

13.2.5 PROPOSED FINAL BUDGET FOR THE 2025/2026 - 2027/2028 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)

“ANNEXURE H”

COUNCIL RESOLVED:

1. Council approves the 2025/2026 proposed final consolidated budget contained in the A1-Schedule attached as Annexure A.
2. Council approves the 2025/2026 proposed final budget contained in the A1-schedule for the parent Municipality attached as Annexure B.
3. Council approves the 2025/2026 proposed final budget for the Map-Water entity contained in the D-schedule attached as Annexure C
4. Council approves the 2025/2026 proposed final tariffs attached as Annexure D.
5. Council approves the 2025/2026 final budget related policies and draft supply chain Management policy and draft preferential Policy attached as Annexure E.
6. Council approves the 2025/2026 final proposed UIF&W strategy attached as Annexure F.
7. Council takes note of the 2025/2026 budget public participation inputs attached as Annexure G.
8. Council approves the 2025/2026 proposed final budget funding plan attached as Annexure H,
9. Council takes note of the 2025/2026 MTREF budget Circular No 130 (issued on the 20th of March 2025) attached as Annexure I.
10. Council takes note of the feedback from the Free State Provincial Treasury on the 2025/2026 tabled budget attached as Annexure J.

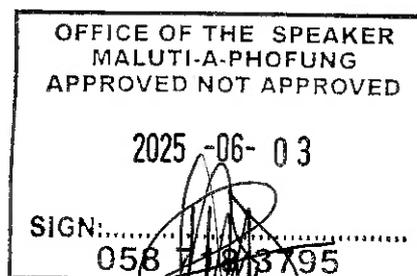
A division of the house was called and voting by show of hands was done.

The results were as follows:

Vote in favour **36**

Vote against the budget **24**

Abstain **2**

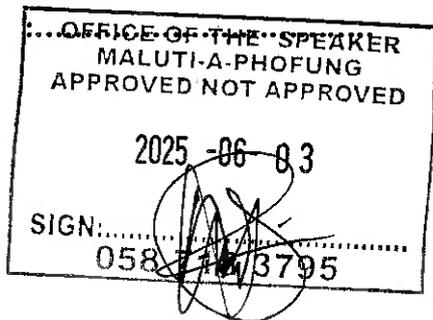


DRAFT MINUTES OF THE 18TH EIGHTEENTH ORDINARY COUNCIL MEETING OF THE SIXTH COUNCIL OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY HELD ON THURSDAY, THE 29TH MAY 2025, AT THE PHUTHADITJHABA MULTIPURPOSE HALL AT 10H00

1. AIC Cllr H.F Mdakane – supporting the budget
2. SAKRO Cllr N Letlala – not supporting the budget
3. AULA Cllr P Titeli – not supporting the budget
4. FF+ Cllr C Kalamer – not supporting the budget
5. ATM E Mofokeng – supporting the budget
6. ACM N Makgalemele – supporting the budget
7. DPSA Cllr M.B Lebesa – supporting the budget
8. DA Cllr A.M Oates – not supporting the budget
9. EFF Cllr S.M Mkhwanazi – supporting the budget
10. MAP 16 Cllr P.A Motloung – not supporting the budget
11. ANC Cllr P Khumalo – supporting the budget
12. Council Whip Cllr M.J Lebesa – supporting the budget

Signed by Mr. Nandlenkosi Dlamini

Speaker



Date :

Issued by :

Received by Teloho Mofokeng

THE NEW ERA: WE ARE WORKING TOGETHER TO
MAKE OUR TOWNS' AND COMMUNITIES' SOCIAL
AND ECONOMIC VIABRANT WHILE RESPONDING TO
THE NEED OF OURSERVICE DELIVERY TO OUR PEOPLE



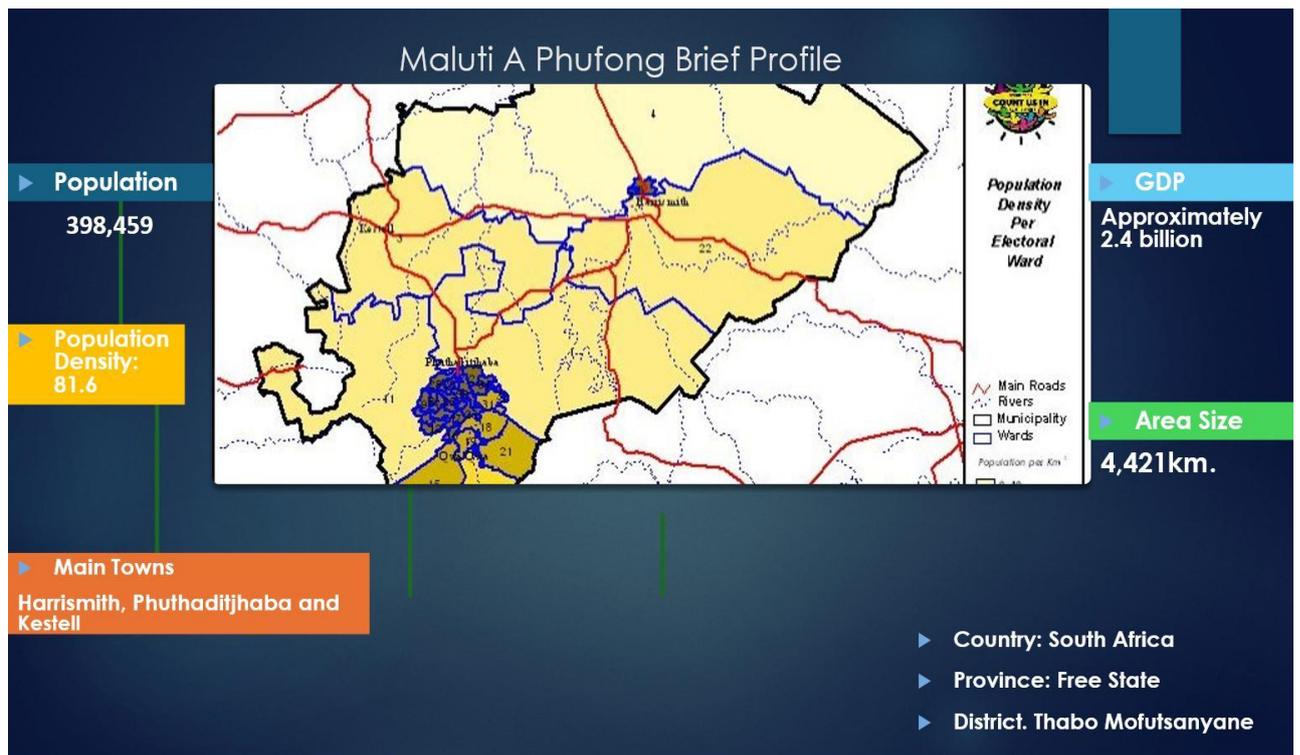
2025/2026

2025/2026 Budget Speech by the Executive Mayor of Maluti-A-Phofung Local Municipality



WE WILL WALK AND WORK TOGETHER TO MAKE OUR MUNICIPALITY GREAT.
WE WILL DANCE TO A DIFFERENT TUNE, WHERE THE STARS WILL WALK WITH US.

EXECUTIVE MAYOR MALEKULA MELATO
MALUTI A PHOFUNG LOCAL MUNICIPALITY
2025/2026



Honourable Speaker, Cllr Mandlenkosi Dlamini

Honourable Whip of Council, Cllr Moeketsi Lebesa

Members of the Mayoral Committee

Morena E Moholo Moremoholo Motebang wa Bakoena Ba Mopeli

Morena E Moholo Paolos Moloj wa Makgolokoe

Morena E Moholo Montoedi wa Batlokoa Ba Mota

Marena ohle

Former Executive Mayors

Former Speakers

Coalition leaders of the African National Congress, Dikwankwetla Party of South Africa, African Transformation Movement, African Independent Congress and the African Content Movement

Fellow Councillors

Municipal Manager Adv M Mofokeng

Leaders of faith, business, and civil society

Distinguished Guests

Baahi ba Maluti-A-Phofung

Ke le dumedisa ka tlhompfo

Good morning

I stand before you today with a profound sense of responsibility and determination, entrusted with presenting the 2025/2026 Budget and Medium-Term Revenue and Expenditure Framework (MTREF) of Maluti-A-Phofung Local Municipality.

This budget is not merely a financial document; it is a roadmap for recovery, a commitment to service delivery, and a social contract between the coalition partners, the municipality and the people who have placed their trust in us.

Dumelang

Sanibonani

Goeie More

1. ECONOMIC AND MUNICIPALITY REALITIES

Previously, I assured the people of Maluti-A-Phofung that I am committed to serving you and will do anything to prioritise the municipality above myself. I have shared this commitment and will always uphold it. May the mountains of Maluti, the lush lands of our great municipality, and the rivers that flow through us bear witness to this. To this day, I remain steadfast in those words.

Despite the challenges we face together, economically and socially, I am proud of this great municipality. We present this budget during significant national and local economic difficulties. Unemployment remains high, inflation affects our communities, and service delivery has faltered in many areas. Yet, we are not deterred by these challenges. Instead, we are driven by the urgency to act. Our municipality is transforming—from dysfunction to functionality, crisis to credibility. We have a great team and people who share the same common vision to improve the lives of our residents in Maluti-A-Phofung, our wonderful place.

Our team is committed to:

1. Creating a conducive environment for our people to invest and attract foreign investors.
2. Fostering socio-economic development and growth.
3. Safeguarding the safety and security of our people.
4. Creating opportunities for everyone.
5. Providing excellent service delivery despite our challenges.
6. Addressing challenges through innovation and creativity.
7. Actively listening to the people, we serve; this is non-negotiable.

Honourable Speaker: Maluti-A-Phofung will be a place where we exemplify our commitment to compassionate and responsive government through our professional delivery of services and humanity. We aim to demonstrate to our people that despite the challenges posed by the difficult economic climate, our leadership will strive to ensure sustainable service delivery. Our strategies will be bolstered by good governance, accountability, transparency, and a practical budget.

Our strategies aim to demonstrate that improvement is possible through budget approval, highlighting plans and ideas to enhance our people's and communities' lives. Our team, along with the residents, will diligently work towards advancing our service delivery, improving our infrastructure, and creating an enabling environment for economic growth.

2. 2025/2026 BUDGET OVERVIEW AND KEY FIGURES

In 2024, following extensive IDP and draft budget engagements, the Council collectively approved the budget. **The following are the highlights of our budget for the 2025/2026 financial year:**

For the 2025/26 financial year:

1. **Operating Revenue:** R2.4 billion
2. **Operating Expenditure:** R2.6 billion
3. **Operating Deficit:** R230.5 million
4. **Capital Budget:** R299.2 million
 - I. R286.4 million from grants
 - II. R30.2 million from own revenue

This deficit is a warning signal but not a dead end. It reflects systemic challenges in billing, collection, and escalating electricity costs, with our Eskom bill now averaging R80 million per month.

This budget demonstrates our commitment to allocating funds to important areas such as service delivery and infrastructure maintenance.

3. OPERATING GRANTS: NATIONAL SUPPORT

We acknowledge and appreciate support from the national government through the Division of Revenue Act (DoRA):

Local Government Equitable Share (LGES): R878.5 million

Finance Management Grant: R3 million

EPWP Grant: R3.1 million

Municipal Support Funds (own contribution to EPWP): R6 million

4. INFRASTRUCTURE PRIORITIES

Ladies and gentlemen, sustainability is the foundation for our development. Every major decision we have taken as a local government started by asking what is in our municipality's and its residents' best interest. Our team has demonstrated this by allocating.

Total Capital Budget for the financial year 2025/2026:

R299.2 million Funding Sources:

1. **Municipal Infrastructure Grant (MIG):** R189.4 million
2. **Water Services Infrastructure Grant (WSIG):** R51.7 million
3. **Integrated National Electrification Programme (INEP):** R39.9 million
4. **Neighbourhood Development Partnership Grant (NDPG):** R100,000
5. **Own Revenue Contribution:** R17.9 million

These funds will be invested in critical infrastructure, including water projects, road rehabilitation, electrification, and municipal fleet upgrades.

5. SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

We are investing boldly in infrastructure that communities can see, touch, and benefit from:

1. **Water and Sanitation:** R63.5 million in upgrades in Tlholong Kestell where we will soon complete the water project in Extension 4, in Ha Sethunya where phase two is budgeted for R14.6 million and in Tshiame and Makholokoeng where R41 million has been set aside through the Water and Sanitation Infrastructure Grant (WSIG)
2. **Electricity:** R39.9 million for rural electrification through the upgrading of the Elizabeth Ross substation. This will help alleviate the pressure felt by the Moteka substation. Phamong, Lusaka, Naledi, Boiketlo, Ha Rankopane, Senyamo, Bolata and many other areas, we have heard you.
3. **Roads:** R51.3 million in road rehabilitation that includes Makwane Phase 1, Qoqolosing, Intabazwe, and Fika Patso.
4. **Sports and Community amenities:** Charles Mopeli and Platberg Stadium will see upgrades to the combined amount of R13.2 million to support township sports and recreation.

Our indigent policy continues to protect the vulnerable and we continue to encourage deserving households to register when such a call is made:

1. 50kWh electricity free per month
2. 6kl water free per month
3. 100% subsidy on refuse and sanitation
4. Rebates on property rates.

Honourable Speaker, our Debt Incentive Scheme where we offer 50% discount to businesses, households, schools, farms and churches ends at the end of June 2025. We call on all our deserving rate payers to contact our Billing Office.

Waste and Environmental Management

We collect waste covering all municipal areas to keep our municipality healthy and clean. We have litter pickers who clean and gather litter daily throughout the municipality. A bulk waste service is available for industrial businesses and residents and we have skis bins strategically placed to alleviate and prevent illegal dumping. The municipality is working to allocate a budget to educate our residents on waste and environmental issues to minimise illegal dumping and promote a greener municipality. Let us work together in unity and love to keep our areas clean.

Infrastructure

Infrastructure is the backbone of service delivery for the Municipality Establishment. This department works long hours to ensure that all residents have basic access to water, sanitation, and electricity.

6. COMMUNITY VOICE: THE COMPASS OF THIS BUDGET

Community budget meetings were successfully held in most wards. The following were the key priorities raised:

1. Water shortages
2. Electricity outages and illegal connections
3. Poor road conditions and potholes
4. Sewer overflows and blocked drainage
5. Low service access

However, substantial progress continues to be made in the provision of all these services. For example, we now have an Acting Chief Executive Officer at MAP Water. Mr Thomas Mkaza has already set the right tone at the water utility. The process to have a permanent Board of Directors is already underway.

From 12 to 20 May, we heard from our people:

“We just want water and safe roads, nothing more.” — Resident, QwaQwa

“Our toilets overflow every week—please fix the system.” — Mother, Namahadi

Their voices have shaped this budget. They are the heartbeat behind every rand allocated.

7. CHALLENGES ACKNOWLEDGED WITH HONESTY

We are not hiding the truth. We face:

1. Over R8.9 billion in Eskom debt, R18 million interest monthly
2. Many of municipal accounts are in arrears
3. Incomplete internal systems, reliance on consultants

4. Delayed billing, illegal connections of electricity and water, and data inaccuracies
5. Non-payment of services

These are not minor issues. But we are not small in courage either.

Illegal electricity connections cost us lot of money. Let me remind our communities, such connections affect our effectiveness in the supply of electricity.

The Way Forward: A Municipality in Motion

To restore financial health and service delivery:

1. We are rolling out flat-rate billing and smart meters
2. We are strengthening our data systems and billing platforms
3. We are finalising our organisational structure
4. We are participating in the Debt Relief Programme with the National Treasury and COGTA
5. We are developing a long-term Waste Infrastructure Plan and engaging Eskom on the Electricity Distribution Agency Agreement (DAA)
6. We have invested in our new yellow fleet that includes utility bakkies to improve service delivery in electricity and water, specifically.

These are fundamental steps. Not speeches.

8. INVESTMENT UNIT AND INVESTMENT FACILITATION

The Municipality seeks to establish a **Maluti-A-Phofung Investment Forum** that will drive investment initiatives. The intention is to create a cross-functional, multi-department structure to expedite the decision-making process for critical investment requests. This will enhance the development of our area, promote the potential found within the municipality, and support local economic development. My team will devise a strategic approach to establish the Maluti Local Economic Development Forum by uniting stakeholders under one umbrella to coordinate economic projects and investments better. We have already taken a step towards this by inviting the Chinese Consul General, Mr Pan Qinjiang, who spent two days here last week.

On the question of Public-Private-Partnerships, the Harris Lifestyle mall is opening next month and will have about 20 business tenants. This means more permanent job opportunities for our resident.

On the same note of alleviating poverty and unemployment, I want to applaud the role played by Ntate Tommy Makhatho from Bibi Cash and Carry.

We must acknowledge the impact of the knowledge, skills and expertise that he has invested in our communities for over 30 years now. Bibi Cash and Carry is by far the biggest employer in this area after government departments. Its diversified portfolio in the services they provide has earned this dynamic business international recognition. Earlier this year, Bibi was nominated by the Independent Grocers Alliance of Africa for the Best International Retail of the Year. Then on 24 February 2025, they were honoured as the Best International Retail of the Year 2025 in Las Vegas, Nevada, in the United States of America.

Who doesn't know Bibi Cash and Carry?

Bibi Cash and Carry now competes with national retail brands and is a living proof of the potential that our local economy and SMMEs have.

I challenge the University of the Free State Qwaqwa Campus to give him the recognition he deserves through an honorary doctorate.

Our local economy of Maluti-A-Phofung is estimated to have a GDP of R2.55 billion. The manufacturing and industrial sector, tourism, agriculture, and the commercial and trade sectors primarily drive the local economy. We have an ongoing strategy to identify areas of economic opportunity; our team has identified five considerations to promote economic growth and opportunity. These considerations are:

1. Alternative energy
2. Investment into industrial Automation through our Special Economic Zone (SEZ), industrial zones, light industries and SMMEs in our towns and townships
3. Tourism development
4. Agricultural development through agro-processing and farming.
5. Infrastructure.

We are dedicated to creating opportunities for our youth, providing space for young people to access learnerships, mentorships, or experiential opportunities.

Our team is doing more to attract developers, builders, businesses, and investors. Compliance with municipal bylaws is essential for all residents' good quality of life. To combat transgressions, municipal departments conduct joint operations to visit properties suspected of violating the bylaws.

The municipality plans to conduct property audits to ensure it utilises its property for improved social and economic opportunities and investments. The audit will enhance the accountability of the municipality's systems and its facility management.

9. SPECIAL ECONOMIC ZONE AND INDUSTRIAL ZONES

Honourable Speaker: Maluti-A-Phofung Local Municipality has a special economic zone, the MAPSEZ. This zone has existed for a considerable time and has now been expanded to a broader area and legitimised by the National Department of Trade and Industry as a special economic zone.

The good news is that the Executive Mayor and her Economic and Investment Unit Team have taken the initiative to assist the provincial government and the MAPSEZ team in attracting investors to the zone. Our team has been meeting with potential investors and the Chinese Consulate in Johannesburg to assist in making this possible. Furthermore, the municipality team will engage with the provincial government to assist in finalising the township establishment of the MAPSEZ. In the next IDP, MAPSEZ will be included in the development framework, and the local economic development strategies will also encompass initiatives through which the municipality will collaborate with other stakeholders to ensure MAPSEZ's success. This will create employment opportunities, attract domestic and foreign investment, and empower our people economically and socially.

Other municipal industrial zones would be transformed to encourage investment and yield the same benefits as the special economic zones through accountable and transparent stakeholder engagement.

10. SKILLS DEVELOPMENT

The industry players, entrepreneurs, and small to medium enterprises generate business and employment opportunities. Individuals who take risks and visionaries who turn challenges into solutions are the people at the helm of progress. I firmly assert that Maluti-A-Phofung Municipality's fundamental responsibility is to invest in infrastructure and technology that facilitates business success in our area. We understand we cannot build this community alone; we must hold hands and collaborate with private enterprises and civil society to make a tangible difference. Maluti's leadership assures everyone they work tirelessly to woo investors to our special economic and industrial zones and the municipality. Soon, we will finalise the necessary documentation and legislative approval to simplify investment for our proposed partnerships. This will benefit our youth through skills development and employment opportunities.

We endeavor to collaborate with the following to ensure that investment opportunities are created:

1. In collaboration with other Chinese businesses, the Chinese Embassy has observed the Chinese Consulate and its team visiting the municipality to understand its considerable social and economic potential.
2. We will engage with the University in our municipality to explore the best methods for enhancing youth skills and empowerment, including support for initiatives that foster women's empowerment.
3. The Chinese Consulate and its team are also committed to assisting SMMES in gaining access to training, development, and facilities to establish and expand businesses and upskill or reskill youth and job seekers.
4. I encourage all stakeholders in this area to collaborate with us. Maluti will continue to seek partnerships with funders to aid in skills development and training.
5. The Expanded Public Works Programme creates employment opportunities in four sectors: Infrastructure, Non-state, Environmental, and Social.

11. INNOVATION

Honourable Speaker: Maluti-A-Phofung is an ideal of service delivery despite the challenges and huddles we face to deliver it; however, we must continually strive to raise the bar of excellence. To further our efficient and effective service delivery, we

will adopt a strategy to exploit information technology as a stimulus to improve resident satisfaction. Engaging technology will enable our municipality to improve response times and reduce waiting times at Municipal offices.

Our team will develop enthusiastic and encouraging attitudes towards our residents to log complaints via WhatsApp. Furthermore, the team will enhance the municipality's digital potential to allow residents to log calls using more inclusive social media platforms such as X, Instagram, and Facebook. This will ensure that our operational model for the service team (Customer Care Unit) is now channeled through data insights, where service delivery pressures are predominant.

The above will enable the Municipality to enhance complaint logging. Our team aims to do more and respond more effectively. The tools we are investing in will assist us in monitoring more effectively. The municipality plans to improve the quality of complaint closure through user feedback embedded in the complaints process.

12. TOURISM

The tourism development plans for Maluti-A-Phofung Municipality primarily will focus on leveraging the existing natural beauty and cultural heritage of our area and our people, particularly within the Golden Gate Highlands National Park, by developing adventure, eco, and sports tourism around attractions like Sentinel Peak, the Basotho Cultural Village, and Sterkfontein Dam, aiming to attract domestic tourists through better marketing and infrastructure upgrades to underutilised facilities.

