WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY

ADJUSTED BUDGET 2026/27 MTREF

30 SEPTEMBER 2026

Copies of this document are available from the following sources:

Office of the municipal manager	Office of the Mayor
51 Winnie Madikizela-Mandela Street	Bizana Civic Center
Bizana	Bizana
4800	4800
Eastern Cape	Eastern Cape
Municipal Website	www.winniemmlm.gov.za
National Treasury website	www.treasury.gov.za

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PART 1 – ADJUSTMENTS BUDGET

1. Mayor's report

The Municipal Finance Management Act No 56 of 2003, section 28, provides for the municipality to revise its approved annual budget through an adjustments budget. In terms of this section, an adjustments budget provides for the following scenarios: -

- Revenue and expenditure estimates must be adjusted downwards if there is material under collection of revenue during the current year;
- Appropriate any additional revenues that have become available over and above those anticipated in the annual budget;
- Within a specified framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor
- Authorise utilisation of projected savings in one vote towards spending under another vote;
- Authorise the spending of funds that were unspent at the end of the past financial year, where the underspending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
- May correct any errors in the annual budget; and
- May provide for any other expenditure within the framework.

Even though the country and the world at large has moved past the COVID-19 era, which challenged all of us to look for new ways of doing business but the economic effects of the pandemic, Russia-Ukrain invasion, Israel-Palestine conflict still pose challenges and resource reprioritisation have continued to compete with basic service delivery for the scarce resources. This has affected the availability of funding to fund service delivery as our allocations from the National fiscus have drastically decreased leaving a huge funding gap in the medium term.

The purpose of this budget is to assist the municipal council, revise the approved 2026/27 budget to include the Municipal Disaster funding allocated and transferred to the municipality during the Month of September 2026 and correct some budget errors identified in the Annual Performance report where projects not completed were not included on the budget and therefore making it impossible to complete the projects.

2. Resolutions

In its council meeting held on the 30th of September 2026 the council resolved to approve the following:

a) The 2026/27 Adjustments budget
b) The adjustments in line with the requirements of s28 of the MFMA, as indicated in the mayor's report
c) That the operating revenue be adjusted.
d) That the operational expenditure budget be adjusted as indicated
e) That the capital expenditure budget be adjusted
f) That shortfalls and processes to be followed on the indicated projects be noted
g) Ensure that the projects affected by this adjustment budget are managed such that they are completed before the end of the financial year to avoid them causing us further shortfalls in the future years
h) Revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan to correspond with the approval of the adjustments.
i) That the correction of all errors in the original budget as required due to the implementation of mSCOA and version changes introduced every year be noted and approved
j) That the adjustment budget authorizes any expenditures recognized as unforeseen and unavoidable to be included in the budget

3. Executive summary

After the Municipal Manager received the allocation letter for the Municipal Disaster Response Grant, a process began to commence the adjustment budget processes within 30 days as required by the MFMA when a municipality receives an allocation from another sphere of government.

The Office of the Municipal Manager, Engineering Services and the Budget and Treasury Office co-ordinated the process to adjust the budget and include the allocation and the project in the municipality's budget as well as identification of projects that should have been included in the current year budget as they were not completed by the end of the previous year and have to be completed.

The criteria utilized for compiling the adjustment budget was determined by the following factors:

- The adjustment budget must be compiled in compliance with the MFMA requirements as set out in Section 28 as specify in the body of the report. This relates to appropriations which have been received more than anticipated in the budget. It can also relate to unforeseen circumstances which can also be explained and motivated.
- The adjustment budget must be substantiated through alignment with the departmental SDBIP and Council approved IDP
- The original approved budget process and guidelines must be used to compile the 2026/2027 adjustment budget as it is not a new budget

Engineering Services was required to prioritize within their approved operating and capital budget allocations in accordance with guidelines provided by Budget and Treasury office to correct the errors indicated to avoid the budget being unfunded.

4. Budget overview

EC443 Winnie Madikizela-Mandela - Table B1 Adjustments Budget Summary -

Description	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
Financial Performance											
Property rates	36 935	–	–	–	–	–	6 000	6 000	42 935	38 597	39 562
Service charges	78 377	–	–	–	–	–	–	–	78 377	80 232	82 094
Investment revenue	40 977	–	–	–	–	–	–	–	40 977	42 329	43 683
Transfer and subsidies - Operational	359 774	–	–	–	–	–	330	330	360 104	353 496	379 203
Other own revenue	27 811	–	–	–	–	–	–	–	27 811	33 980	35 335
Total Revenue (excluding capital transfers and contributions)	**543 873**	**–**	**–**	**–**	**–**	**–**	**6 330**	**6 330**	**550 203**	**548 633**	**579 878**
Employee costs	160 319	–	–	–	–	–	–	–	160 319	168 426	176 187
Remuneration of councillors	32 625	–	–	–	–	–	–	–	32 625	33 701	34 780
Depreciation, amortisation and impairment	63 373	–	–	–	–	–	–	–	63 373	65 464	67 559
Interest, Dividends and Rent on Land	100	–	–	–	–	–	–	–	100	103	107
Inventory consumed and bulk purchases	73 123	–	–	–	–	–	(100)	(100)	73 023	78 540	81 692
Transfers and subsidies	5 635	–	–	–	–	–	(480)	(480)	5 155	5 821	5 352
Other expenditure	264 553	–	–	–	–	–	(6 156)	(6 156)	258 397	225 950	208 997
Total Expenditure	**599 727**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**592 991**	**578 006**	**574 674**
Surplus/(Deficit)	(55 854)	–	–	–	–	–	13 066	13 066	(42 788)	(29 373)	5 204
Transfers and subsidies - capital (monetary allocations)	57 701	–	–	–	–	–	5 000	5 000	62 701	63 935	65 927
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Capital expenditure & funds sources											
Capital expenditure	156 751	–	–	–	–	4 348	8 693	13 041	169 791	133 442	144 577
Transfers recognised - capital	50 175	–	–	–	–	4 348	–	4 348	54 523	55 596	57 327
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	106 576	–	–	–	–	–	8 693	8 693	115 269	77 846	87 250
Total sources of capital funds	**156 751**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**169 791**	**133 442**	**144 577**
Financial position											
Total current assets	504 250	–	–	–	–	–	44 797	44 797	549 047	488 525	523 216
Total non current assets	1 070 153	–	–	–	–	–	13 041	13 041	1 083 194	1 001 559	980 066
Total current liabilities	113 272	–	–	–	–	–	702	702	113 974	113 732	120 709
Total non current liabilities	11 950	–	–	–	–	–	–	–	11 950	11 950	13 021
Community wealth/Equity	**1 449 181**	**–**	**–**	**–**	**–**	**–**	**57 136**	**57 136**	**1 506 317**	**1 364 402**	**1 369 551**
Cash flows											
Net cash from (used) operating	55 654	–	–	–	–	5 330	11 753	17 083	72 737	85 350	123 339
Net cash from (used) investing	(164 105)	–	–	–	–	–	(13 483)	(13 483)	(177 588)	(134 704)	(141 334)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**354 796**	**–**	**–**	**–**	**–**	**5 330**	**37 267**	**42 597**	**397 394**	**346 723**	**328 728**
Cash backing/surplus reconciliation											
Cash and investments available	354 796	–	–	–	–	5 330	37 267	42 597	397 394	346 723	328 728
Application of cash and investments	(51 196)	–	–	–	–	–	(71)	(71)	(49 961)	(81 097)	(135 310)
Balance - surplus (shortfall)	**405 993**	**–**	**–**	**–**	**–**	**5 330**	**37 339**	**42 669**	**447 355**	**427 820**	**464 038**
Asset Management											
Asset register summary (WDV)	923 767	–	–	–	–	–	(248)	(248)	923 519	887 027	856 145
Depreciation	63 373	–	–	–	–	–	–	–	63 373	65 464	67 559
Renewal and Upgrading of Existing Assets	61 833	–	–	–	–	–	7 641	7 641	69 474	50 164	59 835
Repairs and Maintenance	75 710	–	–	–	–	–	(6 736)	(6 736)	68 974	49 308	36 449
Free services											
Cost of Free Basic Services provided	(7 500)	–	–	–	–	–	–	–	(7 500)	(7 748)	(7 995)
Revenue cost of free services provided	(477)	–	–	–	–	–	–	–	(477)	(499)	(511)
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	2	–	–	–	–	–	–	–	2	2	2
Refuse:	48	–	–	–	–	–	–	–	48	48	48

The total expenditure on the table above includes non-cash items with a total value of over R70,9 million which is made up of debt impairment, depreciation and asset impairment, and loss on disposal of PPE.

a. Revenue adjustments

i. Property Rates

The increase on anticipated revenue is as a result of the actual billing already recognised for the year from the supplementary valuation and the revised tariffs for State Owned Properties

ii. Transfers and Subsidies

The adjusted budget is from the confirmed and received Municipal Disaster Response Grant in September 2026 and the correction for the Skills development allocation.

b. Operating Expenditure

i. Contracted Services

Below are the adjustments processed as corrections of mSCOA datastrings for projects with the same name, correction of the allocated budget for projects included as roll-over projects from the 2025/26 budget that were also included and commenced in the budget for the year indicated.

Project name or Description	**Approved Budget**	**Adjustment**	**Adjusted Budget**
Maintenance of Financial Management System(FMG)	1 001 739,00	(640 000,00)	361 739,00
System support (FMG)		640 000,00	640 000,00
mSCOA compliant	350 000,00	(350 000,00)	
Msarhweni Electrification	1 192 128,00	(1 192 128,00)	
Msarhweni Electrification		1 192 128,00	1 192 128,00
Maintenance of Mabhekutheni via Qeda AR	2 900 000,00	(535 765,68)	2 364 234,32
Maintenance of Galatyeni JSS Access Road	2 100 000,00	(1 542 651,06)	557 348,94
Maintenance of Mzambana JSS Access Road	2 150 000,00	(1 118 561,57)	1 031 438,43
Maintenance of Phelephele Access Road	2 400 000,00	(701 202,75)	1 698 797,25
Maintenance of Dumsi Access Road	3 400 000,00	(2 265 600,90)	1 134 399,10
Maintenance of Dlangezwa SPS AR	3 100 000,00	(572 522,45)	2 527 477,55
System support		4 295 000,00	4 295 000,00
Total Adjustments	**18 593 867,00**	**(2 791 304,41)**	**15 802 562,59**

ii. General Expenses

The table below shows adjustments made on the correction of operating items that may have had more or less budget than is required to ensure operational needs are addressed.

Project name or Description	**Approved Budget**	**Adjustment**	**Adjusted Budget**
BTO Trainings		350 000,00	350 000,00
Lease and usage	6 023 776,00	(4 295 000,00)	1 728 776,00
Insurance excess payments	350 000,00	(50 000,00)	300 000,00
Flights Assets management 1005260240	10 000,00	50 000,00	60 000,00
Total Adjustments	**6 383 776,00**	**(3 945 000,00)**	**2 438 776,00**

.

