

SCHEDULE A
ANNUAL BUDGET AND SUPPORTING DOCUMENTATION OF MOSES KOTANE LOCAL MUNICIPALITY
2026/27 TO 2028/2029

Tabled in Council on 30 March 2026

Council Resolution No.: 119/03/2026

ANNUAL BUDGET OF
MOSES KOTANE LOCAL MUNICIPALITY
NW 375

2026/2027 TO 2028/29

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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- In the foyers of all municipal buildings
- All public libraries within the municipality
 - At www.moseskotane.gov.za

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Abbreviations and Acronyms

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

Part 1 – Annual Budget**Budget Speech for 2026/27 Financial Year as presented by MKLM Mayor, Clr Nketu Nkotsoe**

Attached separately.

Overview of the Budget:

NW375 Moses Kotane - 2026/2027 MTREF BUDGET					
Description	2025/26		MTREF		
	Original Budget	Adjusted Budget	2026/2027	2027/2028	2028/29
R thousands					
Operating Revenue	1 136 908	1 133 342	1 145 974	1 174 778	1 218 170
Operating Expenditure	1 453 744	1 449 039	1 363 170	1 415 088	1 475 446
Operating Surplus (Deficit)	(316 836)	(315 697)	(217 196)	(240 310)	(257 276)
Capital Expenditure	225 068	232 220	229 311	253 824	262 838

Total revenue budget for 2026/27 financial year is projected at R1,3 billion, comprising of operating revenue budget of R1.145 billion and capital revenue budget of R229.3 million.

The 2026/27 financial year budget summary:

The anticipated operating revenue budget for the 2026/27 financial year is estimated at R1.145 billion, translating into a projected increase of 1.1% when compared to the 2025/26 adjustment budget of R1.133 billion. Operating revenue further projected a growth of 2.5% and 3.6% for the 2027/28 and 2028/29 financial years respectively. It must further be noted that the revenue growth is projected to increase at a rate below the CPI which is disadvantageous to the financial sustainability of the municipality.

The total anticipated operating revenue budget is projected at R1. 145 billion, comprising of the following items: -

OPERATING REVENUE Per Source	
Revenue Source R'000	2026/27
Property Rates	208 630
Service Charges	182 266
Operating Grants	636 332
Interest on Debtors	101 471
Other Revenue	17 275
Total Revenue	1 145 974

Service charges includes, water, sanitation and refuse removal service. Other revenue amongst others, includes burial fees, sale of tender documents, valuation services, clearance certificate, skills development levy etc.

The operating grants of R636.3 stated above consists of the following;

- Equitable Shares R623.9 million
- Finance Management Grant R2.1 million
- EPWP R1.7 million
- MIG (PMU operating) R7 million
- Library R1.1 million

The total operating expenditure is estimated at R1.363 billion for 2026/27 financial year. This is a total reduction of R85.8 million or 6.3% when compared to the 2025/26 adjustment budget. Operating expenditure budget is however estimated to rise at an average of 4% in the two outer years. The increase is mainly due to annual salary increase for employees and councillors, increased demand on assets maintenance as well tariff increase for water and electricity.

The total operating expenditure budget amounts to R1.363 billion comprises of the following:

Expenditure By Item	
Revenue Source R'000	2026/27
Employee Related Costs	411 591
Inventory Consumed	182 246
Contracted Services	177 149
Debt Impairment	268 472
Depreciation	170 540
Irrecoverable Debts	2 929
Operational Expenditure	150 244
Total Expenditure	1 363 170

Capital Budget

The total capital projects will be funded from the following sources:

MIG	R177 million
WSIG	R52.3 million
OWN FUNDED	R10. million
Total Capital Projects	R240.2 million

The following are the projects funded from MIG and WSIG over the 2026/27 MTREF

2026/27 WSIG MTREF PROJECTS			
Vote Description	2026/27	2027/28	2028/29
REFURB OF MOGWASE WASTE WATER TREAT WORK	10 000 000.00		
UPGRADING OF MADIKWE SEWER NETWORK	15 000 000.00	25 046 873.00	
MABEESKRAAL TO UITKYK BULK WATER PIPE LI	7 000 000.00	5 000 000.00	6 880 000.00
CONSTRUCTION BALACING TANK W8 - NGWEDING	2 000 000.00	6 000 000.00	8 000 000.00
WATER CONSERVATION & DEMAND MGNT-MOGWASE	2 243 000.00	1 000 000.00	1 000 000.00
GREATER SAULSPOORT BULK WATER AUG	1 000 000.00		
MADIKWE BULK WATER AUGMENTATION	1 000 000.00		
TWEELAAGTE WATER SUPPLY PHASE 3	12 000 000.00	11 303 127.00	
CONSTRUCTION OF A RESEVIOR IN BOJATING	2 000 000.00	5 000 000.00	7 000 000.00
DEBRAK WATER SUPPLY		1 000 000.00	9 000 000.00
RATAU WATER SUPPLY		1 000 000.00	9 000 000.00
KOFFIEKRAAL WATER SUPPLY		1 000 000.00	9 000 000.00
RURAL SANITATION-SUPPLY INS -MASKOLOANE			3 000 000.00
RURAL SANITATION-SUPPLY INS -KHAYAKHULU			3 000 000.00
RURAL SANITATION-SUPPLY INS - LETLHAKANE			3 000 000.00
TOTAL	52 243 000.00	56 350 000.00	58 880 000.00

2026/27 MIG MTREF PROJECTS			
Vote Description	2026/27	2027/28	2028/29
REFURBISHMENT OF TLOKWENG CEMETERY	12 921 406.00		
DESIGN OF DISASTER MANAGEMENT CENTRE	2 000 000.00	14 750 000.00	20 000 000.00
UPGRADE OF PELLA SPORTS FACILITY		1 000 000.00	3 000 000.00
UPGRADE OF MABESKRAAL SPORTS FACILITY		1 000 000.00	3 000 000.00
LANDFILL REHAB_ MADIKWE	1 000 000.00	5 000 000.00	14 000 000.00
LANDFILL REHAB_ MOGWASE	1 000 000.00	2 000 000.00	8 000 000.00
INTERNAL ROADS_ TLOKWENG	9 594 609.00		
INTERNAL ROADS_ MORULENG (GREEN SITE)	4 000 000.00	12 000 000.00	16 000 000.00
REHABILITATION OF MOGWASE INTERNAL ROADS	11 554 843.00		
REHABILITATION OF KRAALHOEK INTER ROADS	4 000 000.00	12 000 000.00	
MABES INT ROADS AND STORM WATER W23&24	4 000 000.00	15 000 000.00	15 000 000.00
REHABILITATION OF WELVERDIENT INTER ROADS	22 471 220.00		
CONSTRUCTIO OF INTERNAL ROADS - WELGEVAL	4 000 000.00	10 000 000.00	13 000 000.00
UPGRADINF OF STORM WATER MGT LOSMYTJERIE	16 640 809.82	11 250 000.00	-
UPGRADINF OF STORM WATER MGT GOEDEHOOP	16 043 973.28	5 800 000.00	
UPGRADINF OF STORM WATER MGT NONCEBA	-	15 000 000.00	15 000 000.00
REHABILITATION - MOGWASE INTERN ROADS P2	13 704 435.00		
CONSTRUCT OF TLOKWENG INTERNAL ROADS P2	15 000 000.00	20 000 000.00	
ENERGIZING OF HML AND CUMM HALLS	2 000 000.00	2 673 920.00	4 823 274.00
DESIGN-TWEELAGTE WATER SU P4- NEW STANDS	4 000 000.00	15 000 000.00	24 057 892.00
REPLACEMENT OF MOGWASE ASBESTOS PIPE RET	1 000 000.00	4 000 000.00	15 000 000.00
REPLACEMENT OF MOGWASE ASBESTOS PIPE PH2	17 136 863.00		
CONST SANDFONTEIN WATER SUPPLY -BOIK P2	9 000 000.00	20 000 000.00	18 076 594.00
MOUBANE WATER SUPPLY	1 000 000.00	7 000 000.00	8 000 000.00
MABALSTAND WATER SUPPLY	1 000 000.00	9 000 000.00	10 000 000.00
UPGRADING WATER TREATMENT PLANT MOLATEDI	4 000 000.00	15 000 000.00	17 000 000.00
TOTAL	177 068 159.10	197 473 920.00	203 957 760.00

Own funded assets mainly include, water and sanitation assets that are intended to reduce outsourced maintenance and ultimately save costs for the municipality, i.e. jet cleaner, mobile generator. Pre-treatment dam and water treatment package is intended to assist in ensuring that clean water is provided to the communities.

National grants provision for the total capital projects for 2026/27 financial year amounts to R229 million.

The 2026 Division of Revenue Bill has allocated a total of R184.4 million for MIG and R52.2 million for WSIG. Of the total allocated MIG, an amount of R7.3 million has been allocated to finance PMU operations while a total of R177 million will fund capital projects for 2026/27 financial year.

Rural municipalities are to a larger extent affected by the economic slowdown as the revenue base are very limited. Our municipality is predominately rural in nature with a very limited revenue base. The infrastructure inherited from previous government institutions poses a serious challenge to this municipality. The water assets transferred from the Department of Water Affairs are aging and not up to standard. Most of the 109 villages in the municipality receive water at

RDP level or even below. Although millions of rands are spend annually to upgrade water schemes to at least RDP standards to improve the living conditions of our people, it does not provide additional income for the municipality but increase the cost of free basic services.

The announcement by Magalies Water that bulk tariffs will be increased from July 2026 which will further put pressure on water tariffs.

Municipality is currently trading on a loss on water service due to low tariffs and high demand maintenance of water infrastructure. This challenge is further exacerbated by non- payment of water services by consumers and ineffective credit control systems.

As previously mentioned the municipality have a very limited tax base and must control the cost of its administration to affordable levels without negatively affecting service delivery.

The cost of human resources as provided for in the 2026/27 budget accounts for 30% of the total expenditure budget. The cost of human resource is within the acceptable limit of between 25 and 40% in accordance with MFMA circular 71

It is also of importance that departments spend external funds (grant funding) received on a project first before internal funds provided by the municipality in order to prevent own funds generated from revenue being used as bridging finance affecting the cash-flow negatively.

The compilation of the 2026/27 Budget posed many challenges and obstacles, owing to limited financial resources. Restrained expenditure was and is still encouraged to ensure that spending remains within the affordability parameters of the MKLM's finances, to ensure that the council deliver on its core mandate and achieve the development goals.

Owing to prudent financial management little capacity for additional financing existed, and priority community issues will have to be prioritised within every department's allocated budget. Services will have to be rendered responsibly with innovation and determination, as expected from responsible municipal officials in terms of the MFMA.

The budget principles that informed the 2026/27 budget compilation are in line with Section 21 of the MFMA and the following additional principals needs to be highlighted;

The inclusion of funding requests is subject to;
Any savings identified departmentally;
Additional revenue generation;
Reprioritisation of services and
Value for money, benefits to the municipality and affordability.

It should be noted that there are unlimited needs but limited resources and affordability within the context of sustainability must be considered and maintained.

Departments have concentrated on core functions, proactively review the operational budget and identify savings that can be affected if necessary to assist with the cash-flow position.

The principles applied in compilation of the budget was if no expenditure or less expenditure than the budget amount realised over the first half of the 2025/26 financial year the budget amount will be reduced or removed. If the expenditure trend indicates an over expenditure or expected over expenditure the budgeted amount will be aligned with the estimated revenue. This process

was also applied to the collection trend of revenue over the mentioned period. If and under collection is indicated on a specific account, the budget will be decreased according to the realistic revenue to be collected.

The collection rate at this stage is challenge due to water challenges, as well as the non -payment due to high rate of unemployment.

The municipality is also implementing the credit control policy to increase the collection rates for services rendered to a satisfactory level.

The unfunded budget position remains a challenge but with the vigorous implementation of the credit measures, this matter will be resolved through implementation of a financial plan.

The actual performance for the 2025/26 financial year and audited performance regarding cash collection for property rates and other services were used, as far as possible, to determine the provision for bad debts to enable the budget to be cash funded.

The municipality is embarking of a revenue enhancement project where data cleansing is taking place to ensure that all debtors are receiving accounts for services rendered. The same principle is applied for the outer years.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the Moses Kotane Local municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

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 sustainable municipal services are provided economically and equitably to all communities.

1.1 Council Resolutions

On 31 March 2026 the Council of Moses Kotane local Municipality met in the Moses Kotane Civic Centre to table the Annual Budget of the municipality for the financial year 2026/27. The budget was tabled before Council with the following resolutions:

1. The Moses Kotane Local Municipality, acting in terms of section 16 of the Municipal Finance Management Act, (Act 56 of 2003) tables the budget:
2. The Council Moses Kotane Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) note the following with effect from 1 July 2026:
 - 2.1. the tariffs for property rates
 - 2.2. the tariffs for the supply of water
 - 2.3. the tariffs for sanitation services
 - 2.4. the tariffs for solid waste services
 - 2.5. Budget related policies

3. The Moses Kotane Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables the budget which will be considered for approval in May/June. Upon approval, the tariffs will be effected from 1 July 2026 as set out in Annexure A.
4. To give proper effect to the municipality's annual budget, the Council Moses Kotane Local Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
 - 4.2. That the salaries for officials be adjusted with effect from 1st July 2026 based on the percentage as approved by the South African Local Government Bargaining Council (Excluding Section 56 Mangers).
 - 4.3. That budget for the increase of salaries of senior managers be kept at the percentage aligned to that of other employees as approved by the bargaining council but payable once the council have resolved on the increase
 - 4.4. That the salaries and allowances of councillors be adjusted as approved by the Minister for Cooperative Governance and Traditional Affairs in terms of the Remuneration of Public Office Bearers Act, 1998 after concurrence of the responsible MEC have been obtained.
 - 4.5. That the amendments to the Budget related policies be approved as discussed in paragraph 2 and indicated in the policy documents hereto attached.

1.2 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 sustainably, 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 so as to maintain sound financial stewardship. The 2026/27 annual budget focussed on saving measures and reprioritising of projects and the increase in recovery of outstanding debt.

National Treasury's MFMA Budget Circulars No. 132 and 134 and 2026 DOR bill were used to guide the compilation of the 2026/27 MTREF which is attached hereto.

Circular 82 which deals with cost containment measures were also used for the compilation of the 2026/27 MTREF.

The main challenges experienced during the compilation of the 2026/27 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and community infrastructure;
- The need to reprioritise projects and expenditure within the existing resource, given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water (due to tariff increases from Magalies Water), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;

- Availability of affordable capital/borrowing.
- Non-payment of services by users due to the effect of current economic status.

The following budget principles and guidelines directly informed the compilation of the 2026/27 to 2028/29 MTREF:

- The 2026/27 budget priorities and targets, as well as the base line allocations contained in that budget were adopted as the upper limits for the new baselines.
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- Heads of departments as well as political offices should exercise strict control over the under mentioned expenditure:
 - Special Projects;
 - Consultant Fees;
 - Special Events;
 - Refreshments and entertainment;
 - Ad-hoc travelling;
 - Subsistence, Travelling & Conference fees (national & international) and
 - Telephone expenses.

In view of the above mentioned, the following table is a consolidated overview of the proposed 2026/27 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2026/27 MTREF

NW375 Moses Kotane - 2026/2027 MTREF BUDGET					
Description	2025/26		MTREF		
	Original Budget	Adjusted Budget	2026/2027	2027/2028	2028/29
R thousands					
Operating Revenue	1 136 908	1 133 342	1 145 974	1 174 778	1 218 170
Operating Expenditure	1 453 744	1 449 039	1 363 170	1 415 088	1 475 446
Operating Surplus (Deficit)	(316 836)	(315 697)	(217 196)	(240 310)	(257 276)
Capital Grants	225 068	232 220	229 311	253 824	262 838

1.3 Operating Revenue Framework

For MKLM to continue improving the quality of services provided to its citizens, it needs to generate the required revenue. In these tough economic times, strong revenue management is fundamental to the financial sustainability for every municipality. The reality is that we are faced

with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in MKLM and continued economic development;
- Efficient revenue management, which aims to ensure that the collection rate for services is maintained as provided in the budget.
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and the implementation of the valuation roll on 1st July 2026.
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

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

Table 2 Summary of revenue classified by main revenue source

NW375 Moses Kotane - Operating Revenue									
Description	2025/26		2026/27 MTREF			Movement %			
	Original Budget	Adjusted Budget	2026/27	2027/28	2028/29	Movement	2026/27	2027/28	2028/29
R thousands									
Water	198 188	198 188	162 475	167 836	173 207	(35 713)	-22.0%	3.2%	3.1%
Sanitation	5 180	5 180	5 356	5 533	5 700	176	3.3%	3.2%	2.9%
Waste Management	14 109	14 109	14 435	14 912	15 389	326	2.3%	3.2%	3.1%
Sale of Goods and Rendering of Services	1 418	1 418	732	746	769	(686)	-93.7%	1.8%	3.0%
Interest earned from Receivables	60 358	60 358	62 411	64 470	66 533	2 052	3.3%	3.2%	3.1%
Interest earned from Current and Non Current A	13 097	8 727	8 774	8 839	9 060	47	0.5%	0.7%	2.4%
Rental of Facilities	101	31	31	31	32	(0)	-1.2%	1.5%	1.5%
Licence and permits	3 328	3 328	2 611	2 690	2 781	(717)	-27.4%	2.9%	3.3%
Operational Revenue	2 014	2 014	2 895	3 045	3 195	882	30.5%	4.9%	4.7%
Non-Exchange Revenue	-	-				-			
Property rates	174 056	174 056	208 630	215 518	222 418	34 574	16.6%	3.2%	3.1%
Interest	35 698	35 698	39 060	39 646	40 637	3 362	8.6%	1.5%	2.4%
Fines, penalties and forfeits	1 899	1 899	2 232	2 306	2 379	333	14.9%	3.2%	3.1%
Transfer and subsidies - Operational	627 463	628 337	636 332	649 206	676 068	7 995	1.3%	2.0%	4.0%
Total	1 136 908	1 133 342	1 145 974	1 174 778	1 218 170	12 632	1.1%	2.5%	3.6%

NB All revenue items, excluding transfers and subsidies budget projections were based on the audited performance and current year's performance trends. Implementation of the general valuation in July 2026 was also considered on the property rates projection.

Table 3 Percentage growth in revenue by main revenue source

OPERATING REVENUE Per Source		
Revenue Source R'000	2026/27	%
Property Rates	208 630	18%
Service Charges	182 266	16%
Operating Grants	636 332	56%
Interest on Debtors	101 471	9%
Other Revenue	17 275	2%
Total Revenue	1 145 974	100%

The above table reflects that the municipality mainly relies on Government grants to fund. In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit. Operating revenue projections are based on the audited and current years' performance as well as CPI forecast.

Revenue generated from rates and services charges forms a relatively small portion of the municipality's revenue mix. Property rates and service charges contribute only 34% to the municipality's total revenue basket.

Water sales is the second largest revenue source of the municipality's own revenue estimated at R162.4 million, which is a decline of R35.7 million (22%) million when compared to the current year's adjustment. Water revenue is projected to steadily increase to R167.8 million in 2027/28 and R173.2 million in 2028/29. Water revenue projection is expected to grow by an average of 3% for the two outer years. Decline on water is as a result reversal of billing estimates since the July 2025. This is substantiated by the actual billing on the 2024-25 financial statements. It must further be noted that consumption patterns were also considered in the projection.

Sanitation revenue is projected at R5.3 million while revenue anticipated from waste management is expected at R14.4 million. Revenue anticipated from Sanitation and waste management service charge is projected to increase by an average of 3% in alignment with the projected CPI. Revenue projections is based on the audited and current year's performance.

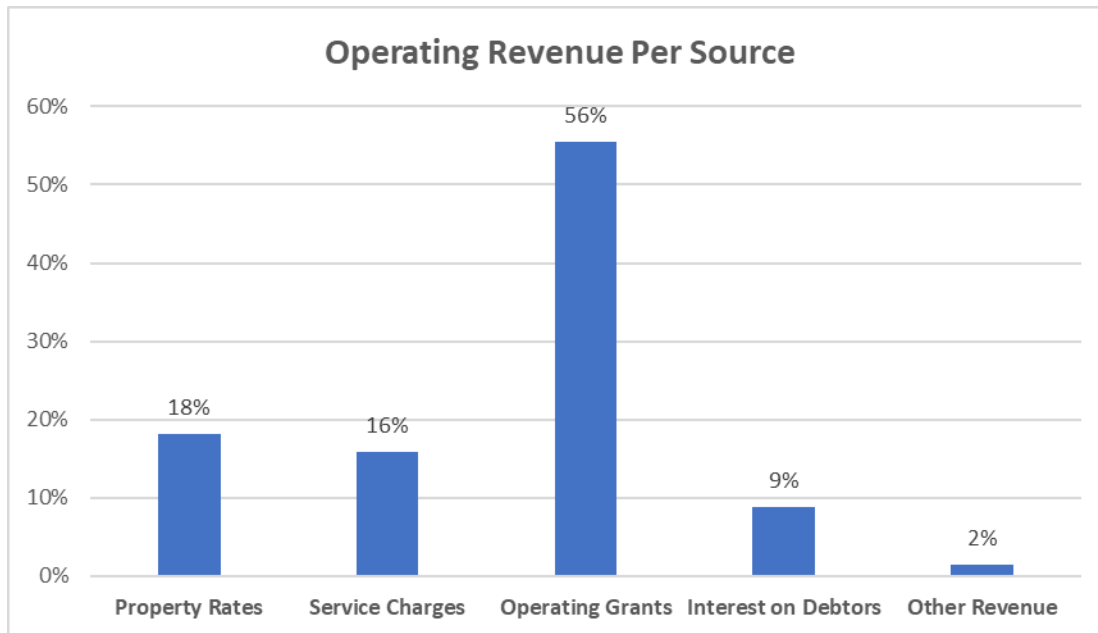
Property rates is the largest revenue source estimated at R208.6 million in 2026/27 financial year, this a substantial increase R34.5 million or 16% when compared to the 2025/26 adjustment budget. The high increase occurred as a result of implementation of general valuation roll in July 2026. This include changes in property values, property categories, property rezoning, inclusion of new properties.

The table below reflects proposed tariff increases for 2026/27 financial year. The projected increase is aligned with forecasted CPI as guided by Treasury Budget Circulars.

2026/27 TARIFF INCREASE			
Revenue Source	2024/2025	2025/2026	2026/27
Property Rates	4.9%	4.3%	3.4%
Water	4.9%	4.3%	3.4%
Sanitation	4.9%	4.3%	3.4%
Refuse	4.9%	4.3%	3.4%

A tariff's increase of 3.4% was incorporated in the property rates and service charge projections.

Below is the graphical illustration of the operating revenue per source;



The above graph indicates that the national grants contribute 56% to the projected operating revenue for 2026/27 financial year, followed by property rates and service charge at 18% and 16% respectively.

Table 4 Operating Transfers and Grant Receipts

NW375 Moses Kotane - Supporting Table SA18 Transfers and grant receipts

R thousand	Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	RECEIPTS	1.2									
	Operating										
	National Government										
	Monetary Allocations										
	Equitable Share		528 602	566 087	600 070	615 410	615 410	615 410	623 943	637 567	668 618
	EEDS: RECEIPTS		5 000	1 000	-	-	-	-	-	-	-
	EPWP: RECEIPTS		413	1 623	1 124	1 895	1 895	1 895	1 700	-	-
	LGFMS: RECEIPTS		1 950	1 950	2 000	2 000	2 000	2 000	2 100	2 200	2 300
	MDG: RECEIPTS		-	-	-	-	-	-	-	-	-
	MIG: RECEIPTS		4 642	5 400	-	7 000	7 437	7 437	7 378	8 228	8 498
	Total Monetary Allocations		540 607	576 066	603 194	626 305	626 742	626 742	635 121	647 995	679 416
	Total Operating/National Government		540 607	576 066	603 194	626 305	626 742	626 742	635 121	647 995	679 416
	Provincial Government										
	Monetary Allocations										
	LIBRARY GRANT: RECEIPTS		1 149	1 200	1 000	1 158	1 158	1 158	1 211	1 211	1 252
	Total Monetary Allocations		1 149	1 200	1 000	1 158	1 158	1 158	1 211	1 211	1 252
	Total Operating/Provincial Government		1 149	1 200	1 000	1 158	1 158	1 158	1 211	1 211	1 252
	District Municipalities										
	Monetary Allocations										
	Other transfers/grants [insert description]										
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	Other transfers/grants [insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
	Other Grant Providers										
	Monetary Allocations										
	[insert description]										
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	EPWP SKILLS DEV: RECEIPTS		-	-	-	-	-	-	-	-	-
	[insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Operating/Other Grant Providers		-	-	-	-	-	-	-	-	-
	Total Operating	5	541 756	577 266	604 194	627 463	627 900	627 900	636 331 840	649 206 080	680 668 414
	Capital										
	National Government										
	Monetary Allocations										
	MIG: RECEIPTS		149 191	162 503	167 552	175 068	174 631	174 631	177 068	197 474	203 958
	WSIG: RECEIPTS		59 125	70 000	55 000	50 000	50 000	50 000	52 243	56 350	58 880
	Total Monetary Allocations		208 316	232 503	222 552	225 068	224 631	224 631	229 311 160	253 823 920	262 837 760
	Total Capital/National Government		208 316	232 503	222 552	225 068	224 631	224 631	229 311 160	253 823 920	262 837 760
	Provincial Government										
	Monetary Allocations										
	MADIKWE WATER TREAT: RECEIPTS		-	-	-	-	-	-	-	-	-
	SEOLONG WATER SUPP: RECEIPTS		242	-	-	-	-	-	-	-	-
	Total Monetary Allocations		242	-	-	-	-	-	-	-	-
	Allocations In-kind										
	Other transfers/grants [insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Capital/Provincial Government		242	-	-	-	-	-	-	-	-
	District Municipalities										
	Monetary Allocations										
	Other transfers/grants [insert description]										
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	Other transfers/grants [insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
	Other Grant Providers										
	Monetary Allocations										
	SMALL BUSS ENTERP: RECEIPTS		-	-	-	-	-	-	-	-	-
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	[insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
	Total Capital	5	208 558	232 503	222 552	225 068	224 631	224 631	229 311	253 824	262 838
	TOTAL RECEIPTS OF TRANSFERS AND GRANTS		750 313	809 769	826 746	852 531	852 531	852 531	865 643	903 030	943 506

Revenue anticipated from transfers and subsidies as gazetted amount to R636.3 million in 2026/27 financial year, increasing to R649.2 million and R680.6 million in the outer years. This

translate to average increase of 2.4% over the MTREF. As per Division or revenue bill EPWP grant is only allocated for the budget year at R1.7 million.

Other revenue consists of various items such as income received from permits and licenses tenders, building plan fees, photocopies, traffic fines and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into consideration to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the CPI of 3.4%. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Magalies Water is normally above the CPI projection. Magalies Water bulk water tariff is anticipated at an average of 13% for 2026/27 budget year.

Although MKLM is not the service provider of electricity in the municipality the Eskom increases above inflation targets affects the operating budget negatively as the water operations are largely dependent on electricity for water purification and distribution. Given that these tariff increases are determined by external agencies, the impacts they have on the tariffs structure are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be noted that the consumer price index, as measured by inflation, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

1.3.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009. The implementation of these regulations were performed and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R17 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 100 per cent will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are not cost-reflective – Municipality cannot afford the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion due to non-payment by consumers.
- The municipality has projected an increase of 3.4% for water tariffs as guided by Treasury circulars.
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective, however the service is currently operating at a loss. In the midst of this, Magalies Water has indicated the increase in the bulk tariffs effective from 1 July 2026.

Registered indigents will receive the first 6 kilolitres free whereas all other consumers will be charged from the first kilolitre consumed.

Determination of Tariff structure is attached to show the increment of water tariff.