Our team's key points about tourism development plans are as follows:

1. To enhance the potential of the Golden Gate Highlands National Park, which includes the Basotho Cultural Village, Sentinel Peak, and Sterkfontein Dam, for hiking, climbing, water sports, and cultural experiences.
2. To promote hiking, climbing, fishing, and birdwatching activities due to the area's mountainous terrain and diverse wildlife.
3. To involve local communities in tourism development by creating opportunities for them to provide services such as accommodation and cultural tours.

4. Upgrade existing facilities such as accommodation at the Basotho Cultural Village and improve access to key tourist sites.
5. Engage with stakeholders to plan a marketing strategy that attracts domestic tourists and highlights Maluti-A-Phofung's unique offerings that include monuments/ statues from traditional councils with which we have very cordial relations and working partnerships.
6. We always look forward to the days like the Mandela Day in July that we spent with the elderly at the Bakoena Royal Council as well as the Annual Mofumahadi Manthatisi Mota Memorial Lecture at the Batlokoa Ba Mota Traditional Council. Makgolokoe also have their annual Mokete wa Mokopu in March and we look forward to celebrating this with them.

Some challenges we have identified, but are prepared to tackle, include the underdevelopment of tourism facilities, which need enhancement to meet visitor expectations. Furthermore, there is a lack of awareness regarding the area's tourism potential among domestic tourists and a requirement to improve transportation infrastructure to access key tourist sites.

Parks and Recreation

The regular maintenance, repairs, and development of our Municipal Parks are very close to my heart. We can and must do more for our children. We need to create a safe recreational space to help improve the quality of life for all the residents. We will engage with the Department of Sport, Arts, and Culture to assist us with developing and facilitating parks and outdoor recreation in our municipality. This initiative aims to promote healthy living and support social cohesion. We have already started doing our part by cutting the grass at the Phuthaditjhaba and President Brand parks. It is pleasing to see our boys and girls enjoying themselves there.

13. EDUCATION

Mr Speaker, our education plans at Maluti-A-Phofung Municipality primarily focus on initiatives to improve access to quality education, particularly by addressing skills gaps, providing career guidance, and partnering with institutions to offer student mentorship and training programs.

We plan to host career expos and workshops to introduce students to various career paths and potential scholarship opportunities. We want to engage with our University of the Free State and other institutions to provide mentorship to students from the municipality. We will also focus on training programmes that address the skills gap in the local workforce, potentially including vocational training.

We assist SANRAL's career exposure programme by offering information about scholarship and bursary opportunities in engineering fields to Maluti-A-Phofung students. Our Grade 12 learners benefit quite a lot from this partnership.

14. PRIMARY HEALTH CARE

We all understand that Primary Health Care is the provincial government's responsibility. However, our municipality is required to provide quality services to the clinics located within our area. We will continue to support them with services such as water, sanitation, and electricity which have a positive impact to our daily health.

15. SAFETY

Honourable Speaker, one of our team's focus areas is prioritising the safety and security of all of us. In the past financial year, the municipality invested in enhancing safety initiatives. Looking ahead, our commitment to the safety of our residents remains unwavering.

15.1. Traffic

In line with our innovative vision, the traffic department consistently researches ways to enhance traffic services to prevent any opportunity for corruption. We will continue to ensure efficient traffic control, respond to traffic congestion and minimise accidents through traffic monitoring and the provision of road signs.

15.2. Public Safety and Roads

We are a commendable municipality that consistently tackles service delivery challenges; however, we must acknowledge that we are not exempt from facing our difficulties. One notable challenge is addressing the backlog concerning gravel-to-tar roads, graded roads, and

maintaining our current road infrastructure. However, the intervention of the Free State Provincial government is always appreciated. We must thank the Premier Ma-Queen Letsosa-Mathae. We note that adverse weather conditions have significantly impeded our teams' progress completing the scheduled road maintenance tasks. Our team will continue to work hard to address these issues that affect our safety.

16. ETHICS, RETENTION AND PERFORMANCE OF OUR STAFFS

Maluti-A-Phofung Municipality subscribes to being a high-performing institution with strong ethical values, striving to be among the best. Although we may face challenges in this area, we aspire to overcome these obstacles and rank among the finest in the country. My management team endeavours to enhance staff morale and improve the institutional culture, reinforcing performance. We ensure thorough consultation and compliance with legislation when introducing amendments to new policies. We are committed to eliminating favouritism and nepotism, thereby preventing any preferential treatment of candidates. We are tackling issues of indiscipline and implementing consequence management strategies to ensure compliance and enhance efficiency among municipal officials.

17. TOWNSHIP ESTABLISHMENTS AND BUILDING DEVELOPMENT

Mr Speaker, in response to this, the municipality is exploring ways to establish a Private and Public Partnership (PPP) for the development of a mixed-use township that incorporates low-to medium-high-income earners alongside other uses such as education, health, recreation, parks, businesses, offices, and more. We will develop new township and residential projects within the municipality. This will help address one of the biggest challenges we face in various housing typologies. Both the Qwaqwa Gateway and Harrismith Smart City projects are starting in earnest soon. There are areas that are also under the attention of the Surveyor-General as we speak and will soon be formalised. One of the projects coming soon is the private hospital in Bluegumbosch that has already been approved by the Department of Health.

18. CEMETERY

Mr Speaker, we believe that cemeteries are sacred spaces that should be well-maintained to honour the dignity of our loved ones who have passed. We ensure they are cared for and

serve as places of respect for those who have transcended to their heavenly bodies. We also prioritise the security of these sites and guarantee their upkeep. Our EPWP participants will also be assigned duties to ensure these.

19. GENDER, YOUTHS AND DISABILITIES

Mr Speaker, the municipality will support Gender, Youth, and People Living with Disabilities through various programmes and the private sector initiatives. Ladies and gentlemen, the issue of GBV remains central to our fight for a more just and compassionate society. Our men must protect their sisters, wives, girl children, partners, the elderly, and vulnerable groups in our community. This issue is closer to my heart. We need a family where love reigns, we are sincere with each other, and we nurture our children to be better leaders, entrepreneurs, and employees tomorrow.

20. ALIGNMENT WITH THE IDP: STRATEGY MEETS SPENDING

This budget is aligned with our Integrated Development Plan (IDP). Every cent aligns with community needs and national priorities:

Strategic Objective	Revenue Allocated
Basic Service Delivery	R1.13 billion
Municipal Financial Viability	R882.8 million
Local Economic Development	R21.4 million
Good Governance and Participation	R6.5 million
Institutional Development	R13.9 million

21. WE CAN DO IT WITH LOVE

Mr Speaker, Honourable Councillors, I call on you: Let us adopt this budget not as a ritual, but as a renewal of our mission to serve. Community members, I call on you: Hold us accountable. But also partner with us. Pay what you can. Participate where you must.

Protect the infrastructure that serves you. Report vandalism in whatever form or shape, especially critical electricity and water infrastructure.

22. CONCLUSION: A BUDGET OF DISCIPLINE AND DELIVERY

Mr Speaker, Maluti A Phofung Local Municipality has always endeavoured to stay ahead of our challenges, despite our financial and economic difficulties. Nevertheless, we must not become self-righteous, for the work to serve the people of Maluti does not end; it is an endless journey. Self-righteousness would prevent Maluti from maintaining its reputation for striving to overcome present challenges and diligently working to put MAP on the social and economic map of the Free State and South Africa. Our challenges or fears stem from not delivering essential services to our people. Our second challenge is living beneath the potential that our environment and nature have bestowed upon us as a municipality.

My people, our communities, business stakeholders, political parties, and NGOs have not yet reached the place we aspire to be. Let us set aside our differences and collaborate to elevate our municipality to the position it truly deserves. We possess the spirit, have our people, and hold untapped potential. We may not be good enough now but can improve and succeed together.

As a municipality, we must protect our reputation through good governance, accountability, and transparency towards our communities and stakeholders by ensuring exceptional service delivery. Our commitment to service delivery will instill hope and confidence for the future and potential outcomes of social and economic growth. Let us remain committed to our objectives, goals, and vision to create a new outlook for our municipality and a place we can call home.

Let us reset the municipality and bring it back to its former glory of blue and green drop water achievements.

This is not a perfect budget, but it is an honest, people-centred, and implementable budget.

It is a budget of discipline, of dignity, and delivery.

“Re aha masepala o sebetsang. Re aha tshepo botjha.”

We are rebuilding a functional municipality. We are restoring trust.

Ke a leboha. I thank you.



Local Municipality • Mmasepala wa seLehae • Plaaslike Munisipaliteit

REPORT BY THE EXECUTIVE MAYOR FOR SUBMISSION TO COUNCIL

PROPOSED FINAL BUDGET FOR 2025/26 - 2027/28 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)

1. PURPOSE

The purpose of this report is to request approval of the 2025/26 proposed annual budget to Council. The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

2. BUSINESS PLAN

IDP and Budget Process Plan

3. COMPLIANCE WITH STRATEGIC OBJECTIVE

To ensure compliance to budgetary processes

4. DELEGATED AUTHORITY

Delegated authority vests with Council.

5. ANNEXURES

Annexure A – Proposed Final Consolidated budget A – Schedule 2025/26

Annexure B – Proposed Final Parent municipalities' budget A – Schedule 2025/26

Annexure C – Proposed Final Maluti Water (Entity) budget D – Schedule 2025/26

Annexure D – Proposed Final Tariffs 2025/26

Annexure E – Proposed Final Budget Related Policies 2025/26

Annexure F – Proposed Final UIF&W Reduction Strategy 2025/26

Annexure G – Budget 2025/26 Public Participation inputs

Annexure H – Proposed Final Budget Funding Plan 2025/26

Annexure I – 2025_26 MTREF Budget Circular No. 130 – issued on the 20th March 2025

Annexure J – Free State Provincial Treasury feedback on the MAP 2025_26 Tabled budget.



Local Municipality • Mmasepala wa seLehale • Plaaslike Munisipaliteit

6. POLICY

Budget Related Policies

7. LEGAL REQUIREMENTS

Municipal Finance Management Act No. 56 of 2003

MFMA- Regulation Chapter 2

In terms of Section 24 of the MFMA 2003:

- (1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.
- (2) An annual budget—
 - (a) must be approved before the start of the budget year;
 - (b) is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and
 - (c) must be approved together with the adoption of resolutions as may be necessary—
 - (i) imposing any municipal tax for the budget year;
 - (ii) setting any municipal tariffs for the budget year;
 - (iii) approving measurable performance objectives for revenue from each source and for each vote in the budget;
 - (iv) approving any changes to the municipality's integrated development plan; and
 - (v) approving any changes to the municipality's budget-related policies.
- (3) The accounting officer of a municipality must submit the approved annual budget

Furthermore Municipal Council should adopt funded and credible budgets. **Section 18 of the MFMA No.56 of 2003** states that

- (1) an annual budget may only be funded from -
 - a) realistically anticipated revenues to be collected;
 - b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and



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- c) borrowed funds, but only for the capital budget
- (2) Revenue projections in the budget must be realistic, taking into account—
- a) projected revenue for the current year based on collection levels to date; and
 - b) actual revenue collected in previous financial years.

8. BACKGROUND AND DISCUSSION

The following budget principles and guidelines directly informed the compilation of the 2025/26 budget.

- The National Treasury's MFMA Circular 129 & 130 were used to guide the compilation of the 2025/26 budget.
- The Division of Revenue Act (DoRA) 2025.
- The 2023/24 audited outcomes, the 2024/25 adjusted budget and the 10 months performance were used as a baseline for 2025/26 proposed budget.
- The National Treasury MFMA Circular 111 which provides the format and guidelines of the UIF&W expenditure reduction strategy.
- The municipality also considered the fact that the tariff increase should be affordable and should not exceed the projected inflation target as measured by the CPI 4.4%.
- Cost Containment Regulations 42514, that was issued on 07 June 2019.
- Budget inputs from the different Departments.
- The accounting treatment for the total bulk electricity will need to be calculated and recorded accordingly even though the municipality has not fully complied with the requirements of the debt relief since its inception. The municipality is currently recording the whole eskom debt in the financial system although there is a slight difference to the bill from eskom due to the opening balances. The municipality has requested assistance from the financial system vendor for the votes and further enquiries will be made to the other approved municipalities.



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The following challenges were experienced during the compilation of the 2025/26 MTREF are summarised as follows:

- Cash flow and balance sheet budgeting has not been fully achieved.
- Reliance on the financial system consultant to run the A-Schedules. This is a challenge because the municipality is not able to correct the errors on the Schedules sooner as we are normally under pressure due to late submission of inputs from other departments or the delays in publishing the DORA and we should be mindful of the stipulated times to submit the reports to Council.
- Organisational structure has not been finalised, which makes the budget for employee costs not to be reliable.
- The increased costs of bulk electricity due to the annual tariff increases and the growing number of consumers.
- Allocation of cash backed- reserves to initiate and implement capital projects and capital fixed assets in order to improve service delivery.
- The municipality has not determined cost reflective tariffs.
- The need to budget for the repairs of roads, electricity infrastructure, water and sewerage infrastructure, transformers, yellow fleet and old municipal fixed assets such as buildings.
- Data cleansing is done in-house but the effect on the financial system is not that effective which also leads to inaccuracy and unreliable output information.
- The Budget Community engagements delayed – they commenced on the 12th of May 2025 and were completed on the 20th of May 2025

The low collection and billing is as a result of the following; amongst others:

- The inability of customers to pay for services due to the increased high unemployment rate, increasing interest rates and inflation.
- Most consumers who can afford to pay their services are reluctant to pay due to poor service delivery.
- Electricity load shedding and load reduction.
- Late billing which contributes to non-charging of interests
- Statements of accounts not delivered to consumers.
- The different forums now opened by different communities



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- By passing of electricity meters

9. FINANCIAL IMPLICATIONS

As reported in 1.2. under the executive summary.

10. STAFF IMPLICATIONS

The total number of employees by the end of May 2025.

- Parent municipal staff including Councillors was **1 210**.

11. COMMENTS FROM OTHER DIRECTORS

- The inputs were received from departments.
- The Entity signed budget report had not been received by the time this report was completed.



12. RECOMMENDATIONS

It is recommended that:

- 12.1. The 2025/26 proposed final consolidated budget contained in the A1-Schedule attached as **Annexure A**, be approved.
- 12.2. The 2025/26 proposed final parent municipality's budget contained in the A1-Schedule attached as **Annexure B**, be approved.
- 12.3. The 2025/26 proposed final Maluti-a-Phofung Water (Entity) budget contained in the D-Schedules attached as **Annexure C**, be approved.
- 12.4. The 2025/26 proposed final tariffs attached as **Annexure D**, be approved.
- 12.5. The 2025/26 proposed final budget related policies and draft Supply Chain Management policy and draft Preferential Procurement Policy attached as **Annexure E**, be approved.
- 12.6. The 2025/26 proposed final UIF&W Strategy attached as **Annexure F**, be approved.
- 12.7. The 2025/26 budget public participation inputs attached as **Annexure G**, be noted.
- 12.8. The 2025/26 proposed final budget funding plan attached as **Annexure H**, be approved.
- 12.9. The 2025/26 MTREF Budget Circular No. 130 – (issued on the 20th of March 2025) attached as **Annexure I**, be noted.
- 12.10. The feedback from the Free State Provincial Treasury on the 2025/26 tabled budget attached as **Annexure J**, be noted.

SUBMITTED BY:

THE EXECUTIVE MAYOR
Cllr. MM MELATO

23/05/2025
DATE



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Abbreviations and Acronyms

CFO	Chief Financial Officer	ℓ	litre
MM	Municipal Manager	LED	Local Economic Development
CPI	Consumer Price Index	MEC	Member of the Executive Committee
DoRA	Division of Revenue Act	MFMA	Municipal Financial Management Act
DWA	Department of Water Affairs	MIG	Municipal Infrastructure Grant
EE	Employment Equity	MMC	Member of Mayoral Committee
EEDSM	Energy Efficiency Demand Side Management	MPRA	Municipal Properties Rates Act
EPWIP	Expanded Public Works Incentive Programme	MSA	Municipal Systems Act
FMG	Finance Management Grant	MTEF	Medium-term Expenditure Framework
WSIG	Water Service Infrastructure Grant	MTREF	Medium-term Revenue and Expenditure Framework
FY	Financial Year	NERSA	National Electricity Regulator South Africa
mSCOA	Municipal Standard Chart of Accounts	PPE	Property Plant and Equipment
EM	Executive Mayor	SALGA	South African Local Government Association
FBS	Free basic services	SDBIP	Service Delivery Budget Implementation Plan
FBE	Free basic electricity	NDPG	Neighbourhood Development Partnership Grant
GDP	Gross domestic product		
GRAP	General Recognised Accounting Practice		
HR	Human Resources		
IDP	Integrated Development Strategy		
IT	Information Technology		
kℓ	kilolitre		
km	kilometre		
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt		
UIF&W	Unauthorised, Irregular, Fruitless and Wasteful		
DAA	Distribution Agency Agreement		
MBRR	Municipal budget and reporting regulations		
BFP	Budget Funding Plan		



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PART 1 – PROPOSED ANNUAL BUDGET

1.1. MAYOR’S REPORT

The Mayor’s report (Budget speech) will be attached after the Executive Mayor has tabled the proposed Final Budget to Council.

1.2. COUNCIL RESOLUTIONS

The council resolutions as stated under recommendations (paragraph 12.) will be made available after the Budget is adopted by Council.



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1.3. EXECUTIVE SUMMARY

The 2025/26 total consolidated operating revenue is projected to be R2.4 billion and the total consolidated operating expenditure is projected to be R2.6 billion for the 2025/26 financial year. The total operating deficit is projected at R230.5 million. The deficit is due to the fact that the revenue billing and collection is low mainly because the majority of the MAP wards are in the rural areas where billing is not done, however the supply of electricity does reach those wards. The current bill from Eskom is on average R80 million per month and the interest charged from late payment is at R18 million with the projected increase of 12.7% tariff for the 2025/26 financial year. The introduction of the flat rate has not been implemented fully around the residents of MAP.

The 2025/26 total capital expenditure from grants is R286.4 million, R256 million for 2026/27 and R268.9 million for 2027/28 financial year. The total capital assets to be funded by own source is allocated R30.2 million.

The following table is a consolidated overview of the proposed 2025/26 Medium-term Revenue and Expenditure Framework.

Table 1- Consolidated overview of the 2025/26 MTREF

Description R'000	2021/22	2022/23	2023/24	Budget Year 2024/25		2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Operating Revenue	1 175 471	1 389 000	1 533 098	1 677 691	2 001 373	2 137 247	2 272 804	2 438 830
<i>Plus</i> Intercompany/Parent subsidiary transactions	73 321	179 321	48 406	255 300	255 300	270 618	286 855	301 198
Total Operating Revenue	1 248 792	1 568 321	1 581 504	1 932 991	2 256 673	2 407 865	2 559 659	2 740 028
<i>Less</i> Operating Expenditure	2 845 842	2 534 870	2 985 478	1 963 591	2 697 955	2 638 370	2 715 054	2 858 511
Operating Surplus/(Deficit) (excluding capital transfers and contributions)	(1 597 050)	(966 549)	(1 403 974)	(30 600)	(441 281)	(230 505)	(155 396)	(118 483)
<i>Plus</i> Transfers and subsidies - capital (monetary allocations)	267 054	273 230	278 224	235 913	245 065	291 250	266 952	280 371
Surplus/ (Deficit) (including capital transfers and contributions)	(1 329 996)	(693 319)	(1 125 750)	205 313	(196 216)	60 745	111 557	161 888
Total Capital Expenditure	259 752	(110 658)	588 295	225 993	267 123	316 681	256 080	268 977
National Government	257 367	513 406	527 212	225 993	236 376	286 417	256 080	268 977
Provincial Government	–	–	56 370	–	–	–	–	–
Internally generated funds	2 385	(624 064)	4 713	–	30 747	30 264	–	–



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1.4. CONSOLIDATED OPERATING REVENUE FRAMEWORK

Table 2 - Consolidated Operating Revenue by source

Description	2023/24	Current Year 2024/25			% Change	2025/2026 MTREF					
	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome		Budget Year 2025/26	% of the total revenue budget	% change	Budget Year +1 2026/27	% change	Budget Year +2 2027/28
Exchange Revenue											
Service charges - Electricity	324 300	422 573	655 779	263 484	13%	739 063	31%	12%	827 945	12%	927 298
Service charges - Water	84 651	126 338	89 576	68 037	6%	95 159	4%	6%	100 945	6%	107 006
Service charges - Waste Water Management	45 254	51 648	49 444	40 303	4%	51 422	2%	7%	55 260	6%	58 598
Service charges - Waste Management	43 873	51 257	49 215	40 961	4%	51 184	2%	8%	55 141	6%	58 476
Sale of Goods and Rendering of Services	3 238	5 892	5 097	2 199	32%	6 743	0%	6%	7 147	-6%	6 705
Interest earned from Receivables	22 603	18 204	120 367	88 327	4%	125 181	5%	6%	132 692	6%	140 654
Interest earned from Current and Non Current Assets	6 410	8 150	12 270	7 834	4%	12 764	1%	4%	13 277	4%	13 810
Rent on Land	-	-	-	-	0%	1 000	0%	-100%	-	0%	-
Rental from Fixed Assets	1 367	2 665	3 838	1 758	4%	3 992	0%	6%	4 231	6%	4 485
Operational Revenue	2 410	4 655	8 199	1 189	44%	11 772	0%	-26%	8 768	5%	9 223
No- exchange Revenue											
Property rates	99 785	115 244	109 272	90 182	1%	110 363	5%	1%	111 462	1%	112 687
Fines, penalties and forfeits	736	3 207	860	182	179%	2 396	0%	0%	2 540	5%	2 667
Licences or permits	-	1 663	-	-	0%	1 663	0%	6%	1 762	5%	1 850
Transfer and subsidies - Operational	889 398	858 920	857 356	856 875	3%	882 846	37%	3%	907 431	5%	948 524
Interest (from rates & taxes)	9 066	7 268	40 090	33 408	4%	41 693	2%	6%	44 195	6%	46 847
Other Gains	5	7	10	5	-30%	7	0%	-10%	6	-100%	-
Total Revenue (excluding capital transfers and contributions)	1 533 098	1 677 691	2 001 373	1 494 744	7%	2 137 247	89%	6%	2 272 804	-33%	2 438 830
Intercompany Parent subsidising transactions	48 406	255 300	255 300	164 910	6%	270 618	11%	6%	286 855	5%	301 198
Total Revenue	1 581 504	1 932 991	2 256 673	1 659 654	13%	2 407 865	100%	12%	2 559 659	-28%	2 740 028



REVENUE BUDGET ASSUMPTIONS

- **Electricity revenue** budget is projected to be R739 million which was increased by 12.7% from the adjusted 2024/25 budget. The Eskom has started to bill all businesses that use the conventional meters from September 2024. This will increase the billing for electricity. The report with transactions was received from Eskom from September 2024 to February 2025 for the municipality to journalise to the general ledger the same way it normally does with the 100 LPUs. Consumers have also bypassed electricity meters, Eskom has started assisting with installation of smart meters in Kestell and Harrismith as part of DAA implementation. We have applied for the smart metering grant from National Treasury but we have not received feedback yet.
- **Water management** budget is projected to be R95.1 million. The proposed allocation is based on the 2024/25 pre-audit outcomes (10 months performance), the 4% tariff increase and the flat rate charges on residential and businesses. The flat rate has been implemented to employees and councillors but it is still a challenge to have data for rural residents. This service is projected to come mostly from 14 urban wards
- **Waste water management** is increased by 4% from R49.4 million in 2024/25 to be R51.4 million for the 2025/26 financial year. This is projected to come from 14 urban wards as 21 are rural.
- **Waste management** is increased by 4% from R49.2 million in 2024/25 to be R51.1 million. The 2024/25 year to date by the end of April 2025 was also used as a base. This is projected to come from 14 urban wards as 21 are rural and the municipality is only assisting in clearing the open spaces where refuse is dumped in rural wards.
- **Sale of goods and rendering of services** total projected budget is R6.7 million. This group includes, amongst others, the sale of assets, cemetery, tender documents, building plans. The assets committee will determine which municipal assets needs to be auctioned, repaired or disposed.
- **Interest earned from receivables** is projected to be R125.1 million in 2025/26 based on the 2024/25 year to date performance and the 4% tariff increase. Non-paying customers are penalised with the interests.



