



ADJUSTMENT BUDGET 2024-2025

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PART 1 – ADJUSTMENT BUDGET

1.1 CHAIRPERSON’S REPORT

Introduction

The Board has considered management’s recommendation to adjust the 2024/2025 budget and accordingly approve the entity’s adjustment budget in terms of Sec 87(6) and (9) of the MFMA.

Background

(a) This adjustment budget is mainly informed by:

- A review of operational and capital plans guided by actual expenditure against available budget at the date of this adjustment budget assessment considering the Mid-Year Budget Performance as at 31 December 2024.
- A review of projects plans and their feasibility in the current financial year.
- An increase in repairs and maintenance expenditure needed due to larger than originally anticipated needs and network failures.
- An increase in bulk purchases to adjust upwards considering customer data analytics such as current customer base and projected customer consumption patterns to avoid overruns.
- An increase in revenue recognition for the impact of the provision on the approved ESKOM Debt Relief Write-Off as conditioned in the MFMA Circular No. 124, accompanying with levied interest as part of the write-off process.
- An increase in capital expenditure to comply with the Joint Circular relating the TID rollout program.

Legislation

This adjustments budget is prepared in line with the Municipal Finance Management Act (MFMA) Section 87(6) and (9)

Section 87(6) of the MFMA states - *The board of directors of a municipal entity may, with the approval of the mayor, revise the budget of the municipal entity, but only for the following reasons:*

- (a) To adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year.*
- (b) to authorise expenditure of any additional allocations to the municipal entity from its parent municipality.*
- (c) to authorise, within a prescribed framework, any unforeseeable and unavoidable expenditure approved by the mayor of the parent municipality.*
- (d) to authorise any other expenditure within a prescribed framework.*

Section 87(9) of the MFMA states - The mayor must table the budget or adjusted budget and any adjustments budget of a municipal entity as approved by its board of directors, at the next council meeting of the municipality.

Overview

The tables below give an overview of the proposed adjustment budget that will be presented before Council for approval.

OPERATING BUDGET	APPROVED BUDGET	ADDITIONAL	REDUCED	ADJUSTMENT BUDGET
Operating Revenue	(4 260 956 916)	(402 979 234)		(4 663 936 150)
Operating Expenditure	3 672 243 263	305 179 234		3 977 422 497
Surplus/Deficit	(588 713 653)	(97 800 000)	-	(686 513 653)
Gains & Losses	306 277 869			306 277 869
Surplus after Gains & Losses	(282 435 784)	(97 800 000)	-	(380 235 784)
Less: Capital Grants	35 060 000	61 000 000		96 060 000
Less: Public Contributions	14 000 000			14 000 000
Surplus after Funding & Losses	(233 375 784)	(36 800 000)	-	(270 175 784)
Less: Capital Expenditure Financing-Own Funds	229 784 800	39 700 000	(2 900 000)	266 584 800
Net (Surplus/Deficit)	(3 590 984)	2 900 000	(2 900 000)	(3 590 984)

CAPITAL BUDGET	APPROVED BUDGET	ADDITIONAL	REDUCED	ADJUSTMENT BUDGET
Own funding	229 784 800	39 700 000	(2 900 000)	266 584 800
Grants & Subsidies	35 060 000	61 000 000		96 060 000
Public Contributions	14 000 000			14 000 000
Total Capital Expenditure	278 844 800	100 700 000	(2 900 000)	376 644 800

Conclusion

Based on the details as outlined above and in terms of the Section 89 (9) of the MFMA, it is recommended that Council approve the Adjustment Budget as contained herein together with the resolutions as outlined below.



Chairperson of the Board

1.2 RESOLUTIONS

That in terms of Section 89(6) and (9) of the MFMA, 56 of 2003, the approved annual budget of the Entity's Operating Revenue increased from R 4,260 billion to R 4,663 billion. Operating Expenditure increased from R 3,672 billion to R 3,977 billion and Capital Expenditure Budget increased from R 278,884 to R 376,644 million. The adjustment budget be approved/adopted for the 2024/25 financial year as set out in the following tables:

(a) Table E1 – Adjustments Budget Summary

(b) Table E2 – Adjustments Budget Financial Performance (Revenue & Expenditure)

(c) Table E3 – Capital Expenditure Budget by Vote and Funding

(d) Table E4 – Financial Position

(e) Table E5 – Cash flows

1.3 EXECUTIVE SUMMARY

Since the beginning of 2024, South Africa's headline inflation has been driven by global price increases in food and fuel. Higher prices have not only resulted in a cost-of-living squeeze but also reduced the competitiveness of South African exports. The negative effect on economic activity is compounded by elevated interest rates, which are postponing investment, expansion, and resultant hiring decisions. This forces the National Treasury to lowered its 2024 economic growth forecast to a 1.1 per cent from a 1.3 per cent prediction in the previous Budget Review as promulgated in the MFMA Circular No. 129. Notably, considering a GDP growth protected to an average of 1.8 per cent from 2025 to 2027, equivalent with a 1.2 per cent in the preceding three years.

The pace of growth for the remainder of the 2024 fiscal year still being limited by persistent though gradually easing constraints, particularly in logistics infrastructure, depending on maintaining macroeconomic stability the progressive implementation of structural economic reforms, improving state capabilities and supporting infrastructure investment.

The policy framework illustrated that households have seen growth in real disposable income as the fiscal year progresses and inflation cooled, while consumer confidence has been buoyed by several factors, including stable electricity supply and expectations of improving financial conditions following the September 2024 cut in interest rates. Real purchasing power is expected to be bolstered by a further moderation in inflation and lower interest rates supporting household balance sheets.

Even though confidence of the consumers has been uplifted by the improved economy, households are still struggling to pay for municipal services and that has a severe negative impact on the municipal own revenues.

The entity remains committed towards fiscal strategy to contain debt through reduction of budgets and reprioritization principles. This balance approach to fiscal consolidation includes expenditure restraint and moderate revenue adjustments, while continuing to request conditional funding for refurbishment of bulk infrastructure to anchor for future sustainability.

The Adjustment Budget 2024/25 is mainly informed by Section 87 (6) (a); (c); and (d) of the Municipal Financial Management Act whereby it stated-

- (a) to adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year.
- (b) to authorise expenditure of any additional allocations to the municipal entity from its parent municipality.
- (c) to authorise, within a prescribed framework, any unforeseeable and unavoidable expenditure approved by the mayor of the parent municipality.
- (d) to authorise any other expenditure within a prescribed framework.

The adjustment of the 2024/25 budget focuses on allocation of resources to the following priorities.

