

MBHASHE LOCAL MUNICIPALITY EC 121

ADJUSTMENT BUDGET 2025-2026

25 FEBRUARY 2026



TABLE OF CONTENTS

No	Description	Page
1.	Executive summary	3
1.1	Introduction and legislative background	3
1.2	Adjustment Budget Assumptions	4
1.3	Strategic Focus Areas and Municipal Priority Issues	4
1.4	Key Performance Indicators	5
	<i>1.4.1 Financial Viability</i> <i>1.4.2 Infrastructure and Service Delivery</i> <i>1.4.3 Institutional Transformation and Development</i> <i>1.4.4 Good Governance</i> <i>1.4.5 Local Economic Development</i>	5,6
2.1	Adjustment Budget Related Resolutions	6
2.2	Budget Adjustment table	7
2.3	Budget Schedules	1 -15

ADJUSTMENT BUDGET FOR THE 2025/2026 FINANCIAL YEAR

1. EXECUTIVE SUMMARY

1.1 Introduction and legislative background

Mbhashe municipality (EC 121) as mandated by the following:

- ✓ Municipal Finance Management Act (Act No. 56 of 2003);
- ✓ Municipal Budget and Reporting Regulations (Gazette no 393 and GG 32141);
- ✓ Municipal Regulations on Municipal Standard Chart of Accounts(mSCOA) published under (GNR.312 in GG37577 published 14 April 2014 to be effective in 1 July 2017;
- ✓ Municipal Regulations on Financial Misconduct Procedures and Criminal Regulations;
- ✓ Municipal Cost Containment Regulations;
- ✓ Circulars as published by National Treasury
- ✓ Division of Revenue Act

MFMA, section 28 stipulates that:-

- (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget:-
 - (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
 - (b) may 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;
 - (c) may within a prescribed framework authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
 - (d) may authorize the utilization of projected savings in one vote towards spending under another vote;
 - (e) may authorize 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 roll-overs when the annual budget for the current year was approved by council;
 - (f) may correct any errors in the annual budget; and
 - (g) may provide for any other expenditure within a prescribed framework.

Section 23 of the municipal budget and reporting regulations (MBRR) deals with the timeframes for tabling of adjustments budgets:

(1) An adjustments budget referred to in section 28 (2) (b) (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council but not later than 28 February of the current year.

1.2 Adjustment Budget Assumptions

- After completing Sect.72 report assessing revenue and expenditure performance of the municipality in line with the SDBIP as an implementation monitoring tool for IDP objectives funded to be implemented in the year under review, it was agreed that adjustment budget is necessary to address gaps that were picked/pointed out by Sect.72 report.

1.3 Strategic Focus Areas and Municipal Priority Issues

The following strategic focus areas remain for the 2025/2026 financial year:-

- To ensure sound governance practices within Mphashe Local Municipality
- To provide sound governance for local communities through public participation
- To provide sustainable services to all inhabitants of the municipality
- Economic Growth that leads to sustainable job creation
- To provide relevant municipal systems for the development of the organization
- To develop revenue and systems strategies that will make the municipality viable

1.4 Key Performance Indicators

The following objectives and key performance indicators still remain unchanged for the remainder of the 2025/26 financial year:-

1.4.1 Financial Viability

- To ensure compliance with budget and reporting regulations & other reforms.
- To ensure compliance with prescribed accounting standards and reporting requirements.

- To generate AFS that fairly present the financial position, financial performance and cash flows.
- To ensure that all the properties within the municipal areas are valued for rating purposes
- Value for money expenditure
- Efficient, effective and economical supply chain management
- To manage, control and maintain all assets of the municipality.
- To ensure effective utilization of available fleet

1.4.2 Infrastructure and Service Delivery

- To construct and maintain roads to service centres and economic development nodes
- To improve livelihoods in urban centres through infrastructure development
- To improve storm water system so as to achieve life span of road network
- To provide electricity to all outstanding households and new settlements
- To provide basic water supply to all communities
- To provide access to sanitation to all communities