Table 8 Comparison between current sanitation charges and increases:

Determination of Tariff structure is attached to show the increment of sanitation tariff

1.3.2 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. Cost recovery is only applied in the two formal towns of Mogwase and Madikwe due to the fact that no data is available on the residents in the traditional areas. Households without yard connections are regarded as indigents and will continue to receive the service free of charge until such time as the full survey on all properties in the municipality is completed. The municipality is assessing the possibility of implementing a flat rate in the villages where no service accounts are delivered.

1.3.3 Overall impact of tariff increases on households

Note that in all instances the overall impact of the tariff increases on household's bills has been kept at CPI level.

Table 10 MBRR Table SA14 – Household bill

NW375 Moses Kotane - Supporting Table SA14 Household bills

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27 % incr.	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Rand/cent											
Monthly Account for Household - 'Middle Income Range'											
Rates and services charges:											
Property rates	1	1.05	1.12	26.80	1.12	26.80	26.80	2 297.3%	26.85	26.90	26.94
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption		-	22.59	23.70	24.74	24.74	24.74	3.4%	25.58	26.42	27.27
Sanitation		-	50.15	55.61	58.06	58.06	58.06	3.4%	60.01	61.99	63.97
Refuse removal		-	54.27	56.93	59.43	59.43	59.43	3.4%	61.45	63.45	65.51
Other											
sub-total		1.05	128.13	163.04	143.35	169.03	169.03	21.3%	173.89	178.76	183.69
VAT on Services		-	95.90	21.33	95.90	21.35	21.35	(77.0%)	22.01	22.78	23.51
Total large household bill:		1.05	224.03	184.37	239.25	190.38	190.38	(18.1%)	195.90	201.54	207.20
% increase/-decrease		-	21 236.2%	(17.7%)	29.8%	(20.4%)	-	(90.3%)	2.9%	2.9%	2.8%
Monthly Account for Household - 'Affordable Range'											
Rates and services charges:											
Property rates	2	-	26.66	26.80	26.66	26.80	26.80	0.7%	26.85	26.90	26.94
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption		-	22.59	23.70	24.74	24.74	24.74	3.4%	25.58	26.42	27.27
Sanitation		-	50.15	55.61	59.43	59.43	59.43	1.0%	60.01	61.99	63.97
Refuse removal		-	54.27	56.93	59.43	59.43	59.43	3.4%	61.45	63.48	65.51
Other											
sub-total		-	153.67	163.04	170.26	170.40	170.40	2.1%	173.89	178.79	183.69
VAT on Services		-	90.60	21.33	90.60	21.35	21.35	(75.7%)	22.01	22.78	23.51
Total small household bill:		-	244.27	184.37	260.86	191.75	191.75	(24.9%)	195.90	201.57	207.20
% increase/-decrease		-	-	(24.5%)	41.5%	(26.5%)	-	(94.8%)	2.2%	2.9%	2.8%
Monthly Account for Household - 'Indigent' Household receiving free basic services											
Rates and services charges:											
Property rates	3	-	23.70	23.81	23.70	23.88	23.88	1.1%	23.95	24.05	24.12
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption		-	-	23.70	-	24.74	24.74	(100.0%)	25.58	26.42	27.27
Sanitation		-	42.87	42.88	42.87	42.87	42.87	0.2%	42.94	43.01	43.15
Refuse removal		-	44.44	44.52	44.44	44.44	44.44	0.9%	44.86	44.94	45.10
Other											
sub-total		-	111.01	134.91	111.01	135.93	135.93	23.7%	137.33	138.42	139.64
VAT on Services		-	83.48	16.67	83.48	16.72	16.72	(79.6%)	17.00	17.15	17.33
Total small household bill:		-	194.49	151.58	194.49	152.65	152.65	(20.6%)	154.33	155.57	156.97
% increase/-decrease		-	-	(22.1%)	28.3%	(21.5%)	-	(96.1%)	1.1%	0.8%	0.9%

1.4 Operating Expenditure Framework

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

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to 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.

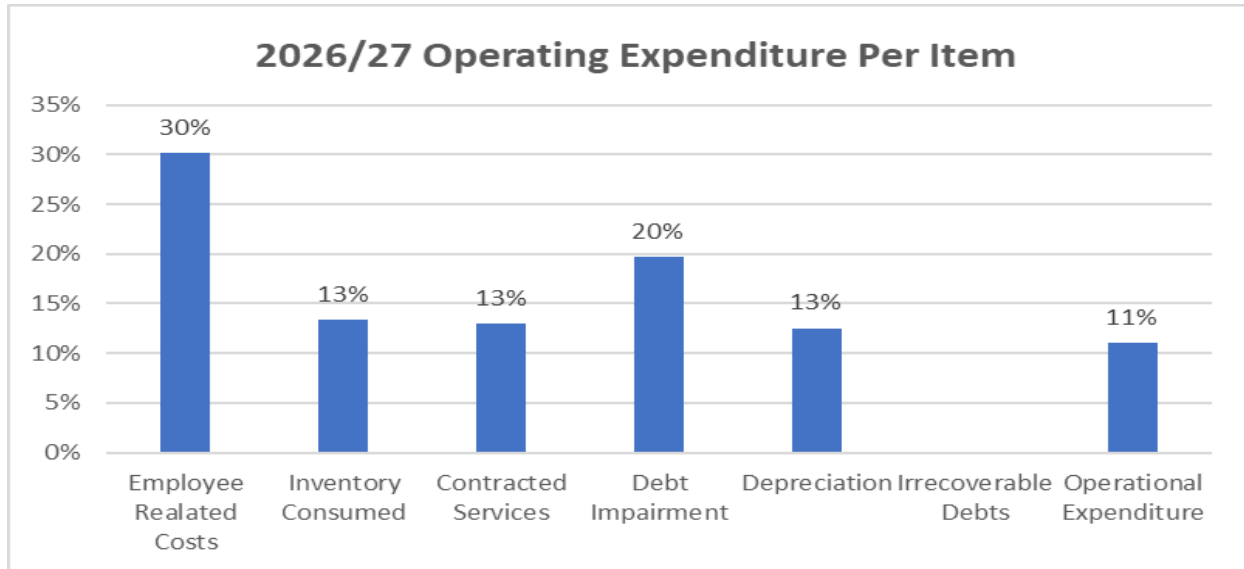
Due to the fact that tariffs are not cost reflective, particularly water and refuse, the operating budget has projected a deficit.

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

Table 11 Summary of operating expenditure by standard classification item

NW375 Moses Kotane - Operating Expenditure								
Description	2025-26		MTREF			Movement %		
	Original Budget	Adjusted Budget	2026-27	2027-28	2028-29	2025-26	2026-27	2027-28
R thousands								
Employee related costs	373 102	373 456	379 062	398 782	419 891	1.48%	4.94%	5.03%
Remuneration of councillors	32 329	32 329	32 529	33 602	34 378	0.61%	3.19%	2.26%
Bulk purchases - electricity	46 620	46 620	48 205	49 796	51 389	3.29%	3.19%	3.10%
Inventory consumed	189 153	189 153	182 246	190 709	199 658	-3.79%	4.44%	4.48%
Debt impairment	309 909	309 909	268 472	270 468	272 314	-15.43%	0.74%	0.68%
Irrecoverable Debt Written off	-	2 340	2 929	2 987	3 032	20.09%	1.96%	1.48%
Depreciation and amortisation	186 561	186 561	170 540	184 183	202 601	-9.39%	7.41%	9.09%
Interest, Dividends and Rent on Land	2 597	2 597	2 458	2 487	2 498	-5.66%	1.17%	0.43%
Contracted services	204 518	195 035	177 149	179 408	183 869	-10.10%	1.26%	2.43%
Operational costs	108 955	111 038	99 580	102 666	105 815	-11.51%	3.01%	2.98%
Total	1 453 744	1 449 039	1 363 170	1 415 088	1 475 446	-6%	4%	4.09%

Below is the graphical illustration of the operating expenditure, indicating the main cost drivers for operating expenditure for 2026/27 financial year.



Employee Related Costs

Employee related costs for 2026/27 financial year is estimated at R379 million, which equates to 28% of the total operating expenditure budget. The employee related cost is the main cost driver in the operating expenditure budget. Based on the estimated consumer price index and inclinations in the labour market, salary increases of 4.75% have been factored into this budget. The employee related cost is expected to grow by an average of 3.8% over the MTREF period.

The employee related costs, including councillor remuneration accounts for 28%, which is within the recommended norm. It must be noted that provision have been made to fill vacant positions during the year.

Remuneration of Councillors

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). A provision has been in the 2026/27 budget to cater for councillors upper limits.

Debt Impairment

The provision of debt impairment was determined based on an annual collection rate per service and the Debt Write-off Policy of the municipality. Debt impairment has projected R268.4 for the budget year, estimated to increase by an average of 1% for two outer years respectively. A decline of 15% from the current year's adjustment budget can be attributed to the improved collection rate of property rates. It must be noted that this item is calculated based on collection rate as disclosed on the audited performance.

While this expenditure is considered a non-cash flow item, it however indicates inefficiencies in the credit control systems. Debt Impairment projection is informed by individual collection rate calculated per service at an average collection rate of 43%. The lower collection rate emanates from rural nature of the municipality, current economic status, unemployment. Total debt impairment accounts for 20% the total operating expenditure budget. Water and refuse removal

service are the highly impaired items as the services are being provided in rural areas with no revenue collection in return.

Depreciation

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Depreciation expenditure is estimated at R170.5 million for 2026/27 financial year. The projection was reduced by 9.4% from the current year due to disposed assets. The projection is further aligned with the audited performance and the asset management policy.

Of the total operating expenditure, depreciation accounts for 13%. The implementation of GRAP 17 accounting standard has meant to bring a range of assets previously not included in the assets register into the register.

According to Circular 115 Depreciation charges must be funded from operational funds such as service charges for electricity if assets are utilised for electricity purposes, service charges water for water management purposes, waste and wastewater management in the same manner and property rates for services like roads that is primarily funded from property rates.

When depreciation is funded, it will assist the municipalities to accumulate sufficient surpluses that must be transferred to cash backed reserves. Depreciation is the method to provide for the replacement of the assets.

The above statement as per circular 115 is not yet fully implemented due to the unfavourable financial status of the municipality. The municipality will use the projected surplus in the cash flow as the cash back to fund the depreciation.

Interest, dividends and rent on land

Provision for landfill site is estimated at R2.4 million for the budget year. The effected decline is as a result of settlement of INCA loan and vehicle lease agreement. The provision is estimated to increase by 1.2% and 0.43% for the outer years respectively.

Inventory Consumed

Bulk purchases are directly informed by the purchase of water from Magalies Water. The annual price increases have been factored into the budget appropriations. In line with the municipality's repairs and maintenance plan, the municipality has prioritised the expenditure, as far as possible, on the maintenance of the assets of the municipality to ensure sustainable provision of water service.

Inventory consumed, which include water bulk and other inventory material have projected a decline of 3.8% to a total budget of R182.2 million. Water purchases is estimated at R162.9 million while other material item is estimated R19.2 million. A decline on inventory resulted from reclassification of accounts, i.e. stationery. This was performed to ensure full alignment with mSCOA requirement.

Bulk water average tariff increase of an average of 13% have been incorporated in the budget.

Bulk Purchase: Electricity

Projected expenditure for electricity consumption amounts to R48.2 million. This item includes the electricity utilised for boreholes, streetlights and internal usage. The expenditure is projected to increase by an average of 3% for the outer years.

Contracted Services

Contracted Services is estimated at R177.1 million. Contracted services have declined significantly from the adjustment budget. Furthermore, cost containment measures were incorporated to reduce the budget deficit. Reduced items are Consultants and outsourced maintenance. The technical department intends to procure assets with aim to reduce the cost on external service providers. The increase on this item is curbed at an average of 1.8% for the outer years.

Operational costs - Other Expenditure

Included in the other expenditure is all operational costs all items not mentioned above, however this include ward committee's stipend and free basic electricity provided to indigents and other expenditure items relating to repairs and maintenance. The budget is estimated at R99.5 million, with estimated average increase of 3% for the outer years. The municipality is trying by all means to reduce the budget shortfall and improve budget funding position.

1.4.1 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. The municipality has indigent register that is reviewed annually to assess the indigency status. The Country's economic status have contributed immensely to the increase of indigents. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 22 MBRR A10 (Basic Service Delivery Measurement. The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.5 Capital expenditure

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

Table 13 2025-26 Medium-term capital budget per vote

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	-	678	-	1 200	1 200	407	500	-	-
Vote 04 - Corporate Services		106	187	-	-	-	-	-	3 030	-	-
Vote 05 - Community Services		1 957	497	2 863	18 000	12 970	12 970	2 731	16 941	23 750	48 000
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		6 740	25 720	45 435	207 068	221 720	221 720	88 864	219 190	230 074	214 838
Vote 08 -		-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	8 803	26 404	48 976	225 068	235 890	235 890	92 001	239 661	253 824	262 838
Single-year expenditure to be appropriated	2										
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	600	-	-
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		-	-	-	-	-	-	-	-	-	-
Vote 08 -		-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	600	-	-
Total Capital Expenditure - Vote		8 803	26 404	48 976	225 068	235 890	235 890	92 001	240 261	253 824	262 838

For 2026/27, an amount of R240.2 million have been appropriated for the development of infrastructure and procurement of assets. Capital expenditure budget is further projected to increase to R253 million and R262 million in 2027/78 and 2028/29 financial years respectively. Further details relating to asset classes and proposed capital expenditure is contained in Table 21 MBRR A9 (Asset Management In addition to the MBRR Table A9, MBRR Tables SA34 A, B, C and E provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class. Additional details of the capital programme is disclosed on SA36. The capital budget is mainly directed to the water projects.

The following table provides a breakdown of the capital budget to be spend on infrastructure related projects over the MTREF.

Figure 2 Capital Infrastructure Programme

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Total Capital Expenditure - Vote	1	8,803	26,404	48,976	225,068	235,890	235,890	92,001	240,261	253,824	262,838
Capital Expenditure - Functional											
Governance and administration		106	187	678	-	1,200	1,200	407	3,530	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		106	187	678	-	1,200	1,200	407	3,530	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		2,816	1,493	336	16,000	12,970	12,970	2,731	15,521	16,750	26,000
Community and social services		-	1,438	336	16,000	12,000	12,000	2,731	14,921	14,750	20,000
Sport and recreation		2,816	55	-	-	500	500	-	-	2,000	6,000
Public safety		-	-	-	-	470	470	-	600	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2,790	246	3,264	85,000	137,004	137,004	46,048	121,010	101,050	59,000
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		2,790	246	3,264	85,000	137,004	137,004	46,048	121,010	101,050	59,000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		3,092	24,478	44,699	124,068	84,715	84,715	42,815	100,200	136,024	177,838
Energy sources		-	-	-	7,000	14,562	14,562	1,148	4,000	2,674	4,823
Water management		3,950	25,474	42,171	88,068	50,304	50,304	27,295	67,180	101,303	142,014
Waste water management		-	-	-	27,000	19,849	19,849	14,373	27,000	25,047	9,000
Waste management		(859)	(996)	2,527	2,000	-	-	-	2,020	7,000	22,000
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	8,803	26,404	48,976	225,068	235,890	235,890	92,001	240,261	253,824	262,838
Funded by:											
National Government		8,697	24,725	47,963	225,068	232,220	232,220	91,594	229,311	253,824	262,838
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	8,697	24,725	47,963	225,068	232,220	232,220	91,594	229,311	253,824	262,838
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		106	1,679	1,014	-	3,670	3,670	407	10,950	-	-
Total Capital Funding	7	8,803	26,404	48,976	225,068	235,890	235,890	92,001	240,261	253,824	262,838

The above table reflects municipality's projected capital expenditure by functional classification.

The capital budget is mainly allocated as follows;

2026/27 CAPITAL BUDGET		
Description R'000	Amount	%
Water & Sanitation	94 180	39%
Refuse	2 020	1%
Roads	121 010	50%
Community	15 521	6%
Energy Sources	4 000	2%
Other Assets	3 530	1%
Tota Capital Budget	240 261	100%

1.6 Annual Budget Tables - Parent Municipality

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2026-27 MTREF budget as tabled in Council. Each table is accompanied by *explanatory notes* on the facing page.

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a 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 Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is negative over the MTREF. This is due to the provision for depreciation. Should depreciation being brought in to account the year will end on a surplus.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. These places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Basic Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality is still a priority of the municipality. In addition, the municipality continues to make progress in addressing service delivery backlogs

Table 14 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

NW375 Moses Kotane - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional	1									
<i>Governance and administration</i>		535 972	820 436	613 938	629 847	625 407	625 407	690 902	706 965	730 902
Executive and council		21 455	1 577	23 620	24 888	24 888	24 888	77 130	77 077	80 831
Finance and administration		514 517	818 860	590 318	604 959	600 519	600 519	613 772	629 888	650 071
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 827	15 253	17 416	24 435	18 871	18 871	23 694	30 753	55 287
Community and social services		1 612	10 365	12 978	1 208	1 645	1 645	1 266	1 267	1 310
Sport and recreation		20 851	1	24	18 000	12 000	12 000	16 921	23 750	48 000
Public safety		1 365	4 887	4 413	5 227	5 227	5 227	5 507	5 735	5 977
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		51 230	54 298	67 668	92 312	143 254	143 254	128 556	109 448	67 689
Planning and development		4 778	5 664	5 684	7 312	7 749	7 749	7 546	8 398	8 689
Road transport		46 452	48 635	61 984	85 000	135 504	135 504	121 010	101 050	59 000
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		581 362	392 892	570 919	615 382	578 029	578 029	532 133	581 436	627 129
Energy sources		16 357	5 690	6 563	7 000	14 562	14 562	2 000	2 674	4 823
Water management		424 392	369 552	428 070	468 370	423 455	423 455	385 714	430 968	467 665
Waste water management		47 406	4 786	30 492	31 358	31 358	31 358	32 480	33 249	34 766
Waste management		93 207	12 864	105 794	108 653	108 653	108 653	111 940	114 545	119 875
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 192 390	1 282 879	1 269 941	1 361 976	1 365 561	1 365 561	1 375 285	1 428 602	1 481 008
Expenditure - Functional										
<i>Governance and administration</i>		289 665	457 897	420 732	441 308	453 518	453 518	432 425	442 932	459 215
Executive and council		84 311	115 908	109 096	103 912	108 109	108 109	106 242	108 272	111 340
Finance and administration		200 450	336 515	305 295	331 088	339 068	339 068	318 816	326 936	339 779
Internal audit		4 903	5 474	6 342	6 308	6 341	6 341	7 368	7 724	8 095
<i>Community and public safety</i>		125 021	119 898	139 239	148 457	151 647	151 647	131 695	139 469	147 199
Community and social services		26 539	29 315	43 450	40 717	43 779	43 779	32 956	34 892	37 236
Sport and recreation		60 726	52 405	47 605	56 966	57 394	57 394	45 283	49 520	52 893
Public safety		37 756	38 177	48 184	50 773	50 473	50 473	53 455	55 057	57 070
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		77 589	63 245	65 683	129 969	126 165	126 165	112 642	119 099	126 776
Planning and development		21 391	25 178	24 141	55 208	52 854	52 854	52 500	54 586	56 624
Road transport		56 199	38 067	41 542	74 760	73 312	73 312	60 142	64 513	70 152
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		548 634	586 154	604 044	730 495	715 788	715 788	683 093	710 098	738 583
Energy sources		43 171	52 928	51 358	63 956	63 956	63 956	65 662	68 042	70 562
Water management		402 470	448 068	456 506	553 818	556 523	556 523	507 355	529 327	551 979
Waste water management		55 609	28 747	38 748	54 288	34 506	34 506	38 858	40 536	42 244
Waste management		47 385	56 411	57 432	58 433	60 803	60 803	71 217	72 192	73 798
<i>Other</i>	4	2 772	3 235	3 190	3 516	3 516	3 516	3 316	3 490	3 673
Total Expenditure - Functional	3	1 043 682	1 230 428	1 232 888	1 453 744	1 450 634	1 450 634	1 363 170	1 415 088	1 475 446
Surplus/(Deficit) for the year		148 708	52 451	37 053	(91 768)	(85 072)	(85 072)	12 115	13 514	5 562

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 7 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
3. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under Governance and Administration.

Table 15 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

NW375 Moses Kotane - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote										
Vote 01 - Municipal Council	1	21 455	1 577	23 620	24 888	24 888	24 888	77 130	77 077	80 831
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		514 088	818 217	589 701	604 309	599 869	599 869	613 100	629 194	649 355
Vote 04 - Corporate Services		429	643	617	650	650	650	672	694	717
Vote 05 - Community Services		117 034	28 117	123 210	133 089	127 525	127 525	135 634	145 298	175 162
Vote 06 - Planning & Development		136	264	198	312	312	312	169	170	191
Vote 07 - Infrastructure & Technical Services		539 249	434 062	532 595	598 728	612 317	612 317	548 581	576 169	574 753
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 192 390	1 282 879	1 269 941	1 361 976	1 365 561	1 365 561	1 375 285	1 428 602	1 481 008
Expenditure by Vote to be appropriated										
Vote 01 - Municipal Council	1	71 931	92 542	92 178	85 651	89 848	89 848	88 795	90 057	92 516
Vote 02 - Office Of The Accounting Officer		22 319	34 109	28 947	30 688	30 721	30 721	31 620	33 078	34 409
Vote 03 - Budget And Treasury Office		95 828	226 212	185 057	202 483	208 772	208 772	194 535	197 286	203 303
Vote 04 - Corporate Services		80 922	84 751	101 748	111 629	113 319	113 319	106 745	111 146	116 679
Vote 05 - Community Services		187 203	187 747	205 815	215 407	220 167	220 167	211 506	220 880	231 057
Vote 06 - Planning & Development		20 725	25 335	22 492	48 360	46 368	46 368	45 109	46 241	47 990
Vote 07 - Infrastructure & Technical Services		564 753	579 733	596 650	759 526	741 438	741 438	684 862	716 400	749 491
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 043 682	1 230 428	1 232 888	1 453 744	1 450 634	1 450 634	1 363 170	1 415 088	1 475 446
Surplus/(Deficit) for the year	2	148 708	52 451	37 053	(91 768)	(85 072)	(85 072)	12 115	13 514	5 562

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the water trading services.

Table Surplus/ (Deficit) Calculations for the Trading Services

2026/27 MTREF TRADING SERVICES			
R'000	2026-27	2027-28	2028-29
OPERATING REVENUE (A4)			
Water	162 475	167 836	173 207
Sanitation	5 356	5 533	5 700
Refuse	14 435	14 912	15 389
OPERATING EXPENDITURE (A2)			
Water	507 355	529 327	551 979
Sanitation	38 858	40 536	42 244
Refuse	71 217	72 192	73 798
SURPLUS / (DEFICIT)			
Water	(344 880)	(361 491)	(378 772)
Sanitation	(33 502)	(35 004)	(36 544)
Refuse	(56 782)	(57 281)	(58 409)

Attached above is the surplus and deficit as per trading service, Municipality is making a loss in all services, i.e. water, sanitation and refuse.

The Provincial treasury will be engaged for assistance with the determination of cost reflective tariffs.

The water account is subsidised with a portion of the equitable share as the majority of household receive water at RDP level or lower.

Table 16 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

NW375 Moses Kotane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	178 981	190 319	130 832	198 188	198 188	198 188	75 015	162 475	167 836	173 207
Service charges - Waste Water Management	2	3 664	4 786	4 879	5 180	5 180	5 180	2 883	5 356	5 533	5 700
Service charges - Waste Management	2	11 817	12 864	13 292	14 109	14 109	14 109	10 370	14 435	14 912	15 389
Sale of Goods and Rendering of Services	2	761	793	722	1 418	1 418	1 418	633	732	746	769
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	71 462	49 267	59 933	60 358	60 358	60 358	20 287	62 411	64 470	66 533
Interest earned from Current and Non Current Assets	2	9 745	13 500	13 235	13 097	8 727	8 727	5 591	8 774	8 839	9 060
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	152	99	25	101	31	31	30	31	31	32
Licence and permits	2	336	3 128	2 588	3 328	3 328	3 328	1 580	2 611	2 690	2 781
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	1 014	2 058	3 193	2 014	2 014	2 014	1 290	2 232	2 306	2 379
Non-Exchange Revenue											
Properly rates	2	124 807	150 272	165 035	174 056	174 056	174 056	129 852	208 630	215 518	222 418
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	1 028	1 759	1 826	1 899	1 899	1 899	2 486	2 895	3 045	3 195
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	537 931	584 689	610 284	627 463	628 337	628 337	467 170	636 332	649 206	676 068
Interest	2	32 268	35 103	36 388	35 698	35 698	35 698	33 248	39 060	39 646	40 637
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	838	1 928	11 863	-	-	-	253	-	-	-
Other Gains	2	0	8	232	-	-	-	-	-	-	-
Discontinued Operations	2	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		975 004	1 050 573	1 054 325	1 136 908	1 133 342	1 133 342	750 686	1 145 974	1 174 778	1 218 170
Expenditure											
Employee related costs	2	279 220	315 041	319 757	373 102	373 456	373 456	261 080	379 062	398 782	419 891
Remuneration of councillors	2	25 874	26 872	30 671	32 329	32 329	32 329	19 840	32 529	33 602	34 378
Bulk purchases - electricity	2	33 007	41 906	36 173	46 620	46 620	46 620	24 746	48 205	49 796	51 389
Inventory consumed	2,8	144 039	168 683	158 024	189 153	189 153	189 153	17 865	182 246	190 709	199 658
Debt impairment	2,3	-	117 678	153 424	194 234	194 234	194 234	107 712	268 472	270 468	272 314
Depreciation, amortisation and impairment	2	132 550	121 308	135 999	186 561	186 561	186 561	88 852	170 540	184 183	202 601
Interest, Dividends and Rent on Land	2	5 619	6 434	4 616	2 597	2 597	2 597	562	2 458	2 487	2 498
Contracted services	2	136 096	145 069	165 960	204 518	195 035	195 035	123 584	177 149	179 408	183 869
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	1 641	-	2 340	2 340	2 017	2 929	2 987	3 032
Operational costs	2	116 715	81 826	112 564	108 855	112 533	112 533	65 419	99 580	102 666	105 815
Disposal of Fixed and Intangible Assets	2	18 942	4 852	13 469	-	-	-	-	-	-	-
Other Losses	2	-	3	525	-	-	-	566	-	-	-
Total Expenditure		892 060	1 029 674	1 132 822	1 337 969	1 334 858	1 334 858	712 243	1 363 170	1 415 088	1 475 446
Surplus/(Deficit)		82 944	20 899	(78 497)	(201 061)	(201 517)	(201 517)	38 444	(217 196)	(240 310)	(257 276)
Transfers and subsidies - capital (monetary allocations)	6	217 386	232 306	215 615	225 068	232 220	232 220	98 774	229 311	253 824	262 838
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		300 330	253 206	137 118	24 007	30 703	30 703	137 218	12 115	13 514	5 562
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		300 330	253 206	137 118	24 007	30 703	30 703	137 218	12 115	13 514	5 562
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		300 330	253 206	137 118	24 007	30 703	30 703	137 218	12 115	13 514	5 562
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	300 330	253 206	137 118	24 007	30 703	30 703	137 218	12 115	13 514	5 562

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

OPERATING REVENUE Per Source		
Revenue Source R'000	2026/27	%
Property Rates	208 630	18%
Service Charges	182 266	16%
Operating Grants	636 332	56%
Interest on Debtors	101 471	9%
Other Revenue	17 275	2%
Total Revenue	1 145 974	100%

1. Total operating revenue projected for 2026/27 amounts to R1.145 billion, estimated to escalate by an average of 3% in the two outer years
2. Revenue anticipated from property rates amount to R208.6 million, this represents 18% of the total operating revenue base of the municipality. It further anticipated to increase at average increase of 3% in the outer years.
3. Service charges relating to, water, sanitation and refuse removal constitutes 16% of the revenue basket of the municipality totalling R182.2 million. Property rates and the services charges are the main revenue component of the municipality's own revenue.
4. Interest charged of overdue accounts are projected at R101.4 million which constitute 9% of the total revenue. This is an indication that consumers are not paying for services rendered and that poses a serious threat to the financial position of the municipality
5. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It must be noted that the anticipated grants from national government as tabled by the Minister of Finance, have increased by 1.5% in 2026/27, with average increase of 3% for the outer years.

