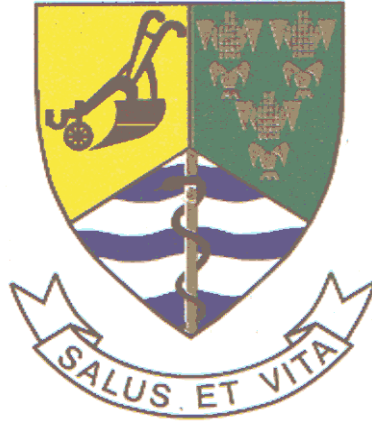


BELA-BELA LOCAL MUNICIPALITY



2ND SPECIAL ADJUSTMENT BUDGET FOR THE FINANCIAL YEAR 2024/2025

Compiled in terms of Section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) and Schedule B (In-Year Reports of Municipalities) of the Municipal Budget and Reporting Regulations

Acronyms and abbreviations

BSC	Budget Steering Committee
CFO	Chief Financial Officer
MM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DoRA	Division of Revenue Act
FBS	Free basic services
GVA	Gross Value Added
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
IBT	Inclining Block Tariff
IDP	Integrated Development Plan
kl	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour
l	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act (56 of 2003)
MIG	Municipal Infrastructure Grant
EXCO	Executive Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
PBO	Public Benefit Organisations
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan

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Part 1 – 2ND Special Adjustment Budget

1.1 Mayor's Report

The mayor's report on the will be tabled separately by the Mayor at the Municipal Council meeting.

1.2 Council Resolutions

In terms of sections 160(2) (b) of the Constitution ((Act 108 of 1996, as amended) and 28(4) of the Municipal Finance Management Act (56 of 2003), read with paragraph 23 of the Municipal Budget and Reporting Regulations (issued in terms of notice 393 of 2009), Council of Bela-Bela Local Municipality met on the 30 June 2025 where the Mayor tabled the 2024/2025 2nd Special Adjustment budget for adoption by Council. At the meeting, the Council took the following resolutions:

The Council of Bela-Bela Local Municipality, acting in terms of section 28 of the Municipal Finance Management Act, (Act 56 of 2003) Resolved: -

1. That the 2nd Special Adjustment budget for 2024/2025 financial year is noted.
2. That the 2nd Special Adjustment budget on the operational and capital expenditures for the 2024/2025 Financial Year is approved.
3. That the 2nd Special Adjustment of Revenue and Expenditure projections is approved to achieve a realistically achievable budget.
4. That the Accounting Officer adheres to section 22 of the Municipal Finance Management Act, read with paragraph 24(1) of the Municipal Budget and Reporting Regulations. The regulations require the municipal manager to submit the adjustment budget and supporting documentation to National Treasury and Provincial Treasury within ten (10) working days after tabling to Council, in both printed and electronic copies.

1.3 Executive Summary

The municipal original budget for fiscal year 2025 was approved in May 2024 - council resolution MC156/05/2024. This budget aimed to address key priorities included in the IDP. It included project allocations for various sectors within the municipality.

The current 2nd special adjustment budget is necessitated to revise the current budget due to acceleration and downwards on the operational revenue and expenditure. Furthermore, shifting funds in the capital projects based on the current status stages, not aborting the main aim of significantly continuing to enhance the municipal capacity to improve and expand essential infrastructure services to address the challenge of ageing infrastructure.

Following the assessment of the monthly budget statements which compare the approved budget versus the actual year to date. The outcome thereof indicated variances which then propelled the municipality to compile a proposed 2nd special adjustment budget to reflect realistic projections for the 2024/2025 financial year.

This executive summary provides the Council with a high-level overview of the changes to the original adjustment budget and prior adjustment as outlined above in the background section. It also highlights and explains key movements and trends, at a category level, which were identified during the compilation of the special adjustment budget.

Legislatively, this adjustment budget has been compiled in line with section 28 of the MFMA, read with Part 4 of the Municipal Budget and Reporting Regulations, which deal with adjustment budgets of municipalities. Section 28(2) of the MFMA states that:-

(1) 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 (in other words, there should not be new projects or programmes in the adjustments budget);
- c) may, within a prescribed framework, authorise unforeseen and unavoidable expenditure by the mayor of the municipality;
- d) may authorise the utilisation of projected savings in one vote towards spending under another vote;

- e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
- f) may correct any errors in the annual budget; and
- g) may provide for any other expenditure within a prescribed framework.

The following key factors were taken into consideration when preparing and compiling the 2024/2025 2nd Special adjustments budget, namely:

- a) The monthly budget statements published in terms of section 71 of the MFMA; and
- b) The restructuring of votes as result of continuance maintenance of the mSCOA set up.

Other key issues which were taken into consideration to ensure a Credible Budget were:

- a) Funds were allocated to activities which are consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the Municipality;
- b) Objectives are achievable in terms of the agreed service delivery and performance targets.
- c) Financial estimates comprise of revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- d) The increased expenditure does not jeopardize the financial viability of the municipality
i.e. ensures that the financial position is maintained within generally accepted prudent limits and that obligations can be met in the short, medium and long term.

The 2024/2025 2nd Special Adjustments budget will be published on the municipality's website and hard copies made available at municipal offices and municipal library.

Encompassed below are tables depicting proposed adjustments against the approved 2024/2025 prior adjustment budget.

Table 1: Summative 2nd Special Adjustment Budget Movements – 2024/2025 Financial Year

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted	Accum. Funds 4	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands	1											
Total Revenue (excluding capital transfers and contributions)		594 467	609 380	–	–	–	–	28 323	28 323	637 703	656 606	682 143
<u>Expenditure By Type</u>												
Total Expenditure		571 456	589 072	–	–	–	–	14 115	14 115	603 187	624 306	653 024
Surplus/(Deficit)		23 011	20 308	–	–	–	–	14 208	14 208	34 517	32 300	29 119
Transfers and subsidies - capital (monetary allocations)		93 465	142 049	–	–	–	–	(10 925)	(10 925)	131 124	151 051	137 606
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation		116 476	162 358	–	–	–	–	3 283	3 283	165 641	183 351	166 725
Income Tax		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		116 476	162 358	–	–	–	–	3 283	3 283	165 641	183 351	166 725
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		116 476	162 358	–	–	–	–	3 283	3 283	165 641	183 351	166 725
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	1	116 476	162 358	–	–	–	–	3 283	3 283	165 641	183 351	166 725

Below follows a synopsis of the 2nd Special Adjustment budget movements.

The total operational revenue is proposed to increase from R609.380 million to R609.703 million. The budget adjustment per line item and the factors considered are explained as follows:

- (a) Service charges - Electricity is proposed for a marginal increase of R 915 thousand due to seasonal higher electricity consumption (and revenue) than anticipated in the 1st special adjustment budget. As of the end month 11 the actual-to-date revenue was higher than the actual-to-date budget.
- (b) Service charges - Water is proposed for a marginal increase of R402 thousand due to lower than anticipated actual billing, which is attributable to reading estimates arising from faulty water meters.
- (c) Interest earned from Receivables is proposed for an increase of R2.000 million emanating from the increase in the debt book balance and consequently more interest than anticipated in the 1st special adjustment budget. The municipality is implementing measures to reduce the debt book balance and increase the collection rate. Increase in collection rate on the outstanding debt will reduce provision for debt impairment.
- (d) Interest earned from Current and Non-Current Assets, more interest than anticipated in the 1st special adjustment budget has been earned from the primary bank account and short-term investments to date.

- (e) Fines, penalties and forfeits, a significant increase of R24.738 million due to the current actual which serves as a baseline for the significant variance increase

Table 2: Revenue Sources Adjustment Budget Movements – 2024/2025 Financial Year.

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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 By Source												
Exchange Revenue												
Service charges - Electricity	2	160 362	167 158	–	–	–	–	915	915	168 073	189 484	198 200
Service charges - Water	2	60 665	51 473	–	–	–	–	(0)	(0)	51 473	50 250	52 562
Service charges - Waste Water Management	2	22 126	22 869	–	–	–	–	(0)	(0)	22 868	26 128	27 330
Service charges - Waste Management	2	10 376	10 876	–	–	–	–	–	–	10 876	11 267	11 786
Sale of Goods and Rendering of Services		1 487	1 358	–	–	–	–	408	408	1 766	1 400	1 464
Agency services		4 906	4 906	–	–	–	–	–	–	4 906	6 000	6 276
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		11 119	12 933	–	–	–	–	2 007	2 007	14 941	15 389	16 097
Interest earned from Current and Non Current Assets		2 350	4 230	–	–	–	–	538	538	4 768	5 000	5 230
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1 147	1 172	–	–	–	–	(0)	(0)	1 171	1 223	1 279
Licence and permits		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		2 110	504	–	–	–	–	142	142	646	2 470	2 584
Non-Exchange Revenue												
Property rates	2	121 077	121 077	–	–	–	–	(0)	(0)	121 076	115 924	121 256
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		33 610	33 490	–	–	–	–	24 738	24 738	58 228	43 548	45 551
Licences or permits		2 070	2 425	–	–	–	–	–	–	2 425	3 447	3 605
Transfer and subsidies - Operational		144 449	144 449	–	–	–	–	(0)	(0)	144 449	151 036	153 792
Interest		16 613	16 613	–	–	–	–	(846)	(846)	15 767	17 045	17 829
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	3 450	–	–	–	–	422	422	3 872	3 595	3 760
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	10 398	–	–	–	–	–	–	10 398	13 398	13 539
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		594 467	609 380	–	–	–	–	28 323	28 323	637 703	656 606	682 143

The total operational revenue is R609.380 million as depicted in the table above.

