

**ADJUSTMENT BUDGET OF
MATJHABENG LOCAL MUNICIPALITY**



2013/2014

A3/2014

MUNICIPAL ADJUSTMENT BUDGET (6/1/1/1 2013/2014) (ACFO)

PURPOSE

To submit to Council a Recommendation for an Adjustment Budget in terms of Section 28 of the Municipal Finance Management Act no.56 of 2003.

COUNCIL RESOLVED (31 JANUARY 2014)

That Council **APPROVES** the under mentioned 2013/2014 Adjustment budget

BACKGROUND

Section 28(1) of the Municipal Finance Management Act no.56 of 2003 states that a Municipality may revise an annual budget through an adjustment budget.

The 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 budget for.
- c) May within a prescribed framework authorize unforeseeable and unavoidable expenditure recommended by the mayor of the Municipality.
- d) May authorize the utilization of projected savings in one vote towards spending under another vote.
- e) May authorize spending of funds that were unspent at the end of the past financial year were the under spending could not reasonably have been foreseen at the time to include projected rollovers when that annual budget for the current year was approved by council.
- f) May correct any error in the annual budget and
- g) May provide for any other expenditure within a prescribed framework.

Section 28(5) states that when an adjustment budget is tabled, it must be accompanied by-

- a) An explanation how the adjustments budget affects the annual budget;
- b) A motivation of any material changes to the annual budget;
- c) An explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
- d) Any other supporting documentation that may be prescribed.

DISCUSSIONS

The Operational Budget of the municipality is recommended to remain unadjusted at R 1 688 706 369 for this financial year due to the strain that will be placed on administration with respect to service delivery. The majority of the budget is fixed and adjustments can only be made on the general expenses and repairs& maintenance. If the operational budget is adjusted, the departments will not be able to access additional funds. The Municipality has currently a pay rate of **69%** and a

total Income percentage of **84%** as at 31 December 2013 which is in line with the budget. It is however very important that expenditure must be according a cash flow basis.

LEGAL IMPLICATIONS

Municipal Finance Management Act, no.56 of 2003
 Constitution of Republic of South Africa, no.108 of 1996

FINANCIAL IMPLICATIONS

In the 2013/2014 budget the contribution to Capital Expenditure out of income was **R 21 million**. The proposed projects to be funded were:

	<u>Original Budget</u>	<u>Revised Budget</u>
Upgrade of Thabong Community Centre	R 2 million	R 3 million
Barruch Thabong T16	R0	R 3 million
Thabong East Hall	R0	R 1 million
Cactus street sewer	R 1.2 million	R 1 million
Upgrading of Welkom Airport	R 2 million	R 2 million
Energy efficiency residential load management	R 2.8 million	R 0
CBD Facelift – Hennenman	R 2 million	R 0
CBD Facelift – Odendaalsrus	R 3 million	R 0
CBD Facelift – Allanridge	R2 million	R 0
Road – Dr Ngoma	R 0	R 1 million
Urania substation	R 8 million	R 1 million
Install/replace new water meters and restrictors	R 0	R 1 million
Municipal Buildings	R 0	R 1.7 million
Fleet and Equipment		R 3 million
Phomolong sewer network	R0	R 1.7 million
TOTAL	R21 million	R 21 million

The down scale of the Capital Budget (out of own funds) was necessary due to the fact that the budget is according the cash flow forecast.

The following pages present the main budget tables as required in terms of section 21 of the Municipal Budget and Reporting Regulation.

FS184 Matjhabeng Table
B1 Adjustments Budget
Summary - 31 January
2014

Description	Budget Year 2012/13								Budget Year +1 2013/14	Budget Year +2 2014/15	
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unforeseen	Natural Disasters	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
Financial Performance											
Property rates	162 236	-	-	-	-	-	-	-	162 236	175 215	189 232
Service charges	978 518	-	-	-	-	-	-	-	978 518	1 066 485	1 151 804
Investment revenue	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	427 360	-	-	-	-	-	-	-	427 360	408 097	449 844
Other own revenue	119 592	-	-	-	-	-	-	-	119 592	121 670	123 915
Total Revenue (excluding capital transfers and contributions)	1 687 706	-	-	-	-	-	-	-	1 687 706	1 771 467	1 914 795
Employee costs	501 812	-	-	-	-	-	-	-	501 812	541 957	585 313
Remuneration of councillors	22 748	13 619	-	-	-	-	-	-	13 619	35 059	37 863
Depreciation & asset impairment	23 000	-	-	-	-	-	-	-	23 000	23 000	23 000
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	512 775	-	-	-	-	-	-	-	512 775	550 490	594 529
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	607 372	325 122	-	-	-	-	-	-	325 122	606 610	662 102