1.4.3 Institutional Transformation and Development

- To ensure effective compliance and sound management practices within the institution
- To ensure alignment of the Organogram with the assigned powers and functions
- To provide a tool for evaluating individual performance
- To ensure that all employees have the required competency levels
- To provide opportunities to new entrants to the labour market

1.4.4 Good Governance

- To ensure effective public participation in our processes of decision making
- To improve municipal planning policy development and management policy implementation
- To develop a long term vision for Mphashe Municipal Area
- To ensure meaningful participation by all spheres of government for seamless delivery of services
- To monitor internal controls and provide advice to management and council
- To identify access and mitigate municipal risk
- To provide a tool for measuring achievement of predetermined objectives

1.4.5 Local Economic Development

- To promote entrepreneurship and increase to markets
- To create the economic environment for the benefit of the local economy

2.1 Adjustment Budget Related Resolutions

Below are the resolutions that must be approved by council with the adjustment budget of the 2025/26 Financial year.

- a. That the adjustment budget for 2025/2026 and the indicative 2 outer financial years 2026/2027 and 2027/2028 **be approved** as set out in the following budget tables:-

1.1 Table B1 Budget Summary

1.2 Table B2 Budgeted Financial Performance by Standard Classification

1.3 Table B3 Budgeted Financial Performance by Vote

1.4 Table B4 Budgeted Financial Performance – Revenue by Source and Expenditure by type

1.5 Table B5 Budgeted Capital

1.6 Table B6 Budgeted Financial Position

1.7 Table B7 Budgeted Cash Flows

1.8 Table B8 Budgeted Backed Reserves and Accumulated Surplus Reconciliation

- b. That the Adjusted Budget **be approved.**

2.2 Below is the summary of the Budget Adjustment table

DEPARTMENT	ORIGINAL BUDGET 2025-2026	PROPOSED ADJUSTMENT 2025-2026	ADJUSTED BUDGET 2025-2026
Personnel Budget	177.141.003.29	-	177.141.003.29
Budget and Treasury	44.993.748.10	4.600.000.00	49.593.748.10
Infrastructure	191.043.000.00	34.000.000.00	225.043.000.00
Community Services	32.977.695.65	3.090.000.00	36.067.695.65
Developmental Planning	25.433.000.00	(100.000.00)	25.333.000.00
Operations	28.153.217.27	1.000.000.00	29.153.217.27
Corporate Services	42.466.809.75	3.150.000.00	45.616.809.75
Total Expenditure	542.208.474.06	45.740.000.00	587.948.474.06
Grants and Subsidies	454.001.000.00	15.490.000.00	469.491.000.00
Own Revenue	78.207.474.06	10.250.000.00	88.457.474.06
	532.208.474.06	25.740.000.00	557.948.474.06
Transfer from Reserves - Capital Replacement Reserve	10.000.000.00	20.000.000.00	30.000.000.00
Total Revenue(Including transfer from reserves)	542.208.474.06	45.740.000.00	587.948.474.06
Surplus/(Deficit)	0.00	-	0.00
Depreciation - Immovable Assets (Non cash	55.000.000.00	-	55.000.000.00
Debt Impairment	2.000.000.00	-	2.000.000.00
	57.000.000.00	-	57.000.000.00
Final Budget Surplus/(Deficit)	- 57.000.000.00	- -	57.000.000.00

