

BITOU LOCAL MUNICIPALITY



**Mid-year (Second) Adjustments
Budget for the 2024/25 financial
year**

27 February 2025



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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

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

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

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

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

PART 1 – ADJUSTMENTS BUDGET REPORT

Section 1 – Mayor’s Report

1.1 Municipal Adjustment Budget

The 2024/2025 MTREF was approved by Council on 24 May 2024 in accordance with Section 24(1) of the Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003).

In terms of section 28 of the MFMA a municipality may revise an approved annual budget through an adjustments budget. Only the Mayor may table an adjustments budget in the municipal council and it may only be tabled within prescribed limitations as to timing or frequency.

Section 28 (2) (b) of the MFMA stipulates as follows:

An adjustments budget-

(a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;

(b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for

(d) may authorise the utilisation of projected savings in one vote towards spending under another vote;

(f) may correct any errors in the annual budget; and

(g) may provide for any other expenditure within a prescribed framework.

Regulation 23(1) of the Municipal Budget and Reporting Regulations determine the following:

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

The Adjustments Budget tabled here today does not shift the priorities and overall direction of the current budget; it merely allows us scope to accelerate or decelerate certain programs to ensure that service delivery continues uninterrupted and that community needs identified in the IDP are met in accordance with the mandate of the municipality.

1.1 Reasons for the adjustments budget

The reasons for the recommendation to adopt an adjustments budget as per legislative framework quoted above, are the following in accordance with the framework provided:

1. To adjust revenue projections downward where it is evident that revenue targets will not be met.
2. To adjust expenditure upward where it is evident that the allocations were insufficient to address service delivery needs of the communities.
3. To correct errors identified in the original budget and to utilise savings in one vote towards spending on another.

4. To incorporate additional grant funding received in both the operating and capital budget
5. To authorise unauthorised expenditure as referred to in the body of the report.

Further adjustment details are listed below:

1.1.1 Multi-year funds shifting in relation to the capital program

Multi-year funds have been shifted in capital programs in accordance with the rollout plan.

1.1.2 Allocations and grant adjustments

Grant funding decreased by R 31 793 450.00 as a result of various sources. The grants are appropriated in the 2024/2025 Adjustment budget as follows:

Operating grant additional and (Decrease) in funding

Approved operating additional funding amounting to R 7 502 981, this is made up of:

- Financial Management Capacity Building Grant – R200 000
- Municipal Service Delivery and Capacity Building Grant – R500 000
- Human Settlements Development Grant – R 6 893 000
- Title Deed Restoration Grant – (R 1 176 000)
- Community Development Workers Grant – R13 000
- Municipal Infrastructure Grant (Split and Top Slice) – R 1 087 701.00
- Financial Assistance to Municipalities for Maintenance and Construction Of Transport Infrastructure – (R40 000)

Capex grant decrease in funding

The Capital grant revenue reflects a decrease of R 39 296 431.00 made up as follows:

- Informal Settlement Upgrading Partnership Grant decrease of – R 6 623 000
- Human Settlement Development Grant– R 32 673 433 (a portion of this funding relates to provincial treasury being responsible for the project and formed part of our revenue, which has now been corrected)

Capital projects from own Funding is decreasing by R 3 800 249

Funding from borrowing is also decreasing by R 17 807 378. It should be noted that these projects have been shifted to the 2025/2026 Financial year.

The total net effect of the aforementioned is a decrease of the capital budget in the amount of R 42 111 355.

1.1.3 Appropriation of additional revenues that have become available

No additional revenue from own sources has become available to be appropriated in the budget to accelerate current programs or projects

1.1.4 Correction of errors in the annual budget

The following errors were identified in the budget and require a correction:

1. Overtime and standby allowances were under budgeted when considering service delivery needs.
2. Various adjustments in salary related expenditure needed to be made to ensure correct allocation of salary related expenditure to relevant sections including the EPWP intake for the remainder of the financial year.
3. Realistically anticipated revenue to be collected for the various revenue sources have not materialised and were adjusted downwards to be in line with the actual performance.
4. The decrease in the Bulk electricity purchases, was due to the increase in SSEG in our town, causing lower demand to such an extent that was not known when the original budget was compiled. The budget is decreasing the by R2 Million.
5. Coupled with the additional grants we received and also the over performance of revenue from Fines, contracted services had to be adjusted upwards to make provision for the expenditure relating to the increase in revenue.
6. The airport contribution has been moved from Transfer and subsidies to contracted services and where savings were identified in other items were moved to accommodate the contracted services.
7. The revenue enhancement programme identified a lack of refuse bins which prompted an increase in the Inventory consumed to accommodate the purchase of bins.

1.2 Recommendation to council regarding the Adjustments Budget

Taking into consideration the reasons listed in paragraph 1.1, coupled with the result as reported in the mid-year budget and performance assessment, it is recommended that Council approves the adjustments budget.

1.3 Recommendation to council regarding the SDBIP

That the SDBIP be reviewed within directorates where applicable.

RECOMMENDATION:

- a. That the mid-year (second) annual adjustments budget of Bitou Municipality for the financial year 2024/2025, be approved as indicated in the following tables:
 - i. Table B2: Adjustments Budget Financial Performance (expenditure by standard classification)
 - ii. Table B3: Adjustments Budget Financial Performance (expenditure by municipal vote)
 - iii. Table B4: Adjustments Budget Financial Performance (revenue by source)
 - iv. Table B5: Adjustments Budget Capital Expenditure for both multi-year and single year by vote, standard classification and funding
 - v. Table B6: Budgeted Financial Position
 - vi. Table B7: Budgeted Cash Flow
 - vii. Table B8: Cash backed reserves/Accumulated surplus reconciliation

- viii. Table B9: Asset Management
- ix. Table B10: Basic service delivery measurement
- x. Supporting Tables SB1 – SB 20
- b. That the SDBIP be reviewed, where necessary within directorates where applicable and impacted on through the approval of the adjustments budget.
- c. That the adjustments budget be submitted to the authorities and in the format as required by law
- d. That the accounting officer launch an investigation into the unauthorised expenditure incurred in respect of the accommodation for the traffic officers attending the traffic college and a report be submitted to the council.
- e. That the expenditure incurred in respect of the overspending on the EPWP budget as well as the expenditure incurred in respect of the accommodation of the traffic officer trainees that caused an overspending of the budgetary allocations, be authorised as part of this adjustments budget.

SECTION 2 - EXECUTIVE SUMMARY

Introduction

In terms of Section 28 of the MFMA a municipality may revise an approved annual budget through an adjustments budget.

Operating Budget

The following adjustments were affected:

Revenue by Source

The following table reflects the approved 2024/2025 MTREF, the proposed adjustments budget and the adjustments budget movements:

WC047 Bitou - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|---|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|----------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | 1 | A | A1 | B | C | D | E | F | G | H | | |
| Revenue | | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | | |
| Service charges - Electricity | 2 | 262 129 | 262 129 | - | - | - | - | (2 993) | (2 993) | 259 136 | 295 636 | 325 983 |
| Service charges - Water | 2 | 90 492 | 90 492 | - | - | - | - | 1 536 | 1 536 | 92 029 | 97 203 | 103 418 |
| Service charges - Waste Water Management | 2 | 80 372 | 80 372 | - | - | - | - | (748) | (748) | 79 624 | 85 998 | 92 017 |
| Service charges - Waste Management | 2 | 53 852 | 53 852 | - | - | - | - | (2 869) | (2 869) | 50 983 | 56 863 | 60 039 |
| Sale of Goods and Rendering of Services | | 9 687 | 9 687 | - | - | - | - | 385 | 385 | 10 072 | 8 209 | 8 644 |
| Agency services | | 2 840 | 2 840 | - | - | - | - | - | - | 2 840 | 2 971 | 3 104 |
| Interest earned from Receivables | | 13 870 | 13 870 | - | - | - | - | (1 412) | (1 412) | 12 458 | 12 493 | 11 179 |
| Interest earned from Current and Non Current Assets | | 12 448 | 12 448 | - | - | - | - | - | - | 12 448 | 12 573 | 12 698 |
| Rental from Fixed Assets | | 2 210 | 2 210 | - | - | - | - | (600) | (600) | 1 610 | 2 338 | 2 218 |
| Licence and permits | | 565 | 565 | - | - | - | - | 96 | 96 | 661 | 597 | 630 |
| Operational Revenue | | 2 800 | 2 800 | - | - | - | - | 6 867 | 6 867 | 9 667 | 2 980 | 2 963 |
| Non-Exchange Revenue | | | | | | | | | | | | |
| Property rates | | 191 257 | 191 257 | - | - | - | - | 1 993 | 1 993 | 193 250 | 206 558 | 218 984 |
| Surcharges and Taxes | | 1 589 | 1 589 | - | - | - | - | (149) | (149) | 1 441 | 1 724 | 1 870 |
| Fines, penalties and forfeits | | 50 836 | 50 836 | - | - | - | - | 1 561 | 1 561 | 52 397 | 52 038 | 53 743 |
| Licences or permits | | 796 | 796 | - | - | - | - | - | - | 796 | 840 | 886 |
| Transfer and subsidies - Operational | | 176 893 | 179 860 | - | - | - | - | 7 503 | 7 502,981 | 187 363 | 208 662 | 260 111 |
| Interest | | 1 844 | 1 844 | - | - | - | - | 358 | 358 | 2 202 | 1 660 | 1 328 |
| Operational Revenue | | 14 835 | 14 835 | - | - | - | - | (882) | (882) | 13 953 | 15 860 | 10 019 |
| Gains on disposal of Assets | | 3 950 | 3 950 | - | - | - | - | - | - | 3 950 | - | - |
| Total Revenue (excluding capital transfers and | | 973 266 | 976 233 | - | - | - | - | 10 645 | 10 645 | 986 878 | 1 065 201 | 1 169 834 |

The total operating revenue amounts to R986.9 million for the 2024/25 adjustment budget which represents an increase of R10.6 million from the prior adjusted budget of R976.2 million. The R10.6 million stems from the following line items.

