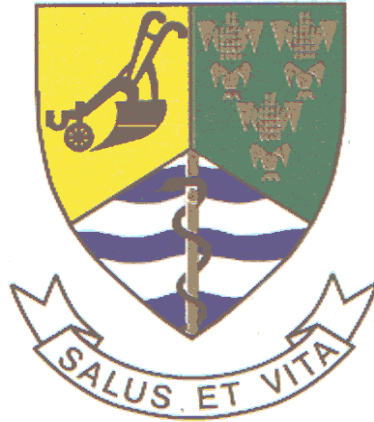


BELA-BELA LOCAL MUNICIPALITY



ADJUSTMENT BUDGET FOR THE FINANCIAL YEAR 2025/2026

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 – Special Adjustments Budget

1.1 Mayor’s Report

The mayor’s report on the adjustment budget 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 was required to meet during the month of April 2026 where the Mayor would table the 2025/2026 special adjustment budget for adoption by the 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 special adjustment budget for 2025/2026 financial year is noted.
2. That the special adjustment budget on the operational and capital expenditures for the 2025/2026 Financial Year is approved.
3. That the adjustment of Revenue and Expenditure projections is approved to achieve a realistically achievable budget.
4. That the Council approves any consequential adjustment to the revised SDBIP and the revised Performance Agreements of the Municipal Manager and Managers accountable to the Municipal Manager by the Special Adjustment Budget for the 2025/2026 Financial Year.
5. 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 special 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 Introduction

According to section 28 (1) of the Municipal Finance Management Act, the municipality has the power to revise its approved annual budget through an adjustments budget.

MFMA section 28(2) stipulates that an adjustment budget-

(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;

Furthermore, in accordance with the Municipal Budget and Reporting Regulation (MBRR) 23(3) “if a national or provincial budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.

1.4 Executive Summary

Council approved the Mid-Year Adjustments Budget for the 2025/2026 financial year in February 2026. Section 28(2)(b) of the MFMA makes provision for the Special Adjustments Budget when additional revenues become available to accelerate spending programmes already budgeted for.

The following additional grant funding allocations were received in March 2026-

- a) Municipal Disaster Response Grant (MDRG) amounting to R 3 million to repair Moloto-Masemola street pavement which was damaged by floods in December 2025 and January 2026
- b) Expanded Public Works Programme (EPWP) Integrated Grant amounting to R482 000 to expand job creation in specific focus areas where labour intensive delivery methods can be maximised
- c) Integrated National Electrification Programme Grant (INEP) amounting to R1.5 million for the Construction of the Bela-Bela 132/11kVA 2 X 20MVA Sub-Station project.
- d) Water Services Infrastructure Grant (WSIG) amounting to R2 million for accelerating water and sanitation projects

Council adopted a special adjustments budget to further revise its annual budget to incorporate the above-mentioned additional grant funding.

1.5 High Level Operating Adjustments Budget

1.5.1 Summary of adjustments to the Operational Budget

Table 1: Summative Adjustment Budget Movements – 2025/2026 Financial Year

Description	Original Budget	Prior Adjusted Budget	Proposed Budget	Proposed Adjustment
Total Operational Revenue	R656 606 032	R719 110 928	R719 592 929	R482 001
Total Operational Expenditure	R627 799 036	R684 751 784	R687 034 154	R2 282 370
Operating Surplus/(Deficit)	R28 806 996	R34 359 144	R32 558 775	-R1 800 369
Own Source Capital Expenditure	R20 662 000	R22 798 780	R20 798 780	-R2 000 000

Table 1 depicts the impact of the special adjustments budget on the previously adjusted annual budget for 2025/2026. Total operational revenue is projected to increase by R482 000 from R719.111 million to R719.593 million, while operational expenditure is projected for R2.282 million increase from R684.752 million to R687.034 million. The budgeted operating surplus is anticipated to decrease by R1.8 million from R34.359 million to R32.559 million as a result.

Table 2: Operational Revenue Adjustment Budget Movements – 2025/202 Financial Year.

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	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		
Revenue By Source											
Exchange Revenue											
Service charges - Electricity	189 484	189 966	—	—	—	—	—	—	189 966	212 382	237 443
Service charges - Water	50 250	46 104	—	—	—	—	—	—	46 104	49 101	50 721
Service charges - Waste Water Management	26 128	24 520	—	—	—	—	—	—	24 520	25 353	26 947
Service charges - Waste Management	11 267	11 433	—	—	—	—	—	—	11 433	11 821	12 211
Sale of Goods and Rendering of Services	1 400	1 400	—	—	—	—	—	—	1 400	1 448	1 548
Agency services	6 000	6 000	—	—	—	—	—	—	6 000	6 204	6 508
Interest	—	—	—	—	—	—	—	—	—	—	—
Interest earned from Receivables	15 389	14 029	—	—	—	—	—	—	14 029	14 506	14 985
Interest earned from Current and Non Current Assets	5 000	8 000	—	—	—	—	—	—	8 000	9 244	9 549
Dividends	—	—	—	—	—	—	—	—	—	—	—
Rent on Land	—	—	—	—	—	—	—	—	—	—	—
Rental from Fixed Assets	1 223	1 336	—	—	—	—	—	—	1 336	1 381	1 427
Special Rating Levies	—	—	—	—	—	—	—	—	—	—	—

Licence and permits	—	—	—	—	—	—	—	—	—	—	—	—
Operational Revenue	2 470	3 487	—	—	—	—	—	—	—	3 487	3 606	3 725
Non-Exchange Revenue												
Property rates	115 924	115 924	—	—	—	—	—	—	—	115 924	119 386	123 325
Surcharges and Taxes	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits	43 548	103 544	—	—	—	—	—	—	—	103 544	107 064	110 597
Licences or permits	3 447	3 447	—	—	—	—	—	—	—	3 447	3 564	3 681
Transfer and subsidies - Operational	151 036	151 426	—	—	—	—	—	482	482	151 908	155 577	158 614
Interest	17 045	15 675	—	—	—	—	—	—	—	15 675	16 223	16 758
Fuel Levy	—	—	—	—	—	—	—	—	—	—	—	—
Operational Revenue	3 595	2 424	—	—	—	—	—	—	—	2 424	2 507	2 589
Gains on disposal of Assets	—	—	—	—	—	—	—	—	—	—	—	—
Other Gains	13 398	20 398	—	—	—	—	—	—	—	20 398	20 675	10 681
Discontinued Operations	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)	656 606	719 111						482	482	719 593	760 041	791 311

The total operational revenue is proposed to increase from R719.111 million to R719.593 million. The increase is attributable to the additional R482 000 EPWP grant allocation.

Table 3: Operational Expenditure Adjustment Budget Movements

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	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
R thousands	A	A1	B	5 C	6 D	7 E	8 F	9 G	H		
Expenditure By Type											
Employee related costs	181 826	194 051	—	—	—	—	282	282	194 333	214 565	220 788
Remuneration of councillors	9 715	10 297	—	—	—	—	—	—	10 297	10 648	10 999
Bulk purchases - electricity	178 230	178 230	—	—	—	—	—	—	178 230	194 288	200 700
Inventory consumed	36 309	36 495	—	—	—	—	2 000	2 000	38 495	39 378	40 677
Debt impairment	24 996	61 318	—	—	—	—	—	—	61 318	53 521	55 287
Depreciation and amortisation	44 944	49 090	—	—	—	—	—	—	49 090	52 577	54 312
Interest	18 612	10 345	—	—	—	—	—	—	10 345	11 000	11 363
Contracted services	84 683	80 503	—	—	—	—	—	—	80 503	81 918	84 621
Transfers and subsidies	—	—	—	—	—	—	—	—	—	—	—
Irrecoverable debts written off	—	—	—	—	—	—	—	—	—	—	—
Operational costs	48 485	64 422	—	—	—	—	—	—	64 422	67 392	68 788
Losses on disposal of Assets	—	—	—	—	—	—	—	—	—	—	—
Other Losses	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure	627 799	684 752					2 282	2 282	687 034	725 286	747 535

The proposed total expenditure of R687.034 million is shown in the above table, which also indicates a total proposed upward adjustment of R2.282 million. The adjustments to the line items are as follows:

- Employee-related costs:** The proposed R282 000 adjustment to employee related costs is directly attributed to additional wages, incorporating around R200 000 correction to balance the EPWP grant and funding.
- Inventory consumed:** It is recommended that funds amounting to R2 million be transferred from the capital budget to enhance the budget provision for the procurement of materials for the electrical infrastructure repairs and maintenance.