- Increased operational and capital needs and requirements
- Critical repairs and maintenance of electrical network

1.3.1 SUMMARY OF STATEMENT OF FINANCIAL PERFORMANCE

1.3.1.1 REVENUE BY SOURCE:

REVENUE BY SOURCE	ADJUSTMENT BUDGET 2024-25		
	BUDGET AFTER VIREMENT	(INCREASE)/ DECREASE	ADJUSTMENT BUDGET
FINES AND PENALTIES	(5 227 910)	-	(5 227 910)
PUBLIC CONTRIBUTIONS	(15 557 900)	-	(15 557 900)
INFORMAL SETTLEMENTS UPGRADING GRANT _ ISUPG	(24 700 000)	(30 000 000)	(54 700 000)
URBAN SETTLEMENT DEVELOPMENT GRANT_USDG	(10 360 000)	(20 000 000)	(30 360 000)
INTEREST EXPENDITURE RECOVERY CHARGE	-	(81 078 671)	(81 078 671)
DEMAND SIDE MANAGEMENT GRANT _ DSM	-	(11 000 000)	(11 000 000)
ESKOM DEBT RELIEVE WRITE OFF	-	(128 940 293)	(128 940 293)
SALE OF ELECTRICITY - CONVENTIONAL	(2 346 045 531)	(131 960 270)	(2 478 005 801)
SALE OF ELECTRICITY - PREPAID	(1 794 273 246)	-	(1 794 273 246)
RECONNECTION TEST AND REMOVAL - METERS	(5 232 899)	-	(5 232 899)
INTEREST EARNED	(43 082 337)	-	(43 082 337)
OTHER INCOME	(16 477 093)	-	(16 477 093)
TOTAL INCOME	(4 260 956 916)	(402 979 234)	(4 663 936 150)

1.3.1.2 OPERATING EXPENDITURE BY TYPE:

EXPENDITURE BY TYPE	ADJUSTMENT BUDGET 2024-25		
	APPROVED MTREF 2024-25	INCREASE/ (DECREASE)	ADJUSTMENT BUDGET
EMPLOYEE SALARIES AND WAGES	505 137 005	-	505 137 005
CONTRACTED SERVICES	162 781 737	20 451 195	183 232 932
OPERATIONAL COST	143 556 254	19 577 038	163 133 292
INVENTORY - MATERIALS & SUPPLIES	71 390 339	32 151 001	103 541 340
BULK PURCHASES	2 569 190 283	233 000 000	2 802 190 283
INTEREST ON FINANCE LEASES	55 645	-	55 645
MMM CONTRIBUTIONS	120 000 000	-	120 000 000
OPERATING LEASES	6 632 000	-	6 632 000
DEPRECIATION AND AMORTISATION	93 500 000	-	93 500 000
TOTAL EXPENDITURE	3 672 243 263	305 179 234	3 977 422 497

GAINS AND LOSSES PER SOURCE	ADJUSTMENT BUDGET 2024-25		
	APPROVED MTREF 2024-25	(INCREASE)/ DECREASE	ADJUSTMENT BUDGET
GAINS AND LOSSES	306 277 869	-	306 277 869
DISPOSAL OF ASSETS LOSS/(GAINS)	(11 284 581)	-	(11 284 581)
IMPAIRMENT LOSS/(GAINS)	317 562 450	-	317 562 450

1.3.1.3 GRANT & INTERNAL FUNDING PROJECTS:

CAPITAL PROJECTS	ADJUSTMENT BUDGET 2024-25		
	APPROVED MTREF 2024-25	INCREASE/ (DECREASE)	ADJUSTMENT BUDGET
CAPITAL CONDIONAL GRANTS & SUBSIDIES (USDG)	10 360 000	20 000 000	30 360 000
CAPITAL CONDIONAL GRANTS & SUBSIDIES (ISUPG)	24 700 000	30 000 000	54 700 000
PUBLIC ELECTRICITY CONNECTIONS	14 000 000	-	14 000 000
CAPITAL CONDIONAL GRANTS & SUBSIDIES (DSM)	-	11 000 000	11 000 000
TOTAL GRANT & SUBSIDY FUNDED CAPITAL PROJECTS	49 060 000	61 000 000	110 060 000
(SURPLUS)/DEFICIT AFTER GRANT & SUBSIDY FUNDED CAPITAL PROJECTS	(233 375 784)	(36 800 000)	(270 175 784)

INTERNAL FUNDING PROJECTS	ADJUSTMENT BUDGET 2024-25		
	BUDGET AFTER VIREMENT	INCREASE/ (DECREASE)	ADJUSTMENT BUDGET
SUPPORT PROJECTS:	96 200 000	13 100 000	109 300 000
VENDING BACK OFFICE	23 000 000	-	23 000 000
TRAINING & DEVELOPMENT	800 000	(800 000)	-
DIGITAL RADIO SYSTEM	1 100 000	1 000 000	2 100 000
IMPLEM BUSINESS CONT DISASTER RECOV INF	-	10 000 000	10 000 000
UPGRADE & REFURB COMPUTER NETWORK	4 500 000	-	4 500 000
VEHICLES	2 000 000	(2 000 000)	-
FURNITURE AND OFFICE EQUIPMENT	1 700 000	500 000	2 200 000
BLOEM: C/Y-EST 33/11KV 20MVA FIRM SUPDC	34 000 000	-	34 000 000
BLOEM: N/STAD-UPG 132/11KV 20MVA FIRM DC	20 000 000	-	20 000 000
SECURITY EQUIPMENT	2 000 000	1 500 000	3 500 000
OFFICE BUILDING	5 000 000	3 000 000	8 000 000
EMPLOYMENT EQUITY	100 000	(100 000)	-
PROTECTION TEST EQUIPMENT	2 000 000	-	2 000 000
SERVICE DELIVERY PROJECTS:	48 424 800	10 000 000	58 424 800
METER REPLACEMENT PROJECT	26 000 000	10 000 000	36 000 000
EXTENSION AND UPGRADING OF THE 11KV NETW	4 000 000	-	4 000 000
SERVITUDES LAND (INCL INVEST REMUNE REG	700 000	-	700 000
INSTALLATION OF PUBLIC LIGHTING	6 000 000	-	6 000 000
INSTALL PREPAID METERS (INDIGENT)	500 000	-	500 000
UPGRADING AND EXTENTION OF LV NETWORK	3 000 000	-	3 000 000
SHIFTING OF CONNECTION AND REPLACEMENT S	2 005 275	-	2 005 275
REFURBISHMENT OF HIGH MAST LIGHTS	6 219 525	-	6 219 525
REPAIRS AND MAINTENANCE PROJECTS:	22 300 000	5 000 000	27 300 000
BOTSHABELO: ESTABLISHMENT OF 132KV (INDU	12 300 000	-	12 300 000
INSTALLATION OF HIGH VOLTAGE TEST EQUIPMENT	2 500 000	2 000 000	4 500 000
TRANSFORMER REPLACE & OTHER RELATED EQUI	7 500 000	3 000 000	10 500 000
REFURBISHMENT PROJECTS (renewal)	56 860 000	8 700 000	65 560 000
REP LOW VOLT DECREPIT 2/4/8 WAY BOXES	1 700 000	2 500 000	4 200 000
REP BRITTLE OVERHEAD CONNECTIONS	850 000	-	850 000
S/LIGHTS REPLACE POLE TRNS POLES SECTION	3 000 000	3 000 000	6 000 000
REPLACEMENT OF 110V BATTERIES	1 500 000	-	1 500 000
REPLACEMENT OF 11KV SWITCHGEARS	2 000 000	2 000 000	4 000 000
REPLACEMENT OF OIL PLANT	1 000 000	-	1 000 000
REPLACEMENT OF 32V BATTERIES	1 500 000	-	1 500 000
REFUR PROTEC & SCADA SYSTEMS DIST CENTR	1 000 000	1 200 000	2 200 000
REPAIR MMM DIST DIST CENTRE	2 500 000	-	2 500 000
REPAIR VISTA DIST DIST CENTRE	26 000 000	-	26 000 000
REMEDIAL WORK 132KV SOUTHERN LINES	5 000 000	-	5 000 000
REPLACEMENT OF DECRIFT CABLES (MV-HV) A	7 000 000	-	7 000 000
REPLACEMENT OF DECRIFT CABLES (MV-HV) B	3 810 000	-	3 810 000
INTERNAL ELECTRIFICATION PROJECTS:	6 000 000	-	6 000 000
ELECTRIFICATION INTERNAL PROJECTS	6 000 000	-	6 000 000
INTERNAL FUNDING PROJECTS OUT OF SURPLUS	229 784 800	36 800 000	266 584 800