Table 3: Expenditure Adjustment Budget Movements – 2024/2025 Financial Year

Description R thousands	Ref 1	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 3 A1	Accu- m. Fund s 4 B	Multi-year capital 5 C	Unfore- Unavoid- 6 D	Nat. or Prov. Govt 7 E	Other Adjust- s. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
		A										
Expenditure By Type												
Employee related costs		177 222	174 880	–	–	–	–	4 326	4 326	179 206	180 616	188 610
Remuneration of councillors		9 236	9 432	–	–	–	–	–	–	9 432	9 715	10 161
Bulk purchases - electricity		166 550	166 550	–	–	–	–	(9 800)	(9 800)	156 750	178 230	186 428
Inventory consumed		29 814	31 068	–	–	–	–	(406)	(406)	30 662	36 309	37 979
Debt impairment		14 686	14 686	–	–	–	–	20 083	20 083	34 769	22 714	23 758
Depreciation and amortisation		39 862	42 393	–	–	–	–	809	809	43 202	44 944	47 011
Interest		17 000	18 634	–	–	–	–	(0)	(0)	18 634	18 612	19 468
Contracted services		56 493	76 731	–	–	–	–	(1 492)	(1 492)	75 239	84 683	88 578
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–
Operational costs		58 593	52 698	–	–	–	–	594	594	53 292	48 485	51 029
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		2 000	2 000	–	–	–	–	–	–	2 000	–	–
Total Expenditure		571 456	589 072	–	–	–	–	14 115	14 115	603 187	624 306	653 024

Table 3: Expenditure Adjustment Budget Movements – 2024/2025 Financial Year

The total expenditure of R603 187 million is shown in the above table, which also indicates a total proposed upward adjustment of R14.115 million. The adjustments to the line items are as follows:

- Employee-related costs are proposed to an increase of R4.326 million as some of the budgeted vacant positions are filled,
- Bulk electricity has a reduction resulting in a saving of R9.800 million based on the actual to date and realistic estimate of the final billing invoice from Eskom.
- Inventory consumed is proposed for a further reduction of R406 thousand due to the shifting of funds from other expenditure types due to the reprioritization of programmes.
- Debt impairment, proposed increase of R20.083 million resulting in the current assessment on the recoverable debt.

Contacted services- a decrease of R1.492 million is recognized as a saving to be utilized in other segments, particularly contributing to the increase on debt impairment.

1.4 2nd Special Adjustment budget Tables

The discussion below presents the ten (10) main adjustments budget tables as required in terms of section Schedule B of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2024/2025 2nd Special Adjustments budget as approved by the Council. Each table is accompanied by *explanatory notes* on the following page.

Table 4: MBRR - LIM366 Bela-Bela – Table 4- B1 Adjustments Budget Summary

LIM366 Bela Bela - Table B1 Adjustments Budget Summary

Description	2024/25									Budget Year 2025/26	Budget Year 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
	A	A1	B	C	D	E	F	G	H		
R thousands											
<u>Financial Performance</u>											
Property rates	121 077	121 077	–	–	–	–	(0)	(0)	121 076	115 924	121 256
Service charges	253 529	252 375	–	–	–	–	915	915	253 290	277 130	289 878
Investment revenue	2 350	4 230	–	–	–	–	538	538	4 768	5 000	5 230
Transfers recognised - operational	144 449	144 449	–	–	–	–	(0)	(0)	144 449	151 036	153 792
Other own revenue	73 062	87 249	–	–	–	–	26 871	26 871	114 120	107 516	111 987
Total Revenue (excluding capital transfers and contributions)	594 467	609 380	–	–	–	–	28 323	28 323	637 703	656 606	682 143
Employee costs	177 222	174 880	–	–	–	–	4 326	4 326	179 206	180 616	188 610
Remuneration of councillors	9 236	9 432	–	–	–	–	–	–	9 432	9 715	10 161
Depreciation & asset impairment	54 548	57 079	–	–	–	–	20 893	20 893	77 972	67 657	70 769
Finance charges	17 000	18 634	–	–	–	–	(0)	(0)	18 634	18 612	19 468
Inventory consumed and bulk purchases	196 364	197 618	–	–	–	–	(10 206)	(10 206)	187 412	214 539	224 408
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	117 085	131 429	–	–	–	–	(898)	(898)	130 531	133 168	139 607
Total Expenditure	571 456	589 072	–	–	–	–	14 115	14 115	603 187	624 306	653 024
Surplus/(Deficit)	23 011	20 308	–	–	–	–	14 208	14 208	34 517	32 300	29 119
Transfers and subsidies - capital (monetary allocations)	93 465	142 049	–	–	–	–	(10 925)	(10 925)	131 124	151 051	137 606
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	116 476	162 358	–	–	–	–	3 283	3 283	165 641	183 351	166 725
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	116 476	162 358	–	–	–	–	3 283	3 283	165 641	183 351	166 725
<u>Capital expenditure & funds sources</u>											
Capital expenditure	97 284	136 155	–	–	–	–	(6 936)	(6 936)	129 220	152 011	138 130
Transfers recognised - capital	81 274	123 381	–	–	–	–	(9 360)	(9 360)	114 021	131 349	119 657
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	16 010	12 774	–	–	–	–	2 425	2 425	15 199	20 662	18 472
Total sources of capital funds	97 284	136 155	–	–	–	–	(6 936)	(6 936)	129 220	152 011	138 130
<u>Financial position</u>											
Total current assets	502 980	404 008	–	–	–	–	38 746	38 746	442 754	482 780	540 749
Total non current assets	1 268 922	1 084 668	–	–	–	–	(8 514)	(8 514)	1 076 154	1 102 641	1 086 881
Total current liabilities	365 244	327 289	–	–	–	–	26 949	26 949	354 237	380 844	384 003
Total non current liabilities	194 901	348 912	–	–	–	–	–	–	348 912	173 982	163 647
Community wealth/Equity	1 211 757	812 476	–	–	–	–	3 283	3 283	815 759	1 032 893	1 082 384
<u>Cash flows</u>											
Net cash from (used)	110 217	151 558	–	–	–	–	25 124	25 124	176 682	192 033	156 981
operating Net cash from	(97 284)	(141 141)	–	–	–	–	6 936	6 936	(134 205)	(152 011)	(138 130)
(used) investing Net cash	–	(0)	–	–	–	–	0	0	0	–	–
from (used) financing	33 558	35 688	–	–	–	–	32 059	32 059	67 747	65 293	89 144
Cash/cash equivalents at the year end											
<u>Cash backing/surplus</u>											
reconciliation Cash and	33 558	35 688	–	–	–	–	32 059	32 059	67 747	70 293	94 374
investments available Application	(76	(17	–	–	–	–	23 656	23 656	6 605	(26	(38
of cash and investments	199)	051)	–	–	–	–	8 403	8 403	61 142	465)	(758)
Balance - surplus (shortfall)	109 758	52 739								96 758	133 132
<u>Asset Management</u>											
Asset register summary (WDV)	1 184 500	957 340	–	–	–	–	846	846	958 186	870 661	866 339
Depreciation	39 862	42 393	–	–	–	–	809	809	43 202	44 944	47 011
Renewal and Upgrading of Existing Assets	46 655	82 821	–	–	–	–	(3 783)	(3 783)	79 038	90 015	81 702
Repairs and Maintenance	14 630	15 983	–	–	–	–	(2 816)	(2 816)	13 167	25 040	26 192
Free services											
Cost of Free Basic Services provided	44 407	–	–	–	–	–	–	(8 765)	35 642	39 671	41 496
Revenue cost of free services provided	47 833	–	–	–	–	–	–	–	47 833	50 712	53 044
<u>Households below minimum service level</u>											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table 4- B1 Budget Summary

Table 4- B1 is the adjustments budget summary and provides a concise overview of the municipality's budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

Special adjusted budget still depicts a surplus of R20.308 million from prior adjustment budget surplus of R20.308 million. The surplus remains the same as no movement occurred on the operational budget.

Financial management reforms emphasis the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard.