2.3 BUDGET SCHEDULES

Table B 1 Adjustment Budget Summary

EC121 Mbashe - Table B1 Adjustments Budget Summary -

Description	Budget Year 2025/26									Budget Year	Budget Year
	Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjus.	Adjus.	Budget	Budget	Budget
R thousands	A	1	2	3	4	5	6	7	8		
	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	10.000	-	-	-	-	-	2.500	2.500	12.500	10.450	10.711
Service charges	500	-	-	-	-	-	-	-	500	523	536
Investment revenue	32.000	-	-	-	-	-	10.000	10.000	42.000	33.440	34.276
Transfers recognised - operational	373.535	-	-	-	-	-	9.490	9.490	383.025	341.923	357.374
Other own revenue	36.137	-	-	-	-	-	(2.250)	(2.250)	33.887	37.764	38.708
Total Revenue (excluding capital transfers and contributions)	452.172						19.740	19.740	471.912	424.099	441.605
Employee costs	166.716	-	-	-	-	-	(514)	(514)	166.202	163.768	167.862
Remuneration of councillors	30.565	-	-	-	-	-	-	-	30.565	31.940	32.739
Depreciation & asset impairment	55.000	-	-	-	-	-	-	-	55.000	55.000	55.000
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	219.766	-	-	-	-	-	28.552	28.552	248.318	200.205	205.423
Total Expenditure	472.047						28.038	28.038	500.085	450.914	461.025
Surplus/(Deficit)	(19.875)						(8.298)	(8.298)	(28.173)	(26.815)	(19.420)
Transfers and subsidies - capital (monetary allocations)	80.466	-	-	-	-	-	6.000	6.000	86.466	76.545	80.071
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	60.592						(2.298)	(2.298)	58.294	49.730	60.651
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	60.592						(2.298)	(2.298)	58.294	49.730	60.651
Capital expenditure & funds sources											
Capital expenditure	127.592						17.702	17.702	145.294	106.730	117.651
Transfers recognised - capital	80.488	-	-	-	-	-	6.918	6.918	87.406	71.170	72.950
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	47.104	-	-	-	-	-	10.784	10.784	57.888	35.560	44.701
Total sources of capital funds	127.592						17.702	17.702	145.294	106.730	117.651
Financial position											
Total current assets	(12.000)	-	-	-	-	-	(20.540)	(20.540)	(32.540)	(1.670)	(2.001)
Total non current assets	72.692	-	-	-	-	-	17.702	17.702	90.294	51.730	62.651
Total current liabilities	-	-	-	-	-	-	(540)	(540)	(540)	330	(1)
Total non current liabilities	-	-	-	-	-	-	-	-	-	-	-
Community wealth/Equity	60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651
Cash flows											
Net cash from (used) operating	115.492	-	-	-	-	-	(2.798)	(2.798)	112.694	213.791	235.301
Net cash from (used) investing	(127.592)	-	-	-	-	-	(18.242)	(18.242)	(145.834)	(106.730)	(117.651)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	(12.100)						(21.040)	(21.040)	(33.140)	107.060	117.650
Cash backing/surplus reconciliation											
Cash and investments available	(12.100)	-	-	-	-	-	(21.040)	(21.040)	(33.140)	330	(1)
Application of cash and investments	6.783	-	-	-	-	-	18.955	18.955	25.738	(825)	(1.156)
Balance - surplus (shortfall)	(18.883)						(39.995)	(39.995)	(58.877)	1.155	1.155
Asset Management											
Asset register summary (WDV)	72.592	-	-	-	-	-	17.702	17.702	90.294	51.730	62.651
Depreciation	55.000	-	-	-	-	-	-	-	55.000	55.000	55.000
Renewal and Upgrading of Existing Assets	15.250	-	-	-	-	-	(1.911)	(1.911)	13.339	15.936	16.335
Repairs and Maintenance	73.539	-	-	-	-	-	19.427	19.427	92.966	51.594	52.884
Free services											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

