/COMM	Skills Development Fund	102 501.00	- 22 501.00	80 000.00
O1241-1/IE00573/F0041/X028/R1331/001/COMM	Indigent Relief	676 000.00	- 276 000.00	400 000.00
O1244-2/IE00549/F0041/X018/R1331/001/COMM	Achievements and Awards	364 000.00	- 60 000.00	304 000.00
O1244-2/IE00571/F0041/X018/R1331/001/COMM	Hire Charges	208 000.00	- 48 000.00	160 000.00
O1244-6/IE00754/F0041/X012/R1331/001/COMM	Gifts and Promotions	416 000.00	- 116 000.00	300 000.00
O1245-2/IE00754/F0041/X028/R1331/001/COMM	Gifts and Promotions	62 400.00	137 600.00	200 000.00
O1278-2/IE00572/F0041/X049/R1330/001/COMM	Honoraria (Voluntarily)	4 829 760.00	2 670 240.00	7 500 000.00
O1278-2/IE00572/F1169/X049/R1330/001/COMM	Honoraria (Voluntarily)	422 240.00	100 760.00	523 000.00
O1278-2/IE00604/F1169/X125/R1331/001/COMM	Uniform and Protective Clothing	320 000.00	380 000.00	700 000.00
O1333-1/IE00062/F0041/X125/R1331/001/COMM	Food and Beverage (Contract)	62 400.00	- 62 400.00	-
O1333-10/IE00060/F0041/X129/R1331/001/COMM	Accommodation	34 320.00	35 680.00	70 000.00
O1333-9/IE00754/F0041/X129/R1331/001/COMM	Gifts and Promotions	62 400.00	7 600.00	70 000.00
O1354-1/IE00571/F0041/X022/R1331/001/COMM	Hire Charges	104 000.00	1 196 000.00	1 300 000.00
O1354-1/IE00583/F0041/X022/R1331/001/COMM	Printing, Publications	156 000.00	- 56 000.00	100 000.00
O1354-1/IE00754/F0041/X022/R1331/001/COMM	Gifts and Promotions	62 400.00	- 62 400.00	-

## Corporate Department

Account	Description	Budget 2024/2025	Adjustment	Adjusted Budget 2024/2025
<b>1200 - Licences or Permits [Revenue - Exchange Rev</b>				
D0001/IR01519/F0047/X091/R1331/001/CORP	Drivers Licence Application/Duplicate Drivers	3 368 815.25	(1 000 000.00)	2 368 815.25
D0001/IR01524/F0001/X091/R1331/001/CORP	Learners Certificate	466 052.87	94 711.00	560 763.87
D0001/IR01527/F0001/X091/R1331/001/CORP	Motor Vehicle Licence	2 673 029.28	826 971.00	3 500 000.28
D0001/IR01410/F0001/X091/R1331/001/CORP	Trading	9 015.11	30 985.00	40 000.11
D0001/IR01424/F0001/X046/R1330/001/CORP	Skills Development Levy Refund	300 000.00	900 000.00	1 200 000.00
O0001/IE00008/F0041/X053/R1331/001/CORP	Legal Advice and Litigation	500 000.00	(200 000.00)	300 000.00
O0001/IE00841/F0041/X051/R1330/001/CORP	Medical Examinations	35 500.40	(25 500.00)	10 000.40
O1299-2/IE00694/F0041/X051/R1331/001/CORP	VIP Protection professional services (vetting)	32 853.60	(12 854.00)	19 999.60
O1300-2/IE00694/F0041/X051/R1330/001/CORP	VIP Protection (training)	624 000.00	576 000.00	1 200 000.00
O0001/IE00543/F0041/X046/R1330/001/CORP	Land	265 880.65	(5 881.00)	259 999.65
O0001/IE00545/F0041/X046/R1330/001/CORP	Machinery and Equipment	407 660.24	202 340.00	610 000.24
O0001/IE00060/F0041/X046/R1331/001/CORP	Accommodation	21 715.20	38 285.00	60 000.20
O0001/IE00595/F0041/X046/R1330/001/CORP	Skills Development Fund Levy	195 260.71	(85 261.00)	109 999.71
O0001/IE00604/F0041/X046/R1331/001/CORP	Uniform and Protective Clothing	813 072.00	(283 072.00)	530 000.00
O0001/IE00751/F0041/X046/R1331/001/CORP	Corporate and Municipal Activities	271 024.00	228 976.00	500 000.00
O0001/IE00769/F0041/X046/R1331/001/CORP	Cellular Contract (Subscription and Calls)	177 500.96	72 499.00	249 999.96
O0001/IE00778/F0041/X046/R1330/001/CORP	Telephone, Fax, Telegraph and Telex	547 560.00	152 440.00	700 000.00
O0001/IE00792/F0041/X052/R1331/001/CORP	Software Licences	1 164 152.08	435 848.00	1 600 000.08
O0029-1/IE00793/F0041/X052/R1331/001/CORP	Specialised Computer Service	18 222.88	(18 222.88)	-

## Finance Department

Account	Item Description	Budget 2024/2025	Adjustment	Adjusted 2024/2025
D0001/IR01061/F0001/X049/R1330/001/FIN	Short Term Investments and Call Ac	3 224 000.00	1 066 000.00	4 290 000.00
D0001/IR01193/F0001/X049/R1330/001/FIN	Other Assets	303 661.61	(150 000.00)	153 661.61
O0001/IE00830/F0041/X049/R1330/001/FIN	Accounting and Auditing	600 000.00	(200 000.00)	400 000.00
O0001/IE00030/F0045/X047/R1331/001/FIN	Computer Software and Applications	26 599.00	24 069.00	50 668.00
O0001/IE00709/F0045/X047/R1330/001/FIN	Computer Equipment	163 763.00	729 541.00	893 304.00
O0001/IE00711/F0045/X047/R1330/001/FIN	Furniture and Office Equipment	780 343.00	(780 343.00)	-
O0001/IE00723/F0045/X047/R1331/001/FIN	Transport Assets	847 092.00	800 806.00	1 647 898.00
O0001/IE07587/F0045/X047/R1330/001/FIN	Roads	4 876 235.00	1 169 810.00	6 046 045.00
O0001/IE07606/F0045/X047/R1330/001/FIN	Halls	3 760 106.00	2 020 222.00	5 780 328.00
O0001/IE07625/F0045/X047/R1330/001/FIN	Municipal Offices	356 439.00	30 785.00	387 224.00
O0001/IE00607/F0041/X050/R1330/001/FIN	Wet Fuel	2 500 000.00	(300 000.00)	2 200 000.00
O0001/IE00757/F0041/X049/R1330/001/FIN	Staff Recruitment	79 724.32	(79 724.32)	-
O0001/IE00758/F0041/X049/R1330/001/FIN	Tenders	140 106.72	(40 000.00)	100 106.72
O0001/IE00759/F0041/X049/R1330/001/FIN	Bank Accounts	253 878.56	300 000.00	553 878.56
O0001/IE00805/F0041/X055/R1330/001/FIN	Premiums	704 857.92	(90 000.00)	614 857.92
O0001/IE00808/F0041/X050/R1330/001/FIN	Motor Vehicle Licence and Registrat	54 756.00	70 000.00	124 756.00
O1285-1/IE00595/F1177/X049/R1330/001/FIN	Skills Development Fund Levy	5 000.00	6 800.00	11 800.00