Total Expenditure	1 667 706	338 741	-	-	-	-	-	-	1 376 328	1 757 116	1 902 807
Surplus/(Deficit)	20 000	(338 741)	-	-	-	-	-	-	311 379	14 352	11 988
Transfers recognised - capital	192 482	-	-	-	-	-	-	-	192 482	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	(10 000)	(10 000)	(10 000)	-	-
Surplus/(Deficit) after capital transfers & contributions	212 482	(338 741)	-	-	-	-	(10 000)	(10 000)	(348 741)	14 352	11 988
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	212 482	(338 741)	-	-	-	-	(10 000)	(10 000)	(348 741)	14 352	11 988
Capital expenditure & funds sources											
Capital expenditure	192 482	-	19 400	-	-	-	-	400	211 882	178 246	102 686
Transfers recognised - capital	192 482	-	-	-	-	-	-	-	192 482	157 246	123 586
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	19 400	-	-	-	-	400	19 400	22 000	23 100
Total sources of capital funds	192 482	-	19 400	-	-	-	-	400	211 882	179 246	146 686
Financial position											
Total current assets	2 512 924	-	-	-	-	-	-	-	2 512 924	2 978 417	3 481 149
Total non current assets	5 591 748	-	-	-	-	-	-	-	5 591 748	6 039 088	6 522 215
Total current liabilities	1 022 573	-	-	-	-	-	-	-	1 022 573	1 088 578	1 175 665
Total non current liabilities	356 272	-	-	-	-	-	-	-	356 272	384 774	415 556
Community wealth/Equity	6 725 827	-	-	-	-	-	-	-	6 725 827	7 544 152	8 412 143
Cash flows											
Net cash from (used) operating	213 482	-	-	-	-	-	-	-	213 482	230 561	249 005
Net cash from (used)	5 000	-	-	-	-	-	-	-	5 000	-	-

investing			-	-	-	-	-	-			
Net cash from (used) financing	4 000	-	-	-	-	-	-	-	4 000	3 000	2 000
Cash/cash equivalents at the year end	242 482	-	-	-	-	-	-	-	242 482	233 561	251 005
<u>Cash backing/surplus reconciliation</u>											
Cash and investments available	102 345	-	-	-	-	-	1	-	102 345	110 533	119 375
Application of cash and investments	(189 062)	-	-	-	-	-	151 884 (1 151 884)	1 151 884	962 822	1 024 047	1 105 971
Balance - surplus (shortfall)	291 407	-	-	-	-	-	151 884)	(1 151 884)	(860 477)	(913 515)	(986 596)

FS184 Matjhabeng - Table B2 Adjustments Budget Financial Performance
(standard classification) - 31 January 2014

Standard Description	Ref	Budget Year 2012/13									Budget Year +1 2013 /14	Budget Year +2 2014 /15
		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
		5	6	7	8	9	10	11	12			
R thousands	1,4	A	A1	B	C	D	E	F	G	H		
Revenue - Standard												
<i>Governance and administration</i>		680								680	679	742
		513	-	-	-	-	-	-	-	513	356	804
Executive and council		483								483	466	512
		011	-	-	-	-	-	-	-	011	054	437
Budget and treasury office		197								197	213	230
		502	-	-	-	-	-	-	-	502	302	366
Corporate services		-								-	-	-
<i>Community and public safety</i>		76								76	738	85 984
Community and social services		61								61	592	66 520
		592	-	-	-	-	-	-	-	61 592	66 520	71 841
Sport and recreation		1								1	372	3 052
		372	-	-	-	-	-	-	-	1 372	3 035	3 052
Public safety		6								6	977	7 535
		977	-	-	-	-	-	-	-	6 977	7 535	8 138
Housing		6								6	798	8 895
		798	-	-	-	-	-	-	-	6 798	8 895	14 830
Health		-								-	-	-
<i>Economic and environmental services</i>		367								367	793	857
Planning and development		367	-	-	-	-	-	-	-	367	793	857
Road transport		-								-	-	-
Environmental protection		-								-	-	-
		918								918	000	065
<i>Trading services</i>		532	-	-	-	-	-	-	-	532	502	683
Electricity		620								620	693	748
		360	-	-	-	-	-	-	-	360	449	925
Water		188								188	188	189
		831	-	-	-	-	-	-	-	831	857	232
Waste water management		109								109	118	127
Waste		340	-	-	-	-	-	-	-	340	196	525