Table 4: Capital Expenditure Adjustment Budget Movements

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	7	8	9	10	11	H		
				C	D	E	F	G			
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
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	261	—	—	—	—	—	0	0	0	870	4 348
Vote 8 - Speaker	—	—	—	—	—	—	—	—	—	—	—
Vote 9 - Technical Services	29 661	—	—	—	—	—	29 920	29 920	29 920	88 722	115 354
Vote 10 - Technical Services	—	—	—	—	—	—	—	—	—	—	—
Vote 11 -	—	—	—	—	—	—	—	—	—	—	—
Vote 12 -	—	—	—	—	—	—	—	—	—	—	—
Vote 13 -	—	—	—	—	—	—	—	—	—	—	—
Vote 14 -	—	—	—	—	—	—	—	—	—	—	—
Vote 15 -	—	—	—	—	—	—	—	—	—	—	—
Capital multi-year expenditure sub-total	29 922	-	-	-	-	-	29 920	29 920	29 920	89 591	119 702
Single-year expenditure to be adjusted											
Vote 1 - Budget and Treasury	80	254	—	—	—	—	273	273	527	—	—
Vote 2 - Corporate Services	3 200	3 430	—	—	—	—	(74)	(74)	3 356	1 968	—
Vote 3 - Mayor	—	—	—	—	—	—	—	—	—	—	—
Vote 4 - Municipal Manager	—	—	—	—	—	—	—	—	—	63	—
Vote 5 - Internal Audit	300	—	—	—	—	—	—	—	—	—	—
Vote 6 - Planning and Economic Development	500	250	—	—	—	—	—	—	250	222	—
Vote 7 - Social and Community Services	7 916	9 344	—	—	—	—	(272)	(272)	9 072	1 258	—
Vote 8 - Speaker	—	—	—	—	—	—	—	—	—	—	—
Vote 9 - Technical Services	110 093	158 597	—	—	—	—	(42 291)	(42 291)	116 306	24 886	291
Vote 10 - Technical Services	—	—	—	—	—	—	—	—	—	—	—
Vote 11 -	—	—	—	—	—	—	—	—	—	—	—
Vote 12 -	—	—	—	—	—	—	—	—	—	—	—
Vote 13 -	—	—	—	—	—	—	—	—	—	—	—
Vote 14 -	—	—	—	—	—	—	—	—	—	—	—
Vote 15 -	—	—	—	—	—	—	—	—	—	—	—
Capital single-year expenditure sub-total	122 089	171 875	-	-	-	-	(42 364)	(42 364)	129 511	28 397	291
Total Capital Expenditure - Vote	152 011	171 875	-	-	-	-	(12 445)	(12 445)	159 431	117 989	119 993
Capital Expenditure - Functional											
Governance and administration	3 580	3 684	-	-	-	-	199	199	3 883	2 031	-
Executive and council	—	—	—	—	—	—	—	—	—	—	—
Finance and administration	3 280	3 684	—	—	—	—	199	199	3 883	2 031	—
Internal audit	300	—	—	—	—	—	—	—	—	—	—
Community and public safety	1 561	1 505	-	-	-	-	(272)	(272)	1 233	2 032	4 348
Community and social services	411	180	—	—	—	—	(122)	(122)	58	1 441	4 348
Sport and recreation	—	—	—	—	—	—	—	—	—	—	—

Public safety	1 150	1 325	—	—	—	—	(150)	(150)	1 175	591	—
Housing	—	—	—	—	—	—	—	—	—	—	—
Health	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services	28 950	46 065	-	-	-	-	(13 570)	(13 570)	32 495	26 760	23 971
Planning and development	500	250	—	—	—	—	—	—	250	222	—
Road transport	28 450	45 815	—	—	—	—	(13 570)	(13 570)	32 245	26 538	23 971
Environmental protection	—	—	—	—	—	—	—	—	—	—	—
Trading services	117 920	120 621	-	-	-	-	1 199	1 199	121 820	87 165	91 674
Energy sources	25 752	27 530	—	—	—	—	(645)	(645)	26 885	12 232	11 697
Water management	57 338	57 459	—	—	—	—	(85)	(85)	57 374	46 956	41 552
Waste water management	28 213	27 792	—	—	—	—	1 929	1 929	29 721	27 882	38 424
Waste management	6 616	7 839	—	—	—	—	—	—	7 839	95	—
Other	—	—	—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Functional	152 011	171 875	-	-	-	-	(12 445)	(12 445)	159 431	117 989	119 993
Funded by:											
National Government	131 349	149 077	—	—	—	—	(10 445)	(10 445)	138 632	103 448	119 993
Provincial Government	—	—	—	—	—	—	—	—	—	—	—
District Municipality	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—	—	—
Transfers recognised - capital	131 349	149 077	—	—	—	—	(10 445)	(10 445)	138 632	103 448	119 993
Borrowing	—	—	—	—	—	—	—	—	—	—	—
Internally generated funds	20 662	22 799	—	—	—	—	(2 000)	(2 000)	20 799	14 541	—
Total Capital Funding	152 011	171 875	-	-	-	-	(12 445)	(12 445)	159 431	117 989	119 993

Table 4 outlines the projected capital expenditure by functional classification and specifies the source of funding. Grant funded capital expenditure is proposed for a net reduction of R10.445 million

Following a thorough assessment, it has been determined that the municipality will not complete the Municipal Disaster Recovery Grant funded projects in the current year, consequently a budget reduction is proposed for the three projects, aligning with anticipated actual expenditure. These funds will be expended inside the 2026/2027 financial year.

A R2 million transfer of internally funded (own source) expenditure is proposed from capital budget to the operational budget.

Other adjustments are due to the shifting of funds within funding sources to accelerate grant spending and avoid unspent grants at year-end.

The capital expenditure adjustments are shown per project/asset in the following tables. The projects are grouped per funding source.

1.4 Special Adjustment Budget Tables

The discussion below presents the ten (10) main special 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 2025/2026 special adjustments budget as approved by the Council. Each table is accompanied by *explanatory notes* on the following page.

Table 5: MBRR - LIM366 Bela-Bela - Table B1 Adjustments Budget Summary –

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	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	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
R thousands											
Financial Performance											
Property rates Service charges	115 924	115 924	—	—	—	—	—	—	115 924	119 386	123 325
Investment revenue	277 130	272 023	—	—	—	—	—	—	272 023	298 658	327 323
Transfers recognised - operational	5 000	8 000	—	—	—	—	—	—	8 000	9 244	9 549
Other own revenue	151 036	151 426	—	—	—	—	482	482	151 908	155 577	158 614
	107 516	171 739	—	—	—	—	—	—	171 739	177 177	172 499
Total Revenue (excluding capital transfers and contributions)	656 606	719 111	—	—	—	—	482	482	719 593	760 041	791 311
Employee costs Remuneration of councillors	181 826	194 051	—	—	—	—	282	282	194 333	214 565	220 788
Depreciation & asset impairment	9 715	10 297	—	—	—	—	—	—	10 297	10 648	10 999
Finance charges	69 940	110 408	—	—	—	—	—	—	110 408	106 098	109 599
Inventory consumed and bulk purchases	18 612	10 345	—	—	—	—	—	—	10 345	11 000	11 363
Transfers and subsidies	214 539	214 725	—	—	—	—	2 000	2 000	216 725	233 666	241 377
Other expenditure Total	133 168	144 925	—	—	—	—	—	—	144 925	149 310	153 409
Expenditure	627 799	684 752	—	—	—	—	2 282	2 282	687 034	725 286	747 535
Surplus/(Deficit)	28 807	34 359	—	—	—	—	(1 800)	(1 800)	32 559	34 755	43 775
Transfers and subsidies - capital (monetary allocations)	151 051	171 497	—	—	—	—	(12 070)	(12 070)	159 427	118 965	137 992
Transfers and subsidies - capital (in-kind - all) Surplus/(Deficit) after capital transfers & contributions	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/(deficit) of associate	179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	153 720	181 767
	—	—	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	153 720	181 767
Capital expenditure & funds sources											
Capital expenditure	152 011	171 875	—	—	—	—	(12 445)	(12 445)	159 431	117 989	119 993
Transfers recognised - capital Borrowing	131 349	149 077	—	—	—	—	(10 445)	(10 445)	138 632	103 448	119 993
Internally generated funds	—	—	—	—	—	—	—	—	—	—	—
Total sources of capital funds	20 662	22 799	—	—	—	—	(2 000)	(2 000)	20 799	14 541	—
	152 011	171 875	—	—	—	—	(12 445)	(12 445)	159 431	117 989	119 993
Financial position Total											
current assets Total non current	482 780	573 728	—	—	—	—	15 878	15 878	589 606	337 669	350 265
assets Total current liabilities	1 101 446	1 262 917	—	—	—	—	(12 445)	(12 445)	1 250 472	1 205 923	1 206 534
Total non current liabilities Community wealth/Equity	380 844	420 478	—	—	—	—	17 303	17 303	437 782	180 454	196 290
	173 982	141 717	—	—	—	—	—	—	141 717	76 807	76 807
	1 029 400	1 274 450	—	—	—	—	(13 870)	(13 870)	1 260 580	1 233 689	1 261 737
Cash flows											
Net cash from (used) operating Net cash from (used) investing Net cash from (used) financing	197 033	203 353	—	—	—	—	3 433	3 433	206 786	142 218	201 839
	(152 011)	(193 876)	—	—	—	—	12 445	12 445	(181 432)	(110 493)	(111 594)
	—	—	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the year end	70 293	62 348	—	—	—	—	15 878	15 878	78 226	84 596	143 117
Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall)	70 293	62 348	—	—	—	—	15 878	15 878	78 226	84 596	143 117
	(26 465)	(61 491)	—	—	—	—	17 930	17 930	(43 561)	(45 934)	1 904
	96 758	123 839	—	—	—	—	(2 052)	(2 052)	121 787	130 530	141 213
Asset Management											
Asset register summary (WDV) Depreciation	1 101 305	1 262 776	—	—	—	—	(12 445)	(12 445)	1 250 332	929 839	1 206 393
Renewal and Upgrading of Existing Assets Repairs and Maintenance	44 944	49 090	—	—	—	—	—	—	49 090	52 577	54 312
	90 015	108 050	—	—	—	—	(10 288)	(10 288)	97 762	72 600	78 759
	25 040	24 965	—	—	—	—	2 000	2 000	26 965	58 006	59 920
Free services											
Cost of Free Basic Services provided	—	—	—	—	—	—	—	—	—	—	—
Revenue cost of free services provided	—	—	—	—	—	—	—	—	—	—	—
Households below minimum service level											
Water:	—	—	—	—	—	—	—	—	—	—	—
Sanitation/sewerage: Energy:	—	—	—	—	—	—	—	—	—	—	—
Refuse:	—	—	—	—	—	—	—	—	—	—	—