Table 5 Explanatory notes to MBRR Table 5- B2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		317 876	328 442	–	–	–	–	24 699	24 699	353 141	343 477	356 130
Executive and council		–	–	–	–	–	–	–	–	–	–	–
Finance and administration		317 876	328 442	–	–	–	–	24 699	24 699	353 141	343 477	356 130
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		7 531	7 835	–	–	–	–	49	49	7 884	9 965	10 424
Community and social services		564	519	–	–	–	–	48	48	567	538	563
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–
Public safety		6 967	7 316	–	–	–	–	1	1	7 317	9 428	9 861
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		30 914	50 364	–	–	–	–	(10 854)	(10 854)	39 511	45 483	37 292
Planning and development		2 764	2 777	–	–	–	–	71	71	2 848	5 432	5 730
Road transport		28 150	47 587	–	–	–	–	(10 925)	(10 925)	36 662	40 051	31 562
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		331 611	364 788	–	–	–	–	3 504	3 504	368 292	408 732	415 903
Energy sources		182 206	188 800	–	–	–	–	1 101	1 101	189 901	208 891	214 672
Water management		111 288	132 534	–	–	–	–	1 692	1 692	134 226	151 677	152 420
Waste water management		26 740	30 056	–	–	–	–	429	429	30 485	34 022	34 018
Waste management		11 377	13 398	–	–	–	–	282	282	13 680	14 142	14 793
Other		–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	687 932	751 429	–	–	–	–	17 398	17 398	768 827	807 657	819 749
Expenditure - Functional												
Governance and administration		176 376	183 824	–	–	–	–	760	760	184 584	170 300	178 134
Executive and council		29 385	30 209	–	–	–	–	765	765	30 974	25 374	26 541
Finance and administration		142 887	149 389	–	–	–	–	(5)	(5)	149 385	140 065	146 508
Internal audit		4 104	4 225	–	–	–	–	(0)	(0)	4 225	4 861	5 084
Community and public safety		55 690	64 177	–	–	–	–	168	168	64 345	78 897	82 526
Community and social services		32 990	35 929	–	–	–	–	269	269	36 197	39 433	41 247
Sport and recreation		2 806	2 033	–	–	–	–	(0)	(0)	2 033	2 510	2 625
Public safety		19 894	26 216	–	–	–	–	(101)	(101)	26 115	36 954	38 654
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		47 381	44 874	–	–	–	–	3 175	3 175	48 050	49 337	51 606
Planning and development		15 877	16 516	–	–	–	–	616	616	17 132	17 491	18 295
Road transport		31 504	28 359	–	–	–	–	2 559	2 559	30 918	31 846	33 311
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		292 009	296 196	–	–	–	–	10 011	10 011	306 207	325 773	340 758
Energy sources		199 350	196 984	–	–	–	–	(10 629)	(10 629)	186 354	215 413	225 322
Water management		58 268	57 132	–	–	–	–	2 141	2 141	59 273	66 497	69 555
Waste water management		13 192	13 949	–	–	–	–	15 315	15 315	29 264	14 047	14 694

Waste management		21 199	28 131	-	-	-	-	3 185	3 185	31 316	29 816	31 187
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	571 456	589 072	-	-	-	-	14 115	14 115	603 187	624 306	653 024
Surplus/ (Deficit) for the year		116 476	162 358	-	-	-	-	3 283	3 283	165 641	183 351	166 725

1. Table 5- B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enable the National Treasury to compile 'whole of government' reports; and
2. Table 5- B2 is a reproduction of Table B1 in GFA format so the aggregate figures of these tables are the same.

Table 6: MBRR Table B3 - LIM366 Bela-Bela – Table 6-B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description <i>[Insert departmental structure etc]</i>	Ref	2024/25									Budget Year 2025/26	Budget Year 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	A1	B	C	D	E	F	G	H		
R thousands												
Revenue by Vote	1											
Vote 1 - Budget and Treasury		316 597	327 034	-	-	-	-	24 698	24 698	351 732	341 972	354 818
Vote 2 - Corporate Services		1 279	1 408	-	-	-	-	1	1	1 409	1 505	1 313
Vote 3 - Mayor		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Economic Development		1 282	1 295	-	-	-	-	71	71	1 367	3 890	4 069
Vote 7 - Social and Community Services		18 908	21 233	-	-	-	-	331	331	21 564	24 108	25 217
Vote 8 - Speaker		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		348 384	398 977	-	-	-	-	(7 703)	(7 703)	391 274	434 641	432 672
Vote 10 - Technical Services		1 482	1 482	-	-	-	-	-	-	1 482	1 542	1 661
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	687 932	751 429	-	-	-	-	17 398	17 398	768 827	807 657	819 749
Expenditure by Vote	1											
Vote 1 - Budget and Treasury		94 033	96 157	-	-	-	-	(292)	(292)	95 864	84 367	88 248
Vote 2 - Corporate Services		43 168	48 022	-	-	-	-	157	157	48 179	48 492	50 723
Vote 3 - Mayor		4 117	2 453	-	-	-	-	421	421	2 874	3 422	3 579
Vote 4 - Municipal Manager		21 243	22 765	-	-	-	-	175	175	22 940	18 249	19 089
Vote 5 - Internal Audit		4 104	4 225	-	-	-	-	(0)	(0)	4 225	4 861	5 084
Vote 6 - Planning and Economic Development		12 025	13 267	-	-	-	-	147	147	13 415	15 071	15 764
Vote 7 - Social and Community Services		76 889	92 308	-	-	-	-	3 353	3 353	95 661	108 712	113 713
Vote 8 - Speaker		9 712	10 201	-	-	-	-	300	300	10 501	10 909	11 411
Vote 9 - Technical Services		302 314	296 424	-	-	-	-	9 386	9 386	305 809	327 803	342 882
Vote 10 - Technical Services		3 852	3 248	-	-	-	-	469	469	3 717	2 420	2 531
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-

Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	571 456	589 072	-	-	-	-	14 115	14 115	603 187	624 306	653 024
Surplus/ (Deficit) for the year	2	116 476	162 358	-	-	-	-	3 283	3 283	165 641	183 351	166 725

Explanatory notes to MBRR Table 6- B3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table 6 - B3 is an overview of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table 7: MBRR - LIM366 Bela-Bela – Table 7- B4 Adjustments Budget Financial Performance (revenue and expenditure)

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
		A	A1	B	5 C	6 D	7 E	8 F	9 G	H		
R thousands	1											
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	160 362	167 158	-	-	-	-	915	915	168 073	189 484	198 200
Service charges - Water	2	60 665	51 473	-	-	-	-	(0)	(0)	51 473	50 250	52 562
Service charges - Waste Water Management	2	22 126	22 869	-	-	-	-	(0)	(0)	22 868	26 128	27 330
Service charges - Waste Management	2	10 376	10 876	-	-	-	-	-	-	10 876	11 267	11 786
Sale of Goods and Rendering of Services		1 487	1 358	-	-	-	-	408	408	1 766	1 400	1 464
Agency services		4 906	4 906	-	-	-	-	-	-	4 906	6 000	6 276
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		11 119	12 933	-	-	-	-	2 007	2 007	14 941	15 389	16 097
Interest earned from Current and Non Current Assets		2 350	4 230	-	-	-	-	538	538	4 768	5 000	5 230
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 147	1 172	-	-	-	-	(0)	(0)	1 171	1 223	1 279
Licence and permits		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		2 110	504	-	-	-	-	142	142	646	2 470	2 584
Non-Exchange Revenue												
Property rates	2	121 077	121 077	-	-	-	-	(0)	(0)	121 076	115 924	121 256
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		33 610	33 490	-	-	-	-	24 738	24 738	58 228	43 548	45 551
Licences or permits		2 070	2 425	-	-	-	-	-	-	2 425	3 447	3 605
Transfer and subsidies - Operational		144 449	144 449	-	-	-	-	(0)	(0)	144 449	151 036	153 792
Interest		16 613	16 613	-	-	-	-	(846)	(846)	15 767	17 045	17 829
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	3 450	-	-	-	-	422	422	3 872	3 595	3 760
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	10 398	-	-	-	-	-	-	10 398	13 398	13 539
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		594 467	609 380	-	-	-	-	28 323	28 323	637 703	656 606	682 143
Expenditure By Type												
Employee related costs		177 222	174 880	-	-	-	-	4 326	4 326	179 206	180 616	188 610
Remuneration of councillors		9 236	9 432	-	-	-	-	-	-	9 432	9 715	10 161
Bulk purchases - electricity		166 550	166 550	-	-	-	-	(9 800)	(9 800)	156 750	178 230	186 428
Inventory consumed		29 814	31 068	-	-	-	-	(406)	(406)	30 662	36 309	37 979
Debt impairment		14 686	14 686	-	-	-	-	20 083	20 083	34 769	22 714	23 758
Depreciation and amortisation		39 862	42 393	-	-	-	-	809	809	43 202	44 944	47 011
Interest		17 000	18 634	-	-	-	-	(0)	(0)	18 634	18 612	19 468
Contracted services		56 493	76 731	-	-	-	-	(1 492)	(1 492)	75 239	84 683	88 578

Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-
Operational costs		58 593	52 698	-	-	-	-	594	594	53 292	48 485	51 029
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		2 000	2 000	-	-	-	-	-	-	2 000	-	-
Total Expenditure		571 456	589 072	-	-	-	-	14 115	14 115	603 187	624 306	653 024
Surplus/(Deficit)		23 011	20 308	-	-	-	-	14 208	14 208	34 517	32 300	29 119
Transfers and subsidies - capital (monetary allocations)		93 465	142 049	-	-	-	-	(10 925)	(10 925)	131 124	151 051	137 606
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		116 476	162 358	-	-	-	-	3 283	3 283	165 641	183 351	166 725
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		116 476	162 358	-	-	-	-	3 283	3 283	165 641	183 351	166 725
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		116 476	162 358	-	-	-	-	3 283	3 283	165 641	183 351	166 725
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	116 476	162 358	-	-	-	-	3 283	3 283	165 641	183 351	166 725

Explanatory notes to Table 7- B4 Budgeted Financial Performance (revenue and expenditure)

1. Total operating revenue has been adjusted from R609 380. prior adjustment budget of R637 703 million.
2. Total operating expenditure was also adjusted from 2024/2025 prior R589 072 adjustment budget to R603 187 million.

