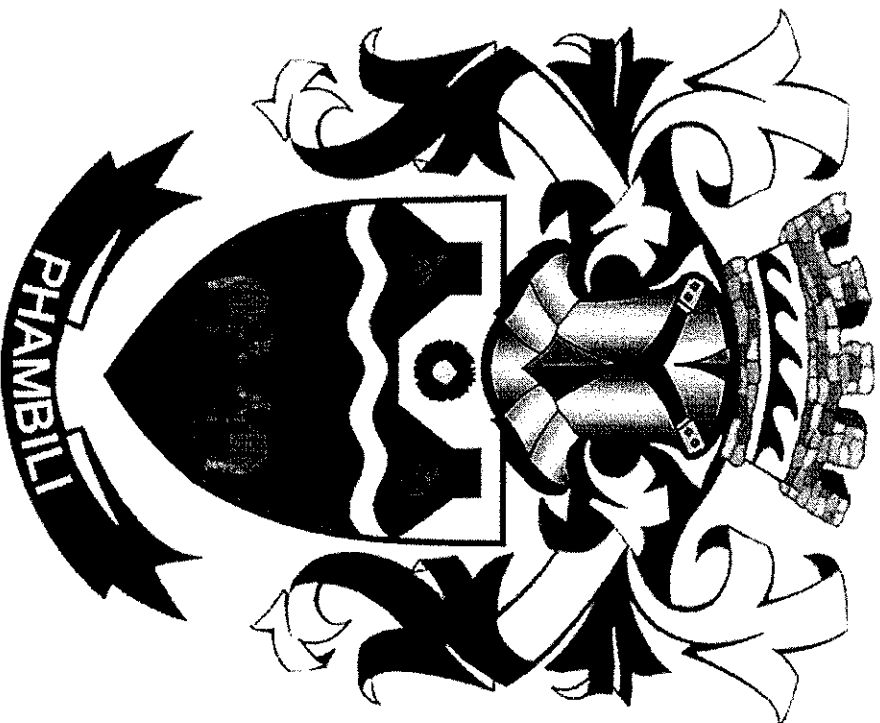


**SUNDAYS RIVER VALLEY  
MUNICIPALITY (EC106)**



**ADJUSTMENT BUDGET 2013/14**

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## CHAPTER 1

### MAYOR'S REPORT

Madam Speaker, fellow Councillors and officials. It is my privilege to table to you the Adjustment budget for 2013/14 financial year.

In terms of the Municipal Finance Management Act (MFMA), No.56 of 2003 section S28 a municipality may revise an approved annual budget through an adjustments budget. It should be noted that an adjustment budget:

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

Furthermore the Mayor may table an adjustment budget as a result of a S72 report if necessary. The December 2013/14 midyear review was tabled to Council on 25 January 2014 where Council resolved that an adjustment budget was necessary.

The main reasons for the adjustment budget could be summarized as follows:

- The municipality must adjust the revenue and expenditure estimates downwards as a result of an under-collection of revenue during the year.
- The outstanding debtor's amount to R110.1m, with R101.9m of the total debt exceeding 30 days.
- The debt collection practices and processes will need to be reviewed so as to improve the functioning of the debt collection unit.
- Prompt recording of grants and subsidies received should be adhered to thus ensuring validity, accuracy and completeness of revenue and the budget.
- Cash flow budget not aligned to the actual performance of the municipality.
- Interest and finance charges budget not aligned to the actual investment and debt the municipality has for the year under review.

## CHAPTER 2

### COUNCIL RESOLUTION

The Council of Sundays River Valley Municipality at a meeting on 25 February 2014 considered the adjustments budget for approval. The following are the resolutions:

- That the Operating Budget be adjusted ;
- That the Cashflow Budget be adjusted ;
- That the Financial Performance and Financial Position be adjusted ;
- That the formal budget tables be updated with the adjustments and submitted to National and Provincial Treasury.

## **CHAPTER 3**

### **EXECUTIVE SUMMARY**

In accordance with the Municipal Finance Management Act (MFMA), No. 56 of 2003 section S28 a municipality may revise an approved annual budget through an adjustments budget.

Subsequent to the MFMA National treasury issued the Municipal budget and reporting regulations. The object of the regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities and municipal entities by establishing inform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes of those institutions and other relevant matters required by the Act.

The Mayor may table an adjustment budget as a result of a S72 report, and the following was necessary:

- to adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year;
- must authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- must authorize the utilization of projected savings in one vote towards spending under another vote;
- must correct any errors in the annual budget; and
- must provide for any other expenditure within a prescribed framework.

Adjustments and assumptions follow in the next chapter:

## CHAPTER 4

### ADJUSTMENT BUDGET ASSUMPTIONS

The December 2013/14 midyear review was tabled to Council on 25 January 2014, and the following major adjustments to the following expenditure/income types were necessary:

#### Operating Revenue

- The approved budget operating revenue is R145 million and this has been adjusted to R126 million, thus has decreased by R19 million. The downwards adjustment to revenue can be attributed to the following listed below:
  - R500 000, received from Local Government to service debt of Water Affairs
  - R2 396 000, Disaster Recovery Grant received from National for repair or replace public infrastructure
  - R1 500 000, the upward adjustment results from Police bringing no less than R200 000 per month so their revenue was understated.
  - R4 000 000, SANParks exemption approved by council
  - R288 000, received from LGSETA for stipends
  - R4 000 000, income from VAT received which was not included in 2013/14 approved budget
  - Service charges revenue has been reduced by 40 percent as the rate of collection was 57% at December 2013.
  - R77000, Equitable share received was reduced by R77 000 as a result of unspent and non-committed conditional grant funding.

#### Operating Expenditure

- The approved budget operating expenditure is R131 million and this has been adjusted to R122 million thus has decreased by R9 million. This is attributable to the following listed below, by source/vote:
  - Municipal governance and administration has been decreased by R1.39 million
  - Community and public safety has decreased by R3.20 million
  - Economic and environmental services decreased by R1.78 million
  - Trading services decreased by R2.46 million
- These reductions were based on the actual trend per vote analysis as at December 2013 in comparison to the budgeted amounts for 2013/14 year of assessment. Significant contributors are repairs and maintenance of R 3 million and General expenses of R4 million.

