



DRAFT BUDGET OF

MARAGARENG

LOCAL

MUNICIPALITY

FOR

2026/2027, 2027/2028 AND 2028/2029
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

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Abbreviations and Acronyms

CFO	Chief Financial Officer
CM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EM	Executive Mayor
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act Programme
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Energy Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
PMS	Performance Management System
PPE	Property Plant and Equipment
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – FINAL BUDGET

1.1 Mayor's Speech

TABLING OF THE 2026/2027 INTEGRATED DEVELOPMENT PLAN (IDP) AND MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) BUDGET MAGARENG COUNCIL CHAMBER

31st MARCH 2025

Honorable Speaker, I start this presentation of the draft budget for the 2026/27 financial year with profound sadness. On the 25th March 2026, we received sad news on the passing of councillor Nontsizi Memane. Councillor Memane was the ANC chief whip, Finance Committee Chairperson and member of the municipal EXCO. To the family, friends and colleagues of councillor Memane we extend our sincere and deepest condolences, we have truly lost a remarkable human being.

Honourable Speaker, as is the norm with our budget process, community participation and engagement will be placed at the heart of all our activities. Public participation will be undertaken in all wards. As expected, the public participation meetings will be rigorous, robust and fruitful. As we all know, the needs in infrastructure development far exceeds the financial resources required or budget that is available to deal with all at once. More importantly, we will emphasize the need for communities to pay their municipal accounts!

Honourable Speaker, what was evident is that we are engulfed in a very difficult and tough economic climate in South Africa. For Magareng municipality this tough economic outlook directly threatens our **REVENUE**. A weaker economic growth means that households will likely struggle to pay municipal accounts which will impact negatively on our revenue.

Honorable Speaker, this compels us to make tough and difficult choices in the budget process. As we are forced to tighten the belt to the bone. We must set priorities that would tackle the most of fundamental needs in the municipality. We must reduce travelling for meetings, reduce overtime, reduce catering amongst other things. We must encourage the attendance of meetings through virtual platforms.

Most critically, our sharp focus will be on the provision of potable water. As a municipality we are intentional about this, that why all the DORA infrastructure conditional grants i.e., Water Services Infrastructure Grant (WSIG), Municipal Infrastructure Grant (MIG) & Regional Bulk Infrastructure Grant (RBIG) for Magareng are used and directed to water problems/issues.

Honorable Speaker, perhaps it is pertinent to state that through the **Expanded Public Works Programme (EPWP)** the municipality has managed to create 60work opportunities in the 2024/25 financial year and our target for 2025/26 is 100work opportunities. The 100 FTE will be created through maintenance of municipal infrastructure. Another, significant job creation initiative is the **Greening and Cleaning Programme** of the **Department of Forestry, Fisheries and the Environment** where in the 2023/24, there was **743** work opportunities created, in the current financial year (2024/25) there was no work opportunities, however for the 2025/26, there are **250** work opportunities created.

Honorable Speaker, it is important to note that we inherited many problems of the past. From uncompleted projects to poor planning and in some instances no planning at all. We are in a better position now as we know our problems, we have quantified them, we know who will fund them and when they will be completed.

Honorable Speaker, unfortunately with successes there are also challenges and we have had our fair over the years. The Upgrade and Extension of the Warrenton Water Treatment Plant. This project has been marred by many problems some of which includes termination of poor performing contractors, legal challenges, protests by workers etc. However, we have gradually seen progress over the past final year, and I can say that we will complete this project in this term of office. We will build internal capacity to maintain our newly constructed infrastructure for the benefit of our communities.

Honourable Speaker, as indicated earlier, honest and robust consultations with our communities will be held. This was to ensure that we have a reliable and credible Integrated Development Planning. The effort to ensure communities receive services sustainably and this should continue to improve to guarantee community involvement to a greater extent and the provision of improved services.

The consolidated top 10 priorities as established through the IDP processes of 2025/26 are:

1. Water
2. Sanitation
3. Roads
4. Land
5. RDP Housing
6. Fibre Network
7. Health
8. Highmast lighting
9. Job creation
10. Library

Honourable Speaker, now we turn to the business of the day, as I ask your permission to allow me to take you through the budget. This is a revenue driven budget process. The major revenue streams of this 2026/27 budget remain the DORA grants, FBDM grants, and revenue from trading services.

The total budget for the 2026/27 financial year is broken down as follows:

- The total operational revenue is **R 175 037 million**
- The total operational expenditure is **R 197 133 million**
- The total capital budget is **R41 935 million**

There is a increase of **1%** to the capital budget of 2026/27 as compared to the budget of 2025/26 financial year (R41 601 000). This is because our conditional grants have been slightly increased for 2026/27 by National Treasury, there is no reason provided for this reduction.

Honourable Speaker, it should be noted that our budgets have a deficit of **R22 096 million**. The municipality has developed a budget funding plan to support the municipal 2025/26 budget.

- The purpose of the budget funding plan is to supplement the municipal 2025/26 budget and to ensure that the current budget deficit is reduced to enable the municipality to have a cash funded budget through effective revenue enhancement and cost containment initiatives.

- The revenue enhancement and cost containment initiatives have been formulated based on current practices performed by other municipalities in South Africa that have yielded remarkable positive results. Conservative estimates have been made throughout the budget funding plan to ensure that the estimated figures are not misleading. In essence, the initiatives have been aligned to the municipal financial recovery plans, revenue enhancements strategy and the 2025/26 MTREF budget.
- The initiatives are operationally extensive in nature and require all departments to work as a team to fulfil the mandate of the municipality.
- Careful consideration has been made on the planned initiatives to ensure objectivity and fairness to the community and the municipality. Socio-economic and administrative factors have, thus, been factored into the budget funding plan.
- In consideration of the above, the accounting officer has ensured that the budget funding plan is reviewed monthly to ensure the main objectives of the plan are achieved.
- Some of the proposed revenue enhancement and cost containment initiative are: reduction of overtime, reduction of travelling (encouraging virtual meetings), installing traffic cameras, amongst others.

Honourable Speaker, as indicated, the DORA and FBDM grants remains our main sources of revenue at R109 463 000, which is 64% of the total revenue. This grants significantly influence our expenditure.

The funding received from the national government are as follows:

- Equitable share – R 66 815 000
- EPWP – R 1 350 000.00
- FMG Grant – R3 000 000.00
- FBDM O&M – R 2 500 000.00
- WSIG R14 192 000.00
- MIG – R12 743 000.00
- RBIG – R15 000 000.00

Honourable Speaker, I wish to emphasize that this budget has been formulated with the utmost care and consideration for the needs of our community that we serve, and I want to assure you that we are committed to ensuring that this budget is utilised effectively and efficiently.

Honourable Speaker, the Municipality is geared towards holding open and honest consultations with all stakeholders. We appreciate participation by all stakeholders during various planning stages. Bold leadership and oversight must be provided to ensure that this IDP's vision and objectives are realized.

Honourable Speaker, I want to conclude by quoting the words of our first democratic president, Nelson Mandela that ***"As long as poverty, injustice, and gross inequality persist in our world, none of us can truly rest."*** Let us all join hands and continue in our journey to build a better and developed Magareng.

We have started and we are focused on the goal.

We are building Magareng!!!

Yours in Development!!!!



CLLR NEO MASE

MAYOR OF MAGARENG LOCAL MUNICIPALITY

1.2 Resolutions

A brief outline of the 2026/2027 Draft Budget

This Budget has been prepared as a Medium-Term Expenditure Framework in strict compliance with the National Treasury framework through the lengthy budget schedule. The budget is compliant with the latest budget regulations prescribed by National Treasury MFMA Circular 132.

South Africa, although not as harshly as other parts of the world, was also negatively influenced by the global economic meltdown. The municipality as the third tier of government therefore has a responsibility to manage its public resources as efficient and effective as possible in order to ensure service delivery is done in the most cost-effective manner.

This will be done by making sure that the financial position of the municipality remains sustainable over medium term facing the current economic crisis. Therefore, special attention has been given to eliminating of all unnecessary spending on nice-to-have items and non-essential activities.

It also means that we will not be deaf to the voices of our community when they call for help. Our response to the present crisis is to face the challenges before us boldly, and as a municipality united.

This municipality can only be built through a solid partnership between our social, businesses, spiritual, political and other relevant stakeholders. We have to put self-interest aside; we have to face each other honestly and openly. Our task is to see through the challenges of economic vulnerability today to construction of a better community that is our passion and our pride. We can do entire better as a united people.

National, and (to a lesser extent) provincial government spheres set the overall strategic agenda (public policy) for local government administration and management in the country. However, the fact that the national government sets the overall mandate for municipalities does not imply that all councils will share a common vision. The circumstances pertaining in each of the 257 municipalities in the country will undoubtedly differ, and variations will therefore exist.

The following priority focus areas have been adopted by the national government as service delivery target areas (SALGA, 2004:29).

- Eradication of the bucket system;

- Provision of basic water;
- Provision of basic sanitation;
- Provision of housing;
- Provision of basic electrification; and
- Provision of roads and infrastructure

The successful attainment of the foregoing service delivery priorities is highly dependent on the ability of each individual municipality to strategically plan, budget and co-operate with other municipalities, district councils, provinces and national government departments, institutions and organs of the state, whose activities have a bearing on the municipality. Therefore, the principles of co-operative government as well as intergovernmental relations are critical determinants for measuring the ability of a municipality to discharge its mandate.

Summary of infrastructure development

The capital budget for **2026/2027** addresses improvements in the following services:

Warrenton: Bulk Water Supply in Ikhutseng (MIG)=**R12 743 000 million**.

Water Service Infrastructure Grant (WSIG) = **R 14 195 000 million**.

Regional Bulk Infrastructure Grant (RBIG) = **R 15 000 000 million**.

This capital program is funded mainly from external grant funding namely the MIG (Municipal Infrastructure Grant), Water Service Infrastructure Grant (WSIG), and Regional Bulk Infrastructure Grant.

When the capital and operational budget was compiled, the main focus areas were the improvement of service delivery to the community and alleviation of poverty. For these reasons it was necessary to increase the service delivery in Magareng for some of our departments especially Technical Services and Community Services by filling of critical positions to fast track service delivery to our people.

Material amendments made to the Annual budget

Tariff Increases

It should be noted that the increases are not happening in a vacuum but are part and parcel of a long-term economic development plan that will deliver a Municipality which is effectively and efficiently run, with well-maintained services and facilities. The Municipality, however, is affected by all sorts of external factors like inflation, to an extent by some national government policy decisions, the current state of non-payment as well as the unemployment and affordability demographics of the Municipality's residents.

The municipality has the interests of our residents at heart. The municipality has received a proposed tariff increase of 9%, from Nersa, which might change slightly after the submission of the Cost of Supply for the purposes of a municipal tariff application which will be submitted to Nersa on the 31st of March 2026. The final tariff application is subject to Nersa approval. The approved tariff will be implemented 1 July 2026. For the purpose of the draft budget the municipality used 9% as proposed by NERSA.

Percentage increase

SERVICE	2026/2027
Water	3,7%
Electricity	9%
Refuse	3,7%
Sewerage	3,7%
Property rates	3,7%

Indigent Relief

This budget is targeted towards enhanced delivery service. As a Municipality we are continuously ensuring improved access to free basic services and dealing with backlogs in basic infrastructure. Several measures have also been taken to make the municipal account more affordable to poorer households.

Let's look at some of the measures we already have in place: These include:

For prepaid: the first 6kl of water is free to all registered indigent households;

For prepaid: The first 50kwh of electricity is free to all registered indigent households;

For conventional: The basic charge and the first 6kl of water is free to all registered indigent households;

For conventional: The basic charge and first 50kwh of electricity is free to all registered indigent households;

Basic charges for sewage 100% subsidy;

Basic charges for refuse 100% subsidy;

Integrated Development Planning 2026/2027.

The Integrated Development Plan plays a pivotal role in informing all planning processes of the other spheres of government (District, National and Provincial) as well as all state-owned enterprises, which implies a dire need for joint and coordinated effort by these parties in the IDP development processes. The IDP was drawn up in consultation with community members, sector departments and Frances Baard District Municipality.

Our municipality still remains the coalface of service delivery of government, therefore it is our fiduciary responsibility to ensure continuous interaction with our communities, as mandated by South African Constitution, Act 108 of 1996 in order to create a better life for all and enhance the living conditions of the community and its members. We can proudly say that Magareng Local Municipality continues to work together with our communities in order to find sustainable and progressive way to fulfill their social, economic and developmental needs.