- **Interest earned from current and non-current assets** is projected to be R12.7 million in 2025/26 financial year. The investments made to various financial institutions are yielding favourable interests, and the municipality is planning on continuing with this strategy.
- **Rental from land and fixed assets** is projected to be R1 million and R3.9 million respectively. Most tariffs under this category were reduced as consumers raised concerns of high tariffs. The affordable tariffs will enable more people to rent facilities.
- **Operational revenue** include the sale of site and is allocated R11.7 million in 2025/26.
- **Property rates** budget is projected to be R110.3 million in 2025/26 with a slight increase from the 2024/25 budget of R109.2 million to cater for changes or when new properties are registered. The rates and taxes will not be increased in 2025/26 financial year. This is due to the fact that the bigger chunk of collection is received from Public Works. Other customer groups are not paying as expected
- **Fines, penalties and forfeits** are estimated to be R2.3 million as a result of the additional fines which must be charged to businesses and the traffic fines expected after the traffic management system is implemented.
- **Licences or permit** is also added with R1.6 million projected for business licences.
- **Transfers and subsidies – operational** is R882.8 million which includes the Equitable Share, the FMG and EPWP allocations. The equitable share is R1.792 million less on the budget when schedules were inspected which will be corrected in the adjustment budget.
- **Intercompany/Parent subsidiary transactions** relates to the funds transferred to the Entity (MAP Water) by the Parent (MAP) – and the budget was increased by 6% to R270.6 million in 2025/26.



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Table 3 - Operating Transfers and Grant Receipts

The total allocation as per DoRA was increased by 3% from R857.3 million to R884.6 million for 2025/26. The allocation on the budget will be corrected to balance with the R878.511 million for equitable share during the adjustment budget.

Description R'000	Current Year 2024/25		% change	2025/26 MTREF		
	Original Budget	Adjusted Budget		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Operating Transfers and Grants						
Local Government Equitable Share (<i>LGES</i>)	851 701	851 701	3%	878 511	904 431	945 424
Expanded Public Works Programme Integrated Grant for Municipalities (<i>EPWPI</i>)	4 219	2 655	18%	3 127	–	–
Finance Management Grant (<i>LGFMG</i>)	3 000	3 000	0%	3 000	3 000	3 100
TOTAL	858 920	857 356	3%	884 638	907 431	948 524

Table 4 - Proposed Tariff settings

The overall tariffs were increased by 4.4% based on the projected average inflation on the MFMA Circular 130. The tariff structure under the sports and facilities was amended by adding new tariffs, whilst others were reduced to be affordable to the consumers.

The following was highlighted under the MFMA Circular 130:

NERSA has indicated that it will be able to process and decide on municipal tariff applications based on Cost of Supply (COS) studies for the financial year 2025/26 by the end of June 2025 for the implementation in the new Financial Year. However, the Minister of Finance will engage NERSA to conclude this process sooner, to allow municipalities sufficient time to take account of the approved tariffs in the finalisation of their budgets. Tariff applications will not be considered unless they are supported by a Cost of Supply study. NERSA has indicated that the approval of Eskom's Retail Tariff Plan (RTP) and Eskom's Retail Tariff Structural Adjustment (ERTSA) for FY2025/26 is anticipated prior to 15 March 2025. Following the ERTSA decision, municipalities will be informed of the outcome to assist them in formulating their individual tariffs, which will then be approved for implementation in FY2025/26.



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From the 2025/26 MTREF, municipalities will be required to submit the following documents pertaining to electricity tariff applications to the GoMuni Upload portal:

- NERSA D Form and COS study submitted to NERSA. For the 2025/26 tariff increase, municipalities with the tabled budget and thereafter 31 October 2025 (i.e. applications pertaining to 2026/27 tariff increases and beyond); and
- NERSA tariff approval with the tabled budget.

The tariff list is attached as **Annexure D**.

SUMMARY TARIFF INCREASE AND SOCIAL PACKAGES			
Description	Average Increase	Residents (non-indigents)	Indigents
Rates and taxes	0%	(Rebate on first 110 000 of market value is granted)	100%
Electricity	12.70%	0	50kWh per month
Water	4.4%	0	6kl per month
Refuse	4.4%	0	100%
Waste water management	4.4%	0	100%
Other tariffs	4.4%		

MBRR SA14- Household bills

The table should be populated in a TRU software so that the information appears on the Schedules. The municipality currently does not have an e-Venus extended software known as TRU, which enables the completion and population of the non-financial information. This issue will be resolved when we are fully mSCOA compliant



1.5. CONSOLIDATED OPERATING EXPENDITURE FRAMEWORK

Table 5 - Consolidated Operating Expenditure by type

Description R'000	2023/24	Current Year 2024/25			% change	2025/26 MTREF					
	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome		Budget Year 2025/26	% of the total expenditure budget	% change	Budget Year +1 2026/27	% change	Budget Year +2 2027/28
Employee related costs	588 007	686 359	703 463	565 334	3%	722 554	27%	5%	761 285	5%	802 147
Remuneration of councillors	25 425	35 033	36 349	31 811	0%	36 529	1%	6%	38 627	5%	40 691
Bulk purchases - electricity	842 499	719 673	999 500	825 978	12%	1 114 944	42%	6%	1 181 750	6%	1 251 397
Inventory consumed (Including the amount not reported on A4)	30 580	40 369	83 721	764	-17%	69 277	3%	-7%	64 469	4%	67 109
Debt impairment	483 995	-	13 000	-	2%	13 280	1%	0%	13 542	0%	13 783
Depreciation and amortisation	93 801	-	82 899	-	-8%	75 930	3%	0%	79 565	0%	83 365
Interest	44 698	41 152	215 152	112 696	-76%	51 662	2%	6%	54 671	6%	57 860
Contracted services	120 817	135 881	212 513	85 391	-4%	203 440	8%	-12%	178 636	4%	185 206
Transfers and subsidies	174 457	181 472	187 472	57 985	6%	198 043	8%	-4%	190 654	5%	200 187
Irrecoverable debts written off	473 708	-	22 000	981	5%	23 120	1%	0%	24 314	0%	25 587
Operational costs	107 411	123 647	141 875	36 781	-9%	129 590	5%	-2%	127 541	3%	131 178
Losses on disposal of Assets	76	-	-	-	-	-	-	-	-	-	-
Other Losses	4	4	10	2	-100%	-	0%	0%	-	0%	-
Total	2 985 478	1 963 591	2 697 955	1 717 722	-2%	2 638 370	100%	3%	2 715 054	5%	2 858 511

BUDGET ASSUMPTIONS ON THE EXPENDITURE BY TYPE

- Employee Related Cost** is projected to be R722.5 million based on the 2024/25 performance to date and consideration of the salary increases. The misalignment of employees contributes to incorrect budgeting where other votes show no movements. The overall budget show an increase of 3% when compared with the 2024/25 financial year. The employee costs budget contributes 27% of the total expenditure budget. This takes over 80% of the equitable share. All Departments should only authorise overtimes of employees who are below the threshold as per the collective agreement and continue to negotiate with employees who do not qualify to take leave days instead of being paid in monetary value. This is also part of the adherence to the cost containment measures



- **Remuneration of councillors** is projected to be R36.5 million which was not increased from the 2024/25 financial year. The misalignment of members of the mayoral committee contributes to incorrect budgeting where other votes show no movements. The monthly movements will be monitored for any amendments during the adjustment budget.
- **Bulk purchases - electricity** was increased by 12% as per the NERSA projected tariff increase. The R1.1 billion total budget for bulk purchases constitutes 42% of the total 2025/26 expenditure budget. This includes bulk purchases, streetlights consumption and other charges on water treatment plants. We are participating in the Debt Relief program but we are unable to fully pay the current account. We are transferring actual prepaid collections to Eskom monthly and they collect all conventional electricity collection.
- **Inventory consumed** total budget is projected to R69.2 million. The line items included under this category are , amongst others, fuel and oil, materials for electricity and roads. This total is not reflected on the A4 sheet populated from the financial system and the engagements will be held with the financial system vendor to enquire about this.
- **Debt Impairment, Depreciation and amortisation budget, Irrecoverable debts written off** are currently not sufficiently budgeted as the 2023/24 audited outcomes indicate a combined total of R1 billion. The Municipality is still unable to budget correctly for the non cash items as the calculations are currently done at year end. However, there is an ongoing debt incentive scheme to assist consumers to settle their accounts, the municipality has appointed the debt collectors in terms of TR27. The disposal and loss control committee has now been established to deal with issues affecting assets and auctions
- **Interest** is projected at R51.6 million in 2025/26. The Eskom account should be maintained with the collection expected to be received from the businesses which are already being billed directly by Eskom in addition to the pre-paid electricity collection received by the municipality.
- **Contracted services** is budgeted a total of R203.4 million in 2025/26, which includes the repairs and maintenance of assets (buildings, roads, electricity) , consultants and professional services and outsourced services (legal services, PMU, security services)
- **Transfers and subsidies** is allocated R198 million, which includes R186.9 million to be transferred to the Entity and the EPWP counterfunding of R6 million and a grant of R3.1 million.



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- **Operational costs** are allocated a total budget of R129.5 million which constitutes 5% of the total expenditure budget.

Table 6 - MBRR Table A9 Consolidated Repairs and Maintenance per asset class

The total repairs and maintenance budget amounts to R188 million or is 6.7% of the PPE which is below the required norm of 8%. The municipality's low cash flow and the unfunded budget leads to under budgeting on repairs and maintenance.

FS194 Maluti-a-Phofung - Table A9 Consolidated Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Repairs and Maintenance by Asset Class	3	61 338	50 193	46 069	69 016	105 465	105 465	112 093	83 286	87 298
<i>Roads Infrastructure</i>		4 132	3 003	7 466	6 000	8 000	8 000	10 000	6 360	6 678
<i>Storm water Infrastructure</i>		-	-	-	1 000	500	500	1 000	1 060	1 113
<i>Electrical Infrastructure</i>		41 477	41 557	31 107	33 240	53 900	53 900	28 360	25 822	27 215
<i>Water Supply Infrastructure</i>		123	103	20	1 540	1 540	1 540	1 632	1 730	1 817
<i>Sanitation Infrastructure</i>		3 123	1 691	1 664	965	4 965	4 965	4 023	4 264	4 477
<i>Solid Waste Infrastructure</i>		-	-	-	-	5 500	5 500	9 500	10 070	10 574
Infrastructure		48 856	46 354	40 257	42 745	74 405	74 405	54 515	49 306	51 874
<i>Community Facilities</i>		-	-	-	-	400	400	400	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	400	400	400	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		8 202	1 044	459	1 870	3 109	3 109	29 500	5 952	6 250
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		8 202	1 044	459	1 870	3 109	3 109	29 500	5 952	6 250
Intangible Assets		-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>		30	6	49	798	898	898	1 022	1 083	1 137
<i>Furniture and Office Equipment</i>		-	-	0	342	342	342	363	384	404
<i>Machinery and Equipment</i>		4 250	2 788	5 303	23 261	26 311	26 311	26 293	26 561	27 634
<i>Transport Assets</i>		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		763 227	342 939	139 870	69 016	188 364	188 364	188 024	162 851	170 663
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.0%	-1.8%	0.0%	4.0%	1.4%	1.4%	4.6%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		0.0%	0.7%	0.3%	0.0%	4.4%	4.4%	19.1%	0.0%	0.0%
<i>R&M as a % of PPE & Investment Property</i>		1.1%	0.9%	1.7%	1.1%	5.0%	5.0%	6.7%	7.2%	7.7%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Property</i>		1.1%	0.9%	1.8%	1.2%	5.2%	5.2%	7.6%	7.2%	7.7%



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1.6. CAPITAL BUDGET

Table 7 Consolidated Capital By Funding Source

The consolidated capital budget from conditional grants is R286.4 million in 2025/26, R256 million in 2026/27 and R268.9 million in 2027/28. The total budget for own source capital assets is R30.2 million.

Description R'000	Current year 2024/25		% Change	2024/25 MTREF		
	Original Budget	Adjusted Budget		Budget Year 2025/2	Budget Year+1 2026/27	Budget Year+2 2027/28
National Government:						
Municipal Infrastructure Grant (MIG) - <i>excluding PMU allocation</i>	188 153	188 866	3%	194 631	206 580	216 491
Integrated Electrification Programme (INEG)	–	–	0%	39 958	3 000	3 136
Water Services Infrastructure Grant (WSIG)	37 510	47 510	9%	51 728	45 000	47 750
Neighbourhood Development Partnership Grant (Capital) (NDPG)	–	–	0%	100	1 500	1 600
Total National Grants	225 663	236 376	21%	286 417	256 080	268 977
OWN FUNDS ALLOCATIONS						
Capital Fixed Assets	–	30 747	-2%	30 264	–	–
TOTAL CAPITAL BUDGET	225 663	267 123	19%	316 681	256 080	268 977



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Table 8 - List of Capital Project for 2025/26

Description (Functional classification)	Source of funding	Current year 2024/25		2025/2026 MTREF		
		Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Roads Projects		10 318	17 933	51 354	82 659	50 594
Monontsha:Construction Of Footbridge	MIG	3 500	3 484	–	–	–
Tshame B: Paving Of 6km Roads Phase 2b	MIG	–	–	–	18 246	14 437
Makwane Paved Roads Phase 1	MIG	3 244	6 590	17 390	–	–
Maluti A Phofung Footbridges - Rural	MIG	–	–	–	8 843	16 157
Qholosing Paved Roads - Phase 1	MIG	3 574	4 093	12 721	7 166	–
Intab/H/Smith: Ext 3 New Surf Rd Ph1 (Mi	MIG	–	–	10 298	33 404	–
Fika Patso3km Paved Road	MIG	–	3 765	10 946	10 000	–
Makwane Paved Road Phase 2	MIG	–	–	–	5 000	20 000
Water Projects		77 636	81 467	93 518	40 329	78 318
Tholong Ext 5 Water Project	WSIG	–	–	–	–	–
Tholong Ext 4 Water Project	WSIG	–	25 697	2 184	–	–
Water Distribution Network P1	WSIG	–	–	34 544	20 000	45 122
Makholokweng Bulk And Sewer Network	WSIG	–	–	15 000	–	–
Ha - Sethunya: Water Retic Phase 2	MIG	–	3 966	14 671	20 329	16 137
Naledi Re Route Bulk Watersupp 830m 70mm	MIG	–	2 989	–	–	–
Intabaz Ext. 3: Const Int Water Reticul	MIG	–	–	–	–	17 059
Thaba Bosiu Water Pipeline	MIG	37 049	33 831	3 218	–	–
Ha - Sethunya: Water Retic 500 Stands	MIG	7 636	6 016	–	–	–
Upgrading Of Water Pump Stations	MIG	23 951	8 967	14 891	–	–
Water Pump Station - Mig R&M	MIG	9 000	–	9 011	–	–
Waste Water Management/ Sewerage Projects		77 157	98 542	84 915	108 683	120 329
Makholokweng Bulk And Sewer Network	WSIG	37 510	21 813	–	–	–
Bluegu:Con Sew/Retic N/Wrk 2367 Std-Ph1	MIG	–	–	–	–	14 082
Namahadi:Construction Sewer Network	MIG	–	–	8 315	–	–
Tshame Upgradeof Sewer System	WSIG	–	–	–	25 000	2 628
Refurbishment Of Sewer Pump Stations	MIG	–	2 534	–	–	–
Namahadi: Cons Sewer 400 P2	MIG	14 097	6 591	–	–	–
Qwa Qwa: Constr 5000 Vip Toilets Ph 13b	MIG	16 550	52 465	–	–	–
Sewer Pump Station - Mig R&M	MIG	9 000	–	9 000	–	–
Upgrade Bluegun Bosch Sewer	MIG	–	3 979	16 469	19 000	–
Tshame Upgrade Of Sewer System	MIG	–	11 160	26 206	35 503	34 384
Qwaqwa: Constr 3500 Vip Toilets-Ph13c	MIG	–	–	24 925	29 180	69 234
Waste Management Projects		15 801	15 367	–	–	–
Specialized Vehicles (Solid Waste Man)	MIG	15 801	15 367	–	–	–
Community Facility Projects		14 984	10 843	3 461	1 500	1 600
Neighbourhood Development Partnership Grant	NDPG	–	–	100	1 500	1 600
Phuthaditjhaba: Upgrading Of Town Hall	MIG	14 984	10 843	3 361	–	–
Sports And Recreational Facilities		28 420	10 546	13 212	19 908	15 000
Upgrade Of Platberg Stadium Phase 1	MIG	10 020	10 020	–	–	–
New Swimmingpool Platberg Stat	MIG	8 000	526	7 474	–	–
Tholong sports facility with swimming pool	MIG	–	–	–	–	15 000
Refurb Charles Mopedi Stadium Ph 2	MIG	10 399	–	5 738	19 908	–
Electricity Projects		1 678	1 678	39 958	3 000	3 136
Upgrading of E-ross substation	INEG	–	–	39 958	3 000	3 136
Map:High Mast Lights In 4 Towns Ph 2	MIG	1 678	1 678	–	–	–
Total Capital Budget Funded By National Grants		225 993	236 376	286 417	256 080	268 977



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Table 9 - List of Capital Assets from own source for 2025/26

Description	Current year 2024/25		2025/26 MTREF		
	Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Computer & Equipment	–	500	–	–	–
Clocking Systems (Machinery)	–	–	500	–	–
Machinery & Equipment	–	100	500	–	–
Computer & Equipment (& Wifi Installation)	–	1 000	2 000	–	–
Furniture & Fittings	–	500	1 000	–	–
Compact Roller (Road Equipment)	–	564	564	–	–
Yellow Fleet	–	4 000	4 000	–	–
Skip Remover Truck	–	–	500	–	–
Mobile Toilets (Cemetery)	–	500	200	–	–
Machinery & Equipment (Cemetery)	–	500	500	–	–
Fire engine	–	–	7 000	–	–
Vehicles	–	7 000	3 000	–	–
Install Cctv Cameras (Municipal Buildings)	–	–	1 000	–	–
Transformers	–	13 000	5 000	–	–
Equipment: Land surveyor & plotter	–	–	4 500	–	–
Machinery & Equipment (Electricity)	–	3 083	–	–	–
Total Capital Budget Funded From Own Source	–	30 747	30 264	–	–



1.7. BUDGET REGULATED SCHEDULE-A TABLES

Table 10 - MBRR Table A2 – Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Table A2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

FS194 Maluti-a-Phofung - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue - Functional	1									
Governance and administration		766 732	870 972	923 535	966 650	1 005 697	1 005 697	1 034 661	1 065 893	1 110 903
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		766 732	870 972	923 535	966 650	1 005 697	1 005 697	1 034 661	1 065 893	1 110 903
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		(22 199)	22 319	15 183	52 394	34 593	34 593	34 324	35 349	30 454
Community and social services		(46 657)	18 915	6 300	18 070	13 262	13 262	5 658	2 435	2 566
Sport and recreation		23 225	2 153	7 467	29 586	13 653	13 653	16 362	23 248	18 539
Public safety		514	935	975	1 539	1 178	1 178	462	490	515
Housing		719	316	440	3 200	6 500	6 500	11 842	9 177	8 835
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		30 514	25 846	18 414	27 351	27 956	27 956	64 443	102 283	71 203
Planning and development		402	235	810	7 013	1 334	1 334	8 256	8 752	9 215
Road transport		30 111	25 611	17 604	20 338	26 622	26 622	56 187	93 532	61 989
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		542 539	729 659	776 059	867 208	1 178 193	1 178 193	1 295 069	1 336 231	1 506 641
Energy sources		198 418	354 350	328 861	438 350	700 081	700 081	823 845	878 458	980 709
Water management		161 973	178 236	195 171	212 144	220 796	220 796	238 348	193 926	241 130
Waste water management		137 005	149 172	198 520	136 618	168 746	168 746	157 216	186 075	202 364
Waste management		45 144	47 902	53 507	80 095	88 570	88 570	75 660	77 771	82 438
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 317 586	1 648 796	1 733 191	1 913 604	2 246 438	2 246 438	2 428 497	2 539 756	2 719 201
Expenditure - Functional										
Governance and administration		1 014 210	875 146	1 133 325	642 375	726 594	726 594	713 906	706 193	740 143
Executive and council		84 408	137 561	64 338	100 321	102 409	102 409	101 573	104 419	109 844
Finance and administration		922 949	730 211	1 060 891	533 353	615 179	615 179	603 222	592 624	620 696
Internal audit		6 854	7 375	8 095	8 700	9 006	9 006	9 111	9 149	9 603
Community and public safety		216 842	142 976	125 227	128 382	168 338	168 338	181 120	185 255	194 722
Community and social services		84 198	19 260	17 423	21 271	22 775	22 775	24 023	24 907	26 181
Sport and recreation		58 006	45 930	30 006	13 075	46 351	46 351	54 437	57 639	60 866
Public safety		68 771	72 697	73 341	86 448	94 329	94 329	91 491	93 381	97 794
Housing		5 867	5 088	4 457	7 588	4 883	4 883	11 169	9 328	9 881
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		209 289	58 812	68 697	75 303	86 523	86 523	89 706	89 623	92 380
Planning and development		22 556	21 240	21 407	29 098	25 892	25 892	39 196	34 753	34 634
Road transport		186 733	37 572	47 291	46 204	60 630	60 630	50 510	54 870	57 745
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		1 403 274	1 456 130	1 654 753	1 113 303	1 713 258	1 713 258	1 649 374	1 729 529	1 826 573
Energy sources		1 067 978	1 252 201	1 151 368	841 911	1 331 235	1 331 235	1 259 188	1 330 158	1 407 890
Water management		150 674	68 048	306 018	99 145	154 831	154 831	146 057	153 522	160 392
Waste water management		70 807	64 081	(15 033)	84 255	91 255	91 255	93 557	98 676	103 231
Waste management		113 814	71 801	212 399	87 991	135 938	135 938	150 572	147 172	155 060
Other	4	2 227	1 806	3 476	4 228	3 242	3 242	4 263	4 455	4 692
Total Expenditure - Functional	3	2 845 842	2 534 874	2 985 478	1 963 591	2 697 955	2 697 955	2 638 370	2 715 054	2 858 511
Surplus/(Deficit) for the year		(1 528 256)	(886 074)	(1 252 287)	(49 987)	(451 516)	(451 516)	(209 873)	(175 298)	(139 310)



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Table 11 - MBRR Table A3 – Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 shows budgeted financial performance in relation to the revenue and expenditure by municipal vote.

