



George Municipality

Adjustments Budget 2025/2026 22 May 2026

Table of Contents

Glossary.....3

Part 1 – Adjustments Budget5

 1. Mayors’ Report.....5

 2. Background.....8

 3. Council resolutions.....9

 4. Executive Summary9

Part 2 – Adjustments Budget Schedules.....13

 2.1 – Legislative Framework13

 2.2 – Adjustments Budget Schedules13

Municipal Manager’s Quality Certificate.....21

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.

<p>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.</p>
<p>Virement – A transfer of budget.</p>
<p>Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.</p>
<p>Vote – One of the main segments into which a budget is divided, usually at directorate / department level.</p>

Part 1 – Adjustments Budget

1. Mayors' Report

Good morning, Speaker, Deputy Executive Mayor, Chief Whip, Aldermen, Councillors, and to our extraordinary official, Acting Municipal Manager, Directors.

This morning, I rise to table the 2025/2026 Adjustments Budget in terms of Section 28(2) of the MFMA, to provide for unforeseen and unavoidable expenditure.

This is not a routine budget adjustment. It is the result of two extraordinary events that have placed significant financial pressure on George Municipality.

The first is the collapse of the Public Transport Network Grant, or PTNG, funding process at national level.

Councillors, the work funded under this grant has been legitimately committed and is being implemented in full compliance with the grant conditions. George Municipality was not identified as a poor performer. On the contrary, because of our strong delivery record and our ability to spend funding responsibly and efficiently, we were identified as a municipality deserving of additional reallocated funding.

I want to make this absolutely clear: we are not in this position because George Municipality failed to spend the money. George Municipality is known as a municipality that delivers. We are trusted with investment because we spend public funds responsibly and for their intended purpose — to build, maintain, and improve infrastructure for the benefit of our residents.

The challenge arose because the annual “stop-and-reallocate” gazette process at national level was not approved. This is a process that, in previous years, was routine.

As part of that process, the Department of Transport transferred R244 million to George Municipality on 27 March 2026 in anticipation of the approval being granted. However, when the gazette was ultimately not signed, we were instructed to return those funds.

This came after National Treasury had already declined our rollover application of R183.3 million relating to PTNG funding from the 2023/2024 financial year. These funds were not unspent because of negligence or poor planning. Large infrastructure projects naturally span multiple financial years.

Now, Mr Speaker, Councillors, and residents, George Municipality remains the only local municipality in South Africa operating a fully functional Bus Rapid Transit system through the Go George network. A system that transports thousands of residents safely and reliably every single day. A system that works so effectively that we are already planning future expansion into other towns within our municipal area, such as Uniondale.

Yet despite proven performance, municipalities like George now face the prospect of losing billions in national transport funding because National Treasury has decided to scale down the PTNG programme as part of a broader response to underperforming projects elsewhere in the country.

What this effectively means is that municipalities with functioning systems — municipalities that have demonstrated delivery, accountability, and proper financial management — are now carrying the consequences of failures in other parts of the country.

Treasury has indicated that the PTNG allocation will be reduced by R8.4 billion over the next three years, with funding being redirected primarily toward passenger rail initiatives.

Now, Mr Speaker, there is an old saying: “If it is not broken, do not fix it.”

But increasingly, it appears that successful local government is expected to do more with less, while failing systems continue to absorb larger allocations without delivering the same outcomes to residents.

It is difficult to explain to residents why functioning systems must be weakened while communities that rely on reliable public transport continue to grow. More difficult still is explaining why municipalities that consistently deliver are expected to absorb the financial consequences of underperformance elsewhere.

I implore you to ask yourselves: where is the much-publicised GO!Durban system today? Where is the Gqeberha bus system that residents were promised?

Across the country, billions have been allocated to transport projects that remain plagued by delays, uncertainty, and ongoing operational failures. In many places, residents are still waiting for the delivery that was promised years ago.

But here in George, we do not need presentations and promises to show progress — we can see it outside every single day. We see buses operating. We see residents using a system that works. We see roads upgraded, infrastructure improved, and public funds spent exactly where they were intended to be spent.

Yet today, municipalities like George — municipalities that have demonstrated delivery, accountability, and proper financial management — are effectively being penalised because others have failed to meet the same standard.

It is difficult to explain to residents why success must now subsidise failure.

As a municipality, we actively engaged with National Treasury and the Department of Transport to find a solution. On 4 February 2026, we met directly with both institutions and received assurance that the funding would be allocated through the stop-and-reallocate process. That assurance is what led to the R244 million transfer being made in March.

However, the process was later halted at national level when the gazette was not approved.

Councillors, the result is clear: projects that are already underway and contractually committed must now be funded from the municipality's own resources.

As a municipality, we cannot simply stop projects halfway through construction. Doing so would be even more costly and would directly affect service delivery to our residents. While we did not create this problem, we now have the

responsibility to manage its consequences responsibly and ensure that our communities do not suffer because of failures elsewhere in government.

National processes may have failed, but we cannot, we will not and our responsibility to residents cannot fail.

When other systems falter, municipalities still have a duty to keep services running. We simply cannot allow our communities to carry the burden of delays and failures beyond their control.

The second driver of this adjustments budget is the severe storm events experienced during May 2026.

Heavy rainfall, flooding, thunderstorms, and damaging winds caused widespread disruption across our municipal area and parts of the Western Cape. Tragically, lives were lost, homes and infrastructure were damaged, and many residents were left without access to essential services such as electricity and water.

Mr Speaker, before I continue, I would like to pause for a moment of silence in honour of those who lost their lives during this disaster, and to extend our deepest condolences to their families and loved ones.

PAUSE FOR MOMENT OF SILENCE

Thank you.