The equitable share remains the most important part of the municipality's revenue base, as it assists with poverty relief in the form of free basic service to the indigents. Amongst others, this include, equitable share, finance management grant, expanded public works programme, energy efficiency demand side management grant, MIG portion for PMU operations. Total operating grants accounts for 56% of the total operating revenue anticipated for 2026/27 financial year.

6. Total operating expenditure for the 2026/27 financial year has projected R1.363 billion which has declined by 6% when compared to the 2025/26 Adjustment budget. Operating expenditure is further projected to increase by an average of 4% for the outer years.

Table 17 MBRR Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	-	678	-	1,200	1,200	407	500	-	-
Vote 04 - Corporate Services		106	187	-	-	-	-	-	3,030	-	-
Vote 05 - Community Services		1,957	497	2,863	18,000	12,970	12,970	2,731	16,941	23,750	48,000
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		6,740	25,720	45,435	207,068	221,720	221,720	88,864	219,190	230,074	214,838
Vote 08 -		-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	8,803	26,404	48,976	225,068	235,890	235,890	92,001	239,661	253,824	262,838
Single-year expenditure to be appropriated	2										
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	600	-	-
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		-	-	-	-	-	-	-	-	-	-
Vote 08 -		-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	600	-	-
Total Capital Expenditure - Vote		8,803	26,404	48,976	225,068	235,890	235,890	92,001	240,261	253,824	262,838
Capital Expenditure - Functional											
Governance and administration		106	187	678	-	1,200	1,200	407	3,530	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		106	187	678	-	1,200	1,200	407	3,530	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		2,816	1,493	336	16,000	12,970	12,970	2,731	15,521	16,750	26,000
Community and social services		-	1,438	336	16,000	12,000	12,000	2,731	14,921	14,750	20,000
Sport and recreation		2,816	55	-	-	500	500	-	-	2,000	6,000
Public safety		-	-	-	-	470	470	-	600	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2,790	246	3,264	85,000	137,004	137,004	46,048	121,010	101,050	59,000
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		2,790	246	3,264	85,000	137,004	137,004	46,048	121,010	101,050	59,000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		3,092	24,478	44,699	124,068	84,715	84,715	42,815	100,200	136,024	177,838
Energy sources		-	-	-	7,000	14,562	14,562	1,148	4,000	2,674	4,823
Water management		3,950	25,474	42,171	88,068	50,304	50,304	27,295	67,180	101,303	142,014
Waste water management		-	-	-	27,000	19,849	19,849	14,373	27,000	25,047	9,000
Waste management		(859)	(996)	2,527	2,000	-	-	-	2,020	7,000	22,000
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	8,803	26,404	48,976	225,068	235,890	235,890	92,001	240,261	253,824	262,838
Funded by:											
National Government		8,697	24,725	47,963	225,068	232,220	232,220	91,594	229,311	253,824	262,838
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	8,697	24,725	47,963	225,068	232,220	232,220	91,594	229,311	253,824	262,838
Borrowing	6										
Internally generated funds		106	1,679	1,014	-	3,670	3,670	407	10,950	-	-
Total Capital Funding	7	8,803	26,404	48,976	225,068	235,890	235,890	92,001	240,261	253,824	262,838

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

1. Table A5 is a breakdown of the capital programmed in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); 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.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. No multi-year appropriations have been done.
3. Capital expenditure has been appropriated at R240 million for the 2026/27 financial year. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the of DoRA allocations and departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
4. The projected capital programme is fully funded from national grants. Acquisition of capital assets funded from own funds will be based on availability of funds.

The following table reflects the capital expenditure and how it will be funded over the MTREF.

2026/27 CAPITAL BUDGET FUNDING MIX			
Funding Source (R'000)	2026/2027	2027/2028	2028/29
MIG	177 068	197 474	203 958
WSIG	52 243	56 350	58 880
TOTAL GRANTS	229 311	253 824	262 838
OWN FUNDING	10 950	-	-
TOTAL CAPITAL BUDGET	240 261	253 824	262 838
GRANTS	95%	100%	100%
OWN FUNDING	5%	0%	0%

Total capital budget for 2026/27 is estimated at R240.2 million, increasing to R253.8 million and R262.8 million for the two outer years respectively. A total of R165.8 million or 69% of the capital budget have been allocated to renewal and upgrading of existing assets.

Table 18 MBRR Table A6 - Budgeted Financial Position

NW375 Moses Kotane - Table A6 Budgeted Financial Position

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents	1	38 855	43 587	55 565	619	619	619	(17 427)	9 233	3 444	3 518
Short term investments	2	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	3	70 897	102 865	75 828	121 731	121 731	121 731	(43 990)	67 698	69 538	71 100
Receivables from non-exchange transactions	3	174 920	80 918	96 581	99 947	99 947	99 947	30 703	101 236	102 452	103 125
Current portion of non-current receivables	4	-	-	-	-	-	-	-	-	-	-
Inventory	5	16 493	21 471	32 437	23 430	23 430	23 430	74 135	34 460	35 066	37 080
VAT Receivable	6	129 471	26 858	31 990	13 519	13 519	13 519	(797)	30 215	31 012	32 441
Other current assets	7	23 214	24 353	25 092	5 289	5 289	5 289	(238)	3 857	3 955	4 079
Total current assets		453 851	300 051	317 493	264 535	264 535	264 535	42 387	246 698	245 467	251 343
Non current assets											
Investments	8	-	-	-	-	-	-	-	-	-	-
Investment property	9	150 664	152 298	161 643	153 482	153 482	153 482	-	161 849	161 889	161 929
Property, plant and equipment	10	2 988 511	3 098 277	3 164 924	3 326 552	3 337 374	3 337 374	6 513	3 329 032	3 440 329	3 523 764
Biological assets	11	-	-	-	-	-	-	-	-	-	-
Living resources	12	-	-	-	-	-	-	-	-	-	-
Heritage assets	13	14	14	14	14	14	14	-	14	14	14
Intangible assets	14	13 393	12 478	12 328	12 678	12 678	12 678	(1 484)	12 678	12 758	12 951
Trade and other receivables from exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Other non-current assets	16	-	-	-	-	-	-	-	-	-	-
Total non current assets		3 152 582	3 263 067	3 338 908	3 492 726	3 503 548	3 503 548	5 029	3 503 573	3 614 989	3 698 658
TOTAL ASSETS		3 606 433	3 563 119	3 656 402	3 757 261	3 768 083	3 768 083	47 415	3 750 271	3 860 456	3 950 002
LIABILITIES											
Current liabilities											
Bank overdraft	17	-	-	-	-	-	-	-	-	-	-
Financial liabilities	18	8 840	3 605	2 703	1 107	1 107	1 107	(10 863)	-	-	-
Consumer deposits	19	785	755	758	605	605	605	5	605	605	607
Trade and other payables from exchange transactions	20	211 352	215 217	275 871	209 171	209 171	209 171	(111 670)	251 487	250 033	249 618
Trade and other payables from non-exchange transactions	21	8 156	3 305	9 740	-	(8 025)	(8 025)	67 851	-	-	-
Provision	22	43 331	48 294	52 252	5 719	5 719	5 719	(1 287)	5 773	5 839	5 865
VAT Payable	23	99 997	11 020	8 305	-	-	-	15 117	-	-	-
Other current liabilities	24	-	-	-	-	-	-	-	-	-	-
Total current liabilities		372 462	282 196	349 630	216 602	208 576	208 576	(40 846)	257 865	256 477	256 091
Non current liabilities											
Financial liabilities	25	34 753	22 945	9 029	603	603	603	-	-	-	-
Provision	26	20 464	21 932	26 918	24 193	24 193	24 193	-	48 882	49 967	50 213
Long term portion of trade payables	27	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	28	-	-	-	-	-	-	-	-	-	-
Total non current liabilities		55 217	44 877	35 947	24 796	24 796	24 796	-	48 882	49 967	50 213
TOTAL LIABILITIES		427 678	327 073	385 578	241 397	233 372	233 372	(40 846)	306 746	306 444	306 303
NET ASSETS		3 178 755	3 236 046	3 270 824	3 515 864	3 534 711	3 534 711	88 262	3 443 525	3 554 012	3 643 698
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	3 154 931	3 275 387	3 197 553	3 583 734	3 595 885	3 595 885	111 786	3 431 410	3 540 499	3 638 137
Reserves and funds	30	-	-	-	-	-	-	-	-	-	-
Other	31	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	32	3 154 931	3 275 387	3 197 553	3 583 734	3 595 885	3 595 885	111 786	3 431 410	3 540 499	3 638 137

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 58 is supported by an extensive table of notes on SA3, a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;

- Provisions noncurrent;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
 5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget 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 informed directly by forecasting the statement of financial position.

Table 19 MBRR Table A7 - Budgeted Cash Flow Statement

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It further shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

NW375 Moses Kotane - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		100 014	79 087	63 602	90 509	90 509	90 509	38 052	125 178	133 621	137 899
Service charges		154 773	93 693	27 379	82 666	82 666	82 666	66 815	80 527	83 184	89 297
Other revenue		589 255	425 826	(357 136)	42 032	42 032	42 032	(124 712)	40 292	44 150	45 706
Transfers and Subsidies - Operational	1	161 779	577 266	604 194	627 463	627 463	627 463	464 896	636 332	649 206	680 668
Transfers and Subsidies - Capital	1	208 558	232 503	222 552	225 068	225 068	225 068	167 185	229 311	253 824	262 838
Interest		9 679	13 045	21 892	19 678	19 678	19 678	10 220	39 129	42 242	46 393
Dividends											
Payments											
Suppliers and employees		14 265	85 334	169 238	(957 274)	(957 274)	(957 274)	(73 961)	(921 230)	(957 451)	(997 498)
Finance charges											
Transfers and Subsidies	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 238 323	1 506 754	751 722	130 142	130 142	130 142	548 496	229 539	248 777	265 303
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(13)	1 928	11 863				262			
Decrease (increase) in non-current receivables											
Decrease (increase) in non-current investments											
Insurance Refund - Capital											
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments											
Payments											
Capital assets		(8 803)	(26 404)	(48 976)	(258 828)	(258 828)	(258 828)	(89 148)	(240 261)	(253 824)	(262 838)
Retention (Capital)									(6 512)	(6 742)	(6 891)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 817)	(24 476)	(37 113)	(258 828)	(258 828)	(258 828)	(88 887)	(246 774)	(260 566)	(269 729)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans				(13 805)							
Borrowing long term/refinancing			(84)	(94)							
Increase (decrease) in consumer deposits			(5)	(1)							
Payments											
Repayment of borrowing		(5 813)	(5 246)	(917)	(9 987)	(9 987)	(9 987)	(10 863)			
NET CASH FROM/(USED) FINANCING ACTIVITIES		(5 813)	(5 335)	(14 817)	(9 987)	(9 987)	(9 987)	(10 863)			
NET INCREASE/ (DECREASE) IN CASH HELD		1 223 693	1 476 943	699 791	(138 673)	(138 673)	(138 673)	448 746	(17 234)	(11 790)	(4 426)
Cash/cash equivalents at the year begin:	2	36 880	38 855	43 587	468 275	468 275	468 275		50 932	33 698	21 908
Cash/cash equivalents at the year end:	2	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482

The expected operating receipts are projected at R921 million, this comprises of operating grants, own revenue from property rates, service charges, interest earned from bank and call deposits accounts, etc. Included in the projection is the VAT receipts anticipated from the capital grants. Capital grants receipts amounts to R229 million. The net cash held is unfavorable, indicating that the projected expenditure exceeds the anticipated receipts, however a positive opening balance is projected at R50.9 million, resulting at a favorable cash closing balance The municipality has developed a financial plan with aim to reduce the budget deficit.

The table below reflects projected billing for property rates and service charges and anticipated receipt or collection for 20067/27 financial year.

2026/27 Projected Collection Rate			
Description R'000	Billing	Receipts	Collection rate
Property Rates	208 630	125 178	60%
Water	162 475	72 812	40%
Sanitation	5 356	2 571	42%
Refuse	14 435	5 144	30%
Total	390 896	205 705	43%

Table 20 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

NW375 Moses Kotane - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash and investments available											
Cash/cash equivalents at the year end	1	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482
Application of cash and investments											
Unspent conditional transfers		8 156	3 305	9 740	-	(8 025)	(8 025)	67 851	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(5 104)	119 725	314 576	172 661	172 661	172 661	(139 692)	147 429	141 251	137 964
Other provisions		43 331	48 294	52 252	5 719	5 719	5 719	51 172	5 773	5 839	5 865
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		46 383	171 324	376 568	178 379	170 354	170 354	(20 669)	153 202	147 090	143 830
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)

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

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.

The table for cash backed reserves / accumulated surplus reconciliation measures the funding status of the municipality. It takes into accounts the available cash balance at year end and measure it against the applications, which includes, the commitments, working capital requirements, statutory requirements and current provisions.

Based on the projection, the above table reflects a shortfall which is indicative of an unfunded budget. To remedy the situation, the municipality has developed a budget funding plan, which is currently being reviewed for enhancement.

Table 21 MBRR Table A9 - Asset Management

NW375 Moses Kotane - Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	3,092	24,720	45,712	84,100	64,040	64,040	74,373	125,024	134,838
<i>Roads Infrastructure</i>		-	-	-	1,500	3,000	3,000	4,000	10,000	13,000
<i>Storm water Infrastructure</i>		-	-	-	-	1,550	1,550	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	7,000	14,562	14,562	2,000	2,674	4,823
<i>Water Supply Infrastructure</i>		3,950	25,474	42,171	63,600	37,910	37,910	43,243	80,303	92,014
<i>Sanitation Infrastructure</i>		-	-	-	10,000	3,349	3,349	15,000	25,047	3,000
<i>Solid Waste Infrastructure</i>		(859)	(996)	2,527	2,000	-	-	2,000	7,000	22,000
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		3,092	24,478	44,699	84,100	60,370	60,370	66,243	125,024	134,838
Community Facilities		-	-	-	-	100	100	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	100	100	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	187	678	-	1,200	1,200	4,130	-	-
Machinery and Equipment		-	55	-	-	2,370	2,370	2,000	-	-
Transport Assets		-	-	336	-	-	-	2,000	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	2,922	1,438	-	21,468	26,000	26,000	45,291	50,750	49,000
<i>Roads Infrastructure</i>		-	-	-	15,000	26,000	26,000	37,471	20,000	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	1,800	1,000	9,000
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	3,000
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	15,000	26,000	26,000	39,271	21,000	12,000
Community Facilities		2,816	1,438	-	4,468	-	-	4,000	15,000	17,000
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		2,816	1,438	-	4,468	-	-	4,000	15,000	17,000
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	2,000	-	-	2,000	14,750	20,000
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	2,000	-	-	2,000	14,750	20,000
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		106	-	-	-	-	-	-	-	-
Intangible Assets		106	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	20	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets	6	2,790	246	3,264	119,500	145,849	145,849	120,597	78,050	79,000
<i>Roads Infrastructure</i>		2,790	246	3,264	68,500	104,954	104,954	79,539	71,050	46,000
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	20,000	12,395	12,395	18,137	5,000	24,000
<i>Sanitation Infrastructure</i>		-	-	-	17,000	16,500	16,500	10,000	-	3,000
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		2,790	246	3,264	105,500	133,849	133,849	107,676	76,050	73,000
Community Facilities		-	-	-	14,000	12,000	12,000	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	2,000	6,000
Community Assets		-	-	-	14,000	12,000	12,000	12,921	2,000	6,000
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	8,803	26,404	48,976	225,068	235,890	235,890	240,261	253,824	262,838
<i>Roads Infrastructure</i>		2,790	246	3,264	85,000	133,954	133,954	121,010	101,050	59,000
<i>Storm water Infrastructure</i>		-	-	-	-	1,550	1,550	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	7,000	14,562	14,562	2,000	2,674	4,823
<i>Water Supply Infrastructure</i>		3,950	25,474	42,171	83,600	50,304	50,304	63,180	86,303	125,014
<i>Sanitation Infrastructure</i>		-	-	-	27,000	19,849	19,849	25,000	25,047	9,000
<i>Solid Waste Infrastructure</i>		(859)	(996)	2,527	2,000	-	-	2,000	7,000	22,000
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		5,882	24,725	47,963	204,600	220,220	220,220	213,190	222,074	219,838
Community Facilities		2,816	1,438	-	18,468	12,100	12,100	16,921	15,000	17,000
Sport and Recreation Facilities		-	-	-	-	-	-	-	2,000	6,000
Community Assets		2,816	1,438	-	18,468	12,100	12,100	16,921	17,000	23,000
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	2,000	-	-	2,000	14,750	20,000
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	2,000	-	-	2,000	14,750	20,000
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		106	-	-	-	-	-	-	-	-
Intangible Assets		106	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	187	678	-	1,200	1,200	4,150	-	-
Machinery and Equipment		-	55	-	-	2,370	2,370	2,000	-	-
Transport Assets		-	-	336	-	-	-	2,000	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		8,803	26,404	48,976	225,068	235,890	235,890	240,261	253,824	262,838

ASSET REGISTER SUMMARY - PPE (WDV)		5	2,900,827	2,940,786	3,051,437	3,492,726	3,503,548	3,503,548	3,503,573	3,516,096	3,696,358
Roads Infrastructure			679,632	651,302	664,337	800,190	847,144	847,144	934,687	953,451	935,917
Storm water Infrastructure			55,200	79,250	79,338	82,816	84,366	84,366	86,543	89,312	91,366
Electrical Infrastructure			86,808	92,322	89,972	106,378	113,940	113,940	104,778	108,741	113,330
Water Supply Infrastructure			1,403,326	1,453,039	1,568,409	1,778,463	1,740,199	1,740,199	1,548,753	1,519,967	1,693,307
Sanitation Infrastructure			67,587	66,259	66,265	102,132	95,480	95,480	163,863	178,674	166,160
Solid Waste Infrastructure			14,857	13,097	14,965	16,256	14,256	14,256	33,328	39,330	55,074
Rail Infrastructure											
Coastal Infrastructure											
Information and Communication Infrastructure			14,875	12,307	10,341	12,307	12,307	12,307	12,368	12,764	13,058
Infrastructure			2,322,285	2,367,576	2,493,628	2,898,541	2,907,693	2,907,693	2,884,321	2,902,239	3,068,212
Community Assets			370,189	369,401	349,369	388,992	386,992	386,992	397,347	398,728	411,852
Heritage Assets			14	14	14	14	14	14	14	14	14
Investment properties			150,664	152,298	161,643	153,482	153,482	153,482	161,849	161,889	161,929
Other Assets			(0)	(0)	(0)	-	-	-	-	-	-
Biological or Cultivated Assets											
Intangible Assets			13,393	12,478	12,328	12,678	12,678	12,678	12,678	12,758	12,951
Computer Equipment			125	-	-	-	-	-	-	-	-
Furniture and Office Equipment			6,888	7,151	6,600	7,151	8,351	8,351	11,336	7,416	7,587
Machinery and Equipment			698	501	293	501	2,971	2,971	4,504	520	532
Transport Assets			36,570	31,367	27,561	31,367	31,367	31,367	31,524	32,533	33,281
Land											
Zoo's, Marine and Non-biological Animals											
Living Resources											
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	2,900,827	2,940,786	3,051,437	3,492,726	3,503,548	3,503,548	3,503,573	3,516,096	3,696,358
EXPENDITURE OTHER ITEMS			183,174	174,371	202,361	284,785	276,442	276,442	249,454	265,355	287,071
Depreciation		7	132,550	121,308	135,999	186,561	186,561	186,561	170,540	184,183	202,601
Repairs and Maintenance by Asset Class		3	50,624	53,063	66,362	98,224	89,881	89,881	78,914	81,172	84,469
Roads Infrastructure			1,640	1,304	394	3,300	1,800	1,800	2,871	2,952	3,036
Storm water Infrastructure			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			1,398	2,132	375	100	100	100	256	267	283
Water Supply Infrastructure			324	975	29,963	36,500	32,030	32,030	22,150	22,706	24,265
Sanitation Infrastructure			-	-	5,029	2,000	2,000	2,000	7,136	7,209	7,279
Solid Waste Infrastructure			26,886	16,714	13,169	23,474	15,601	15,601	15,003	15,568	16,071
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			30,248	21,125	48,930	65,374	51,531	51,531	47,417	48,700	50,934
Community Facilities			-	-	-	100	100	100	100	100	100
Sport and Recreation Facilities			37	1	30	250	250	250	300	306	315
Community Assets			37	1	30	350	350	350	400	406	415
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			3,040	3,420	6,468	8,600	8,600	8,600	5,615	5,639	5,666
Housing			-	-	-	-	-	-	-	-	-
Other Assets			3,040	3,420	6,468	8,600	8,600	8,600	5,615	5,639	5,666
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			(44)	4,312	7,125	9,000	9,000	9,000	12,000	12,660	13,321
Intangible Assets			(44)	4,312	7,125	9,000	9,000	9,000	12,000	12,660	13,321
Computer Equipment			13	22	34	50	50	50	20	21	21
Furniture and Office Equipment			-	-	-	-	-	-	-	-	-
Machinery and Equipment			-	-	-	100	100	100	-	-	-
Transport Assets			17,330	24,183	3,775	14,750	20,250	20,250	13,462	13,746	14,112
Land			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
Mature			-	-	-	-	-	-	-	-	-
Immature			-	-	-	-	-	-	-	-	-
Living Resources			-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS			183,174	174,371	202,361	284,785	276,442	276,442	249,454	265,355	287,071

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. The municipality uses a different system for Assets Register, which has a negative impact on the A9.
3. The amount appears in the A9 is the amount abstracted directly from the main financial system. That means municipality will have to capture the A9 manually so that it can be the same as the Assets register.
4. Municipality is worried that the Manual Capturing might affect the Data strings.
5. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and

maintenance should be 8 per cent of PPE. The municipality is not in a position to meet the requirements due to its limited resources.

6. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the municipality's strategy to address the maintenance backlog.

Table 22 MBRR Table A10 - Basic Service Delivery Measurement

NW375 Moses Kotane - Table A10 Basic service delivery measurement

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Household service targets										
Water:										
Piped water inside dwelling	1	–	6 793	6 795	6 800	6 800	6 800	6 805	6 807	6 810
Piped water inside yard (but not in dwelling)		–	29 856	29 859	29 872	29 872	29 872	29 880	29 885	29 901
Using public tap (at least min.service level)	2	52 000	30 000	30 000	30 000	30 000	30 000	29 950	29 850	29 750
Other water supply (at least min.service level)	4	–	8 509	8 509	8 509	8 509	8 509	8 510	8 512	8 580
<i>Minimum Service Level and Above sub-total</i>		52 000	75 158	75 163	75 181	75 181	75 181	75 145	75 054	75 041
Using public tap (< min.service level)	3	12 000	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		12 000	–	–	–	–	–	–	–	–
Total number of households	5	64 000	75 158	75 163	75 181	75 181	75 181	75 145	75 054	75 041
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		8 000	6 793	6 795	6 800	6 800	6 800	6 805	6 807	6 810
Flush toilet (with septic tank)		5 000	28 000	28 020	28 020	28 020	28 020	28 028	28 032	28 040
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	21 000	21 020	21 020	21 020	21 020	21 025	21 030	21 035
Other toilet provisions (> min.service level)		–	22 365	22 362	22 360	22 360	22 360	22 358	22 355	22 349
<i>Minimum Service Level and Above sub-total</i>		13 000	78 158	78 197	78 200	78 200	78 200	78 216	78 224	78 234
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		40 000	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		40 000	–	–	–	–	–	–	–	–
Total number of households	5	53 000	78 158	78 197	78 200	78 200	78 200	78 216	78 224	78 234
Energy:										
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>		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Refuse:										
Removed at least once a week		75 500	75 500	75 580	75 600	75 600	75 600	75 680	75 682	75 691
<i>Minimum Service Level and Above sub-total</i>		75 500	75 500	75 580	75 600	75 600	75 600	75 680	75 682	75 691
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	–	–	–
Total number of households	5	75 500	75 500	75 580	75 600	75 600	75 600	75 680	75 682	75 691
Households receiving Free Basic Service										
Water (6 kilolitres per household per month)	7	41 000	4 854	4 854	4 854	4 854	4 854	9 122	9 122	9 122
Sanitation (free minimum level service)		41 000	4 854	4 854	4 854	4 854	4 854	9 122	9 122	9 122
Electricity/other energy (50kwh per household per month)		24 343	4 854	4 854	4 854	4 854	4 854	9 122	9 122	9 122
Refuse (removed at least once a week)		–	4 854	4 854	4 854	4 854	4 854	9 122	9 122	9 122
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		76	(10)	(6)	10 000	10 000	10 000	10 464	10 479	10 494
Sanitation (free sanitation service to indigent households)		256	113	101	117	117	117	121	125	125
Electricity/other energy (50kwh per indigent household per month)		–	–	–	6 157	6 157	6 157	6 207	6 307	6 407
Refuse (removed once a week for indigent households)		286	128	109	134	134	134	138	143	147
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	16	–	–	–	17	17	17
Total cost of FBS provided	8	619	231	220	16 407	16 407	16 407	16 946	17 070	17 190
Highest level of free service provided per household										
Property rates (R value threshold)		17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000	17 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		20	20	56	20	20	20	58	60	64
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		–	–	80	–	–	–	80	80	80
Revenue cost of subsidised services provided (R'000)										
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	9	–	–	17	–	–	–	17	17	17
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		2 399	4 108	3 980	4 288	4 288	4 288	4 650	4 800	4 951
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	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		2 399	4 108	3 997	4 288	4 288	4 288	4 667	4 817	4 968

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Strategy – the more the municipality gives away, the less there is available to fund other services.

Part 2 – Supporting Documentation

1.7 Overview of the annual budget process

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

The Budget Steering Committee consists of the MMC for Finance and senior officials of the municipality meeting under the chairpersonship of the Mayor.

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

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, 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.

1.7.1 Budget Process Overview

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

1.7.2 IDP and Service Delivery and Budget Implementation Plan

The municipality reviewed its IDP in accordance with Municipal Systems Act.

1.7.3 Financial Modelling and Key Planning Drivers

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

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

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 129 have been taken into consideration in the planning and prioritisation process.

1.7.4 Community Consultation

The 2026/27 draft MTREF was tabled on 31st March 2026 and the community consultation will be held in line with approved schedule. The budget will be published and hard copies will be made available at customer care offices, municipal notice boards and various libraries. The opportunity to give electronic feedback will be communicated on the municipality's website, and the municipality's call centre will be engaged in collecting inputs via e-mail, fax and SMS.

All documents in the appropriate format (electronic) will be provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

1.8 Overview of alignment of annual budget with IDP

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

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 (GGDS);
- 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 Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The implementation of the NDP through the RRR (rebranding, repositioning and renewal) approach, anchored on a new approach of the five (5) concretes has also been considered and budgeted under the Operating and Capital Budget.

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 2025/2026 MTREF and further planning refinements that have directly informed the compilation of the budget:

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 water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide public transport;
 - Provide municipal 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 municipal 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 Batho Pele principles through a caring, accessible and accountable service by:
 - Optimising effective community participation in the ward committee system; and
 - Implementing Batho Pele 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 fourth 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 2026/27 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.