Exchange Revenue

Service charges- Electricity

The budgeted revenue from electricity has been revised downwards by R2.9 million. As alluded to in the Mid-year performance report, the effect of the SSEG is currently difficult to calculate and based on the fact that no loadshedding was reported for the 1st half of the financial year, the slight decrease in consumption, points to the likelihood that homeowners may have solar power and have not registered with the Municipality. Taking into consideration the historic consumption trends it is unlikely that we will meet originally budgeted revenue targets therefore a slight adjustment is needed.

Services charges- Water

The water revenue has been adjusted upwards by R1.5 million in the adjustment budget, this is due to a slight overperformance in the actual revenue generated and considering the consumption trend for the past 7 months as well as prior year historic consumption trends, it is anticipated that the budgeted revenue target will be achieved.

Service Charges - Sanitation Revenue

This revenue source has been underperforming, it is anticipated that the revenue enhancement programme will continue bearing fruits as we enter the 2nd half of the financial year. It is anticipated that in spite of the enhancement programme gaining momentum, a slight downward adjustment to the revenue source of R 748 082 is unavoidable to bring it in line with realistically anticipated revenue for the service.

Services charges- Waste management

The revenue from waste management has also been slightly reduced by R2.9 million in the 2024/25 adjustment budget. This adjustment is due to underperformance in the revenue generated to date. Based on the revenue enhancement reports by management it is shown that not all customers are charged appropriately for the volume of refuse generated and this has led to additional budget being allocated for the purchase of refuse bins to be rolled out to the various sites identified. There are also various anomalies in respect of the level of service rendered and the associated billing that will require attention. Even though these efforts will be implemented it is still unlikely that the anticipated revenue predicted in the original budget will be met, and a downward adjustment is recommended.

Interest Earned from receivables

The revenue from interest on receivables has been adjusted down by R1.4 million in the 2024/25 adjustment budget, due to a decrease in the actual revenue to be generated it is fair to anticipate that the interest on these accounts will also not materialise and it is therefore prudent to adjust the revenue source downwards.

Operational revenue

The increase in operational revenue, is as a result of revenue from development charges that have been paid to the municipality as well as insurance claims that have been finalised that resulted in a favourable outcome for the municipality. The increase is to bring the budgeted revenue item in line with the actual performance and to make provision for any additional income that may accrue for the remainder of the financial year.

Non-Exchange Revenue

Property Rates

The revenue from property rates has been adjusted up by R1.9 million, due to the revenue source already slightly overperforming coupled with the additional anticipated revenue to be collected from the supplementary valuation that will be implemented, the revenue source is therefore adjusted upwards in line with actual performance.

Fines, Penalties and Forfeits

The revenue generation from Fines, penalties have been adjusted upwards by R1.6 million. Based on the current trend it is anticipated that the revenue will be reaching an estimated R58 million, however due to the service providers contract coming to an end 30 June 2025 and the removal of cameras from 01 April 2025, we anticipate a reduction or loss of income for the last 3 months of the contract period also the financial year and taking a conservative approach the municipality is only slightly adjusting the revenue.

Transfers and Subsidies (Operating)

Transfers and subsidies reflects a net increase of R7.5 million, this is due to additional grants received.

Expenditure by Type

The following tables reflects the approved 2024/2025 MTREF, the proposed adjustments budget and the increase/(decrease):

| Expenditure By Type | | | | | | | | | | | |
|---|---------|---------|---|---|---|---|----------|----------|---------|-----------|-----------|
| Employee related costs | 370 938 | 370 938 | - | - | - | - | 7 679 | 7 679 | 378 617 | 383 149 | 399 483 |
| Remuneration of councillors | 7 879 | 7 879 | - | - | - | - | - | - | 7 879 | 8 249 | 8 636 |
| Bulk purchases - electricity | 231 959 | 226 959 | - | - | - | - | (2 000) | (2 000) | 224 959 | 266 753 | 306 766 |
| Inventory consumed | 18 699 | 18 701 | - | - | - | - | 1 940 | 1 940 | 20 641 | 19 587 | 20 750 |
| Debt impairment | 19 001 | 19 001 | - | - | - | - | - | - | 19 001 | 19 894 | 21 008 |
| Depreciation and amortisation | 40 002 | 40 002 | - | - | - | - | - | - | 40 002 | 41 403 | 42 852 |
| Interest | 14 063 | 14 063 | - | - | - | - | (146) | (146) | 13 917 | 17 827 | 21 484 |
| Contracted services | 103 758 | 106 318 | - | - | - | - | 8 946 | 8 946 | 115 264 | 125 958 | 168 710 |
| Transfers and subsidies | 12 283 | 17 283 | - | - | - | - | (6 439) | (6 439) | 10 844 | 13 148 | 14 124 |
| Irrecoverable debts written off | 61 150 | 61 150 | - | - | - | - | - | - | 61 150 | 59 590 | 60 510 |
| Operational costs | 91 144 | 91 549 | - | - | - | - | (215) | (215) | 91 335 | 96 206 | 99 984 |
| Total Expenditure | 970 877 | 973 844 | - | - | - | - | 9 765 | 9 765 | 983 608 | 1 051 764 | 1 164 308 |
| Surplus/(Deficit) | 2 389 | 2 389 | - | - | - | - | 881 | 881 | 3 270 | 13 437 | 5 526 |
| Transfers and subsidies - capital (monetary allocations) | 130 854 | 130 854 | - | - | - | - | (39 296) | (39 296) | 91 558 | 92 769 | 47 549 |
| Surplus/(Deficit) after capital transfers & contributions | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Surplus/(Deficit) after income tax | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Surplus/(Deficit) attributable to municipality | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Surplus/ (Deficit) for the year | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |

The total adjusted operating expenditure is R983.6 million, which represents an increase of R9.8 million from the previous adjustment of R973.84 million. This increase are attributed to the following line items:

Employee related costs

The employee related expenditure has been adjusted up by R7.7 million to accommodate the additional critical positions and overtime and standby allowances that are depleted. The bulk of the increase, amounting to R4.4 million arise from the appointment of additional EPWP staff per instruction from the previous coalition to the administration, expenditure that was not budgeted. This expenditure is per definition tantamount to unauthorised expenditure as an instruction was given to incur expenditure not budgeted for. Due process needs to be followed in accordance with Section 32 of the MFMA as well as MFMA Circular 68 for the possible recovery thereof. It needs to be emphasized that the authorisation thereof per the adjustments budget process do not absolve any person from consequence management

processes that may follow nor action to recover said amounts. To make up the shortfall and make provision for the unbudgeted expenditure an adjustment for the remainder of the financial year is unavoidable.

Bulk purchases- electricity

The bulk purchase- electricity expenditure has been adjusted down by R2 million as part of the impact in consumption alluded to under the revenue due to SSEG. We are still confident that the remaining budget will be sufficient to meet anticipated expenditure.

Inventory consumed

The inventory consumed expenditure budget has been adjusted up by R1.94 and part of this is the refuse bins we are including to provide for the revenue enhancement rollout during the remainder of the financial year.

Contracted services

Contracted services are increased due to an increase in the fees payable to the service provider collecting and issuing our fines to meet the expected increase in our revenue generated as well as expenditure, Legal Services budget needs to be adjusted to cater for various matters under litigation. The accommodation cost for learners attending the traffic college was never budgeted, yet the municipality was contractually bound through a deviation to a service provider for the amount of R 3,011,250 representing unauthorised expenditure as it was never budgeted. The increase in items that were not originally budgeted for has put a strain on the budget and savings had to be sourced from various sources, including other contracted services to ensure that the municipality do not go into a budget deficit.

Transfers and Subsidies

The budgeted spending on transfers and subsidies have been adjusted down by R6.4 million due to the airport tender cancellation. Funding has been moved to contracted services to make up any shortfalls for unforeseen expenditure items.

2024/2025 Capital Budget Adjustments

Full details of proposed amendment to the 2024/2025 capital budget are reflected in Table below

WC047 Bitou - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--|-----|---------------------|------------------------|----------------------|----------------------------|--------------------------|----------------------------|-------------------------|----------------------|--------------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted 5 | Accum. Funds 6 | Multi-year capital 7 | Unfore. Unavoid. 8 | Nat. or Prov. Govt 9 | Other Adjusts. 10 | Total Adjusts. 11 | Adjusted Budget 12 | Adjusted Budget | Adjusted Budget |
| R thousands | | A | A1 | B | C | D | E | F | G | H | | |
| Capital expenditure - Vote | | | | | | | | | | | | |
| Multi-year expenditure to be adjusted | 2 | | | | | | | | | | | |
| Vote 3 - Community Services | | 5 705 | 5 905 | - | - | - | - | (145) | (145) | 5 761 | 2 150 | 6 933 |
| Vote 4 - Corporate Services | | 1 518 | 1 518 | - | - | - | - | 116 | 116 | 1 634 | 800 | 1 000 |
| Vote 7 - Engineering Services | | 141 206 | 145 152 | - | - | - | - | (29 770) | (29 770) | 115 382 | 155 468 | 46 699 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 3 | 148 429 | 152 575 | - | - | - | - | (29 799) | (29 799) | 122 776 | 158 418 | 54 631 |
| Single-year expenditure to be adjusted | 2 | | | | | | | | | | | |
| Vote 2 - Office of the Municipal Manager | | - | 731 | - | - | - | - | - | - | 731 | - | - |
| Vote 3 - Community Services | | 3 496 | 3 698 | - | - | - | - | (1 455) | (1 455) | 2 243 | 6 195 | 4 000 |
| Vote 4 - Corporate Services | | 642 | 642 | - | - | - | - | (233) | (233) | 408 | 220 | - |
| Vote 7 - Engineering Services | | 30 593 | 35 546 | - | - | - | - | (10 624) | (10 624) | 24 923 | 34 064 | 24 565 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | 34 731 | 40 617 | - | - | - | - | (12 312) | (12 312) | 28 304 | 40 479 | 28 565 |
| Total Capital Expenditure - Vote | | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |

The total capital budget has been adjusted down by R42.1 million from R193.2 million to R151.1 million.