Table 8: MBRR - LIM366 Bela-Bela – Table 8- B5 Adjustments Capital Expenditure Budget by vote and funding

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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 1 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Mayor		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Economic Development		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Social and Community Services		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Speaker		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - Budget and Treasury		520	150	-	-	-	-	-	-	150	80	-

Vote 2 - Corporate Services		2 455	2 124	-	-	-	-	552	552	2 676		3 200	2 197
Vote 3 - Mayor		-	-	-	-	-	-	-	-	-		-	-
Vote 4 - Municipal Manager		525	300	-	-	-	-	(200)	(200)	100		-	-
Vote 5 - Internal Audit		-	-	-	-	-	-	-	-	-		300	314
Vote 6 - Planning and Economic Development		1 000	(0)	-	-	-	-	(0)	(0)	(0)		500	-
Vote 7 - Social and Community Services		16 115	20 802	-	-	-	-	(2 874)	(2 874)	17 928		8 177	1 513
Vote 8 - Speaker		-	-	-	-	-	-	-	-	-		-	-
Vote 9 - Technical Services		76 669	112 779	-	-	-	-	(4 414)	(4 414)	108 365		139 754	134 106
Vote 10 - Technical Services		-	-	-	-	-	-	-	-	-		-	-
Vote 11 -		-	-	-	-	-	-	-	-	-		-	-
Vote 12 -		-	-	-	-	-	-	-	-	-		-	-
Vote 13 -		-	-	-	-	-	-	-	-	-		-	-
Vote 14 -		-	-	-	-	-	-	-	-	-		-	-
Vote 15 -		-	-	-	-	-	-	-	-	-		-	-
Capital single-year expenditure sub-total		97 284	136 155	-	-	-	-	(6 936)	(6 936)	129 220		152 011	138 130
Total Capital Expenditure - Vote		97 284	136 155	-	-	-	-	(6 936)	(6 936)	129 220		152 011	138 130
Capital Expenditure - Functional													
Governance and administration		3 500	2 574	-	-	-	-	352	352	2 926		3 580	2 510
Executive and council		-	-	-	-	-	-	-	-	-		-	-
Finance and administration		3 500	2 574	-	-	-	-	352	352	2 926		3 280	2 197
Internal audit		-	-	-	-	-	-	-	-	-		300	314
Community and public safety		3 064	2 456	-	-	-	-	(0)	(0)	2 456		1 561	1 199
Community and social services		685	153	-	-	-	-	(0)	(0)	153		411	1 199
Sport and recreation		2 219	2 219	-	-	-	-	(0)	(0)	2 219		-	-
Public safety		160	85	-	-	-	-	-	-	85		1 150	-
Housing		-	-	-	-	-	-	-	-	-		-	-
Health		-	-	-	-	-	-	-	-	-		-	-
Economic and environmental services		10 374	21 498	-	-	-	-	(5 455)	(5 455)	16 044		28 950	26 612
Planning and development		1 000	(0)	-	-	-	-	(0)	(0)	(0)		500	-
Road transport		9 374	21 498	-	-	-	-	(5 455)	(5 455)	16 044		28 450	26 612
Environmental protection		-	-	-	-	-	-	-	-	-		-	-
Trading services		80 347	109 627	-	-	-	-	(1 833)	(1 833)	107 794		117 920	107 808
Energy sources		25 665	23 715	-	-	-	-	1 489	1 489	25 204		25 752	23 608
Water management		11 435	22 625	-	-	-	-	(3 983)	(3 983)	18 642		57 338	69 455
Waste water management		30 195	44 941	-	-	-	-	3 535	3 535	48 476		28 213	14 432
Waste management		13 051	18 346	-	-	-	-	(2 874)	(2 874)	15 472		6 616	314
Other		-	-	-	-	-	-	-	-	-		-	-
Total Capital Expenditure - Functional	3	97 284	136 155	-	-	-	-	(6 936)	(6 936)	129 220		152 011	138 130
Funded by:													
National Government		81 274	123 381	-	-	-	-	(9 360)	(9 360)	114 021		131 349	119 657
Provincial Government		-	-	-	-	-	-	-	-	-		-	-
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	81 274	123 381	-	-	-	-	(9 360)	(9 360)	114 021		131 349	119 657
Borrowing		-	-	-	-	-	-	-	-	-		-	-
Internally generated funds		16 010	12 774	-	-	-	-	2 425	2 425	15 199		20 662	18 472
Total Capital Funding		97 284	136 155	-	-	-	-	(6 936)	(6 936)	129 220		152 011	138 130

Explanatory notes to Table 8- B5 Budgeted Capital Expenditure by vote, standard classification, and funding source

Table 8 -B5 above depicts capital expenditure per functional classification and the source of funding. The capital budget is funded largely through capital grants allocations in line with the Division of Revenue Act. The capital expenditure is reflected exclusive of VAT as the municipality is a registered vendor in terms of the VAT Act.

Table 9: MBRR - LIM366 Bela-Bela – Table 9- B6 Adjustments Budget Financial Position

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavold. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash and cash equivalents		33 558	35 688	–	–	–	–	32 059	32 059	67 747	70 293	94 374
Trade and other receivables from exchange transactions	1	161 640	104 338	–	–	–	–	(18 919)	(18 919)	85 419	131 602	145 545
Receivables from non-exchange transactions	1	122 131	81 000	–	–	–	–	8 763	8 763	89 763	88 078	107 952
Current portion of non-current receivables	2	–	–	–	–	–	–	–	–	–	–	–
Inventory		8 709	1 055	–	–	–	–	2 445	2 445	3 500	989	993
VAT		176 941	181 927	–	–	–	–	14 398	14 398	196 324	190 863	190 930
Other current assets		–	–	–	–	–	–	–	–	–	955	955
Total current assets		502 980	404 008	–	–	–	–	38 746	38 746	442 754	482 780	540 749
Non current assets												
Investments		–	–	–	–	–	–	–	–	–	–	–
Investment property		290 992	68 000	–	–	–	–	–	–	68 000	70 458	70 596
Property, plant and equipment	3	975 951	1 013 976	–	–	–	–	(9 006)	(9 006)	1 004 970	1 029 046	1 013 121
Biological assets		–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		565	565	–	–	–	–	–	–	565	539	539
Intangible assets		1 265	1 980	–	–	–	–	492	492	2 472	2 458	2 485
Trade and other receivables from exchange transactions		147	147	–	–	–	–	–	–	147	141	141
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–	–
Total non current assets		1 268 922	1 084 668	–	–	–	–	(8 514)	(8 514)	1 076 154	1 102 641	1 086 881
TOTAL ASSETS		1 771 902	1 488 676	–	–	–	–	30 232	30 232	1 518 908	1 585 421	1 627 630
LIABILITIES												
Current liabilities												
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–
Financial liabilities		–	(0)	–	–	–	–	0	0	(0)	–	–
Consumer deposits		7 296	7 296	–	–	–	–	–	–	7 296	7 239	7 239
Trade and other payables from exchange transactions		174 627	127 670	–	–	–	–	15 569	15 569	143 239	177 290	178 511
Trade and other payables from non-exchange transactions		(0)	–	–	–	–	–	10 925	10 925	10 925	0	0
Provisions		2 623	11 625	–	–	–	–	604	604	12 230	5 933	5 933
VAT		180 698	180 698	–	–	–	–	(150)	(150)	180 548	190 383	192 320
Other current liabilities		–	–	–	–	–	–	–	–	–	–	–
Total current liabilities		365 244	327 289	–	–	–	–	26 949	26 949	354 237	380 844	384 003
Non current liabilities												
Borrowing	1	–	–	–	–	–	–	–	–	–	4 015	4 015
Provisions	1	109 837	284 517	–	–	–	–	–	–	284 517	107 419	107 419
Long term portion of trade payables		31 005	10 335	–	–	–	–	–	–	10 335	10 335	–
Other non-current liabilities		54 059	54 059	–	–	–	–	–	–	54 059	52 213	52 213
Total non current liabilities		194 901	348 912	–	–	–	–	–	–	348 912	173 982	163 647
TOTAL LIABILITIES		560 145	676 200	–	–	–	–	26 949	26 949	703 149	554 826	547 650
NET ASSETS	2	1 211 757	812 476	–	–	–	–	3 283	3 283	815 759	1 030 595	1 079 981
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 211 757	812 476	–	–	–	–	3 283	3 283	815 759	1 032 893	1 082 384
Funds and Reserves		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		1 211 757	812 476	–	–	–	–	3 283	3 283	815 759	1 032 893	1 082 384

Explanatory notes to Table 9- B6 Budgeted Financial Position

1. Table 9- B6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in

order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

3. Table 9- B6 is supported by an extensive table of notes providing a detailed analysis of the major components of several items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current liabilities;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.
6. The adjustments on the Statement of Financial Position were done to improve alignment with the actuals in the Audited Annual Financial Statements 2023/2024 and actual year to date 2024/2025 financial year.