Table 23 MBRR Table SA4-Reconciliation between the IDP strategic objectives and budgeted revenue

NW375 Moses Kotane - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
R thousand													
BASIC SERVICES AND INFRASTRUCTURE				438,897	229,873	440,189	506,749	507,622	507,622	454,904	467,643	487,077	
LOCAL ECONOMIC DEVELOPMENT				136	264	198	312	312	312	169	170	191	
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION				21,455	1,577	23,620	24,888	24,888	24,888	77,130	77,077	80,831	
FINANCIAL VIABILITY MUNICIPAL				514,088	818,217	589,701	604,309	599,869	599,869	608,449	624,393	644,404	
TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				429	643	617	650	650	650	672	694	717	
Allocations to other priorities													
Total Revenue (excluding capital transfers and contributions)				1	975,004	1,050,573	1,054,325	1,136,908	1,133,342	1,133,342	1,141,324	1,169,978	1,213,219

Table 24 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

NW375 Moses Kotane - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
R thousand													
BASIC SERVICES AND INFRASTRUCTURE				632,511	730,476	802,466	974,834	961,505	961,505	1,006,749	1,045,715	1,091,055	
LOCAL ECONOMIC DEVELOPMENT				20,725	25,335	22,492	48,360	46,368	46,368	45,109	46,241	47,990	
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION				104,018	128,345	137,343	139,193	143,743	143,743	142,459	146,361	151,296	
FINANCIAL VIABILITY				62,762	64,828	78,748	80,026	86,295	86,295	77,028	81,352	84,905	
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				72,044	80,690	91,773	95,556	96,947	96,947	91,826	95,419	100,200	
Allocations to other priorities													
Total Expenditure				1	892,060	1,029,674	1,132,822	1,337,969	1,334,858	1,334,858	1,363,170	1,415,088	1,475,446

Table 25 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

NW375 Moses Kotane - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
BASIC SERVICES AND INFRASTRUCTURE				8,697	26,217	48,298	225,068	234,690	234,690	236,731	253,824	262,838
LOCAL ECONOMIC DEVELOPMENT				-	-	-	-	-	-	-	-	-
GOOD GOVERNANCE AND COMMUNITY PARTICIPATION				-	-	-	-	-	-	-	-	-
FINANCIAL VIABILITY				-	-	678	-	1,200	1,200	500	-	-
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				106	187	-	-	-	-	3,030	-	-
Allocations to other priorities			3									
Total Capital Expenditure			1	8,803	26,404	48,976	225,068	235,890	235,890	240,261	253,824	262,838

1.9 Measurable performance objectives and indicators

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

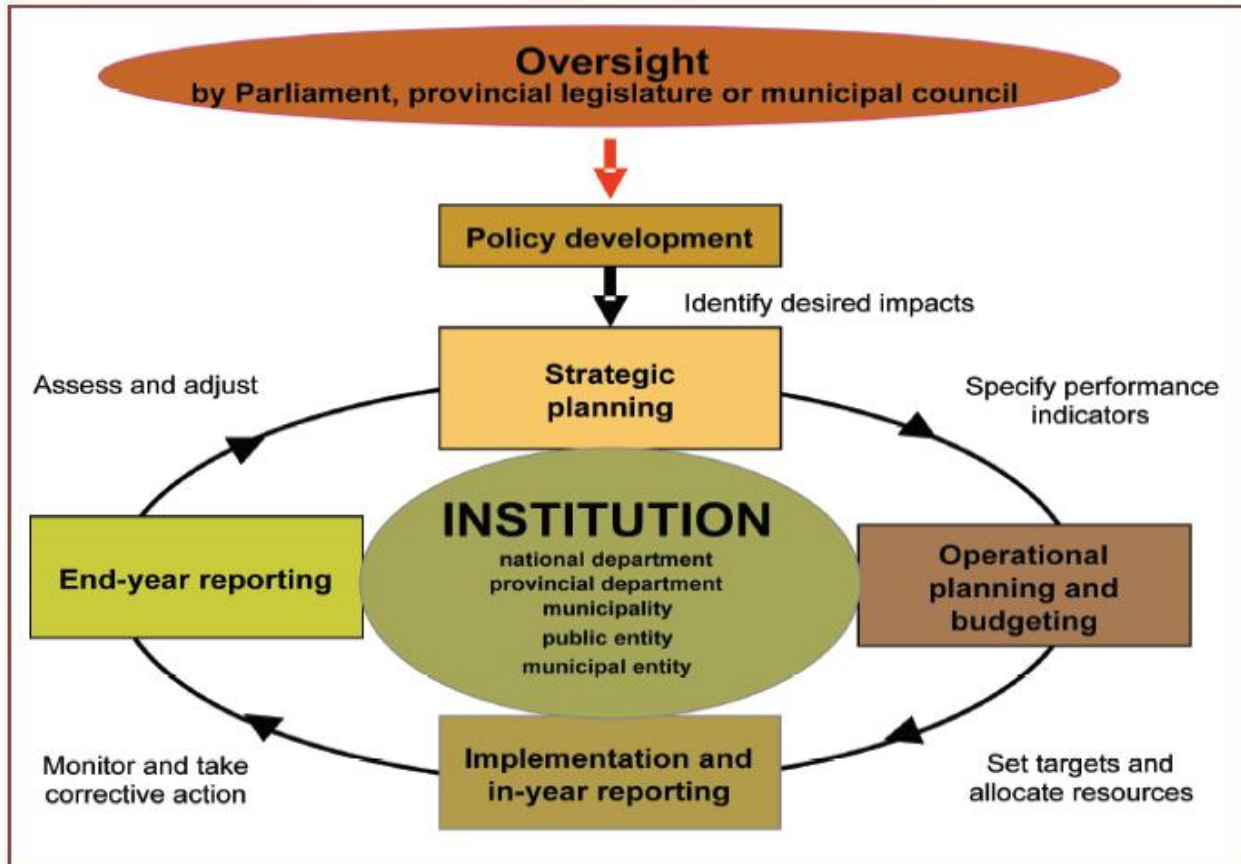


Figure 3 Planning, budgeting and reporting cycle

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 Moses Kotane Local 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 MKLM in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

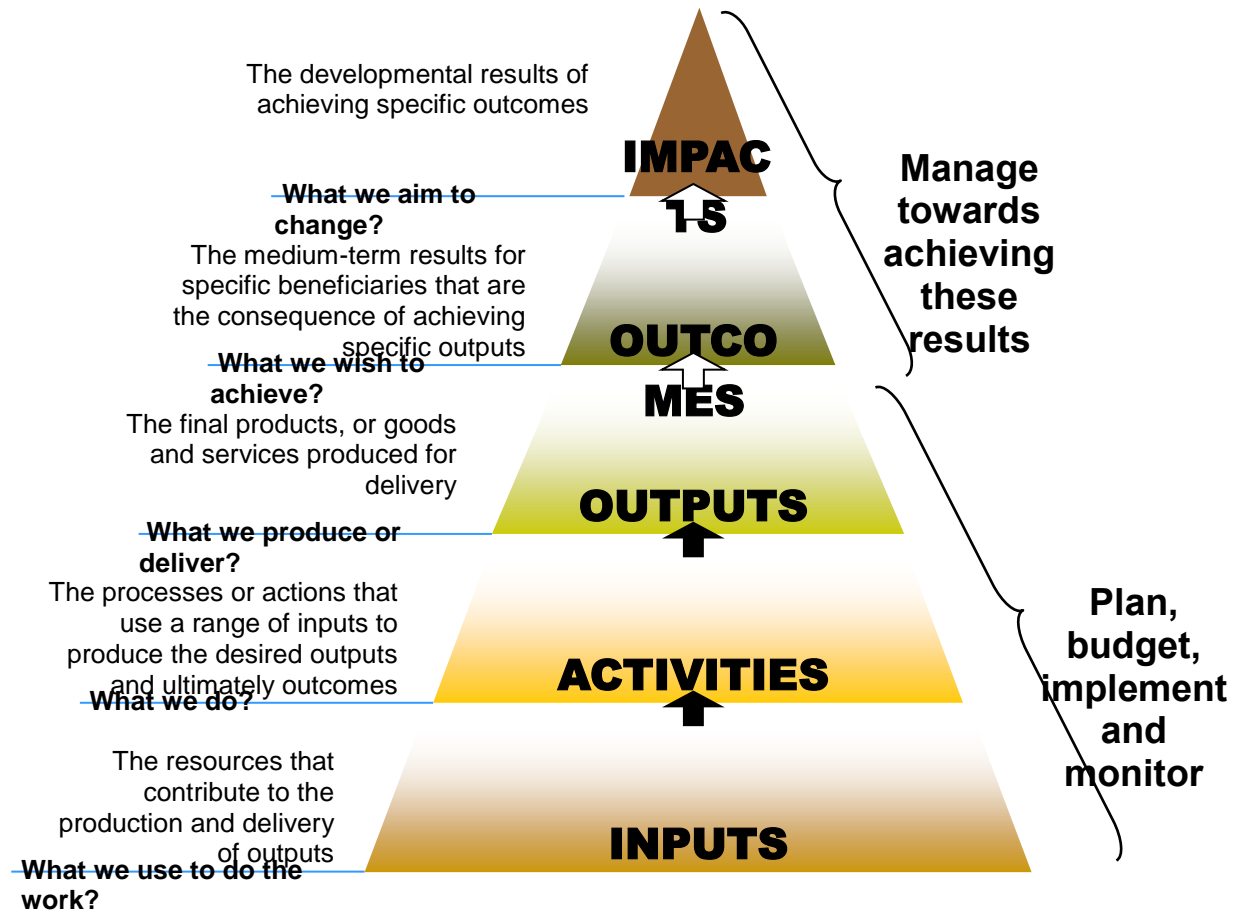


Figure 4 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 26 MBRR Table SA7 - Measurable performance objectives

NW375 Moses Kotane - Supporting Table SA7 Measurable performance objectives

Description	Unit of measurement	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
07 - Infrastructure & Technical Services										
Energy Sources										
Electricity										
Formal Settlement Households Receiving Electricity	Households	24 343	4 854		4 854	4 854	4 854	4 854	4 854	
Informal Settlements (R000)	Rand Value									
Waste Water Management										
Sewerage										
Bucket Toilet	Households									
Flush Toilet (Connected To Sewerage)	Households	8 000	6 793		6 800	6 800	6 800	6 812	6 820	
Flush Toilet (With Septic Tank)	Households	5 000	28 000		28 020	28 020	28 020	28 025	28 030	
Sanitation	Households	41 000	4 854		4 854	4 854	4 854	4 854	4 854	
Informal Settlements (R000)	Rand Value									
No Toilet Provisions	Households	40 000								
Other Toilet Provisions (< Min.Service Level)	Households									
Other Toilet Provisions (> Min.Service Level)	Households		22 365		22 360	22 360	22 360	22 358	22 355	
Pit Toilet (Ventilated)	Households		21 000		21 020	21 020	21 020	21 020	21 020	
Water Management										
Water Distribution										
Water	Households	41 000	4 854		4 854	4 854	4 854	4 854	4 854	
Informal Settlements (R000)	Rand Value									
No Water Supply	Households									
Level)	Households		8 509		8 509	8 509	8 509	8 509	8 509	
Piped Water Inside Dwelling	Households		6 793		6 800	6 800	6 800	6 812	6 820	
Dwelling)	Households		29 856		29 872	29 872	29 872	29 878	29 886	
Using Public Tap (< Min.Service Level)	Households	12 000								
Level)	Households	52 000	30 000		30 000	30 000	30 000	30 000	30 000	

Table 27 MBRR Table SA8 - Performance indicators and benchmarks

The following table sets out the municipality’s main performance objectives and benchmarks for the 2026/27 MTREF.

NW375 Moses Kotane - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.3%	1.1%	0.5%	0.9%	0.9%	0.9%	1.6%	0.2%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.2%	1.1%	0.5%	1.1%	1.1%	1.1%	1.5%	0.2%	0.2%	0.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	-5.0%	-1371.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.2	1.1	0.9	1.2	1.3	1.3	(1.0)	1.0	1.0	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.2	1.1	0.9	1.2	1.3	1.3	(1.0)	1.0	1.0	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.3	0.5	0.4	0.6	0.6	0.6	1.5	0.3	0.3	0.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	130.4%	82.8%	60.8%	79.1%	79.1%	79.1%	118.0%	112.4%	114.7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		130.4%	82.8%	60.8%	79.1%	79.1%	79.1%	118.0%	112.4%	114.7%	116.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	48.4%	26.8%	30.6%	25.5%	25.6%	25.6%	13.9%	28.6%	28.1%	27.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))										
Creditors to Cash and Investments		16.6%	14.1%	36.6%	63.5%	63.5%	63.5%	-24.2%	538.3%	504.9%	423.9%
Other Indicators											
	Total Volume Losses (KW) technical										
	Total Volume Losses (KW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase Water treatment works Natural sources Total Volume Losses (Ml)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	28.6%	30.0%	30.3%	32.8%	33.0%	33.0%	34.8%	33.1%	33.9%	34.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	31.3%	32.5%	33.2%	35.7%	35.8%	35.8%	54.8%	35.9%	36.8%	37.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.2%	5.1%	6.3%	8.6%	7.9%	7.9%	10.5%	6.9%	6.9%	6.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	14.2%	12.2%	13.3%	16.6%	16.7%	16.7%	11.9%	15.1%	15.9%	16.8%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	53.3	46.0	35.1	38.3	38.2	53.8	19.2	27.1	25.3	26.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	164.2%	61.9%	107.5%	62.5%	62.5%	62.5%	117.0%	90.7%	89.2%	88.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	13.7	13.7	6.3	2.5	2.5	2.5	5.4	0.3	0.3	0.4

1.9.1 Performance indicators and benchmarks

1.9.2 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. As with all other municipalities, Moses Kotane Municipality’s borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the municipality’s debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2026/27 MTREF.

The municipality's debt profile provides some interesting insights on the future borrowing capacity. Firstly, the use of amortising loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2026/27 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

1.9.2.1

Liquidity

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. The municipality's current ratio is below 1 and is addressed on a urgent basis by the municipality to get it at least at 1. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

1.9.2.2

Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework has been 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, and credit control and debt collection.

1.9.2.3

Creditors Management

The municipality has not managed to ensure that creditors are settled within the legislated 30 days of invoice. This is mainly due to the late receive of invoices from suppliers. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

1.9.2.4

Other Indicators

The water distribution losses are of serious concern and provision has been made in the capital budget for a water feasibility study to address the water issues.

Employee costs as a percentage of operating revenue continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.

Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

1.9.3 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the municipality. With the exception of water and refuse in the rural areas only registered indigents qualify for the free basic services.

A total of 9122 registered indigents have been provided for in the budget. In terms of the Municipality's indigent policy registered households are entitled to 6kl free water, 50 Kwh of electricity, free sanitation and free waste removal equivalent to one removal once a week, as well as a discount on their property rates. 6 kilo litres of water is provided to indigent households.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 22 MBRR A10 (Basic Service Delivery Measurement) on page 51.

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc) are not taken into account in the table noted above.

1.9.4 Providing clean water and managing waste water

The municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. Approximately 71 per cent of the municipality's bulk water needs are provided directly by Magalies Water in the form of purified water. The remaining 29 per cent is generated from the municipality's own water sources, such as boreholes and small dams.

The following is briefly the main challenges facing the municipality in this regard:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;
- Electrical power supply to some of the plants is often interrupted which hampers the purification processes; and
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that have been taken to address these challenges:

- Infrastructure shortcomings are being addressed through the capital budget in terms of a 5-year upgrade plan;
- The filling of vacancies has commenced and the Waste Water Division will embark on an in-house training programme, especially for operational personnel;
- Eskom is to install dedicated power supply lines to the plants; and

- The Division is working in consultation with the Department of Water Affairs to address catchment management.

1.10 Overview of budget related-policies

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

1.10.1 Review of credit control and debt collection procedures/policies

The Credit Control and Debt Collection Policy was approved by Council in May 2025 are currently under review. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the funds provided in the EPWP should aim to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2026/27 MTREF has been prepared on the basis of actual payments received for services rendered. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels.

The threshold for indigent households and pensioners has been determined at double the amount payable for old age pension.

1.10.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the municipality's revenue base.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

1.10.3 Budget Approval Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the

financial management practices of municipalities. To ensure that the municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

1.10.4 Supply Chain Management Policy

The Supply Chain Management Policy was amended and approved by Council in February 2026. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on. A Standard Operating Procedure Manual on SCM has been developed and implemented.

1.10.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The Budget and Virement Policy was approved by Council in order to align with mSCOA guidelines.

1.10.6 Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy were approved in May 2025. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks.

1.10.7 Tariff Policies

The municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policy has been revised and is submitted for approval. Provision for a 100 per cent subsidy for indigents and pensioners has been provided.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Indigent Policy.

1.11 Overview of budget assumptions

1.11.1 External factors

The official unemployment rate is high.

There is high unemployment rate in the jurisdiction of the municipality.

It is expected that recovery from this deterioration will be slow and uneven.

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

1.11.2 General inflation outlook and its impact on the municipal activities

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

- National Government macro economic targets;
The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs constitute 30% of the total operating expenditure in the 2025/26 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. Credit rating outlook

Table 28 Credit rating outlook

The municipality does not have long term loans for the MTREF.

1.11.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The 2026/27 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular principal and interest payments.

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is based on actual payments on billings. Cash flow is assumed to be in line with the provision plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

1.11.4 Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

It is important to note that Moses Kotane is a predominately rural municipality with 107 of the 109 towns and villages under traditional management with limited revenue derived from the informal villages. Formalisation of these rural villages should be addressed as a high priority to broaden the municipality's revenue base.

1.11.5 Salary increases

Provision has been made for a 4.75% salary increase in 2026/27 in line with SALGA bargaining Council circular.

1.11.6 Impact of national, provincial and local policies

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

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

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

1.11.7 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 98 per cent on the capital programme for the 2026/27 MTREF of which performance has been factored into the cash flow budget.

1.12 Overview of budget funding

NW375 Moses Kotane - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		100 014	79 087	63 602	90 509	90 509	90 509	38 052	125 178	133 621	137 899
Service charges		154 773	93 693	27 379	82 666	82 666	82 666	66 815	80 527	83 184	89 297
Other revenue		589 255	425 826	(357 136)	42 032	42 032	42 032	(124 712)	40 292	44 150	45 706
Transfers and Subsidies - Operational	1	161 779	577 266	604 194	627 463	627 463	627 463	464 896	636 332	649 206	680 668
Transfers and Subsidies - Capital	1	208 558	232 503	222 552	225 068	225 068	225 068	167 185	229 311	253 824	262 838
Interest		9 679	13 045	21 892	19 678	19 678	19 678	10 220	39 129	42 242	46 393
Dividends									-	-	-
Payments											
Suppliers and employees		14 265	85 334	169 238	(957 274)	(957 274)	(957 274)	(73 961)	(921 230)	(957 451)	(997 498)
Finance charges		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 238 323	1 506 754	751 722	130 142	130 142	130 142	548 496	229 539	248 777	265 303
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(13)	1 928	11 863	-	-	-	262	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital		-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(8 803)	(26 404)	(48 976)	(258 828)	(258 828)	(258 828)	(89 148)	(240 261)	(253 824)	(262 838)
Retention (Capital)		-	-	-	-	-	-	-	(6 512)	(6 742)	(6 891)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 817)	(24 476)	(37 113)	(258 828)	(258 828)	(258 828)	(88 887)	(246 774)	(260 566)	(269 729)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	(13 805)	-	-	-	-	-	-	-
Borrowing long term/financing		-	(84)	(94)	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	(5)	(1)	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		(5 813)	(5 246)	(917)	(9 987)	(9 987)	(9 987)	(10 863)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(5 813)	(5 335)	(14 817)	(9 987)	(9 987)	(9 987)	(10 863)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	1 223 693	1 476 943	699 791	(138 673)	(138 673)	(138 673)	448 746	(17 234)	(11 790)	(4 426)
Cash/cash equivalents at the year end:	2	36 880	38 855	43 587	468 275	468 275	468 275	-	50 932	33 698	21 908
Cash/cash equivalents at the year end:	2	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482

The above cash flow budget indicates the municipality will be able to fund its operations for 2026/27 financial year as supported by favourable cash balance, even though the net cash held is unfavourable for 2026/27, it must be noted that it is gradually reducing over the two outer years. The funding plan is currently being reviewed to ensure that additional revenue enhancement strategies are improved and eventually phase out the negative net cash held.

1.12.1 Medium-term outlook: operating revenue

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

NW375 Moses Kotane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	178,981	190,319	130,832	198,188	198,188	198,188	61,001	162,475	167,836	173,207
Service charges - Waste Water Management	2	3,864	4,786	4,879	5,180	5,180	5,180	2,539	5,356	5,533	5,700
Service charges - Waste Management	2	11,817	12,864	13,292	14,109	14,109	14,109	9,228	14,435	14,912	15,389
Sale of Goods and Rendering of Services	2	761	793	722	1,418	1,418	1,418	491	732	746	769
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest											
Interest earned from Receivables	2	71,462	49,267	59,933	60,358	60,358	60,358	16,979	62,411	64,470	66,533
Interest earned from Current and Non Current Assets	2	9,745	13,500	13,235	13,097	8,727	8,727	5,591	8,774	8,839	9,060
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	152	99	25	101	31	31	26	31	31	32
Licence and permits	2	336	3,128	2,588	3,328	3,328	3,328	1,580	2,611	2,690	2,781
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	1,014	2,058	3,193	2,014	2,014	2,014	1,212	2,232	2,306	2,379
Non-Exchange Revenue											
Property rates	2	127,206	154,380	169,015	178,344	178,344	178,344	118,334	208,630	215,518	222,418
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	1,028	1,759	1,826	1,899	1,899	1,899	2,486	2,895	3,045	3,195
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	537,931	584,689	610,284	627,463	628,337	628,337	465,456	636,332	649,206	676,068
Interest	2	32,268	35,103	36,388	35,698	35,698	35,698	29,417	39,060	39,646	40,637
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	838	1,928	11,863	-	-	-	253	-	-	-
Other Gains	2	0	8	232	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and cont)		977,403	1,054,681	1,058,306	1,141,196	1,137,630	1,137,630	714,593	1,145,974	1,174,778	1,218,170
Expenditure											
Employee related costs	2	279,220	315,041	319,757	373,102	373,456	373,456	232,347	379,062	398,782	419,891
Remuneration of councillors	2	25,874	26,872	30,671	32,329	32,329	32,329	19,620	32,529	33,602	34,378
Bulk purchases - electricity	2	33,007	41,906	36,173	46,620	46,620	46,620	24,746	48,205	49,796	51,389
Inventory consumed	2,8	144,039	168,683	158,024	189,153	189,153	189,153	18,966	182,246	190,709	199,658
Debt impairment	2,3	-	117,678	153,424	194,234	194,234	194,234	107,712	268,472	270,468	272,314
Depreciation, amortisation and impairment	2	132,550	121,308	135,999	186,561	186,561	186,561	88,852	170,314	183,939	202,333
Interest, Dividends and Rent on Land	2	5,619	6,434	4,616	2,597	2,597	2,597	562	2,458	2,487	2,498
Contracted services	2	136,096	145,069	165,960	204,518	195,035	195,035	103,182	177,149	179,408	183,869
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	1,641	-	2,340	2,340	2,054	2,929	2,987	3,032
Operational costs	2	116,715	81,826	112,564	108,855	112,533	112,533	56,314	99,580	102,666	105,815
Disposal of Fixed and Intangible Assets	2	18,942	4,852	13,469	-	-	-	-	-	-	-
Other Losses	2	-	3	525	-	-	-	566	-	-	-
Total Expenditure		892,060	1,029,674	1,132,822	1,337,969	1,334,858	1,334,858	654,921	1,362,945	1,414,845	1,475,178
Surplus/(Deficit)		85,343	25,007	(74,517)	(196,773)	(197,229)	(197,229)	59,672	(216,971)	(240,067)	(257,008)
Transfers and subsidies - capital (monetary allocations)											
	6	217,386	232,306	215,615	225,068	232,220	232,220	98,774	229,311	253,824	262,838
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		302,729	257,313	141,099	28,295	34,991	34,991	158,446	12,340	13,757	5,829
Income Tax											
		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		302,729	257,313	141,099	28,295	34,991	34,991	158,446	12,340	13,757	5,829
Share of Surplus/Deficit attributable to Joint Venture											
		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities											
		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		302,729	257,313	141,099	28,295	34,991	34,991	158,446	12,340	13,757	5,829
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	302,729	257,313	141,099	28,295	34,991	34,991	158,446	12,340	13,757	5,829

Table breakdown of the municipality's funding of the budget

NW375 Moses Kotane - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		100 014	79 087	63 602	90 509	90 509	90 509	38 052	125 178	133 621	137 899
Service charges		154 773	93 693	27 379	82 666	82 666	82 666	66 815	80 527	83 184	89 297
Other revenue		589 255	425 826	(357 136)	42 032	42 032	42 032	(124 712)	40 292	44 150	45 706
Transfers and Subsidies - Operational	1	161 779	577 266	604 194	627 463	627 463	627 463	464 896	636 332	649 206	680 668
Transfers and Subsidies - Capital	1	208 558	232 503	222 552	225 068	225 068	225 068	167 185	229 311	253 824	262 838
Interest		9 679	13 045	21 892	19 678	19 678	19 678	10 220	39 129	42 242	46 393
Dividends											
Payments											
Suppliers and employees		14 265	85 334	169 238	(957 274)	(957 274)	(957 274)	(73 961)	(921 230)	(957 451)	(997 498)
Finance charges											
Transfers and Subsidies	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 238 323	1 506 754	751 722	130 142	130 142	130 142	548 496	229 539	248 777	265 303
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(13)	1 928	11 863				262			
Decrease (increase) in non-current receivables											
Decrease (increase) in non-current investments											
Insurance Refund - Capital											
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments											
Payments											
Capital assets		(8 803)	(26 404)	(48 976)	(258 828)	(258 828)	(258 828)	(89 148)	(240 261)	(253 824)	(262 838)
Retention (Capital)									(6 512)	(6 742)	(6 891)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 817)	(24 476)	(37 113)	(258 828)	(258 828)	(258 828)	(88 887)	(246 774)	(260 566)	(269 729)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans				(13 805)							
Borrowing long term/financing			(84)	(94)							
Increase (decrease) in consumer deposits			(5)	(1)							
Payments											
Repayment of borrowing		(5 813)	(5 246)	(917)	(9 987)	(9 987)	(9 987)	(10 863)			
NET CASH FROM/(USED) FINANCING ACTIVITIES		(5 813)	(5 335)	(14 817)	(9 987)	(9 987)	(9 987)	(10 863)			
NET INCREASE/(DECREASE) IN CASH HELD		1 223 693	1 476 943	699 791	(138 673)	(138 673)	(138 673)	448 746	(17 234)	(11 790)	(4 426)
Cash/cash equivalents at the year begin:	2	36 880	38 855	43 587	468 275	468 275	468 275		50 932	33 698	21 908
Cash/cash equivalents at the year end:	2	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482

Figure 7 Breakdown of operating revenue over the 2026/27 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as water, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

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

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a collection rate as budgeted for for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

Table 29 Projected tariff increases over the 2026/27 medium-term

2026/27 TARIFF INCREASE			
Revenue Source	2024/25	2025/26	2026/27
Property Rates	4.9%	4.3%	3.4%
Water	4.9%	4.3%	3.4%
Sanitation	4.9%	4.3%	3.4%
Refuse	4.9%	4.3%	3.4%

The tables below provide detail investment information and investment particulars by maturity

Table 30 MBRR SA15 – Detail Investment Information

NW375 Moses Kotane - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
Investments										
Bank Repurchase Agreements										
Specify 1										
Specify 2										
Specify 3										
Specify 4										
Specify 5										
Specify 6										
Specify 7										
Specify 8										
Specify 9										
Specify 10										
Specify 11										
Total Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificate										
Specify 1										
Specify 2										
Specify 3										
Specify 4										
Specify 5										
Specify 6										
Specify 7										
Specify 8										
Specify 9										
Specify 10										
Specify 11										
Total Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-
Total Negotiable Certificate of Deposits		-	-	-	-	-	-	-	-	-
Total Unamortised Preference Share Expense		-	-	-	-	-	-	-	-	-
Total Investments		-	-	-	-	-	-	-	-	-

Table 31 MBRR SA16 – Investment particulars by maturity

The municipality does not have long term investments.