Explanatory notes to MBRR Table B1 - Budget Summary

Table B1 is the special 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 Adjustments budget depicts a surplus of R32.559 million from previously adjusted budget surplus of R34.359 million. The surplus decrease is attributable to a higher increase in operational expenditure than revenue.

Financial management reforms emphasize the importance of the municipal budget being funded. This requires 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 6: MBRR - LIM366 Bela-Bela - Table B2 Adjustments Budget Financial Performance (functional classification)

Standard Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
Government and administration		343 477	405 821	-	-	-	-	482	482	406 303	418 055	421 589
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		343 477	405 821	-	-	-	-	482	482	406 303	418 055	421 589
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		9 965	9 990	-	-	-	-	-	-	9 990	11 997	10 807
Community and social services		538	562	-	-	-	-	-	-	562	2 242	630
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		9 428	9 428	-	-	-	-	-	-	9 428	9 755	10 176
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		45 483	73 301	-	-	-	-	(15 570)	(15 570)	57 731	42 480	46 006
Planning and development		5 432	12 415	-	-	-	-	-	-	12 415	12 859	13 439
Road transport		40 051	60 887	-	-	-	-	(15 570)	(15 570)	45 317	29 621	32 567
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		408 732	401 496	-	-	-	-	3 500	3 500	404 996	406 474	450 901
Energy sources		208 891	208 681	-	-	-	-	1 500	1 500	211 181	223 165	252 737
Water management		151 677	146 396	-	-	-	-	2 000	2 000	148 396	137 014	149 790
Waste water management		34 022	31 883	-	-	-	-	-	-	31 883	32 806	34 439
Waste management		14 142	13 536	-	-	-	-	-	-	13 536	13 489	13 934
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	807 657	890 608	-	-	-	-	(11 588)	(11 588)	879 020	879 006	929 303
Expenditure - Functional												
Government and administration		170 620	204 921	-	-	-	-	-	-	204 921	201 060	207 695
Executive and council		26 374	26 298	-	-	-	-	-	-	26 298	25 707	26 555
Finance and administration		140 385	173 063	-	-	-	-	-	-	173 063	161 116	166 433
Internal audit		4 861	5 560	-	-	-	-	-	-	5 560	14 238	14 707
Community and public safety		79 141	102 451	-	-	-	-	282	282	102 733	111 302	113 622
Community and social services		39 620	38 229	-	-	-	-	282	282	38 511	39 372	39 318
Sport and recreation		2 510	2 309	-	-	-	-	-	-	2 309	2 192	2 264
Public safety		37 011	61 912	-	-	-	-	-	-	61 912	69 739	72 040
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		49 533	47 612	-	-	-	-	-	-	47 612	57 771	59 678
Planning and development		17 647	16 451	-	-	-	-	-	-	16 451	18 208	18 809
Road transport		31 886	31 161	-	-	-	-	-	-	31 161	39 564	40 869
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		328 505	329 769	-	-	-	-	2 000	2 000	331 769	355 153	366 541
Energy sources		215 606	219 051	-	-	-	-	2 000	2 000	221 051	237 927	245 779
Water management		66 785	67 095	-	-	-	-	-	-	67 095	72 482	74 873
Waste water management		15 497	15 905	-	-	-	-	-	-	15 905	14 263	14 734
Waste management		30 617	27 718	-	-	-	-	-	-	27 718	30 481	31 154
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	627 799	684 752	-	-	-	-	2 282	2 282	687 034	725 286	747 535
Surplus/ (Deficit) for the year		179 858	205 855	-	-	-	-	(13 870)	(13 870)	191 985	153 720	181 767

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

1. Table 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 B2 is a reproduction of Table B1 in GFA format so the aggregate figures of these tables are the same.

Table 7: MBRR Table B3 - LIM366 Bela-Bela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description <i>[Insert departmental structure etc]</i>	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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		
Revenue by Vote	1											
Vote 1 - Budget and Treasury		341 972	404 124	—	—	—	—	482	482	404 606	416 389	420 127
Vote 2 - Corporate Services		1 505	1 697	—	—	—	—	—	—	1 697	1 666	1 462
Vote 3 - Mayor		—	—	—	—	—	—	—	—	—	—	—
Vote 4 - Municipal Manager		—	—	—	—	—	—	—	—	—	—	—
Vote 5 - Internal Audit		—	—	—	—	—	—	—	—	—	—	—
Vote 6 - Planning and Economic Development		3 890	10 873	—	—	—	—	—	—	10 873	11 300	11 725
Vote 7 - Social and Community Services		24 108	23 526	—	—	—	—	—	—	23 526	25 486	24 741
Vote 8 - Speaker		—	—	—	—	—	—	—	—	—	—	—
Vote 9 - Technical Services		434 641	448 847	—	—	—	—	(12 070)	(12 070)	436 777	422 606	469 534
Vote 10 - Technical Services		1 542	1 542	—	—	—	—	—	—	1 542	1 559	1 714
Vote 11 -		—	—	—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—	—	—
Total Revenue by Vote	2	807 657	890 608	—	—	—	—	(11 588)	(11 588)	879 020	879 006	929 303
Expenditure by Vote	1											
Vote 1 - Budget and Treasury		84 604	98 542	—	—	—	—	—	—	98 542	92 195	95 238
Vote 2 - Corporate Services		48 575	68 526	—	—	—	—	—	—	68 526	64 167	66 285
Vote 3 - Mayor		3 422	2 998	—	—	—	—	—	—	2 998	3 125	3 228
Vote 4 - Municipal Manager		18 249	17 828	—	—	—	—	—	—	17 828	14 908	15 400
Vote 5 - Internal Audit		4 861	5 560	—	—	—	—	—	—	5 560	14 238	14 707
Vote 6 - Planning and Economic Development		15 228	12 659	—	—	—	—	—	—	12 659	14 866	15 356
Vote 7 - Social and Community Services		109 758	130 169	—	—	—	—	282	282	130 451	141 783	144 776
Vote 8 - Speaker		10 909	11 467	—	—	—	—	—	—	11 467	12 127	12 527
Vote 9 - Technical Services		329 774	333 212	—	—	—	—	2 000	2 000	335 212	364 235	376 255
Vote 10 - Technical Services		2 420	3 791	—	—	—	—	—	—	3 791	3 342	3 462
Vote 11 -		—	—	—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—	—	—
Total Expenditure by Vote	2	627 799	684 752	—	—	—	—	2 282	2 282	687 034	724 986	747 225
Surplus/ (Deficit) for the year	2	179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	154 020	182 077

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

Table 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 8: MBRR - LIM366 Bela-Bela - Table B4 Adjustments Budget Financial Performance (revenue and expenditure)

