THABAZIMBI LOCAL MUNICIPALITY TABLED ANNUAL BUDGET 2024/25

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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THABAZIMBI LOCAL MUNICIPALITY

VISION

A MUNICIPALITY WITH A DIVERSIFIED ECONOMY IN THE PROVISION OF EXCELLENT SUSTAINABLE SERVICES

MISSION

TO BE A LEADING MUNICIPALITY IN THE PROVISION OF EXCELLENT SUSTAINABLE SERVICES IN COLLABORATION WITH STAKEHOLDERS

VALUES STATEMENT

HONESTY AND INTEGRITY, ACCOUNTABILITY, INNOVATION AND TRANSFORMATION, SAFE ENVIRONMENT, COLLABORATION, TRANSPARENCY AND FAIRNESS, COMMUNITY INVOLVEMENT

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GLOSSARY OF TERMS AND ABBREVIATIONS

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting, or affected by, the budget. Examples include tariff policy, rates policy and credit control and debt policy.

Budget Steering committee (BSC) – Committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in Section 53 of the MFMA.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash that will be received and spent by the municipality, and the month end cash and short-term investment balances.

CGD – Capital Grants and Donations.

CPI – Headline Consumer Price Index.

CRR – Capital Replacement Reserve.

DMTN – Domestic Medium-Term Note.

DORA – Division of Revenue Act. Annual legislation, which shows the allocations from National to Local Government.

DORB – Division of Revenue Bill. Annual legislation tabled in parliament, but not enacted, which shows the allocations from National to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted at assisting municipalities with the costs of free basic services.

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI – Key Performance Indicators. Measures of service output and/or outcome.

MBRR – Municipal Budget Reporting Regulations.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to Municipal Financial Management.

MTREF – Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.

SDBIP – Service Delivery Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

SFA – Strategic Focus Areas. The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these Strategic Focus Areas.

Portfolio Committee – In line with Section 79 of the Structures Act, the Council Portfolio Committees process policies and bylaws relating to the functional areas within their terms of reference, and are responsible for implementation monitoring of these, as well as oversight of the functional areas. Portfolio Committees are also responsible for assessing and monitoring services delivery, ensuring that annual budgets are spent wisely, and that there is no wastage or corruption.

Rates – Local Government tax based on assessed valuation of a property.

EXECUTIVE SUMMARY

In terms of Section 24(1) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the council of the municipality must for each year approve an annual budget for the municipality before the start of the financial year. The deadlines set out in the MFMA for tabling and approving budgets are minimum compliance requirements; municipalities may table and approve their budgets earlier. The budget must be tabled for consultation at least 90 days (31 March) before the start of the financial year (1 July). It must be considered for approval at least 30 days (1 June) before the start of that year, and it must be approved before the start of the financial year (1 July).

In Section 17 it is further said that the budget must be a schedule in this prescribed format:

a) Setting out realistically anticipated revenue for the budget year from each revenue source;

b) Appropriating expenditure for the budget year under the different votes of the municipality;

c) Setting out indicative revenue per revenue source and projected Expenditure by vote for the two financial years following the budget year;

d) Setting out estimated revenue and expenditure by vote for the current year; and

e) Actual revenue and expenditure by vote for the financial year preceding the current year.

The following document is the Tabled Annual Budget for the 2024/25 financial year. Thabazimbi Local Municipality received the following audit opinions: Thabazimbi Local Municipality has compiled the annual financial statements in-house over the past 3 financial years and will continue to do so over the foreseeable future.

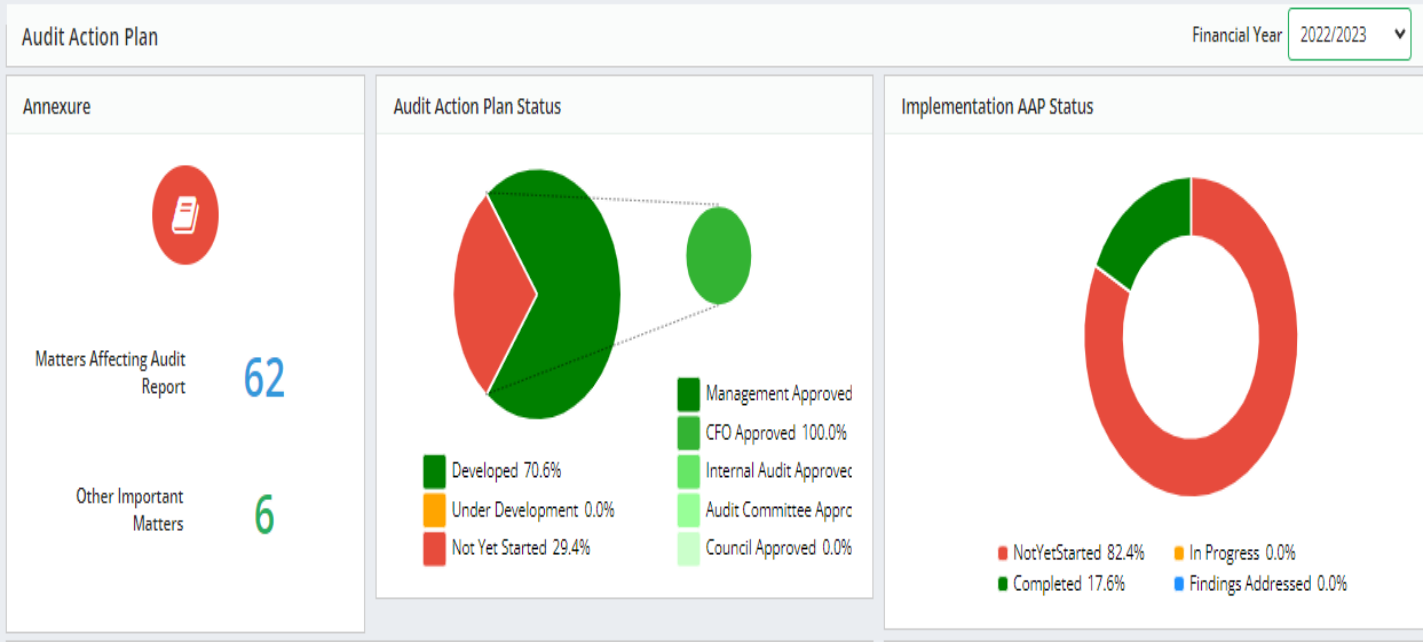
Thabazimbi Local Municipality received the following audit opinions:

- 2020/21: Qualified
- 2021/22: Qualified
- 2022/23: Qualified

The components which contributed to the basis of the qualified audit opinion for the 2022/23 financial year were as follows:

- **Property, plant & equipment** – Municipality was found not to be in accordance with GRAP 17 and GRAP 21.
- **Revenue from exchange transactions** - Service charges revenue was not recognized as required by GRAP 9.
- **Revenue from non-exchange transactions** – Property rates were not calculated in accordance with the standards of GRAP 23.
- **Expenditure** - Expenditure was incorrectly presented on AFS
- **Contingent Liabilities** – Insufficient appropriate audit evidence on contingent liabilities.

The municipality is currently completing the audit action on the live web based system as provided by National and Provincial Treasury as well as per circular 113 requirements. Below shows the current state of affairs with regards to the audit action plan:



TLM does not prepare interim financial statements, however the municipality plans on preparing interim financials in the 2024/25 financial year. The municipality is working on further capacitating its financial reporting division to assist with the AFS preparation. The audit steering committee has been resuscitated which will assist in making progress on the action plan. Audit steering committee meetings are will be held bi-weekly, furthermore will be held weekly should the need arise.

The municipality reviews/updates its financial recovery plan (FRP) on a monthly basis with Provincial Treasury to ensure that the municipality operates in a sound financial manner. A new financial recovery plan will be developed in the 2023/24 financial year to better assist the municipality with its current challenges. The municipality held a meeting with Provincial & National Treasury on 5 February 2024 to discuss and plan for the implementation of the new FRP. The development of the new FRO will begin with the “status quo phase” which will be completed over the coming 4-6 weeks.

Thabazimbi Local Municipality applied and has been approved for the Eskom Debt Relief Programme, which will see the Eskom historic debt written-off over a period three years. The municipality has entered into an active partnering agreement with Eskom to further assist with electricity revenue generation.

The municipality has focused on developing revenue enhancement strategies and cost containment measures on expense items to assist in improving the cash flow of the municipality.

The following are strategies developed to assist generating revenue for the municipality:

- The municipality has started the process of appointing a panel of service providers to assist with revenue enhancement and debt collection

- There is an agreement with the mines to assist in procuring and installing around 3600 prepaid water meters in Northam which will assist the municipality in generating revenue from that specific area.

- To date, 1796 meters have been installed from a total of 2600 meters. Northam Platinum Mine are installing the water meters on behalf of the municipality.
- The cost containment policy will be reviewed by May 2024 to assist in controlling/capping unnecessary expenditure.
- A Budget Funding Plan was adopted to aid the municipality in reaching a funded budget.