NETT SURPLUS FOR THE YEAR	(3 590 984)	-	(3 590 984)
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1.3.1.4 EXPLANATORY NOTES TO THE ABOVE TABLES FOR LINE ITEMS WITH MAJOR CHANGES

A. Major Adjustments as per REVENUE BY SOURCE is as follows:

1. Revenue increased from R 4,260 billion to R 4,663 billion. The main contributors of the upwards adjustment is the revenue recognition of R 210 million relating to the Eskom Debt Relief Program confirmation received in December 2024 from National Treasury. Followed by an R 131 million of streetlights revenue recognition.

B. Major Adjustments as per OPERATING EXPENDITURE BY TYPE is as follows:

1. Contracted Services

An upward adjustment by R 20,451 million on contracted services. The adjustment is to align the budget with the mid-term performance for the maintenance and repairs of the dilapidated infrastructure and addressing the refurbishment backlog.

2. Operational Costs

An upwards adjustment by R 19,577 million on Operating cost as part of reprioritizing spending levels in line with the mid-term performance.

3. Inventory

An upward adjustment by R 32,151 million on Inventory as part of reprioritizing funds for service delivery in relating to the repairs and maintenance of electrical network to ensure stable and consistent electricity distribution.

4. Bulk Purchases

An upward adjustment by R 233 million on Bulk purchases based on a detailed costing analysis considering the audited outcome (overspending on approved budget allocation) and the actual mid-term performance. This increase in bulk is affected by various factors as detailed in (Annexure H) of the budget pack.

1.3.2 SUMMARY OF STATEMENT OF CAPITAL EXPENDITURE

Centlec - Table E3 Adjustments Capital Expenditure Budget by asset class and funding - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Annual target 2024/25
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
			1	2	3	4	5	6	7	
		A	A1	B	C	D	E	F	G	
R thousands	1									
Capital expenditure by Asset Class/Sub-class										
Infrastructure		222 145	-	86 200	-	-	(12 000)	74 200	296 345	230 127
Electrical Infrastructure		222 145	-	86 200	-	-	(12 000)	74 200	296 345	230 127
Power Plants		5 000	-	-	-	-	(5 000)	(5 000)	-	-
HV Substations		15 800	-	1 500	-	-	-	1 500	17 300	3 661
HV Transmission Conductors		10 000	-	-	-	-	(5 000)	(5 000)	5 000	10 460
MV Networks		27 000	-	6 200	-	-	(4 000)	2 200	29 200	33 472
LV Networks		164 345	-	78 500	-	-	2 000	80 500	244 845	191 016
Community Assets		34 300	-	2 200	-	-	-	2 200	36 500	35 878
Community Facilities		33 500	-	3 000	-	-	-	3 000	36 500	35 041
Centres		33 500	-	3 000	-	-	-	3 000	36 500	35 041
Sport and Recreation Facilities		800	-	(800)	-	-	-	(800)	-	837
Outdoor Facilities		800	-	(800)	-	-	-	(800)	-	837
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414
Total Capital Expenditure to be adjusted	1	278 845	-	97 800	-	-	-	97 800	376 645	289 435
Funded by:										
National Government		35 060	-	61 000	-	-	-	61 000	96 060	34 436
Provincial Government								-	-	
Parent Municipality		14 000	-	-	-	-	-	-	14 000	14 644
District Municipality		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		49 060	-	61 000	-	-	-	61 000	110 060	49 080
Borrowing	3							-	-	
Internally generated funds		229 785	-	36 800	-	-	-	36 800	266 585	251 171
Total Capital Funding	4	278 845	-	97 800	-	-	-	97 800	376 645	289 435

C. MAJOR ADJUSTMENTS AS PER CAPITAL EXPENDITURE BY PROJECT TYPE IS AS FOLLOWS:

1. Internal Revenue Generated Projects

An upward adjustment by R 36,800 million for internal funded projects in particular the Token Identifier (TID) rollout program as published in the Joint Circular Ref. 14/14/P/1 by National Treasury.

2. Conditional Grant Projects

An upward adjustment by R 61,000 million considering the mid-term performance at 81% align to the limitation of the internal revenue funding source that cannot sustain the additional R 61,000 million adjustment.