### Cash Flow

- Ratepayers and other: The municipality budgeted for an amount of R50.30 million; year to date collected is at R22.72 million, less than half of the projected. In addition, the municipality did not budget for VAT receivable, however to date an amount of R2.1 million has been received. Thus due to the net-effect of slow revenue and VAT receivable, no adjustment will be made to the Ratepayers and other.
- Interest received on outstanding debtors was increased by R3.88 million as the municipality generated more than anticipated.
- Government Grants operational decreased by R77 000, due to decrease in Equitable share for non-spending of conditional grants in the 2012/13 financial year.
- Suppliers actual as at December amounted to R75.50 million, against a budgeted amount of R102.46 million, indicating a 70.8 per cent spending. The budgeted will thus be adjusted by R42.53 million to provide for additional spending, based on the actual trend.
- Finance charges paid as at December amounted to R107000 against a budget amount of R1.18 million. The budget consequently adjusted by R800000

### Financial Position

- Consumer debtors: Gross Debtors outstanding as per Annual Financial Statements (AFS) is at R93.31 million, the debt by type reflects an outstanding amount of R112 million, thus debtors was increase to align with the actual results.
- Investments: Investment balance as at December 2013 amounted to R19 million, call investments thus increased R17 million to correspond with the actual results.
- Trade and other payables: Final AFS for 2012/13 indicate outstanding creditors of R22.73 million, budget increased to align with the actuals.

### Capital

- Internal capital budget will be adjusted by R80 097 as a result expenditure against non-budgeted votes:
  - Executive and council – R45 173
  - Community Services – R26 545
  - Budget and Treasury (Finance) – R8 378

### Adjustment Budget Conclusion

As indicated above it is recommended that SRVM approves an adjustment budget to ensure the budget remains reliable and achievable.

Collection rate is a concern and every effort to increase the collection rate is implemented.

# CHAPTER 5

## ADJUSTMENT BUDGET TABLES

EC106 Sundays River Valley - Table B2 Adjustments Budget Financial Performance (standard classification) - 25/02/2014