Table B2 Adjustment Budget Financial Performance by standard classification

EC121 Mhashe - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2025/26									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
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	+1 2026/27	+2 2027/28
Revenue - Functional												
Governance and administration		396.375	-	-	-	-	-	7.400	7.400	403.775	397.488	413.980
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		396.375	-	-	-	-	-	7.400	7.400	403.775	397.488	413.980
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		4.932	-	-	-	-	-	2.590	2.590	7.522	2.665	2.731
Community and social services		2.732	-	-	-	-	-	1.590	1.590	4.322	366	375
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		2.200	-	-	-	-	-	1.000	1.000	3.200	2.299	2.356
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		114.462	-	-	-	-	-	15.750	15.750	130.212	86.969	90.840
Planning and development		3.920	-	-	-	-	-	950	950	4.870	4.096	4.199
Road transport		110.542	-	-	-	-	-	14.800	14.800	125.342	82.873	86.641
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		16.869	-	-	-	-	-	-	-	16.869	13.523	14.124
Energy sources		16.369	-	-	-	-	-	-	-	16.369	13.000	13.588
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		500	-	-	-	-	-	-	-	500	523	536
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	532.638	-	-	-	-	-	25.740	25.740	558.378	500.644	521.676
Expenditure - Functional												
Governance and administration		240.545	-	-	-	-	-	4.320	4.320	244.865	248.805	253.600
Executive and council		69.537	-	-	-	-	-	1.031	1.031	70.567	72.854	74.503
Finance and administration		162.909	-	-	-	-	-	2.879	2.879	165.788	167.487	170.422
Internal audit		8.099	-	-	-	-	-	411	411	8.510	8.464	8.675
Community and public safety		76.097	-	-	-	-	-	4.697	4.697	80.794	69.071	70.798
Community and social services		70.165	-	-	-	-	-	4.328	4.328	74.493	62.873	64.444
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		3.900	-	-	-	-	-	323	323	4.223	4.076	4.177
Housing		1.566	-	-	-	-	-	-	-	1.566	1.637	1.678
Health		465	-	-	-	-	-	46	46	511	486	498
Economic and environmental services		119.644	-	-	-	-	-	17.602	17.602	137.245	99.773	102.267
Planning and development		39.296	-	-	-	-	-	283	283	39.579	41.064	42.091
Road transport		79.584	-	-	-	-	-	17.128	17.128	96.712	57.911	59.359
Environmental protection		764	-	-	-	-	-	190	190	954	798	818
Trading services		35.762	-	-	-	-	-	1.419	1.419	37.181	33.265	34.360
Energy sources		20.654	-	-	-	-	-	1.319	1.319	21.973	17.478	18.178
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		15.107	-	-	-	-	-	100	100	15.207	15.787	16.182
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	472.047	-	-	-	-	-	28.038	28.038	500.085	450.914	461.025
Surplus/ (Deficit) for the year		60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651

Table B3 Adjustment Budget Financial performance (rev & exp by vote)

EC121 Mbhashe - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2025/26									Budget Year	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	A1	B	C	D	E	F	G	H	+1 2026/27	+2 2027/28
R thousands												
Revenue by Vote	1											
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		396.375	-	-	-	-	-	7.400	7.400	403.775	397.488	413.980
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		2.732	-	-	-	-	-	1.590	1.590	4.322	366	375
Vote 5 - Sport & Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		2.200	-	-	-	-	-	1.000	1.000	3.200	2.299	2.356
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Planning & Development		3.920	-	-	-	-	-	950	950	4.870	4.096	4.199
Vote 10 - Road Transport		110.542	-	-	-	-	-	14.800	14.800	125.342	82.873	86.641
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		16.369	-	-	-	-	-	-	-	16.369	13.000	13.588
Vote 13 - Water Management		500	-	-	-	-	-	-	-	500	523	536
Vote 14 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	532.638	-	-	-	-	-	25.740	25.740	558.378	500.644	521.676
Expenditure by Vote	1											
Vote 1 - Executive & Council		69.537	-	-	-	-	-	1.031	1.031	70.567	72.854	74.503
Vote 2 - Finance and Admin		162.909	-	-	-	-	-	2.879	2.879	165.788	167.487	170.422
Vote 3 - Internal Audit		8.099	-	-	-	-	-	411	411	8.510	8.464	8.675
Vote 4 - Community and Social Services		70.165	-	-	-	-	-	4.328	4.328	74.493	62.873	64.444
Vote 5 - Sport & Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		3.900	-	-	-	-	-	323	323	4.223	4.076	4.177
Vote 7 - Housing		1.566	-	-	-	-	-	-	-	1.566	1.637	1.678
Vote 8 - Health		465	-	-	-	-	-	46	46	511	486	498
Vote 9 - Planning & Development		39.296	-	-	-	-	-	283	283	39.579	41.064	42.091
Vote 10 - Road Transport		79.584	-	-	-	-	-	17.128	17.128	96.712	57.911	59.359
Vote 11 - Environmental Protection		764	-	-	-	-	-	190	190	954	798	818
Vote 12 - Energy Sources		20.654	-	-	-	-	-	1.319	1.319	21.973	17.478	18.178
Vote 13 - Water Management		15.107	-	-	-	-	-	100	100	15.207	15.787	16.182
Vote 14 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	472.047	-	-	-	-	-	28.038	28.038	500.085	450.914	461.025
Surplus/ (Deficit) for the year	2	60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651