The budget projections were based on circular 126 (i.e., municipal budget circular for 2024/25 MTREF) According the said circular, the inflation target has been denoted on the below table:

Macro-economic performance and projects, 2022-2027

Fiscal year	*2022/23*	*2023/24*	*2024/25*	*2025/26*	*2026/27*
	Actual	Estimates		Forecast	
CPI Inflation	6.9%	5.3%	4.9%	4.6%	4.5%

Figure 1 Macro-economic performance and projects, 2021-2026

Consolidated Overview of the 2024/25 MTREF

Description	***Original Budget 2024/2025***
Operating Revenue	R578.9 million
Operating Expenditure	R574.3 million
Capital Expenditure	R 105 million

Figure 2 Consolidated Overview of the 2023/24 MTREF

Budgeted total operating revenue is 578.9 million and budgeted total operating expenditure is R574.3 million for the period of 2024/25. The total capital budget for the 2024/25 amounts to R105 million. The capital budget comprises of two grants, namely, Municipal Infrastructure Grant and Water Services Infrastructure Grant.

OPERATING BUDGET FRAMEWORK

Operating Revenue

Summary of revenue classified by main revenue source

LIM361 Thabazimbi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	78,829	84,251	63,804	128,800	128,800	128,800	128,800	130,400	318,246	366,301
Service charges - Water	2	42,676	49,859	42,927	84,283	84,283	84,283	84,283	89,340	94,700	100,382
Service charges - Waste Water Management	2	25,178	28,397	27,442	31,315	31,315	31,315	31,315	33,194	35,185	37,296
Service charges - Waste Management	2	15,953	17,096	18,140	19,259	19,259	19,259	19,259	20,415	21,640	22,938
Sale of Goods and Rendering of Services		725	663	934	998	998	998	998	1,058	1,121	1,189
Agency services		–	–	–	–	–	–	–	–	–	–
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		21,785	20,800	22,138	34,699	34,699	34,699	34,699	36,781	38,988	41,328
Interest earned from Current and Non Current Ass		399	502	429	623	623	623	623	660	700	742
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		426	443	552	606	606	606	606	642	681	722
Licence and permits		4,392	4,674	4,470	–	–	–	–	–	–	–
Operational Revenue		751	1,679	250	1,825	1,825	1,825	1,825	1,935	2,277	2,414
Non-Exchange Revenue											
Property rates	2	80,805	90,441	100,130	102,476	102,476	102,476	102,476	108,625	115,143	122,051
Surcharges and Taxes		–	–	–	–	–	–	–	–	59,360	62,922
Fines, penalties and forfeits		466	774	681	821	821	821	821	870	922	978
Licences or permits		370	28	25	5,016	5,016	5,016	5,016	5,317	5,636	5,974
Transfer and subsidies - Operational		120,315	117,750	130,850	140,212	140,212	140,212	140,212	149,758	159,137	170,694
Interest		6,266	6,744	10,164	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(2,666)	(154)	(131)	–	–	–	–	–	–	–
Other Gains		(557)	4,401	9,968	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		396,112	428,348	432,772	550,934	550,934	550,934	550,934	578,995	853,736	935,930

Table 1 A4 Summary of revenue classified by main revenue source

Kindly note that the outer year segments for electricity revenue has not pulled correctly, resulting in the two outer years having a drastic increase in the budgeted figure. This will be resolved during the adopted budget process. Thabazimbi Local Municipality requires sustainable revenue streams in order to improve the lives of its citizens. The municipality does continuously review revenue management processes to ensure that the projected revenue and cash flows are realized. The municipality does maximize the revenue generating potential of all revenue sources through adequate and effective controls.

The municipality's tabled budget strategy is built around the following key concepts:

a) National Treasury's guidelines in this regard in terms of the relevant circulars, particularly circular 126
b) Division of Revenue Bill 2024
c) Tariff Policies;
d) Efficient revenue management, which aim to ensure better annual collection rates for property rates and other service charges;
e) Determining the tariff escalation rate by calculating the revenue requirement of each service taking into consideration the affordability of these tariffs;
f) Budget Funding Plan

Operating grants and transfers totals to R149.6 million in the 2024/25 financial year, the allocations are as follows:

Description	***Original Budget 2024/2025***	***Original Budget 2025/2026***	***Original Budget 2026/2027***
Equitable share	R 145.3 million	R 156.1 million	R 167.6 million
Financial Management Grant (FMG)	R 3 million	R 3 million	R 3 million
Expanded Public Works Programme Integrated Grant (EPWP)	R 1.36 million	-	-
TOTAL	**R 149.6 million**	**R 159.1 million**	**R 170.6 million**

Figure 3 Operating grants and transfers per DORA

Revenue generated from property rates and service charges forms a significant percentage of the revenue basket for the municipality.

1.1.1. Property Rates

The figure budgeted for property rates were calculated using the year-to-date 2023/24 actual figures and audited financial statements for 2022/23. A 6% inflation rate was used to reach a figure of R108 million. The following categories form part of Property Rates: Agricultural; Business; Industrial; Mines; Residential; Vacant Land. Property Rates are informed by the Tariff Policy and Indigent Policy.

1.1.2. Electricity Revenue

The tabled budgeted figure for electricity was calculated using the year-to-date 2023/24 actual figures and audited financial statements for 2022/23. There has been no formal communication from NERSA with regards to the percentage inflation changes thus a 6% has been used as a marker until confirmation is provided. NERSA has not provided a resale percentage for the 2024/25 financial as at the date of the draft budget inception. The municipality has installed additional smart prepaid meters which allows the municipality to collect 100% of prepaid electricity utilised.

Indigent contributions and electricity losses have been factored into the budget.

The above factors result in a budgeted amount for electricity revenue of R130.4 million for the 2024/25 financial year. A large portion of electricity services revenue are generated from prepaid meters, thus electricity revenue collection will be higher as compared to previous years. It is on this vein, that the municipality anticipates a 90% collection of the electricity billed to the customers/users. The Eskom Active Partnering Agreement will further assist the municipality with accurate billing, cost-reflective tariffs. In turn, this will increase electricity revenue as the financial year moves along.

1.1.3. Water Revenue

Water revenue for the 2024/25 financial year is budgeted at R89.3 million. The tabled budgeted for water revenue figure was calculated using the year-to-date 2023/24 actual figures and audited financial statements for 2022/23. In determining the R89.3 million budgeted amount, the following was considered:

a) Water losses
b) Collection rate for water
c) Indigent contributions
d) Net water revenue amount plus CPI

Magalies Water Board is the sole service provider of water to Thabazimbi Local Municipality. At the date of drafting this tabled budget, the municipality had not yet received any inputs from Magalies Water Board regarding the changes in the rates. The municipality had thus proactively catered an increase of 6% in line with CPI inflation forecast denoted on the executive summary.

During 2023/24 financial year, the municipality phased-in the water prepaid meters. This will assist in reducing non-payment of water, since the water prepaid meter is a “pay as you use” principle. The municipality will implement a surcharge on mines in respect of water consumption. The surcharge will be catered for in the tabled budget process. This will reflect under the surcharge heading and not form part of the budgeted water revenue.

The additional water revenue generated from the surcharge will be used to ensure service delivery of water to the community is improved, as well as to decrease the historic debt owed to Magalies Water Board Municipality therefore the municipality does anticipate an increase in cash collection of the water revenue.

1.1.4. Sanitation and Refuse

The increase in sanitation and refuse respectively, was calculated based on the actual revenue to date generated in 2023/24 and audited financial statements for 2022/23. A tariff increase of 6% was applied for sanitation and refuse. The budgeted sanitation

amount to R33.1 million and budgeted for refuse amounts to R20.4 million for the 2024/25 financial year.

1.1.5. Indigent Support

The municipality will be providing free basic services as indicated in the table below:

Service	*Free Basic Package per indigent household*
Water	6kl
Electricity	50kwh
Sanitation	100% free
Refuse	100% free
Property Rates	100% free

Figure 4 Free Basic Services: Basic Social Services Package

The free basic services will be implemented as per the municipality's indigent policy. The indigent register is updated annually, and the policy is reviewed annually.

1.1.6. Interest Earned

Interest earned (i.e., income) compromises of two component namely, interest from external investment and outstanding debtors. The budgeted Interest earned on external investments is anticipated to amount to R660 thousand and interest on outstanding debtors is projected at R36.7 million for the 2024/25 financial year.

1.1.7. Other Revenue

The tabled budgeted figure for other revenue amounting to R1.9 million was determined by using the year-to-date 2023/24 actual figures and audited financial statements for 2022/23 as well as the 6% CPI inflation.

Operating Expenditure

Summary of expenditure classified by main expenditure source.

