

# DANNHAUSER LOCAL MUNICIPALITY (KZN 254)



## 2025-2026 ADJUSTMENT BUDGET REPORT

# **Table of Content**

<b>Glossary .....</b>	<b>3&amp;4</b>
<b>PART 1- IN -YEAR REPORT</b>	
<b>SECTION 1 – MAYORAL SPEECH.....</b>	<b>5</b>
<b>SECTION 2 -INTRODUCTION AND PURPOSE.....</b>	<b>6 to 8</b>
<b>SECTION 3- RESOLUTION.....</b>	<b>8</b>
<b>SECTION 4 – EXECUTIVE SUMMARY.....</b>	<b>9</b>
<b>ADJUSTED BUDGET TABLES .....</b>	<b>10 to 12</b>
<b>QUALITY CERTIFICATE.....</b>	<b>13</b>

## Glossary

**Annual Budget** – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

**Adjustment Budget** – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.

**Allocations (Transfers – see DORA)** – Money received from Provincial or National Government.

**Budget Related Policy (ices)** – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

**Capital Expenditure** - Spending on assets such as land, buildings, and machinery. Any capital expenditure must reflect as an asset on the Municipality's statement of financial position and must be included in the asset register.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

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

**Fruitless and Wasteful Expenditure** – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

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

**GRAP** – Generally Recognized Accounting Practice. The standards for municipal accounting.

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

**MBRR**–Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations of April 2009.

**MFMA** – The Municipal Finance Management Act – Act No. 56 of 2003. The principal piece of legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant. Funds allocated by National Treasury to be applied toward addressing infrastructure backlogs in the municipal area

**MSCOA** – Municipal Standard Chart of Accounts

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

**Operating Expenditure** – The day-to-day expenses of the Municipality such as salaries and wages.

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

**Statement of cash flows** – A statement showing sources and application of actual cash.

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

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

**Unauthorized Expenditure** – Generally, spending without, or in excess of, an Approved Budget.

**Vote** – One of the main segments into which a budget is divided. This means the different GFS classification the budget is divided.

#### **Legislative Framework**

This report has been prepared in terms of the following enabling legislation:  
The Municipal Finance Management Act – Act No. 56 of 2003

## **PART 1 – IN YEAR REPORT**

### **SECTION 1 -Mayoral Speech**

#### **Adjustment Budget Speech – 28 February 2026**

To the Honourable Speaker, Deputy Mayor, EXCO members, Hon. Councillors, Amakhosi, the Municipal Manager, Heads of Departments, municipal officials and members of the community of Dannhauser Local Municipality.

It is my great pleasure, in my capacity as Mayor of Dannhauser local Municipality, to present for review and approval, the adjustment budget for the 2025/2026 financial year. In terms of section 28(1) of the MFMA, a municipality may revise an approved annual budget through an adjustments budget. The MFMA, prescribes a number of scenarios that may necessitate the approval of an adjustments budget. One of those prescriptions is to ensure that the Mayor tables the Provincial Treasury comments on the Mid- Year Budget and Performance assessment report and impact on the 2025/2026 Adjustments Budget, to the Council and ensure that an Adjustment Budget is done according to the recommendations from the Provincial Treasury.

The municipal budget is adjusted to reflect more realistic revenue and expenditure projections based on the Mid-Year assessment.

As identified by departments, certain capital projects that will not start or be finished, is herewith reduced and will be considered in the 2025/26 MTREF.

It is therefore recommended that council approves the adjustments budget and revised SDBIP for the 2025/26 financial year as tabled.

***HIS WORSHIP, THE MAYOR***

## **SECTION 2 -INTRODUCTION AND PURPOSE**

**Purpose of the approval of the Adjustment budget for financial year 2025/2026** - The purpose of this report is to present the 2025/2026 adjustment's budget to the Council for consideration and approval in accordance with section 28 and 29 of the Municipal Finance Management Act (MFMA).

### **LEGISLATIVE BACKGROUND**

Section 28 (1) of the Municipal Finance Management Act 56 of 2003 (MFMA) permits the municipality to revise its approved annual budget through an adjustments budget. Section 28 (2) of the MFMA further states that an adjustments budget:

- a) Must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during the current year
- b) May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- c) May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- d) May authorise the utilisation of projected savings in one vote towards spending under another vote;
- e) May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs where the annual budget for the current year was approved by the council;
- f) May correct any errors in the annual budget, and
- g) May provide for any other expenditure within a prescribed framework

### **TABLING OF THE BUDGET ADJUSTMENT AT MUNICIPAL COUNCIL**

According to section of 28 (4) of the MFMA “only the Mayor may table an adjustments budget in the municipal council” subject to certain limitation.