1.4 ADJUSTMENT BUDGET STATEMENT TABLES

E1: Adjustment Budget Summary

Description	Budget Year +1 2024/25								Budget Year +1 2025/26	Budget Year +1 2026/27
	Original Budget	Prior Adjusted 1	Downward / Upward adjusts 2	Parent muni. 3	Unfore. Unavoid. 4	Other Adjusts. 5	Total Adjusts. 6	Adjusted Budget 7	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G		
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	4 145 552	-	131 960	-	-	-	131 960	4 277 512	4 330 773	4 525 658
Investment revenue	5 688	-	-	-	-	-	-	5 688	5 950	6 217
Transfers recognised - operational	-	-	-	-	-	-	-	-	-	-
Other own revenue	70 384	-	210 019	-	-	-	210 019	280 403	78 865	82 906
Total Revenue (excluding capital transfers and contributions)	4 221 624	-	341 979	-	-	-	341 979	4 563 603	4 415 588	4 614 781
Employee costs	503 860	-	-	-	-	-	-	503 860	527 037	550 754
Remuneration of Board Members	1 277	-	-	-	-	-	-	1 277	1 336	1 396
Depreciation and debt impairment	411 062	-	-	-	-	-	-	411 062	435 020	460 253
Finance charges	56	-	-	-	-	-	-	56	58	61
Inventory consumed and bulk purchases	2 643 601	-	265 151	-	-	(2 950)	262 201	2 905 802	2 765 133	2 889 564
Transfers and subsidies	-	-	-	-	-	-	-	-	120 000	120 000
Other expenditure	429 950	-	40 028	-	-	2 950	42 978	472 928	324 291	338 895
Total Expenditure	3 989 806	-	305 179	-	-	-	305 179	4 294 985	4 172 876	4 360 923
Surplus/(Deficit)	231 818	-	36 800	-	-	-	36 800	268 618	242 712	253 859
Transfers and subsidies - capital (monetary allocations)	50 618	-	61 000	-	-	-	61 000	111 618	50 710	53 260
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	282 436	-	97 800	-	-	-	97 800	380 236	293 421	307 118
Income Tax	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	282 436	-	97 800	-	-	-	97 800	380 236	293 421	307 118
Capital expenditure & funds sources										
Capital expenditure	278 845	-	97 800	-	-	-	97 800	376 645	289 435	302 728
Transfers recognised - capital	49 060	-	61 000	-	-	-	61 000	110 060	49 080	51 557
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	229 785	-	36 800	-	-	-	36 800	266 585	240 355	251 171
Total sources of capital funds	278 845	-	97 800	-	-	-	97 800	376 645	289 435	302 728
Financial position										
Total current assets	854 416	-	-	-	-	-	-	854 416	893 719	937 512
Total non current assets	7 604 854	-	-	-	-	-	-	7 604 854	7 631 874	8 006 836
Total current liabilities	1 126 367	-	-	-	-	-	-	1 126 367	1 178 180	1 235 911
Total non current liabilities	1 532 185	-	-	-	-	-	-	1 532 185	1 603 631	1 682 209
Community wealth/Equity	5 800 717	-	-	-	-	-	-	5 800 717	5 743 783	6 025 228
Cash flows										
Net cash from (used) operating	240 455	-	36 800	-	-	-	36 800	277 255	244 400	255 501
Net cash from (used) investing	(230 360)	-	(36 800)	-	-	-	(36 800)	(267 160)	(240 956)	(251 799)
Net cash from (used) financing	(1 861)	-	-	-	-	-	-	(1 861)	(1 947)	(2 034)
Cash/cash equivalents at the year end	32 529	-	0,04	-	-	-	0,04	32 529	34 026	35 693

E2: Adjustment Budget – Financial Performance (Revenue & Expenditure)

Centlec - Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +1 2026/27	
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
			1	2	3	4	5	6	7		
		A	A1	B	C	D	E	F	G		
R thousands											
Exchange Revenue											
Service charges - Electricity		4 145 552	-	131 960	-	-	-	131 960	4 277 512	4 330 773	4 525 658
Sale of Goods and Rendering of Services		12 398	-	-	-	-	-	-	12 398	4 697	4 908
Interest earned from Receivables		37 394	-	-	-	-	-	-	37 394	38 643	40 639
Interest earned from Current and Non Current Assets		5 688	-	-	-	-	-	-	5 688	5 950	6 217
Operational Revenue		4 080	-	-	-	-	-	-	4 080		
Non-Exchange Revenue											
Fines, penalties and forfeits		5 228	-	-	-	-	-	-	5 228	5 468	5 714
Gains on disposal of Assets		9 900	-	-	-	-	-	-	9 900	18 252	19 309
Other Gains		1 385	-	210 019	-	-	-	210 019	211 404	11 804	12 335
Total Revenue (excluding capital transfers and contributions)		4 221 624	-	341 979	-	-	-	341 979	4 563 603	4 415 588	4 614 781
Expenditure By Type											
Employee related costs		503 860	-	-	-	-	-	-	503 860	527 037	550 754
Remuneration of Directors		1 277	-	-	-	-	-	-	1 277	1 336	1 396
Bulk purchases - electricity		2 569 190	-	233 000	-	-	-	233 000	2 802 190	2 687 373	2 808 305
Inventory consumed		74 411	-	32 151	-	-	(2 950)	29 201	103 612	77 760	81 259
Debt impairment		317 562	-	-	-	-	-	-	317 562	332 170	347 118
Depreciation & asset impairment		93 500	-	-	-	-	-	-	93 500	102 850	113 135
Finance charges		56	-	-	-	-	-	-	56	58	61
Contracted services		164 761	-	20 451	-	-	(2 050)	18 401	183 163	172 414	180 173
Transfers and subsidies										120 000	120 000
Operational costs		265 188	-	19 577	-	-	5 000	24 577	289 765	151 877	158 722
Total Expenditure		3 989 806	-	305 179	-	-	-	305 179	4 294 985	4 172 876	4 360 923
Surplus/(Deficit)		231 818	-	36 800	-	-	-	36 800	268 618	242 712	253 859
Transfers and subsidies - capital (monetary allocations)		50 618	-	61 000	-	-	-	61 000	111 618	50 710	53 260
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		282 436	-	97 800	-	-	-	97 800	380 236	293 421	307 118

E3: Adjustment Budget – Capital Expenditure

Centlec - Table E3 Adjustments Capital Expenditure Budget by asset class and funding - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Annual target 2024/25
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
			1	2	3	4	5	6	7	
		A	A1	B	C	D	E	F	G	
R thousands	1									
Capital expenditure by Asset Class/Sub-class										
Infrastructure		222 145	-	86 200	-	-	(12 000)	74 200	296 345	230 127
Electrical Infrastructure		222 145	-	86 200	-	-	(12 000)	74 200	296 345	230 127
Power Plants		5 000	-	-	-	-	(5 000)	(5 000)	-	-
HV Substations		15 800	-	1 500	-	-	-	1 500	17 300	3 826
HV Transmission Conductors		10 000	-	-	-	-	(5 000)	(5 000)	5 000	10 460
MV Networks		27 000	-	6 200	-	-	(4 000)	2 200	29 200	33 472
LV Networks		164 345	-	78 500	-	-	2 000	80 500	244 845	191 016
Community Assets		34 300	-	2 200	-	-	-	2 200	36 500	35 878
Community Facilities		33 500	-	3 000	-	-	-	3 000	36 500	35 041
Centres		33 500	-	3 000	-	-	-	3 000	36 500	35 041
Sport and Recreation Facilities		800	-	(800)	-	-	-	(800)	-	837
Outdoor Facilities		800	-	(800)	-	-	-	(800)	-	837
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414
Total Capital Expenditure to be adjusted	1	278 845	-	97 800	-	-	-	97 800	376 645	289 435
Funded by:										
National Government		35 060	-	61 000	-	-	-	61 000	96 060	34 436
Provincial Government								-	-	
Parent Municipality		14 000	-	-	-	-	-	-	14 000	15 303
District Municipality		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		49 060	-	61 000	-	-	-	61 000	110 060	49 080
Borrowing	3							-	-	
Internally generated funds		229 785	-	36 800	-	-	-	36 800	266 585	251 171
Total Capital Funding	4	278 845	-	97 800	-	-	-	97 800	376 645	289 435

