



George Municipality

Adjustments Budget

2025/2026

24 November 2025

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Glossary

Act – means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act – no 53 of 2003. The principal piece of legislation relating to municipal financial management.
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 – Spending on the day-to-day expenses of the Municipality such as salaries and wages.
Own Revenue – Means total revenue as reflected in the municipality's financial performance budget less national and provincial conditional transfers.
Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget 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.
Virement – A transfer of budget.
Virement Policy - The policy that sets out the rules for budget transfers. Varmints are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
Vote – One of the main segments into which a budget is divided, usually at directorate / department level.

Part 1 – Adjustments Budget

Mayors' Report

Today, I have the privilege of introducing the Adjustments Budget for the 2025/2026 financial year. This item is brought before Council in accordance with Section 28(2)(b) of the Municipal Finance Management Act, following the outcome of our roll-over applications to National and Provincial Treasury.

The adjustment budget before you are not simply a technical exercise. It is a reflection of our ongoing commitment to responsible governance and to the people of George. The partial approval of our roll-over applications by both National and Provincial Treasury allows us to continue with critical projects that are already underway, ensuring that no momentum is lost in delivering essential services and infrastructure improvements.

We are acutely aware that every rand allocated through these grants comes with specific conditions. As your new Executive Mayor, I want to assure Council and our residents that we are fully committed to upholding these conditions. Our administration will ensure that all projects funded through these grants are implemented with the highest standards of compliance, transparency, and accountability. This is not only a legal obligation—it is a moral one, as these projects directly impact the quality of life for our community.

We will continue to work closely with all stakeholders to ensure that every project delivers tangible benefits to the residents of George. Where challenges arise, we will act swiftly and responsibly, always guided by the principles of good governance and the best interests of our people.

I invite Council to support the adoption of this adjustment budget so that we may continue to build a city that is resilient, inclusive, and prosperous for all.

1. Foreword

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Section 28(2)(e) prescribes as follows:

“An adjustment budget-

may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council.”

Municipal Budget and Reporting Regulations (MBRR)

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations stipulates in:

Regulation 23 (5):

“An adjustments budget-

referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.”

The National Treasury Municipal SCOA Circular No. 13

stipulates furthermore the following:

“5.3 (f) To ensure continuity of the project whether the roll-over is approved or not, a municipality must allocate an alternative funding source (other than grant funding) to the project during the annual budget process until the roll-over has been approved.”

1.1 Background

To submit to Council an Adjustments Budget for approval as prescribed in Section 28(2)(b) of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003) and the Municipal Budget and Reporting Regulations to accommodate changes in grant funding.

1.2 Council Resolutions

On 24 November 2025, the Council of George Municipality approved the adjustments budget. Council approved the following resolutions:

- (a) That the Operating Budget for 2025/2026 be adjusted to reflect as per Annexure “F”;
- (b) That the Capital Budget for 2025/2026 be adjusted to reflect as per Annexure “E”;
- (c) that the Service Delivery and Budget Implementation Plan (SDBIP) be amended.

1.3 Executive Summary

MOTIVATION: ADDITIONAL TRANSFERS / ROLL OVER APPLICATION

In terms of Regulation 23(3), George Municipality submitted an application to the National Treasury for the roll-over of unspent conditional grants for the 2024/2025 financial year. Partial approval was granted by the National Treasury on 22 October 2025, authorising the utilisation of these funds in the 2025/2026 budget. Refer to Annexure “A” for the official approval letter.

In accordance with Regulation 23(3), George Municipality also applied to the Provincial Treasury for the roll-over of unspent conditional grants for the 2024/2025 financial year. Partial approval was granted by the Provincial Treasury on 13 November 2025, permitting the use of these funds in the 2025/2026 budget. Refer to Annexure “C” for the official approval letter. Furthermore, in line with Regulation 23(3), George Municipality received an additional allocation of **R120 000** from the Garden Route District Municipality for Safe

PUBLIC TRANSPORT NETWORK GRANT (PTNG)

George Municipality received a Public Transport Network Grant (PTNG) allocation of **R505 million** in April 2024. Supply Chain Management (SCM) processes and contractor appointments were finalised by June 2024. By 30 June 2024, **R55 million** had been spent, after which the Municipality submitted a rollover request for the remaining **R450 million**, which was subsequently approved by the National Treasury.

During the 2024/2025 financial year, the Municipality incurred additional expenditure of **R266 million**, bringing cumulative spending on the PTNG to **R321 million**. The remaining balance of **R184 million** was fully committed, and the Municipality applied for a second rollover of these funds; however, this application was declined.