FS194 Maluti-a-Phofung - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue by Vote	1									
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		(459)	1 053	1 754	1 500	1 500	1 500	1 560	1 654	1 753
Vote 04 - Financial Services		965 450	1 062 673	1 048 318	1 220 450	1 259 497	1 259 497	1 303 719	1 351 094	1 410 348
Vote 05 - Municipal Infrastructure		373 963	400 844	464 801	449 196	504 733	504 733	527 411	551 305	587 921
Vote 06 - Community Services		20 524	18 451	5 084	16 570	12 429	12 429	4 792	1 517	1 592
Vote 07 - Public Safety & Transport		(66 878)	935	1 663	1 539	1 178	1 178	462	490	515
Vote 08 - Sports, Arts, Parks, Culture		23 225	2 153	7 467	29 586	13 653	13 653	16 362	23 248	18 539
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	5 863	50	50	5 863	6 214	6 525
Vote 10 - Hunan Settlements		1 200	856	968	4 700	7 333	7 333	12 708	10 095	9 808
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		402	235	810	1 151	1 284	1 284	2 394	2 537	2 690
Vote 13 - Electricity Department		198 418	354 350	328 861	438 350	700 081	700 081	823 845	878 458	980 709
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 515 846	1 841 551	1 859 728	2 168 904	2 501 738	2 501 738	2 699 115	2 826 611	3 020 399
Expenditure by Vote to be appropriated	1									
Vote 01 - Legislative Authority		53 102	112 420	52 866	60 810	67 885	67 885	67 317	69 099	72 752
Vote 02 - Office Of The Municipal Manager		21 946	21 257	19 363	24 184	26 078	26 078	24 646	24 225	25 386
Vote 03 - Corporate Services		545 281	95 753	105 256	128 366	141 433	141 433	129 100	133 840	139 941
Vote 04 - Financial Services		311 209	576 365	887 618	343 814	370 559	370 559	354 893	367 210	384 472
Vote 05 - Municipal Infrastructure		384 811	111 950	427 059	167 479	287 918	287 918	276 817	280 530	294 032
Vote 06 - Community Services		85 670	19 491	18 255	22 861	22 946	22 946	23 603	24 461	25 714
Vote 07 - Public Safety & Transport		127 903	127 050	135 984	148 800	194 032	194 032	184 056	185 798	194 988
Vote 08 - Sports, Arts, Parks, Culture		58 006	45 930	30 006	13 075	46 351	46 351	54 437	57 639	60 866
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		10 840	9 790	10 784	15 967	13 347	13 347	16 591	17 398	16 265
Vote 10 - Hunan Settlements		16 156	8 400	7 785	13 041	14 458	14 458	44 933	16 411	17 346
Vote 11 - Idp, Pms Department		2 922	2 860	3 869	4 222	4 012	4 012	4 078	4 258	4 473
Vote 12 - Spatial Development, Planning & Traditional Affairs		11 020	10 396	10 229	13 137	11 775	11 775	22 791	17 552	18 588
Vote 13 - Electricity Department		1 066 717	1 251 281	1 149 945	839 888	1 329 212	1 329 212	1 257 084	1 327 927	1 405 548
Vote 14 - Maluti Water		150 258	141 926	126 458	167 947	167 947	167 947	178 023	188 705	198 140
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2 845 842	2 534 870	2 985 478	1 963 591	2 697 955	2 697 955	2 638 370	2 715 054	2 858 511
Surplus/(Deficit) for the year	2	(1 329 996)	(693 319)	(1 125 750)	205 313	(196 216)	(196 216)	60 745	111 557	161 888



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Table 12 - MBRR Table A4 – Consolidated Budgeted Financial Performance (revenue and expenditure)

FS194 Maluti-a-Phofung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Electricity	2	137 109	321 785	324 300	422 573	655 779	655 779	263 484	739 063	827 945	927 298
Service charges - Water	2	101 905	89 226	84 651	126 338	89 576	89 576	68 037	95 159	100 945	107 006
Service charges - Waste Water Management	2	43 367	41 923	45 254	51 648	49 444	49 444	40 303	51 422	55 260	58 598
Service charges - Waste Management	2	42 067	41 737	43 873	51 257	49 215	49 215	40 961	51 184	55 141	58 476
Sale of Goods and Rendering of Services		3 544	2 004	3 238	5 892	5 097	5 097	2 199	6 743	7 147	6 705
Agency services											
Interest											
Interest earned from Receivables		18 294	(0)	22 603	18 204	120 367	120 367	88 327	125 181	132 692	140 654
Interest earned from Current and Non Current Assets		11 332	4 405	6 410	8 150	12 270	12 270	7 834	12 764	13 277	13 810
Dividends											
Rent on Land		-	-	-	-	-	-	-	1 000	-	-
Rental from Fixed Assets		1 116	1 131	1 367	2 665	3 838	3 838	1 758	3 992	4 231	4 485
Licence and permits											
Special rating levies											
Operational Revenue		1 038	8 389	2 410	4 655	8 199	8 199	1 189	11 772	8 768	9 223
Non-Exchange Revenue											
Property rates	2	113 846	111 776	99 785	115 244	109 272	109 272	90 182	110 363	111 462	112 687
Surcharges and Taxes											
Fines, penalties and forfeits		322	688	736	3 207	860	860	182	2 396	2 540	2 667
Licences or permits		-	-	-	1 663	-	-	-	1 663	1 762	1 850
Transfer and subsidies - Operational		694 190	765 933	889 398	858 920	857 356	857 356	856 875	882 846	907 431	948 524
Interest		7 943	-	9 066	7 268	40 090	40 090	33 408	41 693	44 195	46 847
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		(610)	-	-	-	-	-	-	-	-	-
Other Gains		8	3	5	7	10	10	5	7	6	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		1 175 471	1 389 000	1 533 098	1 677 691	2 001 373	2 001 373	1 494 744	2 137 247	2 272 804	2 438 830
Expenditure											
Employee related costs	2	667 674	727 726	588 007	686 359	703 463	703 463	565 334	722 554	761 285	802 147
Remuneration of councillors		28 529	31 785	25 425	35 033	36 349	36 349	31 811	36 529	38 627	40 691
Bulk purchases - electricity		870 195	758 138	842 499	719 673	999 500	999 500	825 978	1 114 944	1 181 750	1 251 397
Inventory consumed	8	3 136	2 053	2 019	2 542	681	681	764	832	882	926
Debt impairment	3	-	-	483 995	-	13 000	13 000	-	13 280	13 542	13 783
Depreciation and amortisation		701 889	292 746	93 801	-	82 899	82 899	-	75 930	79 565	83 365
Interest		63 735	382 456	44 698	41 152	215 152	215 152	112 696	51 662	54 671	57 860
Contracted services		159 461	88 563	120 817	135 881	212 513	212 513	85 391	203 440	178 636	185 206
Transfers and subsidies		176 805	111 153	174 457	181 472	187 472	187 472	57 985	198 043	190 654	200 187
Irrecoverable debts written off		4 117	13 377	473 708	-	22 000	22 000	981	23 120	24 314	25 587
Operational costs		78 939	94 722	107 411	123 647	141 875	141 875	36 781	129 590	127 541	131 178
Losses on disposal of Assets		-	-	76	-	-	-	-	-	-	-
Other Losses		1	4	4	4	10	10	2	-	-	-
Total Expenditure		2 754 482	2 502 724	2 956 917	1 925 764	2 614 915	2 614 915	1 717 722	2 569 925	2 651 468	2 792 328
Surplus/(Deficit)		(1 579 011)	(1 113 724)	(1 423 819)	(248 073)	(613 542)	(613 542)	(222 978)	(432 678)	(378 664)	(353 498)
Transfers and subsidies - capital (monetary allocations)	6	267 054	273 230	278 224	235 913	245 065	245 065	167 546	291 250	266 952	280 371
Transfers and subsidies - capital (in-kind)	6										
Surplus/(Deficit) after capital transfers & contributions		(1 311 957)	(840 495)	(1 145 595)	(12 160)	(368 477)	(368 477)	(55 432)	(141 428)	(111 712)	(73 127)
Income Tax											
Surplus/(Deficit) after income tax		(1 311 957)	(840 495)	(1 145 595)	(12 160)	(368 477)	(368 477)	(55 432)	(141 428)	(111 712)	(73 127)
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		(1 311 957)	(840 495)	(1 145 595)	(12 160)	(368 477)	(368 477)	(55 432)	(141 428)	(111 712)	(73 127)
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions	7	73 321	179 321	48 406	255 300	255 300	255 300	164 910	270 618	286 855	301 198
Surplus/(Deficit) for the year	1	(1 238 637)	(661 174)	(1 097 189)	243 140	(113 177)	(113 177)	109 478	129 190	175 143	228 071



Table 13 - MBRR Table A5 – Consolidated Budgeted Capital Expenditure by vote, standard classification and funding source

The total allocation for capital expenditure is R316.6 million for 2025/26.

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital expenditure - Vote	1										
Multi-year expenditure to be appropriated	2										
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		-	-	-	-	-	-	-	-	-	-
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-	-
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 01 - Legislative Authority		-	-	(115)	-	500	500	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	500	-	-	
Vote 03 - Corporate Services		1 041	3 298	(2 584)	-	1 100	1 100	-	2 500	-	
Vote 04 - Financial Services		308	255	(963)	-	500	500	130	1 000	-	
Vote 05 - Municipal Infrastructure		189 907	52 683	224 218	180 912	217 872	217 872	130 239	234 850	231 671	
Vote 06 - Community Services		14 897	304 588	356 696	14 984	11 843	11 843	7 562	4 061	-	
Vote 07 - Public Safety & Transport		-	1 466	(6 369)	-	7 000	7 000	-	11 000	-	
Vote 08 - Sports, Arts, Parks, Culture		6 723	1 351	5 256	28 420	10 546	10 546	6 580	13 212	19 908	
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-	
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	100	1 500	
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	1 600	
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	4 500	-	
Vote 13 - Electricity Department		45 840	(474 722)	12 083	1 678	17 761	17 761	6 833	44 958	3 000	
Vote 14 - Maluti Water		1 036	421	73	-	-	-	-	-	-	
Vote 15 - Other		-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		259 752	(110 658)	588 295	225 993	267 123	267 123	151 344	316 681	256 080	
Total Capital Expenditure - Vote		259 752	(110 658)	588 295	225 993	267 123	267 123	151 344	316 681	256 080	
Capital Expenditure - Functional											
Governance and administration		2 385	3 975	(3 588)	-	2 100	2 100	130	5 000	-	
Executive and council		1 036	421	(42)	-	500	500	-	500	-	
Finance and administration		1 349	3 553	(3 546)	-	1 600	1 600	130	4 500	-	
Internal audit		-	-	-	-	-	-	-	-	-	
Community and public safety		21 620	307 406	355 583	43 403	29 390	29 390	14 142	27 373	21 408	
Community and social services		14 897	304 606	356 696	14 984	11 843	11 843	7 562	4 061	-	
Sport and recreation		6 723	1 351	5 256	28 420	10 546	10 546	6 580	13 212	19 908	
Public safety		-	1 449	(6 369)	-	7 000	7 000	-	10 000	-	
Housing		-	-	-	-	-	-	-	100	1 500	
Health		-	-	-	-	-	-	-	-	1 600	
Economic and environmental services		14 818	(115 711)	6 122	10 318	22 496	22 496	6 296	60 418	82 659	
Planning and development		-	-	-	-	-	-	-	4 500	-	
Road transport		14 818	(115 711)	6 122	10 318	22 496	22 496	6 296	55 918	82 659	
Environmental protection		-	-	-	-	-	-	-	-	-	
Trading services		220 929	(306 328)	230 179	172 272	213 137	213 137	130 776	223 890	152 012	
Energy sources		45 840	(474 722)	12 083	1 678	17 761	17 761	6 833	44 958	3 000	
Water management		158 096	60 765	88 128	77 636	81 467	81 467	58 215	93 518	40 329	
Waste water management		16 993	107 629	129 968	77 157	98 542	98 542	52 366	84 915	108 683	
Waste management		-	-	-	15 801	15 367	15 367	13 363	500	-	
Other		-	-	-	-	-	-	-	-	-	
Total Capital Expenditure - Functional	3	259 752	(110 658)	588 295	225 993	267 123	267 123	151 344	316 681	256 080	
Funded by:											
National Government		257 367	513 406	527 212	225 993	236 376	236 376	145 364	286 417	256 080	
Provincial Government		-	-	56 370	-	-	-	-	-	-	
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	257 367	513 406	583 582	225 993	236 376	236 376	145 364	286 417	256 080	
Borrowing											
Internally generated funds	6	2 385	(624 064)	4 713	-	30 747	30 747	5 980	30 264	-	
Total Capital Funding	7	259 752	(110 658)	588 295	225 993	267 123	267 123	151 344	316 681	256 080	



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Table 14 - MBRR Table A6 - Consolidated Budgeted Financial Position

The below table does not reflect a true financial position of the municipality. The consultations and trainings are ongoing to get the municipality to budget correctly on the balance sheet and the cash flow statements.

FS194 Maluti-a-Phofung - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents		317 429	203 064	914 820	2 817 025	423 699	423 699	731 874	1 565 339	2 015 492	2 136 403
Trade and other receivables from exchange transactions	1	1 016 537	1 167 563	966 731	1 181 668	806 002	806 002	1 369 593	738 083	665 338	745 828
Receivables from non-exchange transactions	1	598 249	646 771	216 446	649 041	54 116	54 116	293 215	329 362	77 691	85 212
Current portion of non-current receivables		144	144	144	144	144	144	144	-	-	-
Inventory	2	5 720	4 819	4 283	14 682	4 373	4 373	4 784	4 413	4 455	4 500
VAT		1 205 870	1 371 905	1 537 793	1 371 852	1 666 037	1 666 037	1 644 132	1 640 585	1 729 738	1 714 097
Other current assets		(1 093)	(1 120)	(1 219)	(1 120)	(1 387)	(1 387)	(1 325)	(1 071)	(1 137)	(1 217)
Total current assets		3 142 856	3 393 146	3 638 998	6 033 292	2 952 983	2 952 983	4 042 417	4 276 712	4 491 577	4 684 823
Non current assets											
Investments											
Investment property		803 255	803 255	#####	803 255	600 310	600 310	600 310	803 255	803 255	803 255
Property, plant and equipment	3	5 460 963	5 308 418	2 581 263	6 088 021	2 044 748	2 044 748	2 732 607	1 412 104	929 395	932 757
Biological assets											
Living and non-living resources											
Heritage assets											
Intangible assets		-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		(144)	(144)	(144)	(144)	(144)	(144)	(144)	-	-	-
Other non-current assets											
Total non current assets		6 264 074	6 111 529	3 181 429	6 891 132	2 644 914	2 644 914	3 332 773	2 215 359	1 732 650	1 736 012
TOTAL ASSETS		9 406 930	9 504 674	6 820 427	12 924 423	5 597 897	5 597 897	7 375 190	6 492 071	6 224 227	6 420 834
LIABILITIES											
Current liabilities											
Bank overdraft											
Financial liabilities		(15 019)	(15 019)	(15 019)	-	(15 019)	(15 019)	(15 019)	(15 019)	(15 920)	(16 716)
Consumer deposits		25 978	25 772	26 232	27 656	26 599	26 599	26 644	25 901	27 455	28 827
Trade and other payables from exchange transactions	4	8 899 222	9 719 044	11 343 470	10 881 807	8 549 599	8 549 599	7 067 046	7 067 046	6 846 341	8 405 437
Trade and other payables from non-exchange transactions	5	20 209	18 400	13 685	13 685	13 685	13 685	87 122	-	-	500
Provision		688 033	161 371	103 615	265 968	45 499	45 499	103 768	(320 442)	43 487	44 997
VAT		639 405	688 629	742 377	697 376	894 412	894 412	859 575	722 201	765 408	777 623
Other current liabilities											
Total current liabilities		10 257 829	10 598 196	12 214 359	11 886 492	9 514 774	9 514 774	8 129 136	7 479 687	7 666 770	9 240 668
Non current liabilities											
Financial liabilities	6	320	320	320	-	320	320	320	-	(0)	(0)
Provision	7	-	-	-	-	-	-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities											
Total non current liabilities		320	320	320	-	320	320	320	-	(0)	(0)
TOTAL LIABILITIES		10 258 149	10 598 516	12 214 679	11 886 492	9 515 093	9 515 093	8 129 456	7 479 687	7 666 770	9 240 668
NET ASSETS		(851 219)	(1 093 841)	(5 394 252)	1 037 931	(3 917 196)	(3 917 196)	(754 266)	(987 617)	(1 442 543)	(2 819 833)
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	(327 986)	(904 248)	(4 323 748)	2 767 052	(3 406 112)	(3 406 112)	(4 357 125)	(1 211 565)	(1 686 746)	(3 058 085)
Reserves and funds	9	(212 934)	(212 934)	(212 934)	(212 934)	(212 934)	(212 934)	(212 934)	-	-	-
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	(540 920)	(1 117 182)	(4 536 683)	2 554 118	(3 619 047)	(3 619 047)	(4 570 059)	(1 211 565)	(1 686 746)	(3 058 085)



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Table 15 - MBRR Table A7 – Consolidated Budgeted Cash Flow Statement

FS194 Maluti-a-Phofung - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	75 585	84 387	84 387	65 302	91 512	93 123	98 491
Service charges		-	-	-	305 564	723 125	723 125	314 101	740 715	899 001	1 003 278
Other revenue		-	-	-	1 528 157	(2 047 458)	(2 047 458)	(199 692)	(197 652)	49 780	18 651
Transfers and Subsidies - Operational	1	-	-	-	858 920	857 356	857 356	852 793	882 846	907 431	948 524
Transfers and Subsidies - Capital	1	-	-	-	235 913	245 065	245 065	245 065	291 250	266 953	280 371
Interest		-	-	-	8 150	10 774	10 774	2 498	10 979	11 810	12 539
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		-	-	-	(2 227 383)	(1 908 444)	(1 908 444)	(791 717)	(982 302)	(1 206 088)	(1 275 980)
Interest		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	784 906	(2 035 194)	(2 035 194)	488 351	837 349	1 022 010	1 085 873
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	10 000	6 890	7 235
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		-	-	-	(225 993)	(267 123)	(267 123)	(151 344)	(316 681)	(256 080)	(309 323)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	(225 993)	(267 123)	(267 123)	(151 344)	(306 681)	(249 190)	(302 089)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	367	367	367	412	31	33	35
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	367	367	367	412	31	33	35
NET INCREASE/(DECREASE) IN CASH HELD		-	-	-	559 280	(2 301 951)	(2 301 951)	337 419	530 700	772 854	783 819
Cash/cash equivalents at the year begin:	2	181 011	64 626	389 779	64 626	582 407	582 407	6 615	3 486	534 186	1 307 039
Cash/cash equivalents at the year end:	2	181 011	64 626	389 779	623 905	(1 719 544)	(1 719 544)	344 034	534 186	1 307 039	2 090 858



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FS194 Maluti-a-Phofung - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash Receipts By Source													1		
Property rates	7 626	7 626	7 626	7 626	7 626	7 626	7 626	7 626	7 626	7 626	7 626	7 626	91 512	93 123	98 491
Service charges - electricity revenue	49 164	49 164	49 164	49 164	49 164	49 164	49 164	49 164	49 164	49 164	49 164	49 164	589 970	794 895	892 925
Service charges - water revenue	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	6 314	75 768	70 516	74 747
Service charges - sanitation revenue	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	37 424	18 311	19 409
Service charges - refuse revenue	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	37 553	15 280	16 196
Rental of facilities and equipment	333	333	333	333	333	333	333	333	333	333	333	333	3 992	4 231	4 485
Interest earned - external investments	707	707	707	707	707	707	707	707	707	707	707	707	8 480	8 989	9 528
Interest earned - outstanding debtors	208	208	208	208	208	208	208	208	208	208	208	208	2 499	2 821	3 010
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	186	186	186	186	186	186	186	186	186	186	186	186	2 238	2 372	2 491
Licences and permits	139	139	139	139	139	139	139	139	139	139	139	139	1 663	1 762	1 850
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	882 846	907 431	948 524
Other revenue	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(17 129)	(205 543)	41 415	9 825
Cash Receipts by Source	127 367	127 367	127 367	127 367	127 367	127 367	127 367	127 367	127 367	127 367	127 367	127 367	1 528 401	1 961 146	2 081 463
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	291 250	266 953	280 371
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	833	833	833	833	833	833	833	833	833	833	833	833	10 000	6 890	7 235
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	3	3	3	3	3	3	3	3	3	3	3	3	31	33	35
VAT Control (receipts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	152 474	152 474	152 474	152 474	152 474	152 474	152 474	152 474	152 474	152 474	152 474	152 474	1 829 682	2 235 022	2 369 123
Cash Payments by Type															
Employee related costs	43 721	43 721	43 721	43 721	43 721	43 721	43 721	43 721	43 721	43 721	43 721	43 721	524 653	557 156	585 076
Remuneration of councillors	2 843	2 843	2 843	2 843	2 843	2 843	2 843	2 843	2 843	2 843	2 843	2 843	34 119	36 166	37 974
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	33 333	33 333	33 333	33 333	33 333	33 333	33 333	33 333	33 333	33 333	33 333	33 333	400 000	500 000	530 000
Acquisitions - water & other inventory	6 667	6 667	6 667	6 667	6 667	6 667	6 667	6 667	6 667	6 667	6 667	6 667	80 000	84 800	89 888
Contracted services	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 038)	(16 037)	(192 450)	(107 841)	(105 209)
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	11 332	11 332	11 332	11 332	11 332	11 332	11 332	11 332	11 332	11 332	11 332	11 332	135 980	135 807	138 250
Cash Payments by Type	81 858	81 858	81 858	81 858	81 858	81 858	81 858	81 858	81 858	81 858	81 858	81 858	982 302	1 206 088	1 275 980
Other Cash Flows/Payments by Type															
Capital assets	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	316 681	256 080	309 323
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	108 249	108 249	108 249	108 249	108 249	108 249	108 249	108 249	108 249	108 249	108 249	108 249	1 298 983	1 462 168	1 585 304
NET INCREASE/(DECREASE) IN CASH HELD	44 225	44 225	44 225	44 225	44 225	44 225	44 225	44 225	44 225	44 225	44 225	44 225	530 700	772 854	783 819
Cash/cash equivalents at the monthly year begin:	3 486	47 711	91 936	136 161	180 386	224 611	268 836	313 061	357 286	401 511	445 736	489 961	3 486	534 186	1 307 039
Cash/cash equivalents at the monthly year end:	47 711	91 936	136 161	180 386	224 611	268 836	313 061	357 286	401 511	445 736	489 961	534 186	534 186	1 307 039	2 090 858



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Table 16 - MBRR Table A8 – Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation

The information in this table depends on the correctness of the Balance sheet and Cash flow statements.