Description	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands	1											
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	189 484	189 966	—	—	—	—	—	—	189 966	212 382	237 443
Service charges - Water	2	50 250	46 104	—	—	—	—	—	—	46 104	49 101	50 721
Service charges - Waste Water Management	2	26 128	24 520	—	—	—	—	—	—	24 520	25 353	26 947
Service charges - Waste Management	2	11 267	11 433	—	—	—	—	—	—	11 433	11 821	12 211
Sale of Goods and Rendering of Services		1 400	1 400	—	—	—	—	—	—	1 400	1 448	1 548
Agency services		6 000	6 000	—	—	—	—	—	—	6 000	6 204	6 508
Interest		—	—	—	—	—	—	—	—	—	—	—
Interest earned from Receivables		15 389	14 029	—	—	—	—	—	—	14 029	14 506	14 985
Interest earned from Current and Non Current Assets		5 000	8 000	—	—	—	—	—	—	8 000	9 244	9 549
Dividends		—	—	—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		1 223	1 336	—	—	—	—	—	—	1 336	1 381	1 427
Special Rating Levies		—	—	—	—	—	—	—	—	—	—	—
Licence and permits		—	—	—	—	—	—	—	—	—	—	—
Operational Revenue		2 470	3 487	—	—	—	—	—	—	3 487	3 606	3 725
Non-Exchange Revenue												
Property rates	2	115 924	115 924	—	—	—	—	—	—	115 924	119 386	123 325
Surcharges and Taxes		—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		43 548	103 544	—	—	—	—	—	—	103 544	107 064	110 597
Licences or permits		3 447	3 447	—	—	—	—	—	—	3 447	3 564	3 681
Transfer and subsidies - Operational		151 036	151 426	—	—	—	—	482	482	151 908	155 577	158 614
Interest		17 045	15 675	—	—	—	—	—	—	15 675	16 223	16 758
Fuel Levy		—	—	—	—	—	—	—	—	—	—	—
Operational Revenue		3 595	2 424	—	—	—	—	—	—	2 424	2 507	2 589
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—	—	—
Other Gains		13 398	20 398	—	—	—	—	—	—	20 398	20 675	10 681
Discontinued Operations		—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		656 606	719 111	—	—	—	—	482	482	719 593	760 041	791 311
Expenditure By Type												
Employee related costs		181 826	194 051	—	—	—	—	282	282	194 333	214 565	220 788
Remuneration of councillors		9 715	10 297	—	—	—	—	—	—	10 297	10 648	10 999
Bulk purchases - electricity		178 230	178 230	—	—	—	—	—	—	178 230	194 288	200 700
Inventory consumed		36 309	36 495	—	—	—	—	2 000	2 000	38 495	39 378	40 677
Debt impairment		24 996	61 318	—	—	—	—	—	—	61 318	53 521	55 287
Depreciation and amortisation		44 944	49 090	—	—	—	—	—	—	49 090	52 577	54 312
Interest		18 612	10 345	—	—	—	—	—	—	10 345	11 000	11 363
Contracted services		84 683	80 503	—	—	—	—	—	—	80 503	81 918	84 621
Transfers and subsidies		—	—	—	—	—	—	—	—	—	—	—
Irrecoverable debts written off		—	—	—	—	—	—	—	—	—	—	—
Operational costs		48 485	64 422	—	—	—	—	—	—	64 422	67 392	68 788
Losses on disposal of Assets		—	—	—	—	—	—	—	—	—	—	—
Other Losses		—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		627 799	684 752	—	—	—	—	2 282	2 282	687 034	725 286	747 535
Surplus/(Deficit)		28 807	34 359	—	—	—	—	(1 800)	(1 800)	32 559	34 755	43 775
Transfers and subsidies - capital (monetary allocations)		151 051	171 497	—	—	—	—	(12 070)	(12 070)	159 427	118 965	137 992
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) before taxation		179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	153 720	181 767
Income Tax		—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	153 720	181 767
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	153 720	181 767
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	1	179 858	205 855	—	—	—	—	(13 870)	(13 870)	191 985	153 720	181 767

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

1. Total revenue was adjusted from previously adjusted budget of R719.111 million to R719.593 million. The factors affecting the adjustment were discussed in the explanatory notes under Table 2 above.

2. Total expenditure was also adjusted from R684.752 million to R687.034 million. The factors contributing to this situation were outlined in the explanatory notes under Table 3.

Table 9: MBRR - LIM366 Bela-Bela - Table B5 Adjustments Capital Expenditure Budget by vote and funding

Description	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 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		261	—	—	—	—	—	0	0	0	870	4 348
Vote 8 - Speaker		—	—	—	—	—	—	—	—	—	—	—
Vote 9 - Technical Services		29 661	—	—	—	—	—	29 920	29 920	29 920	88 722	115 354
Vote 10 - Technical Services		—	—	—	—	—	—	—	—	—	—	—
Vote 11 -		—	—	—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—	—	—
Capital multi-year expenditure sub-total	3	29 922	—	—	—	—	—	29 920	29 920	29 920	89 591	119 702
Single-year expenditure to be adjusted	2											
Vote 1 - Budget and Treasury		80	254	—	—	—	—	273	273	527	—	—
Vote 2 - Corporate Services		3 200	3 430	—	—	—	—	(74)	(74)	3 356	1 968	—
Vote 3 - Mayor		—	—	—	—	—	—	—	—	—	—	—
Vote 4 - Municipal Manager		—	—	—	—	—	—	—	—	—	63	—
Vote 5 - Internal Audit		300	—	—	—	—	—	—	—	—	—	—
Vote 6 - Planning and Economic Development		500	250	—	—	—	—	—	—	250	222	—
Vote 7 - Social and Community Services		7 916	9 344	—	—	—	—	(272)	(272)	9 072	1 258	—
Vote 8 - Speaker		—	—	—	—	—	—	—	—	—	—	—
Vote 9 - Technical Services		110 093	158 597	—	—	—	—	(42 291)	(42 291)	116 306	24 886	291
Vote 10 - Technical Services		—	—	—	—	—	—	—	—	—	—	—
Vote 11 -		—	—	—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—	—	—
Capital single-year expenditure sub-total		122 089	171 875	—	—	—	—	(42 364)	(42 364)	129 511	28 397	291
Total Capital Expenditure - Vote		152 011	171 875	—	—	—	—	(12 445)	(12 445)	159 431	117 989	119 993
Capital Expenditure - Functional												
Governance and administration		3 580	3 684	—	—	—	—	199	199	3 883	2 031	—
Executive and council		—	—	—	—	—	—	—	—	—	—	—
Finance and administration		3 280	3 684	—	—	—	—	199	199	3 883	2 031	—
Internal audit		300	—	—	—	—	—	—	—	—	—	—
Community and public safety		1 561	1 505	—	—	—	—	(272)	(272)	1 233	2 032	4 348
Community and social services		411	180	—	—	—	—	(122)	(122)	58	1 441	4 348
Sport and recreation		—	—	—	—	—	—	—	—	—	—	—
Public safety		1 150	1 325	—	—	—	—	(150)	(150)	1 175	591	—
Housing		—	—	—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		28 950	46 065	—	—	—	—	(13 570)	(13 570)	32 495	26 760	23 971
Planning and development		500	250	—	—	—	—	—	—	250	222	—
Road transport		28 450	45 815	—	—	—	—	(13 570)	(13 570)	32 245	26 538	23 971
Environmental protection		—	—	—	—	—	—	—	—	—	—	—
Trading services		117 920	120 621	—	—	—	—	1 199	1 199	121 820	87 165	91 674
Energy sources		25 752	27 530	—	—	—	—	(645)	(645)	26 885	12 232	11 697
Water management		57 338	57 459	—	—	—	—	(85)	(85)	57 374	46 956	41 552
Waste water management		28 213	27 792	—	—	—	—	1 929	1 929	29 721	27 882	38 424
Waste management		6 616	7 839	—	—	—	—	—	—	7 839	95	—

Other													
Total Capital Expenditure - Functional	3	152 011	171 875	-	-	-	-	(12 445)	(12 445)	159 431	117 989	119 993	
Funded by:													
National Government		131 349	149 077	-	-	-	-	(10 445)	(10 445)	138 632	103 448	119 993	
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	
District Municipality		-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	
Transfers recognised - capital	4	131 349	149 077	-	-	-	-	(10 445)	(10 445)	138 632	103 448	119 993	
Borrowing													
Internally generated funds		20 662	22 799	-	-	-	-	(2 000)	(2 000)	20 799	14 541	-	
Total Capital Funding		152 011	171 875	-	-	-	-	(12 445)	(12 445)	159 431	117 989	119 993	

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

Table 4 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 budget was adjusted from previously adjusted budget of R171.875 million to R159.431 million. The factors affecting the adjustment are discussed under table 4 above.