LIM361 Thabazimbi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure											
Employee related costs	2	135,737	151,882	162,238	167,499	167,499	167,499	167,499	175,706	183,789	192,059
Remuneration of councillors		9,354	9,396	9,959	10,008	11,558	11,558	11,558	12,124	12,682	13,253
Bulk purchases - electricity	2	75,019	84,756	83,121	109,118	99,000	99,000	99,000	117,305	138,995	164,695
Inventory consumed	8	45,240	41,804	17,575	58,158	54,093	54,093	54,093	56,143	58,725	61,368
Debt impairment	3	35,186	69,154	48,559	34,577	34,577	34,577	34,577	36,271	37,940	39,647
Depreciation and amortisation		31,433	37,090	19,369	39,231	39,231	39,231	39,231	44,420	51,083	58,746
Interest		19,064	19,944	25,203	16,195	22,518	22,518	22,518	23,622	24,448	25,548
Contracted services		42,470	44,732	41,810	54,470	69,347	69,347	69,347	63,428	123,983	128,567
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		922	74	–	22,508	2,508	2,508	2,508	–	–	–
Operational costs		39,251	15,158	20,323	23,074	43,677	43,677	43,677	45,324	46,948	48,607
Losses on disposal of Assets		–	–	567	–	–	–	–	–	–	–
Other Losses		82	134	24,634	–	–	–	–	–	–	–
Total Expenditure		433,759	474,123	453,359	534,839	544,007	544,007	544,007	574,343	678,592	732,489

Table 2 A4 Summary of expenditure classified by main expenditure source

The municipality's framework for the 2024/25 budget and MTREF is informed by the following:

1.1.8. Employee Related Costs

The figure for employee related costs has increased by 4.9%. Confirmation from The Bargaining Council is still outstanding for the new financial year thus will be confirmed and adjusted in the adopted budget. Savings will be expected in 2024/25 on the overall employee costs due to significant cost containment measures that are expected from the reduction of unnecessary overtime claims. Critical Positions that will be filled in the new financial year has been catered for in the tabled budget. All managers are expected to monitor and restrict overtime and uncontrolled travelling of employees to minimum levels.

1.1.9. Remuneration of Councillors

The amount budgeted for Councillors for the 2024/25 financial year is R12.1 million after taking into account the gazetted councillor upper limits of 2023.

1.1.10. Bulk Purchases

The amount of R117.3 million is made up of electricity bulk purchases. Bulk water has been accounted for as inventory thus is accounted for under "Other Material"; this is as per National Treasury circulars and guidelines. The budgeted bulk electricity figure has been increased by 12.7% as per Circular 126 (paragraph 3.11, p12).

1.1.11. Provision for depreciation and asset impairment

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 asset consumption. Depreciation has been budgeted for by using the 2022/23 audited financial statements and a 10% annual increase thereafter was used to derive the budgeted figure. Budget appropriations in this regard total R44.4 million for the 2024/25 financial year.

1.1.12. Finance charges

Consist of interest charged on the historic debt for Eskom; Magalies Water Board; Auditor General South Africa (AGSA); Bank Charges etc. Finance charges amounts to R23.6 million.

1.1.13. Contracted Services

The table below provides a summary of items budgeted for as contracted services:

Description	Amount
Munsoft	5,500,000.00
Business and Advisory	1,499,343.00
Payday	300,000.00
Tax Review	1,000,000.00
Local Economic Development Support	100,000.00
Legal Costs	10,000,000.00
Public Participation	200,000.00
Fuel	1,800,000.00
Repairs and Maintenance	16,727,067.00
Calibration of Licencing Equipment	20,000.00
Digging of graves	1,000,000.00
Removal of Illegal dumps	500,000.00
IT Services	659,507.00
Medical Examinations	200,000.00
Security Services	8,796,168.00
Asset Register	5,795,502.00
Land Use Scheme and SDF	500,000.00
Valuation Roll	4,310,413.00
Wildlife (Game) Management	250,000.00
Land Audit	100,000.00
EAP Professional Services	50,000.00
Human Resource Training	3,050,000.00
Record Management System	500,000.00

Cash in-transit	570,000.00
Total	**63,428,548.00**

Figure 5 Budgeted Expenditure Contracted Services

1.1.14. Repairs and Maintenance

The amount budgeted for repairs and maintenance for financial year 2024/25 is R25.5 million. The municipality is required to project this figure as a percentage of PPE value; however, this is an unrealistic method of calculation given the financial situation of the municipality. In future budget periods the municipality intends to increase the budget allocation for repairs and maintenance based on the asset management plan. The budgeted figure for repairs and maintenance is split across two segments, name contracted services and materials.

1.1.15. Inventory Consumed

Consists of the following line items:

Description	Amount
Repairs and Maintenance	8,829,955.00
Cleaning Material	595,237.00
Stationery	87,384.00
Communications Department Equipment	196,424.00
Bulk Purchases Water	46,234,000.00
Waste Management Cleaning Material	200,000.00
Total	**56,143,000.00**

Figure 6 Budgeted Expenditure Inventory Consumed

1.1.16. Other Expenditure

The table below provides a summary of items budgeted for as other expenditure:

Description	Amount
Office Rent	600,000.00
Lease Printers	3,000,000.00
HR Job Evaluation and Vetting	200,000.00
IDP Public Participation	250,000.00
Promotion Of Tourism	50,000.00
Advertisement Tenders	500,000.00
Bank Charges	500,000.00
Mayor Bursaries	100,000.00
Prepaid Electricity Commission	12,100,000.00
Cellular Contract (Subscription and Calls)	2,009,664.00
Establishment of Geographic Information System (GIS)	100,000.00
Landfill Site Provision	1,000,000.00

Deeds	27,000.00
OHS Function	100,000.00
Audit Fees	7,000,000.00
IT Services	7,533,964.00
Indigent Relief	800,000.00
Insurance	500,000.00
Licences: Agency Fees	2,000,000.00
Implementation of SPLUMA	100,000.00
Township Establishment	250,000.00
MPAC	200,000.00
PMU	1,907,850.00
Stationery	15,000.00
Printing and Publication	100,000.00
Internal Audit	150,000.00
Internal Audit-Membership fees	88,676.00
Audit Committee	400,000.00
Skills Levy	548,884.00
Travel and Subsistence	719,477.00
Accommodation	1,173,485.00
Protective Clothing	800,000.00
Human Resource Coida	500,000.00
Total	**45,324,000.00**

Figure 7 Budgeted Expenditure Other Expenditure

OHS Function: This amount consists of items such as fire extinguishers, first aid boxes and contents supplies to the value of R100 thousand.

Capital Expenditure

Project Name	2024/25 Budget	
MIG		
Rooiberg Paving of Internal street	R	17,249,150.00
Regorogile Ext 8 Paving of Internal Streets	R	15,000,000.00
Northam Upgrading of Internal street Phase 3	R	4,000,000.00
Project Management Unit Fees (5% of MIG Grant)	R	1,907,850.00
TOTAL	**R**	**38,157,000.00**
WSIG (6B)		
Upgrading of bulk water pipeline between Thabazimbi pump station and Thabazimbi Y- piece	R	20,000,000.00
Drilling equipping and connections of boreholes	R	8,000,000.00
upgrading of pump station at Brits Junction	R	8,000,000.00
Installation of standby generators	R	8,000,000.00
Installation of meters	R	5,000,000.00
Upgrading of Thabazimbi Waste Water Treatment Plant	R	12,000,000.00
Rooiberg bulk water Supply	R	6,224,000.00
TOTAL	**R**	**67,224,000.00**

Figure 8 Capital Project Budget 2024/2025

MIG GRANT 2025/26		
Rooiberg Paving of Internal street	R	4,710,397.86
Regorogile Ext 8 Paving of Internal Streets	R	24,074,430.76
Northam upgrading of internal street Phase 2	R	9,111,621.38
Project Management Unit Fees (5% of MIG Grant)	R	1,994,550.00
TOTAL	**R**	**39,891,000.00**
WSIG 6B		
Upgrading of bulk water pipeline between Thabazimbi pump station and Thabazimbi Y- piece	R	22,000,000.00
Drilling equipping and connections of boreholes	R	8,000,000.00
upgrading of pump station at Brits Junction	R	8,000,000.00
Installation of standby generators	R	8,000,000.00
Installation of meters	R	5,000,000.00
Upgrading of Thabazimbi Waste Water Treatment Plant	R	12,000,000.00
Rooiberg bulk water Supply	R	6,224,000.00
TOTAL	**R**	**71,764,000.00**
INEP		
Construction of Smashblock Substation	R	13,000,000.00
Electrification of Regorogile Ext 8	R	2,500,000.00