The following table is a breakdown of the funding composition of the 2026/27 medium-term capital programme:

Figure 8 Sources of capital revenue for the 2026/27 financial year

2026/27 CAPITAL BUDGET FUNDING MIX			
Funding Source (R'000)	2026/2027	2027/2028	2028/29
MIG	177 068	197 474	203 958
WSIG	52 243	56 350	58 880
TOTAL GRANTS	229 311	253 824	262 838
OWN FUNDING	10 950	-	-
TOTAL CAPITAL BUDGET	240 261	253 824	262 838
GRANTS	95%	100%	100%
OWN FUNDING	5%	0%	0%

The capital budget will be funded as the per the table above.

The borrowing capacity of the municipality has essentially reached its limits and going forward borrowing limits will remain nominal if any.

The following table is a detailed analysis of the municipality's borrowing liability.

Table 33 MBRR Table SA 17 - Detail of borrowings

The following table illustrates the decrease in borrowing from 2026/27 to 2028/29 financial year.

NW375 Moses Kotane - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Borrowings										
Annuity and Bullet Loans										
Banks		-	-	-	-	-	-	-	-	-
Development Bank of South Africa		-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation		-	-	-	-	-	-	-	-	-
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
Total Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificate										
Total Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-
Concessionary Loan										
Derivative Financial Liability										
Public Investments Commissioners										
Total Derivative Financial Liability		-	-	-	-	-	-	-	-	-
Finance Lease Liability										
Banks		34,499	22,774	8,953	-	-	-	-	-	-
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises		254	171	77	603	603	603	-	-	-
Public Corporations										
Public Investments Commissioners										
Total Finance Lease Liability		34,753	22,945	9,029	603	603	603	-	-	-
Government Loans										
Intercompany/Parent-subsidary Transactions										
Local Registered Stock										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
Total Registered Stock		-	-	-	-	-	-	-	-	-
Marketable Bonds										
Banks										
Total Securities		-	-	-	-	-	-	-	-	-
Interest Rate Swaps										
Total Borrowings	1	34,753	22,945	9,029	603	603	603	-	-	-

Growth in outstanding borrowing (long term liabilities)

All long term loans have been settled. No borrowings for the 2026/27 MTREF.

Table 34 MBRR Table SA 18 - Capital transfers and grant receipts

NW375 Moses Kotane - Supporting Table SA18 Transfers and grant receipts

R thousand	Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	RECEIPTS	1.2									
	Operating										
	National Government										
	Monetary Allocations										
	Equitable Share		528 602	566 087	600 070	615 410	615 410	615 410	623 943	637 567	668 618
	EEDS: RECEIPTS		5 000	1 000	-	-	-	-	-	-	-
	EPWP: RECEIPTS		413	1 623	1 124	1 895	1 895	1 895	1 700	-	-
	LGFMS: RECEIPTS		1 950	1 950	2 000	2 000	2 000	2 000	2 100	2 200	2 300
	MDG: RECEIPTS		-	-	-	-	-	-	-	-	-
	MIG: RECEIPTS		4 642	5 400	-	7 000	7 437	7 437	7 378	8 228	8 498
	Total Monetary Allocations		540 607	576 066	603 194	626 305	626 742	626 742	635 121	647 995	679 416
	Total Operating/National Government		540 607	576 066	603 194	626 305	626 742	626 742	635 121	647 995	679 416
	Provincial Government										
	Monetary Allocations										
	LIBRARY GRANT: RECEIPTS		1 149	1 200	1 000	1 158	1 158	1 158	1 211	1 211	1 252
	Total Monetary Allocations		1 149	1 200	1 000	1 158	1 158	1 158	1 211	1 211	1 252
	Total Operating/Provincial Government		1 149	1 200	1 000	1 158	1 158	1 158	1 211	1 211	1 252
	District Municipalities										
	Monetary Allocations										
	Other transfers/grants [insert description]										
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	Other transfers/grants [insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
	Other Grant Providers										
	Monetary Allocations										
	[insert description]										
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	EPWP SKILLS DEV: RECEIPTS		-	-	-	-	-	-	-	-	-
	[insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Operating/Other Grant Providers		-	-	-	-	-	-	-	-	-
	Total Operating	5	541 756	577 266	604 194	627 463	627 900	627 900	636 331 840	649 206 080	680 668 414
	Capital										
	National Government										
	Monetary Allocations										
	MIG: RECEIPTS		149 191	162 503	167 552	175 068	174 631	174 631	177 068	197 474	203 958
	WSIG: RECEIPTS		59 125	70 000	55 000	50 000	50 000	50 000	52 243	56 350	58 880
	Total Monetary Allocations		208 316	232 503	222 552	225 068	224 631	224 631	229 311 160	253 823 920	262 837 760
	Total Capital/National Government		208 316	232 503	222 552	225 068	224 631	224 631	229 311 160	253 823 920	262 837 760
	Provincial Government										
	Monetary Allocations										
	MADIKWE WATER TREAT: RECEIPTS		-	-	-	-	-	-	-	-	-
	SEOLONG WATER SUPP: RECEIPTS		242	-	-	-	-	-	-	-	-
	Total Monetary Allocations		242	-	-	-	-	-	-	-	-
	Allocations In-kind										
	Other transfers/grants [insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Capital/Provincial Government		242	-	-	-	-	-	-	-	-
	District Municipalities										
	Monetary Allocations										
	Other transfers/grants [insert description]										
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	Other transfers/grants [insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
	Other Grant Providers										
	Monetary Allocations										
	SMALL BUSS ENTERP: RECEIPTS		-	-	-	-	-	-	-	-	-
	Total Monetary Allocations		-	-	-	-	-	-	-	-	-
	Allocations In-kind										
	[insert description]										
	Total Allocations In-kind		-	-	-	-	-	-	-	-	-
	Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
	Total Capital	5	208 558	232 503	222 552	225 068	224 631	224 631	229 311	253 824	262 838
	TOTAL RECEIPTS OF TRANSFERS AND GRANTS		750 313	809 769	826 746	852 531	852 531	852 531	865 643	903 030	943 506

1.12.2 Cash Flow Management

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

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 35 MBRR Table A7 - Budget cash flow statement

NW375 Moses Kotane - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		100 014	79 087	63 602	90 509	90 509	90 509	38 052	125 178	133 621	137 899
Service charges		154 773	93 693	27 379	82 666	82 666	82 666	66 815	80 527	83 184	89 297
Other revenue		589 255	425 826	(357 136)	42 032	42 032	42 032	(124 712)	40 292	44 150	45 706
Transfers and Subsidies - Operational	1	161 779	577 266	604 194	627 463	627 463	627 463	464 896	636 332	649 206	680 668
Transfers and Subsidies - Capital	1	208 558	232 503	222 552	225 068	225 068	225 068	167 185	229 311	253 824	262 838
Interest		9 679	13 045	21 892	19 678	19 678	19 678	10 220	39 129	42 242	46 393
Dividends											
Payments											
Suppliers and employees		14 265	85 334	169 238	(957 274)	(957 274)	(957 274)	(73 961)	(921 230)	(957 451)	(997 498)
Finance charges		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 238 323	1 506 754	751 722	130 142	130 142	130 142	548 496	229 539	248 777	265 303
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(13)	1 928	11 863	-	-	-	262	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital									-	-	-
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments									-	-	-
Payments											
Capital assets		(8 803)	(26 404)	(48 976)	(258 828)	(258 828)	(258 828)	(89 148)	(240 261)	(253 824)	(262 838)
Retention (Capital)		-	-	-	-	-	-	-	(6 512)	(6 742)	(6 891)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 817)	(24 476)	(37 113)	(258 828)	(258 828)	(258 828)	(88 887)	(246 774)	(260 566)	(269 729)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	(13 805)	-	-	-	-	-	-	-
Borrowing long term/financing		-	(84)	(94)	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	(5)	(1)	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		(5 813)	(5 246)	(917)	(9 987)	(9 987)	(9 987)	(10 863)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(5 813)	(5 335)	(14 817)	(9 987)	(9 987)	(9 987)	(10 863)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		1 223 693	1 476 943	699 791	(138 673)	(138 673)	(138 673)	448 746	(17 234)	(11 790)	(4 426)
Cash/cash equivalents at the year begin:	2	36 880	38 855	43 587	468 275	468 275	468 275	-	50 932	33 698	21 908
Cash/cash equivalents at the year end:	2	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482

the above table shows that the cash and cash equivalents of the municipality will be sufficient to fund the operations, it must however be noted that the available is not sufficient to cover the liabilities on the statement of financial position.

Cash Backed Reserves/Accumulated Surplus Reconciliation

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

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

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

Table 36 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

NW375 Moses Kotane - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482
Application of cash and investments											
Unspent conditional transfers		8 156	3 305	9 740	-	(8 025)	(8 025)	67 851	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(5 104)	119 725	314 576	172 661	172 661	172 661	(139 692)	147 429	141 251	137 964
Other provisions		43 331	48 294	52 252	5 719	5 719	5 719	51 172	5 773	5 839	5 865
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		46 383	171 324	376 568	178 379	170 354	170 354	(20 669)	153 202	147 090	143 830
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)

The above table is the accumulated surplus reconciliation. The above indicate that the 2026/27 budget is unfunded by R119 million, slightly increasing over the MTREF.

Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding

compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 37 MBRR SA10 – Funding compliance measurement

NW375 Moses Kotane Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	1 260 573	1 515 798	743 378	329 602	329 602	329 602	448 746	33 698	21 908	17 482
Cash + investments at the yr end less applications - R'000	18(1)b	2	1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)
Cash year end/monthly employee/supplier payments	18(1)b	3	10.6	11.4	5.6	2.5	4.0	2.4	3.2	0.2	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	300 330	253 206	137 118	24 007	30 703	30 703	128 807	12 115	13 514	5 562
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	6.1%	(18.3%)	18.7%	(6.0%)	(6.0%)	(57.9%)	(6.2%)	(2.7%)	(2.8%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	88.1%	52.0%	(22.4%)	16.5%	16.5%	16.5%	(2.5%)	61.6%	63.2%	64.1%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	32.8%	48.9%	49.6%	49.6%	49.6%	57.2%	68.7%	67.0%	65.3%
Capital payments % of capital expenditure	18(1)c,(19)	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	2.7%	2.6%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	(5.0%)	(9.3%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(25.2%)	(6.2%)	28.6%	0.0%	0.0%	(116.2%)	(570.6%)	1.8%	1.3%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.8%	1.7%	1.9%	2.6%	2.3%	2.3%	1.9%	1.9%	1.9%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	33.2%	5.4%	0.0%	9.5%	11.0%	11.0%	0.0%	18.9%	19.6%	15.2%
Total Operating Revenue			975 004	1 050 573	1 054 325	1 136 908	1 133 342	1 133 342	713 413	1 145 974	1 174 778	1 218 170
Total Operating Expenditure			892 060	1 029 674	1 132 822	1 337 969	1 334 858	1 334 858	683 380	1 363 170	1 415 088	1 475 446
Operating Performance Surplus/(Deficit)			82 944	20 899	(78 497)	(201 061)	(201 517)	(201 517)	30 033	(217 196)	(240 310)	(257 276)
Cash and Cash Equivalents (30 June 2012)												
Revenue												
% Increase in Total Operating Revenue				7.8%	0.4%	7.8%	(0.3%)	0.0%	(37.1%)	1.1%	2.5%	3.7%
% Increase in Property Rates Revenue				20.4%	9.8%	5.5%	0.0%	0.0%	(33.7%)	80.8%	3.3%	3.2%
% Increase in Electricity Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				12.1%	(12.3%)	24.7%	0.0%	0.0%	(51.9%)	(0.2%)	3.3%	3.2%
Expenditure												
% Increase in Total Operating Expenditure			0.0%	15.4%	10.0%	18.1%	(0.2%)	0.0%	(48.8%)	2.1%	3.8%	4.3%
% Increase in Employee Costs			0.0%	12.8%	1.5%	16.7%	0.1%	0.0%	(37.4%)	1.5%	5.2%	5.3%
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)			0	480978.4132	1559790.882	875825.7746	895577.7722	23340995.69	537523.589	871407.8437	1460740.414	26243185.19
Average Cost Per Councillor (Remuneration)			0	0	451036.8888	475427.8824	0	475427.8824	291768.9243	478367.8529	0	505560.6618
R&M % of PPE			1.8%	1.7%	1.9%	2.6%	2.3%	2.3%	1.9%	1.9%	1.9%	1.9%
Asset Renewal and R&M as a % of PPE			2.0%	1.7%	2.1%	6.6%	7.2%	7.2%	6.7%	6.7%	5.4%	4.9%
Debt Impairment % of Total Billable Revenue			0.0%	32.8%	48.9%	49.6%	49.6%	49.6%	57.2%	68.7%	67.0%	65.3%
Capital Revenue												
Internally Funded & Other (R'000)			106	1 679	1 014	-	3 670	3 670	379	10 950	-	-
Borrowing (R'000)			-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)			8 697	24 725	47 963	225 068	232 220	232 220	92 914	229 311	253 824	262 838
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			98.8%	93.6%	97.9%	100.0%	98.4%	98.4%	99.6%	95.4%	100.0%	100.0%
Capital Expenditure												
Total Capital Programme (R'000)			8 803	26 404	48 976	225 068	235 890	235 890	93 293	240 261	253 824	262 838
Asset Renewal			5 712	1 684	3 264	140 968	171 849	171 849	-	165 888	126 800	110 000
Asset Renewal % of Total Capital Expenditure			64.9%	6.4%	6.7%	62.6%	72.9%	72.9%	0.0%	69.0%	50.0%	41.9%
Cash												
Cash Receipts % of Rate Payer & Other			88.1%	52.0%	(22.4%)	16.5%	16.5%	16.5%	(2.5%)	61.6%	63.2%	64.1%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	-	-
Borrowing												
Most recent Credit Rating										0		
Capital Charges to Operating			1.3%	1.1%	0.5%	0.9%	0.9%	0.9%	1.7%	0.2%	0.2%	0.2%
Borrowing Receipts % of Capital Expenditure			0.0%	(5.0%)	(9.3%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Uncommitted reserves after application of cash and investments			1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)
Free Services												
Free Basic Services as a % of Equitable Share			(0.1%)	(0.0%)	(0.0%)	(2.7%)	(2.7%)	(2.7%)	(0.1%)	(0.1%)	(1.7%)	(1.6%)
Free Services as a % of Operating Revenue (excl operational transfers)			(0.5%)	(0.9%)	(0.9%)	(0.8%)	(0.8%)	(0.8%)	(1.2%)	(0.6%)	(0.9%)	(0.9%)
High Level Outcome of Funding Compliance												
Total Operating Revenue			975 004	1 050 573	1 054 325	1 136 908	1 133 342	1 133 342	713 413	1 145 974	1 174 778	1 218 170
Total Operating Expenditure			892 060	1 029 674	1 132 822	1 337 969	1 334 858	1 334 858	683 380	1 363 170	1 415 088	1 475 446
Surplus/(Deficit) Budgeted Operating Statement			82 944	20 899	(78 497)	(201 061)	(201 517)	(201 517)	30 033	(217 196)	(240 310)	(257 276)
Surplus/(Deficit) Considering Reserves and Cash Backing			1 214 190	1 344 474	366 810	151 222	159 247	159 247	469 415	(119 504)	(125 182)	(126 347)
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	0	0	0
MTREF Funded ✓ / Unfunded *			✓	✓	✓	✓	✓	✓	✓	x	x	x

1.12.2.1*Cash/cash equivalent position*

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

1.12.2.2*Cash plus investments less
application of funds*

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 19, on page 47. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

1.12.2.3*Monthly average payments covered
by cash or cash equivalents*

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. As indicated above the municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually move towards two months coverage. This measure will have to be carefully monitored going forward.

1.12.2.4*Surplus/deficit excluding
depreciation offsets*

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2023/24 MTREF the indicative outcome is a relative small surplus and turns negative when depreciation is set of against revenue.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

1.12.2.5

Cash receipts as a percentage of ratepayer and other revenue

Given that the assumed collection rate was based on a 60 per cent performance target, the cash flow statement has been conservatively determined. In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly?

1.12.2.6

Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 37,5 per cent over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

1.12.2.7

Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 100% payment of capital expenditure is provided for.

1.12.2.8

Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 0 per cent of own funded capital for the 2019/2020 financial year and stays at zero in the two outer years. Further details relating to the borrowing strategy of the municipality can be found on 66.

1.12.2.9

Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for as per the Division of Revenue Act (DoRA). The municipality has budgeted for all transfers.

1.12.2.10

*Repairs and maintenance
expenditure level*

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance is contained in Table 60 MBRR SA34C on page 90.

1.12.2.11

*Asset renewal/rehabilitation
expenditure level*

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 52 MBRR SA34b on page 110.

1.13 Expenditure on grants and reconciliations of unspent funds
Table 38 MBRR SA19 - Expenditure on transfers and grant programmes

NW375 Moses Kotane - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
EXPENDITURE										
Operating										
National Government										
Monetary Allocations										
Local Government Equitable Share		176	571 537	542 424	615 410	619 331	619 331	623 943	637 567	668 618
Energy Efficiency and Demand Side Management Grant		573	1 300	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant		1 634	1 549	1 403	1 895	1 895	1 895	1 700	-	-
Local Government Financial Management Grant		1 769	1 940	1 165	2 000	2 000	2 000	2 100	2 200	2 300
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	5 785	5 085	7 000	7 437	7 437	7 378	8 228	8 498
Total Monetary Allocations		4 151	582 111	550 076	626 305	630 663	630 663	635 121	647 995	679 416
Total National Government		4 151	582 111	550 076	626 305	630 663	630 663	635 121	647 995	679 416
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
National Library South Africa		-	-	-	-	-	-	-	-	-
North West Provincial Arts and Culture Council		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants		4 151	582 111	550 076	626 305	630 663	630 663	635 121	647 995	679 416
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		4 747	11 491	47 963	175 068	180 575	180 575	177 068	197 474	203 958
Water Services Infrastructure Grant		3 950	13 233	0	50 000	51 644	51 644	52 243	55 243	58 880
Total Monetary Allocations		8 697	24 725	47 963	225 068	232 220	232 220	229 311	252 717	262 838
Total National Government		8 697	24 725	47 963	225 068	232 220	232 220	229 311	252 717	262 838
Provincial Government										
Monetary Allocations										
Infrastructure Grant		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
Municipal Infrastructure Investment Unit		-	-	-	-	-	-	-	-	-
National Small Business Council		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		8 697	24 725	47 963	225 068	232 220	232 220	229 311	252 717	262 838
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		12 848	606 835	598 039	851 373	862 883	862 883	864 432	900 712	942 254

Table 39 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

NW375 Moses Kotane - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Operating transfers and grants:										
Monetary Allocations										
Balance unspent at beginning of the year		(4 681)	(9 127)	(4 529)	-	-	-	-	-	-
Current year receipts		(12 005)	(9 979)	(3 124)	(10 895)	(11 332)	(11 332)	(11 178)	(10 428)	(10 798)
Repayment of grants		617	4 650	53	-	-	-	-	-	-
Conditions met - transferred to revenue		(24 245)	(33 684)	(10 516)	(21 790)	(22 664)	(22 664)	(22 356)	(20 856)	(21 596)
Conditions still to be met - transferred to liabilities		6 942	9 928	2 811	10 895	11 332	11 332	11 178	10 428	10 798
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		(1 149)	(1 200)	(1 000)	(1 158)	(1 158)	(1 158)	(1 211)	(1 211)	(1 252)
Conditions met - transferred to revenue		(1 149)	(1 200)	(1 000)	(1 158)	(1 158)	(1 158)	(1 211)	(1 211)	(1 252)
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		-	57	57	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	57	57	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		(25 394)	(34 827)	(11 460)	(22 948)	(23 822)	(23 822)	(23 567)	(22 067)	(22 849)
Total operating transfers and grants - CTBM	2	6 942	9 928	2 811	10 895	11 332	11 332	11 178	10 428	10 798
Capital transfers and grants:										
Monetary Allocations										
Balance unspent at beginning of the year		(6 423)	2 405	2 209	-	-	-	-	-	-
Current year receipts		(208 316)	(232 503)	(222 552)	(225 068)	(224 631)	(224 631)	(229 311)	(253 824)	(262 838)
Conditions met - transferred to revenue		(431 883)	(462 404)	(435 959)	(450 136)	(456 850)	(456 850)	(458 622)	(507 648)	(525 676)
Conditions still to be met - transferred to liabilities		217 144	232 306	215 615	225 068	232 220	232 220	229 311	253 824	262 838
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		(242)	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		(242)	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		(432 125)	(462 404)	(435 959)	(450 136)	(456 850)	(456 850)	(458 622)	(507 648)	(525 676)
Total capital transfers and grants - CTBM	2	217 144	232 306	215 615	225 068	232 220	232 220	229 311	253 824	262 838
TOTAL TRANSFERS AND GRANTS REVENUE		(457 518)	(497 231)	(447 418)	(473 084)	(480 673)	(480 673)	(482 189)	(529 715)	(548 524)
TOTAL TRANSFERS AND GRANTS - CTBM		224 086	242 234	218 426	235 963	243 552	243 552	240 489	264 252	273 636

1.14 Councillor and employee benefits

Table 40 MBRR SA22 - Summary of councillor and staff benefits

NW375 Moses Kotane - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration			Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	2022/23	2023/24	2024/25	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Allowances and Service Related Benefits									
Basic Salary	21 687	22 647	23 040	23 864	23 864	23 864	25 033	25 868	26 393
Cell phone Allowance	3 017	3 126	3 173	3 204	3 204	3 204	2 881	2 970	3 065
Housing Allowance	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-
Market Related Non-pensionable Allowance	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Office-bearer Allowance	-	-	-	-	-	-	-	-	-
Out-of-pocket Expenses	-	-	-	-	-	-	-	-	-
Traveling Allowance	1 170	1 099	959	1 625	1 625	1 625	850	877	905
Use of Personal Facilities	-	-	-	-	-	-	-	-	-
Total Allowances and Service Related Benefits	25 874	26 872	27 172	28 693	28 693	28 693	28 765	29 715	30 363
Social Contributions									
Medical Aid Benefits	-	-	289	314	314	314	325	335	347
Pension Fund Contributions	-	-	3 209	3 322	3 322	3 322	3 439	3 552	3 668
Total Social Contributions	-	-	3 498	3 636	3 636	3 636	3 764	3 887	4 015
Total Councillors	25 874	26 872	30 671	32 329	32 329	32 329	32 529	33 602	34 378
% increase		3.9%	14.1%	5.4%	-	-	0.6%	3.3%	2.3%
Senior Managers of the Municipality									
Salaries and Allowances									
Basic Salary	3 731	3 967	2 958	9 950	9 950	9 950	9 016	9 475	9 959
Bonuses	98	118	238	281	281	281	-	-	-
Allowance									
Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-
Cellular and Telephone	-	-	-	-	-	-	-	-	-
Housing Benefits	-	-	-	-	-	-	-	-	-
Non-pensionable	-	-	-	-	-	-	-	-	-
Travel or Motor Vehicle	556	403	541	541	541	541	643	643	643
Voluntary Work	-	-	-	-	-	-	-	-	-
Total Allowance	556	403	541	541	541	541	643	643	643
Service Related Benefits									
Acting	93	-	-	-	-	-	-	-	-
Bonus	-	-	-	-	-	-	-	-	-
Danger Allowance	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fire Brigade	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-
Leave Pay	-	-	-	-	-	-	-	-	-
Lieutenant/Duty Squads	-	-	-	-	-	-	-	-	-
Long Service Award	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Scarcity	-	-	-	-	-	-	-	-	-
Standby Allowance	-	-	-	-	-	-	-	-	-
Tools Allowance	-	-	-	-	-	-	-	-	-
Uniform/Special/Protective Clothing	-	-	-	-	-	-	-	-	-
Leave gratuity	-	-	-	-	-	-	-	-	-
Long Term Service Award	-	-	-	-	-	-	-	-	-
Total Service Related Benefits	93	-	-	-	-	-	-	-	-
Total Salaries and Allowances	4 478	4 488	3 737	10 771	10 771	10 771	9 659	10 118	10 602
Social Contributions									
Bargaining Council	0	0	0	1	1	1	1	1	1
Group Life Insurance	-	-	-	-	-	-	-	-	-
Medical	54	-	-	165	165	165	231	243	256
Pension	213	117	614	1 757	1 757	1 757	843	888	934
Unemployment Insurance	1	1	3	17	17	17	13	14	15
Total Social Contributions	267	118	617	1 940	1 940	1 940	1 089	1 146	1 206
Post-retirement Benefit									
Medical	-	-	-	-	-	-	-	-	-
Other Benefits	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-
Costs Capitalised to PPE	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	4 745	4 606	4 354	12 711	12 711	12 711	10 748	11 264	11 808
% increase		(2.9%)	(5.9%)	191.9%	-	-	(15.4%)	4.8%	4.8%
Other Municipal Staff									
Salaries and Allowances									
Basic Salary	181 806	204 435	213 589	245 997	245 247	245 247	250 778	263 822	278 193
Bonuses	12 509	12 334	6 136	353	353	353	370	389	410
Allowance									
Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-
Cellular and Telephone	-	-	-	-	-	-	-	-	-
Housing Benefits	631	763	853	901	901	901	944	993	1 045
Non-pensionable	1 078	1 305	770	1 193	1 193	1 193	1 249	1 315	1 384
Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-
Voluntary Work	-	-	-	-	-	-	-	-	-
Total Allowance	1 709	2 069	1 623	2 094	2 094	2 094	2 193	2 308	2 429
Service Related Benefits									
Acting	1 171	1 249	1 542	1 255	1 255	1 255	1 314	1 363	1 455
Bonus	-	3 787	8 841	17 851	17 851	17 851	18 699	19 681	20 714
Danger Allowance	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fire Brigade	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-
Leave Pay	719	4 059	4 035	-	-	-	-	-	-
Lieutenant/Duty Squads	-	-	-	-	-	-	-	-	-
Long Service Award	-	-	-	-	-	-	-	-	-
Overtime	20 210	20 182	18 552	18 420	19 526	19 526	17 035	17 929	18 571
Scarcity	-	-	-	-	-	-	-	-	-
Standby Allowance	2 799	4 064	3 895	5 030	5 030	5 030	5 269	5 545	5 836
Tools Allowance	-	-	-	-	-	-	-	-	-
Uniform/Special/Protective Clothing	-	-	-	-	-	-	-	-	-
Leave gratuity	-	-	-	-	-	-	-	-	-
Long Term Service Award	-	-	-	-	-	-	-	-	-
Total Service Related Benefits	24 899	33 342	36 855	42 556	43 662	43 662	42 318	44 539	46 577
Total Salaries and Allowances	220 923	252 179	258 213	291 000	291 356	291 356	295 658	311 057	327 609
Social Contributions									
Bargaining Council	77	83	86	93	92	92	96	101	107
Group Life Insurance	-	-	-	-	-	-	-	-	-
Medical	15 403	16 707	17 688	21 559	21 559	21 559	22 555	23 736	24 982
Pension	36 841	40 193	38 132	46 436	46 436	46 436	48 641	51 188	53 875
Unemployment Insurance	1 230	1 272	1 283	1 303	1 302	1 302	1 364	1 436	1 511
Total Social Contributions	53 551	58 256	57 190	69 390	69 389	69 389	72 656	76 460	80 475
Post-retirement Benefit									
Medical	-	-	-	-	-	-	-	-	-
Other Benefits	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-
Costs Capitalised to PPE	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	274 474	310 435	315 403	360 391	360 745	360 745	368 315	387 518	408 683
% increase		13.1%	1.6%	14.3%	0.1%	-	2.1%	5.2%	5.3%
Total Parent Municipality	305 094	341 913	350 428	405 431	405 785	405 785	411 591	432 384	454 269