## Executive and Council

Account	Item Description	Budget 2024/2025	Adjustment	Adjusted 2024/2025
O0001/IE00844/F0041/X045/R1331/001/EXEC	Project Management	208 000.00	87 000.00	295 000.00
O1359-1/IE00694/F0041/X044/R1331/001/EXEC	VIP Protection		900 000.00	900 000.00
O1244-12/IE00534/F0041/X044/R1331/001/EXEC	Materials and Supplies	400 000.00	(200 000.00)	200 000.00
O0001/IE00062/F0041/X044/R1331/001/EXEC	Food and Beverage (Served)	80 000.00	80 000.00	160 000.00
O0001/IE00143/F0041/X044/R1331/001/EXEC	Car Rental	50 000.00	40 000.00	90 000.00
O0001/IE00595/F0041/X044/R1330/001/EXEC	Skills Development Fund Levy	-	532.00	532.00

## Municipal Managers Department

Account	Item Description	Budget 2024/25	Adjustments	Adjusted 2024/2025
O0001/IE00685/F0041/X055/R1330/001/MM	Internal Auditors	400 000.00	(150 000.00)	250 000.00
O1236-2/IE00703/F0041/X045/R1331/001/MM	Transport Services	329 804.80	(150 000.00)	179 804.80
O1444-1/IE00677/F0041/X025/R1331/001/MM	Catering Career Expo	20 800.00	89 200.00	110 000.00
O1444-1/IE00703/F0041/X025/R1331/001/MM	Transport Career Expo	20 800.00	59 200.00	80 000.00
O1236-1/IE00534/F0041/X045/R1331/001/MM	Materials and Supplies	1 396 096.00	600 000.00	1 996 096.00
O0001/IE00060/F0041/X045/R1331/001/MM	Accommodation	301 600.00	400 000.00	701 600.00
O0001/IE00143/F0041/X045/R1331/001/MM	Car Rental	49 098.40	(20 000.00)	29 098.40
O0001/IE00584/F0041/X045/R1331/001/MM	Professional Bodies, Membership and Sub	49 098.40	20 000.00	69 098.40
O0001/IE00595/F0041/X045/R1330/001/MM	Skills Development Fund Levy	122 522.91	(70 000.00)	52 522.91
O0001/IE01581/F0041/X045/R1331/001/MM	Air Transport	293 553.52	(200 000.00)	93 553.52
O0001/IE00586/F0041/X046/R1331/001/MM	Remuneration to Ward Committees	840 000.00	(30 000.00)	810 000.00
O1444-1/IE00571/F0041/X025/R1331/001/MM	Hire Charges Career Expo	124 800.00	40 000.00	164 800.00
O1444-1/IE00754/F0041/X025/R1331/001/MM	Gifts and Promotional Items Career Expo	156 000.00	(70 000.00)	86 000.00
O1244-10/IE00571/F0041/X020/R1331/001/MM	Hire Charges Exam Prayer	31 085.15	300 000.00	331 085.15

## Technical Department

Account	Item Description	Budget 2024/2025	Adjustment	Adjusted 2024/2025
D0001/IR01113/F0047/X049/R1331/001/TECH	Tender Documents	88 367.76	31 632.00	119 999.76
D0001/IR01428/F0001/X101/R1331/001/TECH	Application Fees for Land Usage	88 370.91	81 629.00	169 999.91
D0001/IR01429/F0001/X101/R1331/001/TECH	Building Plan Approval	331 379.10	18 621.00	350 000.10
O0001/IE00844/F0041/X097/R1331/001/TECH	SDF (Project Management)	750 000.00	-350 000.00	400 000.00
O1762-1/IE00651/F0041/X116/R1814/001/TECH	Maintenance of Unspecified Assets	12 600 000.00	8 200 000.00	20 800 000.00
O2774-1/IE00649/F0041/X047/R1331/001/TECH	Maintenance of Buildings and Facilities	2 100 000.00	-1 250 000.00	850 000.00
O3259-1/IE00649/F0041/X016/R1331/001/TECH	Maintenance of Buildings and Facilities	1 000 000.00	-400 000.00	600 000.00
O3399-1/IE00649/F0041/X129/R1331/001/TECH	Maintenance of Buildings and Facilities	1 000 000.00	-400 000.00	600 000.00
	Construction Contract (INEP)	10 124 347.83	1 518 652.00	11 642 999.83
	Construction Transportation		4 000 000.00	4 000 000.00
O0001/IE00578/F0041/X101/R1330/001/TECH	Management Fee	328 536.00	-98 536.00	230 000.00
O0001/IE00595/F0041/X116/R1330/001/TECH	Skills Development Fund Levy	56 077.21	-26 077.00	30 000.21
O0024-1/IE00578/F0041/X101/R1331/001/TECH	Management Fee	54 756.00	-54 756.00	-

## **2 Part 2 - Supporting Documentation**

### **2.1 Overview of the Adjustment 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. EXCO acts as the Budget Steering Committee.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aim of the Budget Steering Committee is 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, taking into account 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 prioritised in the allocation of resources.

#### **2.1.1 Process Overview**

The municipality has table section 72 report and also have engage with provincial treasury about the assessment.

The treasury mid-year assessment has guided the municipality on the adjustment budget assessment and all department has an input on the adjustment budget preparation

#### **2.1.2 IDP and Service Delivery and Budget Implementation Plan**

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

### **2.1.3 Financial Modelling and Key Planning Drivers**

As part of the compilation of the adjustment , 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 adjustment budget :

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- Cash Flow Management Strategy
- Debtor payment levels

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 108 have been taken into consideration in the planning and prioritisation process.

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## **2.2 Overview of alignment of Adjustment Budget with IDP**

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

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims

and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities 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.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

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 national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (PGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

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 five strategic objectives for the 2024/2025 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 1 IDP Strategic Objectives**

2024/2025 Financial Year	2024/2025 Adjustment
1. The provision of quality basic services and infrastructure	1. Provision of quality basic services and infrastructure
2. Acceleration of higher and shared economic growth and development	2. Economic growth and development that leads to sustainable job creation
3. Fighting of poverty, building clean, healthy, safe and sustainable communities	3.1 Fight poverty and build clean, healthy, safe and sustainable communities
	3.2 Integrated Social Services for empowered and sustainable communities
4. Fostering participatory democracy and adherence to MKHAMBATHINI principles through a caring, accessible and accountable service	4. Foster participatory democracy and Mk principles through a caring, accessible and accountable service
5. Good governance, Financial viability and institutional governance	5.1 Promote sound governance
	5.2 Ensure financial sustainability
	5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

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 summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - Provide electricity;
  - Provide waste removal;
  - Provide housing;
  - Provide roads and storm water;
  - Provide Municipality planning services; and
  - Maintaining the infrastructure of the Municipality.
  