Electrification of Raphuthi	R	2,500,000.00
TOTAL	**R**	**18,000,000.00**

Figure 9 Capital Project Budget 2025/2026

MIG GRANT 2026/27		
Regorogile Ext 8 Paving of Internal Streets	R	23,765,252.76
Northam Upgrading of Internal street Phase 3	R	17,197,797.24
Project Management Unit Fees (5% of MIG Grant)	R	2,155,950.00
TOTAL	**R**	**43,119,000.00**
WSIG 6B		
Upgrading of bulk water pipeline between Thabazimbi pump station and Thabazimbi Y- piece	R	10,000,000.00
Drilling equipping and connections of boreholes	R	10,000,000.00
upgrading of pump station at Brits Junction	R	10,000,000.00
Installation of standby generators	R	10,000,000.00
Installation of meters	R	10,000,000.00
Upgrading of Thabazimbi Waste Water Treatment Plant	R	15,065,000.00
Rooiberg bulk water Supply	R	10,000,000.00
TOTAL	**R**	**75,065,000.00**
INEP		

Electrification of Regorogile Ext 8	R	8,000,000.00
Electrification of Raphuthi	R	8,000,000.00
TOTAL	**R**	**16,000,000.00**

Figure 10 Capital Project Budget 2026/2027

Capital expenditure projects will be funded through:

- Municipal Infrastructure Grant (MIG)
- Water Services Infrastructure Grant (WSIG)

Consolidated Overview of the 2024/25 MTREF

	Original Budget 2024/2025
Operating Revenue	R578.9 million
Operating Expenditure	R574.3 million
Surplus/ (Shortfall)	R4.6 million

Figure 11 Consolidated Overview of the 2024/25 MTREF

The operating expenditure for 2024/25 is R574.3 million, which is less than the operating income of R578.9 million, resulting in a surplus of R4.6 million. Expenditure as well consists of non-cash items such as depreciation and debt impairment which in total amounts to R76.6 million.

Strategic measures to increase the operating surplus over the MTREF period will be articulated in the updated financial recovery plan.

ANNUAL BUDGET TABLES

The following pages present the budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulation

Explanatory notes to MBRR Table A1 - Budget Summary

LIM361 Thabazimbi - Table A1 Budget Summary

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Financial Performance										
Property rates	80,805	90,441	100,130	102,476	102,476	102,476	102,476	108,625	115,143	122,051
Service charges	162,635	179,603	152,314	263,657	263,657	263,657	263,657	273,348	469,771	526,917
Investment revenue	399	502	429	623	623	623	623	660	700	742
Transfer and subsidies - Operational	120,315	117,750	130,850	140,212	140,212	140,212	140,212	149,758	159,137	170,694
Other own revenue	31,957	40,053	49,050	43,966	43,966	43,966	43,966	46,604	108,986	115,525
Total Revenue (excluding capital transfers and contributions)	396,112	428,348	432,772	550,934	550,934	550,934	550,934	578,995	853,736	935,930
Employee costs	135,737	151,882	162,238	167,499	167,499	167,499	167,499	175,706	183,789	192,059
Remuneration of councillors	9,354	9,396	9,959	10,008	11,558	11,558	11,558	12,124	12,682	13,253
Depreciation and amortisation	31,433	37,090	19,369	39,231	39,231	39,231	39,231	44,420	51,083	58,746
Interest	19,064	19,944	25,203	16,195	22,518	22,518	22,518	23,622	24,448	25,548
Inventory consumed and bulk purchases	120,260	126,560	100,696	167,276	153,093	153,093	153,093	173,448	197,720	226,063
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	117,912	129,251	135,894	134,630	150,108	150,108	150,108	145,023	208,870	216,820
Total Expenditure	433,759	474,123	453,359	534,839	544,007	544,007	544,007	574,343	678,592	732,489
Surplus/(Deficit)	(37,647)	(45,775)	(20,587)	16,094	6,926	6,926	6,926	4,651	175,144	203,441
Transfers and subsidies - capital (monetary allocations)	91,276	35,211	66,879	110,419	102,002	102,002	102,002	105,381	129,655	134,184
Transfers and subsidies - capital (in-kind)	–	5,541	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	53,629	(5,023)	46,292	126,513	108,928	108,928	108,928	110,032	304,799	337,625
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	53,629	(5,023)	46,292	126,513	108,928	108,928	108,928	110,032	304,799	337,625
Capital expenditure & funds sources										
Capital expenditure	102,691	49,344	1,286	108,463	101,445	101,445	101,445	104,522	84,726	76,505
Transfers recognised - capital	103,248	36,923	193	108,463	100,445	100,445	100,445	103,473	83,629	75,358
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	1,049	1,097	1,147
Total sources of capital funds	103,248	36,923	193	108,463	100,445	100,445	100,445	104,522	84,726	76,505
Financial position										
Investments	–	–	–	–	–	–	–	–	–	–
LIABILITIES	–	–	–	–	–	–	–	–	–	–
Financial liabilities	720	1,532	1,401	102,907	102,907	102,907	102,907	–	–	–
NET ASSETS	356,920	423,644	461,707	526,322	508,737	508,737	517,888	(9,116)	260,249	597,874
Community wealth/Equity	–	–	–	–	–	–	–	–	–	–
Cash flows										
Net cash from (used) operating	221,793	39,373	89,552	148,836	106,049	106,049	106,049	(37,606)	118,945	138,907
Net cash from (used) investing	(96,339)	(33,274)	(57,627)	(108,463)	(101,445)	(101,445)	(101,445)	(67,924)	(84,726)	(76,505)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	125,454	(9,022)	42,832	51,281	15,511	15,511	15,511	(104,923)	(70,704)	(8,302)
Cash backing/surplus reconciliation										
Non current Investments	11,471	18,782	3,129	0	(17)	(17)	(17)	(2,720)	(107,039)	(239,712)
Statutory requirements	(483,190)	(380,657)	(425,780)	53,070	20,679	20,679	20,679	(308,968)	(526,944)	(886,265)
Balance - surplus (shortfall)	494,661	399,439	428,909	(53,070)	(20,695)	(20,695)	(20,695)	306,248	419,905	646,552
Asset management										
Asset register summary (WDV)	803,065	813,732	795,858	70,004	62,987	62,987		60,938	57,982	75,741
Depreciation	31,433	37,090	19,369	39,231	39,231	39,231		44,420	51,083	58,746
Renewal and Upgrading of Existing Assets	5,236	(11,062)	(165,368)	(1,952)	(22,605)	(22,605)		6,238	4,189	9,949
Repairs and Maintenance	19,103	34,094	27,932	5,079	24,111	24,111		24,214	28,800	30,162

Table 3 A1 - Budget Summary

Table A1 is a budget summary and provides a concise overview of the municipality budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

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.

Financial management reforms emphasize 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.

The operating surplus/deficit (after Total Expenditure) is positive over the MTREF.
Capital expenditure is balanced by capital funding sources, of which transfers recognized is reflected on the Financial Performance Budget.

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

LIM361 Thabazimbi - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		245,704	265,868	326,255	351,149	345,350	345,350	365,101	466,935	492,876
Executive and council		167,651	122,751	129,610	173,210	154,693	154,693	150,059	160,898	172,561
Finance and administration		78,053	143,117	196,645	177,940	190,657	190,657	215,042	306,037	320,315
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		741	1,072	922	5,360	5,306	5,306	5,625	5,962	6,320
Community and social services		336	431	358	377	324	324	343	364	386
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		405	641	564	4,982	4,982	4,982	5,281	5,598	5,934
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		35,394	22,564	20,162	41,188	38,623	38,623	40,303	40,724	44,002
Planning and development		368	350	618	689	741	741	786	833	883
Road transport		38,248	22,369	19,544	40,499	37,882	37,882	39,517	39,891	43,119
Environmental protection		(3,223)	(154)	–	–	–	–	–	–	–
Trading services		205,548	179,596	152,313	263,656	263,656	263,656	273,347	469,770	526,916
Energy sources		106,134	84,485	77,288	128,800	128,800	128,800	130,400	318,246	366,301
Water management		42,530	49,618	29,443	84,282	84,282	84,282	89,339	94,699	100,381
Waste water management		40,931	28,397	27,442	31,315	31,315	31,315	33,194	35,185	37,296
Waste management		15,953	17,096	18,140	19,259	19,259	19,259	20,415	21,640	22,938
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	487,388	469,100	499,651	661,353	652,936	652,936	684,376	983,391	1,070,114
Expenditure - Functional										
Governance and administration		151,231	183,126	156,453	171,873	234,656	234,656	238,609	297,909	311,463
Executive and council		25,592	26,440	19,657	37,033	34,898	34,898	32,515	43,895	45,870
Finance and administration		123,300	165,363	130,858	131,920	196,538	196,538	202,716	250,481	261,901
Internal audit		2,339	(8,677)	5,938	2,920	3,220	3,220	3,378	3,533	3,692
Community and public safety		12,792	8,609	15,045	14,120	14,725	14,725	14,886	22,558	23,573
Community and social services		7,009	1,847	7,892	6,638	7,889	7,889	7,788	9,914	10,360
Sport and recreation		4,512	5,291	6,511	7,472	4,822	4,822	4,985	6,937	7,249
Public safety		1,272	1,471	643	10	2,015	2,015	2,113	5,706	5,963
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		65,233	45,383	45,322	51,662	42,884	42,884	45,820	52,066	56,247
Planning and development		19,154	14,180	8,271	14,237	11,937	11,937	12,476	14,141	14,777
Road transport		45,966	31,318	37,051	37,425	30,947	30,947	33,344	37,926	41,470
Environmental protection		113	(115)	–	–	–	–	–	–	–
Trading services		204,503	237,005	236,374	296,915	251,472	251,472	274,759	305,467	340,588
Energy sources		129,220	106,655	133,292	164,803	142,169	142,169	159,465	182,761	210,419
Water management		55,318	79,297	58,771	85,525	75,824	75,824	80,187	85,539	91,318
Waste water management		10,139	29,051	26,434	30,930	23,530	23,530	24,683	25,818	26,980
Waste management		9,825	22,002	17,876	15,657	9,948	9,948	10,424	11,350	11,870
Other	4	–	–	165	270	270	270	270	593	619
Total Expenditure - Functional	3	433,759	474,123	453,359	534,839	544,007	544,007	574,343	678,592	732,489
Surplus/(Deficit) for the year		53,629	(5,023)	46,292	126,513	108,928	108,928	110,032	304,799	337,625