Table 41 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

NW375 Moses Kotane - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum		No.	1.				2.
Councillors							
Speaker	3						
Chief Whip	4	720 765	121 248	-			842 013
Executive Mayor		704 606	115 977	-			820 583
Deputy Executive Mayor		903 253	154 204	-			1 057 457
Executive Committee		5 230 969	813 328				6 044 297
Total for all other councillors		17 473 431	2 559 615	3 731 618			23 764 664
Total Councillors	8	-	25 033 024	3 764 372	3 731 618		32 529 014
Senior Managers of the Municipality							
Municipal Manager (MM)	5	1 605 250	180 506	265 158	-		2 050 914
Chief Finance Officer		1 521 659	220 278	216 158	-		1 958 095
SM		-	-	-	-		-
SM AO		-	-	-	-		-
SM D01		1 135 360	-	-	-		1 135 360
SM D02		1 261 068	2 226	158	-		1 263 452
SM D03		1 057 686	2 226	158	-		1 060 070
SM D04		1 298 398	-	158	-		1 298 556
SM D05		1 136 639	67 668	42 158	-		1 246 465
SM DCH		-	62 689	120 000	-		182 689
SM DCS		-	-	-	-		-
SM DPS		-	251 611	-	-		251 611
SM DTS		-	300 318	158	-		300 476
<i>List of each official with packages >= senior manager</i>							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
Total Senior Managers of the Municipality	8,10	-	9 016 060	1 087 522	644 106	-	10 747 688
A Heading for Each Entity							
List each member of board by designation	6,7						-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
Total for municipal entities	8,10	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	34 049 084	4 851 894	4 375 724	-	43 276 702

Table 42 MBRR SA24 – Summary of personnel numbers

NW375 Moses Kotane - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2024/25			Current Year 2025/26			Budget Year 2026/27		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		68	–	68	69	–	69	69	–	69
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	6	1	5	6	4	2	7	5	2
Other Managers	7	65	65	–	65	65	–	68	68	–
Professionals		222	222	–	222	217	5	222	217	5
<i>Finance</i>		148	148	–	148	143	5	148	143	5
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		74	74	–	74	74	–	74	74	–
Technicians		12	12	–	12	12	–	12	12	–
<i>Finance</i>		–	–	–	–	–	–	–	–	–
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		12	12	–	12	12	–	12	12	–
Clerks (Clerical and administrative)		173	173	–	173	173	–	173	173	–
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations		95	95	–	95	95	–	95	95	–
TOTAL PERSONNEL NUMBERS	9	641	568	73	642	566	76	646	570	76
% increase					0.2%	(0.4%)	4.1%	0.6%	0.7%	–
Total municipal employees headcount	6, 10	641	568	73	642	566	76	646	570	76
Finance personnel headcount	8, 10	–	–	–	–	–	–	–	–	–
Human Resources personnel headcount	8, 10	–	–	–	–	–	–	–	–	–

1.15 Monthly targets for revenue, expenditure and cash flow

Table 43 MBRR SA25 - Budgeted monthly revenue and expenditure

NW375 Moses Kotane - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue																
Exchange Revenue																
Service charges - Electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - Water		13 540	13 540	13 540	13 540	13 540	13 540	13 540	13 540	13 540	13 540	13 540	13 540	162 475	167 836	173 207
Service charges - Waste Water Management		446	446	446	446	446	446	446	446	446	446	446	446	5 356	5 533	5 700
Service charges - Waste Management		1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	14 435	14 912	15 389
Sale of Goods and Rendering of Services		61	61	61	61	61	61	61	61	61	61	61	61	732	746	769
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		5 201	5 201	5 201	5 201	5 201	5 201	5 201	5 201	5 201	5 201	5 201	5 201	62 411	64 470	66 533
Interest earned from Current and Non Current Assets		731	731	731	731	731	731	731	731	731	731	731	731	8 774	8 839	9 060
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		3	3	3	3	3	3	3	3	3	3	3	3	31	31	32
Licence and permits		218	218	218	218	218	218	218	218	218	218	218	218	2 611	2 690	2 781
Special rating levies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Construction Contract Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Development Charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		186	186	186	186	186	186	186	186	186	186	186	186	2 232	2 306	2 379
Non-Exchange Revenue																
Property rates		17 386	17 386	17 386	17 386	17 386	17 386	17 386	17 386	17 386	17 386	17 386	17 386	208 630	215 518	222 418
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		241	241	241	241	241	241	241	241	241	241	241	241	2 895	3 045	3 195
Licences or permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	636 332	649 206	676 068
Interest		3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	39 060	39 646	40 637
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		95 498	95 498	95 498	95 498	95 498	95 498	95 498	95 498	95 498	95 498	95 498	95 498	1 145 974	1 174 778	1 218 170
Expenditure																
Employee related costs		31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	379 062	398 782	419 891
Remuneration of councillors		2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	32 529	33 602	34 378
Bulk purchases - electricity		4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	48 205	49 796	51 389
Inventory consumed		15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	182 246	190 709	199 658
Debt impairment		22 373	22 373	22 373	22 373	22 373	22 373	22 373	22 373	22 373	22 373	22 373	22 373	268 472	270 468	272 314
Depreciation, amortisation and impairment		14 212	14 212	14 212	14 212	14 212	14 212	14 212	14 212	14 212	14 212	14 212	14 212	170 540	184 183	202 601
Interest, Dividends and Rent on Land		205	205	205	205	205	205	205	205	205	205	205	205	2 458	2 487	2 498
Contracted services		14 762	14 762	14 762	14 762	14 762	14 762	14 762	14 762	14 762	14 762	14 762	14 762	177 149	179 408	183 869
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		244	244	244	244	244	244	244	244	244	244	244	244	2 929	2 987	3 032
Operational costs		8 298	8 298	8 298	8 298	8 298	8 298	8 298	8 298	8 298	8 298	8 298	8 298	99 580	102 666	105 815
Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	1 363 170	1 415 088	1 475 446
Surplus/(Deficit)		(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(18 100)	(217 196)	(240 310)	(257 276)
Transfers and subsidies - capital (monetary allocations)		19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	229 311	263 824	262 838
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	12 115	13 514	5 562
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	12 115	13 514	5 562
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	12 115	13 514	5 562
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	12 115	13 514	5 562

Table 44 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

NW375 Moses Kotane - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote																
Vote 01 - Municipal Council		6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 428	77 130	77 077	80 831
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		51 092	51 092	51 092	51 092	51 092	51 092	51 092	51 092	51 092	51 092	51 092	51 092	613 100	629 194	649 355
Vote 04 - Corporate Services		56	56	56	56	56	56	56	56	56	56	56	56	672	694	717
Vote 05 - Community Services		11 303	11 303	11 303	11 303	11 303	11 303	11 303	11 303	11 303	11 303	11 303	11 303	135 634	145 298	175 162
Vote 06 - Planning & Development		14	14	14	14	14	14	14	14	14	14	14	14	169	170	191
Vote 07 - Infrastructure & Technical Services		45 715	45 715	45 715	45 715	45 715	45 715	45 715	45 715	45 715	45 715	45 715	45 715	548 581	576 169	574 753
Vote 08 -																
Vote 09 -																
Vote 10 -																
Vote 11 -																
Vote 12 -																
Vote 13 -																
Vote 14 -																
Vote 15 - Other																
Total Revenue by Vote		114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	1 375 285	1 428 602	1 481 008
Expenditure by Vote to be appropriated																
Vote 01 - Municipal Council		7 400	7 400	7 400	7 400	7 400	7 400	7 400	7 400	7 400	7 400	7 400	7 399	88 795	90 057	92 516
Vote 02 - Office Of The Accounting Officer		2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	2 635	31 620	33 078	34 409
Vote 03 - Budget And Treasury Office		16 211	16 211	16 211	16 211	16 211	16 211	16 211	16 211	16 211	16 211	16 211	16 211	194 535	197 286	203 303
Vote 04 - Corporate Services		8 895	8 895	8 895	8 895	8 895	8 895	8 895	8 895	8 895	8 895	8 895	8 895	106 745	111 146	116 679
Vote 05 - Community Services		17 626	17 626	17 626	17 626	17 626	17 626	17 626	17 626	17 626	17 626	17 626	17 625	211 506	220 880	231 057
Vote 06 - Planning & Development		3 759	3 759	3 759	3 759	3 759	3 759	3 759	3 759	3 759	3 759	3 759	3 759	45 109	46 241	47 990
Vote 07 - Infrastructure & Technical Services		57 072	57 072	57 072	57 072	57 072	57 072	57 072	57 072	57 072	57 072	57 072	57 071	684 862	716 400	749 491
Vote 08 -																
Vote 09 -																
Vote 10 -																
Vote 11 -																
Vote 12 -																
Vote 13 -																
Vote 14 -																
Vote 15 - Other																
Total Expenditure by Vote		113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 595	113 595	1 363 170	1 415 088	1 475 446
Surplus/(Deficit) before assoc.		1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 013	12 115	13 514	5 562
Income Tax																
Share of Surplus/Deficit attributable to Minorities																
Intercompany/Parent subsidiary transactions																
Surplus/(Deficit)	1	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 013	12 115	13 514	5 562

Table 45 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

NW375 Moses Kotane - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
Revenue - Functional																	
Governance and administration		57 575	57 575	57 575	57 575	57 575	57 575	57 575	57 575	57 575	57 575	57 575	57 575	690 902	706 965	730 902	
Executive and council		6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 427	6 428	77 130	77 077	80 831	
Finance and administration		51 148	51 148	51 148	51 148	51 148	51 148	51 148	51 148	51 148	51 148	51 148	51 148	613 772	629 888	650 071	
Internal audit																	
Community and public safety		1 974	1 974	1 974	1 974	1 974	1 974	1 974	1 974	1 974	1 974	1 974	1 975	23 694	30 753	55 287	
Community and social services		105	105	105	105	105	105	105	105	105	105	105	105	1 266	1 267	1 310	
Sport and recreation		1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	16 921	23 750	48 000	
Public safety		459	459	459	459	459	459	459	459	459	459	459	459	5 507	5 735	5 977	
Housing																	
Health																	
Economic and environmental services		10 713	10 713	10 713	10 713	10 713	10 713	10 713	10 713	10 713	10 713	10 713	10 713	128 556	109 448	67 689	
Planning and development		629	629	629	629	629	629	629	629	629	629	629	629	7 546	8 398	8 689	
Road transport		10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	121 010	101 050	59 000	
Environmental protection																	
Trading services		44 344	44 344	44 344	44 344	44 344	44 344	44 344	44 344	44 344	44 344	44 344	44 345	532 133	581 436	627 129	
Energy sources		167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 674	4 823	
Water management		32 143	32 143	32 143	32 143	32 143	32 143	32 143	32 143	32 143	32 143	32 143	32 143	385 714	430 968	467 665	
Waste water management		2 707	2 707	2 707	2 707	2 707	2 707	2 707	2 707	2 707	2 707	2 707	2 707	32 480	33 249	34 766	
Waste management		9 328	9 328	9 328	9 328	9 328	9 328	9 328	9 328	9 328	9 328	9 328	9 328	111 940	114 545	119 875	
Other																	
Total Revenue - Functional		114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	114 607	1 375 285	1 428 602	1 481 008	
Expenditure - Functional																	
Governance and administration		36 036	36 036	36 036	36 036	36 036	36 036	36 036	36 036	36 036	36 036	36 036	36 034	432 425	442 932	459 215	
Executive and council		8 854	8 854	8 854	8 854	8 854	8 854	8 854	8 854	8 854	8 854	8 854	8 853	106 242	108 272	111 340	
Finance and administration		26 568	26 568	26 568	26 568	26 568	26 568	26 568	26 568	26 568	26 568	26 568	26 568	318 816	326 936	339 779	
Internal audit		614	614	614	614	614	614	614	614	614	614	614	614	7 368	7 724	8 095	
Community and public safety		10 975	10 975	10 975	10 975	10 975	10 975	10 975	10 975	10 975	10 975	10 975	10 974	131 695	139 469	147 199	
Community and social services		2 746	2 746	2 746	2 746	2 746	2 746	2 746	2 746	2 746	2 746	2 746	2 746	32 956	34 892	37 236	
Sport and recreation		3 774	3 774	3 774	3 774	3 774	3 774	3 774	3 774	3 774	3 774	3 774	3 774	45 283	49 520	52 893	
Public safety		4 455	4 455	4 455	4 455	4 455	4 455	4 455	4 455	4 455	4 455	4 455	4 454	53 455	55 057	57 070	
Housing																	
Health																	
Economic and environmental services		9 387	9 387	9 387	9 387	9 387	9 387	9 387	9 387	9 387	9 387	9 387	9 386	112 642	119 099	126 776	
Planning and development		4 375	4 375	4 375	4 375	4 375	4 375	4 375	4 375	4 375	4 375	4 375	4 375	52 500	54 586	56 624	
Road transport		5 012	5 012	5 012	5 012	5 012	5 012	5 012	5 012	5 012	5 012	5 012	5 012	60 142	64 513	70 152	
Environmental protection																	
Trading services		56 924	56 924	56 924	56 924	56 924	56 924	56 924	56 924	56 924	56 924	56 924	56 924	683 093	710 098	738 583	
Energy sources		5 472	5 472	5 472	5 472	5 472	5 472	5 472	5 472	5 472	5 472	5 472	5 472	65 662	68 042	70 562	
Water management		42 280	42 280	42 280	42 280	42 280	42 280	42 280	42 280	42 280	42 280	42 280	42 279	507 355	529 327	551 979	
Waste water management		3 238	3 238	3 238	3 238	3 238	3 238	3 238	3 238	3 238	3 238	3 238	3 238	38 858	40 536	42 244	
Waste management		5 935	5 935	5 935	5 935	5 935	5 935	5 935	5 935	5 935	5 935	5 935	5 935	71 217	72 192	73 798	
Other		276	276	276	276	276	276	276	276	276	276	276	276	3 316	3 490	3 673	
Total Expenditure - Functional		113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 598	113 595	1 363 170	1 415 088	1 475 446	
Surplus/(Deficit) before assoc.		1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 013	12 115	13 514	5 562	
Intercompany/Parent subsidiary transactions																	
Surplus/(Deficit)	1	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 013	12 115	13 514	5 562	

Table 46 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

NW375 Moses Kotane - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Multi-year expenditure to be appropriated	1															
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 03 - Budget And Treasury Office		42	42	42	42	42	42	42	42	42	42	42	42	500	-	-
Vote 04 - Corporate Services		253	253	253	253	253	253	253	253	253	253	253	253	3 030	-	-
Vote 05 - Community Services		1 412	1 412	1 412	1 412	1 412	1 412	1 412	1 412	1 412	1 412	1 412	1 412	16 941	23 750	48 000
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 07 - Infrastructure & Technical Services		18 266	18 266	18 266	18 266	18 266	18 266	18 266	18 266	18 266	18 266	18 266	18 266	219 190	226 967	196 838
Vote 08 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-			
Capital multi-year expenditure sub-total	2	19 972	19 972	19 972	19 972	19 972	19 972	19 972	19 972	19 972	19 972	19 972	19 972	239 661	250 717	244 838
Single-year expenditure to be appropriated																
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 03 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 05 - Community Services		50	50	50	50	50	50	50	50	50	50	50	50	600	-	-
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 07 - Infrastructure & Technical Services		-	-	-	-	-	-	-	-	-	-	-	-		2 000	18 000
Vote 08 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-			
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-			
Capital single-year expenditure sub-total	2	50	50	50	50	50	50	50	50	50	50	50	50	600	2 000	18 000
Total Capital Expenditure	2	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	240 261	252 717	262 838

Table 47 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

NW375 Moses Kotane - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional	1															
Governance and administration		294	294	294	294	294	294	294	294	294	294	294	294	3 530	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		294	294	294	294	294	294	294	294	294	294	294	294	3 530	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		1 293	1 293	1 293	1 293	1 293	1 293	1 293	1 293	1 293	1 293	1 293	1 293	15 521	16 750	26 000
Community and social services		1 243	1 243	1 243	1 243	1 243	1 243	1 243	1 243	1 243	1 243	1 243	1 243	14 921	14 750	20 000
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	2 000	6 000
Public safety		50	50	50	50	50	50	50	50	50	50	50	50	600	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	121 010	101 050	59 000
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	10 084	121 010	101 050	59 000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		8 350	8 350	8 350	8 350	8 350	8 350	8 350	8 350	8 350	8 350	8 350	8 350	100 200	134 917	177 838
Energy sources		333	333	333	333	333	333	333	333	333	333	333	333	4 000	2 674	4 823
Water management		5 598	5 598	5 598	5 598	5 598	5 598	5 598	5 598	5 598	5 598	5 598	5 598	67 180	110 243	142 014
Waste water management		2 250	2 250	2 250	2 250	2 250	2 250	2 250	2 250	2 250	2 250	2 250	2 250	27 000	15 000	9 000
Waste management		168	168	168	168	168	168	168	168	168	168	168	168	2 020	7 000	22 000
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	240 261	252 717	262 838
Funded by:																
National Government		19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	229 311	252 717	262 838
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	229 311	252 717	262 838
Borrowing																
Internally generated funds		913	913	913	913	913	913	913	913	913	913	912	912	10 950	-	-
Total Capital Funding		20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	240 261	252 717	262 838

Table 48 MBRR SA30 - Budgeted monthly cash flow

NW375 Moses Kotane - Supporting Table SA30 Budgeted monthly cash flow													Medium Term Revenue and Expenditure Framework		
MONTHLY CASH FLOWS	Budget Year 2026/27												Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June			
Cash Receipts By Source													1		
Property rates	10 431	10 431	10 431	10 431	10 431	10 431	10 431	10 431	10 431	10 431	10 431	10 431	125 178	133 621	137 899
Service charges - electricity revenue															
Service charges - water revenue	6 068	6 068	6 068	6 068	6 068	6 068	6 068	6 068	6 068	6 068	6 068	6 068	72 812	75 215	81 086
Service charges - sanitation revenue	214	214	214	214	214	214	214	214	214	214	214	214	2 571	2 656	2 727
Service charges - refuse revenue	429	429	429	429	429	429	429	429	429	429	429	429	5 144	5 314	5 484
Rental of facilities and equipment	3	3	3	3	3	3	3	3	3	3	3	3	31	31	32
Interest earned - external investments	731	731	731	731	731	731	731	731	731	731	731	731	8 774	8 995	9 061
Interest earned - outstanding debtors	2 530	2 530	2 530	2 530	2 530	2 530	2 530	2 530	2 530	2 530	2 530	2 530	30 355	33 247	37 333
Dividends received															
Fines, penalties and forfeits	24	24	24	24	24	24	24	24	24	24	24	24	290	305	320
Licences and permits	218	218	218	218	218	218	218	218	218	218	218	218	2 611	2 690	2 781
Agency services															
Transfers and Subsidies - Operational	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	53 028	636 332	649 206	680 668
Other revenue	247	247	247	247	247	247	247	247	247	247	247	247	2 964	3 051	3 148
Cash Receipts by Source	73 922	73 922	73 922	73 922	73 922	73 922	73 922	73 922	73 922	73 922	73 922	73 922	887 061	914 330	960 538
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	19 109	229 311	253 824	262 838
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vat Control (receipts)	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	34 397	38 074	39 426
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	95 897	95 897	95 897	95 897	95 897	95 897	95 897	95 897	95 897	95 897	95 897	95 897	1 150 769	1 206 227	1 262 801
Cash Payments by Type															
Employee related costs	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	31 589	379 062	398 782	419 891
Remuneration of councillors	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	2 711	32 529	33 602	34 378
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	4 017	48 205	49 796	51 389
Acquisition inventory - water and other inventories	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	15 187	182 246	190 709	199 658
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other municipalities															
Transfers and subsidies - other															
Other expenditure	23 266	23 266	23 266	23 266	23 266	23 266	23 266	23 266	23 266	23 266	23 266	23 266	279 187	284 561	292 181
Cash Payments by Type	76 769	76 769	76 769	76 769	76 769	76 769	76 769	76 769	76 769	76 769	76 769	76 769	921 230	957 451	997 498
Other Cash Flows/Payments by Type															
Capital assets	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	20 022	240 261	253 824	262 838
Retention (Capital)	543	543	543	543	543	543	543	543	543	543	543	543	6 512	6 742	6 891
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	97 334	97 334	97 334	97 334	97 334	97 334	97 334	97 334	97 334	97 334	97 334	97 334	1 168 003	1 218 017	1 267 227
NET INCREASE/(DECREASE) IN CASH HELD	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(1 436)	(17 234)	(11 790)	(4 426)
Cash/cash equivalents at the month/year begin	50 932	49 496	48 059	46 623	45 186	43 750	42 314	40 877	39 441	38 004	36 568	35 131	50 932	33 698	21 908
Cash/cash equivalents at the month/year end:	49 496	48 059	46 623	45 186	43 750	42 314	40 877	39 441	38 004	36 568	35 131	33 695	33 698	21 908	17 482

2.9 Annual budgets and SDBIPs – internal

1.15.1 Water Services Department – Vote 7

The department is primarily responsible for the distribution of potable water within the municipal boundary, which includes the purification of raw water, maintenance of the reticulation network and implementation of the departmental capital programme.

Table 49 Water Services Department - operating revenue by source, expenditure by type and total capital expenditure

NW375 Moses Kotane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	178,981	190,319	130,832	198,188	198,188	198,188	61,001	162,475	167,836	173,207
Service charges - Waste Water Management	2	3,864	4,786	4,879	5,180	5,180	5,180	2,539	5,356	5,533	5,700
Service charges - Waste Management	2	11,817	12,864	13,292	14,109	14,109	14,109	9,228	14,435	14,912	15,389
Sale of Goods and Rendering of Services	2	761	793	722	1,418	1,418	1,418	491	732	746	769
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	71,462	49,267	59,933	60,358	60,358	60,358	16,979	62,411	64,470	66,533
Interest earned from Current and Non Current Assets	2	9,745	13,500	13,235	13,097	8,727	8,727	5,591	8,774	8,839	9,060
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	152	99	25	101	31	31	26	31	31	32
Licence and permits	2	336	3,128	2,588	3,328	3,328	3,328	1,580	2,611	2,690	2,781
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	1,014	2,058	3,193	2,014	2,014	2,014	1,212	2,232	2,306	2,379
Non-Exchange Revenue											
Property rates	2	127,206	154,380	169,015	178,344	178,344	178,344	118,334	208,630	215,518	222,418
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	1,028	1,759	1,826	1,899	1,899	1,899	2,486	2,895	3,045	3,195
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	537,931	584,689	610,284	627,463	628,337	628,337	465,456	636,332	649,206	676,068
Interest	2	32,268	35,103	36,388	35,698	35,698	35,698	29,417	39,060	39,646	40,637
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	838	1,928	11,863	-	-	-	253	-	-	-
Other Gains	2	0	8	232	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		977,403	1,054,681	1,058,306	1,141,196	1,137,630	1,137,630	714,593	1,145,974	1,174,778	1,218,170

There are currently several unfilled positions in the structure of the Water Services Unit. The top management structure consists of the Head of Department Infrastructure and Technical Services and five Heads of Units. As part of the performance objectives for the 2026/27 financial year, certain crucial positions will be filled.

The departmental strategy is ensuring the economic value and useful life of the water reticulation network and infrastructure is maintained.

The departmental revenue base is primarily informed by the sale of water of which budget appropriation for the 2026/27 financial year is R162.4 million and increases to R167.8 million in 2027/28. Water revenue has been informed by a collection rate of 43 per cent.

The water schemes transferred from the Department of Water affairs are aging and water losses as well as water unaccounted for is a serious problem. This will receive attention in future financial years.

Table 50 2.11 Contracts having future budgetary implications

2.12 Capital expenditure details

The following three 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.