In terms of system Act 32 of 2000(chapter 5) the municipality is obliged to prepare a comprehensive document, which is the most important tool that we use to guide our planning; development and decision-making process in a municipality. After the adoption of the IDP/Budget 2026/2027 the municipality will draft a Service Delivery and Budget Implementation Plan (SDBIP) guided by the plans from the 2025/2026 IDP Review.

We hope and trust that the administration will implement the IDP/Budget accordingly and effectively. The council must do the oversight and hold the administration accountable for targets

not met. We will continue to update our community about IDP progress and our intentions as a municipality through ward councilors; ward committees and Imbizos. We urge our community to be patient with the council as some of the IDP projects will take some time before they complete especially the Upgrading of water treatment plant, Refurbishment of the Waste Water Treatment Plant Water supply in Warrenton.

1.3 Executive Summary

Section 16 (2) of the Municipal Finance Management Act (MFMA) requires the Council to table the annual budget at a council meeting at least 90 days before the start of the financial year. Further, Section 22 requires making the Draft budget public for consultation immediately after tabling.

The budget takes into account the input received from various stakeholders including guidelines from National Treasury. National Treasury issued MFMA Budget Circular No132 on 05th December 2025 to guide the compilation of the 2026/2027 Draft budget.

The final operating expenditure budget for **2026/2027** amounts to **R197 133 million**.

- Provision for bulk purchase of electricity amounts to **R25 000 million** - Eskom
- Provision for bulk purchase of water amounts to **R5 831 million** – Vaalharts Water
- **4.75%** increase in salaries for municipal staff for the purpose of the final budget as the municipality used the Collective Bargaining Agreement, Circular No 04/2026 was issued on the 13th of March 2026 for the 2026/2027 financial year.
- Provision for depreciation on assets to the amount of **R15 003 million**.
- Provision for payment of Auditor General Fees of **R 2 074 million**.
- Provision for Impairment **R25 078 million**.

Table indicating Operating expense per type

NC093 Magareng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure											
Employee related costs	2	48 606	47 180	50 059	59 997	57 792	57 792	37 808	64 842	65 832	67 923
Remuneration of councillors	2	4 673	5 257	5 278	5 270	5 426	5 426	3 493	5 443	5 622	5 802
Bulk purchases - electricity	2	23 257	26 694	31 322	25 000	25 000	25 000	3 373	25 000	25 825	26 651
Inventory consumed	2,8	16 644	10 606	16 587	14 050	14 495	14 495	7 330	12 815	12 766	13 168
Debt impairment	2,3	-	-	38 337	22 245	18 106	18 106	12 071	25 078	25 906	26 735
Depreciation, amortisation and impairment	2	23 542	18 423	15 899	23 541	15 494	15 494	9 854	15 003	15 498	15 994
Interest, Dividends and Rent on Land	2	7 549	1 958	5 667	600	2 833	2 833	193	2 938	3 035	3 132
Contracted services	2	5 922	11 668	14 322	16 283	19 636	19 636	8 488	20 302	18 270	18 809
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	-	-	569	569	569	1 000	1 033	1 066
Operational costs	2	12 826	19 054	18 177	19 810	21 051	21 051	12 403	22 748	22 099	22 743
Disposal of Fixed and Intangible Assets	2	4 503	3 105	-	-	-	-	-	-	-	-
Other Losses	2	-	-	3 928	604	1 964	1 964	-	1 964	2 029	2 094
Total Expenditure		147 522	143 945	199 577	187 401	182 367	182 367	95 582	197 133	197 915	204 117

Repairs and Maintenance

According to National Treasury the norm for repairs and maintenance is **8%**. The municipality's own revenue repairs and maintenance amounts to **R8 687 million**, it is with noting that Frances Baard District municipality is funding of **R2 500 million** for O & M is included on the municipality total repairs and maintenance (which is classified under contracted services and inventory consumed) for 2026/2027 which is **4%** of the total operating expenditure.

NC093 Magareng - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Inventory Consumed (Project Maintenance)		4 422	2 719	1 687	4 500	3 506	3 506	2 180	1 619	1 207	1 246
Contracted Services		-	2	-	3 150	3 950	3 950	1 256	7 068	4 719	4 870
Operational Costs											
Total Repairs and Maintenance Expenditure	9	4 422	2 722	1 687	7 650	7 456	7 456	3 435	8 687	5 926	6 116

Table indicating Operational revenue per type

The operational revenue budget for **2026/2027** amounts to **R175 037 million** including operation grants excluding capital grants. The budget Circular 132 that is circulated by National Treasury on how municipalities should determine the increase on tariffs, for Electricity the municipality has used the proposed tariff increase of 9%, from Nersa, which might change slightly after the submission of the Cost of Supply and Revenue and the municipal tariff application which needs to be sent to NERSA.

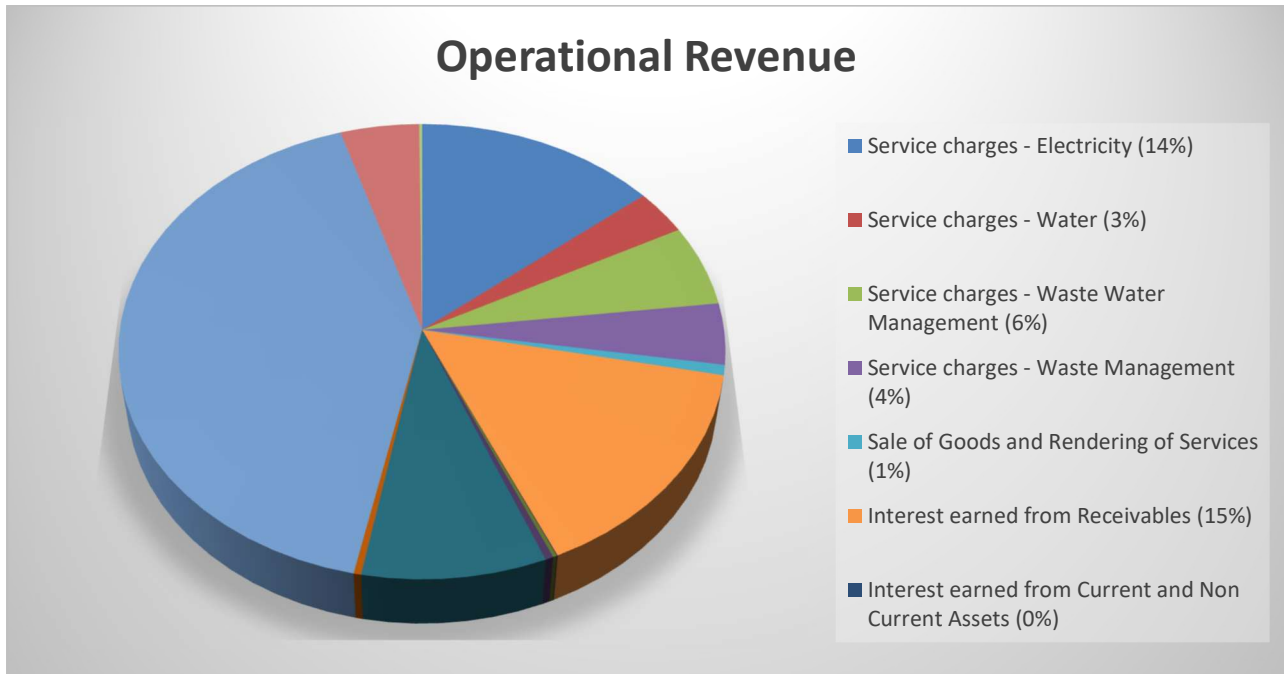
It should be noted that the application will be submitted before 31st of March 2026. Municipality applied the CPI of **3.7%**, **3.3%**, and **3.2%** for 2026/2027, 2027/2028 and 2028/2029 respectively for the municipality tariffs increase for all the services. Property Rates: as per valuation roll implemented from 1 July 2025 tariffs. The municipality tariffs on property rates will increase by 3.7%.

Transfers and subsidies which consist of operational grants as per DoRa amounts to **R73 665 million**, which is **R3 000 million** for FMG, **R66 815 million** Equitable shares, **R1 350 million**, and **R 2 500 million** FBDM (O & M).

NC093 Magareng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	13 907	14 600	17 723	19 592	19 592	19 592	15 249	24 824	25 643	26 463
Service charges - Water	2	6 010	3 264	4 786	5 424	5 424	5 424	3 582	5 625	5 811	5 997
Service charges - Waste Water Management	2	8 041	8 059	9 085	9 775	9 775	9 775	6 203	10 137	10 471	10 806
Service charges - Waste Management	2	4 509	6 050	6 737	7 355	7 355	7 355	4 607	7 627	7 879	8 131
Sale of Goods and Rendering of Services	2	517	531	943	1 232	1 232	1 232	532	1 277	1 319	1 362
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	6 048	19 311	21 670	25 462	25 462	25 462	15 300	26 547	27 424	28 301
Interest earned from Current and Non Current Assets	2	10 912	357	385	46	46	46	-	48	49	51
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	2	9	23	38	38	38	14	39	40	42
Rental from Fixed Assets	2	1	6	16	327	327	327	-	339	351	362
Licence and permits	2	-	-	-	-	-	-	-	-	-	-
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	3 698	8 405	3 520	732	666	666	219	691	714	736
Non-Exchange Revenue											
Property rates	2	12 263	12 916	13 247	15 251	15 251	15 251	10 034	15 815	16 337	16 860
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	586	395	225	612	612	612	10	635	656	677
Licences or permits	2	(2 251)	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	69 502	76 049	73 429	76 862	77 677	77 677	50 173	73 665	71 020	74 638
Interest	2	-	5 986	6 681	7 781	7 781	7 781	4 739	8 069	8 336	8 602
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	-	208	252	-	-	-	-	-	-	-
Interest	2	382	175	(301)	-	(301)	(301)	-	(301)	(311)	(321)
Other Gains	2	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		134 129	156 319	158 421	170 489	170 937	170 937	110 660	175 037	175 737	182 706

Below is a chart that depicts the income projects to bill for the financial year 2026/27:



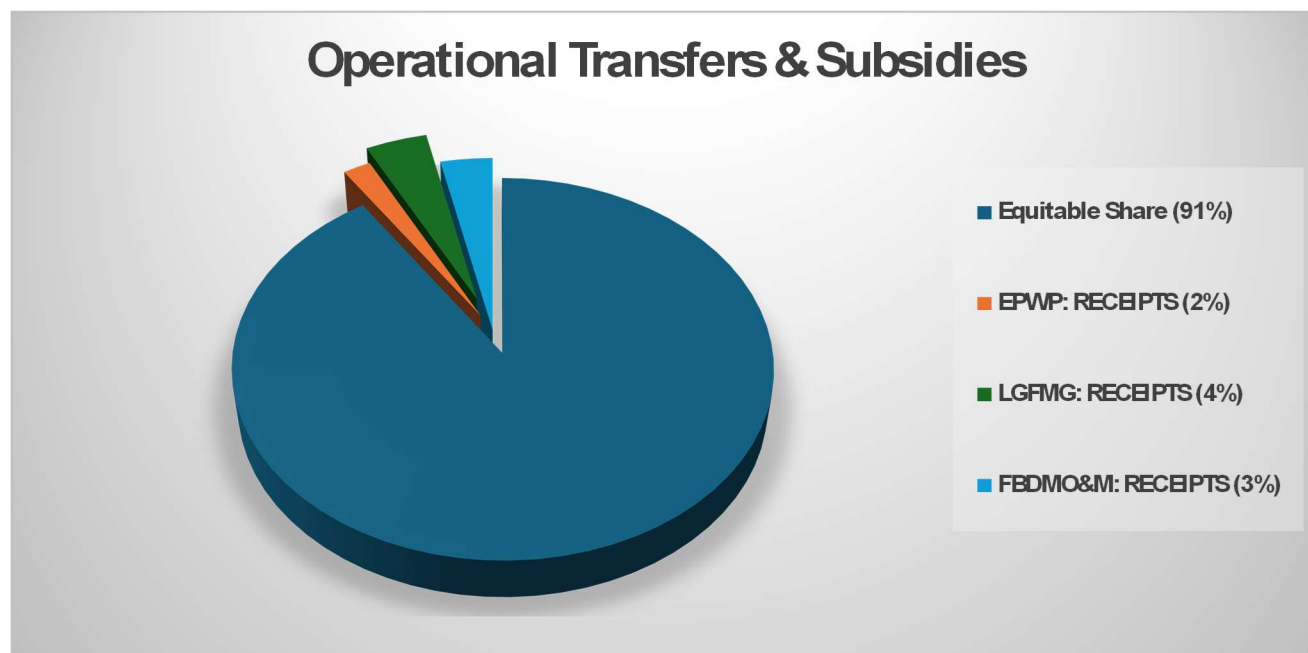
Transfers and subsidies: operational Grants

Total transfers and subsidies operational grants amount to **R73 665 million** for 2026/2027 financial year as per the Dora, FBDM and Provincial Government grants are FMG **R3 000 million**, Equitable share **R66 815 million**, EPWP **R1 350 million**, FBDM O & M **R 2 500 million**.