Table B4 Adjustment Budget Financial performance (Rev & Expenditure)

EC121 Mhashe - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26									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
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	500	-	-	-	-	-	-	-	500	523	536
Sale of Goods and Rendering of Services		700	-	-	-	-	-	4.900	4.900	5.600	732	750
Agency services		1.700	-	-	-	-	-	300	300	2.000	1.777	1.821
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		32.000	-	-	-	-	-	10.000	10.000	42.000	33.440	34.276
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		2.000	-	-	-	-	-	500	500	2.500	2.090	2.142
Rental from Fixed Assets		270	-	-	-	-	-	250	250	520	282	289
Licence and permits		-	-	-	-	-	-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		1.210	-	-	-	-	-	-	-	1.210	1.264	1.296
Non-Exchange Revenue												
Property rates	2	10.000	-	-	-	-	-	2.500	2.500	12.500	10.450	10.711
Surcharges and Taxes		27.057	-	-	-	-	-	(10.000)	(10.000)	17.057	28.275	28.982
Fines, penalties and forfeits		2.200	-	-	-	-	-	1.000	1.000	3.200	2.299	2.356
Licences or permits		1.000	-	-	-	-	-	800	800	1.800	1.045	1.071
Transfer and subsidies - Operational		373.535	-	-	-	-	-	9.490	9.490	383.025	341.923	357.374
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		452.172	-	-	-	-	-	19.740	19.740	471.912	424.099	441.605
Expenditure By Type												
Employee related costs		166.716	-	-	-	-	-	(514)	(514)	166.202	163.768	167.862
Remuneration of councillors		30.565	-	-	-	-	-	-	-	30.565	31.940	32.739
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		-	-	-	-	-	-	-	-	-	-	-
Debt impairment		-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		55.000	-	-	-	-	-	-	-	55.000	55.000	55.000
Interest		-	-	-	-	-	-	-	-	-	-	-
Contracted services		153.503	-	-	-	-	-	18.550	18.550	172.053	130.862	134.590
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		2.000	-	-	-	-	-	-	-	2.000	2.000	2.000
Operational costs		64.263	-	-	-	-	-	10.002	10.002	74.265	67.343	68.834
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		472.047	-	-	-	-	-	28.038	28.038	500.085	450.914	461.025
Surplus/(Deficit)		(19.875)	-	-	-	-	-	(8.298)	(8.298)	(28.173)	(26.815)	(19.420)
Transfers and subsidies - capital (monetary allocations)		80.466	-	-	-	-	-	6.000	6.000	86.466	76.545	80.071
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	60.592	-	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651