| Standard Description                       | Ref | Budget Year 2013/14 |                |              |                    |                  |                    |                |                |                 |                 |                 | Budget Year | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|-----------------|-----------------|-------------|-------------|
|  |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget | +12014/15   | +22015/16   |
|  |     | A                   | 5              | 6            | 7                  | 8                | 9                  | 10             | 11             | 12              |                 |                 |             |             |
| <b>Revenue - Standard</b>                  | 1,4 |                     |                |              |                    |                  |                    |                |                |                 |                 |                 |             |             |
| <b>Governance and administration</b>       |     | 26 751              | -              | -            | -                  | -                | (77)               | (6 134)        | (6 211)        | 20 540          | 29 870          | 33 941          |             |             |
| Executive and council                      |     | 2 511               | -              | -            | -                  | -                | -                  | -              | -              | 2 511           | 2 920           | 3 032           |             |             |
| Budget and treasury office                 |     | 23 780              | -              | -            | -                  | -                | (77)               | (6 422)        | (6 499)        | 17 281          | 26 433          | 30 372          |             |             |
| Corporate services                         |     | 460                 | -              | -            | -                  | -                | 288                | 288            | 288            | 748             | 407             | 537             |             |             |
| <b>Community and public safety</b>         |     | 9 687               | -              | -            | -                  | -                | 1 500              | 1 500          | 1 500          | 11 187          | 13 479          | 16 576          |             |             |
| Community and social services              |     | 4 409               | -              | -            | -                  | -                | -                  | -              | -              | 4 409           | 5 681           | 6 679           |             |             |
| Sport and recreation                       |     | 4 133               | -              | -            | -                  | -                | -                  | -              | -              | 4 133           | 6 561           | 6 592           |             |             |
| Public safety                              |     | 1 145               | -              | -            | -                  | -                | 1 500              | 1 500          | 1 500          | 2 645           | 1 235           | 1 335           |             |             |
| Housing                                    |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -               | -               |             |             |
| Health                                     |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -               | -               |             |             |
| <b>Economic and environmental services</b> |     | 17 514              | -              | -            | -                  | -                | 2 396              | -              | 2 396          | 19 910          | 8 791           | 9 628           |             |             |
| Planning and development                   |     | 4 039               | -              | -            | -                  | -                | -                  | -              | -              | 4 039           | 1 573           | 1 645           |             |             |
| Road transport                             |     | 12 485              | -              | -            | -                  | -                | 2 396              | -              | 2 396          | 14 881          | 6 180           | 6 984           |             |             |
| Environmental protection                   |     | 991                 | -              | -            | -                  | -                | -                  | -              | -              | 991             | 1 038           | 1 088           |             |             |
| Trading services                           |     | 90 560              | -              | -            | -                  | -                | (15 848)           | (15 848)       | 74 712         | 95 309          | 103 508         |                 |             |             |
| Electricity                                |     | 26 743              | -              | -            | -                  | -                | (6 519)            | (6 519)        | 20 224         | 28 114          | 30 519          |                 |             |             |
| Water                                      |     | 29 879              | -              | -            | -                  | -                | (4 900)            | (4 900)        | 24 980         | 27 458          | 29 691          |                 |             |             |
| Waste water management                     |     | 19 459              | -              | -            | -                  | -                | (1 558)            | (1 558)        | 17 901         | 23 947          | 26 077          |                 |             |             |
| Waste management                           |     | 14 478              | -              | -            | -                  | -                | (2 671)            | (2 671)        | 11 607         | 15 790          | 17 220          |                 |             |             |
| Other                                      |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -               | -               |             |             |
| <b>Total Revenue - Standard</b>            | 2   | 144 511             | -              | -            | -                  | -                | 2 319              | (20 481)       | (18 162)       | 126 349         | 147 448         | 163 653         |             |             |
| <b>Expenditure - Standard</b>              |     |                     |                |              |                    |                  |                    |                |                |                 |                 |                 |             |             |
| <b>Governance and administration</b>       |     | 61 516              | -              | -            | -                  | -                | -                  | (1 338)        | (1 338)        | 60 179          | 62 432          | 64 592          |             |             |
| Executive and council                      |     | 11 749              | -              | -            | -                  | -                | -                  | (1 704)        | (1 704)        | 10 045          | 12 386          | 13 120          |             |             |
| Budget and treasury office                 |     | 42 014              | -              | -            | -                  | -                | -                  | 1 503          | 1 503          | 43 516          | 41 982          | 42 966          |             |             |
| Corporate services                         |     | 7 753               | -              | -            | -                  | -                | (1 136)            | (1 136)        | 6 617          | 8 065           | 8 066           |                 |             |             |
| <b>Community and public safety</b>         |     | 13 800              | -              | -            | -                  | -                | (3 618)            | (3 618)        | 10 181         | 14 456          | 15 342          |                 |             |             |
| Community and social services              |     | 4 277               | -              | -            | -                  | -                | (799)              | (799)          | 3 478          | 4 484           | 4 755           |                 |             |             |
| Sport and recreation                       |     | 969                 | -              | -            | -                  | -                | (940)              | (940)          | 630            | 1 013           | 1 076           |                 |             |             |
| Public safety                              |     | 8 330               | -              | -            | -                  | -                | (1 834)            | (1 834)        | 6 496          | 8 720           | 9 263           |                 |             |             |
| Housing                                    |     | 223                 | -              | -            | -                  | -                | (45)               | (45)           | 178            | 234             | 248             |                 |             |             |
| Health                                     |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -               |                 |             |             |
| <b>Economic and environmental services</b> |     | 117 778             | -              | -            | -                  | -                | (1 777)            | (1 777)        | 16 001         | 16 559          | 17 528          |                 |             |             |
| Planning and development                   |     | 11 546              | -              | -            | -                  | -                | (998)              | (998)          | 10 548         | 10 024          | 10 605          |                 |             |             |
| Road transport                             |     | 5 239               | -              | -            | -                  | -                | (828)              | (828)          | 4 412          | 5 489           | 5 819           |                 |             |             |
| Environmental protection                   |     | 993                 | -              | -            | -                  | -                | (51)               | (51)           | 942            | 1 046           | 1 104           |                 |             |             |
| Trading services                           |     | 38 187              | -              | -            | -                  | -                | (2 458)            | (2 458)        | 35 730         | 40 017          | 42 381          |                 |             |             |
| Electricity                                |     | 15 065              | -              | -            | -                  | -                | (456)              | (456)          | 14 629         | 15 897          | 16 758          |                 |             |             |
| Water                                      |     | 10 935              | -              | -            | -                  | -                | (562)              | (562)          | 10 372         | 11 225          | 11 864          |                 |             |             |
| Waste water management                     |     | 4 981               | -              | -            | -                  | -                | (512)              | (512)          | 4 469          | 5 288           | 5 653           |                 |             |             |
| Waste management                           |     | 7 187               | -              | -            | -                  | -                | (907)              | (907)          | 6 279          | 7 607           | 8 107           |                 |             |             |
| Other                                      |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -               | -               |             |             |
| <b>Total Expenditure - Standard</b>        | 3   | 131 282             | -              | -            | -                  | -                | (8 591)            | (8 591)        | 122 691        | 133 465         | 139 844         |                 |             |             |
| <b>Surplus / Deficit for the year</b>      |     | 13 230              | -              | -            | -                  | -                | 2 319              | (11 831)       | (9 572)        | 3 658           | 13 984          | 23 809          |             |             |



EC106 Sundays River Valley - Table B3 Adjustments Budget Financial Performance (Revenue and expenditure by municipal vote) - 25/02/2014