5. Summary of operational expenditure by vote

EC443 Winnie Madikizela-Mandela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Corporate Services		230	–	–	–	–	–	330	330	560	237	245
Vote 3 - Budget and Treasury Office		393 672	–	–	–	–	–	–	–	393 672	392 075	419 020
Vote 4 - Community Services		18 160	–	–	–	–	–	–	–	18 160	23 657	23 960
Vote 5 - Development Planning		47 062	–	–	–	–	–	6 000	6 000	53 062	67 704	55 814
Vote 6 - Engineering Services		142 450	–	–	–	–	5 000	–	5 000	147 450	128 895	146 765
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**601 574**	**–**	**–**	**–**	**–**	**5 000**	**6 330**	**11 330**	**612 904**	**612 568**	**645 805**
Expenditure by Vote	1											
Vote 1 - Executive and Council		100 193	–	–	–	–	–	–	–	100 193	103 875	106 868
Vote 2 - Corporate Services		64 466	–	–	–	–	–	–	–	64 466	66 997	69 591
Vote 3 - Budget and Treasury Office		42 311	–	–	–	–	–	–	–	42 311	43 931	44 546
Vote 4 - Community Services		134 338	–	–	–	–	–	–	–	134 338	125 276	121 161
Vote 5 - Development Planning		41 404	–	–	–	–	–	–	–	41 404	40 645	41 587
Vote 6 - Engineering Services		217 016	–	–	–	–	–	(6 736)	(6 736)	210 280	197 282	190 921
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**599 727**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**592 991**	**578 006**	**574 674**
Surplus/ (Deficit) for the year	2	**1 847**	**–**	**–**	**–**	**–**	**5 000**	**13 066**	**18 066**	**19 913**	**34 561**	**71 130**

a. REVENUE

Corporate Services – the adjustment is for the LGSETA Skills development allocation received that was not included in the budget

Development Planning – the R6 million adjustment relates to the revenue on Property rates together with the interest to be generated from overdue accounts for State Owned Properties.

Roads and Engineering – the increase is as a result of the Disaster Grant allocated and received during the month of September 2026.

b. EXPENDITURE

Budget and Treasury Office – the adjustments are re-allocations from operating items with more budget than is required to items that have become more crucial and urgent than others. No additional funding has resulted from the adjustments:

Project name or Description	Approved Budget	Adjustment	Adjusted Budget
Maintenance of Financial Management System(FMG)	1 001 739,00	(640 000,00)	361 739,00
System support (FMG)		640 000,00	640 000,00
mSCOA compliant	350 000,00	(350 000,00)	
BTO Trainings		350 000,00	350 000,00
Insurance excess payments	350 000,00	(50 000,00)	300 000,00
Flights Assets management 1005260240	10 000,00	50 000,00	60 000,00
Total Adjustments	**1 711 739,00**		**1 711 739,00**

Corporate Services – the adjustments are re-allocations to the more relevant operating expenditure line items in line with the revised mSCOA chat:

Project name or Description	Approved Budget	Adjustment	Adjusted Budget
Lease and usage	6 023 776,00	(4 295 000,00)	1 728 776,00
System support		4 295 000,00	4 295 000,00
Total Adjustments	**6 023 776,00**		**6 023 776,00**

Roads and Engineering – The adjustments related to maintenance of roads that were allocated as rolled over projects from the 2025/26 budget that commenced in the last month of the financial year. The amounts adjusted relate to the expenditure that was already incurred and recorded in the 2025/26 budget. These allocated funds have been used to fund some of the shortfalls reported in this budget, specifically for Roads projects that were not completed in the 2025/26 financial year and not included in the current budget:

Project name or Description	Approved Budget	Adjustment	Adjusted Budget
Maintenance of Mabhekutheni via Qeda AR	2 900 000,00	(535 765,68)	2 364 234,32
Maintenance of Galatyeni JSS Access Road	2 100 000,00	(1 542 651,06)	557 348,94

Project name or Description	Approved Budget	Adjustment	Adjusted Budget
Maintenance of Mzambana JSS Access Road	2 150 000,00	(1 118 561,57)	1 031 438,43
Maintenance of Phelephele Access Road	2 400 000,00	(701 202,75)	1 698 797,25
Maintenance of Dumsi Access Road	3 400 000,00	(2 265 600,90)	1 134 399,10
Maintenance of Dlangezwa SPS AR	3 100 000,00	(572 522,45)	2 527 477,55
Total Adjustments	**16 050 000,00**	**(6 736 304,41)**	**9 313 695,59**

Electricity – The adjustment is the correction of the Msarhweni project to allocate to the correct line item in line with the revised mSCOA chat.

Project name or Description	Approved Budget	Adjustment	Adjusted Budget
Msarhweni Electrification	1 192 128,00	(1 192 128,00)	
Msarhweni Electrification		1 192 128,00	1 192 128,00
Total Adjustments	**1 192 128,00**		**1 192 128,00**

.

6. Adjustments budget tables

a. Table B1 Adjustments budget summary

EC443 Winnie Madikizela-Mandela - Table B1 Adjustments Budget Summary -

Description	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	1	1	2	3	4	5	6	7	8		
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	36 935	–	–	–	–	–	6 000	6 000	42 935	38 597	39 562
Service charges	78 377	–	–	–	–	–	–	–	78 377	80 232	82 094
Investment revenue	40 977	–	–	–	–	–	–	–	40 977	42 329	43 683
Transfer and subsidies - Operational	359 774	–	–	–	–	–	330	330	360 104	353 496	379 203
Other own revenue	27 811	–	–	–	–	–	–	–	27 811	33 980	35 335
Total Revenue (excluding capital transfers and contributions)	**543 873**	**–**	**–**	**–**	**–**	**–**	**6 330**	**6 330**	**550 203**	**548 633**	**579 878**
Employee costs	160 319	–	–	–	–	–	–	–	160 319	168 426	176 187
Remuneration of councillors	32 625	–	–	–	–	–	–	–	32 625	33 701	34 780
Depreciation, amortisation and impairment	63 373	–	–	–	–	–	–	–	63 373	65 464	67 559
Interest, Dividends and Rent on Land	100	–	–	–	–	–	–	–	100	103	107
Inventory consumed and bulk purchases	73 123	–	–	–	–	–	(100)	(100)	73 023	78 540	81 692
Transfers and subsidies	5 635	–	–	–	–	–	(480)	(480)	5 155	5 821	5 352
Other expenditure	264 553	–	–	–	–	–	(6 156)	(6 156)	258 397	225 950	208 997
Total Expenditure	**599 727**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**592 991**	**578 006**	**574 674**
Surplus/(Deficit)	(55 854)	–	–	–	–	–	13 066	13 066	(42 788)	(29 373)	5 204
Transfers and subsidies - capital (monetary allocations)	57 701	–	–	–	–	–	5 000	5 000	62 701	63 935	65 927
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Capital expenditure & funds sources											
Capital expenditure	156 751	–	–	–	–	4 348	8 693	13 041	169 791	133 442	144 577
Transfers recognised - capital	50 175	–	–	–	–	4 348	–	4 348	54 523	55 596	57 327
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	106 576	–	–	–	–	–	8 693	8 693	115 269	77 846	87 250
Total sources of capital funds	**156 751**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**169 791**	**133 442**	**144 577**
Financial position											
Total current assets	504 250	–	–	–	–	–	44 797	44 797	549 047	488 525	523 216
Total non current assets	1 070 153	–	–	–	–	–	13 041	13 041	1 083 194	1 001 559	980 066
Total current liabilities	113 272	–	–	–	–	–	702	702	113 974	113 732	120 709
Total non current liabilities	11 950	–	–	–	–	–	–	–	11 950	11 950	13 021
Community wealth/Equity	**1 449 181**	**–**	**–**	**–**	**–**	**–**	**57 136**	**57 136**	**1 506 317**	**1 364 402**	**1 369 551**
Cash flows											
Net cash from (used) operating	55 654	–	–	–	–	5 330	11 753	17 083	72 737	85 350	123 339
Net cash from (used) investing	(164 105)	–	–	–	–	–	(13 483)	(13 483)	(177 588)	(134 704)	(141 334)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**354 796**	**–**	**–**	**–**	**–**	**5 330**	**37 267**	**42 597**	**397 394**	**346 723**	**328 728**
Cash backing/surplus reconciliation											
Cash and investments available	354 796	–	–	–	–	5 330	37 267	42 597	397 394	346 723	328 728
Application of cash and investments	(51 196)	–	–	–	–	–	(71)	(71)	(49 961)	(81 097)	(135 310)
Balance - surplus (shortfall)	**405 993**	**–**	**–**	**–**	**–**	**5 330**	**37 339**	**42 669**	**447 355**	**427 820**	**464 038**
Asset Management											
Asset register summary (WDV)	923 767	–	–	–	–	–	(248)	(248)	923 519	887 027	856 145
Depreciation	63 373	–	–	–	–	–	–	–	63 373	65 464	67 559
Renewal and Upgrading of Existing Assets	61 833	–	–	–	–	–	7 641	7 641	69 474	50 164	59 835
Repairs and Maintenance	75 710	–	–	–	–	–	(6 736)	(6 736)	68 974	49 308	36 449
Free services											
Cost of Free Basic Services provided	(7 500)	–	–	–	–	–	–	–	(7 500)	(7 748)	(7 995)
Revenue cost of free services provided	(477)	–	–	–	–	–	–	–	(477)	(499)	(511)
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	2	–	–	–	–	–	–	–	2	2	2
Refuse:	48	–	–	–	–	–	–	–	48	48	48

b. Table B2 Adjustments budget Financial Performance (Functional Classification)