Table B5 Adjustment Capital Expenditure Budget by Vote and Funding

EC121 Mbashe - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2025/26									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 2026/27	+2 2027/28
		A	A1	B	C	D	E	F	G	H	Adjusted Budget	Adjusted Budget
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted												
	2	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport & Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted												
	2	200	-	-	-	-	-	179	179	379	209	214
Vote 1 - Executive & Council		200	-	-	-	-	-	179	179	379	209	214
Vote 2 - Finance and Admin		23.704	-	-	-	-	-	(321)	(321)	23.383	19.995	23.747
Vote 3 - Internal Audit		900	-	-	-	-	-	(223)	(223)	677	941	964
Vote 4 - Community and Social Services		8.100	-	-	-	-	-	1.639	1.639	9.739	8.465	8.676
Vote 5 - Sport & Recreation		8.850	-	-	-	-	-	(248)	(248)	8.602	9.248	9.479
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		83.338	-	-	-	-	-	17.576	17.576	100.914	65.261	71.892
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		2.500	-	-	-	-	-	(900)	(900)	1.600	2.613	2.678
Vote 14 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		127.592	-	-	-	-	-	17.702	17.702	145.294	106.730	117.651
Total Capital Expenditure - Vote		127.592	-	-	-	-	-	17.702	17.702	145.294	106.730	117.651
Capital Expenditure - Functional												
Governance and administration		24.804	-	-	-	-	-	(365)	(365)	24.438	21.144	24.925
Executive and council		200	-	-	-	-	-	179	179	379	209	214
Finance and administration		23.704	-	-	-	-	-	(321)	(321)	23.383	19.995	23.747
Internal audit		900	-	-	-	-	-	(223)	(223)	677	941	964
Community and public safety		16.950	-	-	-	-	-	1.392	1.392	18.342	17.713	18.156
Community and social services		8.100	-	-	-	-	-	1.639	1.639	9.739	8.465	8.676
Sport and recreation		8.850	-	-	-	-	-	(248)	(248)	8.602	9.248	9.479
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		83.338	-	-	-	-	-	17.576	17.576	100.914	65.261	71.892
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		83.338	-	-	-	-	-	17.576	17.576	100.914	65.261	71.892
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		2.500	-	-	-	-	-	(900)	(900)	1.600	2.613	2.678
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		2.500	-	-	-	-	-	(900)	(900)	1.600	2.613	2.678
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	127.592	-	-	-	-	-	17.702	17.702	145.294	106.730	117.651
Funded by:												
National Government		70.488	-	-	-	-	-	918	918	71.406	71.170	72.950
Provincial Government		10.000	-	-	-	-	-	6.000	6.000	16.000	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	80.488	-	-	-	-	-	6.918	6.918	87.406	71.170	72.950
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		47.104	-	-	-	-	-	10.784	10.784	57.888	35.560	44.701
Total Capital Funding		127.592	-	-	-	-	-	17.702	17.702	145.294	106.730	117.651

Table B6 Adjustment Budget Financial Position

EC121 Mhashe - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		(12.100)	-	-	-	-	(21.040)	(21.040)	(33.140)	330	(1)	
Trade and other receivables from exchange transactions	1	(1.900)	-	-	-	-	(500)	(500)	(2.400)	(2.090)	(2.142)	
Receivables from non-exchange transactions	1	2.000	-	-	-	-	1.000	1.000	3.000	90	142	
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	
Inventory		-	-	-	-	-	-	-	-	-	-	
VAT		-	-	-	-	-	-	-	-	-	-	
Other current assets		-	-	-	-	-	-	-	-	-	-	
Total current assets		(12.000)	-	-	-	-	(20.540)	(20.540)	(32.540)	(1.670)	(2.001)	
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	
Investment property		-	-	-	-	-	-	-	-	-	-	
Property, plant and equipment	3	70.892	-	-	-	-	18.725	18.725	89.617	49.954	60.830	
Biological assets		-	-	-	-	-	-	-	-	-	-	
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	
Heritage assets		-	-	-	-	-	-	-	-	-	-	
Intangible assets		1.700	-	-	-	-	(1.023)	(1.023)	677	1.777	1.821	
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	
Other non-current assets		-	-	-	-	-	-	-	-	-	-	
Total non current assets		72.592	-	-	-	-	17.702	17.702	90.294	51.730	62.651	
TOTAL ASSETS		60.592	-	-	-	-	(2.838)	(2.838)	57.754	50.060	60.650	
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	
Financial liabilities		-	-	-	-	-	-	-	-	-	-	
Consumer deposits		-	-	-	-	-	-	-	-	-	-	
Trade and other payables from exchange transactions		-	-	-	-	-	(540)	(540)	(540)	330	(1)	
Trade and other payables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	
Provisions		-	-	-	-	-	-	-	-	-	-	
VAT		-	-	-	-	-	-	-	-	-	-	
Other current liabilities		-	-	-	-	-	-	-	-	-	-	
Total current liabilities		-	-	-	-	-	(540)	(540)	(540)	330	(1)	
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	
Provisions	1	-	-	-	-	-	-	-	-	-	-	
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-	
Total non current liabilities		-	-	-	-	-	-	-	-	-	-	
TOTAL LIABILITIES		-	-	-	-	-	(540)	(540)	(540)	330	(1)	
NET ASSETS	2	60.592	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651	
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		50.592	-	-	-	-	(22.298)	(22.298)	28.294	49.730	60.651	
Funds and Reserves		10.000	-	-	-	-	20.000	20.000	30.000	-	-	
Other		-	-	-	-	-	-	-	-	-	-	
TOTAL COMMUNITY WEALTH/EQUITY		60.592	-	-	-	-	(2.298)	(2.298)	58.294	49.730	60.651	