Section 28 (4) of the MFMA further dictates that the following information must be attached when adjustments budget is so tabled:

- a) An explanation of how the adjustments budget affects the annual budget;
- b) A motivation of any material changes to the annual budget;
- c) An explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years;

d) Any other supporting documentation that may be prescribed.

## **BACKGROUND**

The Mid-Year Budget Performance Report identified differences between the actual income and spending to date compared to the original budget. The differences were evaluated and necessary corrections were implemented within this adjustment budget.

When drafting the adjustments budget, consideration was always given to Section 18 of the MFMA which states that:

### **“An annual budget may only be funded from**

- a) realistically anticipated revenues to be collected.
- b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- c) borrowed funds, but only for the capital budget referred to in section 17(2)

(2) Revenue projections in the budget must be realistic, taking into account-

- a) projected revenue for the current year based on collection levels to date; and
- b) actual revenue collected in previous financial years.” Great emphasis was placed in ensuring that the budget is realistically funded. A complete analysis of the various financial scenarios and outcomes was done, and the best viable solution sought. The supporting document on budget funding highlights the various funding sources identified to ensure that cash reserves are always available to fund expenditure. The eventual outcome was to ensure that the adjustments budget was credible.

### **A credible budget is described as one that:**

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality
- Is achievable in terms of agreed service delivery and performance targets
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions
- Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term) and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

Regulation 21 of the Municipal Budget and Reporting Regulations (MBRR) further prescribes that an adjustment budget and supporting documentation of a municipality must be in the format specified in Schedule B and include all the required tables, charts and explanatory information, considering any guidelines issued by the Minister in terms of Section 168 (1) of the act.

The Mid-Year Budget and Performance Assessment for the six months ending December 2025 was tabled in Council on the 23 rd. of January 2026. The adjustments budget is detailed in this report and takes into consideration all the matters raised in the Mid-Year Budget and Performance Assessment.

### **SECTION 3- Council Resolution**

It is recommended to Council that:

1. Council approves the proposed adjustment budget estimates for the 2025/26 MTREF period as follows as per schedule B (Table B1):
  - **The proposed revenue budget funding of R 182 545 000 million.**
  - **The proposed expenditure appropriation of R 179 304 000 million be approved.**
  - **The capital expenditure programme of R 61 515 000 million.**
2. That the Council approves the 2025/26 adjustment budget as set- out in the following tables
  - Table B1 Budget summary
  - Table B2 Budgeted Financial Performance (revenue and expenditure by standard classification)
  - Table B3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
  - Table B4 Budgeted Financial Performance (revenue and expenditure)
  - Table B5 Budgeted Capital expenditure by vote, standard classification and funding.
  - Table B6 Budgeted Financial position
  - Table B7 Budgeted Cash flows Table
  - Table B8 Cash backed reserves / accumulated surplus reconciliation.

**The comments on mid- year budget and performance assessment by Provincial Treasury be noted.**

**The Quality Certificate be approved.**

## SECTION 4- EXECUTIVE SUMMARY

A Mid-Year Budget Performance Report was tabled in Council on the 23<sup>rd</sup> of January 2026. This report highlighted the financial and non-financial performance of the Municipality for the first half of the financial year. In this report certain recommendations had been made based on the financial performance of the Municipality. These recommendations and additional trends that had been analysed and have been considered when drafting this adjustments budget. In addition to this, the economic climate, both internal and external, was considered.

### As per Table B Adjustment budget -2026/02/28

KZN254 Dannhauser - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjus. 6	Total Adjus. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	46,713	-	-	-	-	-	2,025	2,025	48,738	46,928	47,134
Service charges	2,154	-	-	-	-	-	-	-	2,154	2,164	2,173
Investment revenue	1,500	-	-	-	-	-	-	-	1,500	1,507	1,514
Transfers recognised - operational	128,259	-	-	-	-	-	(1,871)	(1,871)	126,388	128,849	129,416
Other own revenue	3,675	-	-	-	-	-	91	91	3,766	3,692	3,708
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>182,301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>244</b>	<b>182,545</b>	<b>183,139</b>	<b>183,945</b>
Employee costs	33,625	-	-	-	-	-	19,729	19,729	53,353	33,762	34,348
Remuneration of councillors	12,707	-	-	-	-	-	3,049	3,049	15,756	12,765	12,822
Depreciation & asset impairment	35,000	-	-	-	-	-	-	-	35,000	35,782	36,561
Finance charges	5,300	-	-	-	-	-	(2,000)	(2,000)	3,300	5,544	5,788
Inventory consumed and bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	68,803	-	-	-	-	-	3,091	3,091	71,894	70,303	70,787
<b>Total Expenditure</b>	<b>155,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,869</b>	<b>23,869</b>	<b>179,304</b>	<b>158,156</b>	<b>160,306</b>
<b>Surplus/(Deficit)</b>	<b>26,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,624)</b>	<b>(23,624)</b>	<b>3,241</b>	<b>24,983</b>	<b>23,639</b>
Transfers and subsidies - capital (monetary allocations)	37,345	-	-	-	-	-	(727)	(727)	36,618	37,517	37,682
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>

The Municipality is largely dependent on government grants for its operations and the small portion generated from property rates and services. The municipality surplus for the year has been revised to **R39.8 million** post-adjustment compared to the initial projection of **R64.2 million** as per table B1.