The second PTNG rollover request was submitted to National Treasury (NT) on **31 August 2025**. In correspondence dated **22 October 2025**, NT confirmed that the rollover request for the **R185 million** was declined. George Municipality submitted an appeal on **28 October 2025**, which NT again declined in a letter dated **12 November 2025**. Refer to Annexure “B” for the official letter of decline.

Despite the declined rollover, the Municipality has already contractually committed the related projects based on prior guidance from NT. As a result, the Municipality must continue funding the GIPTN projects until the February adjustments budget provides an opportunity to amend the capital budget. This process will enable officials to develop further strategies to address the resulting funding shortfall, which may include delaying the implementation of certain projects.

Annexure “E” outlines the financing required to sustain implementation of the committed GIPTN projects until February 2026, when the capital budget will be reprioritised. It also identifies the projects that will be placed on hold pending further efforts to secure additional grant funding.

TABLE A: NATIONAL TREASURY ROLL-OVER GRANTS

Provincial Treasury roll-overs	2025/26	Proposed	2025/26
	Adjustments Budget - Aug 2025		Adjustments Budget - Nov 2025
Title Deeds Restoration Grant	1 086 000	70 525	1 156 525
Integrated Transport Planning	656 000	377 760	1 033 760
Municipal Accreditation and Capacity Building Grant	0	412 420	412 420
George Integrated Public Transport Network(GIPTN)	263 075 000	5 363 375	268 438 375

TABLE B: PROVINCIAL TREASURY ROLL-OVER GRANTS

National Treasury roll-overs	2025/26	Proposed	2025/26
	Adjustments Budget - Aug 2025		Adjustments Budget - Nov 2025
Public Transport Network Grant (PTNG)	250 300 000	222 006 904	472 306 904
Municipal Disaster Recovery Grant	0	18 253 574	18 253 574

TABLE C: PROVINCIAL TREASURY ROLL-OVER GRANTS

Garden Route District Municipality - additional allocation	2025/26	Proposed	2025/26
	Adjustments Budget - Aug 2025		Adjustments Budget - Nov 2025
Safety Plan Project	0	120 000	120 000

TABLE D: CAPITAL BUDGET FUNDING

Capital Funding	2025/26	Proposed	2025/26
	Adjustments Budget - Aug 2025		Adjustments Budget - Nov 2025
Capital Replacement Reserve (CRR)	222 303 854	0	222 303 854
External Financing Fund (EFF)	604 302 472	0	604 302 472
Grants	143 105 719	210 066 914	353 172 633
Total	969 712 045	210 066 914	1 179 778 959

The 2025/26 Capital budget increased from R969 712 045 to R1 179 778 959.

See Annexure “F” for Operational adjustments.

The rollover approval received from the Provincial Treasury, together with the additional allocation from the Garden Route District Municipality, has a direct impact on the operational budget. In addition, the amendments made to the Capital Budget result in corresponding changes to the revenue component of the operational budget.

Part 2 – Adjustments Budget Schedules

2.1 – Legislative Framework

The Municipal Budget and Reporting Regulations (MBRR) stipulates that,

21. *“An adjustments budget and supporting documentation of a Municipality must be in the format specified in Schedule B ...”*

The objective of the MBRR is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

2.2 – Adjustments Budget Schedules

Only those schedules that are affected by the adjustments budget is included in this document.