EC443 Winnie Madikizela-Mandela - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		**440 564**	**–**	**–**	**–**	**–**	**–**	**6 330**	**6 330**	**446 894**	**440 912**	**469 238**
Executive and council		–	–	–	–	–	–	–	–	–	–	–
Finance and administration		440 564	–	–	–	–	–	6 330	6 330	446 894	440 912	469 238
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**6 888**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6 888**	**4 897**	**5 053**
Community and social services		4 085	–	–	–	–	–	–	–	4 085	1 811	1 869
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–
Public safety		2 803	–	–	–	–	–	–	–	2 803	3 086	3 184
Housing		–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**60 626**	**–**	**–**	**–**	**–**	**5 000**	**–**	**5 000**	**65 626**	**54 675**	**55 162**
Planning and development		3 414	–	–	–	–	–	–	–	3 414	22 445	9 286
Road transport		57 212	–	–	–	–	5 000	–	5 000	62 212	32 230	45 876
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		**93 496**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**93 496**	**112 084**	**116 351**
Energy sources		83 778	–	–	–	–	–	–	–	83 778	95 324	99 508
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		9 718	–	–	–	–	–	–	–	9 718	16 760	16 843
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**601 574**	**–**	**–**	**–**	**–**	**5 000**	**6 330**	**11 330**	**612 904**	**612 568**	**645 805**
Expenditure - Functional												
Governance and administration		**234 524**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**234 524**	**239 852**	**245 043**
Executive and council		73 014	–	–	–	–	–	–	–	73 014	75 639	77 800
Finance and administration		154 754	–	–	–	–	–	–	–	154 754	157 234	159 975
Internal audit		6 756	–	–	–	–	–	–	–	6 756	6 980	7 268
Community and public safety		**56 432**	**–**	**–**	**–**	**–**	**–**	**480**	**480**	**56 912**	**53 962**	**54 778**
Community and social services		29 263	–	–	–	–	–	–	–	29 263	26 405	26 806
Sport and recreation		3 654	–	–	–	–	–	480	480	4 134	3 822	3 997
Public safety		21 475	–	–	–	–	–	–	–	21 475	22 449	22 623
Housing		2 040	–	–	–	–	–	–	–	2 040	1 286	1 351
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**149 359**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**142 622**	**130 135**	**120 444**
Planning and development		43 559	–	–	–	–	–	–	–	43 559	43 988	44 770
Road transport		102 614	–	–	–	–	–	(6 736)	(6 736)	95 878	82 819	72 198
Environmental protection		3 185	–	–	–	–	–	–	–	3 185	3 328	3 476
Trading services		**154 808**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**154 808**	**149 259**	**149 411**
Energy sources		107 357	–	–	–	–	–	–	–	107 357	106 883	110 822
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		47 451	–	–	–	–	–	–	–	47 451	42 376	38 588
Other		**4 604**	**–**	**–**	**–**	**–**	**–**	**(480)**	(480)	**4 124**	**4 798**	**4 999**
Total Expenditure - Functional	3	**599 727**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**592 991**	**578 006**	**574 674**
Surplus/ (Deficit) for the year		**1 847**	**–**	**–**	**–**	**–**	**5 000**	**13 066**	**18 066**	**19 913**	**34 561**	**71 130**

The table above depicts the municipality's adjusted financial performance per functional classification. This groups departments or votes according to their functional class.

c. Table B3 Adjustments budgets Financial Performance (revenue and expenditure by municipal vote)

EC443 Winnie Madikizela-Mandela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Corporate Services		230	–	–	–	–	–	330	330	560	237	245
Vote 3 - Budget and Treasury Office		393 672	–	–	–	–	–	–	–	393 672	392 075	419 020
Vote 4 - Community Services		18 160	–	–	–	–	–	–	–	18 160	23 657	23 960
Vote 5 - Development Planning		47 062	–	–	–	–	–	6 000	6 000	53 062	67 704	55 814
Vote 6 - Engineering Services		142 450	–	–	–	–	5 000	–	5 000	147 450	128 895	146 765
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**601 574**	**–**	**–**	**–**	**–**	**5 000**	**6 330**	**11 330**	**612 904**	**612 568**	**645 805**
Expenditure by Vote	1											
Vote 1 - Executive and Council		100 193	–	–	–	–	–	–	–	100 193	103 875	106 868
Vote 2 - Corporate Services		64 466	–	–	–	–	–	–	–	64 466	66 997	69 591
Vote 3 - Budget and Treasury Office		42 311	–	–	–	–	–	–	–	42 311	43 931	44 546
Vote 4 - Community Services		134 338	–	–	–	–	–	–	–	134 338	125 276	121 161
Vote 5 - Development Planning		41 404	–	–	–	–	–	–	–	41 404	40 645	41 587
Vote 6 - Engineering Services		217 016	–	–	–	–	–	(6 736)	(6 736)	210 280	197 282	190 921
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**599 727**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**592 991**	**578 006**	**574 674**
Surplus/ (Deficit) for the year	2	**1 847**	**–**	**–**	**–**	**–**	**5 000**	**13 066**	**18 066**	**19 913**	**34 561**	**71 130**

Executive and Council includes Council general expenses, Mayor's office, Office of the Speaker, and the Office of the Municipal manager.

Budget and Treasury consists of Budgeting and reporting, Supply chain and Asset management, Revenue and expenditure, the office of the Chief Financial Officer.

Corporate services consists of Human resources, Labour relations, Information technology, and Fleet management.

Community Services consists of Community and social services, Environmental management, Refuse removal, Protection services and licensing.

Development planning consist of Planning and Land use management, and Local economic development.

Engineering services consists of Road works and engineering, and Electricity.

d. Table B4 Adjustments budget Financial Performance (revenue and expenditure)

EC443 Winnie Madikizela-Mandela - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10			
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	72 474	–	–	–	–	–	–	–	72 474	74 182	75 892
Service charges - Water	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - Waste Management	2	5 902	–	–	–	–	–	–	–	5 902	6 051	6 203
Sale of Goods and Rendering of Services		498	–	–	–	–	–	–	–	498	514	531
Agency services		1 554	–	–	–	–	–	–	–	1 554	2 000	2 064
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		3 499	–	–	–	–	–	–	–	3 499	3 614	3 730
Interest earned from Current and Non Current Assets		40 977	–	–	–	–	–	–	–	40 977	42 329	43 683
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		6 272	–	–	–	–	–	–	–	6 272	6 434	6 728
Licence and permits		–	–	–	–	–	–	–	–	–	–	–
Special rating levies		–	–	–	–	–	–	–	–	–	–	–
Construction Contract Revenue		8 637	–	–	–	–	–	–	–	8 637	13 633	14 250
Development Charges		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		470	–	–	–	–	–	–	–	470	485	501
Non-Exchange Revenue												
Property rates	2	36 935	–	–	–	–	–	6 000	6 000	42 935	38 597	39 562
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		375	–	–	–	–	–	–	–	375	578	596
Licences or permits		2 483	–	–	–	–	–	–	–	2 483	2 565	2 647
Transfer and subsidies - Operational		359 774	–	–	–	–	–	330	330	360 104	353 496	379 203
Interest Receivables		4 023	–	–	–	–	–	–	–	4 023	4 156	4 289
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue - Service Charges		–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**543 873**	**–**	**–**	**–**	**–**	**–**	**6 330**	**6 330**	**550 203**	**548 633**	**579 878**
Expenditure By Type												
Employee related costs		160 319	–	–	–	–	–	–	–	160 319	168 426	176 187
Remuneration of councillors		32 625	–	–	–	–	–	–	–	32 625	33 701	34 780
Bulk purchases - electricity		63 715	–	–	–	–	–	–	–	63 715	68 721	71 560
Inventory consumed		9 408	–	–	–	–	–	(100)	(100)	9 308	9 818	10 133
Debt impairment		7 566	–	–	–	–	–	–	–	7 566	7 816	6 837
Depreciation, amortisation and impairment		63 373	–	–	–	–	–	–	–	63 373	65 464	67 559
Interest, Dividends and Rent on Land		100	–	–	–	–	–	–	–	100	103	107
Contracted services		158 224	–	–	–	–	–	(2 741)	(2 741)	155 483	120 419	103 903
Transfers and subsidies		5 635	–	–	–	–	–	(480)	(480)	5 155	5 821	5 352
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–	–	–
Operational Cost and Other Cost		98 763	–	–	–	–	–	(3 415)	(3 415)	95 348	97 715	98 258
Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**599 727**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**592 991**	**578 006**	**574 674**
Surplus/(Deficit)		(55 854)	–	–	–	–	–	13 066	13 066	(42 788)	(29 373)	5 204
Transfers and subsidies - capital (monetary allocations)		57 701	–	–	–	–	–	5 000	5 000	62 701	63 935	65 927
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation		**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Income Tax		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	1	**1 847**	**–**	**–**	**–**	**–**	**–**	**18 066**	**18 066**	**19 913**	**34 562**	**71 130**

The table above shows adjustments that have been to the 2026/27 budget and can be summarised as follows: -

a. Revenue adjustments

i. Property Rates

The increase on anticipated revenue is as a result of the actual billing already recognised for the year from the supplementary valuation and the revised tariffs for State Owned Properties

ii. Transfers and Subsidies

The adjusted budget is from the confirmed and received Municipal Disaster Response Grant in September 2026 and the correction for the Skills development allocation.

b. Operating Expenditure

iii. Contracted Services

Below are the adjustments processed as corrections of mSCOA datastrings for projects with the same name, correction of the allocated budget for projects included as roll-over projects from the 2025/26 budget that were also included and commenced in the budget for the year indicated.

Project name or Description	**Approved Budget**	**Adjustment**	**Adjusted Budget**
Maintenance of Financial Management System(FMG)	1 001 739,00	(640 000,00)	361 739,00
System support (FMG)		640 000,00	640 000,00
mSCOA compliant	350 000,00	(350 000,00)	
Msarhweni Electrification	1 192 128,00	(1 192 128,00)	
Msarhweni Electrification		1 192 128,00	1 192 128,00
Maintenance of Mabhekutheni via Qeda AR	2 900 000,00	(535 765,68)	2 364 234,32
Maintenance of Galatyeni JSS Access Road	2 100 000,00	(1 542 651,06)	557 348,94
Maintenance of Mzambana JSS Access Road	2 150 000,00	(1 118 561,57)	1 031 438,43
Maintenance of Phelephele Access Road	2 400 000,00	(701 202,75)	1 698 797,25
Maintenance of Dumsi Access Road	3 400 000,00	(2 265 600,90)	1 134 399,10
Maintenance of Dlangezwa SPS AR	3 100 000,00	(572 522,45)	2 527 477,55
System support		4 295 000,00	4 295 000,00
Total Adjustments	**18 593 867,00**	**(2 791 304,41)**	**15 802 562,59**

iv. General Expenses

The table below shows adjustments made on the correction of operating items that may have had more or less budget than is required to ensure operational needs are addressed.

Project name or Description	**Approved Budget**	**Adjustment**	**Adjusted Budget**
BTO Trainings		350 000,00	350 000,00
Lease and usage	6 023 776,00	(4 295 000,00)	1 728 776,00
Insurance excess payments	350 000,00	(50 000,00)	300 000,00
Flights Assets management 1005260240	10 000,00	50 000,00	60 000,00
Total Adjustments	**6 383 776,00**	**(3 945 000,00)**	**2 438 776,00**

.