## Detailed operating revenue and expenditure budget adjustments proposal

### OPERATING REVENUE FRAMEWORK

The detailed operating revenue budget is further outlined below:

KZN254 Dannhauser - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	46,713	-	-	-	-	-	2,025	2,025	48,738	46,928	47,134
Service charges	2,154	-	-	-	-	-	-	-	2,154	2,164	2,173
Investment revenue	1,500	-	-	-	-	-	-	-	1,500	1,507	1,514
Transfers recognised - operational	128,259	-	-	-	-	-	(1,871)	(1,871)	126,388	128,849	129,416
Other own revenue	3,675	-	-	-	-	-	91	91	3,766	3,692	3,708
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>182,301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>244</b>	<b>182,545</b>	<b>183,139</b>	<b>183,945</b>

### The following revenue items have been adjusted:

- Municipal revenue has been adjusted based on income trends and billing for the first six months.
  - Property rates** have been adjusted upwards by **R2 million** following a supplementary valuation roll updates.
- The approved **Disaster grant rollover** is **R10 523 million** and therefore it's has been adjusted downwards from **R11 250 million** which was on the original budget.
- The municipality has received **R500 thousands municipality employment initiation** in the form of the grant from Cogta.
- Other revenue** includes the following items – Library lost books, traffic fines, vehicle licences, prodiba, driver licence card, photocopies, cemetery fees, sundry income, rental land and building, clearance certificate and insurance claim. The following items were adjusted Traffic fines has been adjusted upwards from the original budget of **R 300 thousand** to **R 1 million**. Vehicle licences have been adjusted downwards from the original budget of **R 2.3 million** to **R 353 thousand**. Driver licence card has been adjusted upwards from the original budget **R200 thousand** to **R 917 thousand**. Rental land and building have been adjusted from the original budget **R 22 thousand** to **R 66 thousand rands**.
- Library Grant** was adjusted according to Dora the original budget was R **R3.4 million** adjusted downwards to **R 2.5 million**.

# Expenditure Budget Adjustment Proposal

KZN254 Dannhauser - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28	
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
<b>R thousands</b>												
Employee costs	33,625	-	-	-	-	-	19,729	19,729	53,353	33,762	34,348	
Remuneration of councillors	12,707	-	-	-	-	-	3,049	3,049	15,756	12,765	12,822	
Depreciation & asset impairment	35,000	-	-	-	-	-	-	-	35,000	35,782	36,561	
Finance charges	5,300	-	-	-	-	-	(2,000)	(2,000)	3,300	5,544	5,788	
Inventory consumed and bulk purchases	-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure	68,803	-	-	-	-	-	3,091	3,091	71,894	70,303	70,787	
<b>Total Expenditure</b>	<b>155,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,869</b>	<b>23,869</b>	<b>179,304</b>	<b>158,156</b>	<b>160,306</b>	

## The following expenditure items have been adjusted

**Employee Related Cost** increased by **R19 729 million**. This adjustment is based on actual spending over the last six months and primarily due to the hiring of caretakers and casual workers.

**Councillors Allowances** has been adjusted upwards by **R3 049 million** due to backpay of Councillors.

**Finance charges** have been adjusted downwards by **R2 million** as the results payment arrangements.

**Other expenditure** has been adjusted upwards by **R3 091 million** based on actual spending over the last seven months and also to avoid unauthorised expenditure.

## Repairs and Maintenance

KZN254 Dannhauser - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28	
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
<b>Asset Management</b>												
Asset register summary (WDV)	397,197	-	-	-	-	-	117,944	117,944	515,141	484,421	572,030	
Depreciation	20,000	-	-	-	-	-	-	-	20,000	20,092	20,180	
Renewal and Upgrading of Existing Assets	6,750	-	-	-	-	-	(3,520)	(3,520)	3,230	6,926	7,101	
Repairs and Maintenance	20,075	-	-	-	-	-	(6,382)	(6,382)	13,693	20,819	21,563	

Repairs and maintenance have been adjusted downwards by **R6.382 million**. Based on the actual spending over the last seven months and the municipality financial constraints.