CRR amendments:

The CRR decreased from R 32 975 204 to R 28 843 211. The decrease is due to savings on projects completed, projects that have not yet started and projects where it is highly unlikely that they will be fully spent by 30 June 2025.

Borrowing amendments:

Borrowings have been adjusted down by R17.8 million for the following reasons:

- As of now, capital expenditure is at 24% of the originally amended budget, reflecting significant underspending for this point in the year. Given that most projects have not yet commenced, it is unlikely the funds will be fully utilized, which is leading to a reduction in the borrowing needed to fund these projects.
- Utilising savings on certain projects to supplement funding shortfalls on others.

Grants amendments:

Informal Settlement Upgrading Partnership Grant:

As per the Gazette received from Provincial Treasury the grant is increasing by R27 000.00 however a portion of this funding amounting to R 6 650 000 is shifted to operating for planning works to be done on the Kurland project.

Human Settlements Development Partnership Grant

As per the Gazette received from Provincial Treasury the grant is decreasing by R13.9 million.

Adjustments to Budget Funding

The proposed adjustments will be funded as follows:

WC047 Bitou - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--------------------------------|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-----------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | | |
| Funded by: | | | | | | | | | | | | |
| National Government | | 29 331 | 29 331 | - | - | - | - | - | - | 29 331 | 31 842 | 21 106 |
| Provincial Government | | 78 285 | 78 285 | - | - | - | - | (20 504) | (20 504) | 57 782 | 43 000 | 8 000 |
| Transfers recognised - capital | 4 | 107 616 | 107 616 | - | - | - | - | (20 504) | (20 504) | 87 112 | 74 842 | 29 106 |
| Borrowing | | 50 033 | 52 932 | - | - | - | - | (17 807) | (17 807) | 35 125 | 80 744 | 18 950 |
| Internally generated funds | | 25 511 | 32 643 | - | - | - | - | (3 800) | (3 800) | 28 843 | 43 310 | 35 141 |
| Total Capital Funding | | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |

The capital projects funded by own funding are decreased by R3.8 million from the prior adjustment budget of R32.8 million to R28.8 million in the current adjustment budget. Projects funded by Borrowings have decreased by R17.8 million from R52.8 million to R35.1 million. Grants received from the Provincial and National Government decreased by R20.5 million from R107.6 million to R87.1 million.

As can be seen in the attached Table B8, the adjustment budget is funded however the municipality needs to ensure it improves its reserves and working capital to ensure that non-cash items and provisions are cash backed. The current result is not conducive to ensure long-term financial sustainability and will place pressure on future budgets, it therefore needs to be carefully managed to ensure the financial turnaround of the municipality.

Conclusion on the results of the adjustments budget

The Revenue Adjustment Budget (excluding capital transfers) increased by R10.6 million, from R976.2 million to R986.9 million.

The Expenditure Adjustment Budget increased with R9.8 million from R973.84 million to R 983.6 million.

The overall operating budgeted surplus increased by R881 000 from R2.4 million to R3.2 million.

The capital budget decreases with R42.1 million from R193.2 million to R151.1 million.

Adjustment budget tables

Adjustment Budget Summary

WC047 Bitou - Table B1 Adjustments Budget Summary - 27/02/2025

| Description | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--|---------------------|------------------------|----------------------|----------------------------|--------------------------|----------------------------|------------------------|---------------------|-------------------------|---------------------------|---------------------------|
| | Original Budget | Prior Adjusted 1 | Accum. Funds 2 | Multi-year capital 3 | Unfore. Unavoid. 4 | Nat. or Prov. Govt 5 | Other Adjusts. 6 | Total Adjusts. 7 | Adjusted Budget 8 | Adjusted Budget | Adjusted Budget |
| R thousands | A | A1 | B | C | D | E | F | G | H | | |
| Financial Performance | | | | | | | | | | | |
| Property rates | 191 257 | 191 257 | - | - | - | - | 1 993 | 1 993 | 193 250 | 206 558 | 218 984 |
| Service charges | 486 846 | 486 846 | - | - | - | - | (5 074) | (5 074) | 481 772 | 535 700 | 581 457 |
| Investment revenue | 12 448 | 12 448 | - | - | - | - | - | - | 12 448 | 12 573 | 12 698 |
| Transfers recognised - operational | 176 893 | 179 860 | - | - | - | - | 7 503 | 7 503 | 187 363 | 208 662 | 260 111 |
| Other own revenue | 105 822 | 105 822 | - | - | - | - | 6 224 | 6 224 | 112 045 | 101 708 | 96 583 |
| Total Revenue (excluding capital transfers and | 973 266 | 976 233 | - | - | - | - | 10 645 | 10 645 | 986 878 | 1 065 201 | 1 169 834 |
| Employee costs | 370 938 | 370 938 | - | - | - | - | 7 679 | 7 679 | 378 617 | 383 149 | 399 483 |
| Remuneration of councillors | 7 879 | 7 879 | - | - | - | - | - | - | 7 879 | 8 249 | 8 636 |
| Depreciation & asset impairment | 40 002 | 40 002 | - | - | - | - | - | - | 40 002 | 41 403 | 42 852 |
| Interest | 14 063 | 14 063 | - | - | - | - | (146) | (146) | 13 917 | 17 827 | 21 484 |
| Inventory consumed and bulk purchases | 250 658 | 245 660 | - | - | - | - | (60) | (60) | 245 600 | 286 340 | 327 516 |
| Transfers and subsidies | 12 283 | 17 283 | - | - | - | - | (6 439) | (6 439) | 10 844 | 13 148 | 14 124 |
| Other expenditure | 275 053 | 278 018 | - | - | - | - | 8 731 | 8 731 | 286 749 | 301 647 | 350 213 |
| Total Expenditure | 970 877 | 973 844 | - | - | - | - | 9 765 | 9 765 | 983 608 | 1 051 764 | 1 164 308 |
| Surplus/(Deficit) | 2 389 | 2 389 | - | - | - | - | 881 | 881 | 3 270 | 13 437 | 5 526 |
| Transfers and subsidies - capital (monetary allocations) | 130 854 | 130 854 | - | - | - | - | (39 296) | (39 296) | 91 558 | 92 769 | 47 549 |
| Transfers and subsidies - capital (in-kind - all) | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Capital expenditure & funds sources | | | | | | | | | | | |
| Capital expenditure | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |
| Transfers recognised - capital | 107 616 | 107 616 | - | - | - | - | (20 504) | (20 504) | 87 112 | 74 842 | 29 106 |
| Borrowing | 50 033 | 52 932 | - | - | - | - | (17 807) | (17 807) | 35 125 | 80 744 | 18 950 |
| Internally generated funds | 25 511 | 32 643 | - | - | - | - | (3 800) | (3 800) | 28 843 | 43 310 | 35 141 |
| Total sources of capital funds | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |
| Financial position | | | | | | | | | | | |
| Total current assets | 466 245 | 451 902 | - | - | - | - | 154 551 | 154 551 | 606 454 | 582 584 | 603 940 |
| Total non current assets | 1 415 909 | 1 425 940 | - | - | - | - | 19 065 | 19 065 | 1 445 004 | 1 491 420 | 1 384 271 |
| Total current liabilities | 439 810 | 409 791 | - | - | - | - | 69 850 | 69 850 | 479 641 | 481 184 | 441 561 |
| Total non current liabilities | 257 965 | 309 381 | - | - | - | - | 4 101 | 4 101 | 313 482 | 323 204 | 331 995 |
| Community wealth/Equity | 1 242 834 | 1 242 834 | - | - | - | - | 112 137 | 112 137 | 1 354 971 | 1 366 350 | 1 313 218 |
| Cash flows | | | | | | | | | | | |
| Net cash from (used) operating | 151 894 | 151 894 | - | - | - | - | (31 412) | (31 412) | 120 483 | 132 631 | 101 754 |
| Net cash from (used) investing | (179 210) | (189 242) | - | - | - | - | 38 509 | 38 509 | (150 733) | (198 896) | (98 196) |
| Net cash from (used) financing | 29 662 | 29 662 | - | - | - | - | (9 520) | (9 520) | 20 141 | 29 408 | 13 351 |
| Cash/cash equivalents at the year end | 105 486 | 97 800 | - | - | - | - | 103 268 | 103 268 | 201 069 | 128 575 | 182 340 |
| Cash backing/surplus reconciliation | | | | | | | | | | | |
| Cash and investments available | 105 486 | 97 800 | - | - | - | - | 103 538 | 103 538 | 201 338 | 126 971 | 181 087 |
| Application of cash and investments | (142 361) | (54 422) | - | - | - | - | (34 791) | (34 791) | (89 213) | 90 639 | 78 668 |
| Balance - surplus (shortfall) | 247 846 | 152 222 | - | - | - | - | 138 330 | 138 330 | 290 552 | 36 332 | 102 419 |
| Asset Management | | | | | | | | | | | |
| Asset register summary (WDV) | 1 415 909 | 1 425 940 | - | - | - | - | 19 065 | 19 065 | 1 445 004 | 1 491 420 | 1 384 271 |
| Depreciation | 40 002 | 40 002 | - | - | - | - | - | - | 40 002 | 41 403 | 42 852 |
| Renewal and Upgrading of Existing Assets | 66 117 | 71 524 | - | - | - | - | (10 250) | (10 250) | 61 274 | 91 498 | 48 629 |
| Repairs and Maintenance | 47 749 | 46 631 | - | - | - | - | (4 400) | (4 400) | 42 231 | 49 550 | 50 679 |
| Free services | | | | | | | | | | | |
| Cost of Free Basic Services provided | 74 160 | 74 160 | - | - | - | - | (301) | (301) | 73 859 | 79 673 | 85 604 |
| Revenue cost of free services provided | 6 133 | 6 133 | - | - | - | - | 587 | 587 | 6 719 | 6 623 | 6 987 |
| Households below minimum service level | | | | | | | | | | | |
| Water: | - | - | 0 | 0 | - | - | 0 | 1 | 1 | - | - |
| Sanitation/sewerage: | - | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | - |
| Energy: | - | - | - | - | - | - | - | - | - | - | - |
| Refuse: | - | - | 17 | 17 | 17 | 17 | 17 | 84 | 84 | - | - |

Section 3 – B-Schedule tables

4.1 2024/25 Adjustments Budget

The tables included in section 4 to the end of this report are from the ‘B Schedule Adjustments Budget’ legislated as part of section MFMA and MBRR.