E4: Adjustment Budget – Financial Position

Centlec - Table E4 Adjustments Budget - Financial Position - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +1 2026/27
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
			1	2	3	4	5	6	7	
		A	A1	B	C	D	E	F	G	
R thousands										
ASSETS										
Current assets										
Cash and cash equivalents	1	32 529	-	-	-	-	-	-	32 529	34 026
Trade and other receivables from exchange transactions	1	616 205	-	-	-	-	-	-	616 205	644 551
Receivables from non-exchange transactions		97 623	-	-	-	-	-	-	97 623	102 114
Inventory	2	108 058	-	-	-	-	-	-	108 058	113 029
Total current assets		854 416	-	-	-	-	-	-	854 416	893 719
Non current assets										
Property, plant and equipment		6 191 959	-	-	-	-	-	-	6 191 959	6 168 932
Intangible assets	1	74 254	-	-	-	-	-	-	74 254	62 838
Other non-current assets		1 338 640	-	-	-	-	-	-	1 338 640	1 400 104
Total non current assets		7 604 854	-	-	-	-	-	-	7 604 854	7 631 874
TOTAL ASSETS		8 459 270	-	-	-	-	-	-	8 459 270	8 525 594
LIABILITIES										
Current liabilities										
Financial liabilities		28 982	-	-	-	-	-	-	28 982	30 316
Consumer deposits		128 808	-	-	-	-	-	-	128 808	134 733
Trade and other payables from exchange transactions	4	926 922	-	-	-	-	-	-	926 922	969 561
Provision		41 654	-	-	-	-	-	-	41 654	43 571
Total current liabilities		1 126 367	-	-	-	-	-	-	1 126 367	1 178 180
Non current liabilities										
Provision	7	1 532 185	-	-	-	-	-	-	1 532 185	1 603 631
Total non current liabilities		1 532 185	-	-	-	-	-	-	1 532 185	1 603 631
TOTAL LIABILITIES		2 658 553	-	-	-	-	-	-	2 658 553	2 781 811
NET ASSETS	2	5 800 717	-	-	-	-	-	-	5 800 717	5 743 783
COMMUNITY WEALTH/EQUITY										
Accumulated surplus/(deficit)	8	1 353 940	-	-	-	-	-	-	1 353 940	1 326 069
Reserves and funds	9	4 446 777	-	-	-	-	-	-	4 446 777	4 417 714
TOTAL COMMUNITY WEALTH/EQUITY	2	5 800 717	-	-	-	-	-	-	5 800 717	5 743 783

E5: Adjustment Budget – Cash Flows

Centlec - Table E5 Adjustments Budget - Cash Flows - 31/12/2024

Description	Ref	Budget Year +1 2024/25								Budget Year +1 2025/26	Budget Year +1 2026/27
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		1	2	3	4	5	6	7			
		A	A1	B	C	D	E	F	G		
R thousands											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Service charges		3 566 165		131 960				131 960	3 698 125	3 730 208	3 898 068
Other revenue		21 567		210 019				210 019	231 586	22 559	23 574
Transfers and Subsidies - Operational		70 598						-	70 598	73 845	77 168
Transfers and Subsidies - Capital		-						-	-	-	-
Interest		34 217						-	34 217	35 791	37 401
Dividends								-	-		-
Payments											
Suppliers and employees		(3 325 971)		(305 179)				(305 179)	(3 631 150)	(3 486 082)	(3 642 853)
Finance charges		(240)						-	(240)	(251)	(262)
Transfers and Subsidies		(125 880)						-	(125 880)	(131 670)	(137 596)
NET CASH FROM/(USED) OPERATING ACTIVITIES		240 455	-	36 800	-	-	-	36 800	277 255	244 400	255 501
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		9 740						-	9 740	10 188	10 646
Payments											
Capital assets		(240 100)		(36 800)				(36 800)	(276 900)	(251 144)	(262 446)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(230 360)	-	(36 800)	-	-	-	(36 800)	(267 160)	(240 956)	(251 799)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Increase (decrease) in consumer deposits		(1 861)						-	(1 861)	(1 947)	(2 034)
Payments											
Repayment of borrowing								-	-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 861)	-	-	-	-	-	-	(1 861)	(1 947)	(2 034)
NET INCREASE/ (DECREASE) IN CASH HELD		8 234	-	0	-	-	-	0	8 234	1 496	1 667
Cash/cash equivalents at the year begin:	8	24 295	-	-	-	-	-	-	24 295	32 529	34 026
Cash/cash equivalents at the year end:	8	32 529	-	0	-	-	-	0	32 529	34 026	35 693

SE1: Measurable Performance Targets

Centlec - Supporting Table SE1 Adjustments Budget - measurable performance targets - 31/12/2024

Performance target description	Unit of measurement	Budget Year 2024/25								Budget Year +1 2025/26	Annual target +2 2026/27
		Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			1	2	3	4	5	6	7		
		A	A1	B	C	D	E	F	G		
2000 dwellings provided with electricity connections	Monthly quarterly progress report and proof of payments	24 700	24 700	30 000	-	-	-	30 000	54 700	25 836	26 999
90% of valid customer applications for new electricity connections processed as a percentage in terms of municipal service standards	Monthly quarterly progress report and proof of payments	14 000	14 000	-	-	-	-	-	14 000	14 644	15 303
Unplanned interruptions of the supply should be restored as per NERSA license requirements in terms of NRS 047 (2019) by 30 June 2024 a) After unplanned	Monthly quarterly progress report and proof of payments	-	-	-	-	-	-	-	-	-	-
Unplanned interruptions of the supply should be restored as per NERSA license requirements in terms of NRS 047 (2019) by 30 June 2024 a) After unplanned interruptions which affects more than one customer i.e. multiple customer interruption/outage, the customers supply should be restored as follows: a) 30% within 1.5 hours b) 60% within 3.5 hours c) 90% within 7.5 hours and d) 98% within 24 hours and e) 100% within a week as per NERSA requirement by 30 June 2024 b) After an unplanned interruption which affects a single i.e. individual customer interruption / outage, the customers supply should be restored as follows: a) 20 % within 1.5h b) 50 % within 3.5h c) 80 % within 7.5h d) 98 % within 24h, and e) 100% within 168 h as per NERSA requirement by 30 June 2024	Monthly quarterly progress report and proof of payments	-	-	-	-	-	-	-	-	-	-
Total capacity (MVA) of all commissioned embedded generation plants on the Municipal network by 30 June 2024	Monthly quarterly progress report and proof of payments	-	-	-	-	-	-	-	-	-	-

SE 2 – Financial and Non-Financial Indicators

Centlec - Supporting Table SE2 Adjustments Budget - financial and non-financial indicators - 31/12/2024

Description of financial indicator	Basis of calculation	Ref	Budget Year 2024/25		Budget Year +1 2025/26	Budget Year +2 2026/27
			Original Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure		2%	2%	2%	3%
Borrowed funding of capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions		0%	0%	0%	0%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		46%	46%	48%	48%
Gearing	Long Term Borrowing/ Funds & Reserves		0%	0%	0%	0%
Liquidity						
Current Ratio	Current assets/current liabilities		76%	76%	76%	76%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days		31%	31%	31%	35%
Liquidity Ratio	Monetary Assets/Current Liabilities		3%	3%	3%	3%
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		95%	95%	86%	86%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		17%	16%	16%	16%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0%	0%	0%	0%
Other Indicators						
Electricity Distribution Losses	% Volume (Total units purchased + generated less total units sold)/Total units purchased + generated	1	8%	8%	9%	9%
Employee costs	Employee costs/Total Revenue - capital revenue		12%	11%	12%	12%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		1%	4%	3%	3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		2%	2%	2%	2%
Financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		455%	492%	455%	498%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		15%	0%	17%	17%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		11%	10%	3,0	3,0

