

NGWATHE LOCAL MUNICIPALITY

2013/14 Adjustments Budget

Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Vote – One of the main segments into which a budget.

Section 1 – Introduction

1.1 Purpose

To inform Council of progress made in the implementation of the budget and the performance outcomes in respect of the first six months of the 2013/14 financial year, and to recommend whether an adjustments budget is necessary.

1.2 Legal requirements

In terms of Section 72 of the Local Government : Municipal Finance Management Act, 2003 (Act 56 of 2003):

- (1) The accounting officer of a municipality must by 25 January of each year -
 - (a) assess the performance of the municipality during the first half of the financial year, taking into account –
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) the municipality’s service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
 - (iii) the past year’s annual report, and progress on resolving problems identified in the annual report; and
 - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
 - (b) submit a report on such assessment to –
 - (i) the mayor of the municipality
 - (ii) the National Treasury; and
 - (iii) the relevant Provincial Treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.
- (3) The accounting officer must, as part of the review -
 - (a) make recommendations as to whether an adjustments budget is necessary; and
 - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Thereafter, the mayor must, in terms of Section 54(1):

- (a) Consider the report;
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;
- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year.

1.3 Contents of this report

With the concurrence of the Chief Financial Officer, it was agreed that:

(a) The Finance Directorate would prepare a report complying with the financial requirements of MFMA section 71. The mid-year budget statement for December 2013 was submitted to National and Provincial Treasuries by the 10th working day of January 2014.

However, it would not be tabled before Council as the main contents of that report would be included in this assessment report.

(b) The annual adjustments budget

(c) The Performance Management Section in the Office of the Municipal Manager would compile a report on the performance assessment of service delivery against the SDBIP and the Capital Program.

(d) The outcomes from these reports form the basis of this mid-year and performance assessment.

Section 2 – Executive Summary

Specific variances to previously estimated results and sundry budgetary amendments, whether previously individually approved or recommended for adoption in this report, are proposed for adoption into an Adjustments Budget, where applicable.

Matters proposed for incorporation into an Adjustment Operating and Capital budget, are listed below.

Adjustments highlights

Adjustments made to the revenue budget.

- Income from traffic fines budget was reduced by R1.7 million to R200 088. The main reason for the downward adjustment was that the planned purchase of speed cameras and the utilisation of a collection agency did not materialise as planned during the 2013/14 budget preparation process. It was anticipated that these measures would increase the revenue collected from traffic fines.
- Income received from external investment was adjusted upwards by R1.7 million to R 2.3 million, this after it was discovered that income received from external investments was being incorrectly recognised under current and general vote. The movement to date on income from external investments was R1.1 million. This adjustment also resulted in the current and general vote being adjusted downwards by R 500 000 to R 37 092.
- Late payment or interest from outstanding debtors has been reduced by R7 million to R2.3 million. The downward adjustment was necessitated by the discovery of over levies in the interest calculation. The revenue and debt collection department is in the process of correcting the over levies.
- The revenue anticipated to be collected from the rental of the town hall has been adjusted downwards by R500 000.
- The sale of electricity budget has been adjusted downwards to R 113.9 million. The downward adjustment is mainly due to low collection from pre paid meter electricity sales.
- Revenue from sundry income (Meters bridged by the municipality) has been adjusted downwards by R 1 million to R 514 788. The YTD collection from sundry income vote is reflected as only R 331. It must however be noted that there is a misallocation between the sundry income (receipts for meters bridged by the municipality) and *Fines: Tampered meters* (illegally bridged meters), total YTD receipts captured under *Fines: Tampered meters* vote amount to R 274 409. A journal will be passed to correct the misallocation.

Overall the revenue budget was adjusted downwards from R 457.9 million to R 428.9 million.

Adjustments made to the operating budget

- The advertisement budget was consumed at a faster than anticipated rate, thus necessitating an increase as the municipality is still planning to make use of print media for advertising of annual budgets, annual report amongst others. The advertisements budget was increased by R200 000.
- The chemicals budget was increased by R 1.5 million, this was mainly due to an increase in the price of chemicals due to economic pressures on the South African economy.
- Cleaning campaigns were reduced by R1.5 million. Movement to date on the cleaning campaigns amounted to only R 6300. The revised budget now amounts to R 650 000.
- The entire allocation of R 1 million to fence the municipal offices has been scrapped, there was no indication coming from the technical services department as to when the project will start or if it will take place during the current financial year. Further to this the technical

services department did not include the fencing of the municipal office in their adjustment budget submission.