2. Economic growth and development that leads to sustainable job creation by:
  - Ensuring there is a clear structural plan for the Municipality;
  - Ensuring planning processes function in accordance with set timeframes;

- Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
- Effective implementation of the Indigent Policy;
  - Working with the provincial department of health to provide primary health care services;
  - Extending waste removal services and ensuring effective Municipality cleansing;
  - Ensuring all waste water treatment works are operating optimally;
  - Working with strategic partners such as SAPS to address crime;
  - Ensuring safe working environments by effective enforcement of building and health regulations;
  - Promote viable, sustainable communities through proper zoning; and
  - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Mkhambathini principles through a caring, accessible and accountable service by:
- Optimising effective community participation in the ward committee system; and
  - Implementing Mkhambathini in the revenue management strategy.
- 5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
  - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced

by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines - so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the 2023/24 revised IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

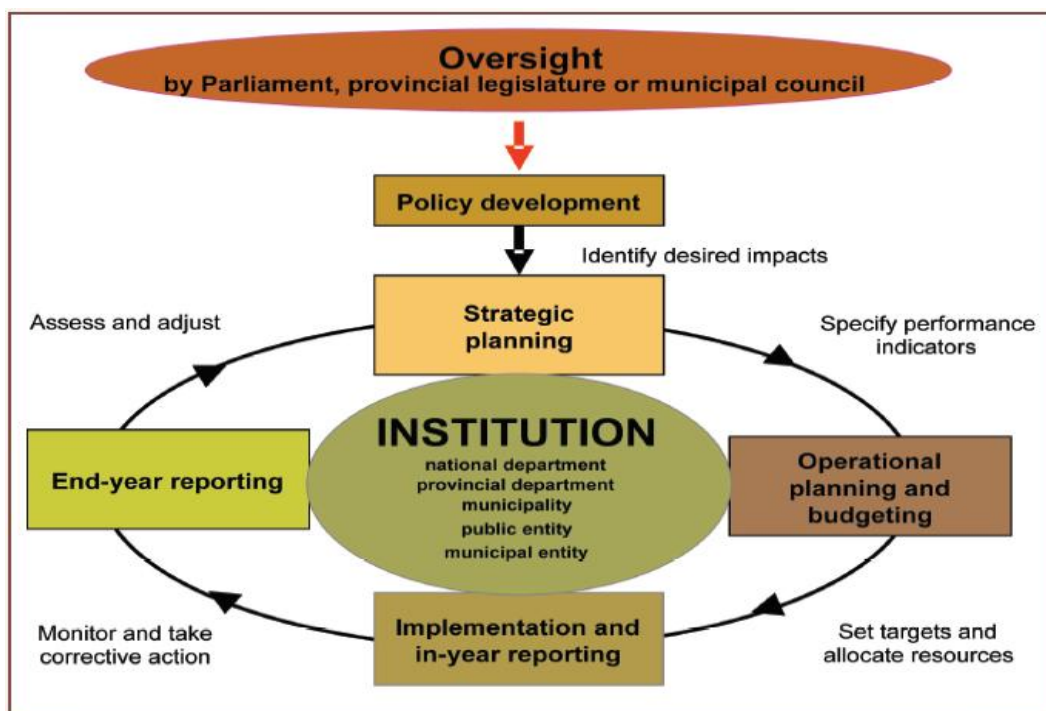
The 2023/24 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

### **2.3 Measurable performance objectives and indicators**

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Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational 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 planning, budgeting and reporting cycle can be graphically illustrated as follows:



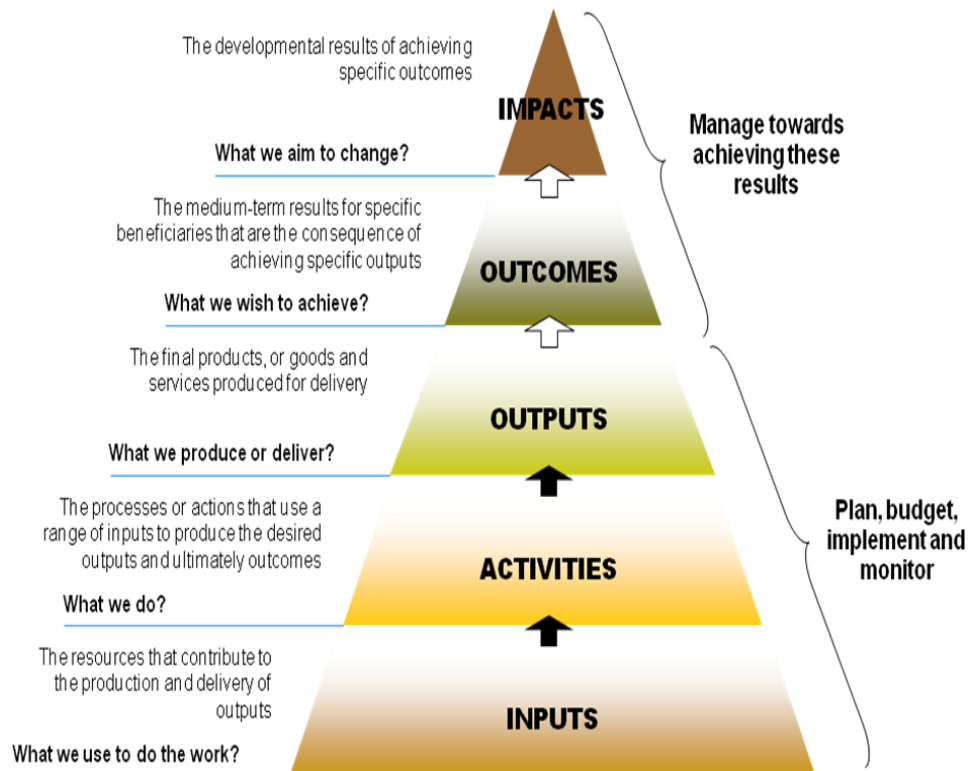
**Figure 1 Planning, budgeting and reporting cycle**

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).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



KZN226 Mkhambathini - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 26/02/2025