## DETAILED CAPITAL EXPENDITURE INFORMATION as per table B5

KZN254 Dannhauser - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2025/02/28

Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Capital Expenditure - Functional</b>												
<i>Governance and administration</i>		4,435	-	-	-	-	-	(60)	(60)	4,375	4,455	4,475
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		4,435	-	-	-	-	-	(60)	(60)	4,375	4,455	4,475
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		78,650	-	-	-	-	-	(23,232)	(23,232)	55,418	79,157	79,650
Planning and development		78,650	-	-	-	-	-	(23,232)	(23,232)	55,418	79,157	79,650
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		3,815	-	-	-	-	-	(2,093)	(2,093)	1,722	3,913	4,004
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		3,815	-	-	-	-	-	(2,093)	(2,093)	1,722	3,913	4,004
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	86,901	-	-	-	-	-	(25,385)	(25,385)	61,515	87,525	88,129

The approved capital budget was **R86 901** million and adjusted downwards by **R35 345** million to **R 61 515** million due to the following factors:

- Disaster capital budget has been adjusted in accordance with the approved rollover.

	Final Budget 2025/26	Movements	Adjusted Budget 2025/26
<b>CAPITAL EXPENDITURE 2025/2026</b>			
MUNICIPAL INFRASTRUCTURE GRANT	23,000,012.00	3,094,988.00	26,095,000.00
DISASTER GRANT	11,250,000.00	- 727,230.00	10,522,770.00
INTERNALLY FUNDED ASSETS	52,650,988.00	- 27,753,482.00	24,897,506.00
<b>TOTAL</b>	<b>86,901,000.00</b>	<b>- 25,385,724.00</b>	<b>61,515,276.00</b>

- Internal capital projects have been revised downwards by **R 27 753** million due to the municipality cash flow constraints and low collection rate on revenue.



## **QUALITY CERTIFICATE**

I **Mandlenkosi Sidwell Sithole** Municipal Manager of Dannhauser local municipality, hereby certify that the Adjustment Budget [Section 28(2) (b)] for 2025/2026 financial year has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: **Mandlenkosi Sidwell Sithole**

Signature  \_\_\_\_\_

# Municipal adjustments budgets & supporting tables

mSCOA Version 6.9

[Click for Instructions!](#)

[Accountability](#)

[Transparency](#)

[Information &  
service delivery](#)



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**Contact details:**

Technical enquiries to the MFMA Helpline at:  
[lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za)

Data submission enquiries:  
Electronic documents: [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za)  
Queries on formats: [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za)