management		-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		11 556	-	-	-	-	-	-	-	11 556	12 480	18 703
Total Revenue - Standard	2	1 687 706	-	-	-	-	-	-	-	1 687 706	1 779 115	1 925 907
<u>Expenditure - Standard</u>	-											
<i>Governance and administration</i>		281 459	-	-	-	-	-	-	-	281 459	296 878	320 839
Executive and council		117 584	-	-	-	-	-	-	-	117 584	128 227	137 979
Budget and treasury office		98 241	-	-	-	-	-	-	-	98 241	97 765	106 303
Corporate services		65 635	-	-	-	-	-	-	-	65 635	70 886	76 557
<i>Community and public safety</i>		340 641	-	-	-	-	-	-	-	340 641	369 566	399 438
Community and social services		131 169	-	-	-	-	-	-	-	131 169	138 090	149 445
Sport and recreation		79 933	-	-	-	-	-	-	-	79 933	88 951	96 067
Public safety		110 085	-	-	-	-	-	-	-	110 085	121 515	131 236
Housing		19 454	-	-	-	-	-	-	-	19 454	21 010	22 691
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		95 289	-	-	-	-	-	-	-	95 289	102 338	110 525
Planning and development		39 959	-	-	-	-	-	-	-	39 959	43 137	46 588
Road transport		55 330	-	-	-	-	-	-	-	55 330	59 201	63 938
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		966 389	-	-	-	-	-	-	-	966 389	1 006 092	1 090 524
Electricity		457 330	-	-	-	-	-	-	-	457 330	472 274	511 746
Water		360 038	-	-	-	-	-	-	-	360 038	385 337	417 394
Waste water management		149 021	-	-	-	-	-	-	-	149 021	148 481	161 384
Waste management		-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		3 927	-	-	-	-	-	-	-	3 927	4 241	4 581
Total Expenditure - Standard	3	1 687 706	-	-	-	-	-	-	-	1 687 706	1 779 115	1 925 907

FS184 Matjhabeng - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 31 January 2014

Description	Ref	Budget Year 2012/13									Budget Year +1 2013/14	Budget Year +2 2014/15
		Original Budget	Prior Adjusted	Accum. Funds	Mult-year capital	Unfore. Unavoid.	Nat. 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		
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	162 236	-	-	-	-	-	-	-	162 236	175 215	189 232
Property rates - penalties & collection charges										-		
Service charges - electricity revenue	2	619 151	-	-	-	-	-	-	-	619 151	693 449	748 925
Service charges - water revenue	2	188 507	-	-	-	-	-	-	-	188 507	188 507	203 588
Service charges - sanitation revenue	2	109 332	-	-	-	-	-	-	-	109 332	118 079	127 525
Service charges - refuse revenue	2	61 528	-	-	-	-	-	-	-	61 528	66 450	71 766
Service charges - other										-		
Rental of facilities and equipment										-		
Interest earned - external investments										-		
Interest earned - outstanding debtors		25 978								25 978	28 056	30 300
Dividends received										-		
Fines										-		
Licences and permits										-		
Agency services										-		
Transfers recognised - operating		427 360								427 360	408 097	449 844
Other revenue	2	93 614	-	-	-	-	-	-	-	93 614	93 614	93 614
Gains on disposal of PPE										-		
Total Revenue (excluding capital transfers and contributions)		1 687 706	-	-	-	-	-	-	-	1 687 706	1 771 467	1 914 795