| Vote Description<br><i>(Insert departmental structure etc)</i> | Ref      | Budget Year 2013/14 |                |              |                    |                  |                   |                 |                 |                 |                 | Budget Year     | Budget Year |
|--|----------|---------------------|----------------|--------------|--------------------|------------------|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------|
|  |          | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat or Prov. Govt | Other Adjusts.  | Total Adjusts.  | Adjusted Budget | Adjusted Budget | Adjusted Budget |             |
|  |          | A                   | A1             | B            | C                  | D                | E                 | F               | G               | H               | +1 2014/15      | +2 2015/16      |             |
| <b>Revenue by Vote</b>   | <b>1</b> |                     |                |              |                    |                  |                   |                 |                 |                 |                 |                 |             |
| Vote 1 - Executive & Council                                   |          | 2 511               | -              | -            | -                  | -                | -                 | -               | -               | 2 511           | 2 920           | 3 002           |             |
| Vote 2 - Finance & Administration                              |          | 24 240              | -              | -            | -                  | -                | (77)              | (6 194)         | (6 211)         | 18 029          | 26 950          | 30 909          |             |
| Vote 3 - Planning & Development                                |          | 4 039               | -              | -            | -                  | -                | 2 396             | -               | 2 396           | 6 435           | 1 573           | 1 645           |             |
| Vote 4 - Health  |          | -                   | -              | -            | -                  | -                | -                 | -               | -               | -               | -               | -               |             |
| Vote 5 - Community and Social Services                         |          | 4 409               | -              | -            | -                  | -                | -                 | -               | -               | 4 409           | 5 661           | 6 679           |             |
| Vote 6 - Public Safety   |          | 1 145               | -              | -            | -                  | -                | -                 | 1 500           | 1 500           | 2 945           | 1 236           | 1 335           |             |
| Vote 7 - Sport and Recreation                                  |          | 4 133               | -              | -            | -                  | -                | -                 | -               | -               | 4 133           | 6 561           | 6 562           |             |
| Vote 8 - Environmental Protection                              |          | 991                 | -              | -            | -                  | -                | -                 | -               | -               | 991             | 1 038           | 1 098           |             |
| Vote 9 - Roads & Transport                                     |          | 12 465              | -              | -            | -                  | -                | -                 | -               | -               | 12 465          | 6 180           | 6 884           |             |
| Vote 10 - Housing Services                                     |          | -                   | -              | -            | -                  | -                | -                 | -               | -               | -               | -               | -               |             |
| Vote 11 - Solid Waste  |          | 14 478              | -              | -            | -                  | -                | -                 | (2 871)         | (2 871)         | 11 607          | 15 780          | 17 220          |             |
| Vote 12 - Waste Water Management                               |          | 19 459              | -              | -            | -                  | -                | -                 | (1 559)         | (1 559)         | 17 901          | 23 947          | 26 077          |             |
| Vote 13 - Electricity  |          | 26 743              | -              | -            | -                  | -                | -                 | (6 519)         | (6 519)         | 20 224          | 28 114          | 30 519          |             |
| Vote 14 - Water Service Authority                              |          | 29 879              | -              | -            | -                  | -                | -                 | (4 900)         | (4 900)         | 24 980          | 27 458          | 29 691          |             |
| Vote 15 - (NAME OF VOTE 15)                                    |          | -                   | -              | -            | -                  | -                | -                 | -               | -               | -               | -               | -               |             |
| <b>Total Revenue by Vote</b>                                   | <b>2</b> | <b>144 511</b>      | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>2 319</b>      | <b>(20 481)</b> | <b>(18 162)</b> | <b>126 349</b>  | <b>147 448</b>  | <b>163 653</b>  |             |
| <b>Expenditure by Vote</b>                                     | <b>1</b> |                     |                |              |                    |                  |                   |                 |                 |                 |                 |                 |             |
| Vote 1 - Executive & Council                                   |          | 11 749              | -              | -            | -                  | -                | -                 | (1 704)         | (1 704)         | 10 045          | 12 366          | 13 120          |             |
| Vote 2 - Finance & Administration                              |          | 40 767              | -              | -            | -                  | -                | -                 | 366             | 366             | 50 133          | 50 047          | 51 472          |             |
| Vote 3 - Planning & Development                                |          | 11 546              | -              | -            | -                  | -                | -                 | (898)           | (898)           | 10 648          | 10 024          | 10 605          |             |
| Vote 4 - Health  |          | -                   | -              | -            | -                  | -                | -                 | -               | -               | -               | -               | -               |             |
| Vote 5 - Community and Social Services                         |          | 4 277               | -              | -            | -                  | -                | -                 | (799)           | (799)           | 3 478           | 4 484           | 4 755           |             |
| Vote 6 - Public Safety   |          | 7 635               | -              | -            | -                  | -                | -                 | (1 583)         | (1 583)         | 6 052           | 7 988           | 8 492           |             |
| Vote 7 - Sport and Recreation                                  |          | 999                 | -              | -            | -                  | -                | -                 | (340)           | (340)           | 630             | 1 018           | 1 076           |             |
| Vote 8 - Environmental Protection                              |          | 993                 | -              | -            | -                  | -                | -                 | (61)            | (61)            | 942             | 1 046           | 1 104           |             |
| Vote 9 - Roads & Transport                                     |          | 5 229               | -              | -            | -                  | -                | -                 | (828)           | (828)           | 4 412           | 5 489           | 5 819           |             |
| Vote 10 - Housing Services                                     |          | 223                 | -              | -            | -                  | -                | -                 | (45)            | (45)            | 178             | 234             | 248             |             |
| Vote 11 - Solid Waste  |          | 7 187               | -              | -            | -                  | -                | -                 | (907)           | (907)           | 6 279           | 7 607           | 8 107           |             |
| Vote 12 - Waste Water Management                               |          | 4 981               | -              | -            | -                  | -                | -                 | (512)           | (512)           | 4 469           | 5 289           | 5 653           |             |
| Vote 13 - Electricity  |          | 15 779              | -              | -            | -                  | -                | -                 | (697)           | (697)           | 15 082          | 16 628          | 17 529          |             |
| Vote 14 - Water Service Authority                              |          | 10 935              | -              | -            | -                  | -                | -                 | (582)           | (582)           | 10 352          | 11 225          | 11 864          |             |
| Vote 15 - (NAME OF VOTE 15)                                    |          | -                   | -              | -            | -                  | -                | -                 | -               | -               | -               | -               | -               |             |
| <b>Total Expenditure by Vote</b>                               | <b>2</b> | <b>131 282</b>      | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>          | <b>(8 590)</b>  | <b>(8 590)</b>  | <b>122 692</b>  | <b>133 465</b>  | <b>139 844</b>  |             |
| <b>Surplus / Deficit for the year</b>                          | <b>2</b> | <b>13 229</b>       | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>2 319</b>      | <b>(11 892)</b> | <b>(9 873)</b>  | <b>3 657</b>    | <b>13 984</b>   | <b>23 809</b>   |             |