Financial Performance (Revenue and Expenditure)

WC047 Bitou - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--|-----|---------------------|------------------------|----------------------|----------------------------|--------------------------|----------------------------|------------------------|---------------------|--------------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted 3 | Accum. Funds 4 | Multi-year capital 5 | Unfore. Unavoid. 6 | Nat. or Prov. Govt 7 | Other Adjusts. 8 | Total Adjusts. 9 | Adjusted Budget 10 | Adjusted Budget | Adjusted Budget |
| R thousands | 1 | A | A1 | B | C | D | E | F | G | H | | |
| Revenue | | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | | |
| Service charges - Electricity | 2 | 262 129 | 262 129 | - | - | - | - | (2 993) | (2 993) | 259 136 | 295 636 | 325 983 |
| Service charges - Water | 2 | 90 492 | 90 492 | - | - | - | - | 1 536 | 1 536 | 92 029 | 97 203 | 103 418 |
| Service charges - Waste Water Management | 2 | 80 372 | 80 372 | - | - | - | - | (748) | (748) | 79 624 | 85 998 | 92 017 |
| Service charges - Waste Management | 2 | 53 852 | 53 852 | - | - | - | - | (2 869) | (2 869) | 50 983 | 56 863 | 60 039 |
| Sale of Goods and Rendering of Services | | 9 687 | 9 687 | - | - | - | - | 385 | 385 | 10 072 | 8 209 | 8 644 |
| Agency services | | 2 840 | 2 840 | - | - | - | - | - | - | 2 840 | 2 971 | 3 104 |
| Interest earned from Receivables | | 13 870 | 13 870 | - | - | - | - | (1 412) | (1 412) | 12 458 | 12 493 | 11 179 |
| Interest earned from Current and Non Current Assets | | 12 448 | 12 448 | - | - | - | - | - | - | 12 448 | 12 573 | 12 698 |
| Rental from Fixed Assets | | 2 210 | 2 210 | - | - | - | - | (600) | (600) | 1 610 | 2 338 | 2 218 |
| Licence and permits | | 565 | 565 | - | - | - | - | 96 | 96 | 661 | 597 | 630 |
| Operational Revenue | | 2 800 | 2 800 | - | - | - | - | 6 867 | 6 867 | 9 667 | 2 980 | 2 963 |
| Non-Exchange Revenue | | | | | | | | | | | | |
| Property rates | | 191 257 | 191 257 | - | - | - | - | 1 993 | 1 993 | 193 250 | 206 558 | 218 984 |
| Surcharges and Taxes | | 1 589 | 1 589 | - | - | - | - | (149) | (149) | 1 441 | 1 724 | 1 870 |
| Fines, penalties and forfeits | | 50 836 | 50 836 | - | - | - | - | 1 561 | 1 561 | 52 397 | 52 038 | 53 743 |
| Licences or permits | | 796 | 796 | - | - | - | - | - | - | 796 | 840 | 886 |
| Transfer and subsidies - Operational | | 176 893 | 179 860 | - | - | - | - | 7 503 | 7 503 | 187 363 | 208 662 | 260 111 |
| Interest | | 1 844 | 1 844 | - | - | - | - | 358 | 358 | 2 202 | 1 660 | 1 328 |
| Operational Revenue | | 14 835 | 14 835 | - | - | - | - | (882) | (882) | 13 953 | 15 860 | 10 019 |
| Gains on disposal of Assets | | 3 950 | 3 950 | - | - | - | - | - | - | 3 950 | - | - |
| Total Revenue (excluding capital transfers and | | 973 266 | 976 233 | - | - | - | - | 10 645 | 10 645 | 986 878 | 1 065 201 | 1 169 834 |
| Expenditure By Type | | | | | | | | | | | | |
| Employee related costs | | 370 938 | 370 938 | - | - | - | - | 7 679 | 7 679 | 378 617 | 383 149 | 399 483 |
| Remuneration of councillors | | 7 879 | 7 879 | - | - | - | - | - | - | 7 879 | 8 249 | 8 636 |
| Bulk purchases - electricity | | 231 959 | 226 959 | - | - | - | - | (2 000) | (2 000) | 224 959 | 266 753 | 306 766 |
| Inventory consumed | | 18 699 | 18 701 | - | - | - | - | 1 940 | 1 940 | 20 641 | 19 587 | 20 750 |
| Debt impairment | | 19 001 | 19 001 | - | - | - | - | - | - | 19 001 | 19 894 | 21 008 |
| Depreciation and amortisation | | 40 002 | 40 002 | - | - | - | - | - | - | 40 002 | 41 403 | 42 852 |
| Interest | | 14 063 | 14 063 | - | - | - | - | (146) | (146) | 13 917 | 17 827 | 21 484 |
| Contracted services | | 103 758 | 106 318 | - | - | - | - | 8 946 | 8 946 | 115 264 | 125 958 | 168 710 |
| Transfers and subsidies | | 12 283 | 17 283 | - | - | - | - | (6 439) | (6 439) | 10 844 | 13 148 | 14 124 |
| Irrecoverable debts written off | | 61 150 | 61 150 | - | - | - | - | - | - | 61 150 | 59 590 | 60 510 |
| Operational costs | | 91 144 | 91 549 | - | - | - | - | (215) | (215) | 91 335 | 96 206 | 99 984 |
| Total Expenditure | | 970 877 | 973 844 | - | - | - | - | 9 765 | 9 765 | 983 608 | 1 051 764 | 1 164 308 |
| Surplus/(Deficit) | | 2 389 | 2 389 | - | - | - | - | 881 | 881 | 3 270 | 13 437 | 5 526 |
| Transfers and subsidies - capital (monetary allocations) | | 130 854 | 130 854 | - | - | - | - | (39 296) | (39 296) | 91 558 | 92 769 | 47 549 |
| Surplus/(Deficit) after capital transfers & contributions | | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Surplus/(Deficit) after income tax | | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Surplus/(Deficit) attributable to municipality | | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |
| Surplus/ (Deficit) for the year | | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |

Financial Performance (Revenue and Expenditure by Municipal Vote)

WC047 Bitou - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 27/02/2025

| Vote Description <i>[Insert departmental structure etc]</i> | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-----------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | A1 | B | C | D | E | F | G | H | | |
| Revenue by Vote | 1 | | | | | | | | | | | |
| Vote 1 - Council | | 3 004 | 3 004 | - | - | - | - | - | - | 3 004 | 3 126 | 3 250 |
| Vote 2 - Office of the Municipal Manager | | 66 656 | 66 656 | - | - | - | - | (93) | (93) | 66 563 | 69 750 | 72 437 |
| Vote 3 - Community Services | | 153 695 | 153 695 | - | - | - | - | (3 542) | (3 542) | 150 153 | 153 804 | 159 613 |
| Vote 4 - Corporate Services | | 19 | 19 | - | - | - | - | 520 | 520 | 539 | 19 | 19 |
| Vote 5 - Financial Services | | 224 929 | 224 929 | - | - | - | - | 2 346 | 2 346 | 227 275 | 241 145 | 254 130 |
| Vote 6 - Economic Development & Planning | | 111 335 | 114 302 | - | - | - | - | (32 187) | (32 187) | 82 115 | 90 519 | 101 658 |
| Vote 7 - Engineering Services | | 544 481 | 544 481 | - | - | - | - | 4 305 | 4 305 | 548 786 | 599 607 | 626 277 |
| Total Revenue by Vote | 2 | 1 104 120 | 1 107 087 | - | - | - | - | (28 651) | (28 651) | 1 078 436 | 1 157 970 | 1 217 383 |
| Expenditure by Vote | 1 | | | | | | | | | | | |
| Vote 1 - Council | | 12 945 | 12 958 | - | - | - | - | (117) | (117) | 12 841 | 13 707 | 14 264 |
| Vote 2 - Office of the Municipal Manager | | 32 114 | 32 114 | - | - | - | - | 1 807 | 1 807 | 33 921 | 32 268 | 30 642 |
| Vote 3 - Community Services | | 252 128 | 257 128 | - | - | - | - | (3 392) | (3 392) | 253 735 | 255 642 | 260 135 |
| Vote 4 - Corporate Services | | 89 641 | 89 641 | - | - | - | - | 12 171 | 12 171 | 101 812 | 95 189 | 100 802 |
| Vote 5 - Financial Services | | 70 683 | 70 670 | - | - | - | - | 774 | 774 | 71 444 | 71 106 | 73 893 |
| Vote 6 - Economic Development & Planning | | 52 018 | 54 985 | - | - | - | - | 6 196 | 6 196 | 61 180 | 77 162 | 124 629 |
| Vote 7 - Engineering Services | | 461 348 | 456 348 | - | - | - | - | (7 674) | (7 674) | 448 674 | 506 690 | 559 944 |
| Total Expenditure by Vote | 2 | 970 877 | 973 844 | - | - | - | - | 9 765 | 9 765 | 983 608 | 1 051 764 | 1 164 308 |
| Surplus/ (Deficit) for the year | 2 | 133 243 | 133 243 | - | - | - | - | (38 416) | (38 416) | 94 828 | 106 206 | 53 075 |

The table above reflects the changes or adjustments made per functional area.