Table 10: MBRR - LIM366 Bela-Bela - Table B6 Adjustments Budget Financial Position

Description	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		70 293	62 348	-	-	-	-	15 878	15 878	78 226	84 596	143 117
Trade and other receivables from exchange transactions	1	131 602	136 766	-	-	-	-	-	-	136 766	144 986	131 756
Receivables from non-exchange transactions	1	88 078	114 581	-	-	-	-	-	-	114 581	106 952	73 809
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		989	795	-	-	-	-	(0)	(0)	795	300	748
VAT		190 863	258 404	-	-	-	-	-	-	258 404	-	-
Other current assets		955	835	-	-	-	-	-	-	835	835	835
Total current assets		482 780	573 728	-	-	-	-	15 878	15 878	589 606	337 669	350 265
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		70 458	92 503	-	-	-	-	-	-	92 503	92 843	93 184
Property, plant and equipment	3	1 027 851	1 167 822	-	-	-	-	(12 445)	(12 445)	1 155 377	1 109 989	1 111 287
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		539	539	-	-	-	-	-	-	539	539	539
Intangible assets		2 458	1 912	-	-	-	-	-	-	1 912	2 402	1 383
Trade and other receivables from exchange transactions		141	141	-	-	-	-	-	-	141	141	141
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		1 101 446	1 262 917	-	-	-	-	(12 445)	(12 445)	1 250 472	1 205 923	1 206 534
TOTAL ASSETS		1 584 226	1 836 645	-	-	-	-	3 433	3 433	1 840 079	1 543 592	1 556 799
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	3 365	-	-	-	-	-	-	3 365	3 365	3 365
Consumer deposits		7 239	7 445	-	-	-	-	-	-	7 445	7 445	7 445
Trade and other payables from exchange transactions		177 290	125 609	-	-	-	-	(1 267)	(1 267)	124 342	140 409	155 883
Trade and other payables from non-exchange transactions		0	0	-	-	-	-	18 570	18 570	18 570	(0)	0
Provisions		5 933	32 638	-	-	-	-	-	-	32 638	29 235	29 598
VAT		190 383	251 422	-	-	-	-	-	-	251 422	-	-
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		380 844	420 478	-	-	-	-	17 303	17 303	437 782	180 454	196 290
Non current liabilities												

Borrowing	1	4 015	1 692	—	—	—	—	—	—	1 692	1 692	1 692
Provisions	1	107 419	74 359	—	—	—	—	—	—	74 359	68 133	68 133
Long term portion of trade payables		10 335	6 982	—	—	—	—	—	—	6 982	6 982	6 982
Other non-current liabilities		52 213	58 684	—	—	—	—	—	—	58 684	—	—
Total non current liabilities		173 982	141 717	—	—	—	—	—	—	141 717	76 807	76 807
TOTAL LIABILITIES		554 826	562 195	—	—	—	—	17 303	17 303	579 498	257 260	273 097
NET ASSETS	2	1 029 400	1 274 450	—	—	—	—	(13 870)	(13 870)	1 260 580	1 286 332	1 283 702
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 029 400	1 274 450	—	—	—	—	(13 870)	(13 870)	1 260 580	1 233 689	1 261 737
Funds and Reserves		—	—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY		1 029 400	1 274 450	—	—	—	—	(13 870)	(13 870)	1 260 580	1 233 689	1 261 737

Explanatory notes to Table B6 - Budgeted Financial Position

- Table B6 consists of 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).
- 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 convertible to cash, or liabilities immediately required to be met from cash, appear first.
- Table A6 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
- 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.
- 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.
- The adjustments on the Statement of Financial Position were done to improve alignment with the actuals in the Audited Annual Financial Statements.

Table 11: MBRR - LIM366 Bela-Bela - Table B7 Adjustments Budget Cash Flows

Description	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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	10 H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts Property												
rates Service charges		104 332	93 898	—	—	—	—	—	—	93 898	101 478	141 207
Other revenue		249 416	239 360	—	—	—	—	—	—	239 360	264 478	310 443
Transfers and Subsidies - Operational Transfers and		78 146	96 955	—	—	—	—	(1 267)	(1 267)	95 688	98 194	65 682
Subsidies - Capital Interest	1	151 036	151 036	—	—	—	—	482	482	151 518	155 577	158 614
Dividends	1	140 291	160 961	—	—	—	—	6 500	6 500	167 461	118 965	137 992
Payments												
Suppliers and employees		32 960	33 638	—	—	—	—	—	—	33 638	32 711	33 790
Finance charges Transfers and		—	—	—	—	—	—	—	—	—	—	—
Subsidies		(559 147)	(572 496)	—	—	—	—	(2 282)	(2 282)	(574 778)	(629 186)	(645 889)
	1	—	—	—	—	—	—	—	—	—	—	—
	1	—	—	—	—	—	—	—	—	—	—	—
NET CASH FROM/(USED) OPERATING ACTIVITIES		197 033	203 353	—	—	—	—	3 433	3 433	206 786	142 218	201 839
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		(152 011)	(193 876)	—	—	—	—	12 445	12 445	(181 432)	(110 493)	(111 594)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(152 011)	(193 876)	—	—	—	—	12 445	12 445	(181 432)	(110 493)	(111 594)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—	—	—	—	—
Payments												
Repayment of borrowing		—	—	—	—	—	—	—	—	—	—	—
NET CASH FROM/(USED) FINANCING ACTIVITIES		—	—	—	—	—	—	—	—	—	—	—
NET INCREASE/ (DECREASE) IN CASH HELD		45 022	9 476	—	—	—	—	15 878	15 878	25 354	31 724	90 245
Cash/cash equivalents at the year begin:	2	25 270	52 871	—	—	—	—	—	—	52 871	52 871	52 871
Cash/cash equivalents at the year end:	2	70 293	62 348	—	—	—	—	15 878	15 878	78 226	84 596	143 117

Explanatory notes to Table B7 - Budgeted Cash Flow Statement

- a) The budgeted cash flow statement is the first measurement in determining if the budget is funded.
- b) It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
- c) The net increase in cash held is increased by R15.878 million which was affected by:
 - i. Adjustments to the capital expenditure in 2025/2026.
 - ii. The receipt of additional grant allocations
- d) Cash/cash equivalents at the year-end are adjusted from R62.348 million up to R78.226 million.

Table 12: MBRR - LIM366 Bela-Bela - Table B8 Cash backed reserves/accumulated surplus reconciliation

Description	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	70 293	62 348	—	—	—	—	15 878	15 878	78 226	84 596	143 117
Other current investments > 90 days		(0)	(0)	—	—	—	—	(0)	(0)	(0)	(0)	—
Non current assets - Investments	1	—	—	—	—	—	—	—	—	—	—	—
Cash and investments available:		70 293	62 348	-	-	-	-	15 878	15 878	78 226	84 596	143 117
Applications of cash and investments												
Unspent conditional transfers		0	0	—	—	—	—	18 570	18 570	18 570	(0)	0
Unspent borrowing		—	—	—	—	—	—	—	—	—	—	—
Statutory requirements		(480)	(6 982)	—	—	—	—	(0)	(0)	(6 982)	—	—
Other working capital requirements	2	(31 918)	(87 148)	—	—	—	—	(640)	(640)	(87 788)	(75 169)	(27 694)
Other provisions		5 933	32 638	—	—	—	—	—	—	32 638	29 235	29 598
Long term investments committed		—	—	—	—	—	—	—	—	—	—	—
Reserves to be backed by cash/investments		—	—	—	—	—	—	—	—	—	—	—
Total Application of cash and investments:		(26 465)	(61 491)	-	-	-	-	17 930	17 930	(43 561)	(45 934)	1 904
Surplus(shortfall)		96 758	123 839	-	-	-	-	(2 052)	(2 052)	121 787	130 530	141 213

Explanatory notes to Table 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 special adjustment budget budget, the municipality is assumed to have adopted a funded adjustments budget as the reconciliation results in a R121.787 million surplus.

Table 13: MBRR – LIM366 Bela-Bela - Table B9 Asset Management

Description	R ef	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	61 996	63 825	–	–	–	–	(2 156)	(2 156)	61 669	45 389	41 234
Roads Infrastructure		18 894	18 196	–	–	–	–	–	–	18 196	24 951	23 971
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		13 043	14 912	–	–	–	–	1 578	1 578	16 490	7 662	11 697
Water Supply Infrastructure		13 636	14 542	–	–	–	–	(1 461)	(1 461)	13 082	343	1 217
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	324	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		45 573	47 650	–	–	–	–	118	118	47 767	33 280	36 886
Community Facilities		761	500	–	–	–	–	–	–	500	870	4 348
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		761	500	–	–	–	–	–	–	500	870	4 348
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		800	550	–	–	–	–	–	–	550	222	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	800	550	–	–	–	–	–	–	550	222	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		3 200	2 869	–	–	–	–	(74)	(74)	2 795	2 634	–
Furniture and Office Equipment		380	380	–	–	–	–	–	–	380	476	–
Machinery and Equipment		11 282	11 876	–	–	–	–	(2 200)	(2 200)	9 677	6 638	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	1 270	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets to be adjusted	2	13 704	29 785	–	–	–	–	(13 146)	(13 146)	16 639	18 038	38 471
Roads Infrastructure		9 357	27 474	–	–	–	–	(13 539)	(13 539)	13 935	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 609	2 219	–	–	–	–	51	51	2 270	–	–
Water Supply Infrastructure		1 739	92	–	–	–	–	343	343	435	18 038	38 471
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		13 704	29 785	–	–	–	–	(13 146)	(13 146)	16 639	18 038	38 471
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–