Table 51 MBRR SA 34a - Capital expenditure on new assets by asset class

NW375 Moses Kotane - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		3,092	24,478	44,699	84,100	60,370	60,370	66,243	125,024	134,838
Roads Infrastructure		-	-	-	1,500	3,000	3,000	4,000	10,000	13,000
Roads		-	-	-	1,500	3,000	3,000	4,000	10,000	13,000
Storm water Infrastructure		-	-	-	-	1,550	1,550	-	-	-
Drainage Collection		-	-	-	-	1,550	1,550	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	7,000	14,562	14,562	2,000	2,674	4,823
LV Networks		-	-	-	7,000	14,562	14,562	2,000	2,674	4,823
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		3,950	25,474	42,171	63,600	37,910	37,910	43,243	80,303	92,014
Reservoirs		-	-	-	-	-	-	4,000	11,000	15,000
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	23,598	-	735	735	-	1,000	9,000
Bulk Mains		-	11,074	-	9,000	15,096	15,096	2,000	-	-
Distribution		3,950	14,400	18,573	39,600	19,678	19,678	33,243	53,303	43,957
Distribution Points		-	-	-	15,000	2,400	2,400	4,000	15,000	24,058
Sanitation Infrastructure		-	-	-	10,000	3,349	3,349	15,000	25,047	3,000
Waste Water Treatment Works		-	-	-	10,000	3,349	3,349	15,000	25,047	-
Solid Waste Infrastructure		(859)	(996)	2,527	2,000	-	-	2,000	7,000	22,000
Landfill Sites		(859)	(996)	2,527	2,000	-	-	2,000	7,000	22,000
Community Assets		-	-	-	-	100	100	-	-	-
Community Facilities		-	-	-	-	100	100	-	-	-
Capital Spares		-	-	-	-	100	100	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	187	678	-	1,200	1,200	4,130	-	-
Furniture and Office Equipment		-	187	678	-	1,200	1,200	4,130	-	-
Machinery and Equipment		-	55	-	-	2,370	2,370	2,000	-	-
Machinery and Equipment		-	55	-	-	2,370	2,370	2,000	-	-
Transport Assets		-	-	336	-	-	-	2,000	-	-
Transport Assets		-	-	336	-	-	-	2,000	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	3,092	24,720	45,712	84,100	64,040	64,040	74,373	125,024	134,838

Table 52 MBRR SA 34b - Capital expenditure on existing assets by asset class

NW375 Moses Kotane - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on renewal of existing assets by Asset Class/Sub-class	1									
Infrastructure		-	-	-	15,000	26,000	26,000	39,271	21,000	12,000
Roads Infrastructure		-	-	-	15,000	26,000	26,000	37,471	20,000	-
Roads		-	-	-	15,000	26,000	26,000	37,471	20,000	-
Water Supply Infrastructure		-	-	-	-	-	-	1,800	1,000	9,000
Water Treatment Works		-	-	-	-	-	-	-	1,000	9,000
Capital Spares		-	-	-	-	-	-	1,800	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	3,000
Reticulation		-	-	-	-	-	-	-	-	3,000
Community Assets		2,816	1,438	-	4,468	-	-	4,000	15,000	17,000
Community Facilities		2,816	1,438	-	4,468	-	-	4,000	15,000	17,000
Halls		2,816	-	-	-	-	-	-	-	-
Testing Stations		-	1,438	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	4,468	-	-	4,000	15,000	17,000
Other assets		-	-	-	2,000	-	-	2,000	14,750	20,000
Operational Buildings		-	-	-	2,000	-	-	2,000	14,750	20,000
Training Centres		-	-	-	2,000	-	-	2,000	14,750	20,000
Intangible Assets		106	-	-	-	-	-	-	-	-
Licences and Rights		106	-	-	-	-	-	-	-	-
Computer Software and Applications		106	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	20	-	-
Furniture and Office Equipment		-	-	-	-	-	-	20	-	-
Total Capital Expenditure on renewal of existing assets	1	2,922	1,438	-	21,468	26,000	26,000	45,291	50,750	49,000

Table 53 MBRR SA 34e - Capital expenditure on existing assets by asset class

NW375 Moses Kotane - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class	1									
Infrastructure		2,790	246	3,264	105,500	133,849	133,849	107,676	76,050	73,000
Roads Infrastructure		2,790	246	3,264	68,500	104,954	104,954	79,539	71,050	46,000
Roads		2,790	246	3,264	68,500	87,954	87,954	33,149	39,000	31,000
Road Structures		-	-	-	-	17,000	17,000	46,389	32,050	15,000
Road Furniture		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	20,000	12,395	12,395	18,137	5,000	24,000
Bulk Mains		-	-	-	20,000	12,395	12,395	18,137	4,000	15,000
Sanitation Infrastructure		-	-	-	17,000	16,500	16,500	10,000	-	3,000
Pump Station		-	-	-	-	-	-	-	-	3,000
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	17,000	16,500	16,500	10,000	-	-
Community Assets		-	-	-	14,000	12,000	12,000	12,921	2,000	6,000
Community Facilities		-	-	-	14,000	12,000	12,000	12,921	-	-
Cemeteries/Crematoria		-	-	-	14,000	12,000	12,000	12,921	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	2,000	6,000
Outdoor Facilities		-	-	-	-	-	-	-	2,000	6,000
Capital Spares		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	2,790	246	3,264	119,500	145,849	145,849	120,597	78,050	79,000
Upgrading of Existing Assets as % of total capex		31.7%	0.9%	6.7%	53.1%	61.8%	61.8%	50.2%	30.7%	30.1%
Upgrading of Existing Assets as % of deprecn*		2.1%	0.2%	2.4%	64.1%	78.2%	78.2%	70.7%	42.4%	39.0%

Table 54 MBRR SA35 - Future financial implications of the capital budget

NW375 Moses Kotane - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2026/27 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Present value
R thousand								
Capital expenditure	1							
Vote 01 - Municipal Council		-	-	-				
Vote 02 - Office Of The Accounting Officer		-	-	-				
Vote 03 - Budget And Treasury Office		500	-	-				
Vote 04 - Corporate Services		3,030	-	-				
Vote 05 - Community Services		17,541	23,750	48,000				
Vote 06 - Planning & Development		-	-	-				
Vote 07 - Infrastructure & Technical Services		219,190	230,074	214,838				
Vote 08 -		-	-	-				
Vote 09 -		-	-	-				
Vote 10 -		-	-	-				
Vote 11 -		-	-	-				
Vote 12 -		-	-	-				
Vote 13 -		-	-	-				
Vote 14 -		-	-	-				
Vote 15 - Other		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		240,261	253,824	262,838	-	-	-	-
Future operational costs by vote	2							
Vote 01 - Municipal Council								
Vote 02 - Office Of The Accounting Officer								
Vote 03 - Budget And Treasury Office								
Vote 04 - Corporate Services								
Vote 05 - Community Services								
Vote 06 - Planning & Development								
Vote 07 - Infrastructure & Technical Services								
Vote 08 -								
Vote 09 -								
Vote 10 -								
Vote 11 -								
Vote 12 -								
Vote 13 -								
Vote 14 -								
Vote 15 - Other								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Exchange Revenue		74,558	76,776	79,175				
Service charges - Electricity		-	-	-				
Service charges - Water		162,475	167,836	173,207				
Service charges - Waste Water Management		5,356	5,533	5,700				
Service charges - Waste Management		14,435	14,912	15,389				
Agency services								
<i>List other revenues sources if applicable</i>		1,113,810	1,158,745	1,202,585				
<i>List entity summary if applicable</i>								
Total future revenue		1,370,635	1,423,802	1,476,057	-	-	-	-
Net Financial Implications		(1,130,374)	(1,169,978)	(1,213,219)	-	-	-	-

6. The detailed SDBIP document is at a draft stage and will be finalised during finalisation of the budget and is directly aligned and informed by the 2025/26 MTREF.
7. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
8. MFMA Training
The MFMA training module in electronic format is available to all financial staff.
9. Policies
All budget related policies are reviewed on an annual basis or whenever the need arises and submitted with the budget for adoption by council.

2.14 Other supporting documents
Table 56 MBRR Table SA1 - Supporting detail to budgeted financial performance
(Continued)

NW375 Moses Kotane - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
REVENUE ITEMS:											
Exchange revenue											
Service charges - Electricity	6										
Appliance Maintenance											
Availability Charges											
Connection/Reconnection											
Electricity Distribution Revenue for Services											
Electricity Sales					6 157	6 157	6 157	-	6 207	6 307	6 407
Joint Pole Usage											
Meter Compliance Testing											
Meter Reading Fees											
Notice Revenues											
Temporary Service Plant											
Total Service charges - Electricity					6 157	6 157	6 157	-	6 207	6 307	6 407
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)					(6 157)	(6 157)	(6 157)	-	(6 207)	(6 307)	(6 407)
Net Service charges - Electricity											
Service charges - Water	6										
Agricultural and Rural Water Service											
Availability Charges											
Connection/Disconnection					22	44	16	606	606	606	17
Industrial Water					(8 127)	26 816	19 403	22 448	22 448	22 448	(5 441)
Meter Reading Fees											
Sale					187 162	163 447	111 407	185 133	185 133	185 133	80 818
Urban Higher Level Service											
Total Service charges - Water					179 057	190 309	130 826	208 188	208 188	208 188	75 394
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)					(76)	10	6	(10 000)	(10 000)	(10 000)	(379)
Net Service charges - Water					178 981	190 319	130 832	198 188	198 188	198 188	75 015
Service charges - Waste Water Management	6										
Agricultural and Rural											
Availability Charges											
Connection/Reconnection											
Higher Level Service											
Industrial Effluent											
Industrial Waste Water											
Pump/Removal of Waste Water											
Sanitation Charges					4 120	4 899	4 980	5 297	5 297	5 297	3 012
Treatment of Effluent											
Total Service charges - Waste Water Management					4 120	4 899	4 980	5 297	5 297	5 297	3 012
Less Revenue Foregone (in excess of free sanitation service to indigent households)											
Less Cost of Free Basis Services (free sanitation service to indigent households)					(256)	(113)	(101)	(117)	(117)	(117)	(129)
Net Service charges - Waste Water Management					3 864	4 786	4 879	5 180	5 180	5 180	2 883
Service charges - Waste Management	6										
Availability Charges											
Carrier Bags											
Disposal Facilities					47	2	6	6	6	6	1
Refuse Bags											
Refuse Removal					12 045	12 744	13 392	13 978	13 978	13 978	10 486
Skip					3	6	2	259	259	259	9
Waste Bins					9	238	1	-	-	-	9
Total refuse removal revenue					12 104	12 992	13 401	14 243	14 243	14 243	10 505
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)					(286)	(128)	(109)	(134)	(134)	(134)	(135)
Net Service charges - Waste Management					11 817	12 864	13 292	14 109	14 109	14 109	10 370
Sales of Goods and Rendering of Services											
Academic Services											
Advertisements							9				
Amendment Fees											
Application Fees for Land Usage											
Building Plan Approval											
Building Plan Clause Levy											
Buyers Card											
Camping Fees											
Cemetery and Burial					18	28	35	35	35	25	39
Cleaning and Removal											
Clearance Certificates					159	28	171	559	559	559	23
Computer Services											
Day Care Fees											
Demolition Application Fees											
Development Charges											
Domestic Services											
Drainage Fees					0	1	0	1	1	1	1
Encroachment Fees											
Entrance Fees											
Escort Fees											
Exempted Parking											
Fire Services											
Health Services											
Housing (Boarding Services)											
Immunisation Fees											
Laboratory Services											
Legal Fees											
Library Fees											
Management Fees											
Meal and Refreshment											
Membership Fees											
Objections and Appeals											
Occupation Certificates											
Parking Fees											
Photocopies, Faxes and Telephone charges					20	29	10	15	15	15	8
Removal of Restrictions											
Sale of Carbon Credits											
Sale of Goods					424	438	303	491	491	491	391
Scrap, Waste & Other Goods											
Shared Services											
Squatter Re-allocation											
Stone and Gravel											
Streets/Street Markets (Informal Traders)											
Town Planning and Servitudes					136	265	189	312	312	312	182
Traffic Control											
Transport Fees					4	4	4	4	4	4	3
Valuation Services											
Water Meter Protectors											
Weightbridge Fees											
Total Sales of Goods and Rendering of Services					761	793	722	1 418	1 418	1 418	633
											732
											746
											769

Service Charges	33	58	129	126	126	126	66	130	134	139
Sporing and Other Bodies	-	-	-	-	-	-	-	-	-	-
Staff	-	-	-	-	-	-	-	-	-	-
Waste Management	6 585	2 069	3 130	3 015	3 015	3 015	1 819	3 118	3 220	3 323
Waste Water Management	1 217	739	911	920	920	920	472	951	983	1 014
Water	63 627	46 401	55 762	56 298	56 298	56 298	17 930	58 212	60 133	62 057
Shared Services	-	-	-	-	-	-	-	-	-	-
Total Interest earned from Receivables	71 462	49 267	59 933	60 358	60 358	60 358	20 287	62 411	64 470	66 533
Interest earned from Current and Non-Current Assets										
Bank Accounts	9 745	13 500	13 235	3 900	3 900	3 900	3 181	5 231	5 208	5 338
Financial Assets	-	-	-	9 197	4 827	4 827	2 410	3 543	3 631	3 722
Short Term Investments and Call Accounts	-	-	-	-	-	-	-	-	-	-
Total Interest earned from Current and Non-Current Assets	9 745	13 500	13 235	13 097	8 727	8 727	5 591	8 774	8 839	9 060
Property Plant and Equipment	152	99	25	101	31	31	30	31	31	32
Total Non-market Related	152	99	25	101	31	31	30	31	31	32
Total Rental from Fixed Assets	152	99	25	101	31	31	30	31	31	32
Licences or Permits										
Angling/Fishing	-	-	-	-	-	-	-	-	-	-
Atmospheric Emissions	-	-	-	-	-	-	-	-	-	-
Boat	-	-	-	-	-	-	-	-	-	-
Dog	-	-	-	-	-	-	-	-	-	-
Fauna and Flora	-	-	-	-	-	-	-	-	-	-
Filming Fees	-	-	-	-	-	-	-	-	-	-
Game	-	-	-	-	-	-	-	-	-	-
Health Certificates	-	-	-	-	-	-	-	-	-	-
Hiking Trails	-	-	-	-	-	-	-	-	-	-
Hoarding (Collecting/String)	-	-	-	-	-	-	-	-	-	-
Market Porters	-	-	-	-	-	-	-	-	-	-
Road and Transport	336	3 128	2 588	3 328	3 328	3 328	1 580	2 611	2 690	2 781
Threatened and Protected Species	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Total Licences or Permits	336	3 128	2 588	3 328	3 328	3 328	1 580	2 611	2 690	2 781
Social Rating Levies										
Agricultural Properties	-	-	-	-	-	-	-	-	-	-
Business and Commercial Properties	-	-	-	-	-	-	-	-	-	-
Industrial Properties	-	-	-	-	-	-	-	-	-	-
Mining Properties	-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations	-	-	-	-	-	-	-	-	-	-
Public Service Infrastructure Properties	-	-	-	-	-	-	-	-	-	-
Public Service Purposes Properties	-	-	-	-	-	-	-	-	-	-
Residential Properties	-	-	-	-	-	-	-	-	-	-
Residential Sectional Title Garages	-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields	-	-	-	-	-	-	-	-	-	-
Vacant Land	-	-	-	-	-	-	-	-	-	-
Total Social Rating Levies	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue										
Development Charges	-	-	-	-	-	-	-	-	-	-
Operational Revenue										
Administrative Handling Fees	-	-	-	-	-	-	-	-	-	-
Arbor City Awards Competition	-	-	-	-	-	-	-	-	-	-
Bad Debts Recovered	-	-	-	-	-	-	-	-	-	-
Bottle Kei Botlu Clearing and Greening Award	-	-	-	-	-	-	-	-	-	-
Breakages and Losses Recovered	-	-	-	-	-	-	-	-	-	-
Bursary Repayment	-	-	-	-	-	-	-	-	-	-
Collection Charges	-	-	-	-	-	-	-	-	-	-
Commission	-	-	257	-	-	-	-	-	-	-
Discounts and Early Settlements	-	-	-	-	-	-	6	-	-	-
Incidental Cash Surpluses	-	-	-	-	-	-	-	-	-	-
Inspection Fees	-	-	-	-	-	-	-	-	-	-
Insurance Refund	-	-	-	-	-	-	-	-	-	-
Merchandising, Jobbing and Contracts	392	277	641	553	553	553	27	572	591	610
Recovery Maintenance	-	-	-	-	-	-	-	-	-	-
Registration Fees	-	-	-	-	-	-	-	-	-	-
Request for Information	-	-	-	-	-	-	-	-	-	-
Sale of Property	(11)	292	10	-	-	-	9	-	-	-
Skills Development Levy Refund	429	599	536	650	650	650	376	672	694	717
Staff and Councilors Recoveries	204	890	1 749	810	810	810	872	987	1 020	1 053
Total Operational Revenue	1 014	2 058	3 193	2 014	2 014	2 014	1 290	2 232	2 306	2 379
Property Rates										
Agricultural Properties	(238)	353	304	386	386	386	280	679	702	724
Business and Commercial Properties	50 219	53 588	54 720	59 036	59 036	59 036	43 665	71 069	73 414	75 763
Industrial Properties	952	1 031	1 067	1 114	1 114	1 114	835	2 740	2 830	2 921
Mining Properties	6 657	13 431	16 862	17 604	17 604	17 604	13 202	41 404	42 770	44 138
Public Benefit Organisations	-	-	-	-	-	-	-	-	-	-
Public Service Infrastructure Properties	7	8	8	9	9	9	6	14	14	15
Public Service Purposes Properties	60 175	77 966	87 307	85 926	85 926	85 926	68 365	70 597	72 927	75 261
Residential Properties	7 603	1 261	1 902	7 024	7 024	7 024	2 995	2 503	2 585	2 668
Residential Sectional Title Garages	-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields	-	-	-	-	-	-	-	-	-	-
Vacant Land	1 831	6 742	6 845	7 245	7 245	7 245	3 777	24 275	25 076	25 878
Total Property Rates	127 206	154 389	169 015	178 344	178 344	178 344	133 126	213 280	220 318	227 369
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	<i>(2 399)</i>	<i>(4 108)</i>	<i>(3 980)</i>	<i>(4 288)</i>	<i>(4 288)</i>	<i>(4 288)</i>	<i>(3 274)</i>	<i>(4 650)</i>	<i>(4 800)</i>	<i>(4 951)</i>
Net Property Rates	124 807	150 272	165 035	174 056	174 056	174 056	129 852	208 630	215 518	222 418
Surcharges and Taxes										
Surcharges	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-
Total Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, Penalties and Forfeits										
Fines	1 028	1 759	1 826	1 899	1 899	1 899	2 486	2 895	3 045	3 195
Forfeits	-	-	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-	-
Total Fines, Penalties and Forfeits	1 028	1 759	1 826	1 899	1 899	1 899	2 486	2 895	3 045	3 195

Monetary Allocations									
Departmental Agencies and Accounts	-	7 535	-	-	-	-	-	-	-
District Municipalities									
Foreign Government and International Organisations									
Higher Educational Institutions									
Households									
National Governments	8 594	9 928	8 610	10 895	11 332	11 332	5 256	11 178	10 428
National Revenue Fund	528 602	566 087	600 070	615 410	615 410	615 410	461 558	623 943	637 567
Non-Profit Institutions									
Parent Municipality									
Private Enterprises									
Provincial Government	735	1 139	1 604	1 158	1 594	1 594	357	1 211	1 211
Public Corporations									
Total Monetary Allocations	537 931	584 689	610 284	627 463	628 337	628 337	467 170	636 332	649 206
Total Transfer and subsidies - Operational	537 931	584 689	610 284	627 463	628 337	628 337	467 170	636 332	649 206
Interest Receivables									
Property Rates	32 268	35 103	36 388	35 698	35 698	35 698	33 248	39 060	39 646
Service Charges									
Electricity	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-
Total Service Charges	-	-	-	-	-	-	-	-	-
Total Interest Receivables	32 268	35 103	36 388	35 698	35 698	35 698	33 248	39 060	39 646
Fuel Levy (RSC Replacement Grant)									
Operational Revenue - Service Charges									
Electricity - Availability Charges	-	-	-	-	-	-	-	-	-
Waste Management - Availability Charges	-	-	-	-	-	-	-	-	-
Waste Water Management - Availability Charges	-	-	-	-	-	-	-	-	-
Water - Availability Charges	-	-	-	-	-	-	-	-	-
Total Operational Revenue - Service Charges	-	-	-	-	-	-	-	-	-
Gains on Disposal of Fixed and Intangible Assets									
Biological Assets									
Heritage Assets									
Intangible Assets	-	43	81	-	-	-	-	-	-
Investment Property									
Living resources									
Property, Plant and Equipment	838	1 885	11 782	-	-	-	253	-	-
Total Disposal of Fixed and Intangible Assets	838	1 928	11 863	-	-	-	253	-	-
Other Gains									
Debt waived									
Discontinued Operations and Disposals of Non-current Assets									
Inventory									
Fair value assessment - Water stock	-	-	-	-	-	-	-	-	-
Increase to net-realizable Value	0	8	232	-	-	-	-	-	-
Total Inventory	0	8	232	-	-	-	-	-	-
Fair Value Adjustment									
Actuarial Assessments									
Leave Gratuity									
Long Service Awards									
Medical									
Pension Funds									
Total Actuarial Assessments	-	-	-	-	-	-	-	-	-
Biological Assets									
Heritage Assets									
Interest rate Swaps									
Investment Property									
Investments									
Living resources									
Total Fair Value Adjustment	-	-	-	-	-	-	-	-	-
Foreign Exchange									
Contributions to Provisions for landfill sites									
Total Other Gains	0	8	232	-	-	-	-	-	-
Discontinued Operations									
Total Revenue	975 004	1 050 573	1 054 325	1 136 908	1 133 342	1 133 342	750 686	1 145 974	1 174 778

EXPENDITURE ITEMS:										
Employee related costs										
Salaries and Allowances										
Basic Salary	185 537	208 402	216 547	255 947	255 196	255 196	178 229	259 794	273 297	288 152
Bonuses	12 607	12 452	6 374	634	634	634	4 626	370	389	410
Allowance										
Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-
Cellular and Telephone	-	-	-	-	-	-	-	-	-	-
Housing Benefits	631	763	853	901	901	901	727	944	993	1 045
Non-pensionable	-	-	-	-	-	-	-	-	-	-
Travel or Motor Vehicle	1 634	1 708	1 311	1 734	1 734	1 734	1 076	1 892	1 958	2 027
Voluntary Work	-	-	-	-	-	-	-	-	-	-
Total Allowance	2 265	2 472	2 164	2 635	2 635	2 635	1 803	2 836	2 951	3 072
Service Related Benefits										
Aging	1 264	1 249	1 542	1 255	1 255	1 255	913	1 314	1 383	1 455
Danger Allowance	-	3 787	8 841	17 851	17 851	17 851	6 789	18 699	19 681	20 714
Entertainment	-	-	-	-	-	-	-	-	-	-
Fire Brigade	-	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-	-
Leave Pay	719	4 059	4 035	-	-	-	-	-	-	-
Lifeguard/Duty Squads	-	-	-	-	-	-	-	-	-	-
Long Service Award	-	-	-	-	-	-	-	-	-	-
Overtime	20 210	20 182	18 552	18 420	19 526	19 526	16 080	17 035	17 929	18 571
Scarify	-	-	-	-	-	-	-	-	-	-
Standby Allowance	2 799	4 064	3 895	5 030	5 030	5 030	3 194	5 269	5 545	5 836
Tools Allowance	-	-	-	-	-	-	-	-	-	-
Uniform-Special-Protective Clothing	-	-	-	-	-	-	-	-	-	-
Leave gratuity	-	-	-	-	-	-	-	-	-	-
Long Term Service Award	-	-	-	-	-	-	-	-	-	-
Total Service Related Benefits	24 992	33 342	36 865	42 556	43 662	43 662	26 975	42 318	44 539	46 577
Total Salaries and Allowances		225 401	256 667	261 950	301 771	302 127	211 833	305 317	321 176	338 210
Social Contributions										
Bargaining Council	77	83	87	94	93	93	72	98	103	108
Group Life Insurance	15 457	16 707	17 688	21 724	21 724	21 724	14 742	22 785	23 978	25 237
Medical	37 054	40 310	38 747	48 193	48 193	48 193	33 375	48 485	52 076	54 610
Pension	1 230	1 273	1 286	1 320	1 319	1 319	1 058	1 377	1 450	1 526
Unemployment Insurance	-	-	-	-	-	-	-	-	-	-
Total Social Contributions	53 819	58 374	57 807	71 330	71 329	71 329	49 247	73 745	77 606	81 681
Post-retirement Benefit										
Medical	-	-	-	-	-	-	-	-	-	-
Other Benefits	-	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-	-
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-	-
Sub-Total	279 220	315 041	319 757	373 102	373 456	373 456	261 080	379 062	398 782	419 891
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-
Total Employee Related Cost	279 220	315 041	319 757	373 102	373 456	373 456	261 080	379 062	398 782	419 891
Remuneration of Councillors										
Allowances and Service Related Benefits										
Basic Salary	21 687	22 647	23 040	23 864	23 864	23 864	17 138	25 033	25 868	26 393
Cell phone Allowance	3 017	3 126	3 173	3 204	3 204	3 204	2 092	2 881	2 970	3 065
Housing Allowance	-	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-	-
Market Related Non-pensionable Allowance	-	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-	-
Office-bearer Allowance	-	-	-	-	-	-	-	-	-	-
Out of pocket Expenses	-	-	-	-	-	-	-	-	-	-
Traveling Allowance	1 170	1 099	959	1 625	1 625	1 625	557	850	877	905
Use of Personal Facilities	-	-	-	-	-	-	-	-	-	-
Total Allowances and Service Related Benefits	25 874	26 872	27 172	28 693	28 693	28 693	19 787	28 765	29 715	30 363
Social Contributions										
Medical Aid Benefits	-	-	289	314	314	314	6	325	335	347
Pension Fund Contributions	-	-	3 209	3 322	3 322	3 322	48	3 439	3 552	3 668
Total Social Contributions	-	-	3 498	3 636	3 636	3 636	53	3 764	3 887	4 015
Total Remuneration of Councillors	25 874	26 872	30 671	32 329	32 329	32 329	19 840	32 529	33 602	34 378
Bulk Purchases - Electricity										
ESKOM	33 007	41 906	36 173	46 620	46 620	46 620	24 746	48 205	49 796	51 389
Independent Power Producers										
Green Electricity										
Green Charges	-	-	-	-	-	-	-	-	-	-
Green Rights and Certificates	-	-	-	-	-	-	-	-	-	-
Total Green Electricity	-	-	-	-	-	-	-	-	-	-
Renewable, Cogen, etc	-	-	-	-	-	-	-	-	-	-
Total Independent Power Producers		-	-	-	-	-	-	-	-	-
Self Generation	-	-	-	-	-	-	-	-	-	-
Capitalisation Electricity Costs (Credit Account)	-	-	-	-	-	-	-	-	-	-
Total Bulk Purchases - Electricity	33 007	41 906	36 173	46 620	46 620	46 620	24 746	48 205	49 796	51 389
Inventory Consumed										
Agricultural	-	-	-	-	-	-	-	-	-	-
Consumables	11 889	10 766	10 143	16 000	16 000	16 000	6 883	10 520	10 686	10 987
Finished Goods	-	-	-	-	-	-	-	-	-	-
Housing Stock	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Materials and Supplies	1 012	202	72	8 000	8 000	8 000	964	8 752	8 900	8 992
Water	131 138	157 715	147 809	165 153	165 153	165 153	10 018	162 974	171 123	179 679
Sub-total	144 039	168 683	158 024	189 153	189 153	189 153	17 865	182 246	190 709	199 658
Less: Capitalisation of inventory consumed		-	-	-	-	-	-	-	-	-
Total Inventory Consumed	144 039	168 683	158 024	189 153	189 153	189 153	17 865	182 246	190 709	199 658
Debt Impairment										
Trade and Other Receivables from Exchange Transactions										
Electricity	-	-	-	-	-	-	-	-	-	-
Shared Services	-	-	-	-	-	-	-	-	-	-
Waste Management	-	9 580	15 827	12 459	12 459	12 459	5 606	13 066	13 401	13 830
Waste Water Management	-	2 499	3 052	3 878	3 878	3 878	1 745	3 772	3 877	3 878
Water	-	103 945	133 619	176 359	176 359	176 359	100 360	136 233	141 592	140 797
Non Specific Accounts	-	1 654	727	-	-	-	-	-	-	-
Total Trade and Other Receivables from Exchange Transactions	-	117 678	153 424	192 696	192 696	192 696	107 712	150 072	158 870	158 506
Other Receivables from Non-exchange Revenue										
Property Rates										
Property Rates General	-	-	-	-	-	-	-	-	-	-
Agricultural Properties	-	-	-	-	-	-	-	56 666	55 959	57 150
Business and Commercial Properties	-	-	-	-	-	-	-	1 096	1 076	1 110
Industrial Properties	-	-	-	-	-	-	-	42 044	40 858	41 668
Mining Properties	-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations	-	-	-	-	-	-	-	6	5	6
Public Service Infrastructure Properties	-	-	-	-	-	-	-	-	-	-
Public Service Purposes Properties	-	-	-	-	-	-	-	-	-	-
Residential Properties	-	-	-	-	-	-	-	1 001	982	1 014
Residential Sectional Title Garages	-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields	-	-	-	-	-	-	-	9 982	9 977	9 985
Vacant Land	-	-	-	-	-	-	-	-	-	-
Total Property Rates	-	-	-	-	-	-	-	110 794	108 856	110 933
Service Charges										
Service Charges General	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-
Total Service Charges	-	-	-	-	-	-	-	-	-	-
Non Specific Accounts										
-	-	-	-	1 538	1 538	1 538	-	2 606	2 741	2 876
Total Other Receivables from Non-exchange Revenue	-	-	-	1 538	1 538	1 538	-	113 400	111 597	113 809
Total Debt Impairment	-	117 678	153 424	194 234	194 234	194 234	107 712	268 472	270 468	272 314