On 9 May 2026, Minister Bongani Sithole, in his capacity as Head of the National Disaster Management Centre, formally classified these events as a national disaster in terms of Section 23 of the Disaster Management Act.

The impact on our communities was severe. Residents lost loved ones, homes, roofs over their heads, and access to basic services. In moments like these, municipalities must respond quickly, decisively, and compassionately.

We are therefore allocating R38.3 million for the immediate emergency repair and reconstruction of damaged infrastructure. Additional damage assessments are still underway and will form part of our applications to provincial and national government for disaster relief funding.

Despite these pressures, George Municipality remains financially stable and committed to responsible financial management. This adjustments budget ensures that we remain compliant, responsive, and capable of continuing to deliver services to our residents.

In summary, Speaker:

- The capital budget is adjusted downward by R95.2 million, from R1.259 billion to R1.164 billion, mainly due to the shift from grant funding to municipal own funding.
- Operating expenditure increases by R11.1 million, after offsetting costs through savings identified in other operational areas.
- On 14 May 2026, I authorised this unforeseen and unavoidable expenditure in terms of Section 29(1) of the MFMA. This adjustments budget is now tabled within the required 60-day period prescribed by Section 29(3) of the Act.

Councillors, this adjustments budget is not about choice — it is about responsibility.

It is about protecting projects that are already underway, responding to a declared national disaster, maintaining service delivery, and ensuring that George Municipality remains financially compliant and operationally resilient despite circumstances beyond our control.

I hereby table the adjustments budget for 2025/26.

2. Background

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

In terms of Section 28(2)(c) of the MFMA - An adjustments budget-

(2)(c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;

Furthermore, the Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Section 29(1) prescribes as follows:

In terms of Section 29(1) of the MFMA the mayor of a municipal may in emergency or exceptional circumstances authorize unforeseen and unavoidable expenditure for which no provision was made in the approved budget.

Unforeseen and unavoidable expenditure

- 1) The mayor of a municipality may in emergency of other exceptional circumstances authorise unforeseen and unavoidable expenditure for which no made in an approved budget.
- 2) Any such expenditure-
 - a) Must be in accordance with any framework that may be prescribed;
 - b) May not exceed a prescribed percentage of the approved annual budget;
 - c) Must be reported by the mayor to the municipal council at its next meeting; and
 - d) Must be appropriated in an adjustments budget.
- 3) If such adjustments budget is not passed within 60 days after the expenditure was incurred, the expenditure is unauthorised and section 32 applies.”

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. (3):

“(3) If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.”

3. Council resolutions

On 22 May 2026, the Council of George Municipality met to consider the adjustments budget for approval. Council approved the following resolutions:

- (a) That Council grant approval for the Capital Budget and Operating Budget to be adjusted;
- (b) that the Service Delivery and Budget Implementation Plan (SDBIP) be amended accordingly; and
- (c) that the formal budget tables be updated with the adjustments and submitted to National and Provincial Government.

4. Executive Summary

George Municipality is currently faced with the non-approval of the Division of Revenue Act (DoRA) allocation by the Minister of Finance. The Municipality has received formal correspondence from the Department of Transport requesting the repayment of funds transferred to George Municipality following the non-approval of the submission for the 2025/26 Adjustment Gazette in terms of the Division of Revenue Act, 2025 (Act No. 2 of 2025), as amended by the Division of Revenue Amendment Act, 2025 (Act No. 12 of 2025).

Attached hereto as Annexure “A” is the approval by the Executive Mayor to incur unforeseeable and unavoidable expenditure.

Furthermore, Minister Dr Bongani Elias Sithole, in his capacity as Head of the National Disaster Management Centre, after consultation with various organs of state and Heads of Provincial Disaster Management Centres, classified the recent heavy rainfall, flooding, thunderstorms, and damaging surface winds, which resulted in loss of life, damage to property, infrastructure, and the environment, as well as the disruption of basic services from 4 May 2026, including in the Western Cape, as a national disaster. See Annexure “B” for the disaster classification notice.

George Municipality is required to respond urgently to the emergency repair and reconstruction of damaged infrastructure and will allocate R38.3 million as an immediate response to the damage incurred. Further assessments of infrastructure damage will be undertaken and will form part of the Municipality’s claim to Provincial and National Government for disaster relief funding.

5. 2025/2026 CAPITAL BUDGET ADJUSTMENTS

The 2025/26 Capital budget decreased from R1 259 307 524 to R1 164 114 344.

The table below lists the adjustments per Directorate:

Description	February Adjustment Budget 2025/2026	Adjustments	May Adjustment Budget 2025/2026
Civil Engineering Services	1 063 818 738	-80 581 920	983 236 818
Community Safety & Mobility	19 875 219	-716 526	19 158 693
Community Services	39 986 375	-34 200	39 952 175
Corporate Services	6 876 692	0	6 876 692
Electrotechnical Services	80 542 844	-6 856 635	73 686 209
Financial Services	31 155 813	-7 000 000	24 155 813
Office of the Municipal Manager	115 000	-3 899	111 101
Planning And Development	16 936 843	0	16 936 843
Total	1 259 307 524	-95 193 180	1 164 114 344

The table below indicates the effect of the adjustments on the funding of the 2025/26 Capital Adjustments budget:

Funding Source	February Adjustment Budget 2025/2026	Adjustments	May Adjustment Budget 2025/2026
Capital replacement reserve (CRR)	314 083 216	-21 034 646	293 048 570
External financing fund (EFF)	599 838 510	-95 528 169	504 310 341
Grants	345 385 798	21 369 635	366 755 433
Total	1 259 307 524	-95 193 180	1 164 114 344

6. 2025/2026 OPERATING BUDGET ADJUSTMENTS

The table below lists the estimated adjustments needed to the operating budget:

Description	February Adjustment Budget 2025/2026	Adjustments	May Adjustment Budget 2025/2026
Revenue			
Exchange Revenue			
Service Charges - Electricity	1 257 050 671	0	1 257 050 671
Service Charges - Water	250 330 071	0	250 330 071
Service Charges - Waste Water Management	203 900 452	0	203 900 452
Service Charges - Waste Management	185 272 977	0	185 272 977
Sales of Goods and Rendering of Services	144 527 860	0	144 527 860
Agency services	21 653 152	0	21 653 152
Interest earned from Receivables	31 038 204	0	31 038 204
Interest from Current and Non-Current Assets	65 000 000	13 700 000	78 700 000
Rental from Fixed Assets	5 679 512	0	5 679 512
Licences or permits	847 040	0	847 040
Operational Revenue	79 799 744	0	79 799 744
Non-Exchange Revenue			
Property rates	514 539 414	0	514 539 414
Fines, penalties and forfeits	98 275 957	0	98 275 957
Licences or permits	4 565 287	0	4 565 287
Transfers and subsidies - Operational	800 856 191	-22 121 064	778 735 127
Interest	5 721 580	0	5 721 580
Operational Revenue	27 911 481	0	27 911 481

Description	February Adjustment Budget 2025/2026	Adjustments	May Adjustment Budget 2025/2026
Gains on disposal of Assets	0	0	0
Other Gains	247 394 166	0	247 394 166
Total Revenue (excluding capital transfers and contributions)	3 944 363 759	-8 421 064	3 935 942 695
Expenditure By Type			
Employee related costs	870 966 562	-8 646 653	862 319 909
Remuneration of councillors	32 675 643	-91 100	32 584 543
Bulk purchases - electricity	946 966 118	-2 500 000	944 466 118
Inventory consumed	333 973 028	5 478 431	339 451 459
Debt impairment	104 898 151	0	104 898 151
Depreciation and amortisation	316 128 414	0	316 128 414
Interest	90 197 979	0	90 197 979
Contracted services	942 081 294	8 607 272	950 688 566
Transfers and subsidies	118 408 019	-1 189 868	117 218 151
Irrecoverable debts written off	11 854 229	0	11 854 229
Operational costs	198 622 972	9 410 451	208 033 423
Losses on Disposal of Assets	0	0	0
Other Losses	50 614 726	0	50 614 726
Total Expenditure	4 017 387 135	11 068 533	4 028 455 668
Surplus/(Deficit)	-73 023 376	-19 489 597	-92 512 973
Transfers and subsidies - capital (monetary allocations)	390 940 373	21 958 985	412 899 358
Surplus/ (Deficit) for the year	317 916 997	2 469 388	320 386 385

- The estimated impact of these adjustments will increase the operating expenditure budget by at R 11 068 533.

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 - 22/05/2026

Description	Budget Year 2025/26									Budget Year	Budget Year
	Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	511 915	514 539	-	-	-	-	-	-	514 539	537 510	564 386
Service charges	1 896 616	1 896 554	-	-	-	-	-	-	1 896 554	2 066 483	2 253 066
Investment revenue	32 395	65 000	-	-	-	13 700	-	13 700	78 700	33 853	35 376
Transfers recognised - operational	765 031	800 856	-	-	-	(22 121)	-	(22 121)	778 735	692 750	769 021
Other own revenue	663 733	667 414	-	-	-	-	-	-	667 414	689 971	711 006
contributions	3 869 689	3 944 364	-	-	-	(8 421)	-	(8 421)	3 935 943	4 020 567	4 332 855
Employee costs	866 553	871 782	-	-	-	(8 647)	(946)	(9 593)	862 189	911 473	963 256
Remuneration of councillors	32 676	32 676	-	-	-	(91)	-	(91)	32 585	34 309	36 025
Depreciation & asset impairment	371 027	421 027	-	-	-	-	-	-	421 027	394 557	414 249
Finance charges	69 770	90 198	-	-	-	-	-	-	90 198	73 258	76 921
Inventory consumed and bulk purchases	1 334 579	1 285 197	-	-	-	2 978	(5 261)	(2 283)	1 282 915	1 453 038	1 584 061
Transfers and subsidies	105 770	118 408	-	-	-	(1 190)	-	(1 190)	117 218	105 706	111 510
Other expenditure	1 126 967	1 198 099	-	-	-	17 518	6 708	24 225	1 222 325	1 072 682	1 156 870
Total Expenditure	3 907 341	4 017 387	-	-	-	10 569	500	11 069	4 028 456	4 045 023	4 342 891
Surplus/(Deficit)	(37 652)	(73 023)	-	-	-	(18 990)	(500)	(19 490)	(92 513)	(24 456)	(10 037)
Transfers and subsidies - capital (monetary)	119 582	390 940	-	-	-	21 959	-	21 959	412 899	78 696	77 369
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332
Capital expenditure & funds sources											
Capital expenditure	907 018	1 259 308	-	-	-	(139 107)	43 914	(95 193)	1 164 114	767 731	638 776
Transfers recognised - capital	143 106	345 386	-	-	-	21 370	-	21 370	366 755	67 301	66 147
Borrowing	563 940	599 839	-	-	-	(95 936)	408	(95 528)	504 310	500 430	382 984
Internally generated funds	199 973	314 083	-	-	-	(64 540)	43 506	(21 035)	293 049	200 000	189 645
Total sources of capital funds	907 018	1 259 308	-	-	-	(139 107)	43 914	(95 193)	1 164 114	767 731	638 776
Financial position											
Total current assets	2 126 529	1 674 824	-	-	-	(111 396)	(563 042)	(674 438)	1 000 386	972 299	644 524
Total non current assets	6 811 897	6 871 556	-	-	-	(139 107)	43 914	(95 193)	6 776 363	7 282 105	7 613 499
Total current liabilities	1 593 930	1 102 377	-	-	-	(407 398)	314 455	(92 943)	1 009 434	1 562 873	1 965 627
Total non current liabilities	1 605 469	1 879 470	-	-	-	-	(679 157)	(679 157)	1 200 313	1 217 905	1 180 588
Community wealth/Equity	5 739 027	5 564 533	-	-	-	2 969	(500)	2 469	5 567 002	5 473 626	5 111 807
Cash flows											
Net cash from (used) operating	533 290	786 297	-	-	-	(1 191 675)	764 682	(426 993)	359 304	(50 834)	(67 968)
Net cash from (used) investing	(907 018)	(1 446 083)	-	-	-	122 374	(15 022)	107 352	(1 338 732)	(882 890)	(734 593)
Net cash from (used) financing	490 432	(92 722)	-	-	-	738	-	738	(91 984)	(88 408)	(108 967)
Cash/cash equivalents at the year end	809 896	574 877	-	-	-	(1 068 564)	749 660	(318 904)	255 974	(370 161)	(1 281 689)
Cash backing/surplus reconciliation											
Cash and investments available	817 673	718 376	-	-	-	(288 239)	(104 877)	(393 116)	325 259	(736 985)	(1 642 751)
Application of cash and investments	659 742	351 155	-	-	-	(482 526)	765 646	283 120	634 275	411 166	285 375
Balance - surplus (shortfall)	157 931	367 221	-	-	-	194 287	(870 523)	(676 236)	(309 015)	(1 148 151)	(1 928 126)
Asset Management											
Asset register summary (WDV)	6 299 244	5 189 332	-	-	-	(139 107)	43 914	(95 193)	5 094 138	6 769 453	7 100 846
Depreciation	266 128	316 128	-	-	-	-	-	-	316 128	284 414	298 598
Renewal and Upgrading of Existing Assets	491 454	854 495	-	-	-	(113 722)	37 313	(76 410)	778 085	398 748	355 121
Repairs and Maintenance	243 291	262 374	-	-	-	1 118	1 280	2 398	264 772	242 601	251 537
Free services											
Cost of Free Basic Services provided	207 662	215 975	-	-	-	-	-	-	215 975	220 539	230 511
Revenue cost of free services provided	49 981	56 724	-	-	-	-	-	-	56 724	52 480	55 104
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