Table 10: MBRR - LIM366 Bela-Bela – Table 10- B7 Adjustments Budget Cash Flows

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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		5	6	7 E	8	9	10		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		110 152	102 915	–	–	–	–	(0)	(0)	102 915	104 332	109 131
Service charges		210 506	214 519	–	–	–	–	468	468	214 987	249 416	249 861
Other revenue		58 927	33 733	–	–	–	–	15 179	15 179	48 912	78 146	61 294
Transfers and Subsidies - Operational	1	144 449	144 449	–	–	–	–	(0)	(0)	144 449	151 036	153 792
Transfers and Subsidies - Capital	1	93 465	142 049	–	–	–	–	–	–	142 049	140 291	137 606
Interest		2 350	29 345	–	–	–	–	2 849	2 849	32 193	27 960	29 246
Dividends		–	–	–	–	–	–	–	–	–	–	–
Payments		–	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		110 217	151 558	–	–	–	–	25 124	25 124	176 682	192 033	156 981
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–
Payments		–	–	–	–	–	–	–	–	–	–	–
Capital assets		(97 284)	(141 141)	–	–	–	–	6 936	6 936	(134)	(152 011)	(138 130)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(97 284)	(141 141)	–	–	–	–	6 936	6 936	(134 205)	(152 011)	(138 130)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–
Payments		–	–	–	–	–	–	–	–	–	–	–
Repayment of borrowing		–	(0)	–	–	–	–	0	0	0	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	(0)	–	–	–	–	0	0	0	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		12 932	10 418	–	–	–	–	32 059	32 059	42 477	40 022	18 851
Cash/cash equivalents at the year begin:	2	20 626	25 270	–	–	–	–	–	–	25 270	25 270	70 293
Cash/cash equivalents at the year end:	2	33 558	35 688	–	–	–	–	32 059	32 059	67 747	65 293	89 144

Explanatory notes to Table 10 - B7 Budgeted Cash Flow Statement

- The budgeted cash flow statement is the first measurement in determining if the budget is funded.
- It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
- The net increase in cash held has increased to R32.059million as compared to R10 418 million as in prior adjustment budget.
- Cash/cash equivalents at the year-end have been adjusted from to R35.688 million of the prior adjustment budget to R67 747 million.

Table 11: MBRR - LIM366 Bela-Bela – Table 11- B8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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		A	A1	B	C	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	33 558	35 688	–	–	–	–	32 059	32 059	67 747	65 293	89 144
Other current investments > 90 days		(0)	(0)	–	–	–	–	(0)	(0)	(0)	5 000	5 230
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		33 558	35 688	–	–	–	–	32 059	32 059	67 747	70 293	94 374
Applications of cash and investments												
Unspent conditional transfers		(0)	–	–	–	–	–	10 925	10 925	10 925	0	0
Unspent borrowing		–	–	–	–	–	–	–	–	–	–	–
Statutory requirements		3 756	(1 229)	–	–	–	–	(14 548)	(14 548)	(15 777)	(480)	1 390
Other working capital requirements	2	(82 578)	(27 447)	–	–	–	–	26 674	26 674	(773)	(31 918)	(46 081)
Other provisions		2 623	11 625	–	–	–	–	604	604	12 230	5 933	5 933
Long term investments committed		–	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments		–	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		(76 199)	(17 051)	–	–	–	–	23 656	23 656	6 605	(26 465)	(38 758)
Surplus(shortfall)		109 758	52 739	–	–	–	–	8 403	8 403	61 142	96 758	133 132

Explanatory notes to Table 11- B8 Cash Backed Reserves/Accumulated Surplus Reconciliation

- The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
- In essence, the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year-end and secondly reconciling the available funding to the liabilities/commitments that exist.
- The outcome of this exercise would be either a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
- In the case of this 2nd Special Adjustment budget, the municipality is assumed to have adopted a funded adjustments budget as the reconciliation results in a R61 142 million surplus.

Table 12: MBRR – LIM366 Bela-Bela – Table 12- B9 Asset Management

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	50 629	53 334	-	-	-	-	(3 153)	(3 153)	50 181	61 996	56 428
Roads Infrastructure		9 374	11 446	-	-	-	-	2 191 - (0)	2 191 - (0)	13 637	18 894	26 403
Storm water Infrastructure		-	-	-	-	-	-	(5 082)	(5 082)	-	-	-
Electrical Infrastructure		17 665	17 665	-	-	-	-	-	-	17 665	13 043	8 696
Water Supply Infrastructure		7 027	11 280	-	-	-	-	-	-	6 198	13 636	6 522
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		34 066	40 391	-	-	-	-	(2 891)	(2 891)	37 501	45 573	41 620
Community Facilities		435	0	-	-	-	-	(0)	(0)	0	761	1 042
Sport and Recreation Facilities		3 219	2 219	-	-	-	-	(0)	(0)	2 219	-	-
Community Assets		3 654	2 219	-	-	-	-	(0)	(0)	2 219	761	1 042
Heritage Assets		300	300	-	-	-	-	(200)	(200)	100	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	800	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	800	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	552	552	552	-	-
Intangible Assets		-	-	-	-	-	-	552	552	552	-	-
Computer Equipment		1 835	1 935	-	-	-	-	-	-	1 935	3 200	2 824
Furniture and Office Equipment		300	189	-	-	-	-	- (614) -	- (614) -	189	380	314
Machinery and Equipment		10 475	8 300	-	-	-	-	-	-	7 686	11 282	10 627
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	-	10 052	-	-	-	-	(6 813)	(6 813)	3 239	13 704	27 290
Roads Infrastructure		-	10 052	-	-	-	-	(8 604)	(8 604)	1 448	9 357	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	1 557	1 557	1 557	2 609	4 348
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	1 739	22 942
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	10 052	-	-	-	-	(7 047)	(7 047)	3 005	13 704	27 290
Community Facilities		-	-	-	-	-	-	234	234	234	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	234	234	234	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-

Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Total Upgrading of Existing Assets to be adjusted	2a	46 655	72 769	-	-	-	-	3 030	3 030	75 799	76 311	54 412
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 000	1 950	-	-	-	-	-	-	1 950	4 500	4 707
Water Supply Infrastructure		-	9 095	-	-	-	-	2 293	2 293	11 387	39 564	37 480
Sanitation Infrastructure		32 104	43 991	-	-	-	-	2 899	2 899	46 890	25 931	12 225
Solid Waste Infrastructure		12 451	17 633	-	-	-	-	(2 161)	(2 161)	15 472	6 316	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		46 555	72 669	-	-	-	-	3 030	3 030	75 699	76 311	54 412
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		100	100	-	-	-	-	-	-	100	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	100	100	-	-	-	-	-	-	100	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-

Total Capital Expenditure to be adjusted															
Roads Infrastructure	4	97 284	136 155	-	-	-	-	(6 936)	(6 936)	129 220	152 011	138 130			
Storm water Infrastructure		9 374	21 498	-	-	-	-	(6 413)	(6 413)	15 085	28 250	26 403			
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Water Supply Infrastructure		19 665	19 615	-	-	-	-	1 557	1 557	21 172	20 152	17 750			
Sanitation Infrastructure		7 027	20 375	-	-	-	-	(2 789)	(2 789)	17 586	54 938	66 944			
Solid Waste Infrastructure		32 104	43 991	-	-	-	-	2 899	2 899	46 890	25 931	12 225			
Rail Infrastructure		12 451	17 633	-	-	-	-	(2 161)	(2 161)	15 472	6 316	-			
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Community Facilities		80 621	123 113	-	-	-	-	(6 907)	(6 907)	116 205	135 588	123 322			
Sport and Recreation Facilities		435	0	-	-	-	-	234	234	234	761 - 761	1 042			
Community Assets		3 219	2 219	-	-	-	-	(0)	(0)	2 219	-	-			
Heritage Assets		3 654	2 219	-	-	-	-	234	234	2 453	-	1 042			
Revenue Generating		300	300	-	-	-	-	(200)	(200)	100	- 800 - 800	-			
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-			
Investment properties		-	-	-	-	-	-	-	-	-	-	-			
Operational Buildings		- 100 - 100	- 100 - 100	-	-	-	-	-	-	- 100 - 100	-	-			
Housing		-	-	-	-	-	-	-	-	-	-	-			
Other Assets		-	-	-	-	-	-	-	-	-	3 200	-			
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	552	380	-			
Servitudes		-	-	-	-	-	-	-	-	552	11 282	-			
Licences and Rights		1 835	1 935	-	-	-	-	-	-	1 935	-	-			
Intangible Assets		300	189	-	-	-	-	552	552	189	-	-			
Computer Equipment		10 475	8 300	-	-	-	-	552	552	7 686	-	-			
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	2 824			
Machinery and Equipment		-	-	-	-	-	-	- (614) -	- (614) -	-	-	314			
Transport Assets		-	-	-	-	-	-	-	-	-	-	10 627			
Land		-	-	-	-	-	-	-	-	-	-	-			
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-			
Mature		-	-	-	-	-	-	-	-	-	-	-			
Immature		-	-	-	-	-	-	-	-	-	-	-			
Living Resources		-	-	-	-	-	-	-	-	-	-	-			
TOTAL CAPITAL EXPENDITURE to be adjusted	4	97 284	136 155	-	-	-	-	(6 936)	(6 936)	129 220	152 011	138 130			
ASSET REGISTER SUMMARY - PPE (WDV)	5	1 184 500	957 340	-	-	-	-	846	846	958 186	870 661	866 339			
Roads Infrastructure		(16 721)	(13 300)	-	-	-	-	(2 501)	(2 501)	(15 801)	127 716	127 071			
Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27			
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget 14	Adjusted Budget	Adjusted Budget			
R thousands		A	A1	B	9	10	11	12	13	H					
Storm water Infrastructure		-	(2 400)	-	-	-	-	380	380	(2 020)	69 006	68 891			
Electrical Infrastructure		(1 159)	(1 050)	-	-	-	-	1 883	1 883	833	50 647	50 709			
Water Supply Infrastructure		(4 182)	(4 182)	-	-	-	-	-	-	(4 182)	140 150	139 831			
Sanitation Infrastructure		(4 668)	(5 300)	-	-	-	-	(409)	(409)	(5 709)	168 546	168 289			
Solid Waste Infrastructure		-	(30)	-	-	-	-	19	19	(11)	(1 209)	(1 266)			
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-			
Infrastructure		(26 731)	(26 262)	-	-	-	-	(627)	(627)	(26 889)	554 855	553 525			
Community Assets		915 658	913 754	-	-	-	-	878	878	914 633	64 466	62 990			
Heritage Assets		565	565	-	-	-	-	-	-	565	539	539			
Investment properties		290 992	68 000	-	-	-	-	- 267 -	- 267 -	68 000	70 458	70 596			
Other Assets		(1 514)	(1 050)	-	-	-	-	492	492	(783)	-	-			
Biological or Cultivated Assets		-	-	-	-	-	-	292	292	-	-	-			
Intangible Assets		1 265	1 980	-	-	-	-	(2 066)	(2 066)	2 472	2 458	2 485			
Computer Equipment		(3 150)	(969)	-	-	-	-	1 218	1 218	(677)	2 191	1 682			
Furniture and Office Equipment		7 734	4 264	-	-	-	-	393	393	2 198	4 348	3 622			
Machinery and Equipment		1 778	1 585	-	-	-	-	-	-	2 803	72 387	72 167			
Transport Assets		(2 098)	(4 529)	-	-	-	-	-	-	(4 135)	17 658	17 432			
Land		-	-	-	-	-	-	-	-	-	81 301	81 301			
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-			
Living Resources		-	-	-	-	-	-	-	-	-	-	-			
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 184 500	957 340	-	-	-	-	846	846	958 186	870 661	866 339			
EXPENDITURE OTHER ITEMS															
Depreciation & asset impairment		39 862	42 393	-	-	-	-	809	809	43 202	44 944	47 011			
	3	14 630	15 983	-	-	-	-	(2 816)	(2 816)	13 167	25 040	26 192			