Expenditure By Type	-											
Employee related costs	501 812	-	-	-	-	-	-	-	501 812	541 957	585 313	
Remuneration of councillors	22 748	13 619						-	13 619	35 059	37 863	
Debt impairment	300 694	325 122						-	325 122	267 054	295 381	
Depreciation & asset impairment	23 000	-	-	-	-	-	-	-	23 000	23 000	23 000	
Finance charges								-	-			
Bulk purchases	512 775	-	-	-	-	-	-	-	512 775	550 490	594 529	
Other materials								-	-			
Contracted services	7 500	-	-	-	-	-	-	-	7 500	7 500	7 500	
Transfers and grants								-	-			
Other expenditure	299 178	-	-	-	-	-	-	-	299 178	332 057	359 221	
Loss on disposal of PPE								-	-			
Total Expenditure	1 667 706	338 741	-	-	-	-	-	-	1 683 005	1 757 116	1 902 807	
Surplus/(Deficit)	20 000	(338 741)	-	-	-	-	-	-	4 701	14 352	11 988	
Transfers recognised - capital	192 482							-	192 482			
Contributions							(10 000)	(10 000)	(10 000)			
Contributed assets								-	-			
Surplus/(Deficit) before taxation	212 482	(338 741)	-	-	-	-	(10 000)	(10 000)	187 183	14 352	11 988	
Taxation								-	-			
Surplus/(Deficit) after taxation	212 482	(338 741)	-	-	-	-	(10 000)	(10 000)	187 183	14 352	11 988	
Attributable to minorities								-	-			
Surplus/(Deficit) attributable to municipality	212 482	(338 741)	-	-	-	-	(10 000)	(10 000)	187 183	14 352	11 988	
Share of surplus/ (deficit) of associate								-	-			
Surplus/ (Deficit) for the year	212 482	(338 741)	-	-	-	-	(10 000)	(10 000)	187 183	14 352	11 988	

Vote 1 - COUNCIL GENERAL												
Vote 2 - OFFICE OF THE EXECUTIVE MAYOR	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - OFFICE OF THE SPEAKER	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - OFFICE OF THE MUNICIPAL MANAGER	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - CORPORATE SERVICES	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - FINANCE	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - HUMAN RESOURCES	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COMMUNITY SERVICES	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - PUBLIC SAFETY AND TRANSPORT	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - ECONOMIC DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - ENGINEERING SERVICES	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - WATER/SEWERAGE	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - ELECTRICITY	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - HOUSING	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure - Standard <i>Governance and administration</i>	192 482	-	19 400	-	-	-	-	19 400	211 882	178 246	102 686	
Executive and council	-	-	4 700	-	-	-	-	4 700	4 700	24 341	23 100	
Budget and treasury office	-	-	4 700	-	-	-	-	4 700	4 700	24 341	23 100	
Corporate services <i>Community and public safety</i>								-	-			
Community and social services	42 767	-	4 000	-	-	-	-	4 000	46 767	72 725	14 839	
Sport and recreation			4 000					4 000	4 000			
Public safety	42 767							-	42 767	72 725	14 839	
Housing								-	-			

Health								-	-		
<i>Economic and environmental services</i>								-	-		
Planning and development	32	-	3 000	-	-	-	-	3 000	35	18	9 200
	348								348	000	
Road transport	32		2 000					2 000	34	18	9 200
Environmental protection	348		1 000					1 000	348	000	
<i>Trading services</i>								-	-		
Electricity	40	-	7 700	-	-	-	-	7 700	47	28	46
	140								840	521	547
Water	1 575							-	1 575		
Waste water management	13		1 000					1 000	14	28	46
	140								140	521	547
Waste management	25		6 700				-	6 700	32		
	425								125		
<i>Other</i>								-	-		
Total Capital Expenditure - Standard	3	77						-	77	37	9 000
		226							226	000	
Funded by:		192	19					19	211	180	102
National Government		482	400					400	882	587	686
Provincial Government		192						-	192	157	123
District Municipality		482						-	482	246	586
Other transfers and grants								-	-		
Total Capital transfers recognised	4							-	-		
Public contributions & donations		192						-	192	157	123
		482						-	482	246	586
Borrowing								-	-		
Internally generated funds								-	-		
Total Capital Funding		-	19					19	19	22	23
			400					400	400	000	100

FS184 Matjhabeng - Table B6 Adjustments Budget
Financial Position - 31 January 2014