FS194 Maluti-a-Phofung - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash and investments available											
Cash/cash equivalents at the year end	1	181 011	64 626	389 779	623 905	(1 719 544)	(1 719 544)	344 034	534 186	1 307 039	2 090 858
Other current investments > 90 days		136 418	138 438	525 041	2 193 120	2 143 243	2 143 243	387 841	1 031 154	708 452	45 545
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		317 429	203 064	914 820	2 817 025	423 699	423 699	731 874	1 565 339	2 015 492	2 136 403
Application of cash and investments											
Unspent conditional transfers		20 209	18 400	13 685	13 685	13 685	13 685	87 122	-	-	500
Unspent borrowing											
Statutory requirements	2	(566 464)	(683 276)	(795 416)	(674 475)	(771 624)	(771 624)	(784 557)	(918 384)	(964 330)	(936 474)
Other working capital requirements	3	8 899 222	9 719 044	11 343 470	8 396 327	9 233 646	9 233 646	10 435 786	6 433 846	6 185 210	7 680 559
Other provisions		688 033	161 371	103 615	265 968	45 499	45 499	103 768	(320 442)	43 487	44 997
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		9 041 000	9 215 539	10 665 354	8 001 505	8 521 205	8 521 205	9 842 119	5 195 021	5 264 367	6 789 582
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		(8 723 571)	(9 012 475)	(9 750 534)	(5 184 480)	(8 097 505)	(8 097 505)	(9 110 245)	(3 629 681)	(3 248 875)	(4 653 178)
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		(8 723 571)	(9 012 475)	(9 750 534)	(5 184 480)	(8 097 505)	(8 097 505)	(9 110 245)	(3 629 681)	(3 248 875)	(4 653 178)



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Table 17 - MBRR Table A9 – Consolidated Asset Management

FS194 Maluti-a-Phofung - Table A9 Consolidated Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	259 739	(112 597)	588 035	216 993	263 440	263 440	302 170	256 080	268 977
<i>Roads Infrastructure</i>		14 818	(115 711)	6 122	10 318	17 933	17 933	51 354	82 659	50 594
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		45 840	(474 690)	4 137	1 678	14 678	14 678	44 958	3 000	3 136
<i>Water Supply Infrastructure</i>		158 096	77 634	76 700	106 146	77 583	77 583	82 323	40 329	78 318
<i>Sanitation Infrastructure</i>		16 993	90 761	141 396	39 647	102 925	102 925	87 299	108 683	120 329
Infrastructure		235 747	(422 007)	228 354	157 788	213 119	213 119	265 934	234 671	252 377
Community Facilities		14 897	304 588	356 696	14 984	10 843	10 843	3 461	1 500	1 600
Sport and Recreation Facilities		6 723	1 351	5 256	28 420	10 546	10 546	13 212	19 908	15 000
Community Assets		21 620	305 939	361 951	43 403	21 390	21 390	16 673	21 408	16 600
Computer Equipment		1 133	1 327	2 816	-	1 500	1 500	2 000	-	-
Furniture and Office Equipment		352	258	1 239	-	500	500	1 000	-	-
Machinery and Equipment		774	436	43	-	4 564	4 564	6 564	-	-
Transport Assets		113	1 449	(6 369)	15 801	22 367	22 367	10 000	-	-
Total Renewal of Existing Assets	2	13	1 939	260	9 000	3 683	3 683	14 511	-	-
<i>Water Supply Infrastructure</i>		-	-	-	9 000	-	-	9 011	-	-
Infrastructure		-	-	-	9 000	-	-	9 011	-	-
Machinery and Equipment		13	1 939	260	-	3 683	3 683	5 500	-	-
Total Capital Expenditure	4	259 752	(110 658)	588 295	225 993	267 123	267 123	316 681	256 080	268 977
<i>Roads Infrastructure</i>		14 818	(115 711)	6 122	10 318	17 933	17 933	51 354	82 659	50 594
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		45 840	(474 690)	4 137	1 678	14 678	14 678	44 958	3 000	3 136
<i>Water Supply Infrastructure</i>		158 096	77 634	76 700	115 146	77 583	77 583	91 334	40 329	78 318
<i>Sanitation Infrastructure</i>		16 993	90 761	141 396	39 647	102 925	102 925	87 299	108 683	120 329
Infrastructure		235 747	(422 007)	228 354	166 788	213 119	213 119	274 945	234 671	252 377
Community Facilities		14 897	304 588	356 696	14 984	10 843	10 843	3 461	1 500	1 600
Sport and Recreation Facilities		6 723	1 351	5 256	28 420	10 546	10 546	13 212	19 908	15 000
Community Assets		21 620	305 939	361 951	43 403	21 390	21 390	16 673	21 408	16 600
Computer Equipment		1 133	1 327	2 816	-	1 500	1 500	2 000	-	-
Furniture and Office Equipment		352	258	1 239	-	500	500	1 000	-	-
Machinery and Equipment		787	2 375	303	-	8 247	8 247	12 064	-	-
Transport Assets		113	1 449	(6 369)	15 801	22 367	22 367	10 000	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		259 752	(110 658)	588 295	225 993	267 123	267 123	316 681	256 080	268 977



FS194 Maluti-a-Phofung - Table A9 Consolidated Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	5 719 806	5 567 261	2 637 161	6 346 864	2 100 647	2 100 647	1 670 947	1 155 574	1 130 081
<i>Roads Infrastructure</i>		2 068 140	1 798 567	1 804 688	2 078 458	1 822 621	1 822 621	1 856 042	1 995 628	2 059 212
<i>Electrical Infrastructure</i>		855 598	710 369	376 461	1 261 749	53 095	53 095	1 331 847	1 367 102	1 435 443
<i>Water Supply Infrastructure</i>		616 235	552 196	(1 682 084)	748 250	(1 657 029)	(1 657 029)	(2 747 966)	(3 019 741)	(3 176 767)
<i>Sanitation Infrastructure</i>		756 513	810 454	951 851	796 159	998 406	998 406	(184 248)	(179 157)	(181 903)
<i>Information and Communication Infrastructure</i>		866	866	866	866	866	866	-	-	-
Infrastructure		4 297 353	3 872 452	1 451 782	4 885 482	1 217 959	1 217 959	255 675	163 833	135 985
Community Assets		372 302	665 962	490 098	403 426	154 792	154 792	494 491	130 426	127 204
Investment properties		803 255	803 255	600 310	803 255	600 310	600 310	803 255	803 255	803 255
Other Assets		198 998	175 391	28 581	191 334	28 581	28 581	-	-	-
Computer Equipment		2 256	3 190	6 006	1 845	7 506	7 506	7 732	6 041	6 778
Furniture and Office Equipment		94	227	21 370	293	21 870	21 870	21 788	22 043	23 277
Machinery and Equipment		5 594	7 863	8 949	5 474	17 196	17 196	9 460	(1 971)	(1 998)
Transport Assets		39 955	38 922	30 065	55 756	52 432	52 432	78 546	31 948	35 581
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	5 719 806	5 567 261	2 637 161	6 346 864	2 100 647	2 100 647	1 670 947	1 155 574	1 130 081
EXPENDITURE OTHER ITEMS		763 227	342 939	139 870	69 016	188 364	188 364	188 024	162 851	170 663
Depreciation	7	701 889	292 746	93 801	-	82 899	82 899	75 930	79 565	83 365
Repairs and Maintenance by Asset Class	3	61 338	50 193	46 069	69 016	105 465	105 465	112 093	83 286	87 298
<i>Roads Infrastructure</i>		4 132	3 003	7 466	6 000	8 000	8 000	10 000	6 360	6 678
<i>Storm water Infrastructure</i>		-	-	-	1 000	500	500	1 000	1 060	1 113
<i>Electrical Infrastructure</i>		41 477	41 557	31 107	33 240	53 900	53 900	28 360	25 822	27 215
<i>Water Supply Infrastructure</i>		123	103	20	1 540	1 540	1 540	1 632	1 730	1 817
<i>Sanitation Infrastructure</i>		3 123	1 691	1 664	965	4 965	4 965	4 023	4 264	4 477
<i>Solid Waste Infrastructure</i>		-	-	-	-	5 500	5 500	9 500	10 070	10 574
Infrastructure		48 856	46 354	40 257	42 745	74 405	74 405	54 515	49 306	51 874
Community Facilities		-	-	-	-	400	400	400	-	-
Community Assets		-	-	-	-	400	400	400	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		8 202	1 044	459	1 870	3 109	3 109	29 500	5 952	6 250
Housing		-	-	-	-	-	-	-	-	-
Other Assets		8 202	1 044	459	1 870	3 109	3 109	29 500	5 952	6 250
Computer Equipment		30	6	49	798	898	898	1 022	1 083	1 137
Furniture and Office Equipment		-	-	0	342	342	342	363	384	404
Machinery and Equipment		4 250	2 788	5 303	23 261	26 311	26 311	26 293	26 561	27 634
TOTAL EXPENDITURE OTHER ITEMS		763 227	342 939	139 870	69 016	188 364	188 364	188 024	162 851	170 663
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.0%	-1.8%	0.0%	4.0%	1.4%	1.4%	4.6%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		0.0%	0.7%	0.3%	0.0%	4.4%	4.4%	19.1%	0.0%	0.0%
<i>R&M as a % of PPE & Investment Property</i>		1.1%	0.9%	1.7%	1.1%	5.0%	5.0%	6.7%	7.2%	7.7%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Property</i>		1.1%	0.9%	1.8%	1.2%	5.2%	5.2%	7.6%	7.2%	7.7%



Table 18 - MBRR Table A10 - Basic Service Delivery Measurement

The table reflects non-financial information. The Municipality currently does not have TRU to be able to populate this information. Hence the some information on the sheet is blank.

FS194 Maluti-a-Phofung - Table A10 Consolidated basic service delivery measurement

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	1 200	1 200	1 200	-	-	-
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	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	1 200	1 200	1 200	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	1 200	1 200	1 200	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
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)		864	1 695	1 815	2 157	2 373	2 373	2 468	2 539	2 666
Sanitation (free sanitation service to indigent households)		1 662	3 921	3 946	4 800	2 708	2 708	2 816	2 232	2 344
Electricity/other energy (50kwh per indigent household per month)		4	(190 574)	6 673	10 839	7 674	7 674	8 649	9 493	10 632
Refuse (removed once a week for indigent households)		2 124	4 764	4 972	5 825	3 195	3 195	3 323	2 636	2 768
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided	8	4 654	(180 195)	17 405	23 621	15 950	15 950	17 255	16 900	18 409
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) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		2 318 021	2 377 914	64 984	69 523	65 664	65 664	66 324	66 992	67 562
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	2 318 021	2 377 914	64 984	69 523	65 664	65 664	66 324	66 992	67 562



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PART 2: SUPPORTING DOCUMENTS

2.1. OVERVIEW OF ANNUAL BUDGET PROCESS

The MFMA requires the mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of a budget. The Budget Regulations gives further effect to this by prescribing that the mayor of a municipality must establish a budget steering committee to assist in discharging the mayor's budget preparation responsibilities.

2.1.1. Budget Process Overview

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

- The IDP and Budget time schedule of the 2025/26 tabled to Council on the 29th August 2024.
- The 2025/26 IDP review public participation started on the 03rd - 19th March 2025.
- The 2024/25 mid-year budget and performance assessment report was submitted to the Executive Mayor and Treasury on the 25th January 2025 and then Council on the 31st January 2025.
- The 2024/25 adjusted budget was approved by Council on the 28th February 2025.
- The Budget public participations started on the 12th – 20th May 2025

2.2. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

2.2.1. Municipality aligned to National, Provincial and District Alignment

The IDP fulfils the planning stage of Performance Management, which in turn fulfils the implementation, management, of IDPs. The last component of the cycle of OPMS is reviewed, and the outcome of the performance review process must inform the next cycle of the IDP compilation/review. There are several components to the integration of the PMS.

PMS determines the visions of the municipality as well as its IDP priorities, objectives, performance management and budget, Council's priorities and objectives. They are based on community needs, the Constitutional mandate of Local Government, national legislation and the general KPIs within



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the framework of powers and functions of MAP. The Regulations for Municipal Managers and Managers directly accountable to the Municipal Managers (2006) 26(6) outlines five Key Performance Areas for Municipal Manager and the S57 Managers and these are as follows:

- a. Basic Service Delivery
- b. Municipal Transformation and Institutional Development
- c. Local Economic Development
- d. Municipal Financial Viability and Management; and
- e. Good Governance and Public Participation

Table 19 – MBRR Table SA4 – Consolidated Reconciliation between the IDP strategic objectives and budgeted revenue

FS194 Maluti-a-Phofung - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
KPA 5 - GOOD GOVERNANCE & COMMUNITY PARTICIPATION				198 260	192 727	126 651	255 600	255 600	255 600	270 936	287 192	301 552
NATIONAL OUTCOME7				141 584	321 814	328 861	436 673	698 404	698 404	783 887	875 458	977 573
NATIONAL OUTCOME6				141 564	182 181	201 147	273 202	294 166	294 166	315 549	328 113	346 815
NATIONAL OUTCOME5				-	-	-	-	-	-	-	-	-
NATIONAL OUTCOME4				652	599	1 423	1 166	3 107	3 107	3 150	3 339	3 539
NATIONAL OUTCOME3				767 191	869 946	921 667	964 850	1 003 897	1 003 897	1 032 783	1 063 902	1 108 796
NATIONAL OUTCOME1				(459)	1 053	1 754	1 500	1 500	1 500	1 560	1 654	1 753
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	1 248 792	1 568 321	1 581 504	1 932 991	2 256 673	2 256 673	2 407 865	2 559 659	2 740 028



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Table 20 - MBRR Table SA5 – Consolidated Reconciliation between the IDP strategic objectives and budgeted operating expenditure

FS194 Maluti-a-Phofung - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework			
				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	
R thousand													
KPA 5 - GOOD GOVERNANCE & COMMUNITY PARTICIPATION				104 413	127 418	179 497	191 889	183 428	183 428	172 728	180 225	189 651	
NATIONAL OUTCOME7				922 312	1 066 717	1 251 281	734 986	1 252 557	1 252 557	839 888	925 426	927 383	
NATIONAL OUTCOME6				338 018	633 804	285 271	573 905	785 416	785 416	377 579	388 721	392 404	
NATIONAL OUTCOME5				3 226	5 518	4 667	9 406	10 694	10 694	7 848	8 258	8 693	
NATIONAL OUTCOME4				38 677	58 006	45 930	65 440	60 480	60 480	13 075	13 820	14 594	
NATIONAL OUTCOME3				669 289	284 406	551 555	351 862	342 427	342 427	305 016	311 653	320 338	
NATIONAL OUTCOME1				181 171	669 972	216 042	262 235	295 219	295 219	247 456	253 915	262 623	
Allocations to other priorities													
Total Expenditure				1	2 257 107	2 845 842	2 534 242	2 189 723	2 930 220	2 930 220	1 963 591	2 082 019	2 115 685

Table 21 - MBRR Table SA6 – Consolidated Reconciliation between the IDP strategic objectives and budgeted capital expenditure

FS194 Maluti-a-Phofung - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
R thousand													
KPA 5 - GOOD GOVERNANCE & COMMUNITY PARTICIPATION				127 418	179 515	112 423	172 648	181 617	181 617	184 876	191 812	201 550	
NATIONAL OUTCOME7				1 066 717	1 251 281	1 149 945	839 888	1 329 212	1 329 212	1 257 084	1 327 927	1 405 548	
NATIONAL OUTCOME6				633 804	285 271	608 813	377 659	542 481	542 481	557 758	536 755	561 224	
NATIONAL OUTCOME5				5 518	4 667	5 153	7 848	6 008	6 008	15 110	9 654	10 182	
NATIONAL OUTCOME4				58 006	45 930	30 006	13 075	46 351	46 351	54 437	57 639	60 866	
NATIONAL OUTCOME3				284 406	551 566	866 674	305 016	331 762	331 762	313 768	323 617	338 700	
NATIONAL OUTCOME1				669 972	216 640	212 463	247 456	260 524	260 524	255 336	267 650	280 441	
Allocations to other priorities													
Total Expenditure				1	2 845 842	2 534 870	2 985 478	1 963 591	2 697 955	2 697 955	2 638 370	2 715 054	2 858 511



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2.3. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Monitoring is a continuous process of measuring, assessing and analysing and evaluating the performance with regard to the SDBIP, KPI's and targets. Performance measurement is essentially the process of analysing the data provided by the monitoring system in order to assess performance. The preferred and adopted model for Performance Management in Maluti-a-Phofung Municipality is the Municipal Scorecard Model.

According to this model, in measuring performance municipalities need to look at:

- ❖ Inputs: (Resources, Financial Perspective)
- ❖ Outputs: (Results, Service Delivery Perspective)
- ❖ Outcomes: (Impact, Customer satisfaction, growth, Quality of Life)



Table 22 - MBRR Table SA8 – Consolidated Performance indicators and benchmarks

FS194 Maluti-a-Phofung - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.3%	15.3%	1.5%	2.1%	8.2%	8.2%	6.6%	2.0%	2.1%	2.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	5.4%	27.5%	2.9%	2.5%	10.8%	10.8%	7.5%	2.4%	2.4%	2.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	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	0.3	0.3	0.3	0.5	0.3	0.3	0.5	0.6	0.6	0.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.3	0.3	0.3	0.5	0.3	0.3	0.5	0.6	0.6	0.5
Liquidity Ratio	Monetary Assets/Current Liabilities	0.1	0.1	0.2	0.3	0.1	0.1	0.3	0.3	0.3	0.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	0.0%	0.0%	0.0%	58.0%	95.1%	95.1%	91.4%	88.2%	94.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	58.0%	95.1%	95.1%	91.4%	88.2%	94.8%	95.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	222.3%	203.5%	153.9%	169.2%	116.2%	116.2%	170.1%	130.0%	115.1%	106.9%
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		4916.4%	15039.0%	2910.2%	1744.1%	-497.2%	-497.2%	3123.4%	1323.0%	523.8%	402.0%
Other Indicators											
Total Volume Losses (kW) technical		0	0	0	0	0	0	0	0	0	0
Total Volume Losses (kW) non technical		0	0	0	0	0	0	0	0	0	0
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated										
		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Water Volumes :System input	Bulk Purchase	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Water treatment works	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Natural sources	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Volume Losses (kt)		-	-	-	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated										
		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	56.8%	52.4%	38.4%	40.9%	35.1%	35.1%	37.8%	33.8%	33.5%	32.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	59.2%	54.7%	40.0%	43.0%	37.0%	37.0%	50.8%	35.5%	35.2%	34.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.2%	3.6%	3.0%	4.1%	5.3%	5.3%	7.5%	5.2%	3.7%	3.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	65.1%	48.6%	9.0%	2.5%	14.9%	14.9%	7.5%	6.0%	5.9%	5.8%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-	-	188.1	155.7	185.8	801.1	136.1	181.0	181.3	194.5
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	551.8%	407.4%	350.8%	309.5%	203.1%	203.1%	468.0%	209.2%	173.1%	155.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.9	0.4	1.9	3.1	(12.2)	(8.6)	1.7	2.5	-	-



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2.4. OVERVIEW OF BUDGET-RELATED POLICIES

The following budget related policies are attached as part of the budget pack on **Annexure E**.

2.4.1. Accounting policy

This policy highlights the procedures and specific principles to be implemented by the municipality when preparing the financial statements.

2.4.2. Assets management policy

This policy focuses on amongst others, effective and efficient control, utilization, safeguarding and management of a municipality's property, plant and equipment.

2.4.3. Borrowing policy

Considering the large demand for municipal infrastructure, borrowing is an important element to obtain additional funding sources to fund the municipal capital programme over the medium term. The purpose of the policy is to govern the taking up of short-term or long-term debt according to the legislative framework.

2.4.4. Budget & reporting policy

The budget policy aims to develop, maintain processes required in developing a municipality budget and detailing the responsibilities of all stakeholders inclusive of the accounting officer, the council, the public through public participation programmes.

2.4.5. Cash management policy

Availability of cash is one of the key requirements for financial sustainability for any organisation. All monies collected must be banked and recorded promptly to ensure conditional grants are used for their intended purposes.