Repairs and Maintenance by asset class		2 350	2 529	-	-	-	-	(327) - (895)	(327) - (895)	2 202	2 600	2 720
Roads Infrastructure		600	550	-	-	-	-	(633)	(633)	550	600	628
Storm water Infrastructure		4 300	4 700	-	-	-	-	(722)	(722)	3 805	10 000	10 460
Electrical Infrastructure		3 850	2 620	-	-	-	-	-	-	1 987	5 320	5 565
Water Supply Infrastructure		1 900	2 740	-	-	-	-	-	-	2 018	4 600	4 812
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	(0)	(0)	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		50	(0)	-	-	-	-	-	-	(0)	50	52
Information and Communication Infrastructure		13 050	13 139	-	-	-	-	(2 577)	(2 577)	10 562	23 170	24 236
Infrastructure		150	100	-	-	-	-	-	-	100	150	157
Community Facilities		550	725	-	-	-	-	(239)	(239)	486	1 150	1 203
Sport and Recreation Facilities		700	825	-	-	-	-	(239)	(239)	586	1 300	1 360
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		60	60	-	-	-	-	-	-	60	70	73
Furniture and Office Equipment		320	259	-	-	-	-	-	-	259	500	523
Machinery and Equipment		500	1 700	-	-	-	-	-	-	1 700	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		54 492	58 375	-	-	-	-	(2 007)	(2 007)	56 369	69 984	73 203
Renewal and upgrading of Existing Assets as % of total capex	48.0%	60.8%								61.2%	59.2%	59.1%
Renewal and upgrading of Existing Assets as % of deprecn"	117.0%	195.4%								183.0%	200.3%	173.8%
R&M as a % of PPE	1.2%	1.7%								1.4%	2.9%	3.0%
Renewal and upgrading and R&M as a % of PPE	5.2%	10.3%								9.6%	13.2%	12.5%

Explanatory notes to Table 12- B9 Asset Management

1. Table 12- B9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. The table shows that all the capital allocations are for new assets.
3. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE.

Table 13: MBRR Table 13- B10 Basic Service Delivery Measurement

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 2026/27
		Original Budget	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
Household service targets	1											
Water:												
Piped water inside dwelling		14 073							-	14 973	14 973	14 973
Piped water inside yard (but not in dwelling)		855							-	855	855	855
Using public tap (at least min.service level)	2	3 136							-	3 136	3 136	3 136
Other water supply (at least min.service level)									-			
<i>Minimum Service Level and Above sub-total</i>		18	-	-	-	-	-	-	-	18	19	19
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3.4								-	-		
No water supply									-	-		
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	18	-	-	-	-	-	-	-	18	19	19
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		14 928							-	14 928	15 828	15 828
Flush toilet (with septic tank)		875							-	875	875	875
Chemical toilet		-							-	-	-	-
Pit toilet (ventilated)		987							-	987	987	987
Other toilet provisions (> min.service level)		1 274							-	1 274	1 274	1 274
<i>Minimum Service Level and Above sub-total</i>		18 064	-	-	-	-	-	-	-	18 064	18 964	18 964
Bucket toilet									-	-		
Other toilet provisions (< min.service level)									-	-		
No toilet provisions									-	-		
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	18 064	-	-	-	-	-	-	-	18 064	18 964	18 964
Energy:												
Electricity (at least min. service level)		577							-	577	577	577
Electricity - prepaid (> min.service level)		15126							-	15 126	16326	16326
<i>Minimum Service Level and Above sub-total</i>		15 703	-	-	-	-	-	-	-	15 703	16 903	16 903
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	15 703	-	-	-	-	-	-	-	15 703	16 903	16 903
Refuse:												
Removed at least once a week (min.service)		9294							-	9 294	11460	11710
<i>Minimum Service Level and Above sub-total</i>		9 294	-	-	-	-	-	-	-	9 294	11 460	11 710
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	9 294	-	-	-	-	-	-	-	9 294	11 460	11 710
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		5	-	-	-	-	-	-	-	5	5	5
Sanitation (free minimum level service)		5	-	-	-	-	-	-	-	5	5	5
Electricity/other energy (50kwh per household per month)		5	-	-	-	-	-	-	-	5	5	5
Refuse (removed at least once a week)		5	-	-	-	-	-	-	-	5	5	5
Informal Settlements												
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		14 314	-	-	-	-	-	-	(1 957)	12 357	12 757	13 344
Sanitation (free sanitation service to indigent households)		15 672	-	-	-	-	-	-	(2 662)	13 010	15 543	16 258
Electricity/other energy (50kwh per indigent household per month)		8 504	-	-	-	-	-	-	(2 942)	5 563	6 388	6 682
Refuse (removed once a week for indigent households)		5 917	-	-	-	-	-	-	(1 205)	4 711	4 983	5 212
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)												
Total cost of FBS provided		44 407	-	-	-	-	-	-	(8 765)	35 642	39 671	41 496
Highest level of free service provided												
Property rates (R'000 value threshold)		6							-	6 -	6	6
Water (kilolitres per household per month)									-	261		
Sanitation (kilolitres per household per month)									-	50		
Sanitation (Rand per household per month)		261							-	165		
Electricity (kw per household per month)		50							-		50	50
Refuse (average litres per week)		165							-		165	165
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		47 833							-	47 833	50 712	53 044
excess of section 17 of MPRA)			-	-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)			-	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)			-	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)			-	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)			-	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates									-	-		
Housing - top structure subsidies	6								-	-		
Other									-	-		
Total revenue cost of subsidised services provided		47 833	-	-	-	-	-	-	-	47 833	50 712	53 044

Explanatory notes to Table 13- B10 Basic Service Delivery Measurement

Table 13- B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services. The municipality continues to make good progress with the eradication of backlogs.

Part 2 – Supporting Documentation

2.1. Adjustments to budget assumptions

Except for the factors outlined below, the assumptions that underlined the approved 2024/2025 MTREF still hold. The following factors were taken into consideration when compiling these 2nd Special Adjustments budget.

- The 11 Months Assessment depicted revenue achievement of the year-to-date revenue budget.
- Depicted in the expenditure as per year-to-date actuals versus the prior adjustment budget was a low spending which resulted in -24% negative variance.