Table 2 – B2: Financial Performance (Functional classification)

WC044 George - Table B2 Adjustments Budget Financial Performance (functional classification) - 22/05/2026

Standard Description	Ref	Budget Year 2025/26									Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget	
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Functional													
Governance and administration		597 745	639 262	-	-	-	13 804	-	13 804	653 066	626 179	657 256	
Executive and council		5	5	-	-	-	-	-	-	5	5	5	
Finance and administration		597 740	639 258	-	-	-	13 804	-	13 804	653 061	626 174	657 251	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
Community and public safety		216 228	202 633	-	-	-	(35 000)	-	(35 000)	167 633	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	-	-	-	(35 000)	-	(35 000)	2 320	40 020	42 463	
Public safety		103 030	92 254	-	-	-	-	-	-	92 254	107 667	112 512	
Housing		51 375	47 015	-	-	-	-	-	-	47 015	31 725	72 232	
Health		192	192	-	-	-	-	-	-	192	200	209	
Economic and environmental services		666 776	974 193	-	-	-	(371)	-	(371)	973 822	603 385	629 095	
Planning and development		29 712	29 712	-	-	-	(139)	-	(139)	29 574	31 735	29 482	
Road transport		636 878	944 095	-	-	-	(232)	-	(232)	943 863	571 457	599 410	
Environmental protection		185	385	-	-	-	-	-	-	385	194	202	
Trading services		2 507 803	2 518 545	-	-	-	35 105	-	35 105	2 553 650	2 677 607	2 883 419	
Energy sources		1 348 613	1 339 120	-	-	-	105	-	105	1 339 224	1 491 978	1 650 258	
Water management		598 511	610 168	-	-	-	30 566	-	30 566	640 733	611 312	630 945	
Waste water management		309 694	313 241	-	-	-	4 434	-	4 434	317 675	310 729	325 737	
Waste management		250 985	256 017	-	-	-	-	-	-	256 017	263 588	276 479	
Other		719	671	-	-	-	-	-	-	671	563	589	
Total Revenue - Functional	2	3 989 271	4 335 304	-	-	-	13 538	-	13 538	4 348 842	4 099 263	4 410 224	
Expenditure - Functional													
Governance and administration		636 723	620 622	-	-	-	12 039	(799)	11 240	631 862	638 123	708 934	
Executive and council		78 620	78 693	-	-	-	713	(300)	413	79 106	82 617	86 828	
Finance and administration		495 876	480 268	-	-	-	9 587	(388)	9 199	489 467	511 595	537 287	
Internal audit		62 228	61 661	-	-	-	1 739	(111)	1 628	63 289	43 911	84 819	
Community and public safety		310 447	320 741	-	-	-	7 728	(781)	6 947	327 687	319 329	333 023	
Community and social services		56 318	60 498	-	-	-	3 308	983	4 291	64 789	57 797	60 529	
Sport and recreation		43 233	48 203	-	-	-	1 918	(1 813)	104	48 308	44 915	46 678	
Public safety		156 785	158 700	-	-	-	970	215	1 185	159 885	163 786	171 405	
Housing		44 785	43 146	-	-	-	1 532	34	1 566	44 712	43 096	44 244	
Health		9 326	10 194	-	-	-	-	(200)	(200)	9 994	9 737	10 168	
Economic and environmental services		729 612	777 441	-	-	-	(27 835)	(309)	(28 144)	749 296	693 033	735 476	
Planning and development		58 608	61 596	-	-	-	(1 601)	313	(1 288)	60 308	61 581	65 355	
Road transport		663 214	708 211	-	-	-	(26 373)	109	(26 264)	681 947	623 352	661 697	
Environmental protection		7 790	7 633	-	-	-	139	(731)	(592)	7 041	8 100	8 425	
Trading services		2 210 438	2 278 710	-	-	-	18 451	2 338	20 789	2 299 498	2 373 682	2 543 641	
Energy sources		1 214 907	1 191 105	-	-	-	(4 950)	(117)	(5 067)	1 186 038	1 336 924	1 471 800	
Water management		505 491	530 946	-	-	-	10 146	-	10 146	541 092	518 378	531 638	
Waste water management		332 612	399 334	-	-	-	6 157	(237)	5 920	405 254	355 271	370 532	
Waste management		157 428	157 325	-	-	-	7 098	2 692	9 790	167 115	163 110	169 671	
Other		20 121	19 874	-	-	-	186	51	237	20 111	20 855	21 817	
Total Expenditure - Functional	3	3 907 341	4 017 387	-	-	-	10 569	500	11 069	4 028 456	4 045 023	4 342 891	
Surplus/ (Deficit) for the year		81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332	