e. Table B5 Adjustments Capital Expenditure Budget by vote and funding

EC443 Winnie Madikizela-Mandela - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
Multi-year expenditure *to be adjusted*	2											
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Budget and Treasury Office		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Development Planning		–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Engineering Services		–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	3	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Single-year expenditure *to be adjusted*	2											
Vote 1 - Executive and Council		1 043	–	–	–	–	–	–	–	1 043	–	–
Vote 2 - Corporate Services		9 085	–	–	–	–	–	–	–	9 085	5 327	4 390
Vote 3 - Budget and Treasury Office		261	–	–	–	–	–	–	–	261	–	–
Vote 4 - Community Services		13 341	–	–	–	–	–	–	–	13 341	19 679	18 283
Vote 5 - Development Planning		43 478	–	–	–	–	–	–	–	43 478	34 505	27 810
Vote 6 - Engineering Services		89 543	–	–	–	–	4 348	8 693	13 041	102 583	73 930	94 095
Capital single-year expenditure sub-total		**156 751**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**169 791**	**133 442**	**144 577**
Total Capital Expenditure - Vote		**156 751**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**169 791**	**133 442**	**144 577**
Capital Expenditure - Functional												
Governance and administration		**10 389**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10 389**	**5 327**	**4 390**
Executive and council		1 043	–	–	–	–	–	–	–	1 043	–	–
Finance and administration		9 346	–	–	–	–	–	–	–	9 346	5 327	4 390
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**23 107**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**23 107**	**14 581**	**13 258**
Community and social services		15 393	–	–	–	–	–	–	–	15 393	7 470	7 709
Sport and recreation		323	–	–	–	–	–	–	–	323	412	425
Public safety		7 391	–	–	–	–	–	–	–	7 391	6 699	5 123
Housing		–							–	–	–	–
Health		–							–	–	–	–
Economic and environmental services		**112 433**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**125 474**	**88 563**	**100 458**
Planning and development		46 905	–	–	–	–	–	–	–	46 905	44 813	39 353
Road transport		65 529	–	–	–	–	4 348	8 693	13 041	78 569	43 750	61 105
Environmental protection		–							–	–		
Trading services		**10 821**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10 821**	**24 971**	**26 472**
Energy sources		8 756	–	–	–	–	–	–	–	8 756	13 351	14 716
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		2 065	–	–	–	–	–	–	–	2 065	11 620	11 756
Other		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**156 751**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**169 791**	**133 442**	**144 577**
Funded by:												
National Government		49 795	–	–	–	–	4 348	–	4 348	54 143	55 203	56 922
Provincial Government		380	–	–	–	–	–	–	–	380	393	405
District Municipality		–	–	–	–	–	–	–	–	–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–		
Transfers recognised - capital	4	**50 175**	**–**	**–**	**–**	**–**	**4 348**	**–**	**4 348**	**54 523**	**55 596**	**57 327**
Borrowing		–	–	–	–	–	–	–	–	–		
Internally generated funds		106 576	–	–	–	–	–	8 693	8 693	115 269	77 846	87 250
Total Capital Funding		**156 751**	**–**	**–**	**–**	**–**	**4 348**	**8 693**	**13 041**	**169 791**	**133 442**	**144 577**

- The above Table depicts the impact of the adjustments mentioned in earlier sections on the municipality's capital budget and funding of such a budget.

- The municipality's capital budget increased from R156 million to R169 million exclusive of VAT as a result of the adjustments to be dealt with in the paragraphs that follow:

    - Roads and Engineering

    The main adjustment relates to the Rehabilitation of Thaleni Bridge and 1.5km concrete slab approved for implementation through the recently received Municipal Disaster Response Grant as indicated on the report that must be implemented within the six months from September 2026 – February 2027. Other adjustments relate to projects that were expected to be implemented and completed by June 2026 and therefore not included in the 2026/27 budget. In the preparation of the annual report, these were not achieved and recovery was not possible if they are not included in the budget which was a big gap in the budget. The proposed adjustments are to ensure that the projects are completed:

Project name or Description	**Approved Budget**	**Adjustment**	**Adjusted Budget**
Rehabilitation of Pelepele Bridge and Access Road		3 660 000,00	3 660 000,00
Rehabilitation of Thaleni Bridge and 1.5 Km Slab (MDRG)		4 347 826,09	4 347 826,09
Construction of Lukhanyo Access Road		290 000,00	290 000,00
Rehabilitation of Mqhokweni to Nokhatshile Access Road		1 674 490,00	1 674 490,00
Rehabilitation of Mqhokweni to Nokhatshile Access Road		382 250,00	382 250,00
Resurfacing of Ntlenzi to Mcetheni Access Road		2 500 000,00	2 500 000,00
Rehabilitation of gravel & Concrete Slab Ntinga Bridge & AR		1 490 000,00	1 490 000,00
Input Tax Accrual:Recognised		652 173,91	652 173,91
Total Adjustments		**14 996 740,00**	**14 996 740,00**

.

a. Table B6 Adjustments budget Financial Position

EC443 Winnie Madikizela-Mandela - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
ASSETS												
Current assets												
Cash and cash equivalents		354 796	–	–	–	–	–	42 597	42 597	397 394	305 443	287 449
Short term Investments		–	–	–	–	–	–	–	–	–	–	–
Trade and other receivables from exchange transactions	1	47 764	–	–	–	–	–	–	–	47 764	67 817	106 852
Receivables from non-exchange transactions	1	66 743	–	–	–	–	–	2 100	2 100	68 843	80 252	93 853
Current portion of non-current receivables	2	–	–	–	–	–	–	–	–	–	–	–
Inventory		1 418	–	–	–	–	–	100	100	1 518	856	276
VAT Receivable		11 668	–	–	–	–	–	–	–	11 668	12 297	12 924
Other current assets		21 861	–	–	–	–	–	–	–	21 861	21 861	21 861
Total current assets		**504 250**	**–**	**–**	**–**	**–**	**–**	**44 797**	**44 797**	**549 047**	**488 525**	**523 216**
Non current assets												
Investments		–	–	–	–	–	–	–	–	–	–	–
Investment property		58 323	–	–	–	–	–	–	–	58 323	62 406	66 774
Property, plant and equipment	3	1 004 886	–	–	–	–	–	13 041	13 041	1 017 927	932 181	906 288
Biological assets		–	–	–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		1 260	–	–	–	–	–	–	–	1 260	1 260	1 260
Intangible assets		402	–	–	–	–	–	–	–	402	219	31
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		5 282	–	–	–	–	–	–	–	5 282	5 493	5 713
Other non-current assets		–	–	–	–	–	–	–	–	–	–	–
Total non current assets		**1 070 153**	**–**	**–**	**–**	**–**	**–**	**13 041**	**13 041**	**1 083 194**	**1 001 559**	**980 066**
TOTAL ASSETS		**1 574 403**	**–**	**–**	**–**	**–**	**–**	**57 838**	**57 838**	**1 632 241**	**1 490 084**	**1 503 282**
LIABILITIES												
Current liabilities												
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–
Financial liabilities		–	–	–	–	–	–	–	–	–	–	–
Consumer deposits		525	–	–	–	–	–	–	–	525	525	525
Trade and other payables from exchange transactions		103 207	–	–	–	–	–	773	773	103 980	104 168	110 718
Trade and other payables from non-exchange transactions		721	–	–	–	–	–	(71)	(71)	649	–	–
Provision		1 305	–	–	–	–	–	–	–	1 305	1 365	1 631
VAT Payable		7 514	–	–	–	–	–	–	–	7 514	7 675	7 836
Other current liabilities		–	–	–	–	–	–	–	–	–	–	–
Total current liabilities		**113 272**	**–**	**–**	**–**	**–**	**–**	**702**	**702**	**113 974**	**113 732**	**120 709**
Non current liabilities												
Financial liabilities	1	–	–	–	–	–	–	–	–	–	–	–
Provision	1	11 950	–	–	–	–	–	–	–	11 950	11 950	13 021
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		–	–	–	–	–	–	–	–	–	–	–
Total non current liabilities		**11 950**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**11 950**	**11 950**	**13 021**
TOTAL LIABILITIES		**125 222**	**–**	**–**	**–**	**–**	**–**	**702**	**702**	**125 924**	**125 682**	**133 731**
NET ASSETS	2	**1 449 181**	**–**	**–**	**–**	**–**	**–**	**57 136**	**57 136**	**1 506 317**	**1 364 402**	**1 369 551**
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 449 181	–	–	–	–	–	57 136	57 136	1 506 317	1 364 402	1 369 551
Funds and Reserves		–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		**1 449 181**	**–**	**–**	**–**	**–**	**–**	**57 136**	**57 136**	**1 506 317**	**1 364 402**	**1 369 551**

- The above table depicts the municipality's adjustment financial position after taking into account the proposed adjustments and it is important to mention that this is based on the audited results of the municipality since this was not part of the original budget.

b. Table B7 Adjustments budget Cash Flows

EC443 Winnie Madikizela-Mandela - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		26 525	–	–	–	–	–	3 900	3 900	30 425	27 719	28 411
Service charges		63 592	–	–	–	–	–	–	–	63 592	64 972	66 358
Other revenue		77 737	–	–	–	–	–	106	106	77 843	74 285	74 593
Transfers and Subsidies - Operational	1	359 774	–	–	–	–	330	–	330	360 104	353 496	379 203
Transfers and Subsidies - Capital	1	57 701	–	–	–	–	5 000	–	5 000	62 701	63 935	65 927
Interest		43 646	–	–	–	–	–	–	–	43 646	45 086	46 529
Dividends		–	–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees		(573 220)	–	–	–	–	–	7 747	7 747	(565 473)	(544 039)	(537 574)
Finance charges		(100)	–	–	–	–	–	–	–	(100)	(103)	(107)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**55 654**	**–**	**–**	**–**	**–**	**5 330**	**11 753**	**17 083**	**72 737**	**85 350**	**123 339**
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–
Insurance Refund - Capital		200	–	–	–	–	–	–	–	200	206	213
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments		–	–	–	–	–	–	–	–	–	–	–
Payments												
Capital assets		(164 305)	–	–	–	–	–	(13 483)	(13 483)	(177 788)	(134 910)	(141 547)
Retention (Capital)		–	–	–	–	–	–	–	–	–		
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(164 105)**	**–**	**–**	**–**	**–**	**–**	**(13 483)**	**(13 483)**	**(177 588)**	**(134 704)**	**(141 334)**
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–
Payments												
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(108 451)**	**–**	**–**	**–**	**–**	**5 330**	**(1 731)**	**3 599**	**(104 851)**	**(49 354)**	**(17 994)**
Cash/cash equivalents at the year begin:	2	463 247	–	–	–	–	–	38 998	38 998	502 245	396 076	346 723
Cash/cash equivalents at the year end:	2	354 796	–	–	–	–	5 330	37 267	42 597	397 394	346 723	328 728

- The above table shows projected cash flows as a result of the adjustments and also taking into account the audited results as the bases for the estimates.

c. Table B8 Cash backed reserves/accumulated surplus reconciliation

EC443 Winnie Madikizela-Mandela - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Cash and investments available												
Cash/cash equivalents at the year end	1	354 796	–	–	–	–	5 330	37 267	42 597	397 394	346 723	328 728
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**354 796**	**–**	**–**	**–**	**–**	**5 330**	**37 267**	**42 597**	**397 394**	**346 723**	**328 728**
Applications of cash and investments												
Unspent conditional transfers		721	–	–	–	–	–	(71)	(71)	649	–	–
Unspent borrowing		–							–	–	–	–
Statutory requirements		(7 813)							–	(7 813)	(8 254)	(8 692)
Other working capital requirements	2	(45 410)	–						–	(44 103)	(74 209)	(128 248)
Other provisions		1 305							–	1 305	1 365	1 631
Long term investments committed		–	–						–	–	–	–
Reserves to be backed by cash/investments		–	–						–	–	–	–
Total Application of cash and investments:		**(51 196)**	**–**	**–**	**–**	**–**	**–**	**(71)**	**(71)**	**(49 961)**	**(81 097)**	**(135 310)**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**405 993**	**–**	**–**	**–**	**–**	**5 330**	**37 339**	**42 669**	**447 355**	**427 820**	**464 038**
Creditors transferred to Debt Relief - Non-Current portion												
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**405 993**	**–**	**–**	**–**	**–**	**5 330**	**37 339**	**42 669**	**447 355**	**427 820**	**464 038**