Table 1 – B1: Budget Summary

WC044 George - Table B1 Adjustments Budget Summary -

Description	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
R thousands												
Financial Performance												
Property rates	511 915	511 915	–	–	–	–	–	–	511 915	537 510	564 386	
Service charges	1 896 616	1 896 616	–	–	–	–	–	–	1 896 616	2 066 483	2 253 066	
Investment revenue	32 395	32 395	–	–	–	–	–	–	32 395	33 853	35 376	
Transfers recognised - operational	765 031	765 031	–	–	–	–	(28 656)	(28 656)	736 375	692 750	769 021	
Other own revenue	663 733	663 733	–	–	–	–	–	–	663 733	689 971	711 006	
Total Revenue (excluding capital transfers and contributions)	3 869 689	3 869 689	–	–	–	–	(28 656)	(28 656)	3 841 033	4 020 567	4 332 855	
Employee costs	866 553	874 496	–	–	–	–	1 432	1 432	875 929	911 473	963 256	
Remuneration of councillors	32 676	32 676	–	–	–	–	0	0	32 676	34 309	36 025	
Depreciation & asset impairment	371 027	371 027	–	–	–	–	–	–	371 027	394 557	414 249	
Finance charges	69 770	69 770	–	–	–	–	–	–	69 770	73 258	76 921	
Inventory consumed and bulk purchases	1 334 579	1 329 517	–	–	–	–	104	104	1 329 621	1 453 038	1 584 061	
Transfers and subsidies	105 770	107 166	–	–	–	–	–	–	107 166	105 706	111 510	
Other expenditure	1 126 967	1 122 690	–	–	–	–	4 792	4 792	1 127 482	1 069 365	1 153 454	
Total Expenditure	3 907 341	3 907 341	–	–	–	–	6 328	6 328	3 913 669	4 041 706	4 339 475	
Surplus/(Deficit)	(37 652)	(37 652)	–	–	–	–	(34 984)	(34 984)	(72 636)	(21 139)	(6 621)	
Transfers and subsidies - capital (monetary allocations)	119 582	119 582	–	–	–	–	275 260	275 260	394 843	78 696	77 369	
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) after capital transfers & contributions	81 931	81 931	–	–	–	–	240 276	240 276	322 207	57 557	70 748	
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	
Surplus/ (Deficit) for the year	81 931	81 931	–	–	–	–	240 276	240 276	322 207	57 557	70 748	
Capital expenditure & funds sources												
Capital expenditure	907 018	969 712	–	–	–	–	210 067	210 067	1 179 779	767 731	638 776	
Transfers recognised - capital	143 106	143 106	–	–	–	–	210 067	210 067	353 173	67 301	66 147	
Borrowing	563 940	604 302	–	–	–	–	–	–	604 302	500 430	382 984	
Internally generated funds	199 973	222 304	–	–	–	–	–	–	222 304	200 000	189 645	
Total sources of capital funds	907 018	969 712	–	–	–	–	210 067	210 067	1 179 779	767 731	638 776	
Financial position												
Total current assets	2 126 529	2 066 493	–	–	–	–	–	–	2 066 493	2 454 247	2 732 651	
Total non current assets	6 811 897	6 874 590	–	–	–	–	210 067	210 067	7 084 657	7 282 105	7 613 499	
Total current liabilities	1 593 930	1 616 246	–	–	–	–	(31 606)	(31 606)	1 584 640	1 942 838	2 278 096	
Total non current liabilities	1 605 469	1 605 469	–	–	–	–	–	–	1 605 469	1 996 931	2 203 521	
Community wealth/Equity	5 739 027	5 739 027	–	–	–	–	240 276	240 276	5 979 303	5 796 584	5 864 532	
Cash flows												
Net cash from (used) operating	533 290	533 290	–	–	–	–	(0)	(0)	533 290	165 044	112 697	
Net cash from (used) investing	(907 018)	(969 712)	–	–	–	–	–	–	(969 712)	(767 731)	(638 776)	
Net cash from (used) financing	490 432	489 748	–	–	–	–	–	–	489 748	422 840	269 017	
Cash/cash equivalents at the year end	809 896	746 518	–	–	–	–	(0)	(0)	746 518	566 672	309 609	
Cash backing/surplus reconciliation												
Cash and investments available	817 673	754 980	–	–	–	–	–	–	754 980	587 916	292 548	
Application of cash and investments	659 742	681 449	–	–	–	–	(33 258)	(33 258)	648 191	599 149	456 104	
Balance - surplus (shortfall)	157 931	73 530	–	–	–	–	33 258	33 258	106 788	(11 232)	(163 556)	
Asset Management												
Asset register summary (WDV)	6 299 244	6 361 938	–	–	–	–	210 067	210 067	6 572 005	6 769 453	7 100 846	
Depreciation	266 128	266 128	–	–	–	–	–	–	266 128	284 414	298 598	
Renewal and Upgrading of Existing Assets	491 454	560 504	–	–	–	–	219 525	219 525	780 029	398 748	355 121	
Repairs and Maintenance	–	–	–	–	–	–	(188)	(188)	(188)	–	–	
Free services												
Cost of Free Basic Services provided	207 662	207 662	–	–	–	–	–	–	207 662	220 539	230 511	
Revenue cost of free services provided	49 981	49 981	–	–	–	–	–	–	49 981	52 480	55 104	
Households below minimum service level												
Water:	–	–	–	–	–	–	–	–	–	–	–	
Sanitation/sewage:	–	–	–	–	–	–	–	–	–	–	–	
Energy:	–	–	–	–	–	–	–	–	–	–	–	
Refuse:	–	–	–	–	–	–	–	–	–	–	–	

Table 2 – B2: Financial Performance (Functional classification)