The allocations of the municipal operational grants are allocated as per Dora and FBDM.

Tables below indicate Transfers and subsidies

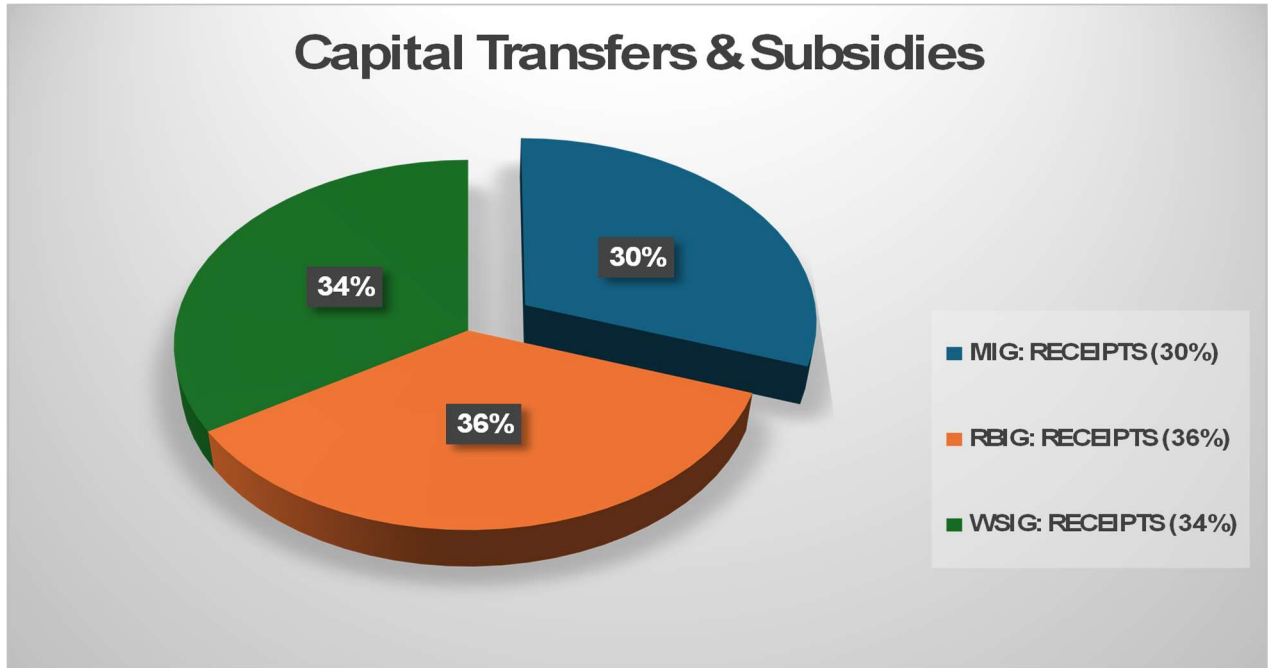
NC093 Magareng - Supporting Table SA18 Transfers and grant receipts									
Description	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand									
RECEIPTS									
Operating									
National Government									
Monetary Allocations									
<i>Equitable Share</i>	57 991	59 941	65 001	66 283	66 283	66 283	66 815	67 920	71 538
<i>EPWP: RECEIPTS</i>	1 073	712	1 242	1 329	1 329	1 329	1 350	-	-
<i>EX AGRICULTURE GRANT: RECEIPTS</i>	-	-	-	-	-	-	-	-	-
<i>LGFMG: RECEIPTS</i>	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 100	3 100
<i>MDG: RECEIPTS</i>	5 145	-	-	-	-	-	-	-	-
Total Operating/National Government	67 209	63 653	69 243	70 612	70 612	70 612	71 165	71 020	74 638
Provincial Government									
Monetary Allocations									
<i>PROV TREAS SUPPORT GRANT: RECEIPTS</i>	-	-	-	1 500	1 500	1 500	-	-	-
<i>SETA: RECEIPTS</i>	-	-	-	-	-	-	-	-	-
Total Monetary Allocations	-	-	-	1 500	1 500	1 500	-	-	-
Total Operating/Provincial Government	-	-	-	1 500	1 500	1 500	-	-	-
District Municipalities									
Monetary Allocations									
<i>FBDM VENDING SYS: RECEIPTS</i>	-	-	-	1 000	1 000	1 000	-	-	-
<i>FBDMO&M: RECEIPTS</i>	-	1 121	-	2 500	2 500	2 500	2 500	-	-
<i>TSU_O_M_DM_NC_DC09_CAP/B_SPEC: RECEIPTS</i>	-	-	-	-	563	563	-	-	-
Other Grant Providers									
Monetary Allocations									
<i>LIBRARY GRANT: RECEIPTS</i>	-	1 147	-	1 250	1 250	1 250	-	-	-
Total Operating/Other Grant Providers	-	1 147	-	1 250	1 250	1 250	-	-	-
Total Operating	67 209	65 921	69 243	76 862	77 425	77 425	73 665	71 020	74 638



Transfers and subsidies: Capital Grants

Total transfers and subsidies capital grants amount to **R41 935 million** for 2026/2027 financial year. The following table gives a breakdown on capital transfers and subsidies allocated to the municipality as per the Dora.

NC093 Magareng - Supporting Table SA18 Transfers and grant receipts									
Description	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS									
Operating									
National Government									
Monetary Allocations									
Capital									
National Government									
INEP: RECEIPTS	-	(0)	-	-	-	-	-	934	977
MIG: RECEIPTS	37 224	17 619	22 238	12 641	12 641	12 641	12 743	13 661	13 952
RBIG: RECEIPTS	-	12 011	25 307	9 960	18 960	18 960	15 000	-	-
WSIG: RECEIPTS	9 000	19 515	25 000	10 000	10 000	10 000	14 192	21 000	21 943
Total Capital/National Government	46 224	49 145	72 545	32 601	41 601	41 601	41 935	35 595	36 872



Annual Budget Tables

Part 2: List of Tables

1.1 Table A1-Budget Summary

NC093 Magareng - Table A1 Budget Summary

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands										
Financial Performance										
Property rates	12 263	12 916	13 247	15 251	15 251	15 251	10 034	15 815	16 337	16 860
Service charges	32 468	31 972	38 331	42 146	42 146	42 146	29 640	48 212	49 803	51 397
Investment revenue	10 912	357	385	46	46	46	-	48	49	51
Transfer and subsidies - Operational	69 502	76 049	73 429	76 862	77 677	77 677	50 173	73 665	71 020	74 638
Other own revenue	8 984	35 025	33 029	36 184	35 817	35 817	20 814	37 297	38 528	39 761
Total Revenue (excluding capital transfers and contributions)	134 129	156 319	158 421	170 489	170 937	170 937	110 660	175 037	175 737	182 706
Employee costs	48 606	47 180	50 059	59 997	57 792	57 792	37 808	64 842	65 832	67 923
Remuneration of councillors	4 673	5 257	5 278	5 270	5 426	5 426	3 493	5 443	5 622	5 802
Depreciation, amortisation and impairment	23 542	18 423	15 899	23 541	15 494	15 494	9 854	15 003	15 498	15 994
Interest, Dividends and Rent on Land	7 549	1 958	5 667	600	2 833	2 833	193	2 938	3 035	3 132
Inventory consumed and bulk purchases	39 901	37 300	47 909	39 050	39 495	39 495	10 703	37 815	38 591	39 820
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Other expenditure	23 251	33 827	74 764	58 943	61 327	61 327	33 531	71 092	69 336	71 446
Total Expenditure	147 522	143 945	199 577	187 401	182 367	182 367	95 582	197 133	197 915	204 117
Surplus/(Deficit)	(13 393)	12 374	(41 156)	(16 911)	(11 430)	(11 430)	15 078	(22 096)	(22 178)	(21 411)
Transfers and subsidies - capital (monetary allocations)	24 071	50 290	71 924	32 601	41 601	41 601	-	41 935	35 595	36 872
Transfers and subsidies - capital (in-kind)	1 725	4 894	2 252	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461
Capital expenditure & funds sources										
Capital expenditure	25 368	51 549	62 335	36 361	45 361	45 361	23 989	45 861	39 650	40 786
Transfers recognised - capital	23 885	51 549	61 941	32 601	41 601	41 601	22 551	41 935	35 595	36 601
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1 482	-	394	3 760	3 760	3 760	1 438	3 926	4 055	4 185
Total sources of capital funds	25 368	51 549	62 335	36 361	45 361	45 361	23 989	45 861	39 650	40 786
Financial position										
Total current assets	91 343	47 495	56 306	23 633	65 083	65 083	8 577	90 916	108 408	113 604
Total non current assets	453 767	480 911	521 052	515 142	550 957	550 957	14 135	550 991	561 449	579 283
Total current liabilities	323 564	306 901	338 574	303 902	370 950	370 950	11 871	377 336	403 633	416 529
Total non current liabilities	5 503	5 550	4 570	5 905	4 570	4 570	-	4 570	4 720	4 871
Community wealth/Equity	210 564	210 698	189 696	224 403	235 389	235 389	13 852	260 001	261 504	256 026
Cash flows										
Net cash from (used) operating	809	72 115	99 479	35 731	110 260	110 260	47 099	123 451	138 968	145 235
Net cash from (used) investing	(16 406)	(51 374)	(62 636)	(36 076)	(45 377)	(45 377)	(20 133)	(41 411)	(35 054)	(36 042)
Net cash from (used) financing	314	(12)	38	25	25	25	17	39	41	42
Cash/cash equivalents at the year end	(15 042)	21 462	37 985	785	13 693	13 693	26 982	77 811	181 767	291 001
Cash backing/surplus reconciliation										
Cash and investments available	(15 042)	21 462	37 985	785	13 693	13 693	26 982	77 811	181 767	291 001
Application of cash and investments	295 584	287 054	317 048	272 001	345 348	345 348	8 003	364 203	361 320	372 913
Balance - surplus (shortfall)	(310 626)	(265 592)	(279 062)	(271 216)	(331 656)	(331 656)	18 980	(286 392)	(179 554)	(81 911)
Asset management										
Asset register summary (WDV)	475 732	513 530	558 203	537 107	588 561	588 561	-	588 595	600 294	619 371
Depreciation	23 788	18 423	15 899	23 541	15 494	15 494	-	15 003	15 498	15 994
Renewal and Upgrading of Existing Assets	23 885	51 549	61 941	34 616	43 506	43 506	-	43 280	36 050	37 058
Repairs and Maintenance	4 422	2 722	1 687	7 650	7 456	7 456	-	8 687	5 926	6 116
Free services										
Cost of Free Basic Services provided	(281)	(1 360)	(376)	(12 614)	(12 614)	(12 614)	-	(641)	(8 659)	(8 945)
Revenue cost of free services provided	(1 038)	(1 089)	(1 142)	(1 480)	(1 480)	(1 480)	-	(741)	(1 534)	(1 585)
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