The table tests the municipality's sustainability through funding of the budget by taking the available resourcing and checking how these will be applied to determine whether there will be surplus or shortfall. Where there is an anticipated shortfall the table tests whether the municipality has enough funds in its reserves to ensure full implementation of the current budget. As things stand the municipality cash backing tests indicate a growth in the municipality's surpluses which can be seen on the municipality's audited results that have increased compared to the prior years when if comes to reserves.

d. Table B9 Asset Management

EC443 Winnie Madikizela-Mandela - Table B9 Asset Management -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets *to be adjusted*	1	**94 918**	**–**	**–**	**–**	**–**	**–**	**5 400**	**5 400**	**100 318**	**83 278**	**84 743**
Roads Infrastructure		16 948	–	–	–	–	–	5 400	5 400	22 348	7 042	10 506
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 778	–	–	–	–	–	–	–	2 778	7 612	9 499
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		19 726	–	–	–	–	–	5 400	5 400	25 126	14 654	20 004
Community Facilities		4 870	–	–	–	–	–	248	248	5 117	7 071	7 297
Sport and Recreation Facilities		11 893	–	–	–	–	–	–	–	11 893	6 586	6 796
Community Assets		16 763	–	–	–	–	–	248	248	17 010	13 657	14 094
Heritage Assets		1 043	–	–	–	–	–	–	–	1 043	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		40 000	–	–	–	–	–	–	–	40 000	30 912	24 102
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	40 000	–	–	–	–	–	–	–	40 000	30 912	24 102
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		3 913	–	–	–	–	–	–	–	3 913	1 658	1 664
Furniture and Office Equipment		2 652	–	–	–	–	–	–	–	2 652	2 737	2 947
Machinery and Equipment		3 790	–	–	–	–	–	(248)	(248)	3 543	5 840	9 806
Transport Assets		7 030	–	–	–	–	–	–	–	7 030	13 820	12 125
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets *to be adjusted*	2	**50 529**	**–**	**–**	**–**	**–**	**–**	**2 383**	**2 383**	**52 912**	**36 858**	**13 077**
Roads Infrastructure		39 711	–	–	–	–	–	2 383	2 383	42 094	25 069	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		39 711	–	–	–	–	–	2 383	2 383	42 094	25 069	–
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		10 818	–	–	–	–	–	–	–	10 818	11 789	13 077
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	10 818	–	–	–	–	–	–	–	10 818	11 789	13 077
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–

EC443 Winnie Madikizela-Mandela - Table B9 Asset Management -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
CAPITAL EXPENDITURE												
Total Upgrading of Existing Assets *to be adjusted*	2a	**11 304**	**–**	**–**	**–**	**–**	**–**	**5 258**	**5 258**	**16 562**	**13 306**	**46 757**
Roads Infrastructure		8 696	–	–	–	–	–	5 258	5 258	13 954	9 306	42 757
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 609	–	–	–	–	–	–	–	2 609	4 000	4 000
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		11 304	–	–	–	–	–	5 258	5 258	16 562	13 306	46 757
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure *to be adjusted*	4	156 751	–	–	–	–	–	13 041	13 041	169 791	133 442	144 577
Roads Infrastructure		65 355	–	–	–	–	–	13 041	13 041	78 395	41 417	53 263
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		5 387	–	–	–	–	–	–	–	5 387	11 612	13 499
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		70 741	–	–	–	–	–	13 041	13 041	83 782	53 029	66 762
Community Facilities		4 870	–	–	–	–	–	248	248	5 117	7 071	7 297
Sport and Recreation Facilities		11 893	–	–	–	–	–	–	–	11 893	6 586	6 796
Community Assets		16 763	–	–	–	–	–	248	248	17 010	13 657	14 094
Heritage Assets		1 043	–	–	–	–	–	–	–	1 043	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		50 818	–	–	–	–	–	–	–	50 818	42 701	37 179
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		50 818	–	–	–	–	–	–	–	50 818	42 701	37 179
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		3 913	–	–	–	–	–	–	–	3 913	1 658	1 664
Furniture and Office Equipment		2 652	–	–	–	–	–	–	–	2 652	2 737	2 947
Machinery and Equipment		3 790	–	–	–	–	–	(248)	(248)	3 543	5 840	9 806
Transport Assets		7 030	–	–	–	–	–	–	–	7 030	13 820	12 125
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE *to be adjusted*	4	**156 751**	**–**	**–**	**–**	**–**	**–**	**13 041**	**13 041**	**169 791**	**133 442**	**144 577**

EC443 Winnie Madikizela-Mandela - Table B9 Asset Management -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
CAPITAL EXPENDITURE												
ASSET REGISTER SUMMARY - PPE (WDV)	5	923 767	–	–	–	–	–	(248)	(248)	923 519	887 027	856 145
Roads Infrastructure		465 622	–	–	–	–	–	–	–	465 622	423 752	380 093
Storm water Infrastructure		2 135	–	–	–	–	–	–	–	2 135	2 114	2 093
Electrical Infrastructure		110 331	–	–	–	–	–	–	–	110 331	105 602	106 042
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		4 182	–	–	–	–	–	–	–	4 182	3 980	3 772
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		582 271	–	–	–	–	–	–	–	582 271	535 448	492 000
Community Assets		136 049	–	–	–	–	–	–	–	136 049	130 466	124 888
Heritage Assets		1 260	–	–	–	–	–	–	–	1 260	1 260	1 260
Investment properties		58 323	–	–	–	–	–	–	–	58 323	62 406	66 774
Other Assets		100 230	–	–	–	–	–	–	–	100 230	96 238	92 120
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		402	–	–	–	–	–	–	–	402	219	31
Computer Equipment		2 302	–	–	–	–	–	–	–	2 302	2 035	1 981
Furniture and Office Equipment		12 273	–	–	–	–	–	–	–	12 273	13 488	14 859
Machinery and Equipment		8 993	–	–	–	–	–	1 318	1 318	10 310	10 995	18 047
Transport Assets		18 569	–	–	–	–	–	(1 565)	(1 565)	17 004	31 375	41 089
Land		3 095	–	–	–	–	–	–	–	3 095	3 095	3 095
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**923 767**	**–**	**–**	**–**	**–**	**–**	**(248)**	**(248)**	**923 519**	**887 027**	**856 145**
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		63 373	–	–	–	–	–	–	–	63 373	65 464	67 559
Repairs and Maintenance by asset class	3	**75 710**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**68 974**	**49 308**	**36 449**
Roads Infrastructure		53 100	–	–	–	–	–	(6 736)	(6 736)	46 364	32 223	20 525
Storm water Infrastructure		1 452	–	–	–	–	–	–	–	1 452	1 500	1 548
Electrical Infrastructure		1 154	–	–	–	–	–	–	–	1 154	1 192	1 231
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		5 848	–	–	–	–	–	–	–	5 848	4 000	3 000
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		61 555	–	–	–	–	–	(6 736)	(6 736)	54 818	38 915	26 303
Community Facilities		3 900	–	–	–	–	–	–	–	3 900	1 235	1 274
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		3 900	–	–	–	–	–	–	–	3 900	1 235	1 274
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		1 569	–	–	–	–	–	–	–	1 569	1 621	1 673
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		1 569	–	–	–	–	–	–	–	1 569	1 621	1 673
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		210	–	–	–	–	–	–	–	210	217	224
Intangible Assets		210	–	–	–	–	–	–	–	210	217	224
Computer Equipment		74	–	–	–	–	–	–	–	74	77	79
Furniture and Office Equipment		400	–	–	–	–	–	–	–	400	413	427
Machinery and Equipment		1 700	–	–	–	–	–	–	–	1 700	907	936
Transport Assets		6 302	–	–	–	–	–	–	–	6 302	5 924	5 533
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	6	–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		**139 083**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**132 347**	**114 773**	**104 008**
Renewal and upgrading of Existing Assets as % of total capex		*39,4%*	*0,0%*							*40,9%*	*37,6%*	*41,4%*
Renewal and upgrading of Existing Assets as % of deprecn"		*97,6%*	*0,0%*							*109,6%*	*76,6%*	*88,6%*
R&M as a % of PPE		*8,2%*	*0,0%*							*7,5%*	*5,6%*	*4,3%*
Renewal and upgrading and R&M as a % of PPE		*14,9%*	*0,0%*							*15,0%*	*11,2%*	*11,2%*

e. Table B10 Basic Service Delivery Measurement

EC443 Winnie Madikizela-Mandela - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		-	-	-	-	-	-	-	-	-	-	-
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)		-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	3,4	-	-	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-	-	-
Below Minimum Servic Level sub-total		-	-	-	-	-	-	-	-	-	-	-
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)		-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-	-	-
Below Minimum Servic Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Energy:												
Electricity (at least min. service level)		318 058,00	-	-	-	-	-	-	-	318 058,00	318 058,00	318 058,00
Electricity - prepaid (> min.service level)		4 194,00	-	-	-	-	-	-	-	4 194,00	4 194,00	4 194,00
Minimum Service Level and Above sub-total		322 252,00	-	-	-	-	-	-	-	322 252,00	322 252,00	322 252,00
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-		
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-		
Other energy sources		1 890,00	-	-	-	-	-	-	-	1 890,00	1 890,00	1 890,00
Below Minimum Servic Level sub-total		1 890,00	-	-	-	-	-	-	-	1 890,00	1 890,00	1 890,00
Total number of households	5	324 142,00	-	-	-	-	-	-	-	324 142,00	324 142,00	324 142,00
Refuse:												
Removed at least once a week (min.service)		800,00							-	800,00	800,00	800,00
Minimum Service Level and Above sub-total		800,00	-	-	-	-	-	-	-	800,00	800,00	800,00
Removed less frequently than once a week		157,00	-	-	-	-	-	-	-	157,00	157,00	157,00
Using communal refuse dump		250,00	-	-	-	-	-	-	-	250,00	250,00	250,00
Using own refuse dump		-	-	-	-	-	-	-	-	-	-	-
Other rubbish disposal		3,00	-	-	-	-	-	-	-	3,00	3,00	3,00
No rubbish disposal		47 480,00	-	-	-	-	-	-	-	47 480,00	47 480,00	47 480,00
Below Minimum Servic Level sub-total		47 890,00	-	-	-	-	-	-	-	47 890,00	47 890,00	47 890,00
Total number of households	5	**48 690,00**	-	-	-	-	-	-	-	**48 690,00**	**48 690,00**	**48 690,00**
Households receiving Free Basic Service	15											
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 (R'000)	16											
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		(7 500 000,00)	-	-	-	-	-	-	-	(7 500 000,00)	(7 747 500,00)	(7 995 420,00)
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-	-	-
Total cost of FBS provided		(7 500 000,00)	-	-	-	-	-	-	-	(7 500 000,00)	(7 747 500,00)	(7 995 420,00)
Highest level of free service provided												
Property rates (R'000 value threshold)		-	-	-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-	-	-
Electricity (kw per household per month)		-	-	-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)									-	-		
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		(477 411,00)	-	-	-	-	-	-	-	(477 411,00)	(498 894,00)	(511 367,00)
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		(477 411,00)	-	-	-	-	-	-	-	**(477 411,00)**	**(498 894,00)**	**(511 367,00)**

PART 2 – SUPPORTING DOCUMENTATION

7. Adjustments to budget assumptions

The budget assumptions used during the preparation of the approved budget have remained the same. However, collection rates for the own revenue streams may need to be revised.