WC044 George - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. D	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Functional													
<i>Governance and administration</i>		597 745	596 851	-	-	-	-	120	120	596 971	626 179	657 256	
Executive and council		5	5	-	-	-	-	-	-	5	5	5	
Finance and administration		597 740	596 846	-	-	-	-	120	120	596 966	626 174	657 251	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		216 228	217 770	-	-	-	-	483	483	218 253	191 529	239 866	
Community and social services		24 311	25 853	-	-	-	-	-	-	25 853	11 917	12 449	
Sport and recreation		37 320	37 320	-	-	-	-	-	-	37 320	40 020	42 463	
Public safety		103 030	103 030	-	-	-	-	-	-	103 030	107 667	112 512	
Housing		51 375	51 375	-	-	-	-	483	483	51 858	31 725	72 232	
Health		192	192	-	-	-	-	-	-	192	200	209	
<i>Economic and environmental services</i>		666 776	666 776	-	-	-	-	246 002	246 002	912 777	603 385	629 095	
Planning and development		29 712	29 712	-	-	-	-	-	-	29 712	31 735	29 482	
Road transport		636 878	636 878	-	-	-	-	246 002	246 002	882 880	571 457	599 410	
Environmental protection		185	185	-	-	-	-	-	-	185	194	202	
<i>Trading services</i>		2 507 803	2 507 204	-	-	-	-	(499)	(499)	2 506 705	2 677 607	2 883 419	
Energy sources		1 348 613	1 348 613	-	-	-	-	-	-	1 348 613	1 491 978	1 650 258	
Water management		598 511	598 511	-	-	-	-	-	-	598 511	611 312	630 945	
Waste water management		309 694	309 694	-	-	-	-	-	-	309 694	310 729	325 737	
Waste management		250 985	250 386	-	-	-	-	(499)	(499)	249 887	263 588	276 479	
<i>Other</i>		719	671	-	-	-	-	-	-	671	563	589	
Total Revenue - Functional	2	3 989 271	3 989 271	-	-	-	-	246 105	246 105	4 235 377	4 099 263	4 410 224	
Expenditure - Functional													
<i>Governance and administration</i>		636 723	635 370	-	-	-	-	122	122	635 492	638 123	708 934	
Executive and council		78 620	78 590	-	-	-	-	0	0	78 590	82 617	86 828	
Finance and administration		495 876	494 553	-	-	-	-	122	122	494 675	511 595	537 287	
Internal audit		62 228	62 228	-	-	-	-	-	-	62 228	43 911	84 819	
<i>Community and public safety</i>		310 447	311 916	-	-	-	-	480	480	312 397	319 329	333 023	
Community and social services		56 318	57 915	-	-	-	-	15	15	57 930	57 797	60 529	
Sport and recreation		43 233	43 018	-	-	-	-	3	3	43 021	44 915	46 678	
Public safety		156 785	156 679	-	-	-	-	(20)	(20)	156 659	163 786	171 405	
Housing		44 785	44 978	-	-	-	-	483	483	45 461	43 096	44 244	
Health		9 326	9 326	-	-	-	-	-	-	9 326	9 737	10 168	
<i>Economic and environmental services</i>		729 612	729 469	-	-	-	-	5 741	5 741	735 210	693 033	735 476	
Planning and development		58 608	58 581	-	-	-	-	30	30	58 611	61 581	65 355	
Road transport		663 214	663 237	-	-	-	-	5 741	5 741	668 978	623 352	661 697	
Environmental protection		7 790	7 651	-	-	-	-	(30)	(30)	7 621	8 100	8 425	
<i>Trading services</i>		2 210 438	2 210 547	-	-	-	-	(15)	(15)	2 210 532	2 370 366	2 540 225	
Energy sources		1 214 907	1 215 660	-	-	-	-	-	-	1 215 660	1 336 924	1 471 800	
Water management		505 491	505 491	-	-	-	-	-	-	505 491	518 378	531 638	
Waste water management		332 612	332 912	-	-	-	-	-	-	332 912	351 954	367 116	
Waste management		157 428	156 484	-	-	-	-	(15)	(15)	156 469	163 110	169 671	
<i>Other</i>		20 121	20 039	-	-	-	-	-	-	20 039	20 855	21 817	
Total Expenditure - Functional	3	3 907 341	3 907 341	-	-	-	-	6 328	6 328	3 913 669	4 041 706	4 339 475	
Surplus/ (Deficit) for the year		81 931	81 931	-	-	-	-	239 777	239 777	321 707	57 557	70 748	

Table 3 – B3: Financial Performance (revenue and expenditure by municipal vote)