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) - 22/05/2026

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		8 167	8 453	-	-	-	-	-	-	8 453	7 643	7 947
Vote 3 - Community Services		309 724	316 497	-	-	-	(35 000)	-	(35 000)	281 497	312 664	328 406
Vote 4 - Civil Engineering Services		918 256	951 713	-	-	-	35 034	-	35 034	986 746	924 817	959 932
Vote 5 - Electrotechnical Services		1 348 613	1 339 120	-	-	-	105	-	105	1 339 224	1 491 978	1 650 258
Vote 6 - Financial Services		584 754	625 528	-	-	-	13 700	-	13 700	639 228	613 496	643 802
Vote 7 - Planning And Development		87 748	83 677	-	-	-	(139)	-	(139)	83 538	70 157	108 636
Vote 8 - Community Safety & Mobility		732 010	1 010 318	-	-	-	(162)	-	(162)	1 010 155	678 509	711 242
Total Revenue by Vote	2	3 989 271	4 335 304	-	-	-	13 538	-	13 538	4 348 842	4 099 263	4 410 224
Expenditure by Vote	1											
Vote 1 - Office of the Municipal Manager		31 634	35 640	-	-	-	1 823	0	1 823	37 463	33 007	34 447
Vote 2 - Corporate Services		216 217	221 338	-	-	-	4 054	0	4 054	225 392	225 137	236 141
Vote 3 - Community Services		253 431	260 761	-	-	-	12 279	0	12 279	273 040	262 367	273 385
Vote 4 - Civil Engineering Services		894 525	992 168	-	-	-	15 960	0	15 960	1 008 128	925 292	956 929
Vote 5 - Electrotechnical Services		1 239 351	1 213 180	-	-	-	(7 950)	0	(7 950)	1 205 230	1 362 642	1 499 376
Vote 6 - Financial Services		238 974	215 002	-	-	-	6 114	0	6 114	221 115	240 584	251 852
Vote 7 - Planning And Development		154 343	153 032	-	-	-	2 358	0	2 358	155 390	139 789	185 582
Vote 8 - Community Safety & Mobility		878 865	926 267	-	-	-	(24 069)	500	(23 569)	902 698	856 205	905 179
Total Expenditure by Vote	2	3 907 341	4 017 387	-	-	-	10 569	500	11 069	4 028 456	4 045 023	4 342 891
Surplus/ (Deficit) for the year	2	81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332

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

WC044 George - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 22/05/2026

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjts.	Adjts.	Budget	Budget	Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	1 272 286	1 257 051	-	-	-	-	-	-	1 257 051	1 410 965	1 564 760
Service charges - Water	2	242 591	250 330	-	-	-	-	-	-	250 330	254 691	267 438
Service charges - Waste Water Management	2	200 295	203 900	-	-	-	-	-	-	203 900	210 310	220 826
Service charges - Waste Management	2	181 444	185 273	-	-	-	-	-	-	185 273	190 516	200 042
Sale of Goods and Rendering of Services		156 916	144 528	-	-	-	-	-	-	144 528	168 384	173 987
Agency services		21 653	21 653	-	-	-	-	-	-	21 653	22 628	23 646
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		23 368	31 038	-	-	-	-	-	-	31 038	24 536	25 763
Interest earned from Current and Non Current Assets		32 395	65 000	-	-	-	13 700	-	13 700	78 700	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	79 800	-	-	-	-	-	-	79 800	84 584	88 560
Non-Exchange Revenue												
Property rates	2	511 915	514 539	-	-	-	-	-	-	514 539	537 510	564 386
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		98 076	98 276	-	-	-	-	-	-	98 276	102 489	107 101
Licences or permits		4 565	4 565	-	-	-	-	-	-	4 565	4 771	4 985
Transfer and subsidies - Operational		765 031	800 856	-	-	-	(22 121)	-	(22 121)	778 735	692 750	769 021
Interest		-	5 722	-	-	-	-	-	-	5 722	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		24 377	27 911	-	-	-	-	-	-	27 911	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	3 944 364	-	-	-	(8 421)	-	(8 421)	3 935 943	4 020 567	4 332 855
Expenditure By Type												
Employee related costs		866 553	871 782	-	-	-	(8 647)	(946)	(9 593)	862 189	911 473	963 256
Remuneration of councillors		32 676	32 676	-	-	-	(91)	-	(91)	32 585	34 309	36 025
Bulk purchases - electricity		987 428	946 966	-	-	-	(2 500)	-	(2 500)	944 466	1 099 205	1 223 635
Inventory consumed		347 151	338 231	-	-	-	5 478	(5 261)	217	338 448	353 833	360 426
Debt impairment		104 898	104 898	-	-	-	-	-	-	104 898	110 143	115 650
Depreciation and amortisation		266 128	316 128	-	-	-	-	-	-	316 128	284 414	298 598
Interest		69 770	90 198	-	-	-	-	-	-	90 198	73 258	76 921
Contracted services		873 085	936 212	-	-	-	8 107	7 339	15 446	951 659	814 722	890 616
Transfers and subsidies		105 770	118 408	-	-	-	(1 190)	-	(1 190)	117 218	105 706	111 510
Irrecoverable debts written off		11 854	11 854	-	-	-	-	-	-	11 854	12 447	13 069
Operational costs		191 413	199 418	-	-	-	9 410	(631)	8 779	208 197	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	4 017 387	-	-	-	10 569	500	11 069	4 028 456	4 045 023	4 342 891
Surplus/(Deficit)												
Transfers and subsidies - capital (monetary allocations)		119 582	390 940	-	-	-	21 959	-	21 959	412 899	78 696	77 369
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	81 931	317 917	-	-	-	2 969	(500)	2 469	320 386	54 240	67 332