Description	Ref	Budget Year 2024/25										Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	+1 2025/26	+2 2026/27
		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H			
<b>R thousands</b>													
<b>REVENUE ITEMS</b>													
<b>Non-exchange revenue by source</b>													
<b>Property rates</b>													
Total Property Rates		37 348	--	--	--	--	--	--	--	37 348	39 066	40 863	
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		5 470	--	--	--	--	--	--	--	5 470	5 722	5 985	
<b>Net Property Rates</b>		<b>31 877</b>	--	--	--	--	--	--	--	<b>31 877</b>	<b>33 344</b>	<b>34 877</b>	
<b>Exchange revenue service charges</b>													
<b>Service charges - Electricity</b>													
Total Service charges - Electricity		--	--	--	--	--	--	--	--	--	--	--	
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		--	--	--	--	--	--	--	--	--	--	--	
Less Cost of Free Basis Services (50 kwh per indigent household per month)		--	--	--	--	--	--	--	--	--	--	--	
<b>Net Service charges - Electricity</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Service charges - Water</b>													
Total Service charges - water		--	--	--	--	--	--	--	--	--	--	--	
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		--	--	--	--	--	--	--	--	--	--	--	
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		--	--	--	--	--	--	--	--	--	--	--	
<b>Net Service charges - Water</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Service charges - Waste Water Management</b>													
Total Service charges - Waste Water Management		--	--	--	--	--	--	--	--	--	--	--	
Less Revenue Foregone (in excess of free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--	--	--	
Less Cost of Free Basis Services (free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--	--	--	
<b>Net Service charges - Waste Water Management</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Service charges - Waste Management</b>													
Total refuse removal revenue		685	--	--	--	--	--	--	--	685	717	750	
Total landfill revenue		--	--	--	--	--	--	--	--	--	--	--	
Less Revenue Foregone (in excess of one removal a week to indigent households)		--	--	--	--	--	--	--	--	--	--	--	
Less Cost of Free Basis Services (removed once a week to indigent households)		--	--	--	--	--	--	--	--	--	--	--	
<b>Service charges - Waste Management</b>		<b>685</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>685</b>	<b>717</b>	<b>750</b>	
<b>EXPENDITURE ITEMS</b>													
<b>Employee related costs</b>													
Basic Salaries and Wages		42 740	--	--	--	--	--	--	--	42 740	44 683	46 672	
Pension and UIF Contributions		6 847	--	--	--	--	--	--	--	6 847	7 249	7 575	
Medical Aid Contributions		2 581	--	--	--	--	--	--	--	2 581	2 699	2 821	
Overtime		946	--	--	--	--	--	--	--	946	989	1 034	
Performance Bonus		3 389	--	--	--	--	--	--	--	3 389	3 586	3 747	
Motor Vehicle Allowance		480	--	--	--	--	--	--	--	480	502	525	
Cellphone Allowance		320	--	--	--	--	--	--	--	320	335	350	
Housing Allowances		148	--	--	--	--	--	--	--	148	155	162	
Other benefits and allowances		380	--	--	--	--	--	--	--	380	398	416	
Payments in lieu of leave		1 249	--	--	--	--	--	--	--	1 249	1 307	1 365	
Long service awards		554	--	--	--	--	--	--	--	554	580	606	
Post-retirement benefit obligations		--	--	--	--	--	--	--	--	--	--	--	
Entertainment		--	--	--	--	--	--	--	--	--	--	--	
Scarcity		--	--	--	--	--	--	--	--	--	--	--	
Acting and post related allowance		--	--	--	--	--	--	--	--	--	--	--	
In kind benefits		--	--	--	--	--	--	--	--	--	--	--	
<b>sub-total</b>		<b>59 635</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>59 635</b>	<b>62 484</b>	<b>65 273</b>	
Less: Employees costs capitalised to PPE		--	--	--	--	--	--	--	--	--	--	--	
<b>Total Employee related costs</b>		<b>59 635</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>59 635</b>	<b>62 484</b>	<b>65 273</b>	
<b>Depreciation and amortisation</b>													
Depreciation of Property, Plant & Equipment		11 804	--	--	--	--	3 971	--	3 971	15 775	11 530	12 049	
Lease amortisation		27	--	--	--	--	24	--	24	51	28	29	
Capital asset impairment		--	--	--	--	--	--	--	--	--	--	--	
<b>Total Depreciation and amortisation</b>		<b>11 830</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3 995</b>	<b>3 995</b>	<b>3 995</b>	<b>15 825</b>	<b>11 558</b>	<b>12 078</b>	
<b>Bulk purchases</b>													
Electricity Bulk Purchases		--	--	--	--	--	--	--	--	--	--	--	
<b>Total bulk purchases</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Transfers and grants</b>													
Cash transfers and grants		--	--	--	--	--	--	--	--	--	--	--	
Non-cash transfers and grants		--	--	--	--	--	--	--	--	--	--	--	
<b>Total transfers and grants</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
<b>Contracted services</b>													
Outsourced Services		9 695	--	--	--	--	479	--	479	10 174	9 983	10 432	
Consultants and Professional Services		2 594	--	--	--	--	(689)	--	(689)	1 905	2 661	2 780	
Contractors		28 437	--	--	--	--	11 545	--	11 545	39 982	28 969	31 005	
<b>Total contracted services</b>		<b>40 726</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>11 335</b>	<b>11 335</b>	<b>52 061</b>	<b>41 613</b>	<b>41 613</b>	<b>44 217</b>	
<b>Operational Costs</b>													
Collection costs		--	--	--	--	--	--	--	--	--	--	--	
Contributions to 'other' provisions		--	--	--	--	--	--	--	--	--	--	--	
Audittes		2 075	--	--	--	--	--	--	--	2 075	2 171	2 268	
Other Operational Costs		25 355	--	--	--	--	4 626	--	4 626	29 980	26 381	27 568	
<b>Total Other Operational Costs</b>		<b>27 430</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>4 626</b>	<b>4 626</b>	<b>4 626</b>	<b>32 055</b>	<b>28 552</b>	<b>29 837</b>	
<b>Repairs and Maintenance by Expenditure Item</b>													
Employee related costs		--	--	--	--	--	--	--	--	--	--	--	
Inventory Consumed (Project Maintenance)		17 760	--	--	--	--	--	--	--	17 760	18 576	19 412	
Contracted Services		--	--	--	--	--	--	--	--	--	--	--	
Other Expenditure		--	--	--	--	--	--	--	--	--	--	--	
<b>Total Repairs and Maintenance Expenditure</b>		<b>17 760</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>17 760</b>	<b>18 576</b>	<b>19 412</b>	
<b>Inventory Consumed</b>													
Inventory Consumed - Water		--	--	--	--	--	--	--	--	--	--	--	
Inventory Consumed - Other		6 038	--	--	--	--	--	(168)	(168)	5 870	5 868	6 137	
<b>Total Inventory Consumed &amp; Other Material</b>		<b>6 038</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(168)</b>	<b>(168)</b>	<b>5 870</b>	<b>5 868</b>	<b>6 137</b>	

### 2.3.1.1 *Borrowing Management*

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The following financial performance indicators have formed part of the compilation of the Adjustment Budget :

- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is nil per cent.

### 2.3.1.2 *Safety of Capital*

### 2.3.1.3 *Liquidity*

2.3.1.4 *Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1, hence at no point in time should this ratio be less than 1.*

2.3.1.5 *The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.*

### 2.3.1.6 *Revenue Management*

- As part of the financial sustainability strategy, an aggressive revenue management framework is going to be implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. For this purpose and exercise with Trans Union has commenced.

### 2.3.1.7 *Creditors Management*

- The Municipality managed to ensure that creditors are settled within the legislated 30 days of invoice.

## **2.4 Adjustment budgets and SDBIPs - internal departments**

In terms of section 53(1)©(ii) the Mayor must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the

mayor within 28 days after the approval of the budget and adjustments/ amendments made on the 2024/2025 SDBIP.

## **2.5 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 Financial Services Department.
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 document is in line with the Adjusted budget
6. Annual Report  
Annual report is compiled in terms of the MFMA and National Treasury requirements.