Total Capital Expenditure to be adjusted												
Roads Infrastructure Storm	4	152 011	171 875	—	—	—	—	(12 445)	(12 445)	159 431	117 989	119 993
water Infrastructure Electrical		28 250	45 670	—	—	—	—	(13 539)	(13 539)	32 131	24 951	23 971
Infrastructure		—	—	—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		20 152	21 630	—	—	—	—	1 629	1 629	23 259	9 566	11 697
Sanitation Infrastructure		54 938	55 259	—	—	—	—	(85)	(85)	55 174	45 337	41 552
Solid Waste Infrastructure		25 931	25 610	—	—	—	—	1 825	1 825	27 435	25 803	38 424
Rail Infrastructure		6 316	7 530	—	—	—	—	—	—	7 530	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—	—	—
Infrastructure Community		—	—	—	—	—	—	—	—	—	—	—
Facilities		135 588	155 700	—	—	—	—	(10 171)	(10 171)	145 529	105 657	115 645
Sport and Recreation Facilities Community		761	500	—	—	—	—	—	—	500	1 092	4 348
Assets		—	—	—	—	—	—	—	—	—	—	—
Heritage Assets Revenue		761	500	—	—	—	—	—	—	500	1 092	4 348
Generating Non-revenue		—	—	—	—	—	—	—	—	—	—	—
Generating Investment		—	—	—	—	—	—	—	—	—	—	—
properties Operational		—	—	—	—	—	—	—	—	—	—	—
Buildings Housing		—	—	—	—	—	—	—	—	—	—	—
Other Assets		800	550	—	—	—	—	—	—	550	222	—
Biological or Cultivated Assets Servitudes		—	—	—	—	—	—	—	—	—	—	—
Licences and Rights		800	550	—	—	—	—	—	—	550	222	—
Intangible Assets		—	—	—	—	—	—	—	—	—	—	—
Computer Equipment		—	—	—	—	—	—	—	—	—	—	—
Furniture and Office Equipment Machinery and		—	—	—	—	—	—	—	—	—	—	—
Equipment TransportAssets		—	—	—	—	—	—	—	—	—	—	—
Land		3 200	2 869	—	—	—	—	(74)	(74)	2 795	2 634	—
Zoo's, Marine and Non-biological Animals Mature		380	380	—	—	—	—	—	—	380	476	—
Immature		11 282	11 876	—	—	—	—	(2 200)	(2 200)	9 677	6 638	—
Living Resources		—	—	—	—	—	—	—	—	—	1 270	—
		—	—	—	—	—	—	—	—	—	—	—
		—	—	—	—	—	—	—	—	—	—	—
TOTAL CAPITAL EXPENDITURE to be adjusted	4	152 011	171 875	—	—	—	—	(12 445)	(12 445)	159 431	117 989	119 993
ASSET REGISTER SUMMARY - PPE (WDV)	5	1 101 305	1 262 776	—	—	—	—	(12 445)	(12 445)	1 250 332	929 839	1 206 393
Roads Infrastructure Storm		127 716	163 946	—	—	—	—	—	—	163 946	163 787	163 229
water Infrastructure Electrical		69 006	66 783	—	—	—	—	—	—	66 783	66 783	66 700
Infrastructure		50 647	90 748	—	—	—	—	1 578	1 578	92 326	88 596	86 049
Water Supply Infrastructure		140 150	141 569	—	—	—	—	400	400	141 969	141 944	141 340
Sanitation Infrastructure		168 546	187 710	—	—	—	—	1 100	1 100	188 810	188 034	187 505
Solid Waste Infrastructure		(1 209)	(454)	—	—	—	—	(0)	(0)	(454)	(1 254)	(1 294)
Rail Infrastructure		—	—	—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—	—	—
Infrastructure		554 855	650 303	—	—	—	—	3 078	3 078	653 381	647 890	643 531

Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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	7 A1	8 B	9 C	10 D	11 E	12 F	13	14 H		
Community Assets Heritage		64 466	67 483	—	—	—	—	—	—	67 483	66 953	66 390
Assets Investment properties		539	539	—	—	—	—	—	—	539	539	539
Other Assets		70 458	92 503	—	—	—	—	—	—	92 503	92 843	93 184
Biological or Cultivated Assets		230 645	342 310	—	—	—	—	(13 923)	(13 923)	328 387	15 592	305 819
Intangible Assets		—	—	—	—	—	—	—	—	—	—	—
Computer Equipment		2 458	1 912	—	—	—	—	—	—	1 912	2 402	1 383
Furniture and Office Equipment Machinery and		2 191	3 281	—	—	—	—	1 241	1 241	4 523	3 930	2 368
Equipment TransportAssets		4 348	5 751	—	—	—	—	(1 688)	(1 688)	4 063	2 147	920
Land		72 387	4 589	—	—	—	—	(1 154)	(1 154)	3 435	4 504	776
Zoo's, Marine and Non-biological Animals Living		17 658	6 055	—	—	—	—	—	—	6 055	3 718	3 433
Resources		81 301	88 051	—	—	—	—	—	—	88 051	89 321	88 051
		—	—	—	—	—	—	—	—	—	—	—
		—	—	—	—	—	—	—	—	—	—	—
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 101 305	1 262 776	—	—	—	—	(12 445)	(12 445)	1 250 332	929 839	1 206 393
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment Repairs		44 944	49 090	—	—	—	—	—	—	49 090	52 577	54 312
	3	25	24	—	—	—	—	2 000	2 000	26	58	59

<u>and Maintenance by asset class</u> Roads												
Infrastructure	2 600	2 445	—	—	—	—	—	—	2 445	14 060	14 524	
Storm water Infrastructure	600	900	—	—	—	—	—	900	1 100	1 136		
Electrical Infrastructure	10 000	9 000	—	—	—	—	2 000	2 000	11 000	31 196	32 226	
Water Supply Infrastructure	5 320	4 820	—	—	—	—	—	—	4 820	5 320	5 496	
Sanitation Infrastructure	4 600	3 950	—	—	—	—	—	—	3 950	1 100	1 136	
Solid Waste Infrastructure	—	—	—	—	—	—	—	—	—	—	—	
Rail Infrastructure	—	—	—	—	—	—	—	—	—	—	—	
Coastal Infrastructure	50	50	—	—	—	—	—	—	50	—	—	
Information and Communication Infrastructure	23 170	21 165	—	—	—	—	2 000	2 000	23 165	52 776	54 517	
Infrastructure	150	150	—	—	—	—	—	—	150	150	155	
Community Facilities	1 150	1 200	—	—	—	—	—	—	1 200	1 530	1 580	
Sport and Recreation Facilities	1 300	1 350	—	—	—	—	—	—	1 350	1 680	1 735	
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	70	70	—	—	—	—	—	—	70	100	103	
Furniture and Office Equipment	500	430	—	—	—	—	—	—	430	550	568	
Machinery and Equipment	—	1 950	—	—	—	—	—	—	1 950	2 900	2 996	
Transport Assets	—	—	—	—	—	—	—	—	—	—	—	
Land	—	—	—	—	—	—	—	—	—	—	—	
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—	—	—	—	
Mature Immature	—	—	—	—	—	—	—	—	—	—	—	
Living Resources	—	—	—	—	—	—	—	—	—	—	—	
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	69 984	74 055	—	—	—	—	2 000	2 000	76 055	110 583	114 232	
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	59.2%	62.9%							61.3%	61.5%	65.6%	
<i>Renewal and upgrading of Existing Assets as % of deprecn*</i>	200.3%	220.1%							199.1%	138.1%	145.0%	
<i>R&M as a % of PPE</i>	2.3%	2.0%							2.2%	6.2%	5.0%	
<i>Renewal and upgrading and R&M as a % of PPE</i>	10.4%	10.5%							10.0%	14.0%	11.5%	

Explanatory notes to Table B9 - Asset Management

1. Table 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 14: MBRR Table B10 - Basic Service Delivery Measurement

Description	R e f	2025/26									Budget Year 2026/27	Budget Year 2027/28
		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 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		14 973	14 973						—	14 973	14 973	14 973
Piped water inside yard (but not in dwelling)	2	855	855						—	855	855	855
Using public tap (at least min.service level)		3 136	3 136						—	3 136	3 136	3 136
Other water supply (at least min.service level)									—	0		
<i>Minimum Service Level and Above sub-total</i>	3	18 964	18 964	0	0	0	0	0	0	18 964	18 964	18 964
Using public tap (< min.service level)	3, 4								—	—		
Other water supply (< min.service level)	4								—	—		
No water supply									—	—		
<i>Below Minimum Service Level sub-total</i>	5	—	—	—	—	—	—	—	—	—	—	—
Total number of households		18 964	18 964	—	—	—	—	—	—	18 964	18 964	18 964
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		15828	15828						—	15 828	15 828	15 828
Flush toilet (with septic tank)		875	875						—	875	875	875
Chemical toilet		0	0						—	0	0	0
Pit toilet (ventilated)		987	987						—	987	987	987
Other toilet provisions (> min.service level)		1274	1274						—	1 274	1 274	1 274
<i>Minimum Service Level and Above sub-total</i>		18 964	18 964	—	—	—	—	—	—	18 964	18 964	18 964
Bucket toilet									—	—		
Other toilet provisions (< min.service level)	5								—	—		
No toilet provisions									—	—		
<i>Below Minimum Service Level sub-total</i>		—	—	—	—	—	—	—	—	—	—	—
Total number of households		18 964	18 964	—	—	—	—	—	—	18 964	18 964	18 964
Energy:												
Electricity (at least min. service level)		577	577						—	577	577	577
Electricity - prepaid (> min.service level)		16326	16326						—	16 326	16 326	16 326
<i>Minimum Service Level and Above sub-total</i>		16 903	16 903	—	—	—	—	—	—	16 903	16 903	16 903
Electricity (< min.service level)	5								—	—		
Electricity - prepaid (< min. service level)									—	—		
Other energy sources									—	—		
<i>Below Minimum Service Level sub-total</i>		—	—	—	—	—	—	—	—	—	—	—
Total number of households		16 903	16 903	—	—	—	—	—	—	16 903	16 903	16 903
Refuse:												
Removed at least once a week (min.service)		11310	11310						—	11 310	11 310	11 310
<i>Minimum Service Level and Above sub-total</i>		11 310	11 310	—	—	—	—	—	—	11 310	11 310	11 310
Removed less frequently than once a week									—	—		
Using communal refuse dump	5								—	—		
Using own refuse dump									—	—		
Other rubbish disposal									—	—		
No rubbish disposal									—	—		
<i>Below Minimum Service Level sub-total</i>		—	—	—	—	—	—	—	—	—	—	—
Total number of households		11 310	11 310	—	—	—	—	—	—	11 310	11 310	11 310
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		5	5	—	—	—	—	—	—	5	5	5
Sanitation (free minimum level service)		5	5	—	—	—	—	—	—	5	5	5
Electricity/other energy (50kwh per household per month)		5	5	—	—	—	—	—	—	5	5	5
Refuse (removed at least once a week)		5	5	—	—	—	—	—	—	5	5	5
Informal Settlements												
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		12 757	12 757	—	—	—	—	—	—	12 757	13 344	13 931
Sanitation (free sanitation service to indigent households)		15 543	15 543	—	—	—	—	—	—	15 543	16 258	16 974