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

WC044 George - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 22/05/2026

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	5	6	7	8	9	10	11	12			
		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	115	-	-	-	(4)	-	(4)	111	70	35
Vote 2 - Corporate Services		4 692	6 877	-	-	-	-	-	-	6 877	4 656	3 906
Vote 3 - Community Services		33 626	39 986	-	-	-	(34)	-	(34)	39 952	33 368	27 993
Vote 4 - Civil Engineering Services		666 799	1 063 819	-	-	-	(124 508)	43 926	(80 582)	983 237	532 049	455 158
Vote 5 - Electrotechnical Services		140 552	80 543	-	-	-	(6 857)	-	(6 857)	73 686	140 578	117 406
Vote 6 - Financial Services		24 783	31 156	-	-	-	(6 988)	(12)	(7 000)	24 156	19 569	3 789
Vote 7 - Planning And Development		17 052	16 937	-	-	-	-	-	-	16 937	20 493	14 490
Vote 8 - Community Safety & Mobility		19 423	19 875	-	-	-	(717)	-	(717)	19 159	16 947	16 000
Total Capital Expenditure - Vote		907 018	1 259 308	-	-	-	(139 107)	43 914	(95 193)	1 164 114	767 731	638 776
Capital Expenditure - Functional												
Governance and administration		40 896	48 796	-	-	-	(6 993)	620	(6 373)	42 423	38 560	22 358
Executive and council		15	15	-	-	-	-	(5)	(5)	11	35	15
Finance and administration		40 826	48 708	-	-	-	(6 990)	621	(6 368)	42 340	38 490	22 323
Internal audit		55	73	-	-	-	(4)	4	(0)	73	35	20
Community and public safety		30 082	31 536	-	-	-	(3 229)	204	(3 025)	28 511	29 755	27 520
Community and social services		3 660	2 740	-	-	-	(20)	94	74	2 814	8 600	3 550
Sport and recreation		6 230	6 939	-	-	-	10	146	156	7 095	2 900	10 820
Public safety		15 752	16 687	-	-	-	(718)	(36)	(754)	15 933	10 755	11 700
Housing		840	1 170	-	-	-	-	-	-	1 170	1 950	300
Health		3 600	4 000	-	-	-	(2 500)	-	(2 500)	1 500	5 550	1 150
Economic and environmental services		197 041	604 641	-	-	-	(146 579)	42 841	(103 738)	500 903	207 419	171 967
Planning and development		11 212	10 295	-	-	-	-	40	40	10 335	18 023	10 722
Road transport		185 829	594 345	-	-	-	(146 579)	42 801	(103 778)	490 568	189 396	161 245
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		638 999	573 921	-	-	-	17 694	288	17 982	591 903	491 477	415 331
Energy sources		140 552	80 543	-	-	-	(6 857)	-	(6 857)	73 686	140 578	117 406
Water management		232 825	242 140	-	-	-	20 592	400	20 992	263 132	138 066	138 347
Waste water management		243 772	222 801	-	-	-	3 959	(572)	3 387	226 188	197 313	150 278
Waste management		21 850	28 437	-	-	-	-	460	460	28 897	15 520	9 300
Other		-	413	-	-	-	-	(40)	(40)	373	520	1 600
Total Capital Expenditure - Functional	3	907 018	1 259 308	-	-	-	(139 107)	43 914	(95 193)	1 164 114	767 731	638 776
Funded by:												
National Government		142 410	344 408	-	-	-	21 370	-	21 370	365 778	67 301	66 147
Provincial Government		696	977	-	-	-	-	-	-	977	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	143 106	345 386	-	-	-	21 370	-	21 370	366 755	67 301	66 147
Borrowing		563 940	599 839	-	-	-	(95 936)	408	(95 528)	504 310	500 430	382 984
Internally generated funds		199 973	314 083	-	-	-	(64 540)	43 506	(21 035)	293 049	200 000	189 645
Total Capital Funding		907 018	1 259 308	-	-	-	(139 107)	43 914	(95 193)	1 164 114	767 731	638 776