1.2 Table A2-Budgeted Financial Performance (Revenue and Expenditure by function)

NC093 Magareng - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		89 770	96 186	93 074	97 779	98 293	98 293	96 444	97 133	101 587
Executive and council		59 064	65 798	66 243	67 612	68 427	68 427	68 165	67 920	71 538
Finance and administration		30 705	30 388	26 831	30 167	29 866	29 866	28 279	29 213	30 049
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 844	1 982	2 002	3 023	2 957	2 957	1 770	1 828	1 887
Community and social services		855	1 290	1 195	1 354	1 354	1 354	108	112	115
Sport and recreation		35	43	51	324	324	324	336	347	358
Public safety		954	649	756	1 345	1 278	1 278	1 326	1 369	1 413
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		6 671	176	-	450	450	450	450	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		6 671	176	-	450	450	450	450	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		61 640	113 159	137 520	101 838	110 838	110 838	118 308	112 371	116 104
Energy sources		13 907	19 481	19 618	22 750	22 750	22 750	28 226	29 626	30 587
Water management		31 806	48 508	64 584	38 293	47 293	47 293	43 973	29 239	30 029
Waste water management		8 390	34 601	41 434	28 468	28 468	28 468	33 326	40 301	41 861
Waste management		7 537	10 569	11 884	12 327	12 327	12 327	12 783	13 204	13 627
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	159 925	211 503	232 597	203 090	212 538	212 538	216 972	211 332	219 578
Expenditure - Functional										
<i>Governance and administration</i>		59 659	62 665	82 379	77 433	76 981	76 981	75 599	76 689	79 044
Executive and council		15 645	13 669	13 469	15 074	15 857	15 857	16 463	15 600	16 100
Finance and administration		44 014	48 995	68 909	62 359	61 124	61 124	59 137	61 089	62 945
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		18 576	13 046	12 247	16 757	15 184	15 184	17 942	17 252	17 804
Community and social services		6 737	2 427	2 301	2 467	2 485	2 485	2 524	1 325	1 367
Sport and recreation		3 475	2 898	3 314	6 712	5 454	5 454	7 104	7 338	7 573
Public safety		4 383	3 459	3 746	4 146	4 227	4 227	5 235	5 408	5 581
Housing		3 983	4 263	2 885	3 432	3 018	3 018	3 080	3 181	3 283
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		6 005	9 889	8 063	9 782	9 999	9 999	12 901	12 862	13 242
Planning and development		4 325	5 539	5 950	6 883	6 111	6 111	9 930	10 257	10 554
Road transport		1 680	4 351	2 114	2 899	3 887	3 887	2 972	2 605	2 688
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		81 488	122 074	109 659	93 067	86 684	86 684	90 690	91 112	94 027
Energy sources		23 342	55 978	38 947	42 018	35 304	35 304	36 815	37 577	38 779
Water management		27 556	37 168	34 066	24 925	27 471	27 471	28 245	27 989	28 885
Waste water management		23 711	19 276	25 178	19 993	19 609	19 609	20 266	20 006	20 646
Waste management		6 878	9 652	11 468	6 130	4 300	4 300	5 364	5 541	5 718
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	165 728	207 674	212 347	197 039	188 847	188 847	197 133	197 915	204 117
Surplus/(Deficit) for the year		(5 803)	3 829	20 249	6 052	23 691	23 691	19 839	13 417	15 461

1.3 Table A3-Budgeted Financial Performance by Municipal Vote

NC093 Magareng - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
Revenue by Vote	1									
Vote 01 - Executive & Council		59 064	65 798	66 243	67 612	68 175	68 175	68 165	67 920	71 538
Vote 02 - Office Of The Municipal Manager		-	-	-	-	252	252	-	-	-
Vote 03 - Corporate Services		382	175	(236)	-	(301)	(301)	(301)	(311)	(321)
Vote 04 - Financial Services		30 323	30 213	27 067	30 167	30 167	30 167	28 580	29 524	30 370
Vote 05 - Municipal Infrastructure		68 311	113 335	130 670	89 961	98 961	98 961	105 975	99 166	102 477
Vote 06 - Community Services		-	-	6 923	15 350	15 283	15 283	14 553	15 033	15 514
Vote 07 - Public Safety & Transport		1 844	1 982	1 930	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	159 925	211 503	232 597	203 090	212 538	212 538	216 972	211 332	219 578
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		12 418	12 749	12 397	12 407	13 169	13 169	13 474	12 524	12 925
Vote 02 - Office Of The Municipal Manager		658	920	849	2 478	2 498	2 498	2 781	2 873	2 965
Vote 03 - Corporate Services		15 075	15 141	17 570	19 293	19 268	19 268	19 575	20 221	20 868
Vote 04 - Financial Services		29 007	33 854	51 414	43 144	41 935	41 935	39 643	40 952	42 163
Vote 05 - Municipal Infrastructure		87 116	129 300	114 386	93 982	89 439	89 439	94 964	95 050	98 092
Vote 06 - Community Services		-	-	9 699	18 878	16 235	16 235	19 986	19 364	19 983
Vote 07 - Public Safety & Transport		14 468	8 784	173	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		6 986	6 926	5 860	6 857	6 304	6 304	6 710	6 931	7 121
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	165 728	207 674	212 347	197 039	188 847	188 847	197 133	197 915	204 117
Surplus/(Deficit) for the year	2	(5 803)	3 829	20 249	6 052	23 691	23 691	19 839	13 417	15 461

1.4 Table A4-Budgeted Financial Performance (Revenue and Expenditure)

NC093 Magareng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	13 907	14 600	17 723	19 592	19 592	19 592	15 249	24 824	25 643	26 463
Service charges - Water	2	6 010	3 264	4 786	5 424	5 424	5 424	3 582	5 625	5 811	5 997
Service charges - Waste Water Management	2	8 041	8 059	9 085	9 775	9 775	9 775	6 203	10 137	10 471	10 806
Service charges - Waste Management	2	4 509	6 050	6 737	7 355	7 355	7 355	4 607	7 627	7 879	8 131
Sale of Goods and Rendering of Services	2	517	531	943	1 232	1 232	1 232	532	1 277	1 319	1 362
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	6 048	19 311	21 670	25 462	25 462	25 462	15 300	26 547	27 424	28 301
Interest earned from Current and Non Current Assets	2	10 912	357	385	46	46	46	-	48	49	51
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	2	9	23	38	38	38	14	39	40	42
Rental from Fixed Assets	2	1	6	16	327	327	327	-	339	351	362
Licence and permits	2	-	-	-	-	-	-	-	-	-	-
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	3 698	8 405	3 520	732	666	666	219	691	714	736
Non-Exchange Revenue											
Property rates	2	12 263	12 916	13 247	15 251	15 251	15 251	10 034	15 815	16 337	16 860
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	586	395	225	612	612	612	10	635	656	677
Licences or permits	2	(2 251)	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	69 502	76 049	73 429	76 862	77 677	77 677	50 173	73 665	71 020	74 638
Interest	2	-	5 986	6 681	7 781	7 781	7 781	4 739	8 069	8 336	8 602
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	-	208	252	-	-	-	-	-	-	-
Interest	2	382	175	(301)	-	(301)	(301)	-	(301)	(311)	(321)
Other Gains	2	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and cont		134 129	156 319	158 421	170 489	170 937	170 937	110 660	175 037	175 737	182 706
Expenditure											
Employee related costs	2	48 606	47 180	50 059	59 997	57 792	57 792	37 808	64 842	65 832	67 923
Remuneration of councillors	2	4 673	5 257	5 278	5 270	5 426	5 426	3 493	5 443	5 622	5 802
Bulk purchases - electricity	2	23 257	26 694	31 322	25 000	25 000	25 000	3 373	25 000	25 825	26 651
Inventory consumed	2,8	16 644	10 606	16 587	14 050	14 495	14 495	7 330	12 815	12 766	13 168
Debt impairment	2,3	-	-	38 337	22 245	18 106	18 106	12 071	25 078	25 906	26 735
Depreciation, amortisation and impairment	2	23 542	18 423	15 899	23 541	15 494	15 494	9 854	15 003	15 498	15 994
Interest, Dividends and Rent on Land	2	7 549	1 958	5 667	600	2 833	2 833	193	2 938	3 035	3 132
Contracted services	2	5 922	11 668	14 322	16 283	19 636	19 636	8 488	20 302	18 270	18 809
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	-	-	-	569	569	569	1 000	1 033	1 066
Operational costs	2	12 826	19 054	18 177	19 810	21 051	21 051	12 403	22 748	22 099	22 743
Disposal of Fixed and Intangible Assets	2	4 503	3 105	-	-	-	-	-	-	-	-
Other Losses	2	-	-	3 928	604	1 964	-	-	1 964	2 029	2 094
Total Expenditure		147 522	143 945	199 577	187 401	182 367	182 367	95 582	197 133	197 915	204 117
Surplus/(Deficit)		(13 393)	12 374	(41 156)	(16 911)	(11 430)	(11 430)	15 078	(22 096)	(22 178)	(21 411)
Transfers and subsidies - capital (monetary)	6	24 071	50 290	71 924	32 601	41 601	41 601	-	41 935	35 595	36 872
Transfers and subsidies - capital (in-kind)	6	1 725	4 894	2 252	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & Income Tax		12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461
Surplus/(Deficit) after income tax		12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461

Operating Revenue Framework

For Magareng Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy.
- Growth in the Municipality and continued economic development.
- Efficient revenue management, which aims to ensure a 70 per cent annual collection rate for property rates and other key service charges.
- Warrenton tariff increases as approved by the National Energy Regulator of South Africa (NERSA);
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Magareng local municipality.

Consolidated Overview of the 2026/2027 MTREF Budget.

The following budget principles informed the compilation of the 2026/2027 MTREF:

- Consumer Price Inflation (CPI) 3,7% in 2026/2027 ,2027/2028 3.3%, and 2028/2029 3.2% as stated in circular 132.
- The National Energy Regulator of South Africa (NERSA) recommended 9% tariffs increase on electricity which was used to compile the Draft Budget 2026/27. The tariff might change, as the municipality still has to submit the Cost of Supply to NERSA and the approved tariff will be implemented for 2026/27 Final budget.
- The salary and wages increase of 4.75% for the 2026/2027 financial year as per the Collective Agreement issued on the 13th of March 2026.
- Management aims to ensure a 70 per cent annual collection rate for property rates and other key service charges.

The following table is a high-level summary of the 2026/2027 budget and MTREF (classified per main type of operating Revenue and Expenditure)

A4 - Summary of revenue classified by main revenue source.

NC093 Magareng - Table A4 Budgeted Financial Performance (revenue and expenditure)						
Description	2026/27 Medium Term Revenue & Expenditure Framework					
	Budget Year 2026/27	2026/27 %	Budget Year +1 2027/28	2027/28 %	Budget Year +2 2028/29	2028/29 %
R thousand						
Revenue						
Exchange Revenue						
Service charges - Electricity	24 824	14%	25 643	15%	26 463	14.5%
Service charges - Water	5 625	3.2%	5 811	3%	5 997	3.3%
Service charges - Waste Water Management	10 137	5.8%	10 471	6%	10 806	5.9%
Service charges - Waste Management	7 627	4.4%	7 879	4%	8 131	4.5%
Sale of Goods and Rendering of Services	1 277	0.7%	1 319	1%	1 362	0.7%
Interest earned from Receivables	26 547	15.2%	27 424	16%	28 301	15.5%
Interest earned from Current and Non Current Assets	48	0.0%	49	0%	51	0.0%
Rent on Land	39	0.0%	40	0%	42	0.0%
Rental from Fixed Assets	339	0.2%	351	0%	362	0.2%
Operational Revenue	691	0.4%	714	0%	736	0.4%
Non-Exchange Revenue						0.0%
Property rates	15 815	9.0%	16 337	9%	16 860	9.2%
Fines, penalties and forfeits	635	0.4%	656	0%	677	0.4%
Transfer and subsidies - Operational	73 665	42.1%	71 020	40%	74 638	40.9%
Interest	8 069	4.6%	8 336	5%	8 602	4.7%
Gains on disposal of Fixed and Intangible Assets	(301)	-0.2%	(311)	0%	(321)	-0.2%
Total Revenue (excluding capital transfers and contributions)	175 037	100.0%	175 737	100%	182 706	100%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue Generated from Rates and Services Charges form a significant amount of the revenue basket for the municipality. In the 2026/27 financial year, revenue from rates and services charges totaled **R64 027 million** which increases to **R66 140 million, R68 257 million** for 2026/27 , 2027/28 and 2028/29 respective financial years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges which increases by 3.7% in 2026/27, 3.3% and 3.2 2027/28 and 2028/29 respectively. This growth can be mainly attributed by CPI as per Circular 132. This increase in CPI excludes Service Charge in Electricity as the municipality has used proposed 9% increase as per NERSA guidance for 2026/27.