KZN254 Dannhauser - Table B1 Adjustments Budget Summary - 2025/02/28

Description	2025/26									Budget Year 2026/27	Budget Year 2027/28
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	46,713	-	-	-	-	-	2,025	2,025	48,738	46,928	47,134
Service charges	2,154	-	-	-	-	-	-	-	2,154	2,164	2,173
Investment revenue	1,500	-	-	-	-	-	-	-	1,500	1,507	1,514
Transfers recognised - operational	128,259	-	-	-	-	-	(1,871)	(1,871)	126,388	128,849	129,416
Other own revenue	3,675	-	-	-	-	-	91	91	3,766	3,692	3,708
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>182,301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>244</b>	<b>182,545</b>	<b>183,139</b>	<b>183,945</b>
Employee costs	33,625	-	-	-	-	-	19,729	19,729	53,353	33,762	34,348
Remuneration of councillors	12,707	-	-	-	-	-	3,049	3,049	15,756	12,765	12,822
Depreciation & asset impairment	35,000	-	-	-	-	-	-	-	35,000	35,782	36,561
Finance charges	5,300	-	-	-	-	-	(2,000)	(2,000)	3,300	5,544	5,788
Inventory consumed and bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	68,803	-	-	-	-	-	3,091	3,091	71,894	70,303	70,787
<b>Total Expenditure</b>	<b>155,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,869</b>	<b>23,869</b>	<b>179,304</b>	<b>158,156</b>	<b>160,306</b>
<b>Surplus/(Deficit)</b>	<b>26,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,624)</b>	<b>(23,624)</b>	<b>3,241</b>	<b>24,983</b>	<b>23,639</b>
Transfers and subsidies - capital (monetary allocations)	37,345	-	-	-	-	-	(727)	(727)	36,618	37,517	37,682
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>86,901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,385)</b>	<b>(25,385)</b>	<b>61,515</b>	<b>87,525</b>	<b>88,129</b>
Transfers recognised - capital	24,750	-	-	-	-	-	11,868	11,868	36,618	24,864	24,973
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	52,645	-	-	-	-	-	(27,747)	(27,747)	24,897	53,112	53,565
<b>Total sources of capital funds</b>	<b>77,395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,880)</b>	<b>(15,880)</b>	<b>61,515</b>	<b>77,976</b>	<b>78,538</b>
<b>Financial position</b>											
Total current assets	102,409	-	-	-	-	-	(95,321)	(95,321)	7,088	114,175	119,397
Total non current assets	615,838	-	-	-	-	-	(12,330)	(12,330)	603,508	703,063	790,671
Total current liabilities	128,957	-	-	-	-	-	(64,504)	(64,504)	64,453	171,913	208,383
Total non current liabilities	35,961	-	-	-	-	-	1,005	1,005	36,966	35,961	35,961
Community wealth/Equity	<b>553,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(43,114)</b>	<b>(43,114)</b>	<b>510,465</b>	<b>610,070</b>	<b>666,433</b>
<b>Cash flows</b>											
Net cash from (used) operating	345,315	-	-	-	-	-	(266,811)	(266,811)	78,504	353,261	361,178
Net cash from (used) investing	(86,901)	-	-	-	-	-	25,385	25,385	(61,515)	(90,898)	(94,897)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>278,093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240,380)</b>	<b>(240,380)</b>	<b>37,712</b>	<b>436,293</b>	<b>595,831</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	146,335	-	-	-	-	-	(147,678)	(147,678)	(1,342)	181,766	212,786
Application of cash and investments	155,060	-	-	-	-	-	(102,740)	(102,740)	52,319	237,030	319,072
<b>Balance - surplus (shortfall)</b>	<b>(8,725)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(44,937)</b>	<b>(44,937)</b>	<b>(53,662)</b>	<b>(55,264)</b>	<b>(106,286)</b>
<b>Asset Management</b>											
Asset register summary (WDV)	397,197	-	-	-	-	-	117,944	117,944	515,141	484,421	572,030
Depreciation	20,000	-	-	-	-	-	-	-	20,000	20,092	20,180
Renewal and Upgrading of Existing Assets	6,750	-	-	-	-	-	(3,520)	(3,520)	3,230	6,926	7,101
Repairs and Maintenance	20,075	-	-	-	-	-	(6,382)	(6,382)	13,693	20,819	21,563
<b>Free services</b>											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

KZN254 Dannhauser - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2025/02/28

Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
<b>Exchange Revenue</b>												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	2,154	-	-	-	-	-	-	-	2,154	2,164	2,173
Sale of Goods and Rendering of Services		374	-	-	-	-	-	-	-	374	376	378
Agency services		200	-	-	-	-	-	718	718	918	201	202
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		1,500	-	-	-	-	-	-	-	1,500	1,507	1,514
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		23	-	-	-	-	-	44	44	67	23	23
Special Rating Levies		-	-	-	-	-	-	-	-	-	-	-
Licence and permits		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		100	-	-	-	-	-	100	100	200	100	101
<b>Non-Exchange Revenue</b>												
Property rates	2	46,713	-	-	-	-	-	2,025	2,025	48,738	46,928	47,134
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		301	-	-	-	-	-	753	753	1,054	302	303
Licences or permits		2,677	-	-	-	-	-	(2,024)	(2,024)	653	2,690	2,701
Transfer and subsidies - Operational		128,259	-	-	-	-	-	(1,871)	(1,871)	126,388	128,849	129,416
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	500	500	500	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>182,301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>244</b>	<b>182,545</b>	<b>183,139</b>	<b>183,945</b>
<b>Expenditure By Type</b>												
Employee related costs		33,625	-	-	-	-	-	19,729	19,729	53,353	33,762	34,348
Remuneration of councillors		12,707	-	-	-	-	-	3,049	3,049	15,756	12,765	12,822
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		-	-	-	-	-	-	-	-	-	-	-
Debt impairment		-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		35,000	-	-	-	-	-	-	-	35,000	35,782	36,561
Interest		5,300	-	-	-	-	-	(2,000)	(2,000)	3,300	5,544	5,788
Contracted services		39,072	-	-	-	-	-	(3,186)	(3,186)	35,886	40,103	40,121
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	164	164	164	-	-
Operational costs		29,731	-	-	-	-	-	6,113	6,113	35,844	30,200	30,666
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>155,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,869</b>	<b>23,869</b>	<b>179,304</b>	<b>158,156</b>	<b>160,306</b>
<b>Surplus/(Deficit)</b>		<b>26,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,624)</b>	<b>(23,624)</b>	<b>3,241</b>	<b>24,983</b>	<b>23,639</b>
Transfers and subsidies - capital (monetary allocations)		37,345	-	-	-	-	-	(727)	(727)	36,618	37,517	37,682
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	1	<b>64,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,352)</b>	<b>(24,352)</b>	<b>39,859</b>	<b>62,500</b>	<b>61,321</b>