Table 6 – B6: Statement of Financial Position

WC044 George - Table B6 Adjustments Budget Financial Position - 22/05/2026

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjus.	Adjus.	Budget	Budget	Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		809 896	575 615	-	-	-	(214 789)	(104 852)	(319 641)	255 974	(766 158)	(1 677 686)
Trade and other receivables from ex change transactions	1	159 213	556 376	-	-	-	34 825	(292 877)	(258 052)	298 325	362 031	517 839
Receivables from non-ex change transactions	1	7 777	142 761	-	-	-	(73 450)	(25)	(73 475)	69 286	29 173	34 935
Current portion of non-current receivables	2	2 958	2 237	-	-	-	-	-	-	2 237	2 958	3 056
Inventory		136 182	359 178	-	-	-	(277)	-	(277)	358 901	334 930	344 332
VAT		966 269	108 217	-	-	-	142 295	(165 288)	(22 993)	85 224	965 131	1 377 348
Other current assets		44 234	(69 561)	-	-	-	(0)	0	-	(69 561)	44 234	44 699
Total current assets		2 126 529	1 674 824	-	-	-	(111 396)	(563 042)	(674 438)	1 000 386	972 299	644 524
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		143 418	143 413	-	-	-	-	-	-	143 413	143 240	143 058
Property, plant and equipment	3	6 657 653	6 639 211	-	-	-	(139 107)	43 914	(95 193)	6 544 018	7 128 039	7 459 615
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		4 236	4 236	-	-	-	-	-	-	4 236	4 236	4 236
Intangible assets		6 528	360	-	-	-	-	-	-	360	6 528	6 528
Trade and other receivables from ex change transactions		-	84 319	-	-	-	-	-	-	84 319	-	-
Non-current receivables from non-ex change transactions		61	16	-	-	-	-	-	-	16	61	61
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		6 811 897	6 871 556	-	-	-	(139 107)	43 914	(95 193)	6 776 363	7 282 105	7 613 499
TOTAL ASSETS		8 938 426	8 546 380	-	-	-	(250 503)	(519 128)	(769 631)	7 776 749	8 254 404	8 258 023
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		85 749	31 975	-	-	-	-	-	-	31 975	106 308	173 735
Consumer deposits		45 936	49 348	-	-	-	238	-	238	49 586	45 936	55 936
Trade and other payables from ex change transactions		733 861	391 886	-	-	-	(67 404)	5 637	(61 767)	330 119	716 512	710 793
Trade and other payables from non-ex change transactions		91 331	460 969	-	-	-	(308 818)	308 818	-	460 969	91 331	92 017
Provisions		104 057	89 172	-	-	-	-	-	-	89 172	104 057	109 757
VAT		532 996	79 027	-	-	-	(31 414)	-	(31 414)	47 614	498 728	823 389
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		1 593 930	1 102 377	-	-	-	(407 398)	314 455	(92 943)	1 009 434	1 562 873	1 965 627
Non current liabilities												
Borrowing	1	1 328 644	1 389 466	-	-	-	-	(679 157)	(679 157)	710 309	941 081	903 764
Provisions	1	67 567	279 942	-	-	-	-	-	-	279 942	67 567	67 567
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		209 258	210 062	-	-	-	-	-	-	210 062	209 258	209 258
Total non current liabilities		1 605 469	1 879 470	-	-	-	-	(679 157)	(679 157)	1 200 313	1 217 905	1 180 588
TOTAL LIABILITIES		3 199 399	2 981 847	-	-	-	(407 398)	(364 703)	(772 100)	2 209 747	2 780 778	3 146 215
NET ASSETS	2	5 739 027	5 564 533	-	-	-	156 895	(154 425)	2 469	5 567 002	5 473 626	5 111 807
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		5 415 591	5 379 947	-	-	-	2 969	(500)	2 469	5 382 417	5 150 190	4 688 371
Funds and Reserves		323 436	184 585	-	-	-	-	-	-	184 585	323 436	423 436
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		5 739 027	5 564 533	-	-	-	2 969	(500)	2 469	5 567 002	5 473 626	5 111 807

Table 7 – B7: Cashflow Statement

WC044 George - Table B7 Adjustments Budget Cash Flows - 22/05/2026

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		547 846	493 958	-	-	-	1 907	-	1 907	495 865	512 134	537 722
Service charges		2 303 190	2 093 796	-	-	-	(223 451)	(88 248)	(311 700)	1 782 096	1 938 946	2 121 552
Other revenue		366 949	913 858	-	-	-	(9 428)	47	(9 381)	904 476	885 904	915 079
Transfers and Subsidies - Operational	1	833 785	989 709	-	-	-	(212 694)	1 720	(210 974)	778 735	692 750	769 021
Transfers and Subsidies - Capital	1	85 828	390 940	-	-	-	21 959	-	21 959	412 899	78 696	77 369
Interest		32 395	65 000	-	-	-	13 700	-	13 700	78 700	33 853	35 376
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(3 468 761)	(4 160 964)	-	-	-	(693 498)	851 193	157 695	(4 003 269)	(4 119 858)	(4 447 166)
Finance charges		(70 813)	-	-	-	-	(90 169)	(29)	(90 198)	(161 011)	(73 258)	(76 921)
Transfers and Subsidies	1	(97 129)	-	-	-	-	-	-	-	(97 129)	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		533 290	786 297	-	-	-	(1 191 675)	764 682	(426 993)	191 362	(50 834)	(67 968)
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)	(1 446 083)	-	-	-	122 374	(15 022)	107 352	(1 338 732)	(882 890)	(734 593)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(907 018)	(1 446 083)	-	-	-	122 374	(15 022)	107 352	(1 338 732)	(882 890)	(734 593)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		563 940	-	-	-	-	-	-	-	563 940	-	-
Increase (decrease) in consumer deposits		(476)	(738)	-	-	-	738	-	738	-	-	-
Payments												
Repayment of borrowing		(73 031)	(91 984)	-	-	-	-	-	-	(91 984)	(88 408)	(108 967)
NET CASH FROM/(USED) FINANCING ACTIVITIES		490 432	(92 722)	-	-	-	738	-	738	471 955	(88 408)	(108 967)
NET INCREASE/ (DECREASE) IN CASH HELD		116 704	(752 508)	-	-	-	(1 068 564)	749 660	(318 904)	(675 414)	(1 022 132)	(911 528)
Cash/cash equivalents at the year begin:	2	693 192	1 327 386	-	-	-	-	-	-	1 327 386	651 971	(370 161)
Cash/cash equivalents at the year end:	2	809 896	574 877	-	-	-	(1 068 564)	749 660	(318 904)	651 971	(370 161)	(1 281 689)