Table 4 A2 - Budgeted Financial Performance (revenue and expenditure by standard classification).

Explanatory notes:

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 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

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

LIM361 Thabazimbi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 1 - 100 POLITICAL OFFICE BEARER		167,651	122,751	129,610	173,210	154,693	154,693	150,059	160,898	172,561
Vote 2 - 200 MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
Vote 3 - 300 BUDGET & TREASURY		76,626	136,348	191,351	176,318	189,035	189,035	213,323	303,989	318,143
Vote 4 - 400 CORPORATE SERVICE		997	1,934	682	767	767	767	813	1,088	1,154
Vote 5 - 500 PLANNING AND DEVELOPMENT		(2,854)	196	618	689	741	741	786	833	883
Vote 6 - 600 COMMUNITY SERVICES		17,124	23,003	23,674	25,473	25,420	25,420	26,945	28,562	30,276
Vote 7 - 700 TECHNICAL SERVICES		227,844	184,869	153,717	284,895	282,278	282,278	292,450	488,021	547,097
Vote 8 -		–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**487,388**	**469,100**	**499,651**	**661,353**	**652,936**	**652,936**	**684,376**	**983,391**	**1,070,114**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - 100 POLITICAL OFFICE BEARER		24,645	26,440	18,812	36,900	34,659	34,659	32,264	43,632	45,595
Vote 2 - 200 MUNICIPAL MANAGER		4,757	(6,907)	7,871	4,162	4,573	4,573	4,797	5,017	5,243
Vote 3 - 300 BUDGET & TREASURY		60,277	111,978	107,636	65,630	129,790	129,790	135,765	147,661	155,515
Vote 4 - 400 CORPORATE SERVICE		45,573	33,451	4,830	47,258	55,660	55,660	55,318	90,653	93,671
Vote 5 - 500 PLANNING AND DEVELOPMENT		19,267	14,065	8,271	14,237	11,937	11,937	12,476	14,141	14,777
Vote 6 - 600 COMMUNITY SERVICES		38,597	48,776	50,390	47,969	36,920	36,920	38,143	47,640	49,793
Vote 7 - 700 TECHNICAL SERVICES		240,644	246,321	255,548	318,683	270,470	270,470	295,581	329,849	367,894
Vote 8 -		–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**433,759**	**474,123**	**453,359**	**534,839**	**544,007**	**544,007**	**574,343**	**678,592**	**732,489**
Surplus/(Deficit) for the year	2	**53,629**	**(5,023)**	**46,292**	**126,513**	**108,928**	**108,928**	**110,032**	**304,799**	**337,625**

Table 5 A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Explanatory notes:

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 organizational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

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

LIM361 Thabazimbi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	78,829	84,251	63,804	128,800	128,800	128,800	128,800	130,400	318,246	366,301
Service charges - Water	2	42,676	49,859	42,927	84,283	84,283	84,283	84,283	89,340	94,700	100,382
Service charges - Waste Water Management	2	25,178	28,397	27,442	31,315	31,315	31,315	31,315	33,194	35,185	37,296
Service charges - Waste Management	2	15,953	17,096	18,140	19,259	19,259	19,259	19,259	20,415	21,640	22,938
Sale of Goods and Rendering of Services		725	663	934	998	998	998	998	1,058	1,121	1,189
Agency services		–	–	–	–	–	–	–	–	–	–
Interest		–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		21,785	20,800	22,138	34,699	34,699	34,699	34,699	36,781	38,988	41,328
Interest earned from Current and Non Current Ass		399	502	429	623	623	623	623	660	700	742
Dividends		–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		426	443	552	606	606	606	606	642	681	722
Licence and permits		4,392	4,674	4,470	–	–	–	–	–	–	–
Operational Revenue		751	1,679	250	1,825	1,825	1,825	1,825	1,935	2,277	2,414
Non-Exchange Revenue											
Property rates	2	80,805	90,441	100,130	102,476	102,476	102,476	102,476	108,625	115,143	122,051
Surcharges and Taxes		–	–	–	–	–	–	–	–	59,360	62,922
Fines, penalties and forfeits		466	774	681	821	821	821	821	870	922	978
Licences or permits		370	28	25	5,016	5,016	5,016	5,016	5,317	5,636	5,974
Transfer and subsidies - Operational		120,315	117,750	130,850	140,212	140,212	140,212	140,212	149,758	159,137	170,694
Interest		6,266	6,744	10,164	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		(2,666)	(154)	(131)	–	–	–	–	–	–	–
Other Gains		(557)	4,401	9,968	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**396,112**	**428,348**	**432,772**	**550,934**	**550,934**	**550,934**	**550,934**	**578,995**	**853,736**	**935,930**
Expenditure											
Employee related costs	2	135,737	151,882	162,238	167,499	167,499	167,499	167,499	175,706	183,789	192,059
Remuneration of councillors		9,354	9,396	9,959	10,008	11,558	11,558	11,558	12,124	12,682	13,253
Bulk purchases - electricity	2	75,019	84,756	83,121	109,118	99,000	99,000	99,000	117,305	138,995	164,695
Inventory consumed	8	45,240	41,804	17,575	58,158	54,093	54,093	54,093	56,143	58,725	61,368
Debt impairment	3	35,186	69,154	48,559	34,577	34,577	34,577	34,577	36,271	37,940	39,647
Depreciation and amortisation		31,433	37,090	19,369	39,231	39,231	39,231	39,231	44,420	51,083	58,746
Interest		19,064	19,944	25,203	16,195	22,518	22,518	22,518	23,622	24,448	25,548
Contracted services		42,470	44,732	41,810	54,470	69,347	69,347	69,347	63,428	123,983	128,567
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		922	74	–	22,508	2,508	2,508	2,508	–	–	–
Operational costs		39,251	15,158	20,323	23,074	43,677	43,677	43,677	45,324	46,948	48,607
Losses on disposal of Assets		–	–	567	–	–	–	–	–	–	–
Other Losses		82	134	24,634	–	–	–	–	–	–	–
Total Expenditure		**433,759**	**474,123**	**453,359**	**534,839**	**544,007**	**544,007**	**544,007**	**574,343**	**678,592**	**732,489**
Surplus/(Deficit)		**(37,647)**	**(45,775)**	**(20,587)**	**16,094**	**6,926**	**6,926**	**6,926**	**4,651**	**175,144**	**203,441**
Transfers and subsidies - capital (monetary	6	91,276	35,211	66,879	110,419	102,002	102,002	102,002	105,381	129,655	134,184
Transfers and subsidies - capital (in-kind)	6	–	5,541	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**53,629**	**(5,023)**	**46,292**	**126,513**	**108,928**	**108,928**	**108,928**	**110,032**	**304,799**	**337,625**
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**53,629**	**(5,023)**	**46,292**	**126,513**	**108,928**	**108,928**	**108,928**	**110,032**	**304,799**	**337,625**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**53,629**	**(5,023)**	**46,292**	**126,513**	**108,928**	**108,928**	**108,928**	**110,032**	**304,799**	**337,625**
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**53,629**	**(5,023)**	**46,292**	**126,513**	**108,928**	**108,928**	**108,928**	**110,032**	**304,799**	**337,625**

Table 6 A4 - Budgeted Financial Performance (revenue and expenditure)