Financial Position

WC047 Bitou - Table B6 Adjustments Budget Financial Position - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 | Budget Year +2 |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | | |
| R thousands | | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | |
| Cash and cash equivalents | | 60 220 | 45 581 | - | - | - | - | 103 538 | 103 538 | 149 119 | 126 971 | 181 087 |
| Trade and other receivables from exchange transaction | 1 | 75 841 | 75 841 | - | - | - | - | (2 794) | (2 794) | 73 047 | 76 328 | 64 161 |
| Receivables from non-exchange transactions | 1 | 97 230 | 97 230 | - | - | - | - | (15 876) | (15 876) | 81 355 | 76 389 | 78 034 |
| Current portion of non-current receivables | | 11 | 11 | - | - | - | - | (1) | (1) | 9 | 9 | 9 |
| Inventory | | 20 180 | 20 178 | - | - | - | - | (1 910) | (1 910) | 18 268 | 18 072 | (4 184) |
| VAT | | 212 584 | 212 584 | - | - | - | - | 71 019 | 71 019 | 283 602 | 283 602 | 283 602 |
| Other current assets | | 180 | 478 | - | - | - | - | 575 | 575 | 1 052 | 1 212 | 1 230 |
| Total current assets | | 466 245 | 451 902 | - | - | - | - | 154 551 | 154 551 | 606 454 | 582 584 | 603 940 |
| Non current assets | | | | | | | | | | | | |
| Investment property | | 12 692 | 12 692 | - | - | - | - | 1 358 | 1 358 | 14 050 | 14 050 | 14 050 |
| Property, plant and equipment | | 1 403 181 | 1 413 213 | - | - | - | - | 17 704 | 17 704 | 1 430 917 | 1 477 333 | 1 370 183 |
| Heritage assets | | 35 | 35 | - | - | - | - | 2 | 2 | 38 | 38 | 38 |
| Other non-current assets | | - | - | - | - | - | - | - | - | - | - | - |
| Total non current assets | | 1 415 909 | 1 425 940 | - | - | - | - | 19 065 | 19 065 | 1 445 004 | 1 491 420 | 1 384 271 |
| TOTAL ASSETS | | 1 882 153 | 1 877 842 | - | - | - | - | 173 616 | 173 616 | 2 051 458 | 2 074 004 | 1 988 211 |
| LIABILITIES | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | |
| Financial liabilities | | 1 103 | 1 103 | - | - | - | - | 40 773 | 40 773 | 41 876 | 41 615 | 20 425 |
| Consumer deposits | | 9 848 | 9 848 | - | - | - | - | 1 514 | 1 514 | 11 362 | 11 362 | 11 362 |
| Trade and other payables from exchange transactions | | 86 278 | 84 934 | - | - | - | - | 68 026 | 68 026 | 152 960 | 143 889 | 125 515 |
| Trade and other payables from non-exchange transactions | | (13 526) | (16 493) | - | - | - | - | (26 560) | (26 560) | (43 052) | (32 184) | (32 250) |
| Provisions | | 116 950 | 91 242 | - | - | - | - | (43 167) | (43 167) | 48 075 | 48 081 | 48 089 |
| VAT | | 239 157 | 239 157 | - | - | - | - | 29 264 | 29 264 | 268 421 | 268 421 | 268 421 |
| Total current liabilities | | 439 810 | 409 791 | - | - | - | - | 69 850 | 69 850 | 479 641 | 481 184 | 441 561 |
| Non current liabilities | | | | | | | | | | | | |
| Financial Liabilities | 1 | 130 734 | 130 734 | - | - | - | - | (24 326) | (24 326) | 106 408 | 115 936 | 121 068 |
| Provisions | 1 | 68 776 | 94 483 | - | - | - | - | 15 954 | 15 954 | 110 437 | 110 535 | 112 364 |
| Other non-current liabilities | | 58 456 | 84 163 | - | - | - | - | 12 473 | 12 473 | 96 636 | 96 734 | 98 563 |
| Total non current liabilities | | 257 965 | 309 381 | - | - | - | - | 4 101 | 4 101 | 313 482 | 323 204 | 331 995 |
| TOTAL LIABILITIES | | 697 775 | 719 172 | - | - | - | - | 73 952 | 73 952 | 793 123 | 804 388 | 773 556 |
| NET ASSETS | 2 | 1 184 378 | 1 158 670 | - | - | - | - | 99 664 | 99 664 | 1 258 335 | 1 269 616 | 1 214 655 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 1 167 034 | 1 167 034 | - | - | - | - | 111 256 | 111 256 | 1 278 290 | 1 289 669 | 1 236 537 |
| Funds and Reserves | | 75 800 | 75 800 | - | - | - | - | 881 | 881 | 76 681 | 76 681 | 76 681 |
| TOTAL COMMUNITY WEALTH/EQUITY | | 1 242 834 | 1 242 834 | - | - | - | - | 112 137 | 112 137 | 1 354 971 | 1 366 350 | 1 313 218 |

Cash Flow

WC047 Bitou - Table B7 Adjustments Budget Cash Flows - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-----------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 3 A1 | 4 B | 5 C | 6 D | 7 E | 8 F | 9 G | 10 H | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Property rates | | 175 067 | 175 067 | - | - | - | - | (259) | (259) | 174 808 | 189 142 | 199 917 |
| Service charges | | 434 972 | 434 972 | - | - | - | - | 266 | 266 | 435 238 | 489 420 | 539 229 |
| Other revenue | | 26 596 | 26 596 | - | - | - | - | 73 | 73 | 26 669 | 22 748 | 23 421 |
| Transfers and Subsidies - Operational | 1 | 176 723 | 176 723 | - | - | - | - | 7 659 | 7 659 | 184 382 | 208 662 | 260 111 |
| Transfers and Subsidies - Capital | 1 | 130 854 | 130 854 | - | - | - | - | (39 296) | (39 296) | 91 558 | 92 769 | 47 549 |
| Interest | | 12 448 | 12 448 | - | - | - | - | - | - | 12 448 | 12 573 | 12 698 |
| Dividends | | - | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | | |
| Suppliers and employees | | (778 720) | (778 720) | - | - | - | - | - | - | (778 720) | (852 022) | (945 895) |
| Finance charges | | (14 063) | (14 063) | - | - | - | - | 146 | 146 | (13 917) | (17 827) | (21 484) |
| Transfers and Grants | 1 | (11 983) | (11 983) | - | - | - | - | - | - | (11 983) | (12 833) | (13 793) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 151 894 | 151 894 | - | - | - | - | (31 412) | (31 412) | 120 483 | 132 631 | 101 754 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Proceeds on disposal of PPE | | 3 950 | 3 950 | - | - | - | - | - | - | 3 950 | - | - |
| Decrease (Increase) in non-current debtors | | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | | |
| Capital assets | | (183 160) | (193 192) | - | - | - | - | 38 509 | 38 509 | (154 683) | (198 896) | (98 196) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (179 210) | (189 242) | - | - | - | - | 38 509 | 38 509 | (150 733) | (198 896) | (98 196) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | 50 033 | 50 033 | - | - | - | - | (9 488) | (9 488) | 40 545 | 50 022 | 36 500 |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | | |
| Repayment of borrowing | | (20 372) | (20 372) | - | - | - | - | (32) | (32) | (20 404) | (20 615) | (23 149) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 29 662 | 29 662 | - | - | - | - | (9 520) | (9 520) | 20 141 | 29 408 | 13 351 |
| NET INCREASE/(DECREASE) IN CASH HELD | | | | | | | | | | | | |
| | | 2 346 | (7 685) | - | - | - | - | (2 423) | (2 423) | (10 109) | (36 857) | 16 908 |
| Cash/cash equivalents at the year begin: | 2 | 103 139 | 105 486 | - | - | - | - | 105 692 | 105 692 | 211 177 | 165 432 | 165 432 |
| Cash/cash equivalents at the year end: | 2 | 105 486 | 97 800 | - | - | - | - | 103 268 | 103 268 | 201 069 | 128 575 | 182 340 |

Expenditure on transfer and grant programme

WC047 Bitou - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|---|-----|---------------------|----------------|-----------------------|-----------------------|----------------|----------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 2 A1 | 3 B | 4 C | 5 D | 6 E | 7 F | | |
| R thousands | | | | | | | | | | |
| EXPENDITURE ON TRANSFERS AND GRANT PROGRAM: | 1 | | | | | | | | | |
| <u>Operating expenditure of Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | 12 762 | 12 748 | - | - | 933 | 933 | 13 681 | 12 036 | 12 581 |
| Operational Revenue: General Revenue: Equitable Share | | 9 488 | 9 474 | - | - | (155) | (155) | 9 320 | 10 136 | 10 581 |
| Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B) | | 1 474 | 1 474 | - | - | - | - | 1 474 | - | - |
| Local Government Financial Management Grant (Schedule 5B) | | 1 800 | 1 800 | - | - | - | - | 1 800 | 1 900 | 2 000 |
| Municipal Infrastructure Grant (Schedule 5B) | | - | - | - | - | 1 088 | 1 088 | 1 088 | - | - |
| Provincial Government: | | 21 182 | 24 149 | - | - | 5 872 | 5 872 | 30 021 | 47 350 | 92 648 |
| Capacity Building and Other | | 21 182 | 24 149 | - | - | 5 872 | 5 872 | 30 021 | 47 350 | 92 648 |
| District Municipality: | | 170 | 170 | - | - | - | - | 170 | - | - |
| All Grants | | 170 | 170 | - | - | - | - | 170 | - | - |
| Other grant providers: | | 550 | 550 | - | - | - | - | 550 | 583 | 618 |
| Departmental Agencies and Accounts | | 550 | 550 | - | - | - | - | 550 | 583 | 618 |
| Total Operating Transfers and Grants | 6 | 34 664 | 37 617 | - | - | 6 805 | 6 805 | 44 422 | 59 970 | 105 846 |
| <u>Capital Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | 29 331 | 29 331 | - | - | - | - | 29 331 | 31 842 | 21 106 |
| Municipal Infrastructure Grant (Schedule 5B) | | 18 896 | 18 896 | - | - | - | - | 18 896 | 19 668 | 21 106 |
| Water Services Infrastructure Grant (Schedule 5B) | | 10 435 | 10 435 | - | - | - | - | 10 435 | 12 174 | - |
| Provincial Government: | | 78 285 | 78 285 | - | - | (20 504) | (20 504) | 57 782 | 43 000 | 8 000 |
| Capacity Building and Other | | 980 | 980 | - | - | - | - | 980 | - | - |
| Infrastructure | | 77 305 | 77 305 | - | - | (20 504) | (20 504) | 56 802 | 43 000 | 8 000 |
| Total Capital Transfers and Grants | 6 | 107 616 | 107 616 | - | - | (20 504) | (20 504) | 87 112 | 74 842 | 29 106 |
| TOTAL EXPENDITURE OF TRANSFERS & GRANTS | | 142 280 | 145 233 | - | - | (13 699) | (13 699) | 131 534 | 134 812 | 134 952 |