KZN254 Dannhauser - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2025/02/28

Description	Ref	2025/26									Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	2026/27	2027/28
		A	5	6	7	8	9	10	11	12	Adjusted Budget	Adjusted Budget	
R thousands													
<b>Capital expenditure - Vote</b>													
<b>Multi-year expenditure to be adjusted</b>	2												
Vote 1 - MAYOR & COUNCIL		-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - HUMAN RESOURCES: CORPORATE SERVICES OFFICE		-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - FINANCE: DEFAULT OFFICE		-	-	-	-	-	-	-	-	-	-	-	
Vote 4 - PROJECT MANAGEMENT UNIT: TECHNICAL SERVICES OF		-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - SOLID WASTE REMOVAL: COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - MUNICIPAL MANAGER OFFICES		-	-	-	-	-	-	-	-	-	-	-	
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	
<b>Capital multi-year expenditure sub-total</b>	3	-	-	-	-	-	-	-	-	-	-	-	
<b>Single-year expenditure to be adjusted</b>	2												
Vote 1 - MAYOR & COUNCIL		-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - HUMAN RESOURCES: CORPORATE SERVICES OFFICE		3,430	-	-	-	-	-	(220)	(220)	3,210	3,446	3,461	
Vote 3 - FINANCE: DEFAULT OFFICE		1,005	-	-	-	-	-	160	160	1,165	1,010	1,014	
Vote 4 - PROJECT MANAGEMENT UNIT: TECHNICAL SERVICES OF		78,650	-	-	-	-	-	(23,232)	(23,232)	55,418	79,157	79,650	
Vote 5 - SOLID WASTE REMOVAL: COMMUNITY SERVICES		3,815	-	-	-	-	-	(2,093)	(2,093)	1,722	3,913	4,004	
Vote 6 - MUNICIPAL MANAGER OFFICES		-	-	-	-	-	-	-	-	-	-	-	
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	
<b>Capital single-year expenditure sub-total</b>		86,901	-	-	-	-	-	(25,385)	(25,385)	61,515	87,525	88,129	
<b>Total Capital Expenditure - Vote</b>		86,901	-	-	-	-	-	(25,385)	(25,385)	61,515	87,525	88,129	
<b>Capital Expenditure - Functional</b>													
<b>Governance and administration</b>		4,435	-	-	-	-	-	(60)	(60)	4,375	4,455	4,475	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	
Finance and administration		4,435	-	-	-	-	-	(60)	(60)	4,375	4,455	4,475	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-	-	-	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		78,650	-	-	-	-	-	(23,232)	(23,232)	55,418	79,157	79,650	
Planning and development		78,650	-	-	-	-	-	(23,232)	(23,232)	55,418	79,157	79,650	
Road transport		-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		3,815	-	-	-	-	-	(2,093)	(2,093)	1,722	3,913	4,004	
Energy sources		-	-	-	-	-	-	-	-	-	-	-	
Water management		-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	
Waste management		3,815	-	-	-	-	-	(2,093)	(2,093)	1,722	3,913	4,004	
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	
<b>Total Capital Expenditure - Functional</b>	3	86,901	-	-	-	-	-	(25,385)	(25,385)	61,515	87,525	88,129	
<b>Funded by:</b>													
National Government		13,500	-	-	-	-	-	12,595	12,595	26,095	13,562	13,622	
Provincial Government		11,250	-	-	-	-	-	(727)	(727)	10,523	11,302	11,351	
District Municipality		-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	
<b>Transfers recognised - capital</b>	4	24,750	-	-	-	-	-	11,868	11,868	36,618	24,864	24,973	
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-	
<b>Internally generated funds</b>		52,645	-	-	-	-	-	(27,747)	(27,747)	24,897	53,112	53,565	
<b>Total Capital Funding</b>		77,395	-	-	-	-	-	(15,880)	(15,880)	61,515	77,976	78,538	