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

LIM361 Thabazimbi - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - 100 POLITICAL OFFICE BEARER		–	–	–	–	–	–	–	–	–	–
Vote 2 - 200 MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - 300 BUDGET & TREASURY		–	–	–	–	–	–	–	–	–	–
Vote 4 - 400 CORPORATE SERVICE		–	–	–	–	–	–	–	–	–	–
Vote 5 - 500 PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 6 - 600 COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 7 - 700 TECHNICAL SERVICES		7,739	–	–	20,490	27,290	27,290	27,290	20,000	22,000	10,000
Vote 8 -		–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**7,739**	**–**	**–**	**20,490**	**27,290**	**27,290**	**27,290**	**20,000**	**22,000**	**10,000**
Single-year expenditure *to be appropriated*	2										
Vote 1 - 100 POLITICAL OFFICE BEARER		–	–	–	–	–	–	–	–	–	–
Vote 2 - 200 MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - 300 BUDGET & TREASURY		(557)	10,880	63	–	–	–	–	–	–	–
Vote 4 - 400 CORPORATE SERVICE		–	1,541	1,030	–	1,000	1,000	1,000	1,049	1,097	1,147
Vote 5 - 500 PLANNING AND DEVELOPMENT		0	–	–	–	–	–	–	–	–	–
Vote 6 - 600 COMMUNITY SERVICES		(222)	17,319	–	–	3,200	3,200	3,200	13,000	2,195	2,293
Vote 7 - 700 TECHNICAL SERVICES		95,731	19,603	193	87,973	69,955	69,955	69,955	70,473	59,434	63,065
Vote 8 -		–	–	–	–	–	–	–	–	–	–
Vote 9 -		–	–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**94,952**	**49,344**	**1,286**	**87,973**	**74,155**	**74,155**	**74,155**	**84,522**	**62,726**	**66,505**
Total Capital Expenditure - Vote		**102,691**	**49,344**	**1,286**	**108,463**	**101,445**	**101,445**	**101,445**	**104,522**	**84,726**	**76,505**
Capital Expenditure - Functional											
Governance and administration		**(557)**	**12,421**	**1,093**	**–**	**1,000**	**1,000**	**1,000**	**1,049**	**1,097**	**1,147**
Executive and council		–	–	–	–	–	–	–	–	–	–
Finance and administration		(557)	12,421	1,093	–	1,000	1,000	1,000	1,049	1,097	1,147
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**1,207**	**881**	**–**	**–**	**1,200**	**1,200**	**1,200**	**–**	**–**	**–**
Community and social services		1,207	–	–	–	1,200	1,200	1,200	–	–	–
Sport and recreation		–	881	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**(691)**	**–**	**–**	**34,038**	**27,620**	**27,620**	**27,620**	**17,249**	**4,710**	**–**
Planning and development		0	–	–	–	–	–	–	–	–	–
Road transport		(691)	–	–	34,038	27,620	27,620	27,620	17,249	4,710	–
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**104,160**	**19,603**	**193**	**74,425**	**69,625**	**69,625**	**69,625**	**73,224**	**76,724**	**73,065**
Energy sources		6,037	6,562	–	35,935	31,135	31,135	31,135	–	23,500	18,000
Water management		74,554	13,042	193	30,490	34,490	34,490	34,490	42,224	41,224	40,000
Waste water management		23,570	–	–	8,000	4,000	4,000	4,000	31,000	12,000	15,065
Waste management		–	–	–	–	–	–	–	–	–	–
Other		(1,428)	16,439	–	–	2,000	2,000	2,000	13,000	2,195	2,293
Total Capital Expenditure - Functional	3	**102,691**	**49,344**	**1,286**	**108,463**	**101,445**	**101,445**	**101,445**	**104,522**	**84,726**	**76,505**
Funded by:											
National Government		79,678	36,923	193	108,463	100,445	100,445	100,445	103,473	83,629	75,358
Provincial Government		23,570	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**103,248**	**36,923**	**193**	**108,463**	**100,445**	**100,445**	**100,445**	**103,473**	**83,629**	**75,358**
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	–	–	–	–	–	–	1,049	1,097	1,147
Total Capital Funding	7	**103,248**	**36,923**	**193**	**108,463**	**100,445**	**100,445**	**100,445**	**104,522**	**84,726**	**76,505**

Table 7 A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Table A5 is a breakdown of the capital programme 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.

MBRR Table A6 - Budgeted Financial Position

LIM361 Thabazimbi - Table A6 Budgeted Financial Position

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
ASSETS											
Current assets											
Cash and cash equivalents		2,006	10,907	2,179	51,281	29,223	29,223	29,223	(104,927)	198,201	380,502
Trade and other receivables from exchange transactions	1	34,654	39,042	53,851	38,787	56,546	56,546	56,546	112,678	542,363	1,108,134
Receivables from non-exchange transactions	1	16,993	18,374	48,534	35,537	35,537	35,537	35,537	82,588	189,434	302,850
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	4,415	2,707	11,840	(55,451)	(51,386)	(51,386)	(51,386)	58,074	11,840	11,840
VAT		188,598	174,715	210,207	66,130	66,130	66,130	66,130	89,464	89,464	89,464
Other current assets		0	0	0	–	–	–	–	–	–	–
Total current assets		**246,665**	**245,744**	**326,611**	**136,283**	**136,050**	**136,050**	**136,050**	**237,877**	**1,031,302**	**1,892,789**
Non current assets											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		0	0	0	–	–	–	–	–	–	–
Property, plant and equipment	3	839,660	846,936	880,488	915,171	908,154	908,154	908,154	60,102	57,146	74,906
Biological assets		482	773	836	773	773	773	773	836	836	836
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–	–
Intangible assets		0	0	0	–	–	–	–	–	–	–
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**840,142**	**847,710**	**881,323**	**915,944**	**908,927**	**908,927**	**908,927**	**60,938**	**57,982**	**75,741**
TOTAL ASSETS		**1,086,808**	**1,093,454**	**1,207,935**	**1,052,228**	**1,044,977**	**1,044,977**	**1,044,977**	**298,814**	**1,089,284**	**1,968,530**
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		0	1,284	1,284	5,478	5,478	5,478	5,478	–	–	–
Consumer deposits		4,358	4,576	4,796	257,041	257,041	257,041	257,041	4,796	4,796	4,796
Trade and other payables from exchange transactions	4	432,165	417,432	493,191	59,764	70,115	70,115	70,115	295,597	921,020	1,595,316
Trade and other payables from non-exchange transactions	5	11,471	18,782	3,129	0	(17)	(17)	(17)	(2,720)	(107,039)	(239,712)
Provision		75,239	20,815	18,928	–	–	–	–	–	–	–
VAT		158,942	108,585	122,253	–	–	–	–	–	–	–
Other current liabilities		608	665	665	4,576	4,576	4,576	(4,576)	627	627	627
Total current liabilities		**682,784**	**572,138**	**644,246**	**326,859**	**337,193**	**337,193**	**328,042**	**298,300**	**819,404**	**1,361,026**
Non current liabilities											
Financial liabilities	6	720	1,532	1,401	102,907	102,907	102,907	102,907	–	–	–
Provision	7	14,210	61,538	65,978	96,140	96,140	96,140	96,140	9,630	9,630	9,630
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		32,174	34,602	34,602	–	–	–	–	–	–	–
Total non current liabilities		**47,104**	**97,672**	**101,981**	**199,047**	**199,047**	**199,047**	**199,047**	**9,630**	**9,630**	**9,630**
TOTAL LIABILITIES		**729,888**	**669,810**	**746,227**	**525,906**	**536,240**	**536,240**	**527,089**	**307,930**	**829,034**	**1,370,656**
NET ASSETS		**356,920**	**423,644**	**461,707**	**526,322**	**508,737**	**508,737**	**517,888**	**(9,116)**	**260,249**	**597,874**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	453,317	423,942	461,398	526,322	508,737	508,737	508,737	(9,116)	260,249	597,874
Reserves and funds	9	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10	**453,317**	**423,942**	**461,398**	**526,322**	**508,737**	**508,737**	**508,737**	**(9,116)**	**260,249**	**597,874**

Table 8 A6 - Budgeted Financial Position

Explanatory notes:

Table A6 is consistent with international standards of good financial management practice, and improves the ability to understand, for councillors and management, on the impact of the budget on the statement of financial position (balance sheet).
This format of presenting the statement of financial position is aligned to GRAP 1.