Table 14: Monthly Budget Statement Summary

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	108 940	142 475	139 482	8 429	87 759	128 208	(40 449)	-32%	139 482
Service charges	190 056	205 488	206 818	17 688	198 754	189 428	9 325	5%	206 818
Investment revenue	1 432	1 600	1 900	241	2 493	1 707	786	46%	1 900
Transfers and subsidies - Operational	122 766	134 330	135 419	811	134 514	134 825	(311)	0%	135 419
Other own revenue	83 522	71 976	73 268	3 686	42 881	67 012	(24 131)	-36%	–
Total Revenue (excluding capital transfers and contributions)	506 717	555 869	556 887	30 855	466 400	521 179	(54 779)	-11%	556 887
Employee costs	144 059	173 234	176 114	12 160	133 674	161 102	(27 428)	-17%	176 114
Remuneration of Councillors	7 835	8 481	8 805	704	8 185	8 033	151	2%	8 805
Depreciation and amortisation	48 137	38 000	38 000	–	18 143	34 833	(16 690)	-48%	38 000
Interest	21 336	15 000	15 000	–	835	13 750	(12 915)	-94%	15 000
Inventory consumed and bulk purchases	138 363	187 474	177 826	12 737	142 743	164 180	(21 437)	-13%	177 826
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other expenditure	114 909	120 815	124 015	6 235	74 691	113 259	(38 568)	-34%	124 015
Total Expenditure	474 638	543 004	539 759	31 836	378 271	495 158	(116 887)	-24%	539 759
Surplus/(Deficit)	32 079	12 865	17 128	(980)	88 129	26 021	62 108	239%	17 128
Transfers and subsidies - capital (monetary allocations)	83 245	84 518	90 035	10 600	75 598	81 889	(6 291)	-8%	90 035
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
contributions	115 324	97 383	107 164	9 620	163 727	107 910	55 817	52%	107 164
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	115 324	97 383	107 164	9 620	163 727	107 910	55 817	52%	107 164

2.2. Monthly Budget Statement-Revenue

Table 15 below presents the operational revenue year-to-date budget and actual as at the end of the Quarter 4 (31 May 2025).

A marginal 11% negative variance of year-to-date actual serves as a baseline which spectacle a satisfactory outcome on the financial revenue performance.

Table 15: Adjustments to operating revenue

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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 By Source												
Exchange Revenue												
Service charges - Electricity	2	160 362	167 158	–	–	–	–	915	915	168 073	189 484	198 200
Service charges - Water	2	60 665	51 473	–	–	–	–	(0)	(0)	51 473	50 250	52 562
Service charges - Waste Water Management	2	22 126	22 869	–	–	–	–	(0)	(0)	22 868	26 128	27 330
Service charges - Waste Management	2	10 376	10 876	–	–	–	–	–	–	10 876	11 267	11 786
Sale of Goods and Rendering of Services		1 487	1 358	–	–	–	–	408	408	1 766	1 400	1 464
Agency services		4 906	4 906	–	–	–	–	–	–	4 906	6 000	6 276
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		11 119	12 933	–	–	–	–	2 007	2 007	14 941	15 389	16 097
Interest earned from Current and Non Current Assets		2 350	4 230	–	–	–	–	538	538	4 768	5 000	5 230
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		1 147	1 172	–	–	–	–	(0)	(0)	1 171	1 223	1 279
Licence and permits		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		2 110	504	–	–	–	–	142	142	646	2 470	2 584
Non-Exchange Revenue												
Property rates	2	121 077	121 077	–	–	–	–	(0)	(0)	121 076	115 924	121 256
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		33 610	33 490	–	–	–	–	24 738	24 738	58 228	43 548	45 551
Licences or permits		2 070	2 425	–	–	–	–	–	–	2 425	3 447	3 605
Transfer and subsidies - Operational		144 449	144 449	–	–	–	–	(0)	(0)	144 449	151 036	153 792
Interest		16 613	16 613	–	–	–	–	(846)	(846)	15 767	17 045	17 829
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	3 450	–	–	–	–	422	422	3 872	3 595	3 760
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	10 398	–	–	–	–	–	–	10 398	13 398	13 539
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		594 467	609 380	–	–	–	–	28 323	28 323	637 703	656 606	682 143

Table 16: Adjustments to operating expenditure

Description	Ref	2024/25									Budget Year 2025/26	Budget Year 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		
Expenditure By Type												
Employee related costs		177 222	174 880	–	–	–	–	4 326	4 326	179 206	180 616	188 610
Remuneration of councillors		9 236	9 432	–	–	–	–	–	–	9 432	9 715	10 161
Bulk purchases - electricity		166 550	166 550	–	–	–	–	(9 800)	(9 800)	156 750	178 230	186 428
Inventory consumed		29 814	31 068	–	–	–	–	(406)	(406)	30 662	36 309	37 979
Debt impairment		14 686	14 686	–	–	–	–	20 083	20 083	34 769	22 714	23 758
Depreciation and amortisation		39 862	42 393	–	–	–	–	809	809	43 202	44 944	47 011
Interest		17 000	18 634	–	–	–	–	(0)	(0)	18 634	18 612	19 468
Contracted services		56 493	76 731	–	–	–	–	(1 492)	(1 492)	75 239	84 683	88 578
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–
Operational costs		58 593	52 698	–	–	–	–	594	594	53 292	48 485	51 029
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		2 000	2 000	–	–	–	–	–	–	2 000	–	–
Total Expenditure		571 456	589 072	–	–	–	–	14 115	14 115	603 187	624 306	653 024

Table 16 above depicts the operational expenditure year-to-date budget and actual as at the end of the quarter 4 (31 May 2025).

2.3. Adjustments to expenditure on allocations and grant programs

Table 17 below shows the total allocations as per amended gazette for the 2024/2025 financial year.

Table 17: Grant allocations to the municipality

LIM366 Bela Bela - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme

Description	2024/25							Budget Year 2025/26	Budget Year 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:									
<u>Operating expenditure of Transfers and Grants</u>									
National Government:	4 784	4 784	-	-	-	-	4 784	5 002	3 661
Expanded Public Works Programme Integrated Grant	1 502	1 502	-	-	-	-	1 502	1 560	-
Local Government Financial Management Grant	1 800	1 800	-	-	-	-	1 800	1 900	2 000
Municipal Infrastructure Grant	1 482	1 482	-	-	-	-	1 482	1 542	1 661
Provincial Government:	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA	1 676	1 676	-	-	-	-	1 676	1 750	-
Local Government, Water and Related Service SETA	-	-	-	-	-	-	-	250	-
Total operating expenditure of Transfers and Grants:	1 676	1 676	-	-	-	-	1 676	1 500	-
<u>Capital expenditure of Transfers and Grants</u>	6 460	6 460	-	-	-	-	6 460	6 752	3 661
National Government:									
Municipal Disaster Relief Grant	93 465	142 049	-	-	(10 925)	(10 925)	131 124	151 051	137 606
Energy Efficiency and Demand Side Management Grant	-	11 560	-	-	(10 925)	(10 925)	635	10 760	-
Municipal Infrastructure Grant	-	-	-	-	-	-	-	3 000	5 000
Integrated National Electrification Programme Grant	28 150	36 027	-	-	-	-	36 027	29 291	31 562
Water Services Infrastructure Grant	20 315	20 315	-	-	(0)	(0)	20 315	15 000	10 000
Provincial Government:	45 000	74 147	-	-	-	-	74 147	93 000	91 044
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	-	-	-	-	-	-	-	-
	93 465	142 049	-	-	(10 925)	(10 925)	131 124	151 051	137 606
	99 925	148 509	-	-	(10 925)	(10 925)	137 584	157 803	141 267

Table 18: Municipal Infrastructure Grant - Projects

Municipal Infrastructure Grant				
SegmentDesc	Original Budget 2024/25	Adjustment Budget 2024/25	1 st Special Adjustment Budget 2024/25	2 nd Special Adjustment Budget 2024/25
Upgrading of the Bela Bela Municipal landfill site Phase 1 (Ward 2)	R 14 319 140	R 17 210 804	R 20 291 612	R 17 792 721
Development of sports facilities in Masakhane (Ward 9)	R 2 551 589	R 2 551 578	R 2 551 578	R 2 551 578
Construction of Road Paving and Bulk stormwater in Bela Bela X8 - Phase 4	R 3 415 794	R 901 142	R 1 151 142	R 1 054 908
Construction of Road Paving and Stormwater in Bela Bela X5 - Phase 1	R 4 777 685	R 4 969 879	R 9 539 071	R 12 234 196
Construction of Road Paving and Stormwater in Rapotokwane -Phase 1	R 2 586 192	R 2 393 997	R 2 393 997	R 2 393 997
Develop New Cemetery - Pienaarsrivier	R 500 000	R -	R -	R -
Construction of Road Paving and Bulk stormwater in Masakhane - Phase 1	R -	R -	R 50 000	R -
Construction of Road Paving and Stormwater in Bela Bela X5 - Phase 2	R -	R -	R 50 000	R -
Total	R 28 150 400	R 28 027 400	R 36 027 400	R 36 027 400

N.B exclusive of operational cost and inclusive of vat

Depicted in the above **Table 18** are the projects for MIG as per project description and the shifting of fund proposed for approval in this special adjustment budget.

Table 19: Water Services Infrastructure Grant (WSIG) – Projects

The overall WSIG capital allocation in the original budget and prior adjustment depicted in the below table is R45 million. Due to additional funding allocation of R29 million the 2nd special adjustment was increased to R74 million. Noteworthy, 2nd Special adjustment relates to shifting of funds between projects to facilitate completion of projects and grant spending.