EC106 Sundays River Valley - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 25/02/2014

| Description  | Ref      | Budget Year 2013/14  |                        |                     |                           |                         |                           |                       |                       |                         |                | Budget Year    | Budget Year |  |  |
|--|----------|----------------------|------------------------|---------------------|---------------------------|-------------------------|---------------------------|-----------------------|-----------------------|-------------------------|----------------|----------------|-------------|--|--|
|  |          | Original Budget<br>A | Prior Adjusted<br>3 A1 | Accum. Funds<br>4 B | Multi-year capital<br>5 C | Unfore. Unavoid.<br>6 D | Nat. or Prov. Govt<br>7 E | Other Adjusts.<br>8 F | Total Adjusts.<br>9 G | Adjusted Budget<br>10 H | +1 2014/15     | +2 2015/16     |             |  |  |
| <b>R thousands</b>   | <b>1</b> |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| <b>Revenue By Source</b>   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Property rates   | 2        | 17 305               | -                      | -                   | -                         | -                       | -                         | (6 922)               | (6 922)               | 10 383                  | 18 689         | 20 184         |             |  |  |
| Property rates - penalties & collection charges                      |          | 46                   | -                      | -                   | -                         | -                       | -                         | -                     | 46                    | 50                      | 54             |                |             |  |  |
| Service charges - electricity revenue                                | 2        | 16 297               | -                      | -                   | -                         | -                       | (6 519)                   | (6 519)               | 9 778                 | 17 601                  | 19 009         |                |             |  |  |
| Service charges - water revenue                                      | 2        | 12 290               | -                      | -                   | -                         | -                       | (4 900)                   | (4 900)               | 7 390                 | 13 285                  | 14 304         |                |             |  |  |
| Service charges - sanitation revenue                                 | 2        | 3 986                | -                      | -                   | -                         | -                       | (1 556)                   | (1 556)               | 2 338                 | 4 208                   | 4 544          |                |             |  |  |
| Service charges - refuse revenue                                     | 2        | 7 177                | -                      | -                   | -                         | -                       | (2 871)                   | (2 871)               | 4 306                 | 7 751                   | 8 371          |                |             |  |  |
| Service charges - other  |          |                      |                        |                     |                           |                         | (4 000)                   | (4 000)               |                       |                         |                |                |             |  |  |
| Rental of facilities and equipment                                   |          | 127                  | -                      | -                   | -                         | -                       | -                         | -                     | 127                   | 137                     | 149            |                |             |  |  |
| Interest earned - external investments                               |          | 201                  | -                      | -                   | -                         | -                       | -                         | -                     | 201                   | 217                     | 235            |                |             |  |  |
| Interest earned - outstanding debors                                 |          | 2 152                | -                      | -                   | -                         | -                       | -                         | -                     | 2 152                 | 2 371                   | 2 580          |                |             |  |  |
| Dividends received   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Fines  |          | 1 153                | -                      | -                   | -                         | -                       | 1 500                     | 1 500                 | 2 653                 | 1 246                   | 1 345          |                |             |  |  |
| Licences and permits   |          | 1 212                | -                      | -                   | -                         | -                       | -                         | -                     | 1 212                 | 1 308                   | 1 413          |                |             |  |  |
| Agency services  |          | 1 267                | -                      | -                   | -                         | -                       | -                         | -                     | 1 267                 | 1 388                   | 1 478          |                |             |  |  |
| Transfers recognised - operating                                     |          | 49 108               | -                      | -                   | -                         | 2 319                   | 788                       | 3 107                 | 52 215                | 52 815                  | 61 940         |                |             |  |  |
| Other revenue  | 2        | 3 232                | -                      | -                   | -                         | -                       | 4 000                     | 4 000                 | 7 232                 | 3 491                   | 3 770          |                |             |  |  |
| Gains on disposal of PPE   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |          | <b>115 423</b>       | <b>-</b>               | <b>-</b>            | <b>-</b>                  | <b>-</b>                | <b>2 319</b>              | <b>(20 481)</b>       | <b>(18 162)</b>       | <b>97 260</b>           | <b>124 495</b> | <b>139 356</b> |             |  |  |
| <b>Expenditure By Type</b>   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Employee related costs   |          | 37 436               | -                      | -                   | -                         | -                       | -                         | -                     | 37 436                | 39 683                  | 42 219         |                |             |  |  |
| Remuneration of councillors  |          | 5 166                | -                      | -                   | -                         | -                       | -                         | -                     | 5 166                 | 5 478                   | 5 810          |                |             |  |  |
| Debt impairment  |          | 10 847               | -                      | -                   | -                         | -                       | -                         | -                     | 10 847                | 10 915                  | 10 988         |                |             |  |  |
| Depreciation & asset impairment                                      |          | 17 500               | -                      | -                   | -                         | -                       | -                         | -                     | 17 500                | 17 500                  | 17 500         |                |             |  |  |
| Finance charges  |          | 1 185                | -                      | -                   | -                         | -                       | -                         | -                     | 1 185                 | 1 249                   | 1 316          |                |             |  |  |
| Bulk purchases   |          | 13 120               | -                      | -                   | -                         | -                       | -                         | -                     | 13 120                | 13 796                  | 14 541         |                |             |  |  |
| Other materials  |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Contracted services  |          | 2 559                | -                      | -                   | -                         | -                       | -                         | -                     | 2 559                 | 2 746                   | 2 944          |                |             |  |  |
| Transfers and grants   |          | 6 977                | -                      | -                   | -                         | -                       | -                         | -                     | 6 977                 | 7 466                   | 7 956          |                |             |  |  |
| Other expenditure  |          | 36 492               | -                      | -                   | -                         | -                       | (8 590)                   | (8 590)               | 27 902                | 31 185                  | 32 492         |                |             |  |  |
| Loss on disposal of PPE  |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| <b>Total Expenditure</b>   |          | <b>131 282</b>       | <b>-</b>               | <b>-</b>            | <b>-</b>                  | <b>-</b>                | <b>(8 590)</b>            | <b>(8 590)</b>        | <b>122 692</b>        | <b>122 553</b>          | <b>127 809</b> |                |             |  |  |
| <b>Surplus/(Deficit)</b>   |          | <b>(15 859)</b>      | <b>-</b>               | <b>-</b>            | <b>-</b>                  | <b>-</b>                | <b>2 319</b>              | <b>(11 892)</b>       | <b>(9 573)</b>        | <b>(25 432)</b>         | <b>1 943</b>   | <b>11 547</b>  |             |  |  |
| Transfers recognised - capital                                       |          | 29 089               | -                      | -                   | -                         | -                       | -                         | -                     | 29 089                | 22 953                  | 24 297         |                |             |  |  |
| Contributions  |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Contributed assets   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| <b>Surplus/(Deficit) before taxation</b>                             |          | <b>13 230</b>        | <b>-</b>               | <b>-</b>            | <b>-</b>                  | <b>-</b>                | <b>2 319</b>              | <b>(11 892)</b>       | <b>(9 573)</b>        | <b>3 657</b>            | <b>24 896</b>  | <b>35 844</b>  |             |  |  |
| Taxation   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Surplus/(Deficit) after taxation                                     |          | 13 230               | -                      | -                   | -                         | -                       | 2 319                     | (11 892)              | (9 573)               | 3 657                   | 24 896         | 35 844         |             |  |  |
| Attributable to minorities   |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| Surplus/(Deficit) attributable to municipality                       |          | 13 230               | -                      | -                   | -                         | -                       | 2 319                     | (11 892)              | (9 573)               | 3 657                   | 24 896         | 35 844         |             |  |  |
| Share of surplus/ (deficit) of associate                             |          |                      |                        |                     |                           |                         |                           |                       |                       |                         |                |                |             |  |  |
| <b>Surplus/ (Deficit) for the year</b>                               |          | <b>13 230</b>        | <b>-</b>               | <b>-</b>            | <b>-</b>                  | <b>-</b>                | <b>2 319</b>              | <b>(11 892)</b>       | <b>(9 573)</b>        | <b>3 657</b>            | <b>24 896</b>  | <b>35 844</b>  |             |  |  |