The largest sources are transfers and subsidies which consist of our operational grants FMG **R3 000 million**, Equitable share **R66 815 million**, EPWP **R1 350 million** and FBDM O & M **R 2 500 million**. Which results in total operating grants and transfers allocation of **R73 665 million** in 2026/2027 financial year.

Operating Expenditure Framework

The Municipal's expenditure framework for the 2026/2027 budget and MTREF are informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit.
- Funding of the budget over the medium-term is informed by Section 18 and 19 of the MFMA.

The following table is a high-level summary of the 2026/2027 budget and MTREF (classified per main type of operating expenditure):

A4 - Summary of operating expenditure by standard classification item

Description	2026/27 Medium Term Revenue & Expenditure Framework					
	Budget Year 2026/27	%	Budget Year +1 2027/28	%	Budget Year +2 2028/29	%
R thousand						
Expenditure						
Employee related costs	64 842	33%	65 832	33%	67 923	33%
Remuneration of councillors	5 443	3%	5 622	3%	5 802	3%
Bulk purchases - electricity	25 000	13%	25 825	13%	26 651	13%
Inventory consumed	12 815	7%	12 766	6%	13 168	6%
Debt impairment	25 078	13%	25 906	13%	26 735	13%
Depreciation, amortisation and impairment	15 003	8%	15 498	8%	15 994	8%
Interest, Dividends and Rent on Land	2 938	1%	3 035	2%	3 132	2%
Contracted services	20 302	10%	18 270	9%	18 809	9%
Irrecoverable debts written off	1 000	1%	1 033	1%	1 066	1%
Operational costs	22 748	12%	22 099	11%	22 743	11%
Other Losses	1 964	1%	2 029	1%	2 094	1%
Total Expenditure	197 133	100%	197 915	100%	204 117	100%

Employee Related Costs for the 2026/2027 financial year total to **R64 842 million** which is equal to 33% of total operating expenditure. Based on circular No 4 of 2026 that was issued on the 13th of March 2026 from SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 4.75 per cent for the 2026/2027 financial year. An annual increase of 3.3 per cent has been included in 2027/2028 and 3.2% in 2028/2029 MTREF.

Only critical vacancies will be prioritized within the 2026/2027 financial year. The total amount for the vacant post's amounts to **R8 million** in the 2026/27 financial year. In addition, expenditure against overtime has slightly increased from **R1 146 million** to **R1 201 million** for 2025/26 to 2026/27, the provision made against this line item is for emergency services and other critical functions (departments).

Councilors' Remuneration amounts to **R5 443 million** which equals 3 per cent of the total operating expenditure. The cost associated with the remuneration of councilors is determined by the Minister of Cooperatives Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in compiling the Municipal's budget.

The Provision of Debt Impairment was determined based on the 2024/2025 Annual Financial Statement for the year and the Credit control and debt collection policy (Debt Write-off) Policy of the Municipality. The Provision for Debt Impairment increased to **R25 078 million** in 2025/26, although according to the Annual Financial Statements of 2024/2025 financial year Debt Impairment amounts to **R50 156 million**, due to the unfunded budget the municipality budgeted for 50% of the **R50 156 million**. While this expenditure is a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for Depreciation and asset impairment has been provided by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption in line with GRAP 17. Accounting standard requires bringing in a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation compared to previous years.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Vaalharts. Due to financial constraints, the municipality has been consistent with budget of **R25 000 million** in Bulk Purchases- Eskom and for the Bulk Water- Vaalharts, municipality Budgeted **R 5 830 million**.

Operational Costs comprise amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the municipal's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the municipal's infrastructure for 2026/2027 the appropriation against this group of expenditure amounts to **R22 748 million**. For the two outer years growth has been limited to 3.3% for 2027/2028 and 3.2 % for the 2028/2029 financial years.

Contracted services as part of the compilation of the 2026/2027 MTREF this group of expenditure was critically evaluated, and operational efficiencies were enforced. In the 2026/2027 financial year, this group of expenditure amounts to **R20 302 million**. For the two outer years growth has been limited to 3.3% and 3.2% for 2027/2028 and 2028/2029 financial years respectively.

Interest (Finance Costs) was determined based on the 2024/2025 Annual Financial Statement according to the audited financial statement the total finance cost actuals was R5.667 million. The Provision for finance cost (interest) amounts to **R2 938 million** in 2026/27 Draft Budget according to the unfunded budget the municipality budgeted for 50% of the **R5 667 million**.

1.5 Table A5-Budgeted Capital Expenditure by Standard Classification.

NC093 Magareng - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional											
<i>Governance and administration</i>		-	-	394	1 810	1 900	1 900	1 264	2 907	3 003	3 099
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	394	1 810	1 900	1 900	1 264	2 907	3 003	3 099
Internal audit		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	1 450	1 360	1 360	174	500	517	533
Community and social services		-	-	-	300	210	210	-	500	517	533
Sport and recreation		-	-	-	1 150	1 150	1 150	174	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		25 368	51 549	61 941	33 101	42 101	42 101	22 551	42 454	36 131	37 154
Energy sources		-	-	-	500	500	500	-	519	1 470	1 530
Water management		23 885	34 482	44 398	22 601	31 601	31 601	17 075	27 743	13 661	13 952
Waste water management		1 482	17 067	17 543	10 000	10 000	10 000	5 476	14 192	21 000	21 672
Waste management		-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	25 368	51 549	62 335	36 361	45 361	45 361	23 989	45 861	39 650	40 786
Funded by:											
National Government		23 885	36 794	61 941	32 601	41 601	41 601	22 551	41 935	35 595	36 601
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)		-	14 755	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	23 885	51 549	61 941	32 601	41 601	41 601	22 551	41 935	35 595	36 601
Borrowing	6										
Internally generated funds		1 482	-	394	3 760	3 760	3 760	1 438	3 926	4 055	4 185
Total Capital Funding	7	25 368	51 549	62 335	36 361	45 361	45 361	23 989	45 861	39 650	40 786

1.6 Table A6-Budgeted Financial Position

NC093 Magareng - Table A6 Budgeted Financial Position

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents	1	734	1 104	1 414	(60 742)	1 414	1 414	(11 522)	34 078	49 695	53 012
Short term investments	2	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	3	23 459	(20 998)	(30 730)	20 262	(30 730)	(30 730)	13 835	(37 773)	(39 020)	(40 268)
Receivables from non-exchange transactions	3	8 952	1 878	16 114	14 699	24 891	24 891	5 348	29 682	30 661	31 642
Current portion of non-current receivables	4	-	-	-	-	-	-	-	-	-	-
Inventory	5	116	121	6	121	6	6	(267)	6	7	7
VAT Receivable	6	59 352	67 344	71 297	50 562	71 297	71 297	1 185	73 935	76 375	78 819
Other current assets	7	(1 270)	(1 953)	(1 795)	(1 270)	(1 795)	(1 795)	(1)	(1 851)	(1 912)	(1 974)
Total current assets		91 343	47 495	56 306	23 633	65 083	65 083	8 577	98 077	115 806	121 239
Non current assets											
Investments	8	-	-	-	-	-	-	-	-	-	-
Investment property	9	24 867	24 867	21 079	24 868	21 079	21 079	-	21 079	21 775	22 472
Property, plant and equipment	10	428 519	455 660	497 770	489 691	527 386	527 386	14 135	527 289	536 966	554 016
Biological assets	11	-	-	-	-	-	-	-	-	-	-
Living resources	12	-	-	-	-	-	-	-	-	-	-
Heritage assets	13	371	371	371	371	371	371	-	371	383	396
Intangible assets	14	10	13	1 831	213	2 121	2 121	-	2 251	2 325	2 399
Trade and other receivables from exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	15	0	0	0	0	-	-	-	0	0	0
Other non-current assets	16	-	-	-	-	-	-	-	-	-	-
Total non current assets		453 767	480 911	521 052	515 142	550 957	550 957	14 135	550 991	561 449	579 283
TOTAL ASSETS		545 110	528 406	577 357	538 775	616 041	616 041	22 712	649 068	677 255	700 521
LIABILITIES											
Current liabilities											
Bank overdraft	17	-	-	-	-	-	-	-	-	-	-
Financial liabilities	18	-	-	-	-	-	-	-	-	-	-
Consumer deposits	19	1 309	1 330	1 358	1 334	1 396	1 396	15	1 397	1 443	1 489
Trade and other payables from exchange transactions	20	284 643	273 144	299 749	266 511	332 136	332 136	(24 125)	338 305	332 146	342 775
Trade and other payables from non-exchange transactions	21	9 019	805	1 451	9 019	1 451	1 451	33 329	1 451	1 499	1 547
Provision	22	4 850	6 662	7 428	6 307	7 215	7 215	(372)	7 428	7 673	7 918
VAT Payable	23	23 743	24 960	28 589	20 731	28 753	28 753	3 025	28 755	60 873	62 800
Other current liabilities	24	-	-	-	-	-	-	-	-	-	-
Total current liabilities		323 564	306 901	338 574	303 902	370 950	370 950	11 871	377 336	403 633	416 529
Non current liabilities											
Financial liabilities	25	794	730	669	1 085	669	669	-	669	691	713
Provision	26	4 709	4 820	3 901	4 820	3 901	3 901	-	3 901	4 029	4 158
Long term portion of trade payables	27	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	28	-	-	-	-	-	-	-	-	-	-
Total non current liabilities		5 503	5 550	4 570	5 905	4 570	4 570	-	4 570	4 720	4 871
TOTAL LIABILITIES		329 067	312 450	343 143	309 807	375 520	375 520	11 871	381 906	408 354	421 401
NET ASSETS		216 043	215 956	234 214	228 968	240 521	240 521	10 840	267 162	268 902	279 121
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	210 564	210 698	189 696	224 403	235 389	235 389	13 852	267 162	268 902	294 582
Reserves and funds	30	-	-	-	-	-	-	-	-	-	-
Other	31	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	32	210 564	210 698	189 696	224 403	235 389	235 389	13 852	267 162	268 902	294 582

1.7 Table A7-Budgeted Cash Flow

NC093 Magareng - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		7,365	6,993	5,068	9,150	9,150	9,150	7,091	11,070	11,436	11,802
Service charges		31,256	45,907	20,156	25,207	25,207	25,207	16,534	33,748	34,862	35,978
Other revenue		(30,145)	5,645	62,979	15,144	92,471	92,471	15,168	55,496	65,027	127,877
Transfers and Subsidies - Operational	1	67,209	65,921	69,243	76,862	77,425	77,425	54,292	73,665	71,020	74,638
Transfers and Subsidies - Capital	1	46,224	53,439	72,545	32,601	41,601	41,601	27,625	41,935	35,595	36,872
Interest		-	357	790	20,319	15,283	15,283	1,029	15,824	16,346	16,869
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(120,673)	(102,883)	(126,754)	(130,674)	(135,764)	(135,764)	(74,639)	(146,380)	(146,913)	(151,521)
Finance charges		-	-	-	(600)	(2,833)	(2,833)	-	(2,938)	(3,035)	(3,132)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		1,236	75,381	104,027	48,010	122,539	122,539	47,099	82,420	84,338	149,382
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	175	(301)	-	(301)	(301)	-	(301)	(311)	(321)
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital		-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(16,406)	(51,549)	(62,335)	(36,076)	(45,076)	(45,076)	(20,133)	(45,161)	(38,927)	(40,040)
Retention (Capital)		-	-	-	-	-	-	-	(4,050)	(4,184)	(4,318)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16,406)	(51,374)	(62,636)	(36,076)	(45,377)	(45,377)	(20,133)	(49,512)	(43,422)	(44,678)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(5)	(12)	38	25	25	25	17	39	41	42
Payments											
Repayment of borrowing		319	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		314	(12)	38	25	25	25	17	39	41	42
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	242	734	1,104	1,104	(51,216)	(51,216)	-	1,414	34,362	75,318
Cash/cash equivalents at the year end:	2	(14,615)	24,728	42,533	13,063	25,972	25,972	26,982	34,362	75,318	180,065

Please note that cash flow will be determined by the revenue collection rate, the estimated and forecasted collection rate is **70%** for the **2026/2027** financial year.