## **2.6 ADJUSTMENT SUPPORTING TABLES**



KZN226 Mkhambathini - Table B1 Adjustments Budget Summary - 26/02/2025

Description	Budget Year 2024/25										Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
<b>R thousands</b>												
<b>Financial Performance</b>												
Property rates	31 877	-	-	-	-	-	-	-	31 877	33 344	34 877	
Service charges	685	-	-	-	-	-	-	685	717	750		
Investment revenue	3 224	-	-	-	-	-	1 066	1 066	4 290	3 372	3 524	
Transfers recognised - operational	105 999	-	-	-	-	-	415	415	106 414	103 032	102 313	
Other own revenue	9 614	-	-	-	-	-	847	847	10 461	10 057	10 519	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>151 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 328</b>	<b>2 328</b>	<b>153 728</b>	<b>150 522</b>	<b>151 983</b>	
Employee costs	59 635	-	-	-	-	-	-	-	59 635	62 484	65 273	
Remuneration of councillors	7 622	-	-	-	-	-	-	-	7 622	7 973	8 332	
Depreciation & asset impairment	16 530	-	-	-	-	-	3 995	3 995	20 525	16 475	17 216	
Finance charges	-	-	-	-	-	-	-	-	-	-	-	
Inventory consumed and bulk purchases	6 038	-	-	-	-	-	(168)	(168)	5 870	5 868	6 137	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure	68 156	-	-	-	-	-	15 961	15 961	84 116	70 164	74 054	
<b>Total Expenditure</b>	<b>157 981</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 788</b>	<b>19 788</b>	<b>177 769</b>	<b>162 963</b>	<b>171 011</b>	
<b>Surplus/(Deficit)</b>	<b>(6 581)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(24 041)</b>	<b>(12 442)</b>	<b>(19 028)</b>	
Transfers and subsidies - capital (monetary allocations)	18 159	-	-	-	-	-	-	-	18 159	18 847	20 128	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>	<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>	
<b>Capital expenditure &amp; funds sources</b>												
Capital expenditure	19 777	-	-	-	-	-	(1 560)	(1 560)	18 217	14 697	15 998	
Transfers recognised - capital	18 159	-	-	-	-	-	-	-	18 159	18 847	20 128	
Borrowing	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	3 700	-	-	-	-	-	4 325	4 325	8 025	1 000	1 000	
<b>Total sources of capital funds</b>	<b>21 859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 325</b>	<b>4 325</b>	<b>26 184</b>	<b>19 847</b>	<b>21 128</b>	
<b>Financial position</b>												
Total current assets	61 848	-	-	-	-	-	(23 692)	(23 692)	38 156	64 172	66 294	
Total non current assets	281 307	-	-	-	-	-	(1 669)	(1 669)	279 637	157 037	299 029	
Total current liabilities	(10 683)	-	-	-	-	-	(2 556)	(2 556)	(13 240)	(2 033)	(3 468)	
Total non current liabilities	(6 823)	-	-	-	-	-	(961)	(961)	(7 784)	(7 974)	(8 923)	
Community wealth/Equity	360 661	-	-	-	-	-	(21 844)	(21 844)	338 817	231 209	377 683	
<b>Cash flows</b>												
Net cash from (used) operating	20 037	-	-	-	-	-	(9 913)	(9 913)	10 124	20 103	15 373	
Net cash from (used) investing	(25 138)	-	-	-	-	-	(4 824)	(4 824)	(29 962)	(22 648)	(24 222)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	
<b>Cash/cash equivalents at the year end</b>	<b>42 810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25 873)</b>	<b>(25 873)</b>	<b>16 937</b>	<b>43 875</b>	<b>46 654</b>	
<b>Cash backing/surplus reconciliation</b>												
Cash and investments available	42 203	-	-	-	-	-	(27 762)	(27 762)	14 441	41 098	43 877	
Application of cash and investments	(13 470)	-	-	-	-	-	12 211	12 211	(1 258)	1 089	(354)	
<b>Balance - surplus (shortfall)</b>	<b>55 672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39 973)</b>	<b>(39 973)</b>	<b>15 699</b>	<b>40 009</b>	<b>44 231</b>	
<b>Asset Management</b>												
Asset register summary (WDV)	200 561	-	-	-	-	-	48 464	48 464	249 025	114 683	256 676	
Depreciation	11 830	-	-	-	-	-	3 995	3 995	15 825	11 558	12 078	
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	5 355	5 355	5 355	-	-	
Repairs and Maintenance	17 760	-	-	-	-	-	6 150	6 150	23 910	18 576	19 412	
<b>Free services</b>												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	145	-	-	-	-	-	-	-	5 615	5 873	6 143	
<b>Households below minimum service level</b>												
Water:	-	-	-	-	-	-	-	-	-	-	-	
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-	
Energy:	-	-	-	-	-	-	-	-	-	-	-	
Refuse:	499	-	-	-	-	-	-	-	499	500	505	

KZN226 Mkhambathini - Table B2 Adjustments Budget Financial Performance (functional classification) - 26/02/2025

Standard Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
<b>Revenue - Functional</b>												
<b>Governance and administration</b>		146 320	-	-	-	-	-	1 848	1 848	148 168	147 036	147 908
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		146 320	-	-	-	-	-	1 848	1 848	148 168	147 036	147 908
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		2 140	-	-	-	-	-	427	427	2 567	2 236	2 348
Community and social services		2 140	-	-	-	-	-	12	12	2 152	2 236	2 348
Sport and recreation		-	-	-	-	-	-	415	415	415	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		420	-	-	-	-	-	100	100	520	439	459
Planning and development		420	-	-	-	-	-	100	100	520	439	459
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		12 328	-	-	-	-	-	-	-	12 328	10 922	12 259
Energy sources		11 643	-	-	-	-	-	-	-	11 643	10 205	11 509
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		685	-	-	-	-	-	-	-	685	717	750
<b>Other</b>		8 351	-	-	-	-	-	(47)	(47)	8 304	8 735	9 137
<b>Total Revenue - Functional</b>	2	169 559	-	-	-	-	-	2 328	2 328	171 887	169 369	172 111
<b>Expenditure - Functional</b>												
<b>Governance and administration</b>		98 986	-	-	-	-	-	7 566	7 566	106 552	103 320	107 947
Executive and council		26 178	-	-	-	-	-	1 488	1 488	27 666	27 344	28 575
Finance and administration		72 808	-	-	-	-	-	6 079	6 079	78 886	75 976	79 372
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		27 630	-	-	-	-	-	(729)	(729)	26 901	28 693	29 988
Community and social services		24 255	-	-	-	-	-	(849)	(849)	23 407	25 128	26 262
Sport and recreation		3 066	-	-	-	-	-	164	164	3 230	3 242	3 389
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		309	-	-	-	-	-	(45)	(45)	264	323	338
<b>Economic and environmental services</b>		19 656	-	-	-	-	-	11 522	11 522	31 178	19 687	20 573
Planning and development		1 392	-	-	-	-	-	(652)	(652)	740	583	609
Road transport		18 264	-	-	-	-	-	12 174	12 174	30 438	19 104	19 964
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		11 165	-	-	-	-	-	1 429	1 429	12 595	10 694	11 908
Energy sources		10 124	-	-	-	-	-	1 519	1 519	11 643	9 814	10 987
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		1 041	-	-	-	-	-	(89)	(89)	952	880	921
<b>Other</b>		544	-	-	-	-	-	-	-	544	569	595
<b>Total Expenditure - Functional</b>	3	157 981	-	-	-	-	-	19 788	19 788	177 769	162 963	171 011
<b>Surplus/ (Deficit) for the year</b>		11 578	-	-	-	-	-	(17 460)	(17 460)	(5 882)	6 405	1 100

KZN226 Mkhambathini - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 26/02/2025

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjus. 8	Total Adjus. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Revenue by Vote</b>	1											
Vote 1 - [NAME OF VOTE 1]		146 320	-	-	-	-	-	1 848	1 848	148 168	147 036	147 908
Vote 2 - [NAME OF VOTE 2]		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - [NAME OF VOTE 4]		2 127	-	-	-	-	-	-	-	2 127	2 223	2 334
Vote 5 - [NAME OF VOTE 5]		13	-	-	-	-	-	12	12	25	13	14
Vote 6 - [NAME OF VOTE 6]		11 643	-	-	-	-	-	-	-	11 643	10 205	11 509
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		420	-	-	-	-	-	100	100	520	439	459
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	415	415	415	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		8 351	-	-	-	-	-	(47)	(47)	8 304	8 735	9 137
Vote 12 - [NAME OF VOTE 12]		685	-	-	-	-	-	-	-	685	717	750
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>169 559</b>	-	-	-	-	-	<b>2 328</b>	<b>2 328</b>	<b>171 887</b>	<b>169 369</b>	<b>172 111</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - [NAME OF VOTE 1]		72 512	-	-	-	-	-	6 079	6 079	78 590	75 667	79 049
Vote 2 - [NAME OF VOTE 2]		296	-	-	-	-	-	-	-	296	309	323
Vote 3 - [NAME OF VOTE 3]		26 178	-	-	-	-	-	1 488	1 488	27 666	27 344	28 575
Vote 4 - [NAME OF VOTE 4]		12 903	-	-	-	-	-	(426)	(426)	12 476	13 253	13 853
Vote 5 - [NAME OF VOTE 5]		11 353	-	-	-	-	-	(423)	(423)	10 930	11 875	12 409
Vote 6 - [NAME OF VOTE 6]		10 124	-	-	-	-	-	1 519	1 519	11 643	9 814	10 987
Vote 7 - [NAME OF VOTE 7]		18 264	-	-	-	-	-	12 174	12 174	30 438	19 104	19 964
Vote 8 - [NAME OF VOTE 8]		1 392	-	-	-	-	-	(652)	(652)	740	583	609
Vote 9 - [NAME OF VOTE 9]		3 066	-	-	-	-	-	164	164	3 230	3 242	3 389
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		544	-	-	-	-	-	-	-	544	569	595
Vote 12 - [NAME OF VOTE 12]		1 041	-	-	-	-	-	(89)	(89)	952	880	921
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		309	-	-	-	-	-	(45)	(45)	264	323	338
<b>Total Expenditure by Vote</b>	2	<b>157 981</b>	-	-	-	-	-	<b>19 788</b>	<b>19 788</b>	<b>177 769</b>	<b>162 963</b>	<b>171 011</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>11 578</b>	-	-	-	-	-	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>