Description	Ref	Budget Year 2012/13									Budget Year +1 2013/14	Budget Year +2 2014/15
		Original Budget	Prior Adjusted	Accum. Funds	Mult-year capital	Unfore. Unav. oid.	Nat. 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		
R thousands												
ASSETS												
Current assets												
Cash		52 097							-	52 097	56 265	60 766
Call investment deposits	1	17 375 1 612	-	-	-	-	-	-	-	17 375 1 612	18 765 2 006	20 266 2 431
Consumer debtors	1	968	-	-	-	-	-	-	-	968	464	440
Other debtors		6 674							-	6 674	7 208	7 785
Current portion of long-term receivables									-	-		
Inventory		823 810							-	823 810	889 715	960 892
Total current assets		2 512 924	-	-	-	-	-	-	-	2 512 924	2 978 417	3 481 149
Non current assets												
Long-term receivables									-	-		
Investments		32 873							-	32 873	35 503	38 343
Investment property		330							-	330	356	385
Investment in Associate		453							-	453	889	440
Property, plant and equipment	1	5 226 430	-	-	-	-	-	-	-	5 226 430	5 644 544	6 096 108
Agricultural									-	-		
Biological									-	-		
Intangible									-	-		
Other non-current assets		1 992							-	1 992	2 151	2 323
Total non current assets		5 591 748	-	-	-	-	-	-	-	5 591 748	6 039 088	6 522 215
TOTAL ASSETS		8 104	-	-	-	-	-	-	-	8 104	9 017	10 003

		672								672	504	363
LIABILITIES												
Current liabilities	-											
Bank overdraft									-	-		
Borrowing		27 166	-	-	-	-	-	-	-	27 166	29 339	31 686
Consumer deposits		32 585							-	32 585	35 192	38 007
Trade and other payables		962							962	962	1	1
		822	-	-	-	-	-	-	-	822	024	105
											047	971
Provisions									-	-		
Total current liabilities		1 022 573	-	-	-	-	-	-	-	1 022 573	1 088 578	1 175 665
Non current liabilities												
Borrowing	1	1 291	-	-	-	-	-	-	-	1 291	1 394	1 506
Provisions	1	354 981	-	-	-	-	-	-	-	354 981	383 379	414 050
Total non current liabilities		356 272	-	-	-	-	-	-	-	356 272	384 774	415 556
TOTAL LIABILITIES		1 378 845	-	-	-	-	-	-	-	1 378 845	1 473 352	1 591 220
NET ASSETS	2	6 725 827	-	-	-	-	-	-	-	6 725 827	7 544 152	8 412 143
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		6 725 827	-	-	-	-	-	-	-	6 725 827	7 544 152	8 412 143
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		6 725 827	-	-	-	-	-	-	-	6 725 827	7 544 152	8 412 143

FS184 Matjhabeng - Table B7 Adjustments Budget
Cash Flows - 31 January 2014

Description	R e f	Budget Year 2012/13								Budg et Year +1 2013/ 14	Budg et Year +2 2014/ 15	
		Original Budget	Prior Adjusted	Accum. Funds	Mul ti- yea r capi tal	Unfo re. Una void	Nat. or Pro v. Gov t	Oth er Adj usts	Tota l Adj usts	Adju sted Budg et	Adju sted Budg et	Adju sted Budg et
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		877							877	948	023	1
		879						-	879	109	958	
Government - operating	1	428							428	462	499	
		360						-	360	629	639	
Government - capital	1	192							192	207	224	
		482						-	482	881	511	
Interest		58 773							58 773	63 475	68 553	
Dividends									-			
Payments												
Suppliers and employees		(1 344 012)							(1 344 012)	(1 451 533)	(1 567 656)	
Finance charges									-			
Transfers and Grants	1								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES		213 482	-	-	-	-	-	-	213 482	230 561	249 005	
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		5 000							5 000			
Decrease (Increase) in non-current debtors									-			
Decrease (increase) other non-current receivables	-								-			
Decrease (increase) in non-current investments									-			
Payments												
Capital assets									-			
NET CASH FROM/(USED) INVESTING ACTIVITIES		5 000	-	-	-	-	-	-	5 000	-	-	

CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans								-	-		
Borrowing long term/refinancing								-	-		
Increase (decrease) in consumer deposits								-	-		
Payments											
Repayment of borrowing		4 000							4 000	3 000	2 000
NET CASH FROM/(USED) FINANCING ACTIVITIES		4 000	-	-	-	-	-	-	4 000	3 000	2 000
NET INCREASE/ (DECREASE) IN CASH HELD		222 482	-	-	-	-	-	-	222 482	233 561	251 005
Cash/cash equivalents at the year begin:	2	20 000						-	20 000		
Cash/cash equivalents at the year end:	2	242 482	-	-	-	-	-		242 482	233 561	251 005

Part 2 – Supporting documentation

FS184 Matjhabeng - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 31 January 2014