1.8 Table A8-Cash Backed Reserves/ accumulated surplus reconciliation

NC093 Magareng - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	(14 615)	24 728	42 533	13 063	25 972	25 972	26 982	34 078	75 035	179 781
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(14 615)	24 728	42 533	13 063	25 972	25 972	26 982	34 078	75 035	179 781
Application of cash and investments											
Unspent conditional transfers		9 019	805	1 451	9 019	1 451	1 451	33 329	1 451	1 499	1 547
Unspent borrowing											
Statutory requirements	2	(732)	-	(145)	(732)	(145)	(145)	(145)	(145)	(150)	(155)
Other working capital requirements	3	282 330	279 968	308 781	254 404	337 331	337 331	(32 236)	350 487	345 665	364 106
Other provisions		4 850	6 662	7 428	6 307	7 215	7 215	7 055	7 428	7 673	7 918
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		295 467	287 435	317 514	268 998	345 851	345 851	8 003	359 220	354 686	373 416
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		(310 082)	(262 707)	(274 980)	(255 934)	(319 880)	(319 880)	18 980	(325 142)	(279 651)	(193 634)
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		(310 082)	(262 707)	(274 980)	(255 934)	(319 880)	(319 880)	18 980	(325 142)	(279 651)	(193 634)

1.9 Table A9- Asset management

NC093 Magareng - Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	1 482	--	394	1 745	1 855	1 855	2 581	3 600	3 728
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	100	100	100	104	1 041	1 088
Infrastructure		--	--	--	100	100	100	104	1 041	1 088
Community Facilities		--	--	--	--	--	--	--	--	--
Sport and Recreation Facilities		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	200	290	290	420	434	448
Intangible Assets		--	--	--	200	290	290	420	434	448
Computer Equipment		--	--	394	685	705	705	1 115	1 152	1 188
Furniture and Office Equipment		--	--	--	600	600	600	530	547	565
Machinery and Equipment		--	--	--	10	10	10	412	426	440
Transport Assets		1 482	--	--	150	150	150	--	--	--
Total Renewal of Existing Assets	2	11 354	17 067	17 543	10 000	10 000	10 000	14 192	21 000	21 672
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	--	--	--	--	--	--
Water Supply Infrastructure		11 354	17 067	17 543	10 000	10 000	10 000	14 192	21 000	21 672
Infrastructure		11 354	17 067	17 543	10 000	10 000	10 000	14 192	21 000	21 672
Community Facilities		--	--	--	--	--	--	--	--	--
Total Upgrading of Existing Assets	6	12 531	34 482	44 398	24 616	33 506	33 506	29 088	15 050	15 386
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	400	400	400	415	428	442
Water Supply Infrastructure		12 531	34 482	44 398	22 601	31 601	31 601	27 743	13 661	13 952
Infrastructure		12 531	34 482	44 398	23 001	32 001	32 001	28 158	14 089	14 394
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--	--	--	--	--	--	--	--
Other Assets		--	--	--	300	210	210	500	517	533
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	--	1 315	1 295	1 295	430	444	458
Total Capital Expenditure	4	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	500	500	500	519	1 470	1 530
Water Supply Infrastructure		23 885	51 549	61 941	32 601	41 601	41 601	41 935	34 661	35 624
Infrastructure		23 885	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
Community Facilities		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	300	210	210	500	517	533
Housing		--	--							

1.10 Table A10-Basic Service Delivery Measurement

NC093 Magareng - Table A10 Basic service delivery measurement

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Informal Settlements		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		(54)	(233)	(81)	(2 674)	(2 674)	(2 674)	(110)	(2 773)	(2 864)
Sanitation (free sanitation service to indigent households)		(96)	(639)	(145)	(3 543)	(3 543)	(3 543)	(301)	(3 674)	(3 795)
Electricity/other energy (50kwh per indigent household per month)		(22)	(24)	(8)	(4 271)	(4 271)	(4 271)	(5)	(8)	(8)
Refuse (removed once a week for indigent households)		(109)	(464)	(141)	(2 126)	(2 126)	(2 126)	(225)	(2 204)	(2 277)
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided	8	(281)	(1 360)	(376)	(12 614)	(12 614)	(12 614)	(641)	(8 659)	(8 945)
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		(1 038)	(1 089)	(1 142)	(1 480)	(1 480)	(1 480)	(741)	(1 534)	(1 585)
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	(1 038)	(1 089)	(1 142)	(1 480)	(1 480)	(1 480)	(741)	(1 534)	(1 585)

Part 3 – Supporting Tables

3.1 Table SA1-Supporting detail to Budgeted Financial Performance.

NC093 Magareng - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2022/23			2023/24			2024/25			Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29					
R thousand																
REVENUE ITEMS																
Exchange Revenue																
Appliance Maintenance																
Availability Charges		473	1 017	1 368	4 324	4 324	4 324	1 295	2 117	2 187	2 257					
Connection/Reconnection		108		252	103	103	103				175					
Electricity Distribution Revenue for Services																
Electricity Sales	13 349	13 624	16 317	19 436	19 436	19 436	13 857	22 551	23 295	24 041						
Less Cost of Free Basic Services (50 kWh per indigent household per month)	(22)	(24)	(8)	(4 271)	(4 271)	(4 271)	(5)	(8)	(8)	(9)						
Agricultural and Rural Water Service																
Availability Charges		3 163	3 389	3 559	4 514	4 514	4 514	4 681	4 835	4 990						
Connection/Disconnection		27	8	8	50	50	50		54	55						
Sale		2 874	1 000	1 300	3 534	3 534	3 534	1 287	3 665	3 786						
Less Revenue Foregone (in excess of 6 MWh per indigent household per month)	(54)	(233)	(81)	(2 674)	(2 674)	(2 674)	(103)	(273)	(276)	(295)						
Less Cost of Free Basic Services (6 MWh per indigent household per month)	8 137	8 698	9 230	13 318	13 318	13 318	6 503	11 811	12 864	14 723						
Sanitation Charges		396		1 145	1 145	1 145	301	3 874	3 759	3 817						
Refuse Removal		4 618	6 514	6 879	9 481	9 481	9 481	4 832	9 531	10 155						
Less Cost of Free Basic Services (removed once a week to indigent households)	(100)	(464)	(1 611)	(2 120)	(2 120)	(2 120)	(220)	(531)	(524)	(530)						
Application Fees for Land Usage		58	110	8	49	49	49	54	53	54						
Cemetery and Burial		348	133	143	136	136	136	104	108	112						
Cleaning and Removal		19	28	34	36	36	36	29	31	38						
Clearance Certificates		24	24	24	104	104	104	323	108	116						
State of Goods		60	10	623	802	802	802	9	831	859						
Valuation Services																
Office-Related Parties/Associated Companies																
Electricity	6 048	6 685	8 990	11 826	11 826	11 826	6 609	2 952	3 049	3 147						
Service Charges		4 520	5 146	4 972	4 972	4 972	4 972	5 156	5 326	5 496						
Waste Water Management		6 922	7 534	8 106	8 106	8 106	8 106	8 408	8 684	8 962						
Water																
Financial Assets	10 912	357	385	46	46	46	46	38	40	42						
Land	2	9	23	38	38	38	38	38	38	38						
Property Plant and Equipment																
Bad Debts Recovered		2 041	254	2 691	732	732	666	666	691	714						
Insurance Refund	490															
Request for Information	35	43	50													
Skills Development Levy Refund	1 133	1 167	1 167													
Staff and Councilors Recoveries																
Total Operational Revenue		3 698	8 405	3 520	732	732	666	219	691	714			736			
Non-Exchange Revenue																
Agricultural Properties	2 781	2 922	3 124	3 917	3 917	3 917	2 328	4 062	4 196	4 321						
Business and Commercial Properties	1 836	2 027	2 629	2 629	2 629	2 629	1 657	2 726	2 816	2 907						
Industrial Properties	50	52	55	57	57	57	47	60	62	64						
Public Service Infrastructure Properties																
Public Service Purposes Properties	2 534	2 667	2 466	2 921	2 921	2 921	1 995	3 029	3 129	3 229						
Residential Properties	4 095	6 495	6 495	7 133	7 133	7 133	4 741	7 307	7 485	7 673						
Vacant Land			4	4	4	4	4	51	4	5						
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	(1 038)	(1 089)	(1 142)	(1 480)	(1 480)	(1 480)	(741)	(1 534)	(1 585)	(1 636)						
Fines	585	595	612	612	612	612	10	635	656	677						
Road and Transport	(2 251)															
District Municipalities	3 650	8 813	2 948													
Departmental/Agencies and Accounts	707	1 180	1 239	1 250	1 250	1 250	625									
District Municipalities	7 094	299	4 242	3 500	4 063	4 063	2 500									
National Governments		8 857	4 242	4 329	4 329	4 329	4 329									
National Revenue Fund	57 991	59 941	65 001	66 283	66 283	66 283	48 587	66 815	67 920	71 538						
Provincial Government				1 500	1 500	1 500										
Property Rates		5 986	6 681	7 781	7 781	7 781	4 739	8 969	9 336	8 602						
Electricity - Availability Charges																
Gains on Disposal of Fixed and Intangible Assets		392	175	(301)	(301)	(301)	(301)	(301)	(301)	(311)			(321)			
Property, Plant and Equipment																
Total Revenue		134 129	156 319	158 421	170 489	170 937	170 937	110 660	175 037	175 737			182 704			
EXPENDITURE ITEMS																
Salaries and Allowances																
Basic Salary	32 266	32 554	35 346	42 578	40 682	40 682	25 842	45 416	46 009	47 466						
Bonuses	57	59	100	176	176	176	176	176	176	176						
Cellular and Telephone	74	105	142	192	213	213	213	240	248	256						
Housing Benefits	70	70	70	70	70	70	70	70	70	70						
Non-pensionable	48	72	72	72	60	60	60	74	74	77						
Travel or Motor Vehicle	882	691	755	1 026	917	917	917	1 558	1 609	1 661						
Voyage Work																
Aiding	248	254	142	156	96	96	28	96	28	36						
Bonus	3 948	2 861	2 861	3 081	3 081	3 081	3 081	3 431	3 471	3 582						
In-kind Benefits	638	657	100	100	100	100	100	100	100	100						
Overseas	2 327	707	792	1 026	917	917	917	843	1 406	1 453						
Scarcity	63	99	83	165	125	125	54	173	179	185						
Standby Allowance	392	290	340	368	368	368	368	368	368	368						
Social Contributions																
Bargaining Council	17	15	15	23	23	23	15	22	22	23						
Medical	2 374	2 319	2 618	2 989	2 989	2 989	1 918	3 320	3 429	3 539						
Pension	5 863	6 152	6 399	7 269	7 140	7 140	4 693	8 060	8 166	8 428						
Unemployment Insurance	300	316	306	333	333	333	333	333	333	333						
Allowances and Service Related Benefits																
Basic Salary	3 173	3 674	3 616	3 563	3 529	3 529	2 352	3 688	3 810	3 932						
Cell phone Allowance	481	538	480	509	506	506	506	509	526	543						
Traveling Allowance	496	585	585	585	585	585	585	585	601	621						
Medical Aid Benefits	115	83	82	78	105	105	105	109	113	117						
ESKOM	23 267	26 654	31 322	25 000	25 000	25 000	3 373	25 000	25 252	26 651						
Materials and Supplies	9 927	6 010	5 273	10 550	7 302	7 302	4 658	5 414	5 121	5 279						
Water	6 717	4 596	1 134	3 130	2 193	2 193	1 401	1 913	1 745	1 805						
Electricity																
Waste Management																
Waste Water Management																
Water																
Non Specific Accounts																
Property Rates General																
Agricultural Properties																
Business and Commercial Properties																
Public Benefit Organisations																
Public Service Purposes Properties																
Sport Clubs and Fields																
Vacant Land																
Total Debt Impairment			38 337	22 245	18 106	18 106	12 671	25 078	25 906	26 735						
Depreciation, Amortisation and Impairment																
Depreciation																
Community Assets	2 024	1 660	1 636	2 160	1 636	1 636	1 090	1 636	1 688	1 743						
Computer Equipment			452	1 093	452	452	452	452	467	482						
Electrical Infrastructure	6 493	3 794	3 794	6 493	3 794	3 794	2 529	3 794	3 919	4 045						
Furniture and Office Equipment	846	1 441	1 170	1 710	854	841	441	587	176	181						
Other Assets																
Roads Infrastructure	7 420															