It must be noted though that anticipated revenues from these revenue streams have not been revised while others have been revised up as the municipality is still required to account for revenues due, only the collection expectations have been revised.

The revised collection levels are expected to result in under collection which will then require a serious balancing act in terms of spending in the remaining months of the financial year coupled with cost reduction strategies.

8. Adjustments to budget funding

The municipality has ensured compliance with the following requirements of a budget:

- The budget is funded from realistically anticipated revenues
- The budget is fully funded
- Additional funding utilised to fund only capital programmes

The municipality has been forced to reprioritise some funding from surpluses on allocated programs to fund the shortfall in the funding of the capital budget and projects mistakenly excluded from the approved budget.

9. Winnie Madikizela-Mandela Local Municipality Economic Landscape

Winnie Madikizela-Mandela Local Municipality is a rural municipality with the following characteristics:

- sparsely populated areas in which people farm or depend on natural resources, including villages and small towns that are dispersed through these area
- area that includes large settlements in the former homelands, which depend on migratory labour and remittances as well as government social grants for their survival, and typically have traditional land tenure systems.

These mean that the municipality has a very limited revenue base from which to collect revenue. This places more pressure on the limited revenue base to generate more and

intensify collection. Only the town area generates revenue for the municipality, meaning like its people the municipality is solely dependent on Government grants to deliver services.

10. Access to basic services

The provision of basic services can be an important agent in the reduction of poverty and unemployment and strengthening of social capital. It can also be a factor in reviving agriculture, tourism and other rural non-farm enterprises. For instance:

Road infrastructure connects rural areas to the town and facilitates the mobility of goods and people within the area. Roads provide the connections necessary for local markets to develop and facilitate the provision of public services, such as ambulances and policing. Access roads allow the supply of perishable foods to high-value town markets. Opportunities for job creation through labour-based maintenance approaches can also support household income and retain resources in local areas. The lack of road infrastructure hinders development, hence the municipality has seen it necessary to avail funding to ensure that these projects are completed.

The importance of electricity infrastructure in rural areas cannot be over emphasised. Besides improving the lives of our people, it can facilitate small business development and public safety as criminals find it hard to operate in high lit areas.

Government has emphasised the critical role that rural municipalities must play in reducing backlogs in access to basic services. Careful choices need to be made to match service levels to what households can afford. The use of appropriate technologies is important in ensuring available resources are used optimally to meet households' needs.

11. Adjustments to transfers and grants receipts

EC443 Winnie Madikizela-Mandela - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2026/27							Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F		
RECEIPTS:	1, 2									
Operating										
National Government:										
Monetary Allocations										
Equitable Share		350 052	–	–	–	–	–	350 052	346 992	372 471
Expanded Public Works Programme Integrated Grant		2 944	–	–	–	–	–	2 944	–	–
Infrastructure Skills Development Grant		–	–	–	–	330	330	330	–	–
Integrated National Electrification Programme [Schedule 5B]		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		2 300	–	–	–	–	–	2 300	2 400	2 500
Municipal Disaster Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		3 014	–	–	–	–	–	3 014	3 341	3 445
Total Monetary Allocations		**358 310**	**-**	**-**	**-**	**330**	330	358 640	**352 733**	**378 416**
Total Operating/National Government		**358 310**	**-**	**-**	**-**	**330**	330	358 640	**352 733**	**378 416**
Provincial Government:										
Monetary Allocations										
Capacity Building and Other		738				726	726	1 464	762	787
							–	–		
Total Monetary Allocations		**738**	**-**	**-**	**-**	**726**	726	1 464	**762**	**787**
Total Operating/Provincial Government		**738**	**-**	**-**	**-**	**726**	**726**	1 464	**762**	**787**
District Municipality:										
Monetary Allocations										
Capacity Building and Other							–	–		
							–	–		
Total Monetary Allocations		**-**	**-**	**-**	**-**	**-**	–	–	**-**	**-**
Allocations In-kind										
							–	–		
							–	–		
Total Allocations In-kind		**-**	**-**	**-**	**-**	**-**	–	–	**-**	**-**
Total Operating/District Municipalities		**–**	**–**	**–**	**–**	**–**	–	–	**–**	**–**
Other Grant Providers										
Monetary Allocations										
Total Monetary Allocations			–	–	–	–	–	–		
Allocations In-kind										
[insert description]							–	–		
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Operating/Other Grant Providers		–	–	–	–	–	–	–	–	–
Total Operating		359 048	–	–	–	1 056	1 056	360 104	353 496	379 203
Capital										
National Government										
Monetary Allocations										
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]							–	–		
Municipal Disaster Recovery Grant		–			5 000		5 000	5 000	–	–
Municipal Disaster Relief Grant							–	–		
Municipal Infrastructure Grant		57 264					–	57 264	63 484	65 461
Neighbourhood Development Partnership Grant							–	–		
							–	–		
Total Monetary Allocations		57 264	–	–	5 000	–	5 000	62 264	63 484	65 461
Total Capital/National Government		57 264	–	–	5 000	–	5 000	62 264	63 484	65 461
Provincial Government										
Monetary Allocations										
Capacity Building and Other		437					–	437	451	466
							–	–		
Total Monetary Allocations		437	–	–	–	–	**–**	**–**	451	466
Allocations In-kind										
Other transfers/grants [insert description]							–	–		
Total Allocations In-kind		–	–	–	–	–	**–**	**–**	–	–
Total Capital/Provincial Government		437	–	–	–	–	**–**	**–**	451	466
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]							–	–		
							–	–		
Total Monetary Allocations		–	–	–	–	–	–	–	–	–
Allocations In-kind										
Other transfers/grants [insert description]							–	–		
							–	–		
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Capital/District Municipalities		–	–	–	–	–	–	–	–	–
Other Grant Providers										
Monetary Allocations										
[insert description]							–	–		
							–	–		
							–	–		
Total Monetary Allocations		–	–	–	–	–	–	–	–	–
Allocations In-kind										
[insert description]							–	–		
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Capital/Other Grant Providers		**–**	**–**	**–**	**–**	**–**	**11 056**	**485 506**	**–**	**–**
Total Capital		57 701	–	–	5 000	–	5 000	62 701	63 935	65 927
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		416 749	–	–	5 000	1 056	6 056	422 805	417 431	445 130

12. Adjustments to expenditure on allocations and grant programmes

EC443 Winnie Madikizela-Mandela - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2026/27							Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Equitable Share		368 714	–	–	–	1 142	1 142	369 856	364 360	368 452
Expanded Public Works Programme Integrated Grant		2 944	–	–	–	–	–	2 944	–	–
Integrated National Electrification Programme [Schedule 5B]		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		2 098	–	–	–	–	–	2 098	2 080	2 063
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		3 014	–	–	–	–	–	3 014	3 341	3 445
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Total Monetary Allocations		376 769	–	–	–	1 142	1 142	377 911	369 782	373 960
Total Operating/National Government		376 769	–	–	–	1 142	1 142	377 911	369 782	373 960
Provincial Government										
Monetary Allocations							–	–		
Capacity Building and Other- Library Grant		1 299	–	–	–	–	–	1 299	695	717
			–	–	–	–	–	–		
Total Monetary Allocations		1 299	–	–	–	–	–	1 299	695	717
Total Operating/Provincial Government		1 299	–	–	–	–	–	1 299	695	717
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Monetary Allocations		–	–	–	–	–	–	–	–	–
Allocations In-kind										
Other transfers/grants [insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Operating/District Municipalities		–	–	–	–	–	–	–	–	–
Other Grant Providers										
Monetary Allocations										
Other transfers/grants [insert description]		–	–	–	–	–	–	–	–	–
Total Monetary Allocations		–	–	–	–	–	–	–	–	–
Allocations In-kind										
Other transfers/grants [insert description]							–	–		
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Operating/Other Grant Providers		–	–	–	–	–	–	–	–	–
Total Operating Expenditure of Transfers and Grants		**378 068**	**–**	**–**	**–**	**1 142**	1 142	379 210	**370 476**	**374 677**
Capital										
National Government										
Monetary Allocations										
Integrated National Electrification Programme (Municipal Grant) [Schedule 5		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	4 348	4 348	4 348	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		49 795	–	–	–	–	–	49 795	55 203	56 922
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Total Monetary Allocations		49 795	–	–	–	4 348	4 348	54 143	55 203	56 922
Total Capital/National Government		49 795	–	–	–	4 348	4 348	54 143	55 203	56 922
Provincial Government										
Monetary Allocations										
Capacity Building and Other- Librart Grant		380	–	–	–	–	–	380	393	405
			–	–	–	–	–	–	–	–
Total Monetary Allocations		380	–	–	–	–	–	380	393	405
Total Capital/Provincial Government		380	–	–	–	–	–	380	393	405
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Monetary Allocations		–	–	–	–	–	–	–	–	–
Allocations In-kind										
Other transfers/grants [insert description]		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Capital/District Municipalities		–	–	–	–	–	–	–	–	–
Other Grant Providers										
Monetary Allocations										
Capacity Building and Other- Librart Grant		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Monetary Allocations		–	–	–	–	–	–	–	–	–
Allocations In-kind										
							–	–		
Total Allocations In-kind		–	–	–	–	–	–	–	–	–
Total Capital/Other Grant Providers		–	–	–	–	–	–	–	–	–
Total Capital Expenditure of Transfers and Grants		**50 175**	**–**	**–**	**–**	**4 348**	**4 348**	**54 523**	**55 596**	**57 327**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**428 243**	**–**	**–**	**–**	**5 490**	**5 490**	**433 733**	**426 072**	**432 005**

The table above indicates an upward adjustment of just under R5.5 million on the overall transfers.