Municipal Manager’s Quality Certificate

I, **Mr Bevan Ellman**, the Acting 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 **BEVAN ELLMAN**

Acting Municipal Manager of **GEORGE MUNICIPALITY (WC044)**

Signature *BR Ellman*

Date 01/06/2026

Annexure “A”

MEMORANDUM



Enquiries: Melissa Dreyer
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KANTOOR VAN DIE UITVOERENDE BURGEMEESTER OFFICE OF THE EXECUTIVE MAYOR

Aan/To	: MUNICIPAL MANAGER: MR B ELLMAN
Van/From	: EXECUTIVE MAYOR ALD BROWEN JOHNSON
Tel	: 044 801 9129
Datum/Date	: 14 MAY 2026
Insake/Regarding:	UNFORESEEN AND UNAVOIDABLE EXPENDITURE

In terms of Section 29(1) of the Municipal Finance Management Act (MFMA), the Mayor of a municipality may, in emergency or exceptional circumstances, authorise unforeseen and unavoidable expenditure for which no provision was made in the approved budget.

George Municipality is currently faced with the non-approval of the Division of Revenue Act (DoRA) allocation by the Minister of Finance. The Municipality has received formal correspondence from the Department of Transport requesting the repayment of funds transferred to George Municipality following the non-approval of the submission for the 2025/26 Adjustment Gazette in terms of the Division of Revenue Act, 2025 (Act No. 2 of 2025), as amended by the Division of Revenue Amendment Act, 2025 (Act No. 12 of 2025).

I hereby, as Mayor of George Municipality, approve that the Municipal Manager undertake an adjustment budget process to provide for the unforeseen and unavoidable expenditure arising from the repayment of the said funds.

Yours sincerely,

**ALDERMAN BROWEN JOHNSON
EXECUTIVE MAYOR – GEORGE MUNICIPALITY**

Annexure “B”

DEPARTMENT OF COOPERATIVE GOVERNANCE

No. XXX

May 2026

**DEPARTMENT OF CO-OPERATIVE GOVERNANCE
DISASTER MANAGEMENT ACT, 2002 (ACT NO. 57 OF 2002)**

**CLASSIFICATION OF A NATIONAL DISASTER IN TERMS OF SECTION 23 OF
THE DISASTER MANAGEMENT ACT (ACT NO. 57 OF 2002): IMPACT OF SEVERE
WEATHER IN THE COUNTRY.**

I, Dr Bongani Elias Sithole, in my capacity as the Head of the National Disaster Management Centre, after having deliberations with various organs of state and Heads of Provincial Disaster Management Centres through Intergovernmental Structures, and after assessing the magnitude and severity of the severe weather that resulted in heavy rainfall, flooding, thunderstorms, damaging surface winds and snowfall that caused the loss of life, damage to property, infrastructure and the environment, as well as the disruption of basic services from 4 May 2026, in the Western Cape, North West, Free State, Eastern Cape, Northern Cape and Mpumalanga provinces, hereby give notice that I regard this occurrence as a disaster and, in terms of Section 23(1)(b) of the Disaster Management Act, 2002 (Act No. 57 of 2002), classify the disaster as a national disaster.

Emanating from the classification, in terms of section 26, read with section 23 of the Act, the primary responsibility to coordinate and manage this disaster, in terms of existing legislation and contingency arrangements, is designated to the National Executive.

I hereby –

- (i) in terms of Section 15(2)(aA) of the Act, read with section 23(8), call upon organs of state across the three spheres of government to further strengthen their support to the disaster management structures to implement their contingency arrangements and to ensure that measures are put in place to enable the National Executive to effectively deal with the effects of this disaster; and
- (ii) in terms of section 22(a) of the Act –
 - (a) read with sections 25(1)(c), 39(1)(c), 39(2)(k), 53(1)(c) and 53(2)(k) of the Act, and other applicable legislation, recommend that the National Executive, the respective Provincial Executives and the respective Municipal Councils, implement a multisectoral prevention, mitigation, relief and rehabilitation plan to deal with the effects of the disaster; and

(b) read with section 21(a)(ii) of the Act, recommend that each organ of state prepares and submits progress reports, in line with the requirements of the National Disaster Management Centre, to monitor the response initiatives by organs of state, non-governmental organisations and communities.

Furthermore, all affected organs of state must prepare and submit reports, as required by the National Disaster Management Centre and as outlined in section 24(4) to (8) of the Act.

The future revocation of the classification of this disaster, together with its preconditions, is set out in the Schedule hereto.

eliassithole
Dr Bongani Elias Sithole

Head: National Disaster Management Centre

Date: 09/05/2026

Schedule

<p>The National Executive dealt with the national disaster in terms of existing legislation and contingency arrangements without declaring a national state of disaster in terms of section 27(1) of the Act.</p>	<p>The classification is revoked by the Head: National Disaster Management Centre when the occurrence can no longer be regarded as a disaster in terms of the Act upon reassessment by the NDMC.</p>
<p>The National Executive dealt with the national disaster in terms of existing legislation and contingency arrangements as augmented by regulations and/ or directions following the declaration of a national state of disaster in terms of section 27(2).</p>	<p>The classification of a national disaster is automatically revoked when the national state of disaster is terminated or lapses in terms of section 27(5) of the Act.</p>