MBRR Table A7 - Budgeted Cash Flow Statement

LIM361 Thabazimbi - Table A7 Budgeted Cash Flows

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		66,775	74,138	66,058	81,472	81,472	81,472	81,472	70,593	74,828	79,318
Service charges		107,971	124,961	115,382	214,754	252,501	252,501	252,501	177,241	306,640	345,070
Other revenue		17,243	26,786	21,620	7,699	(17,640)	(17,640)	(17,640)	4,542	5,041	5,343
Transfers and Subsidies - Operational	1	9,539	13,148	61,531	173,014	162,832	162,832	162,832	261,966	282,109	300,148
Transfers and Subsidies - Capital	1	–	–	15,153	110,419	89,286	89,286	89,286	38,157	39,891	43,119
Interest		–	–	–	–	–	–	–	–	–	–
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		16,168	(199,659)	(190,192)	(422,327)	(446,206)	(446,206)	(446,206)	(579,031)	(577,982)	(621,988)
Interest		4,098	–	–	(16,195)	(16,195)	(16,195)	(16,195)	(11,073)	(11,583)	(12,104)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**221,793**	**39,373**	**89,552**	**148,836**	**106,049**	**106,049**	**106,049**	**(37,606)**	**118,945**	**138,907**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(96,339)	(33,274)	(57,627)	(108,463)	(101,445)	(101,445)	(101,445)	(67,924)	(84,726)	(76,505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(96,339)**	**(33,274)**	**(57,627)**	**(108,463)**	**(101,445)**	**(101,445)**	**(101,445)**	**(67,924)**	**(84,726)**	**(76,505)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		**125,454**	**6,099**	**31,924**	**40,374**	**4,604**	**4,604**	**4,604**	**(105,530)**	**34,218**	**62,402**
Cash/cash equivalents at the year begin:	2	–	**(15,121)**	**10,907**	**10,907**	**10,907**	**10,907**	**10,907**	**607**	**(104,923)**	**(70,704)**
Cash/cash equivalents at the year end:	2	**125,454**	**(9,022)**	**42,832**	**51,281**	**15,511**	**15,511**	**15,511**	**(104,923)**	**(70,704)**	**(8,302)**

Table 9 A7 - Budgeted Cash Flow Statement

Explanatory notes:

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

MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

LIM361 Thabazimbi - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	125,454	(9,022)	42,832	51,281	15,511	15,511	15,511	(104,923)	(70,704)	(8,302)
Other current investments > 90 days		(123,448)	19,929	(40,652)	(0)	13,712	13,712	13,712	(5)	268,905	388,804
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**2,006**	**10,907**	**2,179**	**51,281**	**29,223**	**29,223**	**29,223**	**(104,927)**	**198,201**	**380,502**
Application of cash and investments											
Unspent conditional transfers		11,471	18,782	3,129	0	(17)	(17)	(17)	(2,720)	(107,039)	(239,712)
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	(34,288)	(66,130)	(87,954)	(66,130)	(66,130)	(66,130)	(66,130)	(89,464)	(89,464)	(89,464)
Other working capital requirements	3	432,165	417,432	493,191	59,764	70,115	70,115	70,115	295,597	921,020	1,595,316
Other provisions		75,847	21,480	19,593	4,576	4,576	4,576	4,576	627	627	627
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**485,196**	**391,564**	**427,960**	**(1,790)**	**8,545**	**8,545**	**8,545**	**204,040**	**725,145**	**1,266,767**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Ben		**(483,190)**	**(380,657)**	**(425,780)**	**53,070**	**20,679**	**20,679**	**20,679**	**(308,968)**	**(526,944)**	**(886,265)**
Creditors transferred to Debt Relief - Non-Current portion		–	–	–	–	–	–	–	–	–	–
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Bene		**(483,190)**	**(380,657)**	**(425,780)**	**53,070**	**20,679**	**20,679**	**20,679**	**(308,968)**	**(526,944)**	**(886,265)**

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

4. For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves - Total Reserves to be backed by cash/investments excl Valuation reserve

Other working capital requirements										
Debtors	–	–	–	–	–	–	–	–	–	–
Creditors due	432,165	417,432	493,191	59,764	70,115	70,115	70,115	295,597	921,020	1,595,316
Total	(432,165)	(417,432)	(493,191)	(59,764)	(70,115)	(70,115)	(70,115)	(295,597)	(921,020)	(1,595,316)

Table 10 A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

MBRR Table A9 – Asset Management

LIM361 Thabazimbi - Table A9 Asset Management

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CAPITAL EXPENDITURE										
Total New Assets	1	57,720	18,983	1,223	64,410	47,822	47,822	59,522	48,532	49,147
Roads Infrastructure		(691)	–	–	20,475	10,487	10,487	36,249	4,710	–
Storm water Infrastructure		16,675	–	–	–	–	–	–	–	–
Electrical Infrastructure		6,037	6,562	–	35,935	31,135	31,135	–	15,500	8,000
Water Supply Infrastructure		30,062	–	193	–	–	–	14,224	6,224	10,000
Sanitation Infrastructure		6,194	–	–	8,000	4,000	4,000	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*58,277*	*6,562*	*193*	*64,410*	*45,622*	*45,622*	*50,473*	*26,434*	*18,000*
Community Facilities		(557)	6,860	–	–	1,200	1,200	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		*(557)*	*6,860*	–	–	*1,200*	*1,200*	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	4,020	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	*4,020*	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	1,541	1,030	–	1,000	1,000	1,049	1,097	1,147
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	8,000	21,000	30,000
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	–	–	333	–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	333	–	–	–	–	–	–
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 Upgrading of Existing Assets	6	**5,236**	**(11,062)**	**(165,701)**	**(1,952)**	**(22,605)**	**(22,605)**	**6,238**	**4,189**	**9,949**
Roads Infrastructure		(93)	61	(3,446)	50	(9,756)	(9,756)	0	(8,835)	7
Storm water Infrastructure		115	0	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		4,173	(7,580)	(158,288)	(2,002)	(12,849)	(12,849)	14	24	(58)
Sanitation Infrastructure		–	–	–	–	–	–	6,224	13,000	10,000
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***4,196***	***(7,519)***	***(161,734)***	***(1,952)***	***(22,605)***	***(22,605)***	***6,238***	***4,189***	***9,949***
Community Facilities		50	–	(3,967)	–	–	–	–	–	–
Sport and Recreation Facilities		991	(3,544)	–	–	–	–	–	–	–
Community Assets		***1,040***	***(3,544)***	***(3,967)***	–	–	–	–	–	–
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	**62,956**	**7,921**	**(164,145)**	**62,458**	**25,216**	**25,216**	**65,760**	**52,721**	**59,096**
Roads Infrastructure		(784)	61	(3,446)	20,525	730	730	36,250	(4,124)	7
Storm water Infrastructure		16,790	0	–	–	–	–	–	–	–
Electrical Infrastructure		6,037	6,562	–	35,935	31,135	31,135	–	15,500	8,000
Water Supply Infrastructure		34,235	(7,580)	(158,095)	(2,002)	(12,849)	(12,849)	14,238	6,248	9,942
Sanitation Infrastructure		6,194	–	–	8,000	4,000	4,000	6,224	13,000	10,000
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***62,472***	***(957)***	***(161,541)***	***62,458***	***23,016***	***23,016***	***56,711***	***30,624***	***27,949***
Community Facilities		(507)	6,860	(3,967)	–	1,200	1,200	–	–	–
Sport and Recreation Facilities		991	(3,544)	–	–	–	–	–	–	–
Community Assets		***484***	***3,316***	***(3,967)***	–	***1,200***	***1,200***	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	4,020	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	***4,020***	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	333	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	**1,541**	**1,030**	–	**1,000**	**1,000**	**1,049**	**1,097**	**1,147**
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	**8,000**	**21,000**	**30,000**
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**62,956**	**7,921**	**(164,145)**	**62,458**	**25,216**	**25,216**	**65,760**	**52,721**	**59,096**