Table B7 Adjustment Budget Cash Flow

EC121 Mbashe - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2025/26									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 2026/27	+2 2027/28
		A	A1	B	C	D	E	F	G	H	Adjusted Budget	Adjusted Budget
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		8.000	-					2.000	2.000	10.000	10.450	10.711
Service charges		400	-					-	-	400	523	536
Other revenue		36.137	-					(2.250)	(2.250)	33.887	37.764	38.708
Transfers and Subsidies - Operational	1	373.535	-					9.490	9.490	383.025	341.923	357.374
Transfers and Subsidies - Capital	1	80.466	-					6.000	6.000	86.466	76.545	80.071
Interest		32.000	-					10.000	10.000	42.000	33.440	34.276
Dividends		-	-					-	-	-	-	-
Payments												
Suppliers and employees		(415.047)	-					(28.038)	(28.038)	(443.085)	(286.853)	(286.375)
Finance charges		-	-					-	-	-	-	-
Transfers and Subsidies	1	-	-					-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		115.492	-	-	-	-	-	(2.798)	(2.798)	112.694	213.791	235.301
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-					-	-	-	-	-
Decrease (increase) in non-current receivables		-	-					-	-	-	-	-
Decrease (increase) in non-current investments		-	-					-	-	-	-	-
Payments												
Capital assets		(127.592)	-					(18.242)	(18.242)	(145.834)	(106.730)	(117.651)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(127.592)	-	-	-	-	-	(18.242)	(18.242)	(145.834)	(106.730)	(117.651)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-					-	-	-	-	-
Borrowing long term/refinancing		-	-					-	-	-	-	-
Increase (decrease) in consumer deposits		-	-					-	-	-	-	-
Payments												
Repayment of borrowing		-	-					-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(12.100)	-	-	-	-	-	(21.040)	(21.040)	(33.140)	107.060	117.650
Cash/cash equivalents at the year begin:	2	-	-					-	-	-	-	-
Cash/cash equivalents at the year end:	2	(12.100)	-					(21.040)	(21.040)	(33.140)	107.060	117.650

Table B8 Cash Backed Reserves/accumulated surplus reconciliation

EC121 Mbhashe - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2025/26									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
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	+1 2026/27	+2 2027/28
Cash and investments available												
Cash/cash equivalents at the year end	1	(12.100)	-	-	-	-	-	(21.040)	(21.040)	(33.140)	107.060	117.650
Other current investments > 90 days		-	-	-	-	-	-	(0)	(0)	(0)	(106.730)	(117.651)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(12.100)	-	-	-	-	-	(21.040)	(21.040)	(33.140)	330	(1)
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		(3.117)	-	-	-	-	-	-	-	(3.117)	(3.257)	(3.257)
Other working capital requirements	2	(100)	-	-	-	-	-	(1.045)	(1.045)	(1.146)	2.433	2.101
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		10.000	-	-	-	-	-	20.000	20.000	30.000	-	-
Total Application of cash and investments:		6.783	-	-	-	-	-	18.955	18.955	25.738	(825)	(1.156)
Surplus(shortfall)		(18.883)	-	-	-	-	-	(39.995)	(39.995)	(58.877)	1.155	1.155