2.4.6. Cost Containment Measures Policy

This policy document seeks to implement National Treasury Notice 317 of 2019 and MFMA Circular No.97 of July 2019



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2.4.7. Credit control and debt management policy

This policy has been formulated in terms of section 96(b) and 98 of the Local Government: Municipal Systems Act, 2000.

The objectives of this policy are to provide for:

- Credit control procedures and mechanisms
- Debt collection procedures and mechanisms
- Procedures relating to unauthorised consumption of services, theft and damages.

2.4.8. Electricity Tariff policy

In terms of section 74 of the Systems Act the Council must adopt and implement a tariff policy on the levying of fees for municipal services provided by or on behalf of the Municipality.

2.4.9. Expenditure management policy

The policy aims to promote accountability and compliance with Municipal Finance Management Act 56 of 2003 on payments made by the municipality.

2.4.10. EFT Policy

The policy gives procedures on the electronic funds transfers. Internal controls such as written policies and procedures, authorizations, segregation of duties and monitoring are still important in the new technological world.

2.4.11. Funding and reserves policy

The funding and reserves policy is aimed to ensure that the municipality has sufficient and cost-effective funding in order to achieve its objectives through the implementation of its operating and capital budgets.

2.4.12. Generally Recognised Accounting Practices (GRAP 104) receivable impairment methodology policy

This policy is currently known as the impairment of debtors and write off policy

The policy aims to set out a methodology for the calculation of impairment of receivables in line with GRAP.



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2.4.13. Going concern assesment guideline

The framework sets out the general approach Council will take to determining the significance of proposals and decisions relating to issues, assets or other matters; and provides clarity about how and when communities can expect to be engaged in decisions about different matters depending on the degree of significance the council and its communities attach to those matters. It also determines the relevant thresholds for reporting on specific matters in the annual financial statements of the municipality.

2.4.14. Indigent management policy

The objective of this policy is to assist households which are not able to service their municipal accounts as and when they are due and payable, as result of local economic, social and environmental challenges other than through negligence or unwillingness to pay.

2.4.15. Investment management policy

The primary object of this policy is to gain the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes.

2.4.16. Journal Policy

The objective of this policy is to address the process to effectively process journal entries in the financial system of the municipality to ensure accurate financial reporting.

2.4.17. Material assesment guideline

The municipality has to maintain an agreed framework of acceptable levels of materiality in order to promote effective and efficient decision making. The framework deals with materiality in terms of financial reporting, as well as significance in the context of decision making.

2.4.18. Petty Cash Policy

The objective is to provide guidelines on the usage and management of petty cash by Maluti-A-Phofung Municipality



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2.4.19. Prepaid electricity vending

The main objective of this policy is to provide clear guidance to the entity's revenue management employees and electricity vendors on the required level of compliance regarding the pre-paid electricity vending.

2.4.20. Rates policy

This policy document guides the annual setting (or revision) of property rates tariffs.

2.4.21. Refuse Tariffs policy

In terms of section 74 of the Systems Act the Council must adopt and implement a tariff policy on the levying of fees for municipal services provided by or on behalf of the Municipality.

2.4.22. Sewerage Tariffs policy

In terms of section 74 of the Systems Act the Council must adopt and implement a tariff policy on the levying of fees for municipal services provided by or on behalf of the Municipality.

2.4.23. Unallocated deposits policy

The objectives of the policy are to provide a framework on how to deal with unknown or unclaimed monies in the municipal bank account and to provide guidelines to identify unknown monies in the municipal bank account.

2.4.24. Unauthorised, Irregular, Fruitless and wasteful expenditure policy

The aim of the policy is to ensure effective, efficient and transparent systems of financial and risk management and internal control.

2.4.25. Unclaimed deposit policy

The objectives of the policy are to provide a framework on how to deal with unknown or unclaimed monies in the municipal bank account and to reduce the liability of the municipality.

2.4.26. Virement policy

A virement represents a flexible mechanism to effect budgetary amendments with a municipal financial year.



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2.4.27. Water Tariffs policy

In terms of section 74 of the Systems Act the Council must adopt and implement a tariff policy on the levying of fees for municipal services provided by or on behalf of the Municipality.

2.4.28. Preferential Procurement Policy

The preferential procurement framework act of 2000, section 2(1) prescribes that each organ of state must determine its own preferential procurement policy, within a framework upon which the institution will specify how the preferential points will be allocated when awarding bids and how it intends to use procurement as one of its enablers for economic development.

2.4.29. Supply Chain Management Policy

The policy aims to provide collaborative strategy that integrates the planning, procurement and provisioning processes in order to eliminate non-value adding cost infrastructure, time and activities, seeks to introduce international best practices, whilst at the same time addressing government's preferential procurement policy objectives and whilst serving the end-users and customers efficiently six phases are distinguished in the SCM processes namely:

- a.** Demand management
- b.** Acquisition management
- c.** Logistics management
- d.** Disposal management
- e.** Risk management
- f.** Performance management;



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2.5. OVERVIEW OF BUDGET ASSUMPTIONS

The following budget principles and guidelines directly informed the compilation of the 2025/26 budget.

- The National Treasury's MFMA Circular 129 & 130 were used to guide the compilation of the 2025/26 budget.
- The Division of Revenue Act (DoRA) 2025.
- The 2023/24 audited outcomes, the 2024/25 adjusted budget and the 10 months performance were used as a baseline for 2025/26 proposed budget.
- The National Treasury MFMA Circular 111 which provides the format and guidelines of the UIF&W expenditure reduction strategy.
- The municipality also considered the fact that the tariff increase should be affordable and should not exceed the projected inflation target as measured by the CPI 4.3%.
- Cost Containment Regulations 42514, that was issued on 07 June 2019.
- Budget inputs from the different Departments.



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2.6. OVERVIEW OF BUDGET FUNDING

Table 23 - MBRR SA10 – Consolidated Funding compliance measurement

The information in this table depends on the correctness of the Balance sheet and Cash flow statements.

FS194 Maluti-a-Phofung Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	181 011	64 626	389 779	623 905	(1 719 544)	(1 719 544)	344 034	534 186	1 307 039	2 090 858
Cash + investments at the yr end less applications - R'000	18(1)b	2	(8 723 571)	(9 012 475)	(9 750 534)	(5 184 480)	(8 097 505)	(8 097 505)	(9 110 245)	(3 629 681)	(3 248 875)	(4 653 178)
Cash year end/monthly employee/supplier payments	18(1)b	3	0.9	0.4	1.9	3.1	(12.2)	(8.6)	1.7	2.5	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(1 311 957)	(840 495)	(1 145 595)	(12 160)	(368 477)	(368 477)	(55 432)	(141 428)	(111 712)	(73 127)
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	5	N.A.	32.4%	(7.4%)	22.3%	18.3%	(6.0%)	(53.2%)	3.9%	3.9%	3.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	135.8%	(79.5%)	(79.5%)	18.6%	59.3%	89.0%	87.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	81.0%	0.0%	1.4%	1.4%	0.0%	1.3%	1.2%	1.1%
Capital payments % of capital expenditure	18(1)c,19	8	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	115.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	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.	12.4%	(34.8%)	54.7%	(53.0%)	0.0%	93.3%	(35.8%)	(30.4%)	11.8%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.1%	0.9%	1.7%	1.1%	5.0%	5.0%	6.7%	7.2%	7.7%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	(1.8%)	0.0%	4.0%	1.4%	1.4%	0.0%	4.6%	0.0%	0.0%



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2.7. EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Table 24 - MBRR SA18 – Consolidated Transfers and grants receipts

The municipality has been allocated R100 thousand for 2025/26 financial year, in relation to the NDPG. It is a new grant that the Municipality will be receiving.

FS194 Maluti-a-Phofung - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		633 643	752 500	810 579	858 920	857 356	857 356	882 846	907 431	948 524
Local Government Equitable Share		630 835	743 235	801 631	851 701	851 701	851 701	876 719	904 431	945 424
Expanded Public Works Programme Integrated Grant		20	6 165	5 848	4 219	2 655	2 655	3 127	-	-
Local Government Financial Management Grant		2 788	3 100	3 100	3 000	3 000	3 000	3 000	3 000	3 100
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		3 000	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		3 000	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		57 548	13 433	78 819	-	-	-	-	-	-
Parent Municipality		124 939	13 433	78 131	-	-	-	-	-	-
Unspecified		(67 391)	-	688	-	-	-	-	-	-
Total Operating Transfers and Grants	5	694 190	765 933	889 398	858 920	857 356	857 356	882 846	907 431	948 524
Capital Transfers and Grants										
National Government:		267 054	273 230	213 399	235 913	245 065	245 065	291 250	266 952	280 371
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		46 620	32 000	-	-	-	-	39 958	3 000	3 136
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		195 434	182 334	161 716	198 403	197 555	197 555	199 464	217 452	227 885
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	100	1 500	1 600
Water Services Infrastructure Grant		25 000	58 896	51 683	37 510	47 510	47 510	51 728	45 000	47 750
Provincial Government:		-	-	64 825	-	-	-	-	-	-
Infrastructure Grant		-	-	64 825	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	267 054	273 230	278 224	235 913	245 065	245 065	291 250	266 952	280 371
TOTAL RECEIPTS OF TRANSFERS & GRANTS		961 244	1 039 163	1 167 623	1 094 833	1 102 421	1 102 421	1 174 096	1 174 383	1 228 895



Table 25 - MBRR SA19 – Consolidated Expenditure on transfers and grant programmes

FS194 Maluti-a-Phofung - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		714 533	748 705	563 765	657 105	661 333	661 333	664 136	692 267	726 681
Local Government Equitable Share		632 051	731 216	546 589	639 938	646 989	646 989	653 176	678 394	712 186
Expanded Public Works Programme Integrated Grant		6 304	6 165	5 848	4 247	2 655	2 655	3 127	-	-
Local Government Financial Management Grant		2 420	2 844	2 817	3 000	3 000	3 000	3 000	3 000	3 100
Municipal Disaster Relief Grant		65 496	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		8 263	8 480	8 511	9 920	8 689	8 689	4 833	10 873	11 394
Provincial Government:		-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		714 533	748 705	563 765	657 105	661 333	661 333	664 136	692 267	726 681
Capital expenditure of Transfers and Grants										
National Government:		257 367	513 406	527 212	225 993	236 376	236 376	286 417	256 080	268 977
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		34 963	27 017	-	-	-	-	39 958	3 000	3 136
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		140 998	435 175	482 270	188 483	188 866	188 866	194 631	206 580	216 491
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	100	1 500	1 600
Water Services Infrastructure Grant		81 406	51 214	44 942	37 510	47 510	47 510	51 728	45 000	47 750
Provincial Government:		-	-	56 370	-	-	-	-	-	-
Infrastructure Grant		-	-	56 370	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants:		257 367	513 406	583 582	225 993	236 376	236 376	286 417	256 080	268 977
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		971 900	1 262 111	1 147 347	883 098	897 709	897 709	950 553	948 347	995 657



Table 26 - Consolidated Allocations and grants made by the municipality

FS194 Maluti-a-Phofung - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
T&S Operational Monetary Munic Entities	2	-	-	165 645	181 472	181 472	181 472	57 923	186 916	190 654	200 187
T&S Operational Monetary Munic Entities		164 361	102 142	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		164 361	102 142	165 645	181 472	181 472	181 472	57 923	186 916	190 654	200 187
Cash Transfers to other Organs of State											
	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Priv Ent: Subs Fin Entrpr - Production</i>		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Hh Oth Trans: Ewp - Non-Statutory Force</i>		-	-	-	-	-	-	-	3 127	-	-
<i>Hh Oth Trans: Bursaries Non Employee</i>		-	-	-	-	-	-	-	-	-	-
<i>Hh Oth Trans: Ewp - Non-Statutory Force</i>		12 444	9 011	8 812	-	6 000	6 000	62	8 000	-	-
<i>Ts_O_M_Hh_Cash_Unspecified</i>		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		12 444	9 011	8 812	-	6 000	6 000	62	11 127	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	176 805	111 153	174 457	181 472	187 472	187 472	57 985	198 043	190 654	200 187



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2.8. COUNCILLORS AND EMPLOYEE BENEFITS

Table 27 - MBRR SA22 – Consolidated Summary of councillor and staff benefits

FS194 Maluti-a-Phofung - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		19 505	27 018	19 762	28 685	28 051	28 051	29 095	30 841	32 484
Pension and UIF Contributions		119	146	112	152	156	156	146	155	163
Medical Aid Contributions		75	52	52	52	61	61	62	66	69
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		7 378	2 809	3 193	3 354	3 594	3 594	3 781	4 008	4 220
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1 453	1 760	2 305	2 790	4 487	4 487	3 444	3 557	3 755
Sub Total - Councillors		28 529	31 785	25 425	35 033	36 349	36 349	36 529	38 627	40 691
% increase	4		11.4%	(20.0%)	37.8%	3.8%	-	0.5%	5.7%	5.3%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 981	5 914	7 160	10 443	9 623	9 623	10 320	8 859	9 302
Pension and UIF Contributions		523	335	255	462	267	267	272	300	315
Medical Aid Contributions		99	85	63	102	63	63	63	71	75
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	758	813	1 142	1 668	1 368	1 368	1 608	1 428	1 502
Cellphone Allowance	3	72	91	108	144	107	107	125	109	114
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	3	-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6 433	7 239	8 729	12 819	11 428	11 428	12 389	10 766	11 308
% increase	4		12.5%	20.6%	46.9%	(10.8%)	-	8.4%	(13.1%)	5.0%
Other Municipal Staff										
Basic Salaries and Wages		306 331	361 745	311 658	307 198	338 513	338 513	347 848	368 152	388 245
Pension and UIF Contributions		50 764	54 596	56 971	61 334	57 606	57 606	60 956	64 613	68 272
Medical Aid Contributions		22 108	24 259	26 139	28 168	28 778	28 778	30 557	32 391	34 264
Overtime		63 620	71 016	53 355	43 591	44 715	44 715	45 329	47 855	50 676
Performance Bonus		22 639	24 025	24 342	30 138	27 615	27 615	26 964	28 537	30 057
Motor Vehicle Allowance	3	12 567	13 266	13 286	14 254	13 327	13 327	14 372	14 721	15 473
Cellphone Allowance	3	802	1 085	1 063	1 182	1 100	1 100	1 140	1 197	1 258
Housing Allowances	3	1 485	1 502	1 616	1 641	1 693	1 693	1 826	1 886	1 989
Other benefits and allowances	3	3 007	3 371	2 450	4 258	1 726	1 726	1 720	1 568	1 654
Payments in lieu of leave	3	2 119	(9 525)	(53 950)	1 989	2 105	2 105	404	319	339
Long service awards		3 720	4 931	5 807	5 843	6 197	6 197	-	-	-
Post-retirement benefit obligations	6	(398)	(470)	(714)	1 200	700	700	1 120	1 187	1 113
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		5 803	4 689	2 921	6 445	1 659	1 659	1 651	1 238	1 302
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		494 566	554 489	444 943	507 241	525 735	525 735	533 887	563 664	594 642
% increase	4		12.1%	(19.8%)	14.0%	3.6%	-	1.6%	5.6%	5.5%
Total Parent Municipality		529 529	593 513	479 097	555 093	573 513	573 513	582 806	613 058	646 641
			12.1%	(19.3%)	15.9%	3.3%	-	1.6%	5.2%	5.5%



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FS194 Maluti-a-Phofung - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		A	B	C	D	E	F	G	H	I
Senior Managers of Entities										
Basic Salaries and Wages	1	80	-	87	4 320	4 320	4 320	4 579	4 854	5 097
Pension and UIF Contributions		360	429	341	885	885	885	938	995	1 044
Medical Aid Contributions		-	-	-	284	284	284	301	319	334
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	720	720	720	763	809	849
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	237	237	237	251	266	280
Other benefits and allowances	3	15	2	9	360	360	360	382	404	425
Acting and post related allowance		-	-	-	234	234	234	248	263	276
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		455	431	438	7 039	7 039	7 039	7 462	7 909	8 305
% increase	4		(5.2%)	1.5%	1 508.8%	-	-	6.0%	6.0%	5.0%
Other Staff of Entities										
Basic Salaries and Wages		74 366	74 996	64 641	81 217	81 217	81 217	86 090	91 256	95 818
Pension and UIF Contributions		12 698	12 035	9 844	13 777	13 777	13 777	14 604	15 480	16 254
Medical Aid Contributions		8 953	8 429	8 070	9 135	9 135	9 135	9 683	10 264	10 778
Overtime		25 799	22 426	14 875	9 629	9 629	9 629	10 207	10 820	11 361
Performance Bonus		5 408	5 536	4 818	11 223	11 223	11 223	11 897	12 611	13 241
Motor Vehicle Allowance	3	13 585	13 386	12 385	13 808	13 808	13 808	14 637	15 515	16 291
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	2 330	2 156	1 939	3 639	3 639	3 639	3 858	4 089	4 294
Other benefits and allowances	3	10 579	11 542	9 169	10 238	10 238	10 238	10 853	11 504	12 079
Payments in lieu of leave		1 462	1 276	472	-	-	-	-	-	-
Long service awards		731	461	246	1 160	1 160	1 160	1 230	1 304	1 369
Post-retirement benefit obligations	6	1 090	783	-	471	471	471	500	530	556
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		9 220	12 539	7 438	4 960	4 960	4 960	5 258	5 573	5 852
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		166 220	165 567	133 898	159 260	159 260	159 260	168 816	178 945	187 892
% increase	4		(0.4%)	(19.1%)	18.9%	-	-	6.0%	6.0%	5.0%
Total Municipal Entities		166 674	165 998	134 335	166 300	166 300	166 300	176 278	186 854	196 197
TOTAL SALARY, ALLOWANCES & BENEFITS		696 203	759 510	613 432	721 392	739 812	739 812	759 084	799 912	842 838
% increase	4		9.1%	(19.2%)	17.6%	2.6%	-	2.6%	5.4%	5.4%
TOTAL MANAGERS AND STAFF	5,7	667 674	727 726	588 007	686 359	703 463	703 463	722 554	761 285	802 147



2.9. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Table 29 - MBRR SA25 – Consolidated Budgeted monthly revenue and expenditure

FS194 Maluti-a-Phofung - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
Revenue																	
Exchange Revenue																	
Service charges - Electricity		61 589	61 589	61 589	61 589	61 589	61 589	61 589	61 589	61 589	61 589	61 589	61 589	739 063	827 945	927 298	
Service charges - Water		7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	95 159	100 945	107 006	
Service charges - Waste Water Management		4 285	4 285	4 285	4 285	4 285	4 285	4 285	4 285	4 285	4 285	4 285	4 285	51 422	55 260	58 598	
Service charges - Waste Management		4 265	4 265	4 265	4 265	4 265	4 265	4 265	4 265	4 265	4 265	4 265	4 265	51 184	55 141	58 476	
Sale of Goods and Rendering of Services		562	562	562	562	562	562	562	562	562	562	562	562	6 743	7 147	6 705	
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables		10 432	10 432	10 432	10 432	10 432	10 432	10 432	10 432	10 432	10 432	10 432	10 432	125 181	132 692	140 654	
Interest earned from Current and Non Current Assets		1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	12 764	13 277	13 810	
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rent on Land		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-	
Rental from Fixed Assets		333	333	333	333	333	333	333	333	333	333	333	333	3 992	4 231	4 485	
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special rating levies																	
Operational Revenue		981	981	981	981	981	981	981	981	981	981	981	981	11 772	8 768	9 223	
Non-Exchange Revenue																	
Property rates		9 197	9 197	9 197	9 197	9 197	9 197	9 197	9 197	9 197	9 197	9 197	9 197	110 363	111 462	112 687	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		200	200	200	200	200	200	200	200	200	200	200	200	2 396	2 540	2 667	
Licences or permits		139	139	139	139	139	139	139	139	139	139	139	139	1 663	1 762	1 850	
Transfer and subsidies - Operational		73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	73 571	882 846	907 431	948 524	
Interest		3 474	3 474	3 474	3 474	3 474	3 474	3 474	3 474	3 474	3 474	3 474	3 474	41 693	44 195	46 847	
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Gains		1	1	1	1	1	1	1	1	1	1	1	1	7	6	-	
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and cont		178 104	178 104	178 104	178 104	178 104	178 104	178 104	178 104	178 104	178 104	178 104	178 104	2 137 247	2 272 804	2 438 830	
Expenditure																	
Employee related costs		60 213	60 213	60 213	60 213	60 213	60 213	60 213	60 213	60 213	60 213	60 213	60 213	722 554	761 285	802 147	
Remuneration of councillors		3 044	3 044	3 044	3 044	3 044	3 044	3 044	3 044	3 044	3 044	3 044	3 044	36 529	38 627	40 691	
Bulk purchases - electricity		92 912	92 912	92 912	92 912	92 912	92 912	92 912	92 912	92 912	92 912	92 912	92 912	1 114 944	1 181 750	1 251 397	
Inventory consumed		5 773	5 773	5 773	5 773	5 773	5 773	5 773	5 773	5 773	5 773	5 773	5 773	(62 672)	832	926	
Debt impairment		1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	13 280	13 542	13 783	
Depreciation and amortisation		6 328	6 328	6 328	6 328	6 328	6 328	6 328	6 328	6 328	6 328	6 328	6 328	75 930	79 565	83 365	
Interest		4 305	4 305	4 305	4 305	4 305	4 305	4 305	4 305	4 305	4 305	4 305	4 305	51 662	54 671	57 860	
Contracted services		16 953	16 953	16 953	16 953	16 953	16 953	16 953	16 953	16 953	16 953	16 953	16 953	203 440	178 636	185 206	
Transfers and subsidies		16 504	16 504	16 504	16 504	16 504	16 504	16 504	16 504	16 504	16 504	16 504	16 504	198 043	190 654	200 187	
Irrecoverable debts written off		1 927	1 927	1 927	1 927	1 927	1 927	1 927	1 927	1 927	1 927	1 927	1 927	23 120	24 314	25 587	
Operational costs		10 799	10 799	10 799	10 799	10 799	10 799	10 799	10 799	10 799	10 799	10 799	10 799	129 590	127 541	131 178	
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	151 419	2 569 925	2 651 468	2 792 328	
Surplus/(Deficit)		(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	(41 760)	26 685	(432 678)	(378 664)	(353 498)	
Transfers and subsidies - capital (monetary allocations)		24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	24 271	291 250	266 952	280 371	
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions		(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	50 956	(141 428)	(111 712)	(73 127)	
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after income tax		(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	50 956	(141 428)	(111 712)	(73 127)	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	50 956	(141 428)	(111 712)	(73 127)	
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	270 618	270 618	286 855	301 198	
Surplus/(Deficit) for the year	1	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	321 574	129 190	175 143	228 071	