SE3 – Investment Portfolio

Centlec - Supporting Table SE3 Adjustments Budget - investment Portfolio - 31/12/2024

Investments by maturity Name of institution & investment ID R thousands	Ref	Budget Year +1 2024/25							
		Period of investment Months	Type of investment	Expiry date of investment	Accrued interest for the month	Yield %	Market value		
							Begin	Change	End
ABSA - 1 Day Account		Indefinite - Started	Call Account	n/a	256	7,05%	26 211	24 454	50 921
Total investments	2						26 211	24 454	50 921

SE4 – Board Member allowances and Staff benefits

Centlec - Supporting Table SE4 Adjustments Budget - Board member allowances and staff benefits - 31/12/2024

Summary of Employee and Board Member remuneration	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +1 2026/27
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	
		A	A1	B	C	D	E	F	G	
R thousands										
Remuneration										
Board Members of Entities										
Basic Salaries		1 277	-	-	-	-	-	-	1 277	1 336
Sub Total - Board Members of Entities		1 277	-	-	-	-	-	-	1 277	1 336
% increase									0,0%	4,6%
Senior Managers of Entities	2									
Basic Salaries		14 149	-	-	-	-	-	-	14 149	14 800
Cell phone allowance		162	-	-	-	-	-	-	162	177
Sub Total - Senior Managers of Entities		14 311	-	-	-	-	-	-	14 311	14 969
% increase									0,0%	4,6%
Other Staff of Entities										
Basic Salaries		288 448	-	-	-	-	-	-	288 448	301 716
Pension Contributions		51 158	-	-	-	-	-	-	51 158	51 165
Medical Aid Contributions		46 240	-	-	-	-	-	-	46 240	48 367
Motor vehicle allowance		23 673	-	-	-	-	-	-	23 673	49 604
Cell phone allowance		1 808	-	-	-	-	-	-	1 808	21 514
Housing allowance		10 993	-	-	-	-	-	-	10 993	24 761
Overtime		37 872	-	-	-	-	-	-	37 872	1 892
Annual Bonus		20 567	-	-	-	-	-	-	20 567	11 498
Other benefits or allowances		8 790	-	-	-	-	-	-	8 790	-
Payments in lieu of leave	1									1 551
Sub Total - Other Staff of Entities		489 549	-	-	-	-	-	-	489 549	512 068
% increase									0,0%	4,6%
Total Municipal Entities remuneration		505 137	-	-	-	-	-	-	505 137	528 373

SE5 – Monthly Cash and Revenue / Expenditure

Centlec - Supporting Table SE5 Adjustments Budget - monthly cash and revenue/expenditure - 31/12/2024

Description	Budget Year +1 2024/25											Medium Term Revenue and Expenditure Framework		
	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +2 2026/27
	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands														
Operating Revenue By Source														
Exchange Revenue														
Service charges - Electricity	395 626	346 351	263 686	246 309	216 741	408 865	408 865	408 865	408 865	408 865	408 865	4 277 512	4 330 773	4 525 658
Sale of Goods and Rendering of Services	829	632	87	63	37	1 684	1 684	1 684	1 684	1 684	1 684	12 398	4 697	4 908
Interest earned from Receivables	3 208	3 225	3 237	3 351	3 287	2 972	2 972	2 972	2 972	2 972	2 972	37 394	5 950	6 217
Interest earned from Current and Non Current Assets	452	408	332	352	414	567	567	567	567	567	567	5 688	38 643	40 639
Operational Revenue	(24)	(24)	323	(27)	(24)	663	663	663	663	663	663	4 080	-	-
Non-Exchange revenue														
Fines, penalties and forfeits	279	483	312	304	268	540	540	540	540	540	540	5 228	5 468	5 714
Gains on disposal of Assets	-	-	-	-	-	1 650	1 650	1 650	1 650	1 650	1 650	9 900	11 804	12 335
Other Gains	-	86	-	-	-	35 220	35 220	35 220	35 220	35 220	35 220	211 404	18 252	19 309
Total Revenue	400 371	351 160	267 976	250 351	220 723	452 180	452 180	452 180	452 180	452 180	452 180	4 563 603	4 415 588	4 614 781
Operating Expenditure By Type														
Employee related costs	43 088	46 040	45 329	46 786	45 612	39 112	39 112	39 112	39 112	39 112	39 112	503 860	527 037	550 754
Remuneration of councillors	-	-	-	-	-	213	213	213	213	213	213	1 277	1 336	1 396
Bulk purchases - electricity	346 666	189 988	393 982	218 290	164 733	189 765	189 765	189 765	189 765	189 765	189 765	2 802 190	2 687 373	2 808 305
Inventory consumed	6 350	5 599	11 476	9 538	5 100	10 440	10 440	10 440	10 440	10 440	10 440	103 612	77 760	81 259
Debt impairment	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	317 562	332 170	347 118
Depreciation and asset impairment	(15 141)	(15 141)	85 519	18 412	18 412	(2 974)	(2 974)	(2 974)	(2 974)	(2 974)	(2 974)	93 500	102 850	113 135
Finance charges	5	5	5	5	5	5	5	5	5	5	5	56	58	61
Contracted services	6 940	11 083	17 427	16 043	20 266	16 821	16 821	16 821	16 821	16 821	16 821	183 163	172 414	180 173
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	120 000	120 000
Operational costs	15 012	10 430	14 319	12 008	14 642	35 325	35 325	35 325	35 325	35 325	35 325	289 765	151 877	158 722
Total Expenditure	429 303	274 473	594 519	347 545	295 233	315 170	315 170	315 170	315 170	315 170	315 170	4 294 985	4 172 876	4 360 923
Capital expenditure by Asset Class/Sub-class														
Infrastructure	2 889	4 375	26 412	21 102	27 270	34 253	34 253	34 253	34 253	34 253	34 253	296 345	230 127	240 788
Electrical Infrastructure	2 889	4 375	26 412	21 102	27 270	34 253	34 253	34 253	34 253	34 253	34 253	296 345	230 127	240 788
Power Plants	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HV Substations	-	18	-	-	6 447	1 760	1 760	1 760	1 760	1 760	1 760	17 300	3 661	3 826
HV Transmission Conductors	-	-	-	1 060	-	657	657	657	657	657	657	5 000	10 460	10 931
MV Networks	540	720	2 393	1 356	4 835	3 103	3 103	3 103	3 103	3 103	3 103	29 200	33 472	35 016
LV Networks	2 349	3 638	24 019	18 686	15 989	28 734	28 734	28 734	28 734	28 734	28 734	244 045	182 534	191 016
Community Assets	-	-	-	1 299	1 478	5 094	5 094	5 094	5 094	5 094	5 094	36 500	35 878	37 455
Community Facilities	-	-	-	1 299	1 478	5 094	5 094	5 094	5 094	5 094	5 094	36 500	35 041	36 618
Centres	-	-	-	1 299	1 478	5 094	5 094	5 094	5 094	5 094	5 094	36 500	35 041	36 618
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-	-	837	837
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	-	-	837	837
Computer Equipment	2	100	1 662	96	545	2 016	2 016	2 016	2 016	2 016	2 016	14 500	4 707	4 919
Computer Equipment	2	100	1 662	96	545	2 016	2 016	2 016	2 016	2 016	2 016	14 500	4 707	4 919
Furniture and Office Equipment	13	19	598	40	10 482	2 338	2 338	2 338	2 338	2 338	2 338	25 200	8 159	8 526
Furniture and Office Equipment	13	19	598	40	10 482	2 338	2 338	2 338	2 338	2 338	2 338	25 200	8 159	8 526
Machinery and Equipment	-	-	-	546	-	259	259	259	259	259	259	2 100	1 151	1 202
Machinery and Equipment	-	-	-	546	-	259	259	259	259	259	259	2 100	1 151	1 202
Transport Assets	-	-	-	-	-	333	333	333	333	333	333	2 000	9 414	9 838
Transport Assets	-	-	-	-	-	333	333	333	333	333	333	2 000	9 414	9 838
Total capital expenditure	2 904	4 494	28 671	23 084	39 775	44 293	44 293	44 293	44 293	44 293	44 293	376 645	289 435	302 728