WC044 George - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description [Insert departmental structure etc] R thousands	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 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		
		A	A1	B	C	D	E	F	G	H			
Revenue by Vote	1												
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		8 167	7 453	-	-	-	-	-	-	7 453	7 643	7 947	
Vote 3 - Community Services		309 724	310 667	-	-	-	-	(100)	(100)	310 567	312 664	328 406	
Vote 4 - Civil Engineering Services		918 256	918 256	-	-	-	-	18 254	18 254	936 510	924 817	959 932	
Vote 5 - Electrotechnical Services		1 348 613	1 348 613	-	-	-	-	-	-	1 348 613	1 491 978	1 650 258	
Vote 6 - Financial Services		584 754	584 574	-	-	-	-	-	-	584 574	613 496	643 802	
Vote 7 - Planning And Development		87 748	87 700	-	-	-	-	483	483	88 183	70 157	108 636	
Vote 8 - Community Safety & Mobility		732 010	732 010	-	-	-	-	227 868	227 868	959 878	678 509	711 242	
Total Revenue by Vote	2	3 989 271	3 989 271	-	-	-	-	246 505	246 505	4 235 776	4 099 263	4 410 224	
Expenditure by Vote	1												
Vote 1 - Office of the Municipal Manager		31 634	31 634	-	-	-	-	-	-	31 634	33 007	34 447	
Vote 2 - Corporate Services		216 217	215 503	-	-	-	-	0	0	215 503	225 137	236 141	
Vote 3 - Community Services		253 431	254 396	-	-	-	-	-	-	254 396	262 367	273 385	
Vote 4 - Civil Engineering Services		894 525	894 525	-	-	-	-	-	-	894 525	921 976	953 513	
Vote 5 - Electrotechnical Services		1 239 351	1 239 403	-	-	-	-	-	-	1 239 403	1 362 642	1 499 376	
Vote 6 - Financial Services		238 974	238 794	-	-	-	-	-	-	238 794	240 584	251 852	
Vote 7 - Planning And Development		154 343	154 220	-	-	-	-	483	483	154 703	139 789	185 582	
Vote 8 - Community Safety & Mobility		878 865	878 865	-	-	-	-	5 845	5 845	884 711	856 205	905 179	
Total Expenditure by Vote	2	3 907 341	3 907 341	-	-	-	-	6 328	6 328	3 913 669	4 041 706	4 339 475	
Surplus/ (Deficit) for the year	2	81 931	81 931	-	-	-	-	240 176	240 176	322 107	57 557	70 748	

Table 4 – B4: Financial Performance (revenue and expenditure)

WC044 George - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	1 272 286	1 272 286	–	–	–	–	–	–	1 272 286	1 410 965	1 564 760
Service charges - Water	2	242 591	242 591	–	–	–	–	–	–	242 591	254 691	267 438
Service charges - Waste Water Management	2	200 295	200 295	–	–	–	–	–	–	200 295	210 310	220 826
Service charges - Waste Management	2	181 444	181 444	–	–	–	–	–	–	181 444	190 516	200 042
Sale of Goods and Rendering of Services		156 916	156 916	–	–	–	–	–	–	156 916	168 384	173 987
Agency services		21 653	21 653	–	–	–	–	–	–	21 653	22 628	23 646
Interest		–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		23 368	23 368	–	–	–	–	–	–	23 368	24 536	25 763
Interest earned from Current and Non Current Assets		32 395	32 395	–	–	–	–	–	–	32 395	33 853	35 376
Dividends		–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		5 680	5 680	–	–	–	–	–	–	5 680	5 935	6 202
Special rating levies		–	–	–	–	–	–	–	–	–	–	–
Licence and permits		847	847	–	–	–	–	–	–	847	885	925
Operational Revenue		80 857	80 857	–	–	–	–	–	–	80 857	84 584	88 560
Non-Exchange Revenue												
Property rates	2	511 915	511 915	–	–	–	–	–	–	511 915	537 510	564 386
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		98 076	98 076	–	–	–	–	–	–	98 076	102 489	107 101
Licences or permits		4 565	4 565	–	–	–	–	–	–	4 565	4 771	4 985
Transfer and subsidies - Operational		765 031	765 031	–	–	–	–	(28 656)	(28 656)	736 375	692 750	769 021
Interest		–	–	–	–	–	–	–	–	–	–	–
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		24 377	24 377	–	–	–	–	–	–	24 377	25 891	27 469
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Gains		247 394	247 394	–	–	–	–	–	–	247 394	249 868	252 367
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		3 869 689	3 869 689	–	–	–	–	(28 656)	(28 656)	3 841 033	4 020 567	4 332 855
Expenditure By Type												
Employee related costs		866 553	874 496	–	–	–	–	1 432	1 432	875 929	911 473	963 256
Remuneration of councillors		32 676	32 676	–	–	–	–	0	0	32 676	34 309	36 025
Bulk purchases - electricity		987 428	987 428	–	–	–	–	–	–	987 428	1 099 205	1 223 635
Inventory consumed		347 151	342 088	–	–	–	–	104	104	342 193	353 833	360 426
Debt impairment		104 898	104 898	–	–	–	–	–	–	104 898	110 143	115 650
Depreciation and amortisation		266 128	266 128	–	–	–	–	–	–	266 128	284 414	298 598
Interest		69 770	69 770	–	–	–	–	–	–	69 770	73 258	76 921
Contracted services		873 085	868 883	–	–	–	–	4 984	4 984	873 867	811 405	887 200
Transfers and subsidies		105 770	107 166	–	–	–	–	–	–	107 166	105 706	111 510
Irrecoverable debts written off		11 854	11 854	–	–	–	–	–	–	11 854	12 447	13 069
Operational costs		191 413	191 338	–	–	–	–	(192)	(192)	191 146	194 392	201 552
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		50 615	50 615	–	–	–	–	–	–	50 615	51 121	51 632
Total Expenditure		3 907 341	3 907 341	–	–	–	–	6 328	6 328	3 913 669	4 041 706	4 339 475
Surplus/(Deficit)		(37 652)	(37 652)	–	–	–	–	(34 984)	(34 984)	(72 636)	(21 139)	(6 621)
Transfers and subsidies - capital (monetary allocations)		119 582	119 582	–	–	–	–	275 260	275 260	394 843	78 696	77 369
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation		81 931	81 931	–	–	–	–	240 276	240 276	322 207	57 557	70 748
Income Tax		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		81 931	81 931	–	–	–	–	240 276	240 276	322 207	57 557	70 748
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		81 931	81 931	–	–	–	–	240 276	240 276	322 207	57 557	70 748
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–
Intercompany /Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	1	81 931	81 931	–	–	–	–	240 276	240 276	322 207	57 557	70 748