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Table 30 - MBRR SA26 – Consolidated Budgeted monthly revenue and expenditure (municipal vote)

FS194 Maluti-a-Phofung - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue by Vote																
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		130	130	130	130	130	130	130	130	130	130	130	130	1 560	1 654	1 753
Vote 04 - Financial Services		108 643	108 643	108 643	108 643	108 643	108 643	108 643	108 643	108 643	108 643	108 643	108 643	1 303 719	1 351 094	1 410 348
Vote 05 - Municipal Infrastructure		43 951	43 951	43 951	43 951	43 951	43 951	43 951	43 951	43 951	43 951	43 951	43 951	527 411	551 305	587 921
Vote 06 - Community Services		399	399	399	399	399	399	399	399	399	399	399	399	4 792	1 517	1 592
Vote 07 - Public Safety & Transport		38	38	38	38	38	38	38	38	38	38	38	38	462	490	515
Vote 08 - Sports, Arts, Parks, Culture		1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	16 362	23 248	18 539
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		489	489	489	489	489	489	489	489	489	489	489	489	5 863	6 214	6 525
Vote 10 - Hunan Settlements		1 059	1 059	1 059	1 059	1 059	1 059	1 059	1 059	1 059	1 059	1 059	1 059	12 708	10 095	9 808
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		199	199	199	199	199	199	199	199	199	199	199	199	2 394	2 537	2 690
Vote 13 - Electricity Department		68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	823 845	878 458	980 709
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		224 926	224 926	224 926	224 926	224 926	224 926	224 926	224 926	224 926	224 926	224 926	224 926	2 699 115	2 826 611	3 020 399
Expenditure by Vote to be appropriated																
Vote 01 - Legislative Authority		5 610	5 610	5 610	5 610	5 610	5 610	5 610	5 610	5 610	5 610	5 610	5 610	67 317	69 099	72 752
Vote 02 - Office Of The Municipal Manager		2 054	2 054	2 054	2 054	2 054	2 054	2 054	2 054	2 054	2 054	2 054	2 054	24 646	24 225	25 386
Vote 03 - Corporate Services		10 758	10 758	10 758	10 758	10 758	10 758	10 758	10 758	10 758	10 758	10 758	10 758	129 100	133 840	139 941
Vote 04 - Financial Services		29 574	29 574	29 574	29 574	29 574	29 574	29 574	29 574	29 574	29 574	29 574	29 574	354 893	367 210	384 472
Vote 05 - Municipal Infrastructure		23 068	23 068	23 068	23 068	23 068	23 068	23 068	23 068	23 068	23 068	23 068	23 068	276 817	280 530	294 032
Vote 06 - Community Services		1 967	1 967	1 967	1 967	1 967	1 967	1 967	1 967	1 967	1 967	1 967	1 967	23 603	24 461	25 714
Vote 07 - Public Safety & Transport		15 338	15 338	15 338	15 338	15 338	15 338	15 338	15 338	15 338	15 338	15 338	15 338	184 066	185 798	194 988
Vote 08 - Sports, Arts, Parks, Culture		4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	54 437	57 639	60 866
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	1 383	16 591	17 398	16 265
Vote 10 - Hunan Settlements		3 744	3 744	3 744	3 744	3 744	3 744	3 744	3 744	3 744	3 744	3 744	3 744	44 933	16 411	17 346
Vote 11 - Idp, Pms Department		340	340	340	340	340	340	340	340	340	340	340	340	4 078	4 258	4 473
Vote 12 - Spatial Development, Planning & Traditional Affairs		1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	1 899	22 791	17 552	18 588
Vote 13 - Electricity Department		104 757	104 757	104 757	104 757	104 757	104 757	104 757	104 757	104 757	104 757	104 757	104 757	1 257 084	1 327 927	1 405 548
Vote 14 - Maluti Water		14 835	14 835	14 835	14 835	14 835	14 835	14 835	14 835	14 835	14 835	14 835	14 835	178 023	188 705	198 140
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	2 638 370	2 715 054	2 858 511
Surplus/(Deficit) before assoc.		5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	60 745	111 557	161 888
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	270 618	286 855	301 198
Surplus/(Deficit)	1	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	275 680	331 363	398 412	463 086



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Table 31 - MBRR SA27 – Consolidated Budgeted monthly revenue and expenditure (standard classification)

FS194 Maluti-a-Phofung - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue - Functional																
Governance and administration		86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	1 034 661	1 065 893	1 110 903
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	86 222	1 034 661	1 065 893	1 110 903
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		2 860	2 860	2 860	2 860	2 860	2 860	2 860	2 860	2 860	2 860	2 860	2 860	34 324	35 349	30 454
Community and social services		472	472	472	472	472	472	472	472	472	472	472	471	5 658	2 435	2 566
Sport and recreation		1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	1 364	16 362	23 248	18 539
Public safety		38	38	38	38	38	38	38	38	38	38	38	38	462	490	515
Housing		987	987	987	987	987	987	987	987	987	987	987	11 842	9 177	8 835	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		5 370	5 370	5 370	5 370	5 370	5 370	5 370	5 370	5 370	5 370	5 370	5 370	64 443	102 283	71 203
Planning and development		688	688	688	688	688	688	688	688	688	688	688	688	8 256	8 752	9 215
Road transport		4 682	4 682	4 682	4 682	4 682	4 682	4 682	4 682	4 682	4 682	4 682	4 682	56 187	93 532	61 989
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		107 922	107 922	107 922	107 922	107 922	107 922	107 922	107 922	107 922	107 922	107 922	1 295 069	1 336 231	1 506 641	
Energy sources		68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	68 654	823 845	878 458	980 709
Water management		19 862	19 862	19 862	19 862	19 862	19 862	19 862	19 862	19 862	19 862	19 862	19 862	238 348	193 926	241 130
Waste water management		13 101	13 101	13 101	13 101	13 101	13 101	13 101	13 101	13 101	13 101	13 101	13 101	157 216	186 075	202 364
Waste management		6 305	6 305	6 305	6 305	6 305	6 305	6 305	6 305	6 305	6 305	6 305	6 305	75 660	77 771	82 438
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		202 375	202 375	202 375	202 375	202 375	202 375	202 375	202 375	202 375	202 375	202 375	2 428 497	2 539 756	2 719 201	
Expenditure - Functional																
Governance and administration		59 492	59 492	59 492	59 492	59 492	59 492	59 492	59 492	59 492	59 492	59 492	59 492	713 906	706 193	740 143
Executive and council		8 464	8 464	8 464	8 464	8 464	8 464	8 464	8 464	8 464	8 464	8 464	8 464	101 573	104 419	109 844
Finance and administration		50 269	50 269	50 269	50 269	50 269	50 269	50 269	50 269	50 269	50 269	50 269	50 269	603 222	592 624	620 696
Internal audit		759	759	759	759	759	759	759	759	759	759	759	759	9 111	9 149	9 603
Community and public safety		15 093	15 093	15 093	15 093	15 093	15 093	15 093	15 093	15 093	15 093	15 093	15 093	181 120	185 255	194 722
Community and social services		2 002	2 002	2 002	2 002	2 002	2 002	2 002	2 002	2 002	2 002	2 002	2 002	24 023	24 907	26 181
Sport and recreation		4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	4 536	54 437	57 639	60 866
Public safety		7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	7 624	91 491	93 381	97 794
Housing		931	931	931	931	931	931	931	931	931	931	931	931	11 169	9 328	9 881
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		7 476	7 476	7 476	7 476	7 476	7 476	7 476	7 476	7 476	7 476	7 476	7 476	89 706	89 623	92 380
Planning and development		3 266	3 266	3 266	3 266	3 266	3 266	3 266	3 266	3 266	3 266	3 266	3 266	39 196	34 753	34 634
Road transport		4 209	4 209	4 209	4 209	4 209	4 209	4 209	4 209	4 209	4 209	4 209	4 209	50 510	54 870	57 745
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		137 448	137 448	137 448	137 448	137 448	137 448	137 448	137 448	137 448	137 448	137 448	1 649 374	1 729 529	1 826 573	
Energy sources		104 932	104 932	104 932	104 932	104 932	104 932	104 932	104 932	104 932	104 932	104 932	1 259 188	1 330 158	1 407 890	
Water management		12 171	12 171	12 171	12 171	12 171	12 171	12 171	12 171	12 171	12 171	12 171	146 057	153 522	160 392	
Waste water management		7 796	7 796	7 796	7 796	7 796	7 796	7 796	7 796	7 796	7 796	7 796	93 557	98 676	103 231	
Waste management		12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	150 572	147 172	155 060	
Other		355	355	355	355	355	355	355	355	355	355	355	4 263	4 455	4 692	
Total Expenditure - Functional		219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	219 864	2 638 370	2 715 054	2 858 511	
Surplus/(Deficit) before assoc.		(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(209 873)	(175 298)	(139 310)	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	270 618	270 618	286 855	
Surplus/(Deficit)	1	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	(17 489)	253 129	60 745	111 557	161 888



Table 32 - MBRR SA28 – Consoldated Budgeted monthly capital expenditure (municipal vote)

FS194 Maluti-a-Phofung - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
R thousand																	
Multi-year expenditure to be appropriated	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																	
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		42	42	42	42	42	42	42	42	42	42	42	42	500	-	-	-
Vote 03 - Corporate Services		208	208	208	208	208	208	208	208	208	208	208	208	2 500	-	-	-
Vote 04 - Financial Services		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-	-
Vote 05 - Municipal Infrastructure		19 571	19 571	19 571	19 571	19 571	19 571	19 571	19 571	19 571	19 571	19 571	19 571	234 850	231 671	249 241	-
Vote 06 - Community Services		338	338	338	338	338	338	338	338	338	338	338	338	4 061	-	-	-
Vote 07 - Public Safety & Transport		917	917	917	917	917	917	917	917	917	917	917	917	11 000	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	13 212	19 908	15 000	-
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		8	8	8	8	8	8	8	8	8	8	8	8	100	1 500	1 600	-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		375	375	375	375	375	375	375	375	375	375	375	375	4 500	-	-	-
Vote 13 - Electricity Department		3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	44 958	3 000	3 136	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	316 681	256 080	268 977	-
Total Capital Expenditure	2	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	316 681	256 080	268 977	-



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Table 33 - MBRR SA29 – Consolidated Budgeted monthly capital expenditure (standard classification)

FS194 Maluti-a-Phofung - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		417	417	417	417	417	417	417	417	417	417	417	417	5 000	-	-
Executive and council		42	42	42	42	42	42	42	42	42	42	42	42	500	-	-
Finance and administration		375	375	375	375	375	375	375	375	375	375	375	375	4 500	-	-
Internal audit														-	-	-
<i>Community and public safety</i>		2 281	2 281	2 281	2 281	2 281	2 281	2 281	2 281	2 281	2 281	2 281	2 281	27 373	21 408	16 600
Community and social services		338	338	338	338	338	338	338	338	338	338	338	338	4 061	-	-
Sport and recreation		1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	13 212	19 908	15 000
Public safety		833	833	833	833	833	833	833	833	833	833	833	833	10 000	-	-
Housing		8	8	8	8	8	8	8	8	8	8	8	8	100	1 500	1 600
Health														-	-	-
<i>Economic and environmental services</i>		5 035	5 035	5 035	5 035	5 035	5 035	5 035	5 035	5 035	5 035	5 035	5 035	60 418	82 659	50 594
Planning and development		375	375	375	375	375	375	375	375	375	375	375	375	4 500	-	-
Road transport		4 660	4 660	4 660	4 660	4 660	4 660	4 660	4 660	4 660	4 660	4 660	4 660	55 918	82 659	50 594
Environmental protection														-	-	-
<i>Trading services</i>		18 658	18 658	18 658	18 658	18 658	18 658	18 658	18 658	18 658	18 658	18 658	18 658	223 890	152 012	201 782
Energy sources		3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	3 747	44 958	3 000	3 136
Water management		7 793	7 793	7 793	7 793	7 793	7 793	7 793	7 793	7 793	7 793	7 793	7 793	93 518	40 329	78 318
Waste water management		7 076	7 076	7 076	7 076	7 076	7 076	7 076	7 076	7 076	7 076	7 076	7 076	84 915	108 683	120 329
Waste management		42	42	42	42	42	42	42	42	42	42	42	42	500	-	-
<i>Other</i>														-	-	-
Total Capital Expenditure - Functional	2	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	316 681	256 080	268 977
Funded by:																
National Government		23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	286 417	256 080	268 977
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality														-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparim Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)														-	-	-
Transfers recognised - capital		23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	23 868	286 417	256 080	268 977
Borrowing														-	-	-
Internally generated funds		2 522	2 522	2 522	2 522	2 522	2 522	2 522	2 522	2 522	2 522	2 522	2 522	30 264	-	-
Total Capital Funding		26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	26 390	316 681	256 080	268 977



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2.10. ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS – INTERNAL DEPARTMENTS

The SDBIP gives effect to the Integrated Development Plan and Budget of the municipality. It is the expression of the objectives of the MAP municipality with the expected outcomes which will be implemented by the administration (Directorates) within MAP municipality. It includes the service delivery targets and performance indicators for each quarter, which should be linked to the performance agreements of senior management. It facilitates oversight of financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, The Executive Mayor/ Council to monitor the performance of the Municipal Manager, and the community to monitor the performance of the Municipality. The Service Delivery Budget Implementation Plan (SDBIP) will be approved by the Executive Mayor after the approval of the annual budget.

In terms of section 53(1) © (ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) is expected to be approved by the mayor within 28 days after the approval of the budget and in addition, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public within 14 days after its approval

The SDBIP must contain the following:

- Measurable objectives,
- Monthly Projections
- Service delivery strategies,
- Key outputs,
- Performance/service delivery indicators, and
- Performance/service delivery targets.

These plans will be used as justification for the allocation of funds, whether it is of a capital or an operational nature. It is important that Portfolio Committee members are involved in the compilation of these operational plans to ensure that they address political aspirations.



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2.11. CONTRACT HAVING FUTURE BUDGETARY IMPLICATIONS

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years).

2.12. LEGISLATION COMPLIANCE STATUS

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

- The data strings submission to National Treasury are submitted on a monthly basis.
- The mid-year budget and performance assessment report was submitted to Treasury on the 25th January 2025 and tabled to Council on the 31th January 2025.
- The Adjustment budget and the reviewed Budget Funding Plan was approved by Council on the 28th February 2025.

2. Budget and Treasury Office

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

3. Audit Committee

An Audit Committee has been established and is operational.

4. Service Delivery Implementation Plan

The draft SDBIP will be submitted to the Executive Mayor after the Budget is tabled to Council.



2.13. OTHER SUPPORTING DOCUMENTS

Table 34 - MBRR Table SA1 – Consolidated Supporting detail to budgeted financial performance

FS194 Maluti-a-Phofung - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue											
Total Property Rates	6	2 431 867	2 489 690	164 769	184 767	174 937	174 937	142 261	176 686	178 453	180 249
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		2 318 021	2 377 914	64 984	69 523	65 664	65 664	52 078	66 324	66 992	67 562
Net Property Rates		113 846	111 776	99 785	115 244	109 272	109 272	90 182	110 363	111 462	112 687
Exchange revenue service charges											
Service charges - Electricity											
Total Service charges - Electricity	6	137 113	131 211	330 973	433 412	663 453	663 453	270 734	747 712	837 437	937 930
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)		4	(190 574)	6 673	10 839	7 674	7 674	7 250	8 649	9 493	10 632
Net Service charges - Electricity		137 109	321 785	324 300	422 573	655 779	655 779	263 484	739 063	827 945	927 298
Service charges - Water											
Total Service charges - Water	6	102 770	90 921	86 466	128 496	91 949	91 949	70 015	97 627	103 485	109 673
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)		864	1 695	1 815	2 157	2 373	2 373	1 978	2 468	2 539	2 666
Net Service charges - Water		101 905	89 226	84 651	126 338	89 576	89 576	68 037	95 159	100 945	107 006
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		45 029	45 844	49 200	56 448	52 152	52 152	42 559	54 238	57 492	60 941
Less Revenue Foregone (in excess of free sanitation service to indigent households)											
Less Cost of Free Basis Services (free sanitation service to indigent households)		1 662	3 921	3 946	4 800	2 708	2 708	2 256	2 816	2 232	2 344
Net Service charges - Waste Water Management		43 367	41 923	45 254	51 648	49 444	49 444	40 303	51 422	55 260	58 598
Service charges - Waste Management											
Total refuse removal revenue	6	44 191	46 500	48 845	57 081	52 410	52 410	43 624	54 507	57 777	61 244
Total landfill revenue											
Less Revenue Foregone (in excess of one removal a week to indigent households)											
Less Cost of Free Basis Services (removed once a week to indigent households)		2 124	4 764	4 972	5 825	3 195	3 195	2 663	3 323	2 636	2 768
Net Service charges - Waste Management		42 067	41 737	43 873	51 257	49 215	49 215	40 961	51 184	55 141	58 476



FS194 Maluti-a-Phofung - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	385 758	442 655	383 547	403 178	433 674	433 674	344 236	448 838	473 120	498 462
Pension and UIF Contributions		64 345	67 395	67 410	76 459	72 535	72 535	55 243	76 770	81 387	85 884
Medical Aid Contributions		31 160	32 774	34 273	37 689	38 260	38 260	31 584	40 605	43 045	45 451
Overtime		89 419	93 442	68 230	53 220	54 344	54 344	54 305	55 536	58 675	62 037
Performance Bonus		28 046	29 561	29 161	41 362	38 839	38 839	25 755	38 861	41 148	43 298
Motor Vehicle Allowance		26 909	27 466	26 813	30 450	29 224	29 224	23 841	31 381	32 472	34 115
Cellphone Allowance		874	1 176	1 171	1 326	1 207	1 207	937	1 265	1 306	1 373
Housing Allowances		3 815	3 659	3 555	5 517	5 570	5 570	3 198	5 935	6 242	6 562
Other benefits and allowances		13 600	14 915	11 628	14 857	12 324	12 324	11 671	12 954	13 476	14 158
Payments in lieu of leave		3 582	(8 248)	(53 478)	1 989	2 105	2 105	1 874	404	319	339
Long service awards		4 451	5 392	6 052	7 003	7 358	7 358	4 742	1 230	1 304	1 369
Post-retirement benefit obligations	4	692	314	(714)	1 671	1 171	1 171	(152)	1 620	1 717	1 669
Entertainment		-	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-	-
Acting and post related allowance		15 022	17 227	10 358	11 638	6 853	6 853	8 100	7 156	7 074	7 430
In kind benefits		-	-	-	-	-	-	-	-	-	-
sub-total	5	667 674	727 726	588 007	686 359	703 463	703 463	565 334	722 554	761 285	802 147
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	667 674	727 726	588 007	686 359	703 463	703 463	565 334	722 554	761 285	802 147
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		260 349	292 746	93 801	-	82 899	82 899	-	75 930	79 565	83 365
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		441 540	-	-	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	701 889	292 746	93 801	-	82 899	82 899	-	75 930	79 565	83 365



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FS194 Maluti-a-Phofung - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
EXPENDITURE ITEMS:											
Bulk purchases - electricity											
Electricity bulk purchases		870 195	758 138	842 499	719 673	999 500	999 500	825 978	1 114 944	1 181 750	1 251 397
Total bulk purchases	1	870 195	758 138	842 499	719 673	999 500	999 500	825 978	1 114 944	1 181 750	1 251 397
Transfers and grants											
Cash transfers and grants		176 805	111 153	174 457	181 472	187 472	187 472	57 985	198 043	190 654	200 187
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	176 805	111 153	174 457	181 472	187 472	187 472	57 985	198 043	190 654	200 187
Contracted Services											
Outsourced Services		35 198	13 546	36 682	33 664	69 158	69 158	34 026	69 172	64 795	67 935
Consultants and Professional Services		61 476	36 494	40 377	39 929	60 987	60 987	26 439	37 591	40 372	42 375
Contractors		62 787	38 523	43 758	62 288	82 368	82 368	24 926	96 677	73 469	74 895
Total contracted services		159 461	88 563	120 817	135 881	212 513	212 513	85 391	203 440	178 636	185 206
Operational Costs											
Collection costs											
Contributions to 'other' provisions											
Audit fees		11 995	8 871	12 981	11 454	24 454	24 454	16 396	11 781	12 128	12 435
Other Operational Costs		66 945	85 851	94 429	112 193	117 421	117 421	20 384	117 809	115 412	118 744
Total Operational Costs	1	78 939	94 722	107 411	123 647	141 875	141 875	36 781	129 590	127 541	131 178
Repairs and Maintenance by Expenditure Item											
Employee related costs	8										
Inventory Consumed (Project Maintenance)		7 734	19 206	8 377	12 128	31 167	31 167	3 114	22 442	16 009	16 805
Contracted Services		53 604	30 987	37 692	56 888	74 298	74 298	21 259	89 652	67 277	70 493
Operational Costs											
Total Repairs and Maintenance Expenditure	9	61 338	50 193	46 069	69 016	105 465	105 465	24 373	112 093	83 286	87 298
Inventory Consumed											
Inventory Consumed - Water		-	-	-	-	-	-	-	-	-	-
Inventory Consumed - Other		3 136	2 053	2 019	2 542	681	681	764	832	882	926
Total Inventory Consumed & Other Material		3 136	2 053	2 019	2 542	681	681	764	832	882	926



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Table 35 - MBRR Table SA2 – Consolidated Matrix financial performance budget (revenue source/expenditure type and department)