Water Services Infrastructure Grant				
SegmentDesc	Original Budget 2025	Prior Adjustment Budget 2025	1 st Special Adjustment budget 2024/25	2nd Special Adjustment Budget 2025
Upgrading of the Leseding Sewer Pump Station (Ward 6)	R 8 992 582	R 11 215 031	R 11 215 031	R 11 215 031
Upgrading of the Sewer Rising Main from the Leseding Pump Station to the WWTW (Ward 2&6)	R 14 926 629	R 14 926 629	R 14 926 629	R 14 926 629
Upgrading of the Settlers Sewer Pump Station (Ward 2)	R 10 000 000	R 10 000 000	R 14 000 000	R 19 346 445
Upgrading of the Industrial outfall sewer line (Ward 2)	R -	R 2 500 000	R 10 500 000	R 8 435 498
Upgrading of the Bela-Bela Water Treatment Works (Ward 1)	R 3 000 000	R -	R -	R -
Water Supply Source Augmentation and the construction of the water reticulation network in Tsakane (Ward 7)	R 2 500 000	R 1 500 000	R 9 147 000	R 7 127 976
Construction of Water Booster Pump Station and Upgrading of a Steel Elevated Tank in Ext 8 (Ward 4)	R 5 580 789	R 3 858 340	R 10 358 340	R 8 404 503
Replacement of Bulk Raw Water AC Pipeline from Lapa to Bela-Bela Water Treatment Works (Ward 1 & 9)	R -	R 1 000 000	R 4 000 000	R 4 690 917
Total	R 45 000 000	R 45 000 000	R 74 147 000	R 74 147 000

N.B inclusive of vat

Table 19 above depicts the projects for WSIG as per project description and the shifting of fund proposed for approval in this special adjustment budget for 2024/25 financial year.

2ND SPECIAL ADJUSTMENT BUDGET 2024/2025

Table 20: Integrated National Electrification Programme (INEP) and Municipal Disaster Response Grant (MDRG)

Integrated National Electrification Programme Grant				
Segment Desc	Original Budget	Adjustment Budget 2024/25	1 st Special Adjustment budget 2024/25	2 nd Special Adjustment Budget 2024/25
Construction of the Bela-Bela 132/11kVA 2 X 20MVA Sub-Station	R 20 315 000	R 20 315 000	R 20 315 000	R 20 315 000
Total	R 20 315 000	R 20 315 000	R 20 315 000	R 20 315 000

N.B inclusive of vat

As depicted in the above table, an INEP allocation amounts to R20.3 million remain as per the approved 2024/25 financial year original budget.

Municipal Disaster Respond (MDR)				
SegmentDesc	Original Budget	Adjustment Budget 2024/25	1 st Special Adjustment budget 2024/25	2 nd Special Adjustment Budget 2024/25
Refurbishment of roads and stormwater in Limpopo road and Mabunda Street (Ward 7&5)	R -	R -	R 11 560 000	R 634 663
Total	R -	R -	R 11 560 000	R 634 663

N.B inclusive of vat

The municipality received an allocation of R11 560 000 for the 2024/25 financial year, noteworthy is the alignment of the financial year and condition of the grant. A portion of R 634 663 is approved for 2024/25 special adjustment budget for expenditure and remainder to be spread into multi years.

Table 21: Projects funded from internally generated funds

Own Funded capital projects				
SegmentDesc	Original Budget 2025	Adjustment Budget 2024/25	1 st Special Adjustment budget 2024/25	2 nd Special Adjustment Budget 2024/25
240litres Refuse Bins	R 600 000	R 600 000	R 712 400	R -
Bela-Bela WTW and Lapa PS: Procurement of Pumps and motors (R 300 000	R 300 000	R 300 000	R 300 000
Community Assets: Acquisition	R -	R -	R -	R 233 968
Computer Equipment	R 1 360 000	R 1 710 000	R 1 710 000	R 1 710 000
Drinking Water Quality Testing Kits and Instruments	R 200 000	R 200 000	R 200 000	R -
Electrical Inf: Capital Spares	R -	R -	R -	R 1 557 181
Grass cutting and Trees pruning equipment	R 250 000	R 250 000	R 152 600	R 152 600
Guns and Ammunition for Traffic Officers	R 100 000	R 100 000	R 85 000	R 85 000
Intangible Assets: Acquisition	R -	R -	R -	R 551 820
Leak Detection Equipment	R 100 000	R 100 000	R 150 000	R 150 000
Mayoral Chain	R 300 000	R 300 000	R 300 000	R 100 000
Pienaarsrivier WWTW & Pump StationPienaarsrivier WWTW & Pump	R 200 000	R 100 000	R 100 000	R 100 000
PienaarsrivierPienaarsrivier:Procurement of Pumps and motors	R 200 000	R 200 000	R 200 000	R 200 000
Printers	R 105 000	R 225 000	R 225 000	R 225 000
Procurement of Office Furniture	R 300 000	R 189 000	R 189 000	R 189 000
Procurement of Pre-paid electricity meters	R 3 000 000	R 500 000	R 300 000	R 232 000
Procurement of Transformers and Maniatures	R 1 999 999	R 1 999 999	R 1 949 999	R 1 949 999
Radium WWTW & Pump StationRadium WWTW & Pump Station:Procure	R 200 000	R 150 000	R 150 000	R 144 000
RadiumRadium:Procurement of Pumps and motors	R 200 000	R 150 000	R 150 000	R 156 000
RapotokwaneRapotokwane:Procurement of Pumps and motors	R 200 000	R 100 000	R 100 000	R 100 000
Replacement of Water Meters	R 200 000	R 1 050 000	R 1 000 000	R -
Roads Inf:Procurement of tools and kits	R -	R -	R -	R 724 234
Security Improvement (Revenue)	R 100 000	R 100 000	R 100 000	R 100 000
Switch gear refurbishment	R 3 000 000	R 4 000 000	R 3 800 000	R 3 800 000
Tender Box	R 50 000	R 50 000	R 50 000	R 50 000
Thambo Drive Pavement	R -	R -	R -	R 896 000
TsakaneTsakane:Procurement of Pumps and motors	R 200 000	R 100 000	R 50 000	R 50 000
Vingerkraal: Procurement of Pumps and motors (2025)	R 200 000	R 100 000	R 100 000	R 100 000
Warmbad WWTW and Pump Stations: Procurement of Pumps and mot	R 300 000	R 200 000	R 700 000	R 1 341 818

Camera	R 70 000	R -	R -	R -
Cleaning Equipment(Carpet & Upholtry Cleaners and others)	R 70 000	R -	R -	R -
Commercial Park Development	R 1 000 000	R -	R -	R -
Digital Notice Board	R 50 000	R -	R -	R -
Loud Hailing set	R 40 000	R -	R -	R -
Mail Gate Firewall	R 120 000	R -	R -	R -
Meter Reading Gadgets (2025)	R 370 000	R -	R -	R -
Podium (Fibre Glass)	R 40 000	R -	R -	R -
Portable PA system	R 25 000	R -	R -	R -
Procurement of Council Chamber Audio	R 500 000	R -	R -	R -
Road Marking Machine	R 60 000	R -	R -	R -
Total	R 16 009 999	R 12 773 999	R 12 773 999	R 15 198 620

Budget for capital projects funded from internally generated funds increased from R12.7 to R15.198 million.

2.4. Adjustments to allocations and grants made by the municipality

The municipality does not allocate any grants to external parties.

2.5. Adjustments to councilors and board member's allowances

Upper limit on councillor salaries and pack-pay were implemented in accordance with Government Gazette 51419 in October 2024, remuneration of councillors was increased accordingly.

2.6. Adjustments to service delivery and budget implementation plan

The 2024/2025 SDBIP Adjustment will be prepared in the context of the 2024/2025

2nd Special Adjustments Budget. In a sense, the report must also highlight areas where targets have been adjusted due to the influence of the decisions on the budget adjustment side. Most importantly, the budget adjustment as well as any adjustment to the SDBIP is done in total alignment to the goals of the municipality as set out in the IDP. Any unavoidable deviation from the adjusted SDBIP will be dealt with during the revision of the IDP, taking into consideration all necessary legislative requirements. In addition, the report will also capture changes that have occurred during the past 3 Quarters of the year, such as structural changes that have brought about relocation of certain KPIs/targets among and/or within department/divisions.

The following generic principles will be followed with the drafting of the SDBIP adjustment. Department will be requested to review their targets:

- to ensure where obvious errors in judgement in target setting occurred could be corrected
- to deal decisively with indicators that departments are required to report on, on a monthly basis that are not reflective of their core business, or which cannot be accurately measured
- to reflect the amendments to resource allocation as captured in the Adjusted MTREF submission prepared by the Budget & Treasury Department
- to appropriately accommodate and plan for the amendments that are necessitated by external funding increases and/or decreases
- with a view to evaluate the amount of target capability that will not be realised due to the reduced funds
- to evaluate if funds can be diverted from another source internally within agreed financial transfer mechanisms.

Municipality manager's quality certificate

I, TG Ramagaga, the Municipal Manager of Bela-Bela Local Municipality, hereby certify that: -

❖ 2024/2025 2nd Special Adjustment budget

Has been prepared in accordance with the Municipal Finance Management Act; and Municipal Budget reporting Regulations (MBBR) made under the Act.

77 Mr T.G. Ramagaga
Municipal Manager

Signature: 

Date: 14 July 2025