Table 5 – B5: Capital Expenditure Budget by vote and funding

WC044 George - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 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		
R thousands	A	A1	B	C	D	E	F	G	H				
Capital expenditure - Vote													
Multi-year expenditure to be adjusted	2												
Vote 1 - Office of the Municipal Manager		90	90	–	–	–	–	–	–	90	70	35	
Vote 2 - Corporate Services		4 692	6 107	–	–	–	–	–	–	6 107	4 656	3 906	
Vote 3 - Community Services		33 626	35 258	–	–	–	–	–	–	35 258	33 368	27 993	
Vote 4 - Civil Engineering Services		666 799	739 226	–	–	–	–	235 773	235 773	975 000	532 049	455 158	
Vote 5 - Electrotechnical Services		140 552	122 992	–	–	–	–	(25 706)	(25 706)	97 286	140 578	117 406	
Vote 6 - Financial Services		24 783	24 965	–	–	–	–	–	–	24 965	19 569	3 789	
Vote 7 - Planning And Development		17 052	21 523	–	–	–	–	–	–	21 523	20 493	14 490	
Vote 8 - Community Safety & Mobility		19 423	19 550	–	–	–	–	–	–	19 550	16 947	16 000	
Capital multi-year expenditure sub-total	3	907 018	969 712	–	–	–	–	210 067	210 067	1 179 779	767 731	638 776	
Single-year expenditure to be adjusted	2												
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	
Vote 2 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	
Vote 3 - Community Services		–	–	–	–	–	–	–	–	–	–	–	
Vote 4 - Civil Engineering Services		–	–	–	–	–	–	–	–	–	–	–	
Vote 5 - Electrotechnical Services		–	–	–	–	–	–	–	–	–	–	–	
Vote 6 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	
Vote 7 - Planning And Development		–	–	–	–	–	–	–	–	–	–	–	
Vote 8 - Community Safety & Mobility		–	–	–	–	–	–	–	–	–	–	–	
Capital single-year expenditure sub-total	–	–	–	–	–	–	–	–	–	–	–	–	
Total Capital Expenditure - Vote		907 018	969 712	–	–	–	–	210 067	210 067	1 179 779	767 731	638 776	
Capital Expenditure - Functional													
Governance and administration		40 896	46 249	–	–	–	–	60	60	46 309	38 560	22 358	
Executive and council		15	15	–	–	–	–	–	–	15	35	15	
Finance and administration		40 826	46 173	–	–	–	–	60	60	46 233	38 490	22 323	
Internal audit		55	60	–	–	–	–	–	–	60	35	20	
Community and public safety		30 082	30 454	–	–	–	–	(490)	(490)	29 964	29 755	27 520	
Community and social services		3 660	3 480	–	–	–	–	(490)	(490)	2 990	8 600	3 550	
Sport and recreation		6 230	6 657	–	–	–	–	–	–	6 657	2 900	10 820	
Public safety		15 752	15 877	–	–	–	–	–	–	15 877	10 755	11 700	
Housing		840	840	–	–	–	–	–	–	840	1 950	300	
Health		3 600	3 600	–	–	–	–	–	–	3 600	5 550	1 150	
Economic and environmental services		197 041	273 862	–	–	–	–	237 123	237 123	510 986	207 419	171 967	
Planning and development		11 212	12 411	–	–	–	–	–	–	12 411	18 023	10 722	
Road transport		185 829	261 451	–	–	–	–	237 123	237 123	498 574	189 396	161 245	
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	
Trading services		638 999	618 934	–	–	–	–	(26 626)	(26 626)	592 307	491 477	415 331	
Energy sources		140 552	122 992	–	–	–	–	(25 706)	(25 706)	97 286	140 578	117 406	
Water management		232 825	223 159	–	–	–	–	–	–	223 159	138 066	138 347	
Waste water management		243 772	250 519	–	–	–	–	(1 410)	(1 410)	249 109	197 313	150 278	
Waste management		21 850	22 263	–	–	–	–	490	490	22 753	15 520	9 300	
Other		–	213	–	–	–	–	–	–	213	520	1 600	
Total Capital Expenditure - Functional	3	907 018	969 712	–	–	–	–	210 067	210 067	1 179 779	767 731	638 776	
Funded by:													
National Government		142 410	142 410	–	–	–	–	210 067	210 067	352 477	67 301	66 147	
Provincial Government		696	696	–	–	–	–	–	–	696	–	–	
District Municipality		–	–	–	–	–	–	–	–	–	–	–	
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Deparlm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	
Transfers recognised - capital	4	143 106	143 106	–	–	–	–	210 067	210 067	353 173	67 301	66 147	
Borrowing		563 940	604 302	–	–	–	–	–	–	604 302	500 430	382 984	
Internally generated funds		199 973	222 304	–	–	–	–	–	–	222 304	200 000	189 645	
Total Capital Funding		907 018	969 712	–	–	–	–	210 067	210 067	1 179 779	767 731	638 776	