**References**

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SB1
3. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
4. Additional cash-backed accumulated funds/unused funds (M/FMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where underspending could not reasonably have been foreseen)
5. Increases of funds approved under M/FMA section 31
6. Adjustments approved in accordance with M/FMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjustments = 'Other' Adjustments proposed to be approved, including revenue under-collection (M/FMA section 28(2)(e)), additional revenue appropriation on existing programmes (section 28(2)(b)), projected savings (section 28(2)(g)), error correction (section 28(2)(f))
9. G = B + C + D + E + F
10. Adjusted Budget H = (A or A1/2 etc) + G

EC106 Sundays River Valley - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 25/02/2014

| Description                                      | Ref | Budget Year 2013/14  |                           |                        |                              |                            |                              |                           |                           |                            |        | Adjusted Budget +1 2014/15 | Adjusted Budget +2 2015/16 |   |
|--|-----|----------------------|---------------------------|------------------------|------------------------------|----------------------------|------------------------------|---------------------------|---------------------------|----------------------------|--------|----------------------------|----------------------------|---|
|  |     | Original Budget<br>A | Prior Adjusted<br>5<br>A1 | Accum. Funds<br>6<br>B | Multi-year capital<br>7<br>C | Unfore. Unavail.<br>8<br>D | Nat. or Prov. Govt<br>9<br>E | Other Adjusts.<br>10<br>F | Total Adjusts.<br>11<br>G | Adjusted Budget<br>12<br>H |        |                            |                            |   |
| <b>R thousands</b>                               |     |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| <b>Capital expenditure - Vote</b>                |     |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| <b>Multi-year expenditure to be adjusted</b>     | 2   |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| Vote 1 - Executive & Council                     |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 2 - Finance & Administration                |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 3 - Planning & Development                  |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 4 - Health                                  |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 5 - Community and Social Services           |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 6 - Public Safety                           |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 7 - Sport and Recreation                    |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 8 - Environmental Protection                |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 9 - Roads & Transport                       |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 10 - Housing Services                       |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 11 - Solid Waste                            |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 12 - Waste Water Management                 |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 13 - Electricity                            |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 14 - Water Service Authority                |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 15 - (NAVE OF VOTE 15)                      |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| <b>Capital multi-year expenditure sub-total</b>  | 3   | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| <b>Single-year expenditure to be adjusted</b>    | 2   |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| Vote 1 - Executive & Council                     |     | 223                  | -                         | -                      | -                            | -                          | -                            | -                         | 45                        | 45                         | 268    | -                          | -                          | - |
| Vote 2 - Finance & Administration                |     | 104                  | -                         | -                      | -                            | -                          | -                            | -                         | 8                         | 8                          | 112    | -                          | -                          | - |
| Vote 3 - Planning & Development                  |     | 22                   | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 22     | -                          | -                          | - |
| Vote 4 - Health                                  |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 5 - Community and Social Services           |     | 285                  | -                         | -                      | -                            | -                          | -                            | -                         | 27                        | 27                         | 311    | -                          | -                          | - |
| Vote 6 - Public Safety                           |     | 419                  | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 419    | -                          | -                          | - |
| Vote 7 - Sport and Recreation                    |     | 3 618                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 3 618  | -                          | -                          | - |
| Vote 8 - Environmental Protection                |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 9 - Roads & Transport                       |     | 8 953                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 8 953  | -                          | -                          | - |
| Vote 10 - Housing Services                       |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 11 - Solid Waste                            |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Vote 12 - Waste Water Management                 |     | 6 184                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 6 184  | -                          | -                          | - |
| Vote 13 - Electricity                            |     | 400                  | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 400    | -                          | -                          | - |
| Vote 14 - Water Service Authority                |     | 6 189                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 6 189  | -                          | -                          | - |
| Vote 15 - (NAVE OF VOTE 15)                      |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| <b>Capital single-year expenditure sub-total</b> |     | 28 486               | -                         | -                      | -                            | -                          | -                            | -                         | 80                        | 80                         | 28 486 | -                          | -                          | - |
| <b>Total Capital Expenditure - Vote</b>          |     | 28 406               | -                         | -                      | -                            | -                          | -                            | -                         | 80                        | 80                         | 28 486 | -                          | -                          | - |
| <b>Capital Expenditure - Standard</b>            |     |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| Governance and administration                    |     | 327                  | -                         | -                      | -                            | -                          | -                            | -                         | 35                        | 35                         | 362    | -                          | -                          | - |
| Executive and council                            |     | 223                  | -                         | -                      | -                            | -                          | -                            | -                         | 27                        | 27                         | 250    | -                          | -                          | - |
| Budget and treasury office                       |     | 104                  | -                         | -                      | -                            | -                          | -                            | -                         | 8                         | 8                          | 112    | -                          | -                          | - |
| Corporate services                               |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Community and public safety                      |     | 4 322                | -                         | -                      | -                            | -                          | -                            | -                         | 43                        | 43                         | 4 367  | -                          | -                          | - |
| Community and social services                    |     | 285                  | -                         | -                      | -                            | -                          | -                            | -                         | 45                        | 45                         | 330    | -                          | -                          | - |
| Sport and recreation                             |     | 3 618                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 3 618  | -                          | -                          | - |
| Public safety                                    |     | 419                  | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 419    | -                          | -                          | - |
| Housing  |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Health   |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| <b>Economic and environmental services</b>       |     | 8 975                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 8 975  | -                          | -                          | - |
| Planning and development                         |     | 22                   | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 22     | -                          | -                          | - |
| Road transport                                   |     | 8 953                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 8 953  | -                          | -                          | - |
| <b>Environmental protection</b>                  |     | 12 782               | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 12 782 | -                          | -                          | - |
| Trading services                                 |     | 400                  | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 400    | -                          | -                          | - |
| Electricity                                      |     | 8 198                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 8 198  | -                          | -                          | - |
| Water  |     | 6 184                | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 6 184  | -                          | -                          | - |
| Waste water management                           |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Waste management                                 |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| <b>Other</b>                                     |     |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| <b>Total Capital Expenditure - Standard</b>      | 3   | 28 406               | -                         | -                      | -                            | -                          | -                            | -                         | 80                        | 80                         | 28 486 | -                          | -                          | - |
| <b>Funded by:</b>                                |     |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |
| National Government                              |     | 23 790               | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 23 790 | -                          | -                          | - |
| Provincial Government                            |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| District Municipality                            |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| Other transfers and grants                       |     | -                    | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | -      | -                          | -                          | - |
| <b>Total Capital transfers recognised</b>        | 4   | 23 790               | -                         | -                      | -                            | -                          | -                            | -                         | -                         | -                          | 23 790 | -                          | -                          | - |
| <b>Public contributions &amp; donations</b>      |     |                      |                           |                        |                              |                            |                              |                           |                           |                            |        |                            |                            |   |

EC106 Sundays River Valley - Table B6 Adjustments Budget Financial Position - 25/02/2014

| Description                              | Ref | Budget Year 2013/14 |                |              |                    |                  |                   |                |                |                 |                 | Budget Year     | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|-------------------|----------------|----------------|-----------------|-----------------|-----------------|-------------|
|  |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Net or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |             |
|  |     | A                   | 3 A1           | 4 B          | 5 C                | 6 D              | 7 E               | 8 F            | 9 G            | 10 H            | +1 2014/15      | +2 2015/16      |             |
| <b>ASSETS</b>                            |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| <b>Current assets</b>                    |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Cash                                     |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Call investment deposits                 | 1   | 1 860               | -              | -            | -                  | -                | -                 | 17 000         | -              | -               | 2 395           | 13 810          |             |
| Consumer debtors                         | 1   | 23 958              | -              | -            | -                  | -                | -                 | 60 054         | 60 054         | 18 850          | 1 900           | 1 790           |             |
| Other debtors                            |     | 13 465              | -              | -            | -                  | -                | -                 | -              | -              | 84 012          | 31 432          | 33 139          |             |
| Current portion of long-term receivables | 4   | 4                   | -              | -            | -                  | -                | -                 | -              | -              | 13 465          | 14 230          | 18 030          |             |
| Inventory                                |     | 215                 | -              | -            | -                  | -                | -                 | -              | -              | 4               | 4               | 4               |             |
| <b>Total current assets</b>              |     | 39 492              | -              | -            | -                  | -                | -                 | 77 054         | 77 054         | 116 546         | 59 134          | 68 868          |             |
| <b>Non current assets</b>                |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Long-term receivables                    |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Investments                              |     | 52                  | -              | -            | -                  | -                | -                 | -              | -              | 52              | 52              | 52              |             |
| Investment property                      |     | 42 174              | -              | -            | -                  | -                | -                 | -              | -              | 42 174          | 42 174          | 42 174          |             |
| Investment In Associate                  |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Property, plant and equipment            | 1   | 339 955             | -              | -            | -                  | -                | -                 | -              | -              | 339 955         | 368 628         | 358 480         |             |
| Agricultural                             |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Biological                               |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Intangible                               |     | 2 500               | -              | -            | -                  | -                | -                 | -              | -              | 2 500           | 2 500           | 2 500           |             |
| Other non-current assets                 |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| <b>Total non current assets</b>          |     | 404 631             | -              | -            | -                  | -                | -                 | 77 054         | 77 054         | 404 631         | 403 355         | 433 207         |             |
| <b>TOTAL ASSETS</b>                      |     | 444 174             | -              | -            | -                  | -                | -                 | 77 054         | 77 054         | 521 228         | 453 489         | 470 095         |             |
| <b>LIABILITIES</b>                       |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| <b>Current liabilities</b>               |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Bank overdraft                           |     | 541                 | -              | -            | -                  | -                | -                 | 37 931         | 37 931         | 38 472          | 3 330           | 3 130           |             |
| Borrowing                                |     | 3 350               | -              | -            | -                  | -                | -                 | -              | -              | 3 350           | 257             | 257             |             |
| Consumer deposits                        |     | 257                 | -              | -            | -                  | -                | -                 | 5 776          | 5 776          | 22 724          | 14 920          | 11 150          |             |
| Trade and other payables                 |     | 16 948              | -              | -            | -                  | -                | -                 | -              | -              | 3 500           | 3 500           | 3 500           |             |
| Provisions                               |     | 3 500               | -              | -            | -                  | -                | -                 | 43 707         | 43 707         | 64 304          | 22 007          | 18 037          |             |
| <b>Total current liabilities</b>         |     | 24 597              | -              | -            | -                  | -                | -                 | 43 707         | 43 707         | 64 304          | 22 007          | 18 037          |             |
| <b>Non current liabilities</b>           |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Borrowing                                | 1   | 9 885               | -              | -            | -                  | -                | -                 | -              | -              | 9 885           | 8 444           | 7 363           |             |
| Provisions                               | 1   | 6 849               | -              | -            | -                  | -                | -                 | -              | -              | 6 849           | 6 211           | 4 059           |             |
| <b>Total non current liabilities</b>     |     | 16 734              | -              | -            | -                  | -                | -                 | -              | -              | 16 734          | 14 655          | 11 422          |             |
| <b>TOTAL LIABILITIES</b>                 |     | 41 331              | -              | -            | -                  | -                | -                 | 43 707         | 43 707         | 81 038          | 36 662          | 29 459          |             |
| <b>NET ASSETS</b>                        | 2   | 402 843             | -              | -            | -                  | -                | -                 | 33 347         | 33 347         | 436 190         | 416 827         | 440 636         |             |
| <b>COMMUNITY WEALTH/EQUITY</b>           |     |                     |                |              |                    |                  |                   |                |                |                 |                 |                 |             |
| Accumulated Surplus/(Deficit)            |     | 402 844             | -              | -            | -                  | -                | -                 | 23 884         | 23 884         | 428 528         | 451 423         | 487 267         |             |
| Reserves                                 |     | -                   | -              | -            | -                  | -                | -                 | -              | -              | -               | -               | -               |             |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     |     | 402 844             | -              | -            | -                  | -                | -                 | 23 884         | 23 884         | 428 528         | 451 423         | 487 267         |             |

EC106 Sundays River Valley - Table B7 Adjustments Budget Cash Flows - 25/02/2014

| Description                                       | Ref | Budget Year 2013/14 |                |              |                    |                  |                     |                 |                 |                 |                 | Budget Year     | Budget Year |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------|
|   |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Net. or Prov. Govt. | Other Adjusts.  | Total Adjusts.  | Adjusted Budget | Adjusted Budget | Adjusted Budget |             |
|   |     | A                   | A1             | B            | C                  | D                | E                   | F               | G               | H               | +1 2014/15      | +2 2015/16      |             |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Receipts  |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Ratepayers and other                              |     | 50 295              |                |              |                    |                  |                     |                 | -               | 50 295          | 53 396          | 57 888          |             |
| Government - operating                            | 1   | 49 108              |                |              |                    |                  |                     | (77)            | (77)            | 49 031          | 52 815          | 61 940          |             |
| Government - capital                              | 1   | 29 089              |                |              |                    |                  |                     | -               | -               | 29 089          | 22 953          | 24 257          |             |
| Interest  |     | 2 354               |                |              |                    |                  |                     | 3 878           | 3 878           | 6 232           | 2 588           | 2 795           |             |
| Dividends   |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Payments  |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Supplies and employees                            |     | (102 459)           |                |              |                    |                  |                     | (42 532)        | (42 532)        | (145 001)       | (103 801)       | (110 039)       |             |
| Finance charges                                   |     | (1 363)             |                |              |                    |                  |                     | 800             | 800             | (385)           | (1 259)         | (1 376)         |             |
| Transfers and Grants                              | 1   |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| <b>NET CASH FROM/USED) OPERATING ACTIVITIES</b>   |     | <b>27 192</b>       | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>            | <b>(37 931)</b> | <b>(37 931)</b> | <b>(10 739)</b> | <b>26 702</b>   | <b>35 345</b>   |             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Receipts  |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Proceeds on disposal of FPE                       |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Decrease (increase) in non-current debtors        |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Decrease (increase) other non-current receivables | 3   |                     |                |              |                    |                  |                     | -               | -               | 3               | 3               | 3               |             |
| Decrease (increase) in non-current investments    |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Payments  |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Capital assets                                    |     | (26 409)            |                |              |                    |                  |                     |                 | -               | (26 409)        | (20 134)        | (21 313)        |             |
| <b>NET CASH FROM/USED) INVESTING ACTIVITIES</b>   |     | <b>(26 409)</b>     | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>            | <b>-</b>        | <b>-</b>        | <b>(26 409)</b> | <b>(20 134)</b> | <b>(21 313)</b> |             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Receipts  |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Short term loans                                  |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Borrowing long term/refinancing                   |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Increase (decrease) in consumer deposits          |     |                     |                |              |                    |                  |                     |                 | -               | -               |                 |                 |             |
| Payments  |     |                     |                |              |                    |                  |                     |                 |                 |                 |                 |                 |             |
| Repayment of borrowing                            |     | (2 620)             |                |              |                    |                  |                     |                 | -               | (2 620)         | (2 620)         | (2 620)         |             |
| <b>NET CASH FROM/USED) FINANCING ACTIVITIES</b>   |     | <b>(2 620)</b>      | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>            | <b>-</b>        | <b>-</b>        | <b>(2 620)</b>  | <b>(2 620)</b>  | <b>(2 620)</b>  |             |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      |     | <b>(1 831)</b>      | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>            | <b>(37 931)</b> | <b>(37 931)</b> | <b>(39 752)</b> | <b>3 951</b>    | <b>11 415</b>   |             |
| Cash/est) equivalents at the year begin:          | 2   | 1 290               |                |              |                    |                  |                     |                 |                 | 1 290           |                 |                 |             |
| Cash/est) equivalents at the year end:            | 2   | (541)               |                |              |                    |                  |                     | (37 931)        |                 | (38 472)        | 3 951           | 11 415          |             |

**CHAPTER 7**

**MUNICIPAL MANAGER'S QUALITY CERTIFICATE**

**QUALITY CERTIFICATE**

I, L.M.R. Ngogo, Municipal manager of Sundays River Valley Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development plan of the municipality



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L.M.R. NGOGO

MUNICIPAL MANAGER OF SUNDAYS RIVER VALLEY MUNICIPALITY (EC106)

DATE: 25/08/2014