Section 4 - Capital Expenditure per project affected by the Adjustment budget

WC047 Bitou - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|--|-----|---------------------|------------------------|----------------------|----------------------------|--------------------------|----------------------------|-------------------------|----------------------|--------------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted 5 | Accum. Funds 6 | Multi-year capital 7 | Unfore. Unavoid. 8 | Nat. or Prov. Govt 9 | Other Adjusts. 10 | Total Adjusts. 11 | Adjusted Budget 12 | Adjusted Budget | Adjusted Budget |
| | | A | A1 | B | C | D | E | F | G | H | | |
| R thousands | | | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | | |
| Multi-year expenditure to be adjusted | 2 | | | | | | | | | | | |
| Vote 3 - Community Services | | 5 705 | 5 905 | - | - | - | - | (145) | (145) | 5 761 | 2 150 | 6 933 |
| Vote 4 - Corporate Services | | 1 518 | 1 518 | - | - | - | - | 116 | 116 | 1 634 | 800 | 1 000 |
| Vote 7 - Engineering Services | | 141 206 | 145 152 | - | - | - | - | (29 770) | (29 770) | 115 382 | 155 468 | 46 699 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 3 | 148 429 | 152 575 | - | - | - | - | (29 799) | (29 799) | 122 776 | 158 418 | 54 631 |
| Single-year expenditure to be adjusted | 2 | | | | | | | | | | | |
| Vote 2 - Office of the Municipal Manager | | - | 731 | - | - | - | - | - | - | 731 | - | - |
| Vote 3 - Community Services | | 3 496 | 3 698 | - | - | - | - | (1 455) | (1 455) | 2 243 | 6 195 | 4 000 |
| Vote 4 - Corporate Services | | 642 | 642 | - | - | - | - | (233) | (233) | 408 | 220 | - |
| Vote 7 - Engineering Services | | 30 593 | 35 546 | - | - | - | - | (10 624) | (10 624) | 24 923 | 34 064 | 24 565 |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | 34 731 | 40 617 | - | - | - | - | (12 312) | (12 312) | 28 304 | 40 479 | 28 565 |
| Total Capital Expenditure - Vote | | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |
| Capital Expenditure - Functional | | | | | | | | | | | | |
| Governance and administration | | 9 350 | 11 268 | - | - | - | - | (718) | (718) | 10 550 | 16 520 | 13 700 |
| Executive and council | | - | 731 | - | - | - | - | - | - | 731 | - | - |
| Finance and administration | | 9 350 | 10 537 | - | - | - | - | (718) | (718) | 9 819 | 16 520 | 13 700 |
| Community and public safety | | 6 302 | 6 653 | - | - | - | - | 600 | 600 | 7 253 | 5 645 | 7 933 |
| Community and social services | | 304 | 656 | - | - | - | - | 1 142 | 1 142 | 1 798 | - | 5 683 |
| Sport and recreation | | 4 455 | 4 455 | - | - | - | - | - | - | 4 455 | 3 500 | 2 000 |
| Public safety | | 1 542 | 1 542 | - | - | - | - | (542) | (542) | 1 000 | 2 145 | 250 |
| Economic and environmental services | | 47 401 | 48 338 | - | - | - | - | (4 812) | (4 812) | 43 527 | 40 965 | 11 545 |
| Road transport | | 47 401 | 48 338 | - | - | - | - | (4 812) | (4 812) | 43 527 | 40 965 | 11 545 |
| Trading services | | 120 108 | 126 932 | - | - | - | - | (37 182) | (37 182) | 89 750 | 135 766 | 50 019 |
| Energy sources | | 26 065 | 29 458 | - | - | - | - | (13 800) | (13 800) | 15 658 | 51 567 | 24 488 |
| Water management | | 45 070 | 48 451 | - | - | - | - | (14 597) | (14 597) | 33 855 | 39 623 | 4 600 |
| Waste water management | | 46 673 | 46 673 | - | - | - | - | (7 186) | (7 186) | 39 488 | 41 976 | 19 931 |
| Waste management | | 2 300 | 2 350 | - | - | - | - | (1 600) | (1 600) | 750 | 2 600 | 1 000 |
| Total Capital Expenditure - Functional | 3 | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |
| Funded by: | | | | | | | | | | | | |
| National Government | | 29 331 | 29 331 | - | - | - | - | - | - | 29 331 | 31 842 | 21 106 |
| Provincial Government | | 78 285 | 78 285 | - | - | - | - | (20 504) | (20 504) | 57 782 | 43 000 | 8 000 |
| Transfers recognised - capital | 4 | 107 616 | 107 616 | - | - | - | - | (20 504) | (20 504) | 87 112 | 74 842 | 29 106 |
| Borrowing | | 50 033 | 52 932 | - | - | - | - | (17 807) | (17 807) | 35 125 | 80 744 | 18 950 |
| Internally generated funds | | 25 511 | 32 643 | - | - | - | - | (3 800) | (3 800) | 28 843 | 43 310 | 35 141 |
| Total Capital Funding | | 183 160 | 193 192 | - | - | - | - | (42 111) | (42 111) | 151 080 | 198 896 | 83 196 |