Table 6 – B6: Statement of Financial Position

WC044 George - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoids.	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		809 896	747 202	–	–	–	–	–	–	747 202	629 231	382 168	
Trade and other receivables from exchange transactions	1	159 213	159 213	–	–	–	–	–	–	159 213	293 394	436 075	
Receivables from non-exchange transactions	1	7 777	7 777	–	–	–	–	–	–	7 777	(41 314)	(89 620)	
Current portion of non-current receivables	2	2 958	2 958	–	–	–	–	–	–	2 958	3 056	3 160	
Inventory		136 182	138 840	–	–	–	–	–	–	138 840	143 597	146 406	
VAT		966 269	966 269	–	–	–	–	–	–	966 269	1 381 584	1 808 855	
Other current assets		44 234	44 234	–	–	–	–	–	–	44 234	44 699	45 607	
Total current assets		2 126 529	2 066 493	–	–	–	–	–	–	2 066 493	2 454 247	2 732 651	
Non current assets													
Investments		–	–	–	–	–	–	–	–	–	–	–	–
Investment property		143 418	143 418	–	–	–	–	–	–	143 418	143 246	143 064	
Property, plant and equipment	3	6 657 653	6 720 347	–	–	–	–	209 532	209 532	6 929 878	7 128 034	7 459 609	
Biological assets		–	–	–	–	–	–	–	–	–	–	–	
Living and non-living resources		–	–	–	–	–	–	–	–	–	–	–	
Heritage assets		4 236	4 236	–	–	–	–	–	–	4 236	4 236	4 236	
Intangible assets		6 528	6 528	–	–	–	–	535	535	7 063	6 528	6 528	
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–	–	
Non-current receivables from non-exchange transactions		61	61	–	–	–	–	–	–	61	61	61	
Other non-current assets		–	–	–	–	–	–	–	–	–	–	–	
Total non current assets		6 811 897	6 874 590	–	–	–	–	210 067	210 067	7 084 657	7 282 105	7 613 499	
TOTAL ASSETS		8 938 426	8 941 083	–	–	–	–	210 067	210 067	9 151 150	9 736 353	10 346 149	
LIABILITIES													
Current liabilities													
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–	–
Financial liabilities		85 749	85 407	–	–	–	–	342	342	85 749	106 308	173 735	
Consumer deposits		45 936	45 491	–	–	–	–	103	103	45 594	55 936	60 936	
Trade and other payables from exchange transactions		733 861	755 384	–	–	–	–	209 621	209 621	965 005	724 071	625 225	
Trade and other payables from non-exchange transactions		91 331	92 727	–	–	–	–	(246 485)	(246 485)	(153 757)	89 217	89 737	
Provisions		104 057	104 241	–	–	–	–	4 812	4 812	109 053	109 757	116 699	
VAT		532 996	532 996	–	–	–	–	–	–	532 996	857 548	1 211 764	
Other current liabilities		–	–	–	–	–	–	–	–	–	–	–	
Total current liabilities		1 593 930	1 616 246	–	–	–	–	(31 606)	(31 606)	1 584 640	1 942 838	2 278 096	
Non current liabilities													
Borrowing	1	1 328 644	1 328 644	–	–	–	–	–	–	1 328 644	1 720 107	1 926 697	
Provisions	1	67 567	67 567	–	–	–	–	–	–	67 567	67 567	67 567	
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–	–	
Other non-current liabilities		209 258	209 258	–	–	–	–	–	–	209 258	209 258	209 258	
Total non current liabilities		1 605 469	1 605 469	–	–	–	–	–	–	1 605 469	1 996 931	2 203 521	
TOTAL LIABILITIES		3 199 399	3 221 715	–	–	–	–	(31 606)	(31 606)	3 190 109	3 939 769	4 481 617	
NET ASSETS	2	5 739 027	5 719 369	–	–	–	–	–	241 673	241 673	5 961 041	5 796 584	5 864 532
COMMUNITY WEALTH/EQUITY													
Accumulated Surplus/(Deficit)		5 415 591	5 415 591	–	–	–	–	240 276	240 276	5 655 867	5 373 148	5 341 096	
Funds and Reserves		323 436	323 436	–	–	–	–	–	–	323 436	423 436	523 436	
Other		–	–	–	–	–	–	–	–	–	–	–	
TOTAL COMMUNITY WEALTH/EQUITY		5 739 027	5 739 027	–	–	–	–	–	240 276	240 276	5 979 303	5 796 584	5 864 532