Electricity/other energy (50kwh per indigent household per month)		6 388	6 388	—	—	—	—	—	—	6 388	6 880	7 182
Refuse (removed once a week for indigent households)		4 983	4 983	—	—	—	—	—	—	4 983	5 212	5 442
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		—	—	—	—	—	—	—	—	—	—	—
Total cost of FBS provided		39 671	39 671	—	—	—	—	—	—	39 671	41 694	43 529
Highest level of free service provided												
Property rates (R'000 value threshold)		—	—	—	—	—	—	—	—	—	—	—
Water (kilolitres per household per month)		6	6	—	—	—	—	—	—	6	6	6
Sanitation (kilolitres per household per month)		272	272	—	—	—	—	—	—	272	285	296
Sanitation (Rand per household per month)		50	50	—	—	—	—	—	—	5	50	50
Electricity (kw per household per month)		165	165	—	—	—	—	—	—	0	165	165
Refuse (average litres per week)		—	—	—	—	—	—	—	—	165	—	—
Revenue cost of free services provided (R'000)												
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	17	—	—	—	—	—	—	—	—	—	—	—
excess of section 17 of MPRA)		48 369	48 369	—	—	—	—	—	—	48 369	—	—
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		48 369	48 369	—	—	—	—	—	—	48 369	—	—

Explanatory notes to Table B10 - Basic Service Delivery Measurement

Table B10 provides an overview of service delivery levels, including free basic services provided to qualifying indigent consumers.

Part 2 – Supporting Documentation

Table 15: Municipal Infrastructure Grant - Projects

MIG FUNDING					
PROJECT DESCRIPTION	Expenditure in previous years (30 June 2025)	Balance on project	2025/26 Initial Budget	2025/26 Budget Adjustment	Proposed Adjustment
Upgrading of the Bela Bela Municipal landfill site Phase 1 (Ward 2)	R 31 482 772.93	R 8 659 343.10	R8 659 343.10	R8 659 343.10	R0.00
Construction of Road Paving and Bulk stormwater in Bela Bela X8 - Phase 4	R 1 054 907.71	R 14 715 359.25	R13 619 124.55	R13 619 124.55	R0.00
Construction of Road Paving and Stormwater in Bela Bela X5 - Phase 1	R 12 234 068.26	R 6 372 801.52	R6 372 801.52	R6 372 801.52	R0.00
Construction of Road Paving and Stormwater in Rapotokwane -Phase 1	R 2 393 997.00	R 36 618 240.00	R640 080.84	R640 080.84	R0.00
Develop New Cemetery - Pienaarsrivier	R 0.00	R 12 000 000.00	R0.00	R0.00	R0.00
Construction of Road Paving and Bulk stormwater in Masakhane - Phase 1	0	R7 500 000.00	R0.00	R0.00	R0.00
Construction of Road Paving and Stormwater in Bela Bela X5 - Phase 2	0	R8 000 000.00	R0.00	R0.00	R0.00
Construction of Road Paving and Stormwater in Bela Bela X6B - Phase 4	0	R7 500 000.00	R0.00	R0.00	R0.00
Upgrading of the Bela Bela Municipal landfill site Phase 2 (Ward 2)	0		R0.00	R0.00	R0.00
Construction of Solar Highmast Lights in various areas in Bela-Bela - Phase 1	0	R7 200 000.00	R0.00	R0.00	
Construction of Road Paving and Stormwater in Bela Bela X9 - Phase 1		R14 820 600.00	R0.00	R0.00	
Construction of Road Paving and Stormwater in Bela Bela X8 - Phase 5		R11 600 000.00	R0.00	R0.00	
Construction of Road Paving and Stormwater in Bela Bela X9 - Phase 2		R23 200 000.00	R0.00	R0.00	
PMU Operational Costs	R 0.00	R 0.00	R 1 541 650.00	R 1 541 650.00	
DORA ALLOCATION			R30 833 000.00	R30 833 000.00	
TOTAL BUDGET			R 30 833 000.00	R 30 833 000.00	

Table 16: Water Services Infrastructure Grant (WSIG) – Projects

WSIG FUNDING					
PROJECT DESCRIPTION	Expenditure in previous years (30 June 2025)	Balance on project	2025/26 Initial Budget	2025/26 Budget Adjustment	Proposed Adjustment
Upgrading of the Settlers Sewer Pump Station (Ward 2)	R21 647 414.69	R 9 657 481.55	R9 657 481.55	R9 657 481.55	R0.00
Upgrading of the Industrial outfall sewer line (Ward 2)	R9 528 826.84	R 19 694 569.68	R19 694 569.68	R20 892 801.47	R1 198 231.79
Water Supply Source Augmentation and the construction of the water reticulation network in Tsakane (Ward 7)	R7 127 927.32	R 16 723 675.34	R16 723 675.34	R15 043 828.63	-R1 679 846.71
Construction of Water Booster Pump Station and Upgrading of a Steel Elevated Tank in Ext 8 (Ward 4)	R8 404 499.26	R 5 169 848.28	R5 169 848.28	R5 957 423.48	R787 575.20
Replacement of Bulk Raw Water AC Pipeline from Lapa to Bela-Bela Water Treatment Works (Ward 1 & 9)	R4 690 916.68	R 41 448 464.87	R41 448 464.87	R41 448 464.87	R0.00
Refurbishment of the water reticulation network at the Old Location (Ward 2&5)	R0.00	R25 000 000.00	R0.00	R0.00	R0.00
Refurbishment of the Platrivier Dam (Ward 9)	R0.00	R 10 000 000.00	R0.00	R0.00	R0.00
Water Supply Source Augmentation using SASSA Borehole and construction of Water Treatment Plant (Ward 1)	R0.00	R 15 000 000.00	R50 000.00	R500 000.00	R450 000.00
Replacement of AC Water Pipes in Bela-Bela Town - Gillfillan, Botha, Van Der Merwe, Pretoria, Voortrekker, Sutter, Marx, Crockery and Potgieter Street (Ward 1)	R0.00	R 28 000 000.00	R105 960.28	R500 000.00	R394 039.72
Upgrading of the Pienaarsrivier Sewer Pump Station (Ward 8)	R0.00	R 16 000 000.00	R50 000.00	R500 000.00	R450 000.00
Upgrading of the Masakhane Wastewater Treatment Works (Ward 9)	R0.00	R 25 000 000.00	R50 000.00	R500 000.00	R450 000.00
Construction of the Rapotokwane Water Package Plant Desludge Pipeline (Ward 8)	R0.00	R 12 000 000.00	R0.00	R0.00	R0.00
Construction of Additional Aventura Sewer Pump Station (Ward 1)	R0.00	R 30 000 000.00	R0.00	R0.00	R0.00
Upgrading of the Steel Elevated Water Tank in Masakhane (Ward 9)	R0.00	R 10 000 000.00	R0.00	R0.00	R0.00
Refurbishment of the Bela-Bela Water Treatment Works (Ward 1)	R0.00	R35 000 000.00	R0.00	R0.00	R0.00
Water Supply Source Augmentation using Showground Borehole and construction of Water Treatment Plant (Ward 2)	R0.00	R 15 000 000.00	R50 000.00	R0.00	-R50 000.00
				R0.00	
DORA ALLOCATION			R93 000 000.00	R95 000 000.00	R95 000 000.00
TOTAL BUDGET			R 93 000 000.00	R 95 000 000.00	R 2 000 000.00

Table 17: Integrated National Electrification Programme (INEP)