WC047 Bitou - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 27/02/2025

| Municipal Vote/Capital project | Program/Project description | Project number | IDP Goal Code | Individually Approved | Asset Class | Asset Sub-Class | GPS co-ordinates | Medium Term Revenue and Expenditure Framework | | | | | |
|---|---|----------------|---------------|-----------------------|-------------|-----------------|------------------|---|-----------------|------------------------|-----------------|------------------------|-----------------|
| | | | | | | | | Budget Year 2024/25 | | Budget Year +1 2025/26 | | Budget Year +2 2026/27 | |
| | | | | | | | | Original Budget | Adjusted Budget | Original Budget | Adjusted Budget | Original Budget | Adjusted Budget |
| R thousand | | | 3 | 6 | 4 | 4 | 5 | | | | | | |
| Parent municipality: | | | | | | | | | | | | | |
| <i>List all capital programs/projects grouped by Municipal Vote</i> | | | | | | | | | | | | | |
| ROADS, STORMWATER AND BUILDINGS MAINTENANCE | | | | | | | | | | | | | |
| WITTEDRIFT-STORMWATER UPGRADES | UPGRADING OF STORMWATER(MASTERPLAN ITEM) - Wittebult | RDS2221 | | | | | | 4 106 | 5 106 | - | - | - | - |
| KRANSHOEK-STORMWATER UPGRADES | UPGRADING OF STORMWATER(MASTERPLAN ITEM) - Kranshoek | RDS2222 | | | | | | - | 300 | 4 700 | 4 700 | 2 500 | 2 500 |
| KWANOKUTHULA-STORMWATER UPGRADES | UPGRADING OF STORMWATER(MASTERPLAN ITEM) - KwaNokuthula | RDS2223 | | | | | | 4 000 | 5 000 | - | - | 5 000 | 5 000 |
| SPEEDHUMPS | CONSTRUCTION OF SPEEDHUMPS | RDS2205 | | | | | | 100 | 200 | 400 | 400 | 400 | 400 |
| UPGRADING OF HIGH STREET | UPGRADING OF HIGH STREET | RDS2230 | | | | | | - | 600 | 4 300 | 4 300 | - | - |
| UPGRADING OF SEWELL STREET AND ANCHOR CRESCENT | UPGRADING OF SEWELL STREET AND ANCHOR CRESCENT | RDS2231 | | | | | | - | 600 | 3 700 | 3 700 | - | - |
| UPGRADING OF LONGSHIPS DRIVE | UPGRADING OF LONGSHIPS DRIVE | RDS2232 | | | | | | - | 800 | 8 500 | 8 500 | - | - |
| COLMENIBOSSIESGIF PHASE 4B: UPGRADING OF SEWER | CONSTRUCTION OF NEW ROADS AND RELATED STORMWATER FOR 100 ERVEN | RDS2303 | | | | | | 4 500 | 4 527 | 3 600 | 3 600 | 3 600 | 3 600 |
| EBENEZER (PORTION 3) 725 | CONSTRUCTION OF NEW ROADS AND RELATED STORMWATER FOR 255 ERVEN | RDS 2304 | | | | | | 14 400 | 11 088 | 9 000 | 9 000 | - | - |
| EBENEZER (PORTION 4) 708 | CONSTRUCTION OF NEW ROADS AND RELATED STORMWATER FOR 134 ERVEN | RDS2304 | | | | | | 12 758 | 9 824 | 6 750 | 6 750 | - | - |
| KURLAND (1500) | CONSTRUCTION OF NEW ROADS AND RELATED STORMWATER FOR 250 ERVEN | RDS2304 | | | | | | 2 993 | - | - | - | - | - |
| WATER SERVICES: WASTE WATER PURIFICATION | | | | | | | | | | | | | |
| UPGRADE SEWER RETIC | Upgrade internal sewer reticulation based on the master plan and Operational requirements | WWP2302 | | | | | | 2 000 | 1 169 | 3 250 | 3 250 | 2 150 | 2 150 |
| SECURITY FENCING - WASTE WATER PLANTS | Security Measures to meet legislative compliance by DWS - Greendrop programme | WWP2304 | | | | | | 1 500 | 2 331 | 250 | 250 | - | - |
| EBENEZER (PORTION 3) 725 | Construction of sewer reticulation for 255 erven | WWP2312 | | | | | | 11 200 | 8 624 | 7 000 | 7 000 | - | - |
| EBENEZER (PORTION 4) 708 | Construction of sewer reticulation for 134 erven | WWP2312 | | | | | | 9 923 | 7 641 | 5 250 | 5 250 | - | - |
| KURLAND (1500) | Construction of sewer reticulation for 250 erven | WWP2312 | | | | | | 2 328 | - | - | - | - | - |
| WATER SERVICES: WATER DISTRIBUTION | | | | | | | | | | | | | |
| LABORATORY EQUIPMENT | Replace and upgrade aging laboratory equipment Plet Witv | WTR2042 | | | | | | 250 | 214 | 300 | 300 | - | - |
| TOOLS AND EQUIPMENT | GENERAL TOOLS & EQUIPMENT | WTR2301 | | | | | | 200 | 166 | 250 | 250 | - | - |
| KURLAND: UPGRADE WTW | UPGRADE WORKS FROM 0.6 TO 1.2MI | WTR2303 | | | | | | 3 290 | 653 | 3 588 | 3 588 | - | - |
| KURLAND: UPGRADE WTW | UPGRADE WORKS FROM 0.6 TO 1.2MI | WTR2303 | | | | | | 2 167 | - | 2 167 | 2 167 | - | - |
| REPLACEMENT OF AC PIPES | REPLACEMENT OF AC PIPES | WTR2304 | | | | | | 1 914 | 1 794 | - | - | 2 000 | 2 000 |
| WATER DEMAND MANAGEMENT | Domestic meters and water saving devices | WTR2205 | | | | | | 200 | 390 | 250 | 250 | - | - |
| NATURES VALLEY RESERVOIR | NATURES VALLEY RESERVOIR UPGRADE | WAT2211 | | | | | | 6 060 | 374 | 5 686 | 5 686 | - | - |
| EBENEZER (PORTION 3) 725 | Construction of water reticulation for 255 erven | WTR2312 | | | | | | 6 400 | 4 928 | 4 000 | 4 000 | - | - |
| EBENEZER (PORTION 4) 708 | Construction of water reticulation for 134 erven | WTR2312 | | | | | | 5 670 | 4 366 | 3 000 | 3 000 | - | - |
| KURLAND (1500) | Construction of water reticulation for 250 erven | WTR2311 | | | | | | 1 330 | - | - | - | - | - |
| ELECTRICAL AND MECHANICAL ENGINEERING SERVICES | | | | | | | | | | | | | |
| SCADA SYSTEMS | Master Plan Project: Supply and Install Scada Systems at various substations to facilitate effective Outage Management the future Smart Grid Automation for Renewable Energy Projects | ELE2303 | | | | | | 879 | - | 1 645 | 1 645 | 950 | 950 |
| BRAKKLOOF NEW 20MVA 66/11KV TRF | Masterplan Project: Brakkloof 66KV New 20MVA Transformer for firm capacity and allow for maintenance on existing Transformers | ELE2206 | | | | | | 7 661 | 1 374 | 15 118 | 15 118 | - | - |
| ELECTRIFICATION OF INFORMAL SETTLEMENT | New/Upgrade of Electrical Networks in Informal Settlements in the greater Bitou Area | ELE2204 | | | | | | 3 876 | 835 | 3 541 | 3 541 | 800 | 800 |
| ELECTRIFICATION OF 204 HOUSEHOLD FOR EBENEZER PH | ELECTRIFICATION OF 204 HOUSEHOLD FOR EBENEZER PHASE A | EBER2024 | | | | | | 1 470 | 282 | 1 188 | 1 188 | - | - |
| NEW HIGH MAST LIGHTS | High Mast Lights with Backup Supply In greater Bitou Area | ELE2309 | | | | | | 799 | 1 199 | 700 | 700 | 720 | 720 |
| ELECTRIFICATION OF EBENEZER | ELECTRIFICATION OF EBENEZER | ELE2317 | | | | | | 4 500 | 1 696 | 8 022 | 8 022 | - | - |
| PARKS AND RECREATION: PARKS MAINTENANCE AND HORTICULTURE | | | | | | | | | | | | | |
| UPGRADING OF KRANSHOEK SPORTFIELD FLOODLIGHTING | UPGRADING OF KRANSHOEK SPORTFIELD FLOODLIGHTING | HOR2301 | | | | | | 725 | 580 | - | - | - | - |
| UPGRADING OF GREENVALLEY SPORTFIELD FLOODLIGHTING | UPGRADING OF GREENVALLEY SPORTFIELD FLOODLIGHTING | HOR2209 | | | | | | - | 145 | - | - | 500 | 500 |
| FACILITIES & SERVICE CENTRES | | | | | | | | | | | | | |
| UPGRADING OF NEW HORIZONS COMMUNITY HALL | UPGRADING OF NEW HORIZONS COMMUNITY HALL | FAC2222 | | | | | | 152 | - | - | - | - | - |
| UPGRADING OF NEW HORIZONS COMMUNITY HALL | UPGRADING OF NEW HORIZONS COMMUNITY HALL | FAC2222 | | | | | | - | 152 | - | - | - | - |
| INTERGRATED WASTE MANAGEMENT | | | | | | | | | | | | | |
| KURLAND VILLAGE-WASTE DROP-OFF FACILITY | New Drop-off facilities at Kurland | WAS202 | | | | | | 1 800 | 200 | 1 600 | 1 600 | - | - |
| INFORMATION COMMUNICATION TECHNOLOGY (ICT) | | | | | | | | | | | | | |
| BITOU LAPTOP REPLACEMENT | Replacement of equipment older than 5 Years and not fit for purpose | IT01 | | | | | | 100 | 99 | 300 | 300 | 300 | 300 |
| BITOU COMPUTER OPERATIONAL SPARES & LOANS | Operational in nature / Loans while servicing or repairing | IT03 | | | | | | 200 | 199 | 200 | 200 | 200 | 200 |
| BITOU MOBILE DEVICES | For paper less agenda, workforce and meter reading readers | ICT13 | | | | | | 250 | 222 | 100 | 100 | 100 | 100 |
| BITOU REPAIRS MAINTENANCE & EQUIPMENT | Operational in nature / Replacement of failed capital item in the field | ICT101 | | | | | | 150 | 147 | 200 | 200 | 200 | 200 |
| BITOU NEW USERS | | ICT102 | | | | | | 200 | 360 | - | - | 200 | 200 |
| DEPARTMENTAL REQUESTS HUMAN RESOURCE MANAGEMENT | DEPARTMENTAL REQUESTS HUMAN RESOURCE MANAGEMENT | ICT116 | | | | | | 100 | 99 | - | - | - | - |
| WATERWORKS 2-WAY RADIOS | WATERWORKS 2-WAY RADIOS | ICT129 | | | | | | 48 | 48 | - | - | - | - |
| FIRE DEPARTMENT 2-WAY RADIOS | FIRE DEPARTMENT 2-WAY RADIOS | ICT131 | | | | | | 19 | 18 | - | - | - | - |
| LAW ENFORCEMENT 2 WAY RADIOS | LAW ENFORCEMENT 2 WAY RADIOS | ICT132 | | | | | | 120 | 119 | - | - | - | - |
| CORPORATE SERVICES BOARDROOM EQUIPMENT UPGRADE | CORPORATE SERVICES BOARDROOM EQUIPMENT UPGRADE | ICT133 | | | | | | 300 | 291 | - | - | - | - |
| SPEAKERS' OFFICE TABLE EQUIPMENT UPGRADE | SPEAKERS' OFFICE TABLE EQUIPMENT UPGRADE | ICT134 | | | | | | 12 | 9 | - | - | - | - |
| ENGINEERING SERVICES BOARDROOM EQUIPMENT UPGRADE | ENGINEERING SERVICES BOARDROOM EQUIPMENT UPGRADE | ICT135 | | | | | | 50 | 35 | - | - | - | - |
| DEVELOPMENT & PLANNING BOARDROOM EQUIPMENT UPGRADE | DEVELOPMENT & PLANNING BOARDROOM EQUIPMENT UPGRADE | ICT136 | | | | | | 12 | 9 | - | - | - | - |
| FINANCIAL SERVICES BOARDROOM (CFO OFFICE) EQUIPMENT UPGRADE | FINANCIAL SERVICES BOARDROOM (CFO OFFICE) EQUIPMENT UPGRADE | ICT137 | | | | | | 14 | 9 | - | - | - | - |
| ICT OFFICE FURNITURE & EQUIPMENT | ICT OFFICE FURNITURE & EQUIPMENT | ICT138 | | | | | | 20 | - | 20 | 20 | - | - |
| SCADA CONNECTIVITY | SCADA CONNECTIVITY | | | | | | | 75 | 9 | - | - | - | - |
| SIMUNYE CENTRE POWER AND SOLAR | SIMUNYE CENTRE POWER AND SOLAR | ICT162 | | | | | | 75 | 75 | - | - | - | - |
| KRANSHOEK POWER AND SOLAR | KRANSHOEK POWER AND SOLAR | ICT165 | | | | | | 125 | 125 | - | - | - | - |
| CUTTY SARK HIGH SITE BACKUP POWER AND SOLAR | CUTTY SARK HIGH SITE BACKUP POWER AND SOLAR | ICT171 | | | | | | 120 | - | - | - | - | - |
| PIESANGVALLEY HALL BACKUP POWER AND SOLAR | PIESANGVALLEY HALL BACKUP POWER AND SOLAR | ICT185 | | | | | | 50 | 50 | - | - | - | - |
| PORTABLE TWO WAY RADIOS X10 | PORTABLE TWO WAY RADIOS X10 | | | | | | | 120 | 119 | - | - | - | - |
| | | | | | | | | 121 310 | 79 199 | 108 574 | 108 574 | 19 620 | 19 620 |