Description	Ref	Budget Year 2012/13									Budget Year +1 2013/14	Budget Year +2 2014/15
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unav. id.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
REVENUE ITEMS												
Property rates												
Total Property Rates		162								162	175	189
<i>less Revenue Foregone</i>		236							-	236	215	232
Net Property Rates		162	-	-	-	-	-	-	-	162	175	189
		236							-	236	215	232
Service charges - electricity revenue												
Total Service charges - electricity revenue		619								619	693	748
<i>less Revenue Foregone</i>		151							-	151	449	925
Net Service charges - electricity revenue		619	-	-	-	-	-	-	-	619	693	748
		151							-	151	449	925
Service charges - water revenue												
Total Service charges - water revenue		188								188	188	203
<i>less Revenue Foregone</i>		507							-	507	507	588
Net Service charges - water revenue		188	-	-	-	-	-	-	-	188	188	203
		507							-	507	507	588
Service charges - sanitation revenue												
Total Service charges - sanitation revenue		109								109	118	127
<i>less Revenue Foregone</i>		332							-	332	079	525
Net Service charges - sanitation revenue		109	-	-	-	-	-	-	-	109	118	127
		332							-	332	079	525
Service charges - refuse revenue												
Total refuse removal revenue		61								61	66	71
Total landfill revenue		528								528	450	766
<i>less Revenue</i>									-			

<i>Foregone</i>									-	-			
Net Service charges - refuse revenue		61 528	-	-	-	-	-	-	-	-	61 528	66 450	71 766
-													
Other Revenue By Source													
Fuel levy		93							-	-			
Other revenue	3	614							-	93 614	93 614	93 614	
Total 'Other' Revenue	1	93 614	-	-	-	-	-	-	-	93 614	93 614	93 614	
EXPENDITURE ITEMS													
Employee related costs													
Basic Salaries and Wages		294 548								294 548	318 111	343 560	
Pension and UIF Contributions		44 235							-	44 235	47 773	51 595	
Medical Aid Contributions		27 424							-	27 424	29 618	31 987	
Overtime		41 064							-	41 064	44 349	47 897	
Performance Bonus		-							-	-	-	-	
Motor Vehicle Allowance		18 326							-	18 326	19 792	21 376	
Cellphone Allowance		162							-	162	175	189	
Housing Allowances		2 184							-	2 184	2 358	2 547	
Other benefits and allowances		58 158							-	58 158	62 811	67 836	
Payments in lieu of leave		15 711							-	15 711	16 968	18 325	
Long service awards									-	-			
Post-retirement benefit obligations	4								-	-			
<i>sub-total</i>		501 812								501 812	541 957	585 313	
<u>Less: Employees costs capitalised to PPE</u>									-	-			
Total Employee related costs	1	501 812	-	-	-	-	-	-	-	501 812	541 957	585 313	
Contributions recognised - capital													
<i>List contributions by contract</i>									-	-			
Total Contributions recognised - capital									-	-			
Depreciation & asset impairment													
Depreciation of Property, Plant & Equipment		23 000							-	23 000	23 000	23 000	
Lease amortisation									-	-			
Capital asset impairment									-	-			

Depreciation resulting from revaluation of PPE									-	-		
Total Depreciation & asset impairment	1	23 000	-	-	-	-	-	-	-	23 000	23 000	23 000
Bulk purchases												
Electricity		281 327							-	281 327	300 525	324 567
Water		231 448							-	231 448	249 964	269 962
Total bulk purchases	1	512 775	-	-	-	-	-	-	-	512 775	550 490	594 529
Contracted services												
<i>List services provided by contract</i>		7 500							-	7 500	7 500	7 500
<i>sub-total</i>	1	7 500	-	-	-	-	-	-	-	7 500	7 500	7 500
Allocations to organs of state:												
Electricity									-	-		
Water									-	-		
Sanitation									-	-		
Other									-	-		
Total contracted services		7 500	-	-	-	-	-	-	-	7 500	7 500	7 500
Other Expenditure By Type												
Repairs and maintenance		158 326							-	158 326	178 787	193 090
Collection costs									-	-		
Contributions to 'other' provisions									-	-		
Consultant fees									-	-		
Audit fees									-	-		
General expenses	3, 5	140 852							-	140 852	153 270	166 131
Total Other Expenditure	1	299 178	-	-	-	-	-	-	-	140 852	332 057	359 221