KZN226 Mkhambathini - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Revenue By Source</b>												
<b>Exchange Revenue</b>												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	685	-	-	-	-	-	-	-	685	717	750
Sale of Goods and Rendering of Services		561	-	-	-	-	-	132	132	693	587	614
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		3 224	-	-	-	-	-	1 066	1 066	4 290	3 372	3 524
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		316	-	-	-	-	-	(138)	(138)	179	331	346
Licence and permits		8 351	-	-	-	-	-	(47)	(47)	8 304	8 735	9 137
Operational Revenue		384	-	-	-	-	-	900	900	1 284	402	420
<b>Non-Exchange Revenue</b>												
Property rates	2	31 877	-	-	-	-	-	-	-	31 877	33 344	34 877
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	-	-	-	-	-	-	-	2	2	2
Licences or permits		-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		105 999	-	-	-	-	-	415	415	106 414	103 032	102 313
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>151 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 328</b>	<b>2 328</b>	<b>153 728</b>	<b>150 522</b>	<b>151 983</b>
<b>Expenditure By Type</b>												
Employee related costs		59 635	-	-	-	-	-	-	-	59 635	62 484	65 273
Remuneration of councillors		7 622	-	-	-	-	-	-	-	7 622	7 973	8 332
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		6 038	-	-	-	-	-	(168)	(168)	5 870	5 868	6 137
Debt impairment		4 700	-	-	-	-	-	-	-	4 700	4 916	5 137
Depreciation and amortisation		11 830	-	-	-	-	-	3 995	3 995	15 825	11 558	12 078
Interest		-	-	-	-	-	-	-	-	-	-	-
Contracted services		40 726	-	-	-	-	-	11 335	11 335	52 061	41 613	44 217
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-
Operational costs		27 430	-	-	-	-	-	4 626	4 626	32 055	28 552	29 837
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>157 981</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 788</b>	<b>19 788</b>	<b>177 769</b>	<b>162 963</b>	<b>171 011</b>
<b>Surplus/(Deficit)</b>												
Surplus/(Deficit)		(6 581)	-	-	-	-	-	(17 460)	(17 460)	(24 041)	(12 442)	(19 028)
Transfers and subsidies - capital (monetary allocations)		18 159	-	-	-	-	-	-	-	18 159	18 847	20 128
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	1	<b>11 578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 460)</b>	<b>(17 460)</b>	<b>(5 882)</b>	<b>6 405</b>	<b>1 100</b>

KZN226 Mkhambathini - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>	2											
Vote 1 - [NAME OF VOTE 1]		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - [NAME OF VOTE 2]		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - [NAME OF VOTE 4]		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	3	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be adjusted</b>	2											
Vote 1 - [NAME OF VOTE 1]		3 550	-	-	-	-	-	(1 560)	(1 560)	1 990	1 000	1 000
Vote 2 - [NAME OF VOTE 2]		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - [NAME OF VOTE 4]		-	-	-	-	-	-	-	-	-	2 638	2 638
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		16 227	-	-	-	-	-	-	-	16 227	673	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	10 386	12 360
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		19 777	-	-	-	-	-	(1 560)	(1 560)	18 217	14 697	15 998
<b>Total Capital Expenditure - Vote</b>		19 777	-	-	-	-	-	(1 560)	(1 560)	18 217	14 697	15 998
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		3 550	-	-	-	-	-	(1 560)	(1 560)	1 990	1 000	1 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		3 550	-	-	-	-	-	(1 560)	(1 560)	1 990	1 000	1 000
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		16 377	-	-	-	-	-	-	-	16 377	13 697	14 998
Community and social services		16 227	-	-	-	-	-	-	-	16 227	3 311	2 638
Sport and recreation		-	-	-	-	-	-	-	-	-	10 386	12 360
Public safety		150	-	-	-	-	-	-	-	150	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		1 932	-	-	-	-	-	5 885	5 885	7 817	-	5 130
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		1 932	-	-	-	-	-	5 885	5 885	7 817	-	5 130
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	5 150	-
Energy sources		-	-	-	-	-	-	-	-	-	5 150	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	21 859	-	-	-	-	-	4 325	4 325	26 184	19 847	21 128
<b>Funded by:</b>												
National Government		18 159	-	-	-	-	-	-	-	18 159	18 847	20 128
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	18 159	-	-	-	-	-	-	-	18 159	18 847	20 128
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		3 700	-	-	-	-	-	4 325	4 325	8 025	1 000	1 000
<b>Total Capital Funding</b>		21 859	-	-	-	-	-	4 325	4 325	26 184	19 847	21 128

KZN226 Mkhambathini - Table B6 Adjustments Budget Financial Position - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26 Adjusted Budget	+2 2026/27 Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
<b>R thousands</b>												
<b>ASSETS</b>												
<b>Current assets</b>												
Cash and cash equivalents		42 810	-					(25 873)	(25 873)	16 937	43 875	46 773
Trade and other receivables from exchange transactions	1	6 435	-	-	-	-	-	(3 667)	(3 667)	2 768	2 989	3 105
Receivables from non-exchange transactions	1	(608)	-	-	-	-	-	(1 889)	(1 889)	(2 496)	(2 777)	(2 897)
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		(6 000)	-	-	-	-	-	6 073	6 073	73	73	(1 528)
VAT		19 210	-	-	-	-	-	1 664	1 664	20 874	20 013	20 841
Other current assets		-	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>		<b>61 848</b>	-	-	-	-	-	<b>(23 692)</b>	<b>(23 692)</b>	<b>38 156</b>	<b>64 172</b>	<b>66 294</b>
<b>Non current assets</b>												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		14 765	-	-	-	-	-	-	-	14 765	14 765	14 765
Property, plant and equipment	3	265 247	-	-	-	-	-	(895)	(895)	264 352	142 277	284 270
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Intangible assets		1 294	-	-	-	-	-	(774)	(774)	520	(5)	(6)
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>281 307</b>	-	-	-	-	-	<b>(1 669)</b>	<b>(1 669)</b>	<b>279 637</b>	<b>157 037</b>	<b>299 029</b>
<b>TOTAL ASSETS</b>		<b>343 154</b>	-	-	-	-	-	<b>(25 361)</b>	<b>(25 361)</b>	<b>317 793</b>	<b>221 209</b>	<b>365 323</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions		(7 371)	-	-	-	-	-	8 952	8 952	1 582	1 761	315
Trade and other payables from non-exchange transactions		(444)	-	-	-	-	-	(2 105)	(2 105)	(2 549)	(444)	(444)
Provisions		(3 600)	-	-	-	-	-	(587)	(587)	(4 187)	(3 610)	(3 610)
VAT		732	-	-	-	-	-	(8 817)	(8 817)	(8 085)	260	272
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>(10 683)</b>	-	-	-	-	-	<b>(2 556)</b>	<b>(2 556)</b>	<b>(13 240)</b>	<b>(2 033)</b>	<b>(3 468)</b>
<b>Non current liabilities</b>												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	-	-	-	-	-	-	-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		(6 823)	-	-	-	-	-	(961)	(961)	(7 784)	(7 974)	(8 923)
<b>Total non current liabilities</b>		<b>(6 823)</b>	-	-	-	-	-	<b>(961)</b>	<b>(961)</b>	<b>(7 784)</b>	<b>(7 974)</b>	<b>(8 923)</b>
<b>TOTAL LIABILITIES</b>		<b>(17 506)</b>	-	-	-	-	-	<b>(3 517)</b>	<b>(3 517)</b>	<b>(21 024)</b>	<b>(10 007)</b>	<b>(12 391)</b>
<b>NET ASSETS</b>	2	<b>360 661</b>	-	-	-	-	-	<b>(21 844)</b>	<b>(21 844)</b>	<b>338 817</b>	<b>231 216</b>	<b>377 714</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		360 661	-	-	-	-	-	(21 844)	(21 844)	338 817	231 209	377 683
Funds and Reserves		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>360 661</b>	-	-	-	-	-	<b>(21 844)</b>	<b>(21 844)</b>	<b>338 817</b>	<b>231 209</b>	<b>377 683</b>

KZN226 Mkhambathini - Table B7 Adjustments Budget Cash Flows - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
R thousands		A	A1	B	C	D	E	F	G	H	Adjusted Budget	Adjusted Budget
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		30 283	-					-	-	30 283	33 162	34 687
Service charges		749	-					(98)	(98)	651	783	819
Other revenue		9 585	-					5 305	5 305	14 890	13 398	14 010
Transfers and Subsidies - Operational	1	105 999	-					415	415	106 414	103 032	102 313
Transfers and Subsidies - Capital	1	18 159	-					-	-	18 159	18 847	20 128
Interest		-	-					-	-	-	-	-
Dividends		-	-					-	-	-	-	-
<b>Payments</b>												
Suppliers and employees		(144 738)	-					(15 535)	(15 535)	(160 273)	(149 119)	(156 585)
Finance charges		-	-					-	-	-	-	-
Transfers and Subsidies	1	-	-					-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>20 037</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9 913)</b>	<b>(9 913)</b>	<b>10 124</b>	<b>20 103</b>	<b>15 373</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		-	-					-	-	-	-	-
Decrease (increase) in non-current receivables		-	-					-	-	-	-	-
Decrease (increase) in non-current investments		-	-					-	-	-	-	-
<b>Payments</b>												
Capital assets		(25 138)	-					(4 824)	(4 824)	(29 962)	(22 648)	(24 222)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(25 138)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 824)</b>	<b>(4 824)</b>	<b>(29 962)</b>	<b>(22 648)</b>	<b>(24 222)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		-	-					-	-	-	-	-
Borrowing long term/refinancing		-	-					-	-	-	-	-
Increase (decrease) in consumer deposits		-	-					-	-	-	-	-
<b>Payments</b>												
Repayment of borrowing		-	-					-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(5 101)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 736)</b>	<b>(14 736)</b>	<b>(19 837)</b>	<b>(2 545)</b>	<b>(8 849)</b>
Cash/cash equivalents at the year begin:	2	47 911	-					(11 137)	(11 137)	36 774	46 420	55 503
Cash/cash equivalents at the year end:	2	42 810	-					(25 873)	(25 873)	16 937	43 875	46 654

KZN226 Mkhambathini - Table B8 Cash backed reserves/accumulated surplus reconciliation - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
R thousands		A	A1	B	C	D	E	F	G	H	Adjusted Budget	Adjusted Budget
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	42 810	-					(25 873)	(25 873)	16 937	43 875	46 654
Other current investments > 90 days		(608)	-					(1 889)	(1 889)	(2 496)	(2 777)	(2 777)
Non current assets - Investments	1	-	-					-	-	-	-	-
<b>Cash and investments available:</b>		<b>42 203</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27 762)</b>	<b>(27 762)</b>	<b>14 441</b>	<b>41 098</b>	<b>43 877</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		(444)	-					(2 105)	(2 105)	(2 549)	(444)	(444)
Unspent borrowing		-	-					-	-	-	-	-
Statutory requirements		-	-					-	-	-	-	-
Other working capital requirements	2	(13 026)	-					14 316	14 316	1 290	1 533	90
Other provisions		-	-					-	-	-	-	-
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(13 470)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 211</b>	<b>12 211</b>	<b>(1 258)</b>	<b>1 089</b>	<b>(354)</b>
<b>Surplus(shortfall)</b>		<b>55 672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39 973)</b>	<b>(39 973)</b>	<b>15 699</b>	<b>40 009</b>	<b>44 231</b>

KZN226 Mkhambathini - Table B9 Asset Management - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total Adjus.	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjus.	Adjus.	Budget	Budget	Budget
R thousands	A	7	8	9	10	11	12	13	14	+1 2025/26	+2 2026/27	
		A1	B	C	D	E	F	G	H			
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	21 859	-	-	-	-	-	(1 030)	(1 030)	20 829	19 847	21 128
Roads Infrastructure		1 932	-	-	-	-	-	1 000	1 000	2 932	-	5 130
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	5 150	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1 932	-	-	-	-	-	1 000	1 000	2 932	5 150	5 130
Community Facilities		16 227	-	-	-	-	-	-	-	16 227	3 311	2 638
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	10 386	12 360
Community Assets		16 227	-	-	-	-	-	-	-	16 227	13 697	14 998
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		1 200	-	-	-	-	-	(700)	(700)	500	-	-
Intangible Assets		1 200	-	-	-	-	-	(700)	(700)	500	-	-
Computer Equipment		200	-	-	-	-	-	170	170	370	200	200
Furniture and Office Equipment		400	-	-	-	-	-	-	-	400	300	300
Machinery and Equipment		500	-	-	-	-	-	(500)	(500)	-	-	-
Transport Assets		1 400	-	-	-	-	-	(1 000)	(1 000)	400	500	500
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets to be adjusted</b>	2	-	-	-	-	-	-	470	470	470	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	470	470	470	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	470	470	470	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-



<b>Total Capital Expenditure to be adjusted</b>	4	21 859	-	-	-	-	-	4 325	4 325	26 184	19 847	21 128
<i>Roads Infrastructure</i>		1 932	-	-	-	-	-	5 885	5 885	7 817	-	5 130
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	5 150	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		1 932	-	-	-	-	-	5 885	5 885	7 817	5 150	5 130
<i>Community Facilities</i>		16 227	-	-	-	-	-	-	-	16 227	3 311	2 638
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-	10 386	12 360
<b>Community Assets</b>		16 227	-	-	-	-	-	-	-	16 227	13 697	14 998
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	470	470	470	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	470	470	470	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		1 200	-	-	-	-	-	(700)	(700)	500	-	-
<b>Intangible Assets</b>		1 200	-	-	-	-	-	(700)	(700)	500	-	-
<i>Computer Equipment</i>		200	-	-	-	-	-	170	170	370	200	200
<i>Furniture and Office Equipment</i>		400	-	-	-	-	-	-	-	400	300	300
<i>Machinery and Equipment</i>		500	-	-	-	-	-	(500)	(500)	-	-	-
<i>Transport Assets</i>		1 400	-	-	-	-	-	(1 000)	(1 000)	400	500	500
<i>Land</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Mature</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Immature</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	4	21 859	-	-	-	-	-	4 325	4 325	26 184	19 847	21 128
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	200 561	-	-	-	-	-	48 464	48 464	249 025	114 683	256 676
<i>Roads Infrastructure</i>		80 108	-	-	-	-	-	25 912	25 912	106 020	111 274	130 061
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	5 150	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		80 108	-	-	-	-	-	25 912	25 912	106 020	116 424	130 061
<b>Community Assets</b>		95 917	-	-	-	-	-	23 215	23 215	119 132	(26 448)	101 582
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		14 765	-	-	-	-	-	-	-	14 765	14 765	14 765
<b>Other Assets</b>		971	-	-	-	-	-	(164)	(164)	807	52	(10)
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		1 294	-	-	-	-	-	(774)	(774)	520	(5)	(6)
<i>Computer Equipment</i>		753	-	-	-	-	-	188	188	941	1 074	1 000
<i>Furniture and Office Equipment</i>		918	-	-	-	-	-	921	921	1 839	2 706	2 774
<i>Machinery and Equipment</i>		614	-	-	-	-	-	(519)	(519)	96	67	19
<i>Transport Assets</i>		4 493	-	-	-	-	-	(316)	(316)	4 177	5 320	5 763
<i>Land</i>		728	-	-	-	-	-	-	-	728	728	728
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	200 561	-	-	-	-	-	48 464	48 464	249 025	114 683	256 676

EXPENDITURE OTHER ITEMS												
<b>Depreciation &amp; asset impairment</b>		11 830	-	-	-	-	-	3 995	3 995	15 825	11 558	12 078
<b>Repairs and Maintenance by asset class</b>	3	17 760	-	-	-	-	-	6 150	6 150	23 910	18 576	19 412
<i>Roads Infrastructure</i>		12 600	-	-	-	-	-	8 200	8 200	20 800	13 180	13 773
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		12 600	-	-	-	-	-	8 200	8 200	20 800	13 180	13 773
Community Facilities		1 000	-	-	-	-	-	(400)	(400)	600	1 046	1 093
Sport and Recreation Facilities		1 000	-	-	-	-	-	(400)	(400)	600	1 046	1 093
<b>Community Assets</b>		2 000	-	-	-	-	-	(800)	(800)	1 200	2 092	2 186
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		2 100	-	-	-	-	-	(1 250)	(1 250)	850	2 197	2 295
Housing		-	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		2 100	-	-	-	-	-	(1 250)	(1 250)	850	2 197	2 295
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		1 060	-	-	-	-	-	-	-	1 060	1 108	1 158
Land		-	-	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	6	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		29 590	-	-	-	-	-	10 145	10 145	39 735	30 135	31 491

## 2.7 Adjustment of Capital expenditure details

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

KZN226 Mkhambathini - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 26/02/2025

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	+1 2025/26 Adjusted Budget	+2 2026/27 Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		1 932	-	-	-	-	-	1 000	1 000	2 932	5 150	5 130
Roads Infrastructure		1 932	-	-	-	-	-	1 000	1 000	2 932	-	5 130
Roads		1 932	-	-	-	-	-	-	-	1 932	-	5 130
Road Structures		-	-	-	-	-	-	1 000	1 000	1 000	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	5 150	-
Power Plants		-	-	-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	5 150	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		16 227	-	-	-	-	-	-	-	16 227	13 697	14 998
Community Facilities		16 227	-	-	-	-	-	-	-	16 227	3 311	2 638
Halls		16 227	-	-	-	-	-	-	-	16 227	3 311	2 638
Centres		-	-	-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-

Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	10 386	12 360
Indoor Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	10 386	12 360
Capital Spares	-	-	-	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	1 200	-	-	-	-	-	(700)	(700)	500	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights	1 200	-	-	-	-	-	(700)	(700)	500	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	1 200	-	-	-	-	-	(700)	(700)	500	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	200	-	-	-	-	-	170	170	370	200	200	200
Computer Equipment	200	-	-	-	-	-	170	170	370	200	200	200
<b>Furniture and Office Equipment</b>	400	-	-	-	-	-	-	-	400	300	300	300
Furniture and Office Equipment	400	-	-	-	-	-	-	-	400	300	300	300
<b>Machinery and Equipment</b>	500	-	-	-	-	-	(500)	(500)	-	-	-	-
Machinery and Equipment	500	-	-	-	-	-	(500)	(500)	-	-	-	-
<b>Transport Assets</b>	1 400	-	-	-	-	-	(1 000)	(1 000)	400	500	500	500
Transport Assets	1 400	-	-	-	-	-	(1 000)	(1 000)	400	500	500	500
<b>Land</b>	-	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Living resources</b>	-	-	-	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-	-	-	-
Policing and Protection	-	-	-	-	-	-	-	-	-	-	-	-
Zoological plants and animals	-	-	-	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-	-	-	-
Policing and Protection	-	-	-	-	-	-	-	-	-	-	-	-
Zoological plants and animals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets to be adjusted</b>	1	21 859	-	-	-	-	(1 030)	(1 030)	20 829	19 847	21 128	21 128

KZN226 Mkhambathini - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 26/02/2025

Description	Ref	Budget Year 2024/25										Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>													
<b>Infrastructure</b>													
Roads Infrastructure													
Roads													
Road Structures													
Road Furniture													
Capital Spares													

<b>Other assets</b>													
Operational Buildings		-	-	-	-	-	-	-	470	470	470	-	-
Municipal Offices		-	-	-	-	-	-	-	470	470	470	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets to be adjusted</b>	1	-	-	-	-	-	-	-	470	470	470	-	-

**KZN226 Mkhambathini - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 26/02/2025**

Description	Ref	Budget Year 2024/25									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
R thousands		A	7	8	9	10	11	12	13	14	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		12 600	-	-	-	-	-	8 200	8 200	20 800	13 180	13 773
Roads Infrastructure		12 600	-	-	-	-	-	8 200	8 200	20 800	13 180	13 773
Roads		-	-	-	-	-	-	-	-	-	-	-
Road Structures		12 600	-	-	-	-	-	8 200	8 200	20 800	13 180	13 773
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		2 000	-	-	-	-	-	(800)	(800)	1 200	2 092	2 186
Community Facilities		1 000	-	-	-	-	-	(400)	(400)	600	1 046	1 093
Halls		1 000	-	-	-	-	-	(400)	(400)	600	1 046	1 093
Centres		-	-	-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-	-	-
Puris		-	-	-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 000	-	-	-	-	-	(400)	(400)	600	1 046	1 093
Indoor Facilities		-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities		1 000	-	-	-	-	-	(400)	(400)	600	1 046	1 093
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
<b>Other assets</b>		2 100	-	-	-	-	-	(1 250)	(1 250)	850	2 197	2 295
Operational Buildings		2 100	-	-	-	-	-	(1 250)	(1 250)	850	2 197	2 295
Municipal Offices		2 100	-	-	-	-	-	(1 250)	(1 250)	850	2 197	2 295
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		1 060	-	-	-	-	-	-	-	1 060	1 108	1 158
Transport Assets		1 060	-	-	-	-	-	-	-	1 060	1 108	1 158
<b>Land</b>		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure to be</b>	1	17 760	-	-	-	-	-	6 150	6 150	23 910	18 576	19 412

## 2.8 Other supporting documents

The below listed annexures for another supporting document

- i. Annexure A: Data strings

- ii. Annexure D: B Schedule
- iii. SDBIP with the supporting documentation
- iv. Council Resolution



## **Municipal Manager's Quality Certificate**

OFFICE OF THE MUNICIPAL MANAGER

### **QUALITY CERTIFICATE**

I, Mr. S Mngwengwe, Municipal Manager of Mkhambathini Local Municipality, hereby certify that the 2024/2025 Adjustment Budget and SDBIP with the supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and the budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

**Print Name: Mr. S Mngwengwe**

**Municipal Manager of Mkhambathini Local Municipality KZ226**

Signature: \_\_\_\_\_

Date: 26 February 2025