WC047 Bitou - Table B8 Cash backed reserves/accumulated surplus reconciliation - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|----------------|--------------------|--------------------|--------------------|
| | | | | | | | | | | | +1 2025/26 | +2 2026/27 |
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | |
| R thousands | | A | A1 | B | C | D | E | F | G | H | | |
| Cash and investments available | | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 105 486 | 97 800 | - | - | - | - | 103 268 | 103 268 | 201 069 | 128 575 | 182 340 |
| Other current investments > 90 days | | - | - | - | - | - | - | 270 | 270 | (51 949) | (1 604) | (1 253) |
| Cash and investments available: | | 105 486 | 97 800 | - | - | - | - | 103 538 | 103 538 | 149 119 | 126 971 | 181 087 |
| Applications of cash and investments | | | | | | | | | | | | |
| Unspent conditional transfers | 2 | (14 676) | (17 643) | - | - | - | - | (23 560) | (23 560) | (41 202) | (33 399) | (33 536) |
| Statutory requirements | | (61 367) | 26 573 | - | - | - | - | (41 754) | (41 754) | (15 182) | (15 182) | (15 182) |
| Other working capital requirements | | (715) | 2 252 | | | | | 22 508 | 22 508 | 24 760 | 14 457 | 2 616 |
| Other provisions | | (91 103) | (91 103) | - | - | - | - | (43 167) | (43 167) | (134 271) | 48 081 | 48 089 |
| Reserves to be backed by cash/investments | | 25 500 | 25 500 | | | | | 51 181 | 51 181 | 76 681 | 76 681 | 76 681 |
| Total Application of cash and investments: | | (142 361) | (54 422) | - | - | - | - | (34 791) | (34 791) | (89 213) | 90 639 | 78 668 |
| Surplus(shortfall) | | 247 846 | 152 222 | - | - | - | - | 138 330 | 138 330 | 238 333 | 36 332 | 102 419 |
| | | | | | | | | | | | | |
| Other working capital requirements | | | | | | | | | | | | |
| Debtors | | 81 237 | 81 237 | | | | | | | 128 200 | 129 432 | 122 899 |
| Creditors due | | 80 522 | 83 489 | | | | | | | 152 960 | 143 889 | 125 515 |
| Total Other working capital requirements | | 715 | (2 252) | | | | | | | (24 760) | (14 457) | (2 616) |
| | | | | | | | | | | | | |
| Debtors collection assumptions: | | | | | | | | | | | | |
| Balance outstanding - debtors | | 97 241 | 97 241 | | | | | | | 154 401 | 152 717 | 142 196 |
| Estimate of debtors collection rate | | 83,54% | 83,54% | | | | | | | 83,03% | 84,75% | 86,43% |
| | | | | | | | | | | | | |
| Long term investments committed | | | | | | | | | | | | |
| Balance (Insert description; eg sinking fund) | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Reserves to be backed by cash/investments | | | | | | | | | | | | |
| Capital replacement | | 25 500 | 25 500 | | | | | | | 76 681 | 76 681 | 76 681 |
| Total Reserves to be backed by cash/investments | | 25 500 | 25 500 | | | | | | | 76 681 | 76 681 | 76 681 |

WC047 Bitou - Table B10 Basic service delivery measurement - 27/02/2025

| Description | Ref | Budget Year 2024/25 | | | | | | | | | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
|---|-----|---------------------|----------------|--------------|-----------------------|---------------------|-----------------------|----------------|----------------|--------------------|---------------------------|---------------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | | |
| | | | A1 | B | C | D | E | F | G | H | | |
| Household service targets | 1 | | | | | | | | | | | |
| Water: | | | | | | | | | | | | |
| Piped water inside dwelling | | - | - | 12 047 | 12 288 | 12 288 | 12 288 | 12 534 | 61 | 61 | - | - |
| Piped water inside yard (but not in dwelling) | | - | - | 3 609 | 3 645 | 3 645 | 3 645 | 3 682 | 18 | 18 | - | - |
| Using public tap (at least min.service level) | 2 | - | - | 1 407 | 1 421 | 1 421 | 1 421 | 1 435 | 7 | 7 | - | - |
| Other water supply (at least min.service level) | | - | - | 1 345 | 1 345 | 1 345 | 1 345 | 1 345 | 7 | 7 | - | - |
| Minimum Service Level and Above sub-total | | - | - | 18 | 19 | 19 | 19 | 19 | 94 | 94 | - | - |
| Other water supply (< min.service level) | 3,4 | - | - | 160 | 171 | - | - | 180 | 1 | 1 | - | - |
| Below Minimum Service Level sub-total | | - | - | 0 | 0 | - | - | 0 | 1 | 1 | - | - |
| Total number of households | 5 | - | - | 19 | 19 | 19 | 19 | 19 | 94 | 94 | - | - |
| Sanitation/sewerage: | | | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | - | - | 15 192 | 15 344 | 15 344 | 15 344 | 15 497 | 76 721 | 76 721 | - | - |
| Flush toilet (with septic tank) | | - | - | 396 | 396 | 396 | 396 | 396 | 1 980 | 1 980 | - | - |
| Chemical toilet | | - | - | 49 | 49 | 49 | 49 | 50 | 247 | 247 | - | - |
| Minimum Service Level and Above sub-total | | - | - | 15 637 | 15 789 | 15 789 | 15 789 | 15 943 | 78 949 | 78 949 | - | - |
| Other toilet provisions (< min.service level) | | - | - | 29 | 29 | 29 | 29 | 29 | 145 | 145 | - | - |
| No toilet provisions | | - | - | 52 | 52 | 52 | 52 | 52 | 260 | 260 | - | - |
| Below Minimum Service Level sub-total | | - | - | 81 | 81 | 81 | 81 | 81 | 405 | 405 | - | - |
| Total number of households | 5 | - | - | 15 718 | 15 870 | 15 870 | 15 870 | 16 024 | 79 354 | 79 354 | - | - |
| Energy: | | | | | | | | | | | | |
| Electricity - prepaid (> min.service level) | | - | - | 22 811 | 24 001 | 24 001 | 24 001 | 24 481 | 119 296 | 119 296 | - | - |
| Minimum Service Level and Above sub-total | | - | - | 22 811 | 24 001 | 24 001 | 24 001 | 24 481 | 119 296 | 119 296 | - | - |
| Total number of households | 5 | - | - | 22 811 | 24 001 | 24 001 | 24 001 | 24 481 | 119 296 | 119 296 | - | - |
| Refuse: | | | | | | | | | | | | |
| Removed less frequently than once a week | | - | - | 16 645 | 16 862 | 16 862 | 16 862 | 17 020 | 84 251 | 84 251 | - | - |
| Below Minimum Service Level sub-total | | - | - | 16 645 | 16 862 | 16 862 | 16 862 | 17 020 | 84 251 | 84 251 | - | - |
| Total number of households | 5 | - | - | 16 645 | 16 862 | 16 862 | 16 862 | 17 020 | 84 251 | 84 251 | - | - |
| Households receiving Free Basic Service | 15 | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | | 14 717 160 | 14 717 160 | - | - | - | - | 833 514 | 833 514 | 15 550 674 | 15 820 947 | 17 007 518 |
| Sanitation (free minimum level service) | | 30 726 000 | 30 726 000 | - | - | - | - | 81 737 | 81 737 | 30 807 737 | 32 876 820 | 35 178 197 |
| Electricity/other energy (50kwh per household per month) | | 6 360 191 | 6 360 191 | - | - | - | - | - | - | 6 360 191 | 7 053 451 | 7 822 277 |
| Refuse (removed at least once a week) | | 22 356 495 | 22 356 495 | - | - | - | - | (1 215 798) | (1 215 798) | 21 140 697 | 23 921 450 | 25 595 951 |
| Cost of Free Basic Services provided (R'000) | 16 | | | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | | 14 717 | 14 717 | - | - | - | - | 834 | 834 | 15 551 | 15 821 | 17 008 |
| Sanitation (free sanitation service to indigent households) | | 30 726 | 30 726 | - | - | - | - | 82 | 82 | 30 808 | 32 877 | 35 178 |
| Electricity/other energy (50kwh per indigent household per month) | | 6 360 | 6 360 | - | - | - | - | - | - | 6 360 | 7 053 | 7 822 |
| Refuse (removed once a week for indigent households) | | 22 356 | 22 356 | - | - | - | - | (1 216) | (1 216) | 21 141 | 23 921 | 25 596 |
| Total cost of FBS provided | | 74 160 | 74 160 | - | - | - | - | (301) | (301) | 73 859 | 79 673 | 85 604 |
| Highest level of free service provided | | | | | | | | | | | | |
| Property rates (R'000 value threshold) | | 350000 | 350000 | - | - | - | - | - | - | 350000 | - | - |
| Water (kilolitres per household per month) | | 6 | 6 | - | - | - | - | - | - | 6 | - | - |
| Sanitation (Rand per household per month) | | 569 | 569 | - | - | - | - | - | - | 569 | - | - |
| Electricity (kw per household per month) | | 50 | 50 | - | - | - | - | - | - | 50 | - | - |
| Refuse (average litres per week) | | 240 | 240 | - | - | - | - | - | - | 240 | - | - |
| Revenue cost of free services provided (R'000) | 17 | | | | | | | | | | | |
| Property rates exemptions, reductions and rebates and impermissible values in | | 6 133 | 6 133 | - | - | - | - | 587 | 587 | 6 719 | 6 623 | 6 987 |
| Total revenue cost of subsidised services provided | | 6 133 | 6 133 | - | - | - | - | 587 | 587 | 6 719 | 6 623 | 6 987 |

Municipal manager's quality certification

Municipal manager's quality certification

QUALITY CERTIFICATE

I, **MBULELO MEMANI** the Municipal Manager of Bitou Local Municipality, hereby certify that

- ☐ The monthly budget statement
- ☐ Quarterly report on the implementation of the budget and financial state of affairs of the municipality
- ☐ Mid-year budget and performance assessment
- ☒ The Municipal Adjustments budget

for the financial year 2024/25 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.



Signature _____

Print Name: **MBULELO MEMANI**

Municipal Manager of Bitou Local Municipality – WC047

Date **26 February 2025**