FS194 Maluti-a-Phofung - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)																	
Description	Ref	Vote 01 - Legislative Authority	Vote 02 - Office Of The Municipal Manager	Vote 03 - Corporate Services	Vote 04 - Financial Services	Vote 05 - Municipal Infrastructure	Vote 06 - Community Services	Vote 07 - Public Safety & Transport	Vote 08 - Sports, Arts, Parks, Culture	Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	Vote 10 - Hunan Settlements	Vote 11 - Idp, Pms Department	Vote 12 - Spatial Development, Planning & Traditional	Vote 13 - Electricity Department	Vote 14 - Maluti Water	Vote 15 - Other	Total
R thousand																	
Revenue																	
Exchange Revenue																	
Service charges - Electricity														739 063			739 063
Service charges - Water						93 159				2 000							95 159
Service charges - Waste Water Management						51 422											51 422
Service charges - Waste Management						51 184											51 184
Sale of Goods and Rendering of Services					1 843		1 426	266	30		742		2 394	42			6 743
Agency services																	-
Interest																	-
Interest earned from Receivables					1 963	86 912								36 306			125 181
Interest earned from Current and Non Current Assets					12 764												12 764
Dividends																	-
Rent on Land											1 000						1 000
Rental from Fixed Assets							5		3 120		866						3 992
Licence and permits																	-
Special rating levies																	-
Operational Revenue				1 560	212						10 000						11 772
Non-Exchange Revenue																	
Property rates					110 363												110 363
Surcharges and Taxes																	-
Fines, penalties and forfeits								196		2 200							2 396
Licences or permits										1 663							1 663
Transfer and subsidies - Operational					864 255	10 115								8 476			882 846
Interest					41 693												41 693
Fuel Levy																	-
Operational Revenue																	-
Gains on disposal of Assets																	-
Other Gains					7												7
Discontinued Operations																	-
Total Revenue (excluding capital transfers and contributions)				1 560	1 033 101	292 792	1 431	462	3 150	5 863	12 608		2 394	783 887			2 137 247
Expenditure																	
Employee related costs	15 862	21 096	89 381	109 231	96 339	21 891	112 545	46 883	13 132	13 263	3 982	16 266	52 075	110 605			722 554
Remuneration of councillors	36 529																36 529
Bulk purchases - electricity													1 114 944				1 114 944
Inventory consumed				832													832
Debt impairment				2 080	9 360								1 840				13 280
Depreciation and amortisation			353	250	69 656		4 848	823									75 930
Interest				1 662									50 000				51 662
Contracted services	375	950	10 133	23 297	37 010	930	53 665	2 480	2 000	28 500		6 100	16 360	21 640			203 440
Transfers and subsidies				186 916	11 127												198 043
Irrecoverable debts written off				3 120	16 640								3 360				23 120
Operational costs	13 595	2 583	28 711	26 170	17 341	602	4 477	1 452	187	1 660	96	424	2 505	29 787			129 590
Losses on disposal of Assets																	-
Other Losses																	-
Total Expenditure	66 362	24 631	128 578	353 559	257 473	23 423	175 536	51 637	15 319	43 423	4 078	22 791	1 241 084	162 031			2 569 925
Surplus/(Deficit)	(66 362)	(24 631)	(127 018)	679 542	35 319	(21 992)	(175 074)	(48 487)	(9 457)	(30 815)	(4 078)	(20 397)	(457 196)	(162 031)			(432 678)
Transfers and subsidies - capital (monetary allocations)					234 619	3 361		13 212		100			39 958				291 250
Transfers and subsidies - capital (in-kind)																	-
Surplus/(Deficit) after capital transfers & contributions	(66 362)	(24 631)	(127 018)	679 542	289 938	(18 631)	(175 074)	(35 275)	(9 457)	(30 715)	(4 078)	(20 397)	(417 238)	(162 031)			(141 428)



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2.14. PARENT MUNICIPALITY SCHEDULE-A TABLES

Table 36 - MBRR Table A2 – Parent Budgeted financial performance (revenue and expenditure by functional classification)

FS194 Maluti-a-Phofung - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue - Functional										
Governance and administration		766 732	871 000	923 421	966 350	1 005 397	1 005 397	1 034 343	1 065 556	1 110 549
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		766 732	871 000	923 421	966 350	1 005 397	1 005 397	1 034 343	1 065 556	1 110 549
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		(22 199)	22 319	15 183	52 394	34 593	34 593	34 324	35 349	30 454
Community and social services		(46 657)	18 915	6 300	18 070	13 262	13 262	5 658	2 435	2 566
Sport and recreation		23 225	2 153	7 467	29 586	13 653	13 653	16 362	23 248	18 539
Public safety		514	935	975	1 539	1 178	1 178	462	490	515
Housing		719	316	440	3 200	6 500	6 500	11 842	9 177	8 835
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		30 514	25 846	18 414	27 351	27 956	27 956	64 443	102 283	71 203
Planning and development		402	235	810	7 013	1 334	1 334	8 256	8 752	9 215
Road transport		30 111	25 611	17 604	20 338	26 622	26 622	56 187	93 532	61 989
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		542 539	729 659	776 059	867 208	1 178 193	1 178 193	1 295 069	1 336 231	1 506 641
Energy sources		198 418	354 350	328 861	438 350	700 081	700 081	823 845	878 458	980 709
Water management		161 973	178 236	195 171	212 144	220 796	220 796	238 348	193 926	241 130
Waste water management		137 005	149 172	198 520	136 618	168 746	168 746	157 216	186 075	202 364
Waste management		45 144	47 902	53 507	80 095	88 570	88 570	75 660	77 771	82 438
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 317 586	1 648 824	1 733 077	1 913 304	2 246 138	2 246 138	2 428 179	2 539 419	2 718 847
Expenditure - Functional										
Governance and administration		948 588	817 623	1 090 779	537 325	627 581	627 581	608 953	594 942	623 330
Executive and council		63 210	121 803	59 282	70 913	79 038	79 038	76 801	78 160	82 272
Finance and administration		878 524	688 446	1 023 402	457 711	539 537	539 537	523 042	507 633	531 455
Internal audit		6 854	7 375	8 095	8 700	9 006	9 006	9 111	9 149	9 603
Community and public safety		216 842	142 976	125 227	128 382	168 338	168 338	181 120	185 255	194 722
Community and social services		84 198	19 260	17 423	21 271	22 775	22 775	24 023	24 907	26 181
Sport and recreation		58 006	45 930	30 006	13 075	46 351	46 351	54 437	57 639	60 866
Public safety		68 771	72 697	73 341	86 448	94 329	94 329	91 491	93 381	97 794
Housing		5 867	5 088	4 457	7 588	4 883	4 883	11 169	9 328	9 881
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		209 289	58 812	68 697	75 303	86 523	86 523	89 706	89 623	92 380
Planning and development		22 556	21 240	21 407	29 098	25 892	25 892	39 196	34 753	34 634
Road transport		186 733	37 572	47 291	46 204	60 630	60 630	50 510	54 870	57 745
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		1 266 267	1 325 889	1 530 646	962 753	1 556 671	1 556 671	1 483 391	1 553 587	1 641 835
Energy sources		1 067 975	1 252 201	1 151 368	841 911	1 331 235	1 331 235	1 259 188	1 330 158	1 407 890
Water management		84 357	1 803	248 685	24 667	74 315	74 315	60 710	63 055	65 401
Waste water management		121	84	(81 806)	8 183	15 183	15 183	12 921	13 202	13 483
Waste management		113 814	71 801	212 399	87 991	135 938	135 938	150 572	147 172	155 060
Other	4	2 227	1 806	3 476	4 228	3 242	3 242	4 263	4 455	4 692
Total Expenditure - Functional	3	2 643 213	2 347 106	2 818 824	1 707 991	2 442 355	2 442 355	2 367 434	2 427 862	2 556 959
Surplus/(Deficit) for the year		(1 325 627)	(698 282)	(1 085 747)	205 313	(196 216)	(196 216)	60 745	111 557	161 888



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Table 37 - MBRR Table A3 – Parent Budgeted financial performance (revenue and expenditure by municipal vote)

FS194 Maluti-a-Phofung - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue by Vote	1									
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		(459)	1 053	1 754	1 500	1 500	1 500	1 560	1 654	1 753
Vote 04 - Financial Services		767 191	869 946	921 667	964 850	1 003 897	1 003 897	1 032 783	1 063 902	1 108 796
Vote 05 - Municipal Infrastructure		373 963	400 844	464 801	449 196	504 733	504 733	527 411	551 305	587 921
Vote 06 - Community Services		20 524	18 451	5 084	16 570	12 429	12 429	4 792	1 517	1 592
Vote 07 - Public Safety & Transport		(66 878)	935	1 663	1 539	1 178	1 178	462	490	515
Vote 08 - Sports, Arts, Parks, Culture		23 225	2 153	7 467	29 586	13 653	13 653	16 362	23 248	18 539
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	5 863	50	50	5 863	6 214	6 525
Vote 10 - Hunan Settlements		1 200	856	968	4 700	7 333	7 333	12 708	10 095	9 808
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		402	235	810	1 151	1 284	1 284	2 394	2 537	2 690
Vote 13 - Electricity Department		198 418	354 350	328 861	438 350	700 081	700 081	823 845	878 458	980 709
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 317 586	1 648 824	1 733 077	1 913 304	2 246 138	2 246 138	2 428 179	2 539 419	2 718 847
Expenditure by Vote to be appropriated	1									
Vote 01 - Legislative Authority		53 102	112 420	52 866	60 810	67 885	67 885	67 317	69 099	72 752
Vote 02 - Office Of The Municipal Manager		21 946	21 257	19 363	24 184	26 078	26 078	24 646	24 225	25 386
Vote 03 - Corporate Services		519 714	74 714	86 005	79 510	92 577	92 577	77 313	78 945	82 301
Vote 04 - Financial Services		284 406	551 566	866 674	305 016	331 762	331 762	313 768	323 617	338 700
Vote 05 - Municipal Infrastructure		384 811	111 950	427 059	167 479	287 918	287 918	276 817	280 530	294 032
Vote 06 - Community Services		85 670	19 491	18 255	22 861	22 946	22 946	23 603	24 461	25 714
Vote 07 - Public Safety & Transport		127 903	127 050	135 984	148 800	194 032	194 032	184 056	185 798	194 988
Vote 08 - Sports, Arts, Parks, Culture		58 006	45 930	30 006	13 075	46 351	46 351	54 437	57 639	60 866
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		10 840	9 790	10 784	15 967	13 347	13 347	16 591	17 398	16 265
Vote 10 - Hunan Settlements		16 156	8 400	7 785	13 041	14 458	14 458	44 933	16 411	17 346
Vote 11 - Idp, Pms Department		2 922	2 860	3 869	4 222	4 012	4 012	4 078	4 258	4 473
Vote 12 - Spatial Development, Planning & Traditional Affairs		11 020	10 396	10 229	13 137	11 775	11 775	22 791	17 552	18 588
Vote 13 - Electricity Department		1 066 717	1 251 281	1 149 945	839 888	1 329 212	1 329 212	1 257 084	1 327 927	1 405 548
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2 643 213	2 347 106	2 818 824	1 707 991	2 442 355	2 442 355	2 367 434	2 427 862	2 556 959
Surplus/(Deficit) for the year	2	(1 325 627)	(698 282)	(1 085 747)	205 313	(196 216)	(196 216)	60 745	111 557	161 888



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Table 38 - MBRR Table A4 – Parent Budgeted financial performance (revenue and expenditure)

FS194 Maluti-a-Phofung - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Electricity	2	137 109	321 785	324 300	422 573	655 779	655 779	263 484	739 063	827 945	927 298
Service charges - Water	2	101 905	89 226	84 651	126 338	89 576	89 576	68 037	95 159	100 945	107 006
Service charges - Waste Water Management	2	43 367	41 923	45 254	51 648	49 444	49 444	40 303	51 422	55 260	58 598
Service charges - Waste Management	2	42 067	41 737	43 873	51 257	49 215	49 215	40 961	51 184	55 141	58 476
Sale of Goods and Rendering of Services		3 544	2 032	3 219	5 742	4 947	4 947	2 199	6 584	6 979	6 528
Agency services											
Interest											
Interest earned from Receivables		18 294	(0)	22 603	18 204	120 367	120 367	88 327	125 181	132 692	140 654
Interest earned from Current and Non Current Assets		11 332	4 405	6 316	8 000	12 120	12 120	7 833	12 605	13 109	13 633
Dividends											
Rent on Land		-	-	-	-	-	-	-	1 000	-	-
Rental from Fixed Assets		1 116	1 131	1 367	2 665	3 838	3 838	1 758	3 992	4 231	4 485
Licence and permits											
Special rating levies											
Operational Revenue		1 038	8 389	2 410	4 655	8 199	8 199	1 189	11 772	8 768	9 223
Non-Exchange Revenue											
Property rates	2	113 846	111 776	99 785	115 244	109 272	109 272	90 182	110 363	111 462	112 687
Surcharges and Taxes											
Fines, penalties and forfeits		322	688	736	3 207	860	860	182	2 396	2 540	2 667
Licences or permits		-	-	-	1 663	-	-	-	1 663	1 762	1 850
Transfer and subsidies - Operational		569 251	752 500	811 267	858 920	857 356	857 356	856 875	882 846	907 431	948 524
Interest		7 943	-	9 066	7 268	40 090	40 090	33 408	41 693	44 195	46 847
Fuel Levy											
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		(610)	-	-	-	-	-	-	-	-	-
Other Gains		8	3	5	7	10	10	5	7	6	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		1 050 532	1 375 594	1 454 853	1 677 391	2 001 073	2 001 073	1 494 743	2 136 929	2 272 467	2 438 476
Expenditure											
Employee related costs	2	500 999	561 728	453 672	520 060	537 164	537 164	434 188	546 277	574 431	605 950
Remuneration of councillors		28 529	31 785	25 425	35 033	36 349	36 349	31 811	36 529	38 627	40 691
Bulk purchases - electricity	2	870 191	758 138	842 499	719 673	999 500	999 500	825 978	1 114 944	1 181 750	1 251 397
Inventory consumed	8	1 251	752	705	749	681	681	722	832	882	926
Debt impairment	3	-	-	483 995	-	13 000	13 000	-	13 280	13 542	13 783
Depreciation and amortisation		701 889	292 746	93 801	-	82 899	82 899	-	75 930	79 565	83 365
Interest		63 735	382 456	44 698	41 000	215 000	215 000	112 696	51 500	54 500	57 680
Contracted services		151 276	85 150	117 528	101 562	184 232	184 232	85 349	173 462	146 860	151 840
Transfers and subsidies		176 805	111 153	174 457	181 472	187 472	187 472	57 985	198 043	190 654	200 187
Irrecoverable debts written off		4 117	13 377	473 708	-	22 000	22 000	981	23 120	24 314	25 587
Operational costs		59 629	81 875	83 980	78 285	96 513	96 513	36 026	81 507	76 572	77 662
Losses on disposal of Assets		-	-	76	-	-	-	-	-	-	-
Other Losses		1	4	4	4	10	10	2	-	-	-
Total Expenditure		2 558 424	2 319 163	2 794 549	1 677 839	2 374 820	2 374 820	1 585 737	2 315 425	2 381 698	2 509 069
Surplus/(Deficit)		(1 507 891)	(943 570)	(1 339 696)	(448)	(373 747)	(373 747)	(90 993)	(178 495)	(109 231)	(70 593)
Transfers and subsidies - capital (monetary allocations)	6	267 054	273 230	278 224	235 913	245 065	245 065	167 546	291 250	266 952	280 371
Transfers and subsidies - capital (in-kind)	6										
Surplus/(Deficit) after capital transfers & contributions		(1 240 838)	(670 340)	(1 061 472)	235 465	(128 682)	(128 682)	76 553	112 755	157 721	209 778
Income Tax											
Surplus/(Deficit) after income tax		(1 240 838)	(670 340)	(1 061 472)	235 465	(128 682)	(128 682)	76 553	112 755	157 721	209 778
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		(1 240 838)	(670 340)	(1 061 472)	235 465	(128 682)	(128 682)	76 553	112 755	157 721	209 778
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	1	(1 240 838)	(670 340)	(1 061 472)	235 465	(128 682)	(128 682)	76 553	112 755	157 721	209 778



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Table 39 - MBRR Table A5 – Parent Budgeted capital expenditure (municipal vote and standard classification)

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		-	-	-	-	-	-	-	-	-	-
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-	-
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-	-
Vote 14 - Malut Water		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 01 - Legislative Authority		-	-	(115)	-	500	500	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	500	-	-	-
Vote 03 - Corporate Services		1 040	3 298	(2 597)	-	1 100	1 100	-	2 500	-	-
Vote 04 - Financial Services		308	255	(963)	-	500	500	130	1 000	-	-
Vote 05 - Municipal Infrastructure		189 907	52 683	224 218	180 912	217 872	217 872	130 239	234 850	231 671	249 241
Vote 06 - Community Services		14 897	304 588	356 696	14 984	11 843	11 843	7 562	4 061	-	-
Vote 07 - Public Safety & Transport		-	1 466	(6 369)	-	7 000	7 000	-	11 000	-	-
Vote 08 - Sports, Arts, Parks, Culture		6 723	1 351	5 256	28 420	10 546	10 546	6 580	13 212	19 908	15 000
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	100	1 500	1 600
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	4 500	-	-
Vote 13 - Electricity Department		45 840	(474 722)	12 083	1 678	17 761	17 761	6 833	44 958	3 000	3 136
Vote 14 - Malut Water		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		258 715	(111 079)	588 209	225 993	267 123	267 123	151 344	316 681	256 080	268 977
Total Capital Expenditure - Vote		258 715	(111 079)	588 209	225 993	267 123	267 123	151 344	316 681	256 080	268 977
Capital Expenditure - Functional											
Governance and administration		1 348	3 553	(3 675)	-	2 100	2 100	130	5 000	-	-
Executive and council		-	-	(115)	-	500	500	-	500	-	-
Finance and administration		1 348	3 553	(3 560)	-	1 600	1 600	130	4 500	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		21 620	307 406	355 583	43 403	29 390	29 390	14 142	27 373	21 408	16 600
Community and social services		14 897	304 606	356 696	14 984	11 843	11 843	7 562	4 061	-	-
Sport and recreation		6 723	1 351	5 256	28 420	10 546	10 546	6 580	13 212	19 908	15 000
Public safety		-	1 449	(6 369)	-	7 000	7 000	-	10 000	-	-
Housing		-	-	-	-	-	-	-	100	1 500	1 600
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		14 818	(115 711)	6 122	10 318	22 496	22 496	6 296	60 418	82 659	50 594
Planning and development		-	-	-	-	-	-	-	4 500	-	-
Road transport		14 818	(115 711)	6 122	10 318	22 496	22 496	6 296	55 918	82 659	50 594
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		220 929	(306 328)	230 179	172 272	213 137	213 137	130 776	223 890	152 012	201 782
Energy sources		45 840	(474 722)	12 083	1 678	17 761	17 761	6 833	44 958	3 000	3 136
Water management		158 096	60 765	88 128	77 636	81 467	81 467	58 215	93 518	40 329	78 318
Waste water management		16 993	107 629	129 968	77 157	98 542	98 542	52 366	84 915	108 683	120 329
Waste management		-	-	-	15 801	15 367	15 367	13 363	500	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	258 715	(111 079)	588 209	225 993	267 123	267 123	151 344	316 681	256 080	268 977
Funded by:											
National Government		257 367	513 406	527 212	225 993	236 376	236 376	145 364	286 417	256 080	268 977
Provincial Government		-	-	56 370	-	-	-	-	-	-	-
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	257 367	513 406	583 582	225 993	236 376	236 376	145 364	286 417	256 080	268 977
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1 348	(624 485)	4 627	-	30 747	30 747	5 980	30 264	-	-
Total Capital Funding	7	258 715	(111 079)	588 209	225 993	267 123	267 123	151 344	316 681	256 080	268 977



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2.15. MALUTI WATER (PTY) LTD SCHEDULE-D TABLE

Table 40 - Table D2 Budgeted Financial Performance (revenue and expenditure)

Maluti Water (Pty) Ltd - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue &		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue	1										
Exchange Revenue											
Service charges - Electricity											
Service charges - Water											
Service charges - Waste Water Management											
Service charges - Waste Management											
Sale of Goods and Rendering of Services		-	(28)	19	150	150	150	-	159	169	177
Agency services											
Interest											
Interest earned from Receivables											
Interest earned from Current and Non Current Assets		-	-	94	150	150	150	1	159	169	177
Dividends											
Rent on Land											
Rental from Fixed Assets											
Licence and permits											
Special rating levies											
Operational Revenue											
Non-Exchange Revenue	2										
Property rates											
Surcharges and Taxes											
Fines, penalties and forfeits											
Licences or permits											
Transfer and subsidies - Operational		124 939	13 433	78 131	-	-	-	-	-	-	-
Interest											
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains											
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		124 939	13 406	78 245	300	300	300	1	318	337	354
Expenditure											
Employee related costs		166 674	165 998	134 335	166 300	166 300	166 300	131 147	176 278	186 854	196 197
Remuneration of councillors											
Bulk purchases - electricity	2	3	-	-	-	-	-	-	-	-	-
Inventory consumed	5	8 455	5 505	5 599	9 468	15 505	15 505	101	16 436	17 422	18 293
Debt impairment	4										
Depreciation and asset impairment											
Finance charges					152	152	152		162	171	180
Contracted services		8 185	3 414	3 289	34 319	28 281	28 281	42	29 978	31 776	33 365
Transfers and subsidies											
Irrecoverable debts written off											
Operational costs	3	19 310	12 848	23 430	45 362	45 362	45 362	755	48 083	50 968	53 517
Losses on disposal of Assets											
Other Losses											
Total Expenditure		202 629	187 764	166 654	255 600	255 600	255 600	132 044	270 936	287 192	301 552
Surplus/(Deficit)		(77 690)	(174 358)	(88 409)	(255 300)	(255 300)	(255 300)	(132 044)	(270 618)	(286 855)	(301 198)
Transfers and subsidies - capital (monetary allocations)											
Transfers and subsidies - capital (in-kind)											
Surplus/(Deficit) after capital transfers & contributions		(77 690)	(174 358)	(88 409)	(255 300)	(255 300)	(255 300)	(132 044)	(270 618)	(286 855)	(301 198)
Income Tax											
Surplus/(Deficit) after income tax		(77 690)	(174 358)	(88 409)	(255 300)	(255 300)	(255 300)	(132 044)	(270 618)	(286 855)	(301 198)
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		(77 690)	(174 358)	(88 409)	(255 300)	(255 300)	(255 300)	(132 044)	(270 618)	(286 855)	(301 198)
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions		73 321	179 321	48 406	255 300	255 300	255 300	164 910	270 618	286 855	301 198
Surplus/ (Deficit) for the year		(4 369)	4 963	(40 003)	-	-	-	32 866	0	0	0



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2.16. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, MOTSWAPHAE MATTHEWS MOFOKENG.....the Municipal Manager of Maluti - A - Phofung Municipality hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act, and that the annual budget is consistent with the business plans of the municipality and the integrated development plan

Print name:

M. M. Mofokeng

Municipal Manager of:

Maluti-a-Phofung Local Municipality (FS194)

Signature:

M. M.

Date: