

“ANNEXURE A”

**2024/25 2<sup>nd</sup> SPECIAL ADJUSTMENTS  
BUDGET OF  
KOUGA LOCAL  
MUNICIPALITY**

**NOVEMBER 2024**



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## 1. EXECUTIVE MAYOR'S REPORT

### 1.1. Summary of reasons for the 2024/25 2<sup>nd</sup> Special Adjustments Budget

In accordance with Section 28 of the Municipal Finance Management Act, Act No 56 of 2003 (MFMA), stipulates that –

- (1) A municipality must revise its approved annual budget through an adjustments budget.
- (2)(b) To appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
- (2)(e) To authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the annual budget for the current year was approved by the Council.
- (3) An adjustments budget must be in a prescribed format.
- (4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

In terms of the Municipal Budget and Reporting Regulations (MBRR), regulation 23, sub regulation (3), if a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.

The adjustments budget was prepared in compliance with the Government Gazette No. 51233, dated 12 September 2024, and to adjust the conditional grants revenue in line with the National Treasury approval letter for the roll-over of unspent conditional grants for the 2023/24 financial year.

The Government Gazette No. 51233 and National Treasury approval letter for the rollover of unspent conditional grants for the 2023/24 financial year, are attached as **“Annexure D”** and **“Annexure E”** respectively.

- 1.1.1 The Executive Mayor recommends that the Council approves the 2024/25 2<sup>nd</sup> Special Adjustments Budget.

## **2. 2024/25 SPECIAL ADJUSTMENTS BUDGET RESOLUTIONS**

### **2.1. Approval of the 2<sup>nd</sup> Special Adjustments Budget**

2.1.1. The Executive Mayor recommends that the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Municipal Finance Management Act, Act No 56 of 2003, approves the 2024/25 2<sup>nd</sup> Special Adjustments Budget as set-out in the following tables:

Table 7 (B1 - Adjustments Budget Summary: page 7)

Table 8 (B2 - Adjustments Budget Financial Performance (revenue and expenditure by standard classification): page 9)

Table 9 (B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal vote): page 11)

Table 10 (B4 - Adjustments Budget Financial Performance (revenue and expenditure by type): page 12)

Table 11 (B5 - Adjustments Budget Capital Expenditure by vote, standard classification and funding source: page 14)

Table 12 (B6 - Adjustments Budget Financial Position: page 15)

Table 13 (B7 - Adjustments Budgeted Cash Flows: page 17)

Table 14 (B8 - Cash backed reserves/accumulated surplus reconciliation: page 18)

Table 15 (B9 Asset Management : page 19)

Table 16 (B10 Basic Service Delivery Measurement: page 21)

### 3. EXECUTIVE SUMMARY

#### 3.1. Compliance with the Municipal Finance Management Act.

The special adjustments budget is prepared in compliance with Section 28(2)(b) and (e) of the Municipal Finance Management Act and Regulation 23(3) of the Municipal Budget and Reporting Regulations.

#### 3.2. Compliance with the Municipal Budget and Reporting Regulations.

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations regulate the format of the budget documentation as set out in Schedule B – “**Annexure B**” of the Municipal Budget and Reporting Regulations. This includes the main Tables B1 – B10 as well as the supporting tables SB1 – SB20.

### 4. HIGH LEVEL OPERATING ADJUSTMENTS BUDGET

#### 4.1. Operating Revenue Adjustments Budget

**Table1: High Level Summary of Operating Revenue by Source**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Revenue</b>					
<b>Exchange Revenue</b>					
Service charges - Electricity	381 991	381 991	-	-	381 991
Service charges - Water	82 323	82 323	-	-	82 323
Service charges - Waste Water Management	64 086	64 086	-	-	64 086
Service charges - Waste Management	71 123	71 123	-	-	71 123
Sale of Goods and Rendering of Services	9 533	9 533	-	-	9 533
Agency services	4 554	4 554	-	-	4 554
Interest earned from Receivables	32 335	32 335	-	-	32 335
Interest earned from Current and Non-Current Assets	13 998	13 998	-	-	13 998
Rental from Fixed Assets	3 187	3 187	-	-	3 187
Licence and permits	2 851	2 851	-	-	2 851
Operational Revenue	1 955	1 955	-	-	1 955
<b>Non-Exchange Revenue</b>					
Property rates	297 076	297 076	-	-	297 076
Fines, penalties and forfeits	143 343	143 343	-	-	143 343
Licences or permits	11 772	11 772	-	-	11 772
Transfer and subsidies - Operational	202 153	205 651	-	-	205 651
Transfers and subsidies - Capital	133 816	154 202	7 742	7 742	161 944
Interest	5 510	5 510	-	-	5 510
Operational Revenue	64 831	64 831	-	-	64 831
<b>Total Revenue</b>	<b>1 526 437</b>	<b>1 550 321</b>	<b>7 742</b>	<b>7 742</b>	<b>1 558 063</b>

The transfers and subsidies – capital increased by R 7,742 million, due to the following adjustments:

Grant Name	Narration	Adjustments
INEP	NT Approved rollover	686 302
WSIG	NT Approved rollover	7 167 885
MIG	Government Gazette No.51233	- 112 000
	<b>Total</b>	<b>7 742 187</b>

#### 4.2. Operating Expenditure Adjustments Budget

**Table 2: High Level Summary of Operating Expenditure by Type**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Expenditure By Type</b>					
Employee related costs	471 743	481 056	-	-	481 056
Remuneration of councillors	15 594	15 594	-	-	15 594
Bulk purchases - electricity	386 299	386 299	-	-	386 299
Inventory consumed	109 019	108 862	-	-	108 862
Debt impairment	158 246	158 246	-	-	158 246
Depreciation and amortisation	117 798	117 798	-	-	117 798
Interest	17 404	36 426	-	-	36 426
Contracted services	125 372	125 799	-	-	125 799
Transfers and subsidies	400	400	-	-	400
Irrecoverable debts written off	9 359	9 359	-	-	9 359
Operational costs	94 240	95 412	-	-	95 412
<b>Total Expenditure</b>	<b>1 505 474</b>	<b>1 535 251</b>	<b>-</b>	<b>-</b>	<b>1 535 251</b>

No adjustments were made in the operating expenditure during the 2<sup>nd</sup> special adjustments budget.

#### 4.3. High Level Summary Operating Budget

**Table 3: High Level Summary of Operating Revenue and Expenditure**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
Total Revenue	1 526 437	1 550 321	7 742	7 742	1 558 063
Total Expenditure	1 505 474	1 535 251	-	-	1 535 251
<b>Surplus/ (Deficit) for the year</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>

## 5. HIGH LEVEL CAPITAL ADJUSTMENTS BUDGET

### 5.1. Capital Adjustments Budget per Vote

**Table 4: High Level Capital Budget Expenditure by Vote**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Capital expenditure - Vote</b>					
<b>Multi-year expenditure to be adjusted</b>					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 413	–	–	1 413
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	755	–	–	755
Vote 4 - COMMUNITY SERVICES	1 391	1 634	–	–	1 634
Vote 5 - CIVIL AND WATER SERVICES	80 868	274 804	6 136	6 136	280 940
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	73 103	597	597	73 699
Vote 7 - PLANNING AND DEVELOPMENT	–	20 386	–	–	20 386
<b>Capital multi-year expenditure sub-total</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>

The Civil and Water Services capital budget increased by R 6,136 million, due to the rollover of the Water Services Infrastructure Grant (WSIG).

The Electro and Mechanical Services capital budget increased by R 0,597 million due to the rollover of the Integrated National Electrification Programme Grant (INEPG).

Please refer to “**Annexure C**” for a detailed Capital Programme.

### 5.2. Capital Budget by Funding Source

**Table 5: High Level Capital Budget Expenditure by Funding Source**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Funded by:</b>					
National Government	54 997	54 997	6 732	6 732	61 730
Provincial Government	59 973	80 359	–	–	80 359
District Municipality	1 391	1 391	–	–	1 391
<b>Transfers recognised - capital</b>	<b>116 362</b>	<b>136 747</b>	<b>6 732</b>	<b>6 732</b>	<b>143 480</b>
<b>Borrowing</b>	<b>34 000</b>	<b>207 913</b>	<b>–</b>	<b>–</b>	<b>207 913</b>
<b>Internally generated funds</b>	<b>–</b>	<b>27 434</b>	<b>–</b>	<b>–</b>	<b>27 434</b>
<b>Total Capital Funding</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>

### 5.3. High Level Capital and Operating Budget Summary

**Table 6: High Level Summary of Capital and Operating Budget**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
Total Expenditure	1 505 474	1 535 251	–	–	1 535 251
Total Capital Expenditure	150 362	372 094	6 732	6 732	378 826
<b>Total Expenditure</b>	<b>1 655 835</b>	<b>1 907 345</b>	<b>6 732</b>	<b>6 732</b>	<b>1 914 078</b>

## 6. SPECIAL ADJUSTMENTS BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2024/25 Special Adjustments Budget to be considered for approval by Council. Each table is accompanied by explanatory notes.

**Table 7 (B1- Adjustments Budget Summary)**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Financial Performance</b>					
Property rates	297 076	297 076	–	–	297 076
Service charges	599 522	599 522	–	–	599 522
Investment revenue	13 998	13 998	–	–	13 998
Transfers recognised - operational	202 153	205 651	–	–	205 651
Other own revenue	279 872	279 872	–	–	279 872
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 392 621</b>	<b>1 396 119</b>	<b>–</b>	<b>–</b>	<b>1 396 119</b>
Employee costs	471 743	481 056	–	–	481 056
Remuneration of councillors	15 594	15 594	–	–	15 594
Depreciation & asset impairment	117 798	117 798	–	–	117 798
Interest	17 404	36 426	–	–	36 426
Inventory consumed and bulk purchases	495 318	495 161	–	–	495 161
Transfers and subsidies	400	400	–	–	400
Other expenditure	387 217	388 816	–	–	388 816
<b>Total Expenditure</b>	<b>1 505 474</b>	<b>1 535 251</b>	<b>–</b>	<b>–</b>	<b>1 535 251</b>
<b>Surplus/(Deficit)</b>	<b>(112 853)</b>	<b>(139 132)</b>	<b>–</b>	<b>–</b>	<b>(139 132)</b>
Transfers and subsidies - capital (monetary allocations)	133 816	154 202	7 742	7 742	161 944
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>



Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Capital expenditure &amp; funds sources</b>					
<b>Capital expenditure</b>	150 362	372 094	6 732	6 732	378 826
Transfers recognised - capital	116 362	136 747	6 732	6 732	143 480
Borrowing	34 000	207 913	-	-	207 913
Internally generated funds	-	27 434	-	-	27 434
<b>Total sources of capital funds</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>
<b>Financial position</b>					
Total current assets	213 837	234 258	(6 001)	(6 001)	228 257
Total non-current assets	2 369 948	2 591 680	6 732	6 732	2 598 413
Total current liabilities	225 392	244 217	(7 900)	(7 900)	236 317
Total non-current liabilities	270 953	424 224	-	-	424 224
<b>Community wealth/Equity</b>	<b>2 087 440</b>	<b>2 157 498</b>	<b>8 632</b>	<b>8 632</b>	<b>2 166 129</b>
<b>Cash flows</b>					
Net cash from (used) operating	138 815	117 622	(112)	(112)	117 510
Net cash from (used) investing	(116 362)	(164 181)	(6 732)	(6 732)	(170 913)
Net cash from (used) financing	(22 478)	(32 196)	-	-	(32 196)
<b>Cash/cash equivalents at the year end</b>	<b>43 641</b>	<b>64 904</b>	<b>(6 844)</b>	<b>(6 844)</b>	<b>58 060</b>
<b>Cash backing/surplus reconciliation</b>					
Cash and investments available	43 640	64 904	(6 844)	(6 844)	58 060
Application of cash and investments	21 278	30 022	(8 743)	(8 743)	21 279
<b>Balance - surplus (shortfall)</b>	<b>22 362</b>	<b>34 882</b>	<b>1 899</b>	<b>1 899</b>	<b>36 781</b>
<b>Asset Management</b>					
Asset register summary (WDV)	2 369 948	2 591 680	6 732	6 732	2 598 413
Depreciation	117 798	117 798	-	-	117 798
Renewal and Upgrading of Existing Assets	97 563	137 812	5 597	5 597	143 409
Repairs and Maintenance	228 381	234 971	-	-	234 971
<b>Free services</b>					
Cost of Free Basic Services provided	66 720	66 720	-	-	66 720
Revenue cost of free services provided	7 249	7 249	-	-	7 249
<b>Households below minimum service level</b>					
Water:	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-
Energy:	-	-	-	-	-
Refuse:	-	-	-	-	-

## Explanatory notes to Table 7 B1 – Adjustments Budget Summary

- The aim of the Adjustments Budget Summary is to provide a concise overview of the proposed Adjustments Budget from all of the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the amounts to be approved by Council within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance, as well as the Municipality's commitment to eliminating basic service delivery backlogs.

**Table 8 (B2 - Adjustments Budget Financial Performance (revenue and expenditure by standard classification))**

Standard Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Revenue - Functional</b>					
<b><i>Governance and administration</i></b>	<b>590 750</b>	<b>590 750</b>	<b>-</b>	<b>-</b>	<b>590 750</b>
Executive and council	142	142	-	-	142
Finance and administration	590 608	590 608	-	-	590 608
Internal audit	-	-	-	-	-
<b><i>Community and public safety</i></b>	<b>87 286</b>	<b>111 120</b>	<b>-</b>	<b>-</b>	<b>111 120</b>
Community and social services	2 460	2 460	-	-	2 460
Sport and recreation	11 504	11 504	-	-	11 504
Public safety	1 857	1 857	-	-	1 857
Housing	68 969	92 803	-	-	92 803
Health	2 496	2 496	-	-	2 496
<b><i>Economic and environmental services</i></b>	<b>56 136</b>	<b>56 186</b>	<b>-</b>	<b>-</b>	<b>56 186</b>
Planning and development	10 252	10 252	-	-	10 252
Road transport	19 972	19 972	-	-	19 972
Environmental protection	25 912	25 962	-	-	25 962
<b><i>Trading services</i></b>	<b>792 266</b>	<b>792 266</b>	<b>7 742</b>	<b>7 742</b>	<b>800 008</b>
Energy sources	409 585	409 585	686	686	410 271
Water management	177 913	177 913	7 168	7 168	185 080
Waste water management	123 062	123 062	(112)	(112)	122 950
Waste management	81 707	81 707	-	-	81 707
<b><i>Other</i></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Functional</b>	<b>1 526 437</b>	<b>1 550 321</b>	<b>7 742</b>	<b>7 742</b>	<b>1 558 063</b>

Standard Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Expenditure - Functional</b>					
<b><i>Governance and administration</i></b>	<b>362 481</b>	<b>362 821</b>	-	-	<b>362 821</b>
Executive and council	61 996	61 237	-	-	61 237
Finance and administration	299 963	301 062	-	-	301 062
Internal audit	523	523	-	-	523
<b><i>Community and public safety</i></b>	<b>140 104</b>	<b>140 984</b>	-	-	<b>140 984</b>
Community and social services	13 952	13 952	-	-	13 952
Sport and recreation	75 205	75 205	-	-	75 205
Public safety	33 254	33 254	-	-	33 254
Housing	9 703	10 583	-	-	10 583
Health	7 991	7 991	-	-	7 991
<b><i>Economic and environmental services</i></b>	<b>288 532</b>	<b>311 302</b>	-	-	<b>311 302</b>
Planning and development	32 149	34 424	-	-	34 424
Road transport	246 274	266 719	-	-	266 719
Environmental protection	10 109	10 159	-	-	10 159
<b><i>Trading services</i></b>	<b>714 357</b>	<b>720 143</b>	-	-	<b>720 143</b>
Energy sources	453 172	457 682	-	-	457 682
Water management	108 542	109 818	-	-	109 818
Waste water management	88 779	88 779	-	-	88 779
Waste management	63 864	63 864	-	-	63 864
<b><i>Other</i></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditure - Functional</b>	<b>1 505 474</b>	<b>1 535 251</b>	<b>-</b>	<b>-</b>	<b>1 535 251</b>
<b>Surplus/ (Deficit) for the year</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>

### Explanatory notes to Table 8 B2 – Adjustments Budget Financial Performance (revenue and expenditure by standard classification)

1. The "standard classification" refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities approve a budget in one common format, to facilitate comparison across all municipalities.

**Table 9 (B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal vote))**

Vote Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Revenue by Vote</b>					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	-	-	-	-	-
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1 115	1 115	-	-	1 115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	446 890	446 890	-	-	446 890
Vote 4 - COMMUNITY SERVICES	276 782	276 832	-	-	276 832
Vote 5 - CIVIL AND WATER SERVICES	314 671	314 671	7 056	7 056	321 726
Vote 6 - ELECTRO/MECHANICAL SERVICES	409 586	409 586	686	686	410 273
Vote 7 - PLANNING AND DEVELOPMENT	77 392	101 227	-	-	101 227
<b>Total Revenue by Vote</b>	<b>1 526 437</b>	<b>1 550 321</b>	<b>7 742</b>	<b>7 742</b>	<b>1 558 063</b>
<b>Expenditure by Vote</b>					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31 456	30 696	-	-	30 696
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128 955	128 955	-	-	128 955
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	141 869	142 158	-	-	142 158
Vote 4 - COMMUNITY SERVICES	386 594	387 136	-	-	387 136
Vote 5 - CIVIL AND WATER SERVICES	316 288	339 329	-	-	339 329
Vote 6 - ELECTRO/MECHANICAL SERVICES	466 160	470 989	-	-	470 989
Vote 7 - PLANNING AND DEVELOPMENT	34 152	35 989	-	-	35 989
<b>Total Expenditure by Vote</b>	<b>1 505 474</b>	<b>1 535 251</b>	<b>-</b>	<b>-</b>	<b>1 535 251</b>
<b>Surplus/ (Deficit) for the year</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>

**Explanatory notes to Table 9 B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)**

1. The purpose of the format in which the Adjustments Budget is presented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned. Operating revenue and expenditure is thus presented by "vote". A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

**Table 10 (B4 - Adjustments Budget Financial Performance (revenue and expenditure))**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Revenue</b>					
<b>Exchange Revenue</b>					
Service charges - Electricity	381 991	381 991	-	-	381 991
Service charges - Water	82 323	82 323	-	-	82 323
Service charges - Waste Water Management	64 086	64 086	-	-	64 086
Service charges - Waste Management	71 123	71 123	-	-	71 123
Sale of Goods and Rendering of Services	9 533	9 533	-	-	9 533
Agency services	4 554	4 554	-	-	4 554
Interest	-	-	-	-	-
Interest earned from Receivables	32 335	32 335	-	-	32 335
Interest earned from Current and Non Current Assets	13 998	13 998	-	-	13 998
Dividends	-	-	-	-	-
Rent on Land	-	-	-	-	-
Rental from Fixed Assets	3 187	3 187	-	-	3 187
Licence and permits	2 851	2 851	-	-	2 851
Operational Revenue	1 955	1 955	-	-	1 955
<b>Non-Exchange Revenue</b>					
Property rates	297 076	297 076	-	-	297 076
Surcharges and Taxes	-	-	-	-	-
Fines, penalties and forfeits	143 343	143 343	-	-	143 343
Licences or permits	11 772	11 772	-	-	11 772
Transfer and subsidies - Operational	202 153	205 651	-	-	205 651
Interest	5 510	5 510	-	-	5 510
Fuel Levy	-	-	-	-	-
Operational Revenue	64 831	64 831	-	-	64 831
Gains on disposal of Assets	-	-	-	-	-
Other Gains	-	-	-	-	-
Discontinued Operations	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 392 621</b>	<b>1 396 119</b>	<b>-</b>	<b>-</b>	<b>1 396 119</b>
<b>Expenditure By Type</b>					
Employee related costs	471 743	481 056	-	-	481 056
Remuneration of councillors	15 594	15 594	-	-	15 594
Bulk purchases - electricity	386 299	386 299	-	-	386 299
Inventory consumed	109 019	108 862	-	-	108 862
Debt impairment	158 246	158 246	-	-	158 246
Depreciation and amortisation	117 798	117 798	-	-	117 798
Interest	17 404	36 426	-	-	36 426
Contracted services	125 372	125 799	-	-	125 799
Transfers and subsidies	400	400	-	-	400
Irrecoverable debts written off	9 359	9 359	-	-	9 359
Operational costs	94 240	95 412	-	-	95 412
Losses on disposal of Assets	-	-	-	-	-
Other Losses	-	-	-	-	-
<b>Total Expenditure</b>	<b>1 505 474</b>	<b>1 535 251</b>	<b>-</b>	<b>-</b>	<b>1 535 251</b>
<b>Surplus/(Deficit)</b>	<b>(112 853)</b>	<b>(139 132)</b>	<b>-</b>	<b>-</b>	<b>(139 132)</b>

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
Transfers and subsidies - capital (monetary allocations)	133 816	154 202	7 742	7 742	161 944
Transfers and subsidies - capital (in-kind)	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>
Income Tax	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>20 963</b>	<b>15 070</b>	<b>7 742</b>	<b>7 742</b>	<b>22 812</b>

### Explanatory notes to Table 10 B4 – Adjustments Budget Financial Performance (revenue and expenditure)

1. The Financial Performance Adjustments Budget is required to be approved concurrently by revenue source and expenditure type, to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the annual results and the Adjustments Budget, to assess performance.
2. The operating revenue (excluding capital transfers and contributions) remain unchanged.
3. The transfers and subsidies – capital increased by R 7,742 million due to the rollover of Water Services Infrastructure Grant amounting to R 7,168 million, Integrated National Electrification Programme Grant amounting to R 0,686 million and the reduction in Municipal Infrastructure Grant by R 0,112 million.

**Table 11 (B5 - Adjustments Capital Expenditure Budget by vote, standard classification, and funding source)**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Capital expenditure - Vote</b>					
<b>Multi-year expenditure to be adjusted</b>					
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 413	–	–	1 413
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	755	–	–	755
Vote 4 - COMMUNITY SERVICES	1 391	1 634	–	–	1 634
Vote 5 - CIVIL AND WATER SERVICES	80 868	274 804	6 136	6 136	280 940
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	73 103	597	597	73 699
Vote 7 - PLANNING AND DEVELOPMENT	–	20 386	–	–	20 386
<b>Capital multi-year expenditure sub-total</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>
<b>Total Capital Expenditure - Vote</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>
<b>Capital Expenditure - Functional</b>					
<b>Governance and administration</b>	<b>34 000</b>	<b>36 311</b>	<b>–</b>	<b>–</b>	<b>36 311</b>
Executive and council	–	–	–	–	–
Finance and administration	34 000	36 311	–	–	36 311
Internal audit	–	–	–	–	–
<b>Community and public safety</b>	<b>1 391</b>	<b>21 777</b>	<b>–</b>	<b>–</b>	<b>21 777</b>
Community and social services	–	–	–	–	–
Sport and recreation	–	–	–	–	–
Public safety	1 391	1 391	–	–	1 391
Housing	–	20 386	–	–	20 386
Health	–	–	–	–	–
<b>Economic and environmental services</b>	<b>9 670</b>	<b>184 618</b>	<b>(97)</b>	<b>(97)</b>	<b>184 521</b>
Planning and development	500	1 535	–	–	1 535
Road transport	9 170	183 083	(97)	(97)	182 986
Environmental protection	–	–	–	–	–
<b>Trading services</b>	<b>105 300</b>	<b>129 389</b>	<b>6 830</b>	<b>6 830</b>	<b>136 218</b>
Energy sources	34 103	39 103	597	597	39 699
Water management	29 008	36 992	6 233	6 233	43 225
Waste water management	42 190	53 294	–	–	53 294
Waste management	–	–	–	–	–
<b>Other</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Functional</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>
<b>Funded by:</b>					
National Government	54 997	54 997	6 732	6 732	61 730
Provincial Government	59 973	80 359	–	–	80 359
District Municipality	1 391	1 391	–	–	1 391
<b>Transfers recognised - capital</b>	<b>116 362</b>	<b>136 747</b>	<b>6 732</b>	<b>6 732</b>	<b>143 480</b>
<b>Borrowing</b>	<b>34 000</b>	<b>207 913</b>	<b>–</b>	<b>–</b>	<b>207 913</b>
<b>Internally generated funds</b>	<b>–</b>	<b>27 434</b>	<b>–</b>	<b>–</b>	<b>27 434</b>
<b>Total Capital Funding</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>

## Explanatory notes to Table 11 B5 – Adjustments Capital Expenditure Budget by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

### Table 12 (B6 - Adjustments Budget Financial Position)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	43 640	64 904	(6 844)	(6 844)	58 060
Trade and other receivables from exchange transactions	77 030	77 030	–	–	77 030
Receivables from non-exchange transactions	29 014	29 014	–	–	29 014
Current portion of non-current receivables	–	–	–	–	–
Inventory	18 598	17 755	843	843	18 598
VAT	45 445	45 445	–	–	45 445
Other current assets	109	109	–	–	109
<b>Total current assets</b>	<b>213 837</b>	<b>234 258</b>	<b>(6 001)</b>	<b>(6 001)</b>	<b>228 257</b>
<b>Non current assets</b>					
Investments	–	–	–	–	–
Investment property	262 608	262 608	–	–	262 608
Property, plant and equipment	2 106 737	2 328 469	6 732	6 732	2 335 202
Biological assets	–	–	–	–	–
Living and non-living resources	–	–	–	–	–
Heritage assets	–	–	–	–	–
Intangible assets	603	603	–	–	603
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>2 369 948</b>	<b>2 591 680</b>	<b>6 732</b>	<b>6 732</b>	<b>2 598 413</b>
<b>TOTAL ASSETS</b>	<b>2 583 785</b>	<b>2 825 938</b>	<b>732</b>	<b>732</b>	<b>2 826 670</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–	–	–	–
Financial liabilities	23 564	34 488	–	–	34 488
Consumer deposits	29 060	29 060	–	–	29 060
Trade and other payables from exchange transactions	124 413	123 570	844	844	124 413
Trade and other payables from non-exchange transactions	–	8 744	(8 744)	(8 744)	–
Provisions	48 355	48 355	–	–	48 355
VAT	(0)	(0)	–	–	(0)
Other current liabilities	–	–	–	–	–
<b>Total current liabilities</b>	<b>225 392</b>	<b>244 217</b>	<b>(7 900)</b>	<b>(7 900)</b>	<b>236 317</b>



Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Non-current liabilities</b>					
Financial Liabilities	11 333	164 604	-	-	164 604
Provisions	259 620	259 620	-	-	259 620
Long term portion of trade payables	-	-	-	-	-
Other non-current liabilities			-	-	-
<b>Total non-current liabilities</b>	<b>270 953</b>	<b>424 224</b>	<b>-</b>	<b>-</b>	<b>424 224</b>
<b>TOTAL LIABILITIES</b>	<b>496 345</b>	<b>668 440</b>	<b>(7 900)</b>	<b>(7 900)</b>	<b>660 540</b>
<b>NET ASSETS</b>	<b>2 087 440</b>	<b>2 157 498</b>	<b>8 632</b>	<b>8 632</b>	<b>2 166 129</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	2 087 440	2 157 498	8 632	8 632	2 166 129
Funds and Reserves	-	-	-	-	-
Other	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 087 440</b>	<b>2 157 498</b>	<b>8 632</b>	<b>8 632</b>	<b>2 166 129</b>

### Explanatory notes to Table 12 B6 – Adjustments Budget Financial Position

- 1 The table represents Assets Less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity, e.g., assets readily converted to cash or liabilities immediately required to be met from cash appear first.
- 2 Any movement on the Adjustments Budgeted Financial Performance or the Capital Adjustments Budget will invariably impact on the Adjustments Budgeted Financial Position. For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption informs the budget provision for debt impairment, which in turn impacts on the provision for bad debts. These budgets and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.
- 3 The cash flow position requires close and ongoing monitoring.

Table 13 (B7 - Adjustments Budgeted Cash Flow Statement)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Receipts</b>					
Property rates	287 458	287 458	-	-	287 458
Service charges	761 922	761 922	-	-	761 922
Other revenue	93 666	100 764	-	-	100 764
Transfers and Subsidies - Operational	202 153	205 651	-	-	205 651
Transfers and Subsidies - Capital	123 443	123 443	(112)	(112)	123 331
Interest	13 998	13 998	-	-	13 998
Dividends	-	-	-	-	-
<b>Payments</b>					
Suppliers and employees	(1 327 265)	(1 339 132)	(900)	(900)	(1 340 032)
Finance charges	(16 159)	(36 082)	900	900	(35 182)
Transfers and Grants	(400)	(400)	-	-	(400)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>138 815</b>	<b>117 622</b>	<b>(112)</b>	<b>(112)</b>	<b>117 510</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Receipts</b>					
Proceeds on disposal of PPE	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-
<b>Payments</b>					
Capital assets	(116 362)	(164 181)	(6 732)	(6 732)	(170 913)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(116 362)</b>	<b>(164 181)</b>	<b>(6 732)</b>	<b>(6 732)</b>	<b>(170 913)</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	(22 478)	(32 196)	-	-	(32 196)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(22 478)</b>	<b>(32 196)</b>	<b>-</b>	<b>-</b>	<b>(32 196)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(24)</b>	<b>(78 755)</b>	<b>(6 844)</b>	<b>(6 844)</b>	<b>(85 599)</b>
Cash/cash equivalents at the year begin:	43 665	143 659	-	-	143 659
Cash/cash equivalents at the year end:	43 641	64 904	(6 844)	(6 844)	58 060

### Explanatory notes to Table 13 B7 – Adjustments Budgeted Cash Flow Statement

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.
2. It reflects the expected cash in-flows versus the cash out-flows that is likely to result from the implementation of the Budget.
3. The municipality will have to maintain its efforts of enforcing strict cash flow management and monitoring on an ongoing basis.

**Table 14 (B8 - Cash backed reserves/accumulated surplus reconciliation)**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>Cash and investments available</b>					
Cash/cash equivalents at the year end	43 641	64 904	(6 844)	(6 844)	58 060
Other current investments > 90 days	(1)	(1)	1	1	–
Non-current assets - Investments	–	–	–	–	–
<b>Cash and investments available:</b>	<b>43 640</b>	<b>64 904</b>	<b>(6 844)</b>	<b>(6 844)</b>	<b>58 060</b>
<b>Applications of cash and investments</b>					
Unspent conditional transfers	–	8 744	(8 744)	(8 744)	–
Unspent borrowing	–	–	–	–	–
Statutory requirements	(45 445)	(45 445)	–	–	(45 445)
Other working capital requirements	18 368	18 368	1	1	18 369
Other provisions	48 355	48 355	–	–	48 355
Long term investments committed	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–
Total Application of cash and investments:	<b>21 278</b>	<b>30 022</b>	<b>(8 743)</b>	<b>(8 743)</b>	<b>21 279</b>
<b>Surplus(shortfall)</b>	<b>22 362</b>	<b>34 882</b>	<b>1 899</b>	<b>1 899</b>	<b>36 781</b>

### Explanatory notes to Table 14 B8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The table assesses the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
2. As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 Adjustments Budget, the end objective was to ensure that the budget is funded as required in accordance with section 18 of the MFMA.
3. The available cash and investments amount decreased by R 6,844 million, from R 64,904 million to R 58,060 million.
4. The funding cash surplus increased by R 1,899 million, from R 34,882 million to R 36,781 million.

Table 15 (B9 - Asset Management)

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>CAPITAL EXPENDITURE</b>					
<b>Total New Assets to be adjusted</b>	<b>52 798</b>	<b>234 282</b>	<b>1 135</b>	<b>1 135</b>	<b>235 418</b>
<i>Roads Infrastructure</i>	150	174 239	(97)	(97)	174 142
<i>Electrical Infrastructure</i>	3 755	3 755	597	597	4 352
<i>Water Supply Infrastructure</i>	11 975	16 960	636	636	17 596
<i>Sanitation Infrastructure</i>	1 527	1 527	-	-	1 527
<b>Infrastructure</b>	<b>17 407</b>	<b>196 481</b>	<b>1 135</b>	<b>1 135</b>	<b>197 616</b>
<b>Computer Equipment</b>	-	1 733	-	-	1 733
<b>Furniture and Office Equipment</b>	-	578	-	-	578
<b>Machinery and Equipment</b>	-	100	-	-	100
<b>Transport Assets</b>	<b>35 391</b>	<b>35 391</b>	-	-	<b>35 391</b>
<b>Total Renewal of Existing Assets to be adjusted</b>	<b>250</b>	<b>5 250</b>	-	-	<b>5 250</b>
<i>Electrical Infrastructure</i>	-	5 000	-	-	5 000
<i>Water Supply Infrastructure</i>	250	250	-	-	250
<b>Infrastructure</b>	<b>250</b>	<b>5 250</b>	-	-	<b>5 250</b>
<b>Total Upgrading of Existing Assets to be adjusted</b>	<b>97 313</b>	<b>132 562</b>	<b>5 597</b>	<b>5 597</b>	<b>138 159</b>
<i>Roads Infrastructure</i>	8 596	8 596	-	-	8 596
<i>Storm water Infrastructure</i>	424	424	-	-	424
<i>Electrical Infrastructure</i>	30 348	30 348	-	-	30 348
<i>Water Supply Infrastructure</i>	16 783	40 168	5 597	5 597	45 765
<i>Sanitation Infrastructure</i>	40 663	51 767	-	-	51 767
<b>Infrastructure</b>	<b>96 813</b>	<b>131 303</b>	<b>5 597</b>	<b>5 597</b>	<b>136 900</b>
<i>Sport and Recreation Facilities</i>	500	1 259	-	-	1 259
<b>Community Assets</b>	<b>500</b>	<b>1 259</b>	-	-	<b>1 259</b>
<b>Total Capital Expenditure to be adjusted</b>					
<i>Roads Infrastructure</i>	8 746	182 835	(97)	(97)	182 737
<i>Storm water Infrastructure</i>	424	424	-	-	424
<i>Electrical Infrastructure</i>	34 103	39 103	597	597	39 699
<i>Water Supply Infrastructure</i>	29 008	57 378	6 233	6 233	63 611
<i>Sanitation Infrastructure</i>	42 190	53 294	-	-	53 294
<b>Infrastructure</b>	<b>114 470</b>	<b>333 033</b>	<b>6 732</b>	<b>6 732</b>	<b>339 766</b>
<i>Sport and Recreation Facilities</i>	500	1 259	-	-	1 259
<b>Community Assets</b>	<b>500</b>	<b>1 259</b>	-	-	<b>1 259</b>
<b>Computer Equipment</b>	-	1 733	-	-	1 733
<b>Furniture and Office Equipment</b>	-	578	-	-	578
<b>Machinery and Equipment</b>	-	100	-	-	100
<b>Transport Assets</b>	<b>35 391</b>	<b>35 391</b>	-	-	<b>35 391</b>
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	<b>150 362</b>	<b>372 094</b>	<b>6 732</b>	<b>6 732</b>	<b>378 826</b>

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>R thousands</b>					
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>					
<i>Roads Infrastructure</i>	518 821	692 910	(97)	(97)	692 813
<i>Storm water Infrastructure</i>	28 084	28 084	-	-	28 084
<i>Electrical Infrastructure</i>	209 400	214 400	597	597	214 997
<i>Water Supply Infrastructure</i>	421 782	450 152	6 233	6 233	456 385
<i>Sanitation Infrastructure</i>	495 636	506 740	-	-	506 740
<i>Solid Waste Infrastructure</i>	(15 087)	(15 087)	-	-	(15 087)
<i>Information and Communication Infrastructure</i>	72	72	-	-	72
Infrastructure	1 658 709	1 877 272	6 732	6 732	1 884 004
Community Assets	59 161	59 920	-	-	59 920
Investment properties	262 608	262 608	-	-	262 608
Other Assets	112 819	112 819	-	-	112 819
Intangible Assets	603	603	-	-	603
Computer Equipment	5 110	6 843	-	-	6 843
Furniture and Office Equipment	(12 500)	(11 922)	-	-	(11 922)
Machinery and Equipment	6 323	6 423	-	-	6 423
Transport Assets	65 778	65 778	-	-	65 778
Land	211 337	211 337	-	-	211 337
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>2 369 948</b>	<b>2 591 680</b>	<b>6 732</b>	<b>6 732</b>	<b>2 598 413</b>
<b>EXPENDITURE OTHER ITEMS</b>					
<b>Depreciation &amp; asset impairment</b>	117 798	117 798	-	-	117 798
<b>Repairs and Maintenance by asset class</b>	<b>228 381</b>	<b>234 971</b>	<b>-</b>	<b>-</b>	<b>234 971</b>
<i>Roads Infrastructure</i>	52 369	52 892	-	-	52 892
<i>Storm water Infrastructure</i>	2 120	2 120	-	-	2 120
<i>Electrical Infrastructure</i>	30 806	33 616	-	-	33 616
<i>Water Supply Infrastructure</i>	32 198	33 475	-	-	33 475
<i>Sanitation Infrastructure</i>	38 483	39 233	-	-	39 233
<i>Coastal Infrastructure</i>	-	1 000	-	-	1 000
<i>Information and Communication Infrastructure</i>	-	-	-	-	-
Infrastructure	155 976	162 336	-	-	162 336
Community Facilities	40 224	40 224	-	-	40 224
Sport and Recreation Facilities	1 340	1 340	-	-	1 340
Community Assets	41 564	41 564	-	-	41 564
Operational Buildings	4 187	4 175	-	-	4 175
Other Assets	4 187	4 175	-	-	4 175
Machinery and Equipment	694	694	-	-	694
Transport Assets	25 960	26 203	-	-	26 203
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>	<b>346 179</b>	<b>352 769</b>	<b>-</b>	<b>-</b>	<b>352 769</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	64,9%	37,0%			37,9%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>	82,8%	117,0%			121,7%
<i>R&amp;M as a % of PPE</i>	9,6%	9,1%			9,0%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>	13,8%	14,4%			14,6%

## Explanatory notes to Table 15 B9 – Asset Management

1. The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and reflects the relevant asset categories. The associated repairs and maintenance and depreciation are also reflected. It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.

**Table 16 (B10 - Basic service delivery measurement)**

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b>Household service targets</b>					
<b><u>Water:</u></b>					
Piped water inside dwelling	-	-	-	-	-
Piped water inside yard (but not in dwelling)	-	-	-	-	-
Using public tap (at least min.service level)	-	-	-	-	-
Other water supply (at least min.service level)	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-
Using public tap (< min.service level)	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-
No water supply	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-
<b><u>Sanitation/sewerage:</u></b>					
Flush toilet (connected to sewerage)	-	-	-	-	-
Flush toilet (with septic tank)	-	-	-	-	-
Chemical toilet	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-
Bucket toilet	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-
No toilet provisions	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-
<b><u>Energy:</u></b>					
Electricity (at least min. service level)	-	-	-	-	-
Electricity - prepaid (> min.service level)	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-
Electricity (< min.service level)	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-
Other energy sources	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-

Description	Budget Year 2024/25				
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget
<b><u>Refuse:</u></b>					
Removed at least once a week (min.service)	-	-	-	-	-
Minimum Service Level and Above sub-total	-	-	-	-	-
Removed less frequently than once a week	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-
Using own refuse dump	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-
No rubbish disposal	-	-	-	-	-
<i>Below Minimum Servic Level sub-total</i>	-	-	-	-	-
<b>Total number of households</b>	-	-	-	-	-
<b><u>Households receiving Free Basic Service</u></b>					
Water (6 kilolitres per household per month)	21 232 488	21 232 488	-	-	21 232 488
Sanitation (free minimum level service)	14 212 728	14 212 728	-	-	14 212 728
Electricity/other energy (50kwh per household per month)	5 584 548	5 584 548	-	-	5 584 548
Refuse (removed at least once a week)	25 690 656	25 690 656	-	-	25 690 656
Informal Settlements	-	-	-	-	-
<b><u>Cost of Free Basic Services provided (R'000)</u></b>					
Water (6 kilolitres per indigent household per month)	21 232	21 232	-	-	21 232
Sanitation (free sanitation service to indigent households)	14 213	14 213	-	-	14 213
Electricity/other energy (50kwh per indigent household per month)	5 585	5 585	-	-	5 585
Refuse (removed once a week for indigent households)	25 691	25 691	-	-	25 691
<b><u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u></b>	-	-	-	-	-
<b>Total cost of FBS provided</b>	66 720	66 720	-	-	66 720
<b><u>Highest level of free service provided</u></b>					
Property rates (R'000 value threshold)	-	-	-	-	-
Water (kilolitres per household per month)	-	-	-	-	-
Sanitation (kilolitres per household per month)	-	-	-	-	-
Sanitation (Rand per household per month)	-	-	-	-	-
Electricity (kw per household per month)	-	-	-	-	-
Refuse (average litres per week)	-	-	-	-	-
<b><u>Revenue cost of free services provided (R'000)</u></b>					
Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA)	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	7 249	7 249	-	-	7 249
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-
Municipal Housing - rental rebates	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>	7 249	7 249	-	-	7 249

**Explanatory notes to Table 16 B10 – Basic Service Delivery Measurement**

- 1. Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

**7. MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

I, Charl Du Plessis, Municipal Manager of the Kouga Local Municipality, hereby certify that the 2024/25 2<sup>nd</sup> Special Adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

Print Name   \_\_Charl Du Plessis\_\_\_\_\_

Municipal Manager of Kouga Local Municipality EC108

Signature:.....  .....

Date:.....31 October 2024.....



			<b>"ANNEXURE C"</b>		
<b>DEPARTMENT</b>	<b>FUNDING SOURCE</b>	<b>PROJECT DESCRIPTION</b>	<b>1st Adjusted Budget 2024/25</b>	<b>Adjustments</b>	<b>2nd Adjusted Budget 2024/25</b>
<b>CIVIL &amp; WATER SERVICES</b>					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	-	176 117
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	-	137 788
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	621 050	-	621 050
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	-	500 000
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508 696	-	508 696
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconstruction	1 608 696	-	1 608 696
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	-	6 478 261
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	-	424 348
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	150 000	(97 392)	52 608
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	173 913 043	-	173 913 043
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	-	80 500
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	-	29 169 586
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	-	200 000
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	508 609
SEWERAGE	Internal	HANKEY WWTW	4 256 462	-	4 256 462
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	6 338 777	-	6 338 777
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553 739	-	553 739
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1 997 391	-	1 997 391
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1 287 831	-	1 287 831
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	7 304 348	-	7 304 348
SEWERAGE	DOHS	Envirosan Toilets (40 Units)	1 446 261	-	1 446 261
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	150 000	-	150 000
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	6 956 517	636 040	7 592 557
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	-	4 347 000
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	-	3 000 000
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	637 410
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	6 521 739	-	6 521 739
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	6 782 609	-	6 782 609
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	3 478 260
WATER	WSIG	PARADISE BEACH WATER TOWER	-	2 021 548	2 021 548
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	-	3 575 354	3 575 354
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	150 000	-	150 000
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	-	100 000
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5 018 940	-	5 018 940
			<b>274 803 977</b>	<b>6 135 550</b>	<b>280 939 527</b>

<b>"ANNEXURE C"</b>					
<b>DEPARTMENT</b>	<b>FUNDING SOURCE</b>	<b>PROJECT DESCRIPTION</b>	<b>1st Adjusted Budget 2024/25</b>	<b>Adjustments</b>	<b>2nd Adjusted Budget 2024/25</b>
<b>COMMUNITY SERVICES</b>					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	1 391 304
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	-	242 320
			<b>1 633 624</b>	<b>-</b>	<b>1 633 624</b>
<b>ELECTRO &amp; MECHANICAL SERVICES</b>					
FLEET AND WORKSHOP	Finance Lease	Vehicle	34 000 000	-	34 000 000
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	3 654 783	-	3 654 783
ELECTRICITY	INEP	Electrification Humansdorp Donkerhoek	-	596 784	596 784
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	5 000 000
ELECTRICITY	DOHS	Oceanview Substation Upgrade	10 434 783	-	10 434 783
ELECTRICITY	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	19 130 435	-	19 130 435
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	100 000
ELECTRICITY	DOHS	Electricity	782 609	-	782 609
			<b>73 102 610</b>	<b>596 784</b>	<b>73 699 394</b>
<b>FINANCE AND ECONOMIC DEVELOPMENT</b>					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	577 517	-	577 517
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	55 414	-	55 414
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100 000	-	100 000
REVENUE	Internal	Computer Equipment	22 477	-	22 477
			<b>755 408</b>	<b>-</b>	<b>755 408</b>
<b>OFFICE OF THE DMM</b>					
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	-	1 412 789
			<b>1 412 789</b>	<b>-</b>	<b>1 412 789</b>
<b>PLANNING AND DEVELOPMENT</b>					
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 2	16 346 963	-	16 346 963
HUMAN SETTLEMENT	DOH	HANKEY 990-PHASE 3	4 038 699	-	4 038 699
			<b>20 385 663</b>	<b>-</b>	<b>20 385 663</b>
		<b>Total</b>	<b>372 094 071</b>	<b>6 732 334</b>	<b>378 826 405</b>