13. Adjustments to allocations or grants made by the municipality

EC443 Winnie Madikizela-Mandela - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
Monetary Transfers to other municipalities												
District Municipalities	1								–	–		
									–	–		
									–	–		
Total Monetary Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–	–
Monetary Transfers to Entities/Other External Mechanisms												
Municipal Entities	2								–	–		
									–	–		
									–	–		
Total Monetary Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–	–
Monetary Transfers to other Organs of State												
Departmental Agencies and Accounts	3								–	–		
Provincial Government									–	–		
									–	–		
									–	–		
Total Monetary Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–	–
Monetary Transfers to Organisations												
Foreign Government and International Organisations	4								–	–		
Higher Educational Institutions									–	–		
Non-Profit Institutions									–	–		
Private Enterprises									–	–		
Public Corporations									–	–		
Total Monetary Transfers To Organisations		–	–	–	–	–	–	–	–	–	–	–
Monetary Transfers to Groups of Individuals												
Households									–	–		
									–	–		
Total Monetary Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–	–
TOTAL Monetary TRANSFERS AND GRANTS	5	–	–	–	–	–	–	–	–	–	–	–
In-Kind Transfers to other municipalities												
District Municipalities	1								–	–		
									–	–		
									–	–		
Total In-Kind Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–	–
In-Kind Transfers to Entities/Other External Mechanisms												
Municipal Entities	2								–	–		
									–	–		
									–	–		
									–	–		
Total In-Kind Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–	–
In-Kind Transfers to other Organs of State												
Departmental Agencies and Accounts	3								–	–		
Provincial Government									–	–		
									–	–		
									–	–		
Total In-Kind Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–	–
In-Kind Grants to Organisations												
Foreign Government and International Organisations	4								–	–		
Higher Educational Institutions									–	–		
Non-Profit Institutions									–	–		
Private Enterprises		5 635	–	–	–	–	–	(480)	(480)	5 155	5 821	5 352
Public Corporations									–	–		
Total In-Kind Grants To Organisations		**5 635**	–	–	–	–	–	**(480)**	(480)	5 155	**5 821**	**5 352**
Groups of Individuals												
Households									–	–		
									–	–		
									–	–		
Total In-Kind Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–	–
TOTAL In-Kind TRANSFERS AND GRANTS	5	**5 635**	–	–	–	–	–	**(480)**	(480)	5 155	**5 821**	**5 352**
TOTAL TRANSFERS AND GRANTS		**5 635**	–	–	–	–	–	**(480)**	(480)	5 155	**5 821**	**5 352**

The municipality gives support to qualifying SMMEs within the area as a means of Local economic development.

14. Adjustments to councillor allowances and employee benefits

EC443 Winnie Madikizela-Mandela - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Summary of remuneration	Ref	Budget Year 2026/27									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Allowances and Service Related Benefits											
Basic Salary		17 358	–			–		–	–	17 358	
Cell phone Allowance		3 695	–			–		–	–	3 695	
Housing Allowance		–	–			–		–	–	–	
In-kind Benefits		–	–			–		–	–	–	
Market Related Non-pensionable Allowance		–	–			–		–	–	–	
Motor Vehicle Allowance		–	–			–		–	–	–	
Office-bearer Allowance		1 446	–			–		–	–	1 446	
Out of pocket Expenses			–			–		–	–	–	
Travelling Allowance		7 232	–			–		–	–	7 232	0,0%
Use of Personal Facilities			–			–		–	–	–	
Total Allowances and Service Related Benefits		**29 732**	**-**			**-**		**-**	–	29 732	0,0%
Social Contributions									–	–	
Medial Aid Benefits		1 446	–			–		–	–	1 446	
Pension Fund Contributions		1 446	–			–		–	–	1 446	
Total Social Contributions		**2 893**	**-**			**-**		**-**	–	2 893	
Total Councillors		**32 625**	**–**			**–**		**–**	**–**	**32 625**	**0,0%**
% increase		**–**	**(0)**							**–**	
Senior Managers of the Municipality											
Salaries and Allowances											
Basic Salary		7 820	–	–		–		–	–	7 820	
Bonuses		611	–	–		–		–	–	611	
Allowance									–	–	
Accommodation, Travel and Incidental		–	–	–		–		–	–	–	
Cellular and Telephone		180	–	–		–		–	–	180	
Housing Benefits		583	–	–		–		–	–	583	
Non-pensionable		–	–	–		–		–	–	–	
Travel or Motor Vehicle		2 471	–	–		–		–	–	2 471	
Voluntary Work		–	–	–		–		–	–	–	
Total Allowance		**3 234**	**-**	**-**		**-**		**-**	–	3 234	
Service Related Benefits									–	–	
Total Service Related Benefits		**-**	**-**	**-**		**-**		**-**	–	–	
Total Salaries and Allowances		**11 665**	**-**	**-**		**-**		**-**	–	11 665	0,0%
Social Contributions									–	–	
Bargaining Council		–	–	–		–		–	–	–	
Group Life Insurance		–	–	–		–		–	–	–	
Medical		428	–	–		–		–	–	428	0,0%
Pension		257	–	–		–		–	–	257	
Unemployment Insurance		13	–	–		–		–	–	13	
Total Social Contributions		**698**	**-**	**-**		**-**		**-**	–	698	
Post-retirement Benefit									–	–	
Total Post-retirement Benefit		**-**	**-**	**-**		**-**		**-**	–	–	
Sub Total - Senior Managers of Municipality		**12 363**	**-**	**-**		**-**		**-**	**–**	**12 363**	**0,0%**
% increase		**–**	**(0)**							**–**	
Other Municipal Staff											
Salaries and Allowances											
Basic Salary		91 618	–	–	–	–	–	–	–	91 618	
Bonuses			–	–	–	–	–	–	–	–	
Allowance											
Accommodation, Travel and Incidental		–	–	–	–	–	–	–	–	–	
Cellular and Telephone		2 001	–	–	–	–	–	–	–	2 001	
Housing Benefits		4 822	–	–	–	–	–	–	–	4 822	
Non-pensionable		–	–	–	–	–	–	–	–	–	
Travel or Motor Vehicle		10 046	–	–	–	–	–	–	–	10 046	
Voluntary Work		–	–	–	–	–	–	–	–	–	
Total Allowance		**16 870**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16 870**	
Service Related Benefits											
Acting		–	–	–	–	–	–	–	–	–	
Bonus		7 080	–	–	–	–	–	–	–	7 080	
Danger Allowance		–	–	–	–	–	–	–	–	–	
Entertainment		–	–	–	–	–	–	–	–	–	
Fire Brigade		–	–	–	–	–	–	–	–	–	
In-kind Benefits		–	–	–	–	–	–	–	–	–	
Leave Pay		2 000	–	–	–	–	–	–	–	2 000	
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–	
Long Service Award		–	–	–	–	–	–	–	–	–	
Overtime		4 232	–	–	–	–	–	–	–	4 232	
Scarcity			–	–	–	–	–	–	–	–	
Standby Allowance		1 726	–	–	–	–	–	–	–	1 726	
Tools Allowance		–	–	–	–	–	–	–	–	–	
Uniform/Special/Protective Clothing		45	–	–	–	–	–	–	–	45	
Leave gratuity		–	–	–	–	–	–	–	–	–	
Long Term Service Award		–	–	–	–	–	–	–	–	–	
Total Service Related Benefits		**15 084**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15 084**	0,0%
Total Salaries and Allowances		**123 572**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**123 572**	0,0%
Social Contributions											
Bargaining Council		45	–	–	–	–	–	–	–	45	
Group Life Insurance			–	–	–	–	–	–	–	–	
Medical		8 978	–	–	–	–	–	–	–	8 978	0,0%
Pension		14 721	–	–	–	–	–	–	–	14 721	
Unemployment Insurance		639	–	–	–	–	–	–	–	639	
Total Social Contributions		**24 383**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24 383**	0,0%
Post-retirement Benefit											
Medical	5	–	–	–	–	–	–	–	–	–	
Other Benefits		–	–	–	–	–	–	–	–	–	
Pension		–	–	–	–	–	–	–	–	–	
Total Post-retirement Benefit		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Costs Capitalised to PPE									–	–	
Sub Total - Other Municipal Staff		**147 955**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**147 955**	**0,0%**
% increase		**–**	**(100,0%)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	
Total Parent Municipality		**192 943**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**192 943**	**0,0%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**192 943**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**192 943**	**0,0%**
% increase											
TOTAL MANAGERS AND STAFF		**160 319**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**160 319**	**0,0%**

15. Adjustments to service delivery and budget implementation plan

The adjusted service delivery and budget implementation will be tabled separately from the budget document but considering the adjustments in this document.

16. Adjustments to capital expenditure

EC443 Winnie Madikizela-Mandela - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		**19 726**	**–**	**–**	**–**	**–**	**–**	**5 400**	**5 400**	**25 126**	**14 654**	**20 004**
Roads Infrastructure		16 948	–	–	–	–	–	5 400	5 400	22 348	7 042	10 506
Roads		8 687	–	–	–	–	–	1 052	1 052	9 739	1 217	4 944
Road Structures		8 261	–	–	–	–	–	4 348	4 348	12 609	5 390	5 562
Road Furniture		–	–	–	–	–	–		–	–	435	–
Electrical Infrastructure		2 778	–	–	–	–	–	–	–	2 778	7 612	9 499
LV Networks		2 778	–	–	–	–	–	–	–	2 778	7 612	9 499
Community Assets		**16 763**	**–**	**–**	**–**	**–**	**–**	**248**	248	17 010	**13 657**	**14 094**
Community Facilities		4 870	–	–	–	–	–	248	248	5 117	7 071	7 297
Halls		1 391	–	–	–	–	–	248	248	1 639	–	–
Markets		3 478	–	–	–	–	–	–	–	3 478	3 593	3 708
Sport and Recreation Facilities		**11 893**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**11 893**	**6 586**	**6 796**
Indoor Facilities		11 832	–	–	–	–	–	–	–	11 832	6 522	6 730
Outdoor Facilities		62	–	–	–	–	–	–	–	62	64	66
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Heritage assets		**1 043**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 043**	**–**	**–**
Works of Art		1 043	–	–	–	–	–	–	–	1 043	–	–
Other assets		**40 000**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	40 000	**30 912**	**24 102**
Operational Buildings		**40 000**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**40 000**	**30 912**	**24 102**
Manufacturing Plant		40 000	–	–	–	–	–	–	–	40 000	30 912	24 102
Computer Equipment		**3 913**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3 913**	**1 658**	**1 664**
Computer Equipment		3 913							–	3 913	1 658	1 664
Furniture and Office Equipment		**2 652**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2 652**	**2 737**	**2 947**
Furniture and Office Equipment		2 652							–	2 652	2 737	2 947
Machinery and Equipment		**3 790**	**–**	**–**	**–**	**–**	**–**	**(248)**	**(248)**	**3 543**	**5 840**	**9 806**
Machinery and Equipment		3 790						(248)	(248)	3 543	5 840	9 806
Transport Assets		**7 030**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**7 030**	**13 820**	**12 125**
Transport Assets		7 030							–	7 030	13 820	12 125
Total Capital Expenditure on new assets *to be adjusted*	1	**94 918**	**–**	**–**	**–**	**–**	**–**	**5 400**	**5 400**	**100 318**	**83 278**	**84 743**

EC443 Winnie Madikizela-Mandela - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
Infrastructure		**39 711**	**–**	**–**	**–**	**–**	**–**	**2 383**	**2 383**	**42 094**	**25 069**	**–**
Roads Infrastructure		39 711	–	–	–	–	–	2 383	2 383	42 094	25 069	–
Roads		12 316	–	–	–	–	–	2 383	2 383	14 699	–	–
Road Structures		27 395	–	–	–	–	–	–	–	27 395	25 069	–
Other assets		**10 818**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10 818**	**11 789**	**13 077**
Operational Buildings		**10 818**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10 818**	**11 789**	**13 077**
Municipal Offices		10 818	–	–	–	–	–	–	–	10 818	11 789	13 077
Total Capital Expenditure on renewal of existing assets *to be adjusted*	1	**50 529**	**–**	**–**	**–**	**–**	**–**	**2 383**	**2 383**	**52 912**	**36 858**	**13 077**

EC443 Winnie Madikizela-Mandela - Supporting Table SB18e Adjustments Budget - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class												
Infrastructure		**11 304**	**–**	**–**	**–**	**–**	**–**	**5 258**	**5 258**	**16 562**	**13 306**	**46 757**
Roads Infrastructure		8 696	–	–	–	–	–	5 258	5 258	13 954	9 306	42 757
Roads		8 696	–	–	–	–	–	5 258	5 258	13 954	9 306	9 604
Electrical Infrastructure		2 609	–	–	–	–	–	–	–	2 609	4 000	4 000
MV Networks		–	–	–	–	–	–	–	–	–	1 217	1 043
LV Networks		2 609	–	–	–	–	–	–	–	2 609	2 783	2 957
Total Capital Expenditure on upgrading of existing assets *to be adjusted*	1	**11 304**	**–**	**–**	**–**	**–**	**–**	**5 258**	**5 258**	**16 562**	**13 306**	**46 757**

i. Road infrastructure

The main adjustment relates to the Rehabilitation of Thaleni Bridge and 1.5km concrete slab approved for implementation through the recently received Municipal Disaster Response Grant as indicated on the report that must be implemented within the six months from September 2026 – February 2027. Other adjustments relate to projects that were expected to be implemented and completed by June 2026 and therefore not included in the 2026/27 budget. In the preparation of the annual report, these were not achieved and recovery was not possible if they are not included in the budget which was a big gap in the budget. The proposed adjustments are to ensure that the projects are completed.

Project name or Description	**Approved Budget**	**Adjustment**	**Adjusted Budget**
Rehabilitation of Pelepele Bridge and Access Road		3 660 000,00	3 660 000,00
Rehabilitation of Thaleni Bridge and 1.5 Km Slab (MDRG)		4 347 826,09	4 347 826,09
Construction of Lukhanyo Access Road		290 000,00	290 000,00
Rehabilitation of Mqhokweni to Nokhatshile Access Road		1 674 490,00	1 674 490,00
Rehabilitation of Mqhokweni to Nokhatshile Access Road		382 250,00	382 250,00
Resurfacing of Ntlenzi to Mcetheni Access Road		2 500 000,00	2 500 000,00
Rehabilitation of gravel & Concrete Slab Ntinga Bridge & AR		1 490 000,00	1 490 000,00
Input Tax Accrual:Recognised		652 173,91	652 173,91

Project name or Description	Approved Budget	Adjustment	Adjusted Budget
Total Adjustments		**14 996 740,00**	**14 996 740,00**

.

17. Adjustments to repairs and maintenance

EC443 Winnie Madikizela-Mandela - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		**61 555**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**54 818**	**38 915**	**26 303**
Roads Infrastructure		53 100	–	–	–	–	–	(6 736)	(6 736)	46 364	32 223	20 525
Roads		539	–	–	–	–	–		–	539	557	575
Road Structures		51 566	–	–	–	–	–	(6 736)	(6 736)	44 830	30 638	18 889
Road Furniture		995	–	–	–	–	–	–	–	995	1 028	1 061
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		1 452	–	–	–	–	–	–	–	1 452	1 500	1 548
Drainage Collection		1 452	–	–	–	–	–	–	–	1 452	1 500	1 548
Storm water Conveyance		–	–	–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		1 154	–	–	–	–	–	–	–	1 154	1 192	1 231
LV Networks		1 154	–	–	–	–	–	–	–	1 154	1 192	1 231
Solid Waste Infrastructure		5 848	–	–	–	–	–	–	–	5 848	4 000	3 000
Landfill Sites		3 629	–	–	–	–	–	–	–	3 629	2 500	2 000
Waste Drop-off Points		2 219	–	–	–	–	–	–	–	2 219	1 500	1 000
Community Assets		**3 900**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	3 900	**1 235**	**1 274**
Community Facilities		3 900	–	–	–	–	–	–	–	3 900	1 235	1 274
Halls		2 918	–	–	–	–	–	–	–	2 918	536	553
Libraries		620	–	–	–	–	–	–	–	620	326	336
Cemeteries/Crematoria		200	–	–	–	–	–	–	–	200	207	213
Police			–	–	–	–	–	–	–	–		
Purls		161	–	–	–	–	–	–	–	161	167	172
Other assets		**1 569**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 569**	**1 621**	**1 673**
Operational Buildings		**1 569**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 569**	**1 621**	**1 673**
Municipal Offices		1 369	–	–	–	–	–	–	–	1 369	1 414	1 459
Yards		200	–	–	–	–	–	–	–	200	207	213
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets									–	–		
Intangible Assets		**210**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**210**	**217**	**224**
Servitudes									–	–		
Licences and Rights		**210**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**210**	**217**	**224**
Computer Software and Applications		210	–	–	–	–	–	–	–	210	217	224
Computer Equipment		**74**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**74**	**77**	**79**
Computer Equipment		74							–	74	77	79
Furniture and Office Equipment		**400**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**400**	**413**	**427**
Furniture and Office Equipment		400							–	400	413	427
Machinery and Equipment		**1 700**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 700**	**907**	**936**
Machinery and Equipment		1 700							–	1 700	907	936
Transport Assets		**6 302**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6 302**	**5 924**	**5 533**
Transport Assets		6 302							–	6 302	5 924	5 533
Total Repairs and Maintenance Expenditure to be	1	**75 710**	**–**	**–**	**–**	**–**	**–**	**(6 736)**	**(6 736)**	**68 974**	**49 308**	**36 449**

18. Adjustments on depreciation by asset class

EC443 Winnie Madikizela-Mandela - Supporting Table SB18d Adjustments Budget - depreciation by asset class -

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Depreciation by Asset Class/Sub-class												
Infrastructure		**42 532**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**42 532**	**43 936**	**45 342**
Roads Infrastructure		40 954	–	–	–	–	–	–	–	40 954	42 305	43 659
Roads		25 105	–	–	–	–	–	–	–	25 105	25 933	26 763
Road Structures		15 321	–	–	–	–	–	–	–	15 321	15 827	16 333
Road Furniture		528	–	–	–	–	–	–	–	528	545	563
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		636	–	–	–	–	–	–	–	636	657	678
Drainage Collection		239	–	–	–	–	–	–	–	239	247	255
Storm water Conveyance		396	–	–	–	–	–	–	–	396	409	422
Attenuation		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		747	–	–	–	–	–	–	–	747	772	796
Power Plants		–	–	–	–	–	–	–	–	–	–	–
MV Substations		60	–	–	–	–	–	–	–	60	62	64
MV Switching Stations		–	–	–	–	–	–	–	–	–	–	–
MV Networks		505	–	–	–	–	–	–	–	505	522	539
LV Networks		182	–	–	–	–	–	–	–	182	188	194
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		195	–	–	–	–	–	–	–	195	202	208
Landfill Sites		195	–	–	–	–	–	–	–	195	202	208
Community Assets		**9 357**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	9 357	**9 666**	**9 975**
Community Facilities		6 388	–	–	–	–	–	–	–	6 388	6 599	6 810
Halls		4 678	–	–	–	–	–	–	–	4 678	4 833	4 987
Centres		–	–	–	–	–	–	–	–	–	–	–
Crèches		346	–	–	–	–	–	–	–	346	357	369
Cemeteries/Crematoria		16	–	–	–	–	–	–	–	16	16	17
Police			–	–	–	–	–	–	–	–		
Purls		1 155	–	–	–	–	–	–	–	1 155	1 194	1 232
Public Ablution Facilities		123	–	–	–	–	–	–	–	123	127	131
Markets		–	–	–	–	–	–	–	–	–	–	–
Stalls		70	–	–	–	–	–	–	–	70	72	74
Sport and Recreation Facilities		**2 969**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2 969**	**3 067**	**3 165**
Indoor Facilities			–	–	–	–	–	–	–	–	–	–
Outdoor Facilities		2 969	–	–	–	–	–	–	–	2 969	3 067	3 165
Capital Spares			–	–	–	–	–	–	–	–	–	–
Other assets		**3 864**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3 864**	**3 991**	**4 119**
Operational Buildings		**3 849**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3 849**	**3 976**	**4 103**
Municipal Offices		3 492	–	–	–	–	–	–	–	3 492	3 607	3 723
Pay/Enquiry Points		4	–	–	–	–	–	–	–	4	4	4
Yards		90	–	–	–	–	–	–	–	90	93	96
Stores		135	–	–	–	–	–	–	–	135	139	144
Laboratories		–	–	–	–	–	–	–	–	–	–	–
Training Centres		128	–	–	–	–	–	–	–	128	133	137
Manufacturing Plant		–	–	–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Housing		**15**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**15**	**16**	**16**
Staff Housing		–	–	–	–	–	–	–	–	–	–	–
Social Housing		15	–	–	–	–	–	–	–	15	16	16
Capital Spares		–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Biological or Cultivated Assets									–	–		
Intangible Assets		**177**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**177**	**183**	**188**
Servitudes									–	–		
Licences and Rights		**177**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**177**	**183**	**188**
Water Rights		–	–	–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–	–	–
Computer Software and Applications		177	–	–	–	–	–	–	–	177	183	188
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		**1 429**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 429**	**1 477**	**1 524**
Computer Equipment		1 429							–	1 429	1 477	1 524
Furniture and Office Equipment		**2 311**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2 311**	**2 387**	**2 463**
Furniture and Office Equipment		2 311							–	2 311	2 387	2 463
Machinery and Equipment		**1 442**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 442**	**1 489**	**1 537**
Machinery and Equipment		1 442							–	1 442	1 489	1 537
Transport Assets		**2 262**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2 262**	**2 337**	**2 411**
Transport Assets		2 262							–	2 262	2 337	2 411
Total Depreciation to be adjusted	1	**63 373**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**63 373**	**65 464**	**67 559**

19. Funding Shortfalls to be Noted

The adjustments indicated on the report are based on available funding and some based on the maximum allowable limits for variations on infrastructure projects of 20%. This means that there are projects where more funds may still be required to in the next budget adjustment and some may require the additional work to be done through another phase requiring new procurement processes. Below is the summary of the affected projects and their related possible shortfalls:

- Rehabilitation of Thaleni Bridge and Access Road – R 8 000 000.00 required in addition to the R5 000 000 allocation included in this report
- Resurfacing of Ntlenzi to Mcetheni Access Road – R 4 500 000.00 above the maximum allowed variation of 20% for construction projects

Quality Certificate

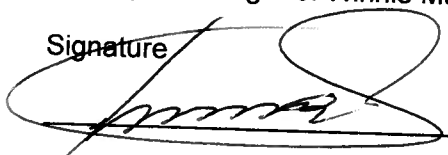
I, Luvuyo Mahlaka, municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print name

Luvuyo Mahlaka

Municipal Manager of Winnie Madikizela-Mandela Local Municipality (EC443)

Signature



Date

30 September 2026