KZN254 Dannhauser - Table B6 Adjustments Budget Financial Position - 2025/02/28

Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>ASSETS</b>												
<b>Current assets</b>												
Cash and cash equivalents		146,335	-	-	-	-	-	(147,678)	(147,678)	(1,342)	181,766	212,786
Trade and other receivables from exchange transactions	1	(3,183)	-	-	-	-	-	(7,027)	(7,027)	(10,210)	(8,169)	(13,266)
Receivables from non-exchange transactions	1	18,448	-	-	-	-	-	161	161	18,609	16,200	11,994
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		970	-	-	-	-	-	-	-	970	970	970
VAT		(66,361)	-	-	-	-	-	62,747	62,747	(3,614)	(89,498)	(112,728)
Other current assets		6,200	-	-	-	-	-	(3,525)	(3,525)	2,675	12,906	19,641
<b>Total current assets</b>		<b>102,409</b>	-	-	-	-	-	<b>(95,321)</b>	<b>(95,321)</b>	<b>7,088</b>	<b>114,175</b>	<b>119,397</b>
<b>Non current assets</b>												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		8,794	-	-	-	-	-	507	507	9,301	8,794	8,794
Property, plant and equipment	3	606,619	-	-	-	-	-	(12,837)	(12,837)	593,782	693,844	781,452
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		106	-	-	-	-	-	-	-	106	106	106
Intangible assets		-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		319	-	-	-	-	-	-	-	319	319	319
<b>Total non current assets</b>		<b>615,838</b>	-	-	-	-	-	<b>(12,330)</b>	<b>(12,330)</b>	<b>603,508</b>	<b>703,063</b>	<b>790,671</b>
<b>TOTAL ASSETS</b>		<b>718,247</b>	-	-	-	-	-	<b>(107,651)</b>	<b>(107,651)</b>	<b>610,596</b>	<b>817,237</b>	<b>910,068</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		5,196	-	-	-	-	-	-	-	5,196	5,196	5,196
Consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions		121,578	-	-	-	-	-	(75,121)	(75,121)	46,458	207,050	286,231
Trade and other payables from non-exchange transactions		1,636	-	-	-	-	-	10,124	10,124	11,760	(40,880)	(83,590)
Provisions		547	-	-	-	-	-	407	407	954	547	547
VAT		(0)	-	-	-	-	-	86	86	86	(0)	(0)
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>128,957</b>	-	-	-	-	-	<b>(64,504)</b>	<b>(64,504)</b>	<b>64,453</b>	<b>171,913</b>	<b>208,383</b>
<b>Non current liabilities</b>												
Borrowing	1	15,342	-	-	-	-	-	(3,443)	(3,443)	11,899	15,342	15,342
Provisions	1	13,006	-	-	-	-	-	3,410	3,410	16,415	13,006	13,006
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		7,613	-	-	-	-	-	1,038	1,038	8,651	7,613	7,613
<b>Total non current liabilities</b>		<b>35,961</b>	-	-	-	-	-	<b>1,005</b>	<b>1,005</b>	<b>36,966</b>	<b>35,961</b>	<b>35,961</b>
<b>TOTAL LIABILITIES</b>		<b>164,918</b>	-	-	-	-	-	<b>(63,499)</b>	<b>(63,499)</b>	<b>101,419</b>	<b>207,874</b>	<b>244,344</b>
<b>NET ASSETS</b>	2	<b>553,329</b>	-	-	-	-	-	<b>(44,152)</b>	<b>(44,152)</b>	<b>509,177</b>	<b>609,364</b>	<b>665,723</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		553,579	-	-	-	-	-	(43,114)	(43,114)	510,465	610,070	666,433
Funds and Reserves		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>553,579</b>	-	-	-	-	-	<b>(43,114)</b>	<b>(43,114)</b>	<b>510,465</b>	<b>610,070</b>	<b>666,433</b>

KZN254 Dannhauser - Table B7 Adjustments Budget Cash Flows - 2025/02/28

Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		46,713	-	-	-	-	-	2,025	2,025	48,738	48,862	51,012
Service charges		2,154	-	-	-	-	-	-	-	2,154	2,253	2,352
Other revenue		71,765	-	-	-	-	-	(54,705)	(54,705)	17,060	74,931	78,097
Transfers and Subsidies - Operational	1	246,611	-	-	-	-	-	(120,123)	(120,123)	126,488	252,993	259,357
Transfers and Subsidies - Capital	1	37,345	-	-	-	-	-	(727)	(727)	36,618	39,063	40,782
Interest		-	-	-	-	-	-	1,500	1,500	1,500	-	-
Dividends		-	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>												
Suppliers and employees		(59,273)	-	-	-	-	-	(94,781)	(94,781)	(154,054)	(64,840)	(70,422)
Finance charges		-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>345,315</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(266,811)</b>	<b>(266,811)</b>	<b>78,504</b>	<b>353,261</b>	<b>361,178</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>												
Capital assets		(86,901)	-	-	-	-	-	25,385	25,385	(61,515)	(90,898)	(94,897)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(86,901)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,385</b>	<b>25,385</b>	<b>(61,515)</b>	<b>(90,898)</b>	<b>(94,897)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>258,414</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(241,425)</b>	<b>(241,425)</b>	<b>16,989</b>	<b>262,363</b>	<b>266,280</b>
Cash/cash equivalents at the year begin:	2	19,679	-	-	-	-	-	1,045	1,045	20,724	173,930	329,550
Cash/cash equivalents at the year end:	2	278,093	-	-	-	-	-	(240,380)	(240,380)	37,712	436,293	595,831