ELECTRICAL PROJECTS - INEP FUNDING					
PROJECT DESCRIPTION	Expenditure in previous years (30 June 2025)	Balance on project	Initial Budget 2025/26	2025/26 Budget Adjustment	Proposed Adjustment
Construction of the Bela-Bela 132/11kVA 2 X 20MVA Sub-Station	R 20 315 000.00	R 0.00	R0.00		
Construction of the Bela-Bela 132/11kVA 2 X 20MVA Sub-Station -Phase 1	R 0.00	R 27 000 000.00	R15 000 000.00	R16 500 000.00	R1 500 000.00
Electrification X 25 (Koppewaai)(250 HH)	R 0.00	R 0.00			
Electrification Bela Bela X9 (135HH) - Phase 3	R 0.00	R 0.00			
Bela-Bela Ext 5 (Sun Valley) (86HH)	R 0.00	R 0.00			
DORA ALLOCATION			R15 000 000.00	R15 000 000.00	R15 000 000.00
TOTAL BUDGET			R 15 000 000.00	R 16 500 000.00	R 1 500 000.00

Table 18: Municipal Disaster Response Grant -Rollover

MDRG FUNDING (Response Grant)					
PROJECT DESCRIPTION	Expenditure in previous years (30 June 2025)	Balance on project	2025/26 Budget	2025/26 Budget Adjustment	Proposed Adjustment
Refurbishment of roads and stormwater in Limpopo road and Mabunda Street (Ward 7&5)	R 634 663.18	R 10 925 336.82	R 10 925 336.82	R 10 925 336.82	R 0.00
DORA ALLOCATION			R 10 925 336.82		
TOTAL BUDGET			R 10 925 336.82	R 10 925 336.82	

Table 19: Municipal Disaster Response Grant -Additional funding

MDRG FUNDING (Additional Response Allocation)					
PROJECT DESCRIPTION	Expenditure in previous years	Balance on project	2025/26 Budget	2025/26 Budget Adjustment	Proposed Adjustment
Repair of Moloto-Masemola (Ward 2)	R 0.00	R 3 000 000.00	R 3 000 000.00	R 3 000 000.00	
DORA ALLOCATION			R 3 000 000.00		
TOTAL BUDGET			R 3 000 000.00	R 3 000 000.00	

Table 20: Municipal Disaster Recovery Grant

MDRG FUNDING (Recovery Grant)					
PROJECT DESCRIPTION	Expenditure in previous years (30 June 2025)	Balance on project	Initial Budget 2025/26	2025/26 Budget Adjustment	Proposed Adjustment
Rehabilitation of Meininger Street (Ward 1)	R 3 500 000.00	R 3 500 000.00	R 3 500 000.00	R 450 000.00	-R 3 050 000.00
Rehabilitation of Industrial Road (Ward 6)	R 8 600 000.00	R 8 600 000.00	R 8 600 000.00	R 800 000.00	-R 7 800 000.00
Rehabilitation of Paul Sauer Street (Ward 6)	R 8 570 000.00	R 8 570 000.00	R 8 570 000.00	R 850 000.00	-R 7 720 000.00
DORA ALLOCATION			R 20 670 000.00		R 20 670 000.00
TOTAL BUDGET			R 20 670 000.00	R 2 100 000.00	-R 18 570 000.00

Table 21: Energy Efficiency and Demand Side Management (EEDSM)

EEDSM FUNDING					
PROJECT DESCRIPTION	Expenditure in previous years (30 June 2025)	Balance on project	2025/26 Budget		
Retro fitting of Street Lights	R 0.00	R 8 000 000.00	R 2 610 000.00		
DORA ALLOCATION			R 2 610 000.00		
TOTAL BUDGET			R 2 610 000.00		

Table 22: Projects funded from internally generated funds

Description	Prior Adjusted Budget	Proposed Adjustment	Adjusted Budget
Construction of the Bela-Bela 132/11kVA 2 X 20MVA Sub-Station -Phase 1	R 1 868 056	-R 1 304 348	R 563 708
Switch gear refurbishment	R 5 500 000	-R 2 173 914	R 3 326 086
SCADA for BB WWTW WTW and PS (MI)	R 600 000	R -	R 600 000
Internal and Risk Management system	R -	R -	R -
DLTC fence repairs	R 500 000	R -	R 500 000
Construction of Informal Training Stalls	R 250 000	R -	R 250 000
DLTC Client waiting area	R 300 000	R -	R 300 000
Printers	R 126 000	R -	R 126 000
Procurement of Computer equipment	R 1 315 400	R -	R 1 315 400
Meter Reading Gadgets	R 174 288	R -	R 174 288
CCTV installation	R -	R -	R -
Procurement of Streetlight Retrofits	R -	R 869 566	R 869 566
Acquisition of electricity meters	R 100 000	R 608 696	R 708 696
Construction of the Bela-Bela 132/11kVA 2 X 20MVA Sub-Station	R -	R -	R -
Procurement of Transformers and Maniatures	R 4 500 000	R -	R 4 500 000
Procurement of Office Furniture	R 300 000	R -	R 300 000
Acquisition of office equipment (Ring Binder and Shredder)	R 80 000	R -	R 80 000
Grass cutting and Trees pruning equipment	R 57 828	R -	R 57 828
Computer Equipment	R 579 600	R -	R 579 600
Leak Detection Equipment	R -	R -	R -
Mayoral Chain	R -	R -	R -

Procurement of Council Chamber Audio	R	935 000	R	-	R	935 000
Water meters	R	750 000	R	-	R	750 000
Road Marking Machine	R	-	R	-	R	-
Tender Box	R	-	R	-	R	-
240litres Refuse Bins	R	259 500	R	-	R	259 500
Cleaning Equipment(Carpet & Upholtry Cleaners and others)	R	100 000	R	-	R	100 000
Electricity meters	R	-	R	-	R	-
Drinking Water Quality Testing Kits and Instruments	R	100 000	R	-	R	100 000
Tools and kits	R	300 000	R	-	R	300 000
Guns and Ammunition for Traffic Officers	R	-	R	-	R	-
Breatherlyzers	R	30 000	R	-	R	30 000
Machinery and Equipment: Acquisition	R	272 750	R	-	R	272 750
Masakhane/ Radium Sewer Ponds and Pump Station: Procurement of Pumps motors and	R	100 000	R	-	R	100 000
Pienaarsrivier Sewer Ponds and Pump Station: Procurement of Pumps motors and va	R	100 000	R	-	R	100 000
Grass cutter with steel blades (X3).	R	162 000	R	-	R	162 000
Chainsaw compatible Stihl (45CC)	R	10 000	R	-	R	10 000
Pienaarsrivier: Procurement of Pumps and motors	R	50 000	R	-	R	50 000
Radium WWTW & Pump StationRadium WWTW & Pump Station:Procure	R	-	R	-	R	-
Radium: Procurement of Pumps and motors	R	150 000	R	-	R	150 000
Rapotokwane: Procurement of Pumps and motors	R	-	R	-	R	-
Tsakane: Procurement of Pumps and motors	R	-	R	-	R	-
Vingerkraal: Procurement of Pumps and motors	R	150 000	R	-	R	150 000
Warmbad WWTW and Pump Stations: Procurement of Pumps and motors	R	-	R	-	R	-
Procurement of New Aircons	R	369 250	R	-	R	369 250
Procurement of Sewer Gas Monitor and Confined space Tripod w	R	50 000	R	-	R	50 000
Bullet Proof Vests	R	90 000	R	-	R	90 000
Wastewater Quality Testing Kits and Instruments (6 Sludge cones 3 Ph meter 3	R	164 172	R	-	R	164 172
Fire arms storage safes	R	50 000	R	-	R	50 000
Bela-Bela WTW and Lapa PS: Procurement of Pumps and motors	R	600 000	R	-	R	600 000
Security Improvement (Revenue)	R	-	R	-	R	-
Thambo Drive Pavement	R	-	R	-	R	-

Traffic Signs and Direction Boards (Assets)_	R	204 936	R	-	R	204 936
Illegal Dumping Prohibition Boards (Assets)_	R	50 000	R	-	R	50 000
Warmbad WWTW and Pump Stations: Procurement of Pumps and mot	R	1 100 000	R	-	R	1 100 000
Procurement of pumps and motors	R	-	R	-	R	-
Rapotokwane: Procurement of Pumps and motors (New)	R	200 000	R	-	R	200 000
Tsakane: Procurement of Pumps and motors (New)	R	200 000	R	-	R	200 000
Total	R	22 798 780	-R	2 000 000	R	20 798 780

2.1. Adjustments to service delivery and budget implementation plan

The 2025/2026 SDBIP Adjustment will be prepared in the context of the 2025/2026 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 special 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.

2.2. Municipality manager's quality certificate

I, Mr.T.G Ramagaga , the Municipal Manager of Bela-Bela Local Municipality, hereby certify that: -

❖ 2025/2026 Special Adjustment budget

has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Mr T.G. Ramagaga
Municipal Manager

Signature: _____



Date: 13 May 2026