FS184 Matjhabeng - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 31 January 2014

Description	Ref	Budget Year 2012/13							Budget Year +1 2013/14	Budget Year +2 2014/15
		Original Budget A	Prior Adjusted 7 A1	Multi-year capital 8 B	Nat. or Prov. Govt 9 C	Other Adjusts 10 D	Total Adjusts 11 E	Adjusted Budget 12 F	Adjusted Budget	Adjusted Budget
R thousands										
RECEIPTS:	1, 2									
-										
<u>Operating Transfers and Grants</u>		429						429	418	407
National Government:		935	-	-	-	-	-	935	931	580
Local Government Equitable Share		424						424	415	399
		920					-	920	397	963
Finance Management	3	1						1	1	1
		550					-	550	600	650
Municipal Systems Improvement		890						890	934	967
		1						1		
		000					-	000		
		1						1	1	5
		575					-	575	000	000
Other transfers and grants [insert description]							-	-		
Provincial Government:		-	-	-	-	-	-	-	-	-
							-	-		
	4						-	-		
Other transfers and grants [insert description]	5						-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Total Operating Transfers and Grants	6	429 935	-	-	-	-	-	429 935	418 931	407 580
<u>Capital Transfers and Grants</u>										
National Government:		189 907	-	-	-	-	-	189 907	156 246	118 586
Municipal Infrastructure Grant (MIG)		189 907						189 907	156 246	118 586

and Grants		907	-	-	-	-	-	189 907	156 246	118 586
Total capital expenditure of Transfers and Grants		619 842	-	-	-	-	-	619 842	575 177	526 166

FS184 Matjhabeng - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 31 January 2014

Description	Ref	Budget Year 2012/13						Budget Year +1 2013/14	Budget Year +2 2014/15	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Adjusted Budget	
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Provincial Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
District Municipality:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Other grant providers:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Total operating transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:										
National Government:										

													-	-	-	-
														1	1	1
Total Revenue by Vote	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	687 706	779 115	925 908
Expenditure by Vote																
Vote 1 - COUNCIL GENERAL	4 621	4 621	4 621	4 621	4 621	4 621	4 621	4 621	4 621	4 621	4 621	4 621	4 621	55 452	61 125	65 508
Vote 2 - OFFICE OF THE EXECUTIVE MAYOR	1 257	1 257	1 257	1 257	1 257	1 257	1 257	1 257	1 257	1 257	1 257	1 257	1 257	15 082	16 288	17 592
Vote 3 - OFFICE OF THE SPEAKER	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	17 455	18 852	20 360
Vote 4 - OFFICE OF THE MUNICIPAL MANAGER	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	47 041	50 804	54 868
Vote 5 - CORPORATE SERVICES	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	62 994	68 034	73 476
Vote 6 - FINANCE	8 619	8 619	8 619	8 619	8 619	8 619	8 619	8 619	8 619	8 619	8 619	8 619	8 619	103 428	103 367	112 354
Vote 7 - HUMAN RESOURCES	1 002	1 002	1 002	1 002	1 002	1 002	1 002	1 002	1 002	1 002	1 002	1 002	1 002	12 020	12 982	14 021
Vote 8 - COMMUNITY SERVICES	15 251	15 251	15 251	15 251	15 251	15 251	15 251	15 251	15 251	15 251	15 251	15 251	15 251	183 016	196 708	212 752
Vote 9 - PUBLIC SAFETY AND TRANSPORT	8 654	8 654	8 654	8 654	8 654	8 654	8 654	8 654	8 654	8 654	8 654	8 654	15 766	110 965	122 465	132 262
Vote 10 - ECONOMIC DEVELOPMENT	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	16 919	18 272	19 734
Vote 11 - ENGINEERING SERVICES	68	8 294	8 294	8 294	8 294	8 294	8 294	8 294	8 294	8 294	8 294	8 294	16 516	99 524	106 912	115 465
Vote 12 - WATER/SEWERAGE	493	40 066	40 066	40 066	40 066	40 066	40 066	40 066	40 066	40 066	40 066	40 066	79 641	480 794	503 292	545 810
Vote 13 - ELECTRICITY	1 472	38 630	38 630	38 630	38 630	38 630	38 630	38 630	38 630	38 630	38 630	38 630	75 789	463 562	479 004	519 015
Vote 14 - HOUSING	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 623	19 454	21 010	22 691
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote	55 093	140 049	140 049	140 049	140 049	140 049	140 049	140 049	140 049	140 049	140 049	140 049	232 120	687 707	779 115	925 907
Surplus/ (Deficit)	85 549	593	593	593	593	593	593	593	593	593	593	593	(91 478)	(1)	(0)	1