ASSET REGISTER SUMMARY - PPE (WDV)	5	*803,065*	*813,732*	*795,858*	*70,004*	*62,987*	*62,987*	*60,938*	*57,982*	*75,741*
Roads Infrastructure		361,582	363,860	354,939	13,989	4,720	4,720	20,614	(42,077)	(77,654)
Storm water Infrastructure		–	23,535	21,795	–	–	–	–	–	–
Electrical Infrastructure		36,062	39,945	38,038	32,443	27,643	27,643	4,337	55,624	88,779
Water Supply Infrastructure		174,809	164,043	156,772	30,490	34,490	34,490	34,224	55,514	75,514
Sanitation Infrastructure		140,394	135,329	130,862	8,000	4,000	4,000	12,000	12,000	27,065
Solid Waste Infrastructure		85	66	46	(7,369)	(2,517)	(2,517)	(2,647)	(5,692)	(9,193)
Rail Infrastructure		–	–	–	(7,371)	(7,371)	(7,371)	(8,477)	(18,226)	(29,437)
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*712,933*	*726,777*	*702,451*	*70,181*	*60,964*	*60,964*	*60,050*	*57,143*	*75,074*
Community Assets		77,167	70,719	76,078	–	1,200	1,200	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Investment properties		0	0	0	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		482	773	836	773	773	773	836	836	836
Intangible Assets		0	0	0	–	–	–	–	–	–
Computer Equipment		787	654	1,684	–	1,000	1,000	1,049	2,146	3,293
Furniture and Office Equipment		1,266	168	168	–	–	–	–	–	–
Machinery and Equipment		248	781	781	(640)	(640)	(640)	(672)	(1,444)	(2,332)
Transport Assets		1,373	5,050	5,050	(310)	(310)	(310)	(325)	(699)	(1,130)
Land		8,810	8,810	8,810	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**803,065**	**813,732**	**795,858**	**70,004**	**62,987**	**62,987**	**60,938**	**57,982**	**75,741**
EXPENDITURE OTHER ITEMS		**50,536**	**71,184**	**47,300**	**44,311**	**63,342**	**63,342**	**68,634**	**79,883**	**88,907**
Depreciation	7	31,433	37,090	19,369	39,231	39,231	39,231	44,420	51,083	58,746
Repairs and Maintenance by Asset Class	3	**19,103**	**34,094**	**27,932**	**5,079**	**24,111**	**24,111**	**24,214**	**28,800**	**30,162**
Roads Infrastructure		4,094	12,862	14,018	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		5,719	2,112	–	–	15,000	15,000	15,000	16,506	17,315
Water Supply Infrastructure		1,488	1,685	1,158	–	–	–	–	–	–
Sanitation Infrastructure		2,472	2,257	321	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	7,254	2,079	1,961	1,961	2,038	2,569	2,685
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*13,773*	*18,916*	*22,752*	*2,079*	*16,961*	*16,961*	*17,038*	*19,075*	*20,000*
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2,296	4,222	1,502	1,000	1,150	1,150	1,062	2,331	2,435
Housing		–	–	–	–	–	–	–	–	–
Other Assets		*2,296*	*4,222*	*1,502*	*1,000*	*1,150*	*1,150*	*1,062*	*2,331*	*2,435*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		**3,035**	**11,161**	**3,576**	**2,000**	**6,000**	**6,000**	**6,114**	**7,394**	**7,726**
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	(204)	101	–	–	–	–	–	–
Transport Assets		(0)	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		**50,536**	**71,184**	**47,300**	**44,311**	**63,342**	**63,342**	**68,634**	**79,883**	**88,907**

Table 11 A9 – Asset Management

Table A10 - Basic Service Delivery Measurement

LIM361 Thabazimbi - Table A10 Basic service delivery measurement

Description	###	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided	8	–	–	–	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)		–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (Rand per household per month)		–	–	–	–	–	–	–	–	–
Electricity (kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (average litres per week)		–	–	–	–	–	–	–	–	–
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment) (impermissable values per section 17 of**		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		1,312	5	–	–	–	–	–	–	–
Water **(in excess of 6 kilolitres per indigent household per month)**		37,149	1,612	431	–	0	0	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**		7,926	330	–	–	–	–	–	–	–
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		315	3,180	108	–	0	0	–	22,240	25,598
Refuse **(in excess of one removal a week for indigent households)**		3,492	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		**50,195**	**5,127**	**539**	**–**	**0**	**0**	**–**	**22,240**	**25,598**

Table 12 A10 - Basic Service Delivery Measurement

Explanatory notes:

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".

OVERVIEW OF THE ALIGNMENT OF ANNUAL BUDGET WITH THE 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 utilize 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.

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 IDP drives the strategic development of the Municipality. Thabazimbi Local Municipality's budget is influenced by the strategic objectives identified in the IDP. The service delivery budget implementation plan (SDBIP) ensures that the Municipality implements programmes and projects based on the IDP targets and associated budgets.

The municipality adopted an IDP/Budget Process Plan in the 2023/24 Financial Year. The 2024/25 tabled IDP/Budget is set to be tabled before council by the end of 31 March 2024. Public participation will commence with different stakeholders from April 2024. The 2024/25 IDP/Budget is set to be tabled by 31 May 2025.

The municipality has followed all processes and protocols in terms of the budget process schedule. The municipality has abided by the adopted process schedule and has been doing activities such as public participation. The municipality has accounted for the municipal budget and benchmark engagement anticipated dates.

Activity	Due Date	Completed (✔)/ To be Completed (✕)
IDP Process Plan submit to Council for approval	Aug-23	✔
Submit annual financial statements and annual performance report to the Auditor- General for auditing (within two months after the end of the financial year)	Aug-23	✔
Mid-Year & Mid-Term SDBIP submission and approval	Jan-24	✔
Adoption of Adjustment Budget	Feb-24	✔
Finalize KPI's and annual performance targets	Feb-24	✔
Mid-year budget and performance assessment visits	Jan – Feb 2024	✔
Finalize the draft capital and operating budget and budget related policies	Mar 2024	✔
Table draft IDP and budget in Council (at least 90 days before the start of the budget year)	Mar 2024	✕
Budget and Benchmark Assessments	Mar – May 2024	✕
Table final IDP and budget in Council (at least 30 days before the start of the budget year)	May 2024	✕

Figure 12 Overview of the alignment of annual budget with the IDP

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 target, monitors, assesses and reviews organizational performance which in turn is directly to individual employee's performance.

At any 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:

- Reporting (what information, to whom, from whom, how often and for what purposes); and
- Improvement (making changes where necessary).

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

BUDGET-RELATED POLICIES

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. All budget related policies were reviewed during the tabled budget process. Additional corrections will be made before the tabling the adopted budget on 31 May 2024.

OVERVIEW BUDGET ASSUMPTIONS

To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Thabazimbi Local Municipality anticipates the following collection rates:

Tariffs	Anticipated Collect Rate
Rates	80%
Water	75%
Electricity	90%
Sewerage	75%
Refuse	75%

Figure 13 Collection Rates Estimates

Rates, tariffs and charges

The following table shows the assumed average domestic percentage increases built into the MTREF for rates, tariffs and charges:

Tariffs	Proposed tariff increases 2024/25
Rates	6%
Water	6% (Pending formal communique)
Electricity	6% (Pending formal communique)
Sewerage	6%
Refuse	6%

Figure 14 Percentage change rates, tariffs and charges

The base assumption is that tariff and rating increases will increase at varying rates at or above the CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecast term.

LEGISLATION COMPLIANCE STATUS

Thabazimbi Local Municipality has been in compliance with the MFMA implementation requirements and has been substantially adhered to through the following activities:

In year reporting - Reporting to National Treasury in electronic format has seen a marginal improvement since the turn of the year. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes quarterly published financial performance on the municipality's website.

Internship Programme - The municipality is participating in the Municipal Financial Management Internship programme and has appointed interns undergoing training in various divisions of the Budget and Treasury Office.

Budget and Treasury Office - The Budget and Treasury Office has been established in accordance with the MFMA.

Audit Committee - An Audit Committee has been established and is functional.

OVERVIEW OF THE BUDGET FUNDING

Section 18(1) of the MFMA requires the budget of a municipality to be funded from-

i. Realistically anticipated revenues to be collected;
ii. (ii) Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
iii. Borrowed funds, but only for the capital budget referred to in Section (17) (2) of the MFMA.

This tabled budget has been prepared taking into cognizance the requirements of the abovementioned section. Revenue was estimated using a collection rate of 80% on property rates and 75% on other revenue items/charges. The capital budget is funded out of grants received from National Treasury. The 2024 Division of Revenue Bill allocations to Thabazimbi Local Municipality are as follows for 2024/25 – 2026/27.

Grant allocations over the MTREF

Grant type (R'000)	*2024/25*	*2025/26*	*2026/27*
Equitable share	R 145,380,000	R 156,118,000	R 167,694,000
Finance Management Grant (FMG)	R 3,000,000	R 3,000,000	R 3,000,000
Municipal Infrastructure Grant (MIG)	R 38,157,000	R 39,891,000	R 43,119,000
Extended Public Works Programme (EPWP)	R 1,360,000	-	-
Integrated National Electrification Programme (INEP)	-	R 18,000,000	R19,000,000
Water Services Infrastructure Grant (WISG)	R 67,224,000	R 71,764,000	R 75,065,000

Figure 15 Grant allocations over the MTREF

These grants are explained below:

Equitable Share - The equitable share is an unconditional grant and is used for institutional capacity and to support the indigents;

Local Government Financial Management Grant (FMG) - This grant is a conditional grant and can only be used for capacity building and Internship Programme;

Municipal Infrastructure Grant (MIG) - This is a conditional grant for municipal infrastructure

Water Services Infrastructure Grant (WISG)- To facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and improve the sustainability of services in prioritized district municipalities, especially in rural municipalities; provide interim, intermediate water and sanitation services that ensure provision of services to identified and prioritized communities, including through spring protection, drilling, testing and equipping of boreholes and on-site solutions; to support drought relief projects in affected municipalities.

Funding of capital expenditure - The budget for capital expenditure is funded from capital transfers received from National Government.

Financial recovery plan - A financial recovery plan is updated, monitored and implemented on a monthly basis. It is sent to Provincial Treasury for review and recommendations monthly. The implementation of the plan will improve the financial sustainability of the municipality.

SUPPORTING TABLES

- Supporting tables can be found on Annexure G – A Schedule Tabled Budget 2024/25

END