SE6 (a) – Capital expenditure on new assets

Centlec - Supporting Table SE6a Adjustments capital expenditure on new assets by asset category - 31/12/2024											
Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27	
		Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
			1	2	3	4	5	6	7		
R thousands	1	A	A1	B	C	D	E	F	G		
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure		176 410	-	75 500	-	-	(5 190)	70 310	246 720	161 368	168 898
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		176 410	-	75 500	-	-	(5 190)	70 310	246 720	161 368	168 898
Power Plants		5 000	-	-	-	-	(5 000)	(5 000)	-	-	-
HV Substations		14 300	-	1 500	-	-	-	1 500	15 800	2 092	2 186
MV Networks		6 000	-	-	-	-	-	-	6 000	11 506	12 024
LV Networks		151 110	-	74 000	-	-	(190)	73 810	224 920	147 770	154 688
Capital Spares		-	-	-	-	-	-	-	-	-	-
Community Assets		34 300	-	2 200	-	-	-	2 200	36 500	35 878	37 492
Community Facilities		33 500	-	3 000	-	-	-	3 000	36 500	35 041	36 618
Centres		33 500	-	3 000	-	-	-	3 000	36 500	35 041	36 618
Sport and Recreation Facilities		800	-	(800)	-	-	-	(800)	-	837	874
Indoor Facilities		-	-	-	-	-	-	-	-	-	-
Outdoor Facilities		800	-	(800)	-	-	-	(800)	-	837	874
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707	4 919
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707	4 919
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159	8 526
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159	8 526
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151	1 202
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151	1 202
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414	9 838
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414	9 838
Total Capital Expenditure on new assets to be adjusted	1	233 110	-	87 100	-	-	6 810	93 910	327 020	220 677	230 875

SE6 (b) – Capital expenditure on existing assets by asset category

Centlec - Supporting Table SE6b Adjustments capital expenditure on renewal of existing assets by asset category - 31/12/2024											
Description	Ref	Budget Year +1 2024/25								Budget Year +1 2025/26	Annual target 2024/25
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			1	2	3	4	5	6	7		
		A	A1	B	C	D	E	F	G		
R thousands	1	A	A1	B	C	D	E	F	G		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
Infrastructure		21 705	-	9 500	-	-	(3 000)	6 500	28 205	35 256	28 205
Electrical Infrastructure		21 705	-	9 500	-	-	(3 000)	6 500	28 205	35 256	28 205
HV Substations		1 500	-	-	-	-	-	-	1 500	1 569	1 500
MV Networks		15 000	-	5 000	-	-	(4 000)	1 000	16 000	15 690	16 000
LV Networks		5 205	-	4 500	-	-	1 000	5 500	10 705	17 997	10 705
Capital Spares								-	-		
Total Capital Expenditure on renewal of existing assets to be adjusted	1	21 705	-	9 500	-	-	(3 000)	6 500	28 205	35 256	28 205

SE6 (c) – Expenditure on Repairs and maintenance by asset category

Centlec - Supporting Table SE6c Adjustments expenditure on repairs and maintenance by asset category - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		1	2	3	4	5	6	7		
R thousands	1	A	A1	B	C	D	E	F	G	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		110 487	-	50 703	-	-	6 643	57 346	175 833	114 949
Electrical Infrastructure		110 487	-	50 703	-	-	6 643	57 346	175 833	120 121
HV Substations		2 390	-	-	-	-	-	-	2 390	2 612
LV Networks		-	-	-	-	-	-	-	-	-
Total Repairs and maintenance expenditure to be adjusted	1	133 512	-	53 503	-	-	7 143	60 646	194 158	136 545

SE6 (d) – Depreciation by asset category

Centlec - Supporting Table SE6d Adjustments Depreciation by asset category - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		1	2	3	4	5	6	7		
R thousands	1	A	A1	B	C	D	E	F	G	
Depreciation by Asset Class/Sub-class										
Infrastructure		62 902	-	-	-	-	-	-	62 902	70 844
Electrical Infrastructure		62 902	-	-	-	-	-	-	62 902	79 689
LV Networks		62 902	-	-	-	-	-	-	62 902	70 844
Capital Spares		-	-	-	-	-	-	-	-	79 689
Community Assets		1 806	-	-	-	-	-	-	1 806	1 889
Community Facilities		1 806	-	-	-	-	-	-	1 806	1 974
Halls		1 806	-	-	-	-	-	-	1 806	1 889
Intangible Assets		6 587	-	-	-	-	-	-	6 587	6 890
Servitudes		-	-	-	-	-	-	-	-	7 200
Licences and Rights		6 587	-	-	-	-	-	-	6 587	6 890
Computer Software and Applications		6 587	-	-	-	-	-	-	6 587	7 200
Furniture and Office Equipment		7 413	-	-	-	-	-	-	7 413	7 754
Furniture and Office Equipment		7 413	-	-	-	-	-	-	7 413	8 103
Machinery and Equipment		59	-	-	-	-	-	-	59	62
Machinery and Equipment		59	-	-	-	-	-	-	59	64
Transport Assets		14 733	-	-	-	-	-	-	14 733	15 411
Transport Assets		14 733	-	-	-	-	-	-	14 733	16 104
Total Depreciation to be adjusted	1	93 500	-	-	-	-	-	-	93 500	102 850

SE6 (e) Capital expenditure on upgrading of existing assets by asset category

Centlec - Supporting Table SE6e Adjustments capital expenditure on upgrading of existing assets by asset category - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		1	2	3	4	5	6	7		
R thousands	1	A	A1	B	C	D	E	F	G	
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		24 030	-	1 200	-	-	(3 810)	(2 610)	21 420	33 503
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		24 030	-	1 200	-	-	(3 810)	(2 610)	21 420	33 503
HV Transmission Conductors		10 000	-	-	-	-	(5 000)	(5 000)	5 000	10 460
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		6 000	-	1 200	-	-	-	1 200	7 200	6 276
LV Networks		8 030	-	-	-	-	1 190	1 190	9 220	16 767
Capital Spares		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets to be adjusted	1	24 030	-	1 200	-	-	(3 810)	(2 610)	21 420	33 503

SE7 – Capital programmes and projects affected by the Adjustment Budget

Centlec - Supporting Table SE7 List of capital projects affected by Adjustments Budget - 31/12/2024							
R thousands				Budget Year 2024/25			
Function	Project Description	Type	Asset Sub-Class	Budget Year +1 2024/25	Adjusted Budget	Budget Year +2 2025/26	Budget Year +2 2026/27
Electricity	Remedial Work 132kv Southern Lines	UPGRADING	Hv Transmission Conductors	10 000	5 000	10 460	10 931
Electricity	Extension And Upgrading Of The 11kv Netw	UPGRADING	Mv Networks	4 000	4 000	4 184	4 372
Electricity	Relur Protec & Scada Systems Dist Centr	UPGRADING	Mv Networks	1 000	2 200	1 046	1 093
Electricity	Replacement Of Oil Plant	UPGRADING	Mv Networks	1 000	1 000	1 046	1 093
Electricity	Relurbishment Of High Mast Lights	UPGRADING	Lv Networks	5 030	6 220	5 261	5 498
Electricity	Upgrading And Extension Of Lv Network	UPGRADING	Lv Networks	3 000	3 000	3 138	3 279
Electricity	Establishment Of New 30mwp Solar Farm	NEW	Power Plants	5 000		5 230	5 465
Electricity	Security Equipment (CCTV)	NEW	Hv Substations	2 000	3 500	2 092	2 186
Electricity	Botshabelo:Establishment of 123KV (Indu)	NEW	Hv Substations	12 300	12 300	12 866	13 445
Electricity	Electrification Internal Projects	NEW	Mv Networks	6 000	6 000	6 276	6 558
Electricity	Blomr: C/Y-Est 33/11kv 20mva Firm Supdc	NEW	Lv Networks	21 000	34 000	21 966	22 954
Electricity	Blomr: N/Stad-Upg 132/11kv 20mva Firm Dc	NEW	Lv Networks	5 000	20 000	5 230	5 465
Electricity	Botsh: Upg Sub W (C/Work B/W 2nd Tra S/D	NEW	Lv Networks	15 000		15 690	16 396
Electricity	Electrification (Usdg Grant)	NEW	Lv Networks	10 360	30 360	8 600	9 255
Electricity	Electrification Projects (Isupg)	NEW	Lv Networks	24 700	54 700	25 836	26 999
Electricity	DSM	NEW	Lv Networks		11 000		
Electricity	Install Prepaid Meters	NEW	Lv Networks	500	500	523	547
Electricity	Installation Of Public Lighting	NEW	Lv Networks	6 000	6 000	6 276	6 558
Electricity	Meter Project	NEW	Lv Networks	30 000	36 000	31 380	32 792
Electricity	Public Electricity Connections	NEW	Lv Networks	14 000	14 000	14 644	15 303
Electricity	Rep Brittle Overhead Connections	NEW	Lv Networks	850	850	889	929
Electricity	Replace Decrypt Cables Mv-Hv	NEW	Lv Networks	7 000	7 000	7 322	7 651
Electricity	Replace Decrypt Cables Mv-Hv	NEW	Lv Networks	5 000	3 810	5 230	5 465
Electricity	S/Lights Replace Pole Trns Poles Section	NEW	Lv Networks	3 000	6 000	3 138	3 279
Electricity	Servitudes Land (Ind Invest Remune Reg	NEW	Lv Networks	700	700	732	765
Electricity	Upgrade 132/11kv 20mva Dc Shannon B	NEW	Lv Networks	8 000		8 368	8 745
Electricity	Implem Business Cont Disaster Recov Inf	NEW	Computer Equipment	500	10 000	523	547
Electricity	Upgrade & Relurb Computer Network	NEW	Computer Equipment	4 000	4 500	4 184	4 372
Electricity	Furniture And Office Equipment	NEW	Furniture And Office Equipment	1 700	2 200	1 778	1 858
Electricity	Vending Back Office	NEW	Furniture And Office Equipment	6 000	23 000	6 276	6 558
Electricity	Digital Radio System	NEW	Machinery And Equipment	1 100	2 100	1 151	1 202
Electricity	Equipment Disabled Persons	NEW	Machinery And Equipment	100		105	109
Electricity	Protection Test Unit	NEW	Transport Assets	2 000	2 000	2 092	2 186
Electricity	Vehicles	NEW	Transport Assets	7 000		7 322	7 651
Electricity	Replacement Of 110v Batteries	RENEWAL	Hv Substations	1 500	1 500	1 569	1 640
Electricity	Replacement Of 11kv Switchgears	RENEWAL	Mv Networks	2 000	4 000	2 092	2 186
Electricity	Replacement Of 32v Batteries	RENEWAL	Mv Networks	1 500	1 500	1 569	1 640
Electricity	Transformer Replace & Other Related Equi	RENEWAL	Mv Networks	11 500	10 500	12 029	12 570
Electricity	Installation Of High Voltage Test Equipm	RENEWAL	Lv Networks	2 500	4 500	2 615	2 733
Electricity	Rep Low Volt Decrepit 2/4/8 Way Boxes	RENEWAL	Lv Networks	700	4 200	732	765
Electricity	Shifting Of Connection And Replacement S	RENEWAL	Lv Networks	2 005	2 005	2 098	2 192
Electricity	Repair Mmm Dist Dist Centre	NEW	Centres	2 500	2 500	2 615	2 733
Electricity	Repair Vista Dist Dist Centre	NEW	Centres	26 000	26 000	27 196	28 420
Electricity	Office Building	NEW	Centres	5 000	8 000	5 230	5 465
Electricity	Training & Development	NEW	Outdoor Facilities	800		837	874
Total Capital expenditure				278 845	376 645	289 435	302 728

CERTIFICATION

Print Name ZSN WILLIAMS
CHIEF FINANCIAL OFFICER OF CENTLEC (SOC) LTD

Signature 

Date 20 January 2025

CHIEF EXECUTIVE OFFICER CERTIFICATION

Chief Executive Officer's certification:

I Makwane Sebata, Chief Executive Officer of CENTLEC (SOC) Ltd, hereby certify that the Adjustment Budget 2024/25 and supporting documentation 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 business plan of the Entity, the service delivery agreement with the Parent Municipality and the Integrated Development Plan of the Parent Municipality.

Print Name Makwane Sebata
CHIEF EXECUTIVE OFFICER OF CENTLEC (SOC) LTD

Signature 

Date 2025/01/20