Table 7 – B7: Cashflow Statement

WC044 George - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2025/26										Budget Year +1 2026/27	Budget Year +2 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					
		3	4	5	6	7	8	9	10	A	B	C	D	E	F	G
R thousands																
CASH FLOW FROM OPERATING ACTIVITIES																
Receipts																
Property rates		547 846	547 846	–	–	–	–	–	–	547 846	536 016	561 249				
Service charges		2 303 190	2 303 190	–	–	–	–	–	–	2 303 190	2 245 684	2 453 479				
Other revenue		366 949	366 949	–	–	–	–	–	–	366 949	378 705	391 473				
Transfers and Subsidies - Operational	1	833 785	833 785	–	–	–	–	–	–	833 785	702 750	779 021				
Transfers and Subsidies - Capital	1	85 828	85 828	–	–	–	–	–	–	85 828	65 896	64 569				
Interest		32 395	32 395	–	–	–	–	–	–	32 395	33 853	35 376				
Dividends		–	–	–	–	–	–	–	–	–	–	–				
Payments																
Suppliers and employees		(3 468 761)	(3 468 761)	–	–	–	–	(0)	(0)	(3 468 761)	(3 608 593)	(3 973 020)				
Finance charges		(70 813)	(70 813)	–	–	–	–	–	–	(70 813)	(84 247)	(88 459)				
Transfers and Subsidies	1	(97 129)	(97 129)	–	–	–	–	–	–	(97 129)	(105 019)	(110 991)				
NET CASH FROM/(USED) OPERATING ACTIVITIES		533 290	533 290	–	–	–	–	(0)	(0)	533 290	165 044	112 697				
CASH FLOWS FROM INVESTING ACTIVITIES																
Receipts																
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–				
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–				
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–				
Payments																
Capital assets		(907 018)	(969 712)	–	–	–	–	–	–	(969 712)	(767 731)	(638 776)				
NET CASH FROM/(USED) INVESTING ACTIVITIES		(907 018)	(969 712)	–	–	–	–	–	–	(969 712)	(767 731)	(638 776)				
CASH FLOWS FROM FINANCING ACTIVITIES																
Receipts																
Short term loans		–	–	–	–	–	–	–	–	–	–	–				
Borrowing long term/refinancing		563 940	563 940	–	–	–	–	–	–	563 940	500 430	382 984				
Increase (decrease) in consumer deposits		(476)	(818)	–	–	–	–	–	–	(818)	10 818	(5 000)				
Payments																
Repayment of borrowing		(73 031)	(73 373)	–	–	–	–	–	–	(73 373)	(88 408)	(108 967)				
NET CASH FROM/(USED) FINANCING ACTIVITIES		490 432	489 748	–	–	–	–	–	–	489 748	422 840	269 017				
NET INCREASE/ (DECREASE) IN CASH HELD		116 704	53 327	–	–	–	–	(0)	(0)	53 327	(179 847)	(257 063)				
Cash/cash equivalents at the year begin:	2	693 192	693 192	–	–	–	–	–	–	693 192	746 518	566 672				
Cash/cash equivalents at the year end:	2	809 896	746 518	–	–	–	–	(0)	(0)	746 518	566 672	309 609				

Municipal Manager's Quality Certificate

I, **Mr Godfrey Louw**, the Municipal Manager of George Municipality hereby certify that the adjustments budget and supporting documentation for the 2025/26 Financial Year have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print Name

Mr Godfrey Louw

Municipal Manager of

GEORGE WC044

Signature



Date

11/12/2025