3.2 Table SA2-Matrix Financial Performance Budget (revenue source/expenditure type and dept);

NC093 Magareng - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Executive & Council	Vote 02 - Office Of The Municipal Manager	Vote 03 - Corporate Services	Vote 04 - Financial Services	Vote 05 - Municipal Infrastructure	Vote 06 - Community Services	Vote 07 - Public Safety & Transport	Vote 08 - Sports, Arts, Parks, Culture	Vote 09 - Planning & Development	Vote 10 - Hunan Settlements	Vote 11 - Idp, Pms Department	Vote 12 - Spatial Development, Planning & Traditional	Vote 13 - Electricity Department	Vote 14 -	Vote 15 - Other	Total
R thousand	1																
Revenue																	
Exchange Revenue																	
Service charges - Electricity						24 824											24 824
Service charges - Water						5 625											5 625
Service charges - Waste Water Management						10 137											10 137
Service charges - Waste Management							7 627										7 627
Sale of Goods and Rendering of Services					1 028	141	108										1 277
Agency services																	
Interest																	
Interest earned from Receivables					578	20 814	5 156										26 547
Interest earned from Current and Non Current Assets					48												48
Dividends																	
Rent on Land					39												39
Rental from Fixed Assets					3		336										339
Licence and permits																	
Special rating levies																	
Construction Contract Revenue																	
Development Charges																	
Operational Revenue							691										691
Non-Exchange Revenue																	
Property rates					15 815												15 815
Surcharges and Taxes																	
Fines, penalties and forfeits							635										635
Licences or permits																	
Transfer and subsidies - Operational		68 165			3 000	2 500											73 665
Interest					8 069												8 069
Fuel Levy																	
Operational Revenue																	
Gains on disposal of Fixed and Intangible Assets					(301)												(301)
Other Gains																	
Discontinued Operations																	
Total Revenue (excluding capital transfers and contributi		68 165	-	(301)	28 580	64 040	14 553	-	-	-	-	-	-	-	-	-	175 037
Expenditure																	
Employee related costs		2 836	2 369	9 445	13 923	19 573	12 162			4 535							64 842
Remuneration of councillors		5 443															5 443
Bulk purchases - electricity						25 000											25 000
Inventory consumed				1 849	100	9 865	1 000										12 815
Debt impairment					6 536	15 594	2 948										25 078
Depreciation, amortisation and impairment				613		12 645	101			1 644							15 003
Interest, Dividends and Rent on Land					2 938												2 938
Contracted services		1 506	267	5 110	5 678	5 968	1 574			200							20 302
Transfers and subsidies																	
Irrecoverable debts written off							1 000										1 000
Operational costs		3 689	145	2 558	10 469	4 354	1 202			331							22 748
Disposal of Fixed and Intangible Assets																	
Other Losses						1 964											1 964
Total Expenditure		13 474	2 781	19 575	39 643	94 964	19 986	-	-	6 710	-	-	-	-	-	-	197 133
Surplus/(Deficit)		54 691	(2 781)	(19 876)	(11 063)	(30 924)	(5 434)	-	-	(6 710)	-	-	-	-	-	-	(22 096)
Transfers and subsidies - capital (monetary allocations)						41 935											41 935
Transfers and subsidies - capital (in-kind)																	
Surplus/(Deficit) after capital transfers & contributions		54 691	(2 781)	(19 876)	(11 063)	11 011	(5 434)	-	-	(6 710)	-	-	-	-	-	-	19 839

3.4 Table SA4-Reconciliation of IDP Strategic Objective and Budget (revenue);

NC093 Magareng - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
Allocations to Other Priorities				-	-	-	-	-	-	-	-	-
KPA 5 - GOOD GOVERNANCE & COMMUNITY PARTICIPATION				1 844	1 982	8 852	15 350	15 283	15 283	14 553	15 033	15 514
NATIONAL OUTCOME5				42 515	58 151	56 494	57 360	57 360	57 360	64 040	63 571	65 605
NATIONAL OUTCOME2				30 323	30 213	27 067	30 167	30 167	30 167	28 580	29 524	30 370
NATIONAL OUTCOME1				59 447	65 973	66 007	67 612	68 126	68 126	67 864	67 609	71 217
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	134 129	156 319	158 421	170 489	170 937	170 937	175 037	175 737	182 706

3.5 Table SA5-Reconciliation of IDP Strategic Objective and Budget (expenditure);

NC093 Magareng - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
Allocations to Other Priorities				-	-	235	-	-	-	-	-	-
KPA 5 - GOOD GOVERNANCE & COMMUNITY PARTICIPATION				14 468	8 784	9 872	18 878	16 235	16 235	19 986	19 364	19 983
NATIONAL OUTCOME5				69 608	71 050	114 151	93 982	89 439	89 439	94 964	95 050	98 092
NATIONAL OUTCOME4				6 986	6 926	5 860	6 857	6 304	6 304	6 710	6 931	7 121
NATIONAL OUTCOME2				28 309	28 375	38 900	33 506	35 455	35 455	39 643	40 952	42 163
NATIONAL OUTCOME1				28 151	28 810	30 559	34 177	34 934	34 934	35 830	35 618	36 758
Allocations to other priorities												
Total Expenditure				147 522	143 945	199 577	187 401	182 367	182 367	197 133	197 915	204 117

3.6 Table SA6-Reconciliation of IDP Strategic Objective and Budget (capital);

NC093 Magareng - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
KPA 5 - GOOD GOVERNANCE & COMMUNITY PARTICIPATION				-	-	-	1 450	1 360	1 360	500	517	533
NATIONAL OUTCOME5				25 368	51 549	61 941	33 101	42 101	42 101	42 454	36 131	37 154
NATIONAL OUTCOME2				-	-	-	-	-	-	-	-	-
NATIONAL OUTCOME1				-	-	394	1 810	1 900	1 900	2 907	3 003	3 099
Allocations to other priorities			3									
Total Capital Expenditure			1	25 368	51 549	62 335	36 361	45 361	45 361	45 861	39 650	40 786

3.7 Table SA8-Performance Indicators and Benchmarks

NC093 Magareng - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Borrowing Management											
Credit Rating	Interest & Principal Paid /Operating Expenditure	4.9%	1.4%	2.8%	0.3%	1.6%	1.6%	0.2%	1.5%	1.5%	1.5%
Capital Charges to Operating Expenditure	Finance charges & Repayment of borrowing /Own Revenue	5.4%	1.3%	3.6%	0.4%	1.7%	1.7%	0.2%	1.7%	1.7%	1.7%
Capital Charges to Own Revenue	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure											
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	0.3	0.2	0.2	0.1	0.2	0.2	0.7	0.2	0.3	0.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.3	0.2	0.2	0.1	0.2	0.2	0.7	0.2	0.3	0.3
Liquidity Ratio	Monetary Assets/Current Liabilities	0.1	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	0.2	(0.0)	0.0	0.0
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	117.1%	162.8%	64.2%	79.2%	79.2%	79.2%	78.3%	90.6%	90.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		117.1%	162.8%	64.2%	79.2%	79.2%	79.2%	78.3%	90.6%	90.6%	90.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	69.6%	60.3%	68.5%	52.9%	68.6%	68.6%	5.7%	71.2%	73.3%	72.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		-1892.4%	1272.7%	789.1%	33970.3%	2425.6%	2425.6%	-89.4%	434.8%	182.7%	117.8%
Other Indicators											
Total Volume Losses (kW) technical		0	0	0	0	0	0	0	0	0	0
Total Volume Losses (kW) non technical		0	0	0	0	0	0	0	0	0	0
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase	0	0	0	0	0	0	0	0	0	0
	Water treatment works	0	0	0	0	0	0	0	0	0	0
	Natural sources	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kℓ)	-	-	-	-	-	-	-	-	-	-
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.2%	30.2%	31.6%	35.2%	33.8%	33.8%	34.2%	37.0%	37.5%	37.2%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	39.7%	33.5%	34.9%	38.3%	37.0%	37.0%	63.5%	40.2%	40.7%	40.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.3%	1.7%	1.1%	4.5%	4.4%	4.4%	7.9%	5.0%	3.4%	3.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	23.2%	13.0%	13.6%	14.2%	10.7%	10.7%	9.1%	10.3%	10.5%	10.5%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	374.1	197.8	7.8	11.2	11.2	166.5	7.0	10.7	10.4	10.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	207.4%	213.3%	222.6%	150.7%	221.8%	221.8%	20.8%	209.4%	209.4%	209.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.8)	1.2	2.1	0.0	1.3	0.7	1.4	3.9	-	-

3.8 Table SA10-Funding Measurement;

NC093 Magareng Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(14 615)	24 728	42 533	13 063	25 972	25 972	26 982	34 078	75 035	179 781
Cash + investments at the yr end less applications - R'000	18(1)b	2	(310 082)	(262 707)	(274 980)	(255 934)	(319 880)	(319 880)	18 980	(325 142)	(279 651)	(193 634)
Cash year end/monthly employee/supplier payments	18(1)b	3	(0.8)	1.4	2.3	0.7	2.5	1.3	1.4	1.7	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	12 403	67 558	33 020	15 690	30 171	30 171	15 078	19 839	13 417	15 461
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(5.7%)	8.9%	5.3%	(6.0%)	(6.0%)	(36.9%)	5.6%	(2.7%)	(2.8%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	7.1%	35.7%	61.8%	34.6%	89.0%	89.0%	42.3%	150.6%	161.7%	247.3%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	74.3%	38.8%	31.5%	31.5%	30.4%	39.2%	39.2%	39.2%
Capital payments % of capital expenditure	18(1)c,(19)	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.8%	10.6%	10.6%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(159.0%)	(23.6%)	(339.2%)	(116.7%)	0.0%	(428.5%)	(142.2%)	3.3%	3.2%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	809.1%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.9%	0.5%	0.3%	1.4%	1.3%	1.3%	1.5%	1.0%	1.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	44.8%	33.1%	28.1%	27.5%	22.0%	22.0%	0.0%	30.9%	53.0%	53.1%

NC093 Magareng Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
High Level Outcome of Funding Compliance												
Total Operating Revenue			134 129	156 319	158 421	170 489	170 937	170 937	110 660	175 037	175 737	182 706
Total Operating Expenditure			147 522	143 945	199 577	187 401	182 367	182 367	95 582	197 133	197 915	204 117
Surplus/(Deficit) Budgeted Operating Statement			(13 393)	12 374	(41 156)	(16 911)	(11 430)	(11 430)	15 078	(22 096)	(22 178)	(21 411)
Surplus/(Deficit) Considering Reserves and Cash Backing			(310 082)	(262 707)	(274 980)	(255 934)	(319 880)	(319 880)	18 980	(325 142)	(279 651)	(193 634)
MTREF Funded (1) / Unfunded (0)		15	0	0	0	0	0	0	1	0	0	0
MTREF Funded ✓ / Unfunded ✗		15	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗

The municipal Medium-Term Revenue and Expenditure Framework for 2026/2027, 2027/2028 and 2028/2029 is unfunded, however a funding plan will be tabled with MTREF which will out the measures the municipality will take to improves its revenue collection.