Depreciation, Amortisation and Impairment										
Amortisation										
Intangible Assets	2 361	2 597	2 244	2 856	2 856	2 856	1 484	2 756	2 976	3 274
Total Amortisation	2 361	2 597	2 244	2 856	2 856	2 856	1 484	2 756	2 976	3 274
Depreciation										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Community Assets	16 754	17 714	16 647	24 672	24 672	24 672	11 069	19 987	19 426	21 369
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	3 479	3 560	3 724	4 251	4 251	4 251	2 494	4 053	4 377	4 815
Furniture and Office Equipment	3 429	2 504	2 247	3 071	3 071	3 071	1 693	3 367	3 636	4 000
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Other Assets	6 514	6 159	6 190	8 288	8 288	8 288	4 142	8 284	8 946	9 841
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure	32 163	20 009	25 313	53 345	53 345	53 345	17 871	40 209	43 426	47 769
Sanitation Infrastructure	2 734	1 989	2 134	2 542	2 542	2 542	1 430	2 323	2 509	2 760
Solid Waste Infrastructure	335	764	660	776	776	776	596	1 042	1 126	1 238
Storm water Infrastructure	4 512	5 226	5 019	5 927	5 927	5 927	3 387	5 504	5 944	6 539
Transport Assets	4 278	5 917	3 933	6 212	6 212	6 212	3 785	8 272	8 934	9 827
Water Supply Infrastructure	55 241	54 628	57 593	74 316	74 316	74 316	40 809	76 517	82 638	90 902
Zoo, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Depreciation	130 190	118 712	123 660	183 705	183 705	183 705	87 368	167 784	181 207	199 327
Capital Impairment Losses and Reversals										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Construction Work-in-progress	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
Contributions to Provisions for landfill sites	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	48	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	19	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Rails Infrastructure	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	9 569	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	2	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	453	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	6	-	-	-	-	-	-	-
Zoo, Marine and Non-biological Assets	-	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment	-	-	10 096	-	-	-	-	-	-	-
Total Capital Impairment Losses and Reversals	-	-	10 096	-	-	-	-	-	-	-
Total Depreciation, Amortisation and Impairment	132 550	121 308	135 999	186 561	186 561	186 561	88 852	170 540	184 183	202 601
Interest, Dividends and Rent on Land										
Dividends Paid	-	-	-	-	-	-	-	-	-	-
Interest Paid	5 619	6 434	4 616	2 597	2 597	2 597	562	2 458	2 487	2 498
Rent on Land	-	-	-	-	-	-	-	-	-	-
Total Interest, Dividends and Rent on Land	5 619	6 434	4 616	2 597	2 597	2 597	562	2 458	2 487	2 498
Contracted Services										
Consultants and Professional Services	24 126	26 943	34 394	30 550	35 018	35 018	26 773	27 264	27 141	27 255
Contractors	50 216	49 382	61 000	97 824	83 981	83 981	53 663	70 755	72 419	75 115
Outsourced Services	61 753	68 744	70 565	76 144	76 036	76 036	43 148	79 130	79 848	81 499
Total Contracted Services	136 096	145 069	166 960	204 518	195 035	195 035	123 584	177 149	179 408	183 869
Transfers and Subsidies										
Capital										
Allocations In-kind	-	-	-	-	-	-	-	-	-	-
Monetary Allocations	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	-	-	-	-	-	-	-	-
Operational										
Allocations In-kind	-	-	-	-	-	-	-	-	-	-
Monetary Allocations	-	-	-	-	-	-	-	-	-	-
Total Operational	-	-	-	-	-	-	-	-	-	-
Total Transfers and Subsidies	-	-	-	-	-	-	-	-	-	-
Irrecoverable Debts Written Off										
Bad debt written off										
Exchange										
Electricity	-	-	-	-	-	-	-	-	-	-
Non-Specific Accounts	-	-	1 641	-	0	0	0	-	-	-
Waste Management	-	-	-	-	33	30	327	327	334	339
Waste Water Management	-	-	-	-	327	327	288	154	157	160
Water	-	-	-	-	1 675	1 675	1 445	2 447	2 496	2 534
Total Exchange	-	-	1 641	-	2 036	2 036	1 763	2 929	2 987	3 032
Non-exchange										
Non-Specific Accounts	-	-	-	-	305	305	254	-	-	-
Property Rates	-	-	-	-	-	-	-	-	-	-
Service Charges	-	-	-	-	-	-	-	-	-	-
Total Non-exchange	-	-	-	-	305	305	254	-	-	-
Total Irrecoverable Debts Written Off	-	-	1 641	-	2 340	2 340	2 017	2 929	2 987	3 032

Operational Cost and Other Cost										
Operational Cost										
Achievements and Awards										
Advertising, Publicity and Marketing	1,394	2,621	2,915	2,550	2,550	2,550	1,026	2,460	2,522	2,601
Assets less than the Capitalisation Threshold										
Atmospheric Emission Licence										
Bank Charges, Facility and Card Fees	316	247	294	311	311	311	176	322	333	343
Bargaining Council										
Bond Issue Amortisation Costs										
Brokers Fees	-	-	-	-	-	-	-	-	-	-
Bursaries (Employees)	-	-	-	1,500	1,500	1,500	-	1,000	1,106	1,132
Cash Discount										
Cleaning Services										
Commission										
Communication	7,037	7,337	8,389	8,371	8,376	8,376	2,890	8,373	8,649	8,905
Contribution to Provisions										
Copy Right Fees										
Cost relating to the Sale of Houses										
Courier and Delivery Services										
Deeds	-	-	-	100	100	100	-	50	50	52
Drivers Licences and Permits										
Dumping Fees (District Council)										
Electricity Compliance Certificate										
Entertainment	4,890	4,480	5,261	7,050	7,050	7,050	5,188	6,285	6,472	6,600
Entrance Fees	-	-	-	-	-	-	-	-	-	-
Environmental Levy										
Eskom Connection Fees										
External Audit Fees	4,477	6,186	6,035	8,000	8,000	8,000	3,365	6,413	6,637	6,803
External Computer Service	7,409	10,240	15,527	16,550	17,986	17,986	12,675	12,020	12,661	13,342
Fines and Penalties										
Firearm Handling Fees										
Freight Services										
Full Time Union Representative										
Hire Charges	16,264	8,962	9,274	8,998	5,298	5,298	1,180	4,243	4,425	4,475
Honoraria (Voluntarily Workers)										
Indigent Relief	-	2,479	5,971	6,157	6,157	6,157	2,647	6,207	6,307	6,407
Insurance Underwriting	1,208	4,674	6,454	6,000	6,000	6,000	68	6,245	6,432	6,561
Capitalisation of Wet Fuel Costs (Credit Account)										
Land Alienation Costs										
Learnerships and Internships	406	265	1,724	3,000	3,250	3,250	2,026	1,269	1,366	1,474
Levies Paid - Water Resource Management Charges										
Licences	1,256	1,210	528	2,100	2,100	2,100	467	2,200	2,273	2,345
Management Fee	-	-	117	-	-	-	66	-	-	-
Printing, Publications and Books	333	692	451	600	2,194	2,194	363	5,790	6,072	6,397
Professional Bodies, Membership and Subscription	2,993	3,235	3,270	3,600	4,190	4,190	4,140	4,507	4,648	4,744
Registration Fees	366	528	213	350	350	350	169	855	884	935
Remuneration to Section 79 Committee Members	14	2	299	500	500	500	6	500	510	525
Road Worthy Test	786	1,230	1,170	-	-	-	-	-	-	-
Seating Allowance for Traditional Leaders	-	-	-	200	200	200	-	200	206	210
Servitudes and Land Surveys										
Signage	31,266	136	14,182	600	600	600	-	350	357	368
Skills Development Fund Levy	2,387	2,634	2,676	650	650	650	0	672	694	717
Small Differences Tolerances	948	0	752	-	-	-	0	-	-	-
Toll Gate Fees	149	431	549	1,653	1,652	1,652	608	1,694	1,749	1,804
Transport Provided as Part of Departmental Activities	3,724	4,722	2,599	1,750	1,750	1,750	2,186	2,831	2,893	2,975
Travel Agency and Visas										
Travel and Subsistence	1,147	3,493	3,025	3,864	4,002	4,002	2,627	3,189	3,276	3,337
Uniform and Protective Clothing	1,764	1,319	1,972	3,250	3,509	3,509	359	3,880	3,616	3,731
Vehicle Tracking	-	-	-	-	-	-	-	-	-	-
Ward Committees										
Warranties and Guarantees										
Wet Fuel	21,359	10,477	11,549	15,000	15,000	15,000	7,396	8,672	8,865	9,195
Witness Fees										
Workmens Compensation Fund	2,668	2,431	2,669	2,650	2,650	2,650	2,600	2,756	2,839	2,895
Total Operational Cost	114,560	80,012	107,866	105,355	105,926	105,926	52,228	92,874	95,861	98,873
Operating Leases										
Furniture and Office Equipment	2,155	1,814	4,698	3,500	6,607	6,607	4,086	6,607	6,805	6,941
Total Operational Leases	2,155	1,814	4,698	3,500	6,607	6,607	4,086	6,607	6,805	6,941
Discontinued Operations										
Statutory Payments other than Income Taxes										
Total Operational Cost and Other Cost	116,715	81,826	112,564	108,855	112,533	112,533	56,314	99,580	102,666	105,815

Table 57 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department

NW375 Moses Kotane - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Municipal Council	Vote 02 - Office Of The Accounting Officer	Vote 03 - Budget And Treasury Office	Vote 04 - Corporate Services	Vote 05 - Community Services	Vote 06 - Planning & Development	Vote 07 - Infrastructure & Technical Services	Vote 08 -	Vote 09 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 - Other	Total
R thousand	1																
Revenue																	
Exchange Revenue																	
Service charges - Electricity		-															-
Service charges - Water								162,475									162,475
Service charges - Waste Water Management						14,435		5,356									5,356
Service charges - Waste Management						14,435											14,435
Sale of Goods and Rendering of Services				509		55	169										732
Agency services																	-
Interest																	-
Interest earned from Receivables				62,411		-	-	-									62,411
Interest earned from Current and Non Current Assets				8,774													8,774
Dividends																	-
Rent on Land																	-
Rental from Fixed Assets				31													31
Licence and permits						2,611											2,611
Special rating levies																	-
Construction Contract Revenue																	-
Development Charges																	-
Operational Revenue				1,560	672												2,232
Non-Exchange Revenue																	
Property rates				203,979													203,979
Surcharges and Taxes																	-
Fines, penalties and forfeits						2,895											2,895
Licences or permits																	-
Transfer and subsidies - Operational		77,130		292,126		98,715		168,361									636,332
Interest				39,060													39,060
Fuel Levy																	-
Operational Revenue																	-
Gains on disposal of Fixed and Intangible Assets																	-
Other Gains																	-
Discontinued Operations																	-
Total Revenue (excluding capital transfers and contributions)		77,130	-	608,449	672	118,712	169	336,191	-	-	-	-	-	-	-	-	1,141,324
Expenditure																	
Employee related costs		16,616	19,682	61,324	62,953	53,744	38,273	126,469									379,062
Remuneration of councillors		32,529															32,529
Bulk purchases - electricity								48,205									48,205
Inventory consumed								182,246									182,246
Debt impairment						15,672		252,800									268,472
Depreciation, amortisation and impairment		226			2,756	38,952		128,607									170,540
Interest, Dividends and Rent on Land						2,458											2,458
Contracted services		5,770	2,920	21,518	6,151	87,330	6,477	46,983									177,149
Transfers and subsidies																	-
Irrecoverable debts written off				413		327		2,189									2,929
Operational costs		33,654	9,018	898	34,885	13,022	359	7,745									99,580
Disposal of Fixed and Intangible Assets																	-
Other Losses																	-
Total Expenditure		88,795	31,620	84,153	106,745	211,506	45,109	795,243	-	-	-	-	-	-	-	-	1,363,170
Surplus/(Deficit)		(11,665)	(31,620)	524,296	(106,073)	(92,793)	(44,940)	(459,052)	-	-	-	-	-	-	-	-	(221,847)
Transfers and subsidies - capital (monetary allocations)						16,921		212,390									229,311
Transfers and subsidies - capital (in-kind)																	-
Surplus/(Deficit) after capital transfers & contributions		(11,665)	(31,620)	524,296	(106,073)	(75,872)	(44,940)	(246,662)	-	-	-	-	-	-	-	-	7,464

Table 58 MBRR Table SA3 – Supporting detail to Statement of Financial Position

NW375 Moses Kotane - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	Current Year 2025/26						2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28
ASSETS										
Current Assets										
Cash and Cash Equivalents										
Call Deposits and Investments		32 833	27 642	6 109	9 197	9 197	9 197	78 574	3 798	3 850
Cash at Bank		6 002	15 930	49 436	(8 577)	(8 577)	(8 577)	(95 985)	5 435	(406)
Cash on Hand		20	15	20	-	-	-	(17)	-	-
Total Cash and Cash Equivalents		38 855	43 587	55 565	619	619	619	(17 427)	9 233	3 444
Short term Investments										
Deposit Taking Institutions										
Trade and other receivables from exchange										
Electricity										
Waste Management		143 683	43 471	60 033	59 855	59 855	59 855	13 024	79 060	99 614
Waste Water Management		26 212	15 878	18 548	26 717	26 717	26 717	2 211	32 986	40 135
Water		1 290 917	800 663	900 590	1 250 511	1 250 511	1 250 511	47 205	1 485 443	1 514 192
Other trade receivables from exchange tra		(4 606)	4 913	5 593	947	947	947	1 282	164	160
VAT Receivable Input Tax Accrual										
Gross: Trade and other receivables from		1 456 207	864 925	984 764	1 338 031	1 338 031	1 338 031	63 722	1 597 653	1 654 100
Less: Impairment for debt										
Impairment for Electricity										
Impairment for Waste Management		(143 015)	(42 874)	(59 638)	(54 763)	(54 763)	(54 763)	(5 606)	(75 517)	(96 173)
Impairment for Waste Water Management		(21 975)	(12 173)	(14 904)	(21 660)	(21 660)	(21 660)	(1 745)	(27 962)	(35 212)
Impairment for Water		(1 219 861)	(705 589)	(832 297)	(1 139 993)	(1 139 993)	(1 139 993)	(100 360)	(1 426 598)	(1 453 300)
Impairment for other trade receivables from		(459)	(1 425)	(2 097)	116	116	116	-	121	124
Total Less: Impairment for debt		(1 385 310)	(762 060)	(908 937)	(1 216 300)	(1 216 300)	(1 216 300)	(107 712)	(1 529 955)	(1 584 562)
Total net Trade and other receivables from		70 897	102 865	75 828	121 731	121 731	121 731	(43 990)	67 698	69 538
Receivables from non-exchange transac										
Property rates										
Agricultural Properties		38 112	37 776	35 374	43 680	43 680	43 680	344	48 608	53 650
Business and Commercial Properties		192 642	202 935	222 705	183 284	183 284	183 284	(5 172)	161 953	160 214
Industrial Properties		14 983	15 673	15 640	18 978	18 978	18 978	(492)	21 678	23 753
Mining Properties		35 520	50 902	70 768	69 054	69 054	69 054	17 113	71 737	77 026
Public Benefit Organisations		87	81	82	94	94	94	1	2	2
Public Service Infrastructure Properties		65	66	70	80	80	80	3	88	96
Public Service Purposes Properties		424 926	389 667	396 764	289 639	289 639	289 639	57 609	242 978	269 280
Residential Properties		(457 701)	(108 404)	(107 048)	99 172	99 172	99 172	(113)	99 423	109 178
Residential Sectional Title Garages										
Sports Clubs and Fields										
Vacant Land		25 019	28 409	32 842	37 334	37 334	37 334	2 999	45 110	49 593
Property Rates General										
Gross: Property rates		273 654	617 104	667 199	741 316	741 316	741 316	72 292	691 576	742 793
Less: Impairment of Property rates		(98 850)	(534 082)	(568 434)	(641 764)	(641 764)	(641 764)	(43 868)	(590 637)	(640 648)
Net Property rates		174 804	83 022	98 764	99 552	99 552	99 552	28 423	100 940	102 146
Other receivables from non-exchange tran		14 422	13 390	14 952	19 171	19 171	19 171	2 280	22 138	24 257
Less: Impairment for other receivables from		(14 306)	(15 494)	(17 135)	(18 776)	(18 776)	(18 776)	-	(21 842)	(23 951)
Net other receivables from non-excha		116	(2 104)	(2 183)	395	395	395	2 280	296	306
Total net Receivables from non-exchang		174 920	80 918	96 581	99 947	99 947	99 947	30 703	101 236	102 452

Inventory										
Agricultural										
Consumables	15 986	19 908	30 477	21 793	21 793	21 793	1 895	32 774	33 343	35 343
Finished Goods	-	-	-	-	-	-	-	-	-	-
Housing Stock	-	-	-	-	-	-	-	-	-	-
Land	435	555	555	569	569	569	-	569	577	592
Materials and Supplies	-	-	-	-	-	-	-	-	-	-
Water	73	1 008	1 405	1 069	1 069	1 069	72 240	1 117	1 145	1 145
Work-in-progress										
Total Inventory	16 493	21 471	32 437	23 430	23 430	23 430	74 135	34 460	35 066	37 080
VAT Receivable										
Input Tax Capital	12 491	42 500	65 612	77 386	77 386	77 386	19 782	-	-	-
Input Tax General	24 118	(35 633)	2 781	(49 072)	(49 072)	(49 072)	35 069	-	-	-
VAT Control (Receivable)	92 862	19 990	(36 403)	(14 795)	(14 795)	(14 795)	(55 648)	30 215	31 012	32 441
Total VAT Receivable	129 471	26 858	31 990	13 519	13 519	13 519	(797)	30 215	31 012	32 441
Other current assets										
Construction Contracts and Receivables										
Control, Clearing and Interface Accounts	23 214	24 353	25 092	5 289	5 289	5 289	(238)	3 857	3 955	4 079
Total Other current assets	23 214	24 353	25 092	5 289	5 289	5 289	(238)	3 857	3 955	4 079
Total Current Assets	453 851	300 051	317 493	264 535	264 535	264 535	42 387	246 698	245 467	251 343
Investment Property										
Investment Property at Cost / Fair Value	150 664	152 298	161 643	153 482	153 482	153 482	-	161 849	161 889	161 929
Less: Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-
Less: Accumulated Impairment	-	-	-	-	-	-	-	-	-	-
Total Investment Property	150 664	152 298	161 643	153 482	153 482	153 482	-	161 849	161 889	161 929
Property, Plant and Equipment										
Property, Plant and Equipment at Cost / Revaluation	5 794 555	5 926 062	6 149 638	6 608 606	6 619 427	6 619 427	93 881	6 755 499	6 976 443	7 141 209
Leases recognised as Property, Plant and Equipment										
Less: Accumulated Depreciation	(3 054 496)	(3 147 936)	(3 260 824)	(3 279 832)	(3 279 832)	(3 279 832)	(87 368)	(3 424 149)	(3 533 722)	(3 614 997)
Less: Accumulated Impairment	(3 303)	(2 129)	(11 362)	(2 221)	(2 221)	(2 221)	-	(2 318)	(2 392)	(2 447)
Total Property, Plant and Equipment	2 736 756	2 775 996	2 877 452	3 326 552	3 337 374	3 337 374	6 513	3 329 032	3 440 329	3 523 764
Heritage Assets										
Heritage Assets at Cost / Revaluation	14	14	14	14	14	14	-	14	14	14
Less: Accumulated Impairment	-	-	-	-	-	-	-	-	-	-
Total Heritage Assets	14	14	14	14	14	14	-	14	14	14
Intangible Assets										
Intangible Assets at Cost / Revaluation	31 919	31 129	31 355	35 666	35 666	35 666	-	35 816	36 859	37 774
Less: Accumulated Amortisation	(2 377)	(2 501)	(2 878)	(3 310)	(3 310)	(3 310)	(1 484)	(3 393)	(3 478)	(3 582)
Less: Accumulated Impairment	(16 149)	(16 149)	(16 149)	(19 677)	(19 677)	(19 677)	-	(19 744)	(20 623)	(21 241)
Total Intangible Assets	13 393	12 478	12 328	12 678	12 678	12 678	(1 484)	12 678	12 758	12 951
Total Other non-current assets	-	-	-	-	-	-	-	-	-	-
Total Non Current Assets	3 152 582	3 263 067	3 338 908	3 492 726	3 503 548	3 503 548	5 029	3 503 573	3 614 989	3 698 658
TOTAL ASSETS	3 606 433	3 563 119	3 656 402	3 757 261	3 768 083	3 768 083	47 415	3 750 271	3 860 456	3 950 002

Consumer Deposits											
Rental Properties		194	157	159	-	-	-	5	-	-	-
Sewer											
Street Closure											
Valuation Appeal											
Water		591	599	599	605	605	605	-	605	605	607
Wayleave											
Total Consumer Deposits		785	755	758	605	605	605	5	605	605	607
Trade and Other Payable Exchange Transactions											
Accrued Interest		-	-	-	-	-	-	-	-	-	-
Advance Payments		87 393	60 074	70 099	60 849	60 849	60 849	11 480	72 061	72 215	72 373
Affiliates, Related Parties and Associated Companies											
Agency Fees Payable											
Auditor-General of South Africa		(399 166)	(258 245)	84	84	84	84	-	61	61	62
Bonus											
Compensation Commission (COID)											
Control, Clearing and Interface Accounts		0	430	(32)	-	-	-	27 952	-	-	-
Deferred Revenue											
Dividends Declared											
Electricity Bulk Purchase		3 669	384	1 582	-	-	-	(1 582)	-	-	-
Fair Value Adjustment											
Intercompany/Parent-subsidiary Transactions											
Leave Accrual		-	-	-	52 346	52 346	52 346	-	52 848	53 149	53 489
Long Service Award		-	-	-	-	-	-	-	-	-	-
Municipal Debt Relief											
Overtime											
Payables and Accruals		455 658	298 602	102 867	19 211	19 211	19 211	(83 376)	6 507	5 784	3 012
PAYE Deductions		-	-	-	-	-	-	-	-	-	-
Pension and Retirement Contributions		-	-	-	-	-	-	-	-	-	-
Retentions		32 700	41 733	46 146	41 994	41 994	41 994	(7 465)	54 922	55 552	56 411
Standby											
Tender documentation											
Unallocated Deposits		8 132	5 430	3 550	5 462	5 462	5 462	-	5 010	3 012	3 012
Water Inventory Bulk Purchases		22 966	66 809	51 575	29 224	29 224	29 224	(58 679)	60 078	60 259	61 259
VAT Payables Output Tax Accrual											
VAT Payables Output Tax Provision for Debit											
Total Trade and Other Payable Exchange Transactions	2, 5	211 352	215 217	275 871	209 171	209 171	209 171	(111 670)	251 487	250 033	249 618
Trade and Other Payable Non-exchange Transactions											
Transfers and Subsidies Unspent											
Capital		(2 405)	(2 209)	4 570	-	(7 589)	(7 589)	68 411	-	-	-
Operational		10 561	5 514	5 170	-	(436)	(436)	(560)	-	-	-
Total Transfers and Subsidies Unspent		8 156	3 305	9 740	-	(8 025)	(8 025)	67 851	-	-	-
VAT Payables Output Tax Accrual		-	-	-	-	-	-	-	-	-	-
VAT Payables Output Tax Provision for Debit		-	-	-	-	-	-	-	-	-	-
Total Trade and Other Payable Non-exchange Transactions	2	8 156	3 305	9 740	-	(8 025)	(8 025)	67 851	-	-	-
Provision											
Alien Vegetation											
Bonus											
Decommissioning, Restriction and Similar		1 109	3 540	3 777	2 387	2 387	2 387	-	2 672	2 681	2 694
Ex-gratia Pension											
Insurance Claims											
Leave		42 222	44 754	48 475	3 331	3 331	3 331	(1 287)	3 101	3 158	3 171
Litigation											
Pension Fund Investment Return Shortfall											
Staff Parity											
Impairment											
Total Provision		43 331	48 294	52 252	5 719	5 719	5 719	(1 287)	5 773	5 839	5 865
VAT Payable											
VAT Payable: Output Tax		99 997	11 020	8 305	-	-	-	15 117	-	-	-
VAT Payable: VAT Control		-	-	-	-	-	-	-	-	-	-
Total VAT Payable		99 997	11 020	8 305	-	-	-	15 117	-	-	-
Total Current Liabilities		372 462	282 196	349 630	216 602	208 576	208 576	(40 846)	257 865	256 477	256 091

Non-current Liabilities											
Financial Liabilities											
Finance Lease Liability		34 753	22 945	9 029	603	603	603	-	-	-	-
Total Borrowings	4	34 753	22 945	9 029	603	603	603	-	-	-	-
Operating Lease Liability											
Total Financial Liabilities		34 753	22 945	9 029	603	603	603	-	-	-	-
Provisions											
Alien Vegetation											
Bonus											
Decommissioning, Restoration and Similar		20 464	21 932	26 918	24 193	24 193	24 193	-	48 882	49 967	50 213
Total Provisions		20 464	21 932	26 918	24 193	24 193	24 193	-	48 882	49 967	50 213
Total Other non-current liabilities		-	-	-	-	-	-	-	-	-	-
Total non current liabilities		55 217	44 877	35 947	24 796	24 796	24 796	-	48 882	49 967	50 213
TOTAL LIABILITIES		427 678	327 073	385 578	241 397	233 372	233 372	(40 846)	306 746	306 444	306 303
CHANGES IN NET ASSETS		3 178 755	3 236 046	3 270 824	3 515 864	3 534 711	3 534 711	88 262	3 443 525	3 554 012	3 643 698
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)											
Changes in Accounting Policy		-	-	-	-	-	-	-	-	-	-
Correction of Prior Period Error		(5 031)	3 108	13	-	-	-	(1)	-	-	-
Depreciation Offsets		-	-	-	-	-	-	-	-	-	-
Opening Balance		3 011 253	3 154 931	3 210 491	-	-	-	-	-	-	-
Transfers to/from operating revenue and e		148 708	117 348	(12 950)	(309 135)	(309 135)	(309 135)	111 787	-	-	-
Transfers to/from Reserves		-	0	-	3 892 870	3 905 021	3 905 021	-	3 431 410	3 540 499	3 638 137
Total Accumulated Surplus/(Deficit)	1	3 154 931	3 275 387	3 197 553	3 583 734	3 595 885	3 595 885	111 786	3 431 410	3 540 499	3 638 137
Total Other	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	3 154 931	3 275 387	3 197 553	3 583 734	3 595 885	3 595 885	111 786	3 431 410	3 540 499	3 638 137

Table 59 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

NW375 Moses Kotane - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref	Basis of calculation	2001 Census	2007 Survey	2011 Census	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			-	-	237,000	-	-	-	-	-	-	-
Females aged 5 - 14			-	-	24,000	-	-	-	-	-	-	-
Males aged 5 - 14			-	-	23,000	-	-	-	-	-	-	-
Females aged 15 - 34			-	-	41,000	-	-	-	-	-	-	-
Males aged 15 - 34			-	-	41,000	-	-	-	-	-	-	-
Unemployment			-	-	142,000	-	-	-	-	-	-	-
Monthly household income (no. of households)												
No income	1, 12		-	-	32,821	-	-	-	-	-	-	-
R1 - R1 600			-	-	12,532	-	-	-	-	-	-	-
Household/demographics (000)												
Number of people in municipal area			-	-	227,000,000	-	-	-	-	-	-	-
Number of poor people in municipal area			-	-	84,000	-	-	-	-	-	-	-
Number of households in municipal area			-	-	60,000	-	-	-	-	-	-	-
Number of poor households in municipal area			-	-	33,000	-	-	-	-	-	-	-
Dwellings provided by municipality	4		-	-	52,571	-	-	-	-	-	-	-
Dwellings provided by provinces			-	-	7,596	-	-	-	-	-	-	-
Total new housing dwellings			-	-	60,167	-	-	-	-	-	-	-
Economic												
Inflation/inflation outlook (CPIX)	6					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - borrowing						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - investment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (electricity)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collection rates												
Property tax/service charges	7					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental of facilities & equipment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - external investments						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue from agency services						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Other Supporting Documents

NW375 Moses Kotane - Supporting Table SA21 Transfers and grants made by the municipality

R thousand	Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	Monetary Transfers to other municipalities	1										
	Total Monetary Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
	Monetary Transfers to Entities/Other External Mechanisms	2										
	Total Monetary Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
	Monetary Transfers to other Organs of State	3										
	Total Monetary Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
	Monetary Transfers to Organisations <i>Sporting Bodies - Rent</i>		-	-	-	-	-	-	-	-	-	-
	Total Monetary Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
	Monetary Transfers to Groups of Individuals <i>Care Dependency</i> <i>Grant In Aid</i>		-	-	-	-	-	-	-	-	-	-
	Total Monetary Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
	TOTAL Monetary TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
	In-Kind Transfers to other municipalities	1										
	Total In-Kind Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
	In-Kind Transfers to Entities/Other External Mechanisms	2										
	Total In-Kind Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
	In-Kind Transfers to other Organs of State	3										
	Total In-Kind Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
	In-Kind Grants to Organisations	4										
	Total In-Kind Grants To Organisations		-	-	-	-	-	-	-	-	-	-
	Groups of Individuals	5										
	Total In-Kind Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
	TOTAL In-Kind TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
	TOTAL TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-

2.15 Municipal manager's quality certificate
Attached separately.