	51 697	51 697	51 697	51 697	51 697	51 697	51 697	51 697	51 697	51 697	51 697	51 697	620 360	693 449	748 925	
Water	15 736	15 736	15 736	15 736	15 736	15 736	15 736	15 736	15 736	15 736	15 736	15 736	188 831	188 857	189 232	
Waste water management	9 112	9 112	9 112	9 112	9 112	9 112	9 112	9 112	9 112	9 112	9 112	9 112	109 340	118 196	127 525	
Waste management													-	-	-	
<i>Other</i>	963	963	963	963	963	963	963	963	963	963	963	963	11 556	12 480	18 703	
Total Revenue - Standard	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 642	140 643	1 687 706	1 779 115	1 925 907
<u>Expenditure - Standard</u>																
<i>Governance and administration</i>	23 455	23 455	23 455	23 455	23 455	23 455	23 455	23 455	23 455	23 455	23 455	23 455	281 459	296 878	320 839	
Executive and council	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 798	117 584	128 227	137 979	
Budget and treasury office	8 187	8 187	8 187	8 187	8 187	8 187	8 187	8 187	8 187	8 187	8 187	8 186	98 241	97 765	106 303	
Corporate services	5 470	5 470	5 470	5 470	5 470	5 470	5 470	5 470	5 470	5 470	5 470	5 470	65 635	70 886	76 557	
<i>Community and public safety</i>	28 387	28 387	28 387	28 387	28 387	28 387	28 387	28 387	28 387	28 387	28 387	28 387	340 641	369 566	399 438	
Community and social services	10 931	10 931	10 931	10 931	10 931	10 931	10 931	10 931	10 931	10 931	10 931	10 931	131 169	138 090	149 445	
Sport and recreation	6 661	6 661	6 661	6 661	6 661	6 661	6 661	6 661	6 661	6 661	6 661	6 661	79 933	88 951	96 067	
Public safety	9 174	9 174	9 174	9 174	9 174	9 174	9 174	9 174	9 174	9 174	9 174	9 174	110 085	121 515	131 236	
Housing	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	19 454	21 010	22 691	
Health <i>Economic and environmental services</i>	7 941	7 941	7 941	7 941	7 941	7 941	7 941	7 941	7 941	7 941	7 941	7 941	95 289	102 338	110 525	
Planning and development	3 330	3 330	3 330	3 330	3 330	3 330	3 330	3 330	3 330	3 330	3 330	3 330	39 959	43 137	46 588	
Road transport	4 611	4 611	4 611	4 611	4 611	4 611	4 611	4 611	4 611	4 611	4 611	4 611	55 330	59 201	63 938	
Environme ntal protection													-	-	-	
<i>Trading services</i>	80 532	80 532	80 532	80 532	80 532	80 532	80 532	80 532	80 532	80 532	80 532	80 533	966 389	006 092	090 524	
Electricity	38 111	38 111	38 111	38 111	38 111	38 111	38 111	38 111	38 111	38 111	38 111	38 111	457 330	472 274	511 746	

Water	30	30	30	30	30	30	30	30	30	30	30	30	30	360	385	417	
003	003	003	003	003	003	003	003	003	003	003	003	003	003	003	038	337	394
Waste	12	12	12	12	12	12	12	12	12	12	12	12	12	149	148	161	
water	418	418	418	418	418	418	418	418	418	418	418	418	419	021	481	384	
management																	
Waste																	
management																	
<i>Other</i>													3	3	4	4	
													927	927	241	581	
Total														1	1	1	
Expenditure -	140	140	140	140	140	140	140	140	140	140	140	140	144	687	779	925	
Standard	315	315	315	315	315	315	315	315	315	315	315	315	242	706	115	907	
Surplus/ (Deficit) 1.	327	327	327	327	327	327	327	327	327	327	327	327	(3 600)	(0)	0	0	

Quality certificate

I,, municipal manager of Matjhabeng Local Municipality FS 184, hereby certifies that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustment budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print name: _____

Municipal Manager of Matjhabeng Local Municipality FS184

Signature: _____

Date: 31 January 2014