3.9 Table SA18-Transfers and Grants Receipts.

NC093 Magareng - Supporting Table SA18 Transfers and grant receipts									
Description	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand									
RECEIPTS									
Operating									
National Government									
Monetary Allocations									
<i>Equitable Share</i>	57 991	59 941	65 001	66 283	66 283	66 283	66 815	67 920	71 538
<i>EPWP: RECEIPTS</i>	1 073	712	1 242	1 329	1 329	1 329	1 350	-	-
<i>EX AGRICULTURE GRANT: RECEIPTS</i>	-	-	-	-	-	-	-	-	-
<i>LGFMG: RECEIPTS</i>	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 100	3 100
<i>MDG: RECEIPTS</i>	5 145	-	-	-	-	-	-	-	-
Total Operating/National Government	67 209	63 653	69 243	70 612	70 612	70 612	71 165	71 020	74 638
Provincial Government									
Monetary Allocations									
<i>PROV TREAS SUPPORT GRANT: RECEIPTS</i>	-	-	-	1 500	1 500	1 500	-	-	-
<i>SETA: RECEIPTS</i>	-	-	-	-	-	-	-	-	-
Total Monetary Allocations	-	-	-	1 500	1 500	1 500	-	-	-
Total Operating/Provincial Government	-	-	-	1 500	1 500	1 500	-	-	-
District Municipalities									
Monetary Allocations									
<i>FBDM VENDING SYS: RECEIPTS</i>	-	-	-	1 000	1 000	1 000	-	-	-
<i>FBDMO&M: RECEIPTS</i>	-	1 121	-	2 500	2 500	2 500	2 500	-	-
<i>TSU_O_M_DM_NC_DC09_CAPB_SPEC: RECEIPTS</i>	-	-	-	-	563	563	-	-	-
Total Operating/District Municipalities	-	1 121	-	3 500	4 063	4 063	2 500	-	-
Other Grant Providers									
Monetary Allocations									
<i>LIBRARY GRANT: RECEIPTS</i>	-	1 147	-	1 250	1 250	1 250	-	-	-
Total Operating/Other Grant Providers	-	1 147	-	1 250	1 250	1 250	-	-	-
Total Operating	67 209	65 921	69 243	76 862	77 425	77 425	73 665	71 020	74 638
Capital									
National Government									
<i>INEP: RECEIPTS</i>	-	(0)	-	-	-	-	-	934	977
<i>MIG: RECEIPTS</i>	37 224	17 619	22 238	12 641	12 641	12 641	12 743	13 661	13 952
<i>RBIG: RECEIPTS</i>	-	12 011	25 307	9 960	18 960	18 960	15 000	-	-
<i>WSIG: RECEIPTS</i>	9 000	19 515	25 000	10 000	10 000	10 000	14 192	21 000	21 943
Total Capital/National Government	46 224	49 145	72 545	32 601	41 601	41 601	41 935	35 595	36 872
Total Capital	46 224	53 439	72 545	32 601	41 601	41 601	41 935	35 595	36 872

3.10 Table SA19-Expenditure on Transfers and Grants Programme;

NC093 Magareng - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Local Government Equitable Share		31,387	34,989	39,630	46,627	48,354	48,354	57,264	59,154	60,974
Expanded Public Works Programme Integrated Grant		1,261	1,730	1,270	1,329	1,329	1,329	1,350	-	-
Local Government Financial Management Grant		6,695	2,684	2,382	3,000	3,000	3,000	3,000	3,100	3,100
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Total National Government		39,342	39,403	43,281	50,956	52,683	52,683	61,614	62,254	64,074
Provincial Government										
Monetary Allocations										
Capacity Building and Other Grants		-	-	-	1,500	1,500	1,500	-	-	-
Total Provincial Government		-	-	-	1,500	1,500	1,500	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
FBDM(Operational)		1,210	890	421	3,500	4,315	4,315	3,211	270	279
Total Operating/District Municipalities		1,210	890	421	3,500	4,315	4,315	3,211	270	279
Other Grant Providers										
Monetary Allocations										
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		858	1,253	1	1,250	1,250	1,250	1,241	-	-
Northern Cape Arts and Cultural		-	-	1,125	-	-	-	-	-	-
Total Operating/Other Grant Providers		858	1,253	1,126	1,250	1,250	1,250	1,241	-	-
Total operating expenditure of Transfers and Grants		41,411	41,545	44,828	57,206	59,748	59,748	66,067	62,524	64,353
Capital										
National Government										
Monetary Allocations										
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	934	977
Municipal Disaster Relief Grant		-	827	-	-	-	-	-	-	-
Municipal Infrastructure Grant		12,531	18,900	22,322	12,641	12,641	12,641	12,743	13,661	13,952
Regional Bulk Infrastructure Grant		-	-	22,076	9,960	18,960	18,960	15,000	-	-
Water Services Infrastructure Grant		11,354	17,067	17,543	10,000	10,000	10,000	14,192	21,000	21,672
Total Monetary Allocations		23,885	36,794	61,941	32,601	41,601	41,601	41,935	35,595	36,601
Total National Government		23,885	36,794	61,941	32,601	41,601	41,601	41,935	35,595	36,601
Monetary Allocations										
Pocket Money Households (Cash)		-	14,755	-	-	-	-	-	-	-
Total Monetary Allocations		-	14,755	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		23,885	36,794	61,941	32,601	41,601	41,601	41,935	35,595	36,601
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		65,296	78,339	106,769	89,807	101,349	101,349	108,002	98,119	100,954

Please note that the municipality made provision for 3000 indigents which is subsidies from the municipality’s Equitable Share allocation for the 2026/2027 financial year. **The R66 815 million** is excluding the provision made for the indigents.

3.12 Table SA25-Budgeted monthly Revenue and Expenditure.

NC093 Magareng - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
Revenue																	
Exchange Revenue																	
Service charges - Electricity		2 069	2 069	2 069	2 069	2 069	2 069	2 069	2 069	2 069	2 069	2 069	2 069	24 824	25 643	26 463	
Service charges - Water		469	469	469	469	469	469	469	469	469	469	469	469	5 625	5 811	5 997	
Service charges - Waste Water Management		845	845	845	845	845	845	845	845	845	845	845	845	10 137	10 471	10 806	
Service charges - Waste Management		636	636	636	636	636	636	636	636	636	636	636	636	7 627	7 879	8 131	
Sale of Goods and Rendering of Services		106	106	106	106	106	106	106	106	106	106	106	106	1 277	1 319	1 362	
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables		2 212	2 212	2 212	2 212	2 212	2 212	2 212	2 212	2 212	2 212	2 212	2 212	26 547	27 424	28 301	
Interest earned from Current and Non Current Assets		4	4	4	4	4	4	4	4	4	4	4	4	48	49	51	
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rent on Land		3	3	3	3	3	3	3	3	3	3	3	3	39	40	42	
Rental from Fixed Assets		28	28	28	28	28	28	28	28	28	28	28	28	339	351	362	
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special rating levies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Construction Contract Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Development Charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		58	58	58	58	58	58	58	58	58	58	58	58	691	714	736	
Non-Exchange Revenue																	
Property rates		1 318	1 318	1 318	1 318	1 318	1 318	1 318	1 318	1 318	1 318	1 318	1 318	15 815	16 337	16 860	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		53	53	53	53	53	53	53	53	53	53	53	53	635	656	677	
Licences or permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer and subsidies - Operational		6 139	6 139	6 139	6 139	6 139	6 139	6 139	6 139	6 139	6 139	6 139	6 139	73 665	71 020	74 638	
Interest		672	672	672	672	672	672	672	672	672	672	672	672	8 069	8 336	8 602	
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Fixed and Intangible Assets		(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(301)	(311)	(321)	
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		14 586	14 586	14 586	14 586	14 586	14 586	14 586	14 586	14 586	14 586	14 586	14 586	175 037	175 737	182 706	
Expenditure																	
Employee related costs		5 404	5 404	5 404	5 404	5 404	5 404	5 404	5 404	5 404	5 404	5 404	5 403	64 842	65 832	67 923	
Remuneration of councillors		454	454	454	454	454	454	454	454	454	454	454	454	5 443	5 622	5 802	
Bulk purchases - electricity		2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	25 000	25 825	26 651	
Inventory consumed		1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	12 815	12 766	13 168	
Debt impairment		2 090	2 090	2 090	2 090	2 090	2 090	2 090	2 090	2 090	2 090	2 090	2 090	25 078	25 906	26 735	
Depreciation, amortisation and impairment		1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 003	15 498	15 994	
Interest Dividends and Rent on Land		245	245	245	245	245	245	245	245	245	245	245	245	2 938	3 035	3 132	
Contracted services		1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	20 302	18 270	18 809	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Irrecoverable debts written off		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 033	1 066	
Operational costs		1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	1 896	22 748	22 099	22 743	
Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Losses		164	164	164	164	164	164	164	164	164	164	164	164	1 964	2 029	2 094	
Total Expenditure		16 428	16 428	16 428	16 428	16 428	16 428	16 428	16 428	16 428	16 428	16 428	16 428	197 133	197 915	204 117	
Surplus/(Deficit)		(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(1 841)	(22 096)	(22 178)	(21 411)	
Transfers and subsidies - capital (monetary allocations)		3 495	3 495	3 495	3 495	3 495	3 495	3 495	3 495	3 495	3 495	3 495	3 495	41 935	35 595	36 872	
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions		1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	19 839	13 417	15 461	
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after income tax		1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	19 839	13 417	15 461	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	19 839	13 417	15 461	
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) for the year	1	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	1 653	19 839	13 417	15 461	

3.13 Table SA28-Budgeted monthly Capital Expenditure (municipal vote)

NC093 Magareng - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Multi-year expenditure to be appropriated	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Prms Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		94	94	94	94	94	94	94	94	94	94	94	94	1 130	1 167	1 205
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		3 529	3 529	3 529	3 529	3 529	3 529	3 529	3 529	3 529	3 529	3 529	3 529	42 350	36 023	37 043
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Prms Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	43 480	37 191	38 248
Total Capital Expenditure	2	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	3 623	43 480	37 191	38 248

3.14 Table SA30-Budgeted monthly Cash Flow;

NC093 Magareng - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand															
Cash Receipts By Source															
Property rates	923	923	923	923	923	923	923	923	923	923	923	923	11,070	11,436	11,802
Service charges - electricity revenue	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	17,376	17,950	18,524
Service charges - water revenue	328	328	328	328	328	328	328	328	328	328	328	328	3,938	4,068	4,198
Service charges - sanitation revenue	591	591	591	591	591	591	591	591	591	591	591	591	7,096	7,330	7,564
Service charges - refuse revenue	445	445	445	445	445	445	445	445	445	445	445	445	5,339	5,515	5,691
Rental of facilities and equipment	28	28	28	28	28	28	28	28	28	28	28	28	333	344	355
Interest earned - external investments	31	31	31	31	31	31	31	31	31	31	31	31	373	385	397
Interest earned - outstanding debtors	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	15,451	15,961	16,472
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	73,665	71,020	74,638
Other revenue	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	3,603	43,237	52,363	114,809
Cash Receipts by Source	14,823	14,823	14,823	14,823	14,823	14,823	14,823	14,823	14,823	14,823	14,823	14,823	177,878	186,371	254,450
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495	41,935	35,595	36,872
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(301)	(311)	(321)
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	3	3	3	3	3	3	3	3	3	3	3	3	39	41	42
Vat Control (receipts)	994	994	994	994	994	994	994	994	994	994	994	994	11,926	12,319	12,713
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	19,290	19,290	19,290	19,290	19,290	19,290	19,290	19,290	19,290	19,290	19,290	19,290	231,477	234,015	303,757
Cash Payments by Type															
Employee related costs	5,404	5,404	5,404	5,404	5,404	5,404	5,404	5,404	5,404	5,404	5,404	5,404	64,842	65,832	67,923
Remuneration of councillors	454	454	454	454	454	454	454	454	454	454	454	454	5,443	5,622	5,802
Finance charges	245	245	245	245	245	245	245	245	245	245	245	245	2,938	3,035	3,132
Bulk purchases - Electricity	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000	25,825	26,651
Acquisition inventory - water and other inventory	617	617	617	617	617	617	617	617	617	617	617	617	7,401	7,645	7,890
Contracted services	1,692	1,692	1,692	1,692	1,692	1,692	1,692	1,692	1,692	1,692	1,692	1,692	20,302	18,269	18,809
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949	1,949	23,392	23,719	24,446
Cash Payments by Type	12,443	12,443	12,443	12,443	12,443	12,443	12,443	12,443	12,443	12,443	12,443	12,443	149,318	149,948	154,653
Other Cash Flows/Payments by Type															
Capital assets	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	45,161	38,927	40,040
Retention (Capital)	338	338	338	338	338	338	338	338	338	338	338	338	4,050	4,184	4,318
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	16,544	16,544	16,544	16,544	16,544	16,544	16,544	16,544	16,544	16,544	16,544	16,544	198,529	193,059	199,011
NET INCREASE/(DECREASE) IN CASH HELD	2,746	2,746	2,746	2,746	2,746	2,746	2,746	2,746	2,746	2,746	2,746	2,746	32,948	40,957	104,746
Cash/cash equivalents at the month/year begin:	4,160	4,160	6,905	9,651	12,397	15,142	17,888	20,633	23,379	26,125	28,870	31,616	1,414	34,362	75,318
Cash/cash equivalents at the month/year end:	4,160	6,905	9,651	12,397	15,142	17,888	20,633	23,379	26,125	28,870	31,616	34,362	34,362	75,318	180,065

Part4 - Municipal Manager's quality certificate.**MAGARENG****MUNICIPALITY**

I **Tumelo Thage**, Municipal Manager of Magareng Local Municipality, hereby certify that the Draft budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Draft Budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name Tumelo Thage**Municipal Manager of Magareng Local Municipality****Signature**

A handwritten signature in black ink, appearing to read "T. Thage", is positioned to the right of the "Signature" label.

Date**31 March 2026**