KZN254 Dannhauser - Table B8 Cash backed reserves/accumulated surplus reconciliation - 2025/02/28

Description	Ref	2025/26									Budget Year 2026/27	Budget Year 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	278,093	-	-	-	-	-	(240,380)	(240,380)	37,712	436,293	595,831
Other current investments > 90 days		(131,758)	-	-	-	-	-	92,703	92,703	(39,055)	(254,527)	(383,045)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>146,335</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(147,678)</b>	<b>(147,678)</b>	<b>(1,342)</b>	<b>181,766</b>	<b>212,786</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		1,636	-	-	-	-	-	10,124	10,124	11,760	(40,880)	(83,590)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		66,361	-	-	-	-	-	(62,661)	(62,661)	3,700	89,498	112,728
Other working capital requirements	2	86,516	-	-	-	-	-	(50,610)	(50,610)	35,905	187,865	289,387
Other provisions		547	-	-	-	-	-	407	407	954	547	547
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>155,060</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(102,740)</b>	<b>(102,740)</b>	<b>52,319</b>	<b>237,030</b>	<b>319,072</b>
<b>Surplus(shortfall)</b>		<b>(8,725)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(44,937)</b>	<b>(44,937)</b>	<b>(53,662)</b>	<b>(55,264)</b>	<b>(106,286)</b>

DANNHAUSER LOCAL MUNICIPALITY (KZN - 254)

8 Church Street  
Private bag X1011  
Dannhauser  
3080



Telephone: (034) 621 2666

Facsimile: (034) 621 3114

E-Mail:  
municipalmanager@dannhauser.gov.za

**EXTRACT OF MINUTES OF A SPECIAL COUNCIL MEETING HELD ON FRIDAY, 06 MARCH 2026 AS IT COMMENCED AT 09:00 HYBRID, VIRTUAL (MICRO SOFT TEAMS) AND PHYSICAL (COUNCIL CHAMBER, 8 CHURCH STREET)**

**PRESENT:**

Cllr MT Mabaso	-	Speaker
Cllr BA Radebe	-	Mayor
Cllr BTD Langa	-	Deputy Mayor
Cllr SEC Kunene	-	Member of Exco
Cllr RN Made	-	Member of Exco
Cllr S Nzuzo	-	Member of Exco
Cllr MS Mkhumane	-	Whip of Council
Cllr GV Ngcane		
Cllr M Kunene		
Cllr MJ Nkabinde		
Cllr N Mthembu		
Cllr XM Nkosi		
Cllr MP Mathebula		
Cllr SW Ndlela		
Cllr KB Khanye		
Cllr CMF Maphisa		
Cllr MS Mthembu		
Cllr SE Myaka		
Cllr BS Sikhakhane		
Cllr FR Simelane		
Cllr EN Buthelezi		
Cllr RS Langa		
Cllr NP Khumalo		
Cllr D Makhaza		
Cllr TS Msibi		

**OFFICIALS:**

Mr. MS Sithole	-	Municipal Manager
Mr. EV Mdlalose	-	Chief Financial Officer
Mrs. N Shangase	-	Director Corporate Services
Mrs. LP Gcabashe	-	Director Technical Services
Mr. S Nkabinde	-	Director Planning and Economic Development
Mr. M Ngwabe	-	Director Community Services
Mr. Mdlalose	-	Manager: Office of the MM
Ms. L Mthethwa	-	Acting Manager IDP/PMS
Mr. S Nkosi	-	Manager Legal Services
Mr. S Cele	-	Chief Executive Auditor

---

**SC/2026-03-06/8.1**

**APPROVAL OF THE 2025/2026 ADJUSTMENT BUDGET AND 2025/2026 REVISED SDBIP**

*His worship the mayor tabled the 2025/2026 adjustment budget*

**RESOLVED THAT**

- (a) The council approved the revised Adjustment budget for 2025/2026 financial year.
- (b) The council approved the 2025/2026 Revised Service Delivery Budget and Implementation Plan.
- (c) The 2025/2026 Revised Service Delivery Budget and Implementation Plan be circulated to relevant stakeholders, be published to municipal website and print media, for public participation processes.

*Cllr BA Radebe moved, seconded by Cllr BTD Langa.*

**NOTE:**

**CERTIFIED A TRUE EXTRACT OF THE ORIGINAL MINUTES.**



---

**HONORABLE SPEAKER  
CLLR MT MABASO**

.....  
**DATE**