- Fleet management has been allocated an additional R 1 million. This additional allocation is funded by savings that the municipality will realise (from fencing of municipal offices vote).
- Insurance general budget has been reduced by R 1 million. The YTD movement in the insurance vote amounted to R 902 578, and taking into consideration that the municipality pays fixed monthly premium, the year end projection is estimated at R1.9 million.
- The rental of plant and vehicles budget was provisionally increased by R 800 000. The increase is a pre cautionary measure as currently the municipality is making use of hired plant and vehicles whilst waiting for the delivery of vehicles and plant from the government garage. It is envisaged that although the budget for the rental of vehicles and plant has been increased, the municipality will not make use of the entire provision.
- The subsistence and travelling budget for the finance directorate has been exhausted, the Finance Management Grant may be utilised for any travel costs incurred by finance official attending official approved training courses.
- During the annual budget process, the telephone and fax budget was incorrectly allocated to travelling allowance (1105051095420). In correcting this error, the travelling allowance budget was reduced to R 400 000 and the telephone and fax budget was increased to R 1.5 million.
- Valuation roll expenses were under budgeted by R 500 000 during the 2013/14 annual budget process. The valuation roll expenses vote was allocated an additional R 500 000 and increased to a total budget of R 3 million.
- After the contract for billing and meter reading lapsed, there were projected savings identified amounting to R500 000.
- Due to the ageing municipal infrastructure, the repairs and maintenance on infrastructure allocation had to be increased. The allocation was increased by R 750 000.
- The imminent delivery of the yellow fleet by the government garage and the proposed disposal of old and redundant municipal vehicles will result in reduced expenditure on the repairs and maintenance of vehicles. With the afore-mentioned in mind the vehicle repairs and maintenance budget was reduced by R 585 000 to R 3.4 million.
- During the 2013/14 budget process the municipality had anticipated to receive around 14 000 applications for indigency but after the indigent registration period, the municipality had only received and processed 6000 application. The low application for indigency required that the contribution to indigent subsidy allocation to be adjusted downwards. The allocation was reduced by R 20 million to R 18.5 million.

Overall the operating budget was adjusted downwards from R 457.9 million to R 437.9 million.

Adjustments made to the capital budget

The National Treasury approved a rollover of unspent MIG funds from the 2012/13 financial year amounting to R21.4 million. The rollover amount has been earmarked for the acceleration of bucket eradication projects; the technical services department with the PMU unit are preparing a business plan in this respect.

The PMU has applied for budget maintenance to Provincial MIG for the following projects:

MIG/0951/CF/13/13 – Vredefort: Fencing of Munmec sports facility.

- Initial value: R 825,930.00
- Revised value: R 1,594,974.48.

MIG/FS0953/CF/12/14 – Schonkenville: Refurbishment of the sports complex.

- Initial value: R 3,000,000.00.
- Revised value: R 4,622,112.43.

Department is in process of applying for budget maintenance for:

MIG/FS0979/W/13/13 – Mokwallo: Construction of water connections for 1625 stands.

- Initial value: R 6,555,998.00.
- Revised value: R 7,455,998.00.

The abovementioned projects will be completed in the current FY.

MIG/FS0623/S/08/10 – Heilbron : Upgrading of sewer treatment works.

- Initial value: R 56,430,000.00.
- Revised value: R 89,021,786.39.

The Heilbron project will be completed in the 2014/15 FY.

Section 3 – Financial Performance

3.1 Monthly budget statements

The tables included in section 3 are from the section 71 December in-year monthly budget statement. Subsequent to the December statement, they have been updated to include revised Full Year Forecasts for the 2013/14 financial year.

3.1.1 Table C1; s71 Monthly budget statement summary

FS203 Ngwathe - Table C1 Monthly Budget Statement Summary - M06 December

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	41 150	48 489	-	4 180	20 189	24 245	(4 056)	-17%	-
Service charges	202 113	234 538	-	23 575	130 294	117 269	13 025	11%	-
Investment revenue	1	575	-	159	1 103	287	815	284%	-
Transfers recognised - operational	157 276	159 631	-	-	107 635	79 816	27 820	35%	-
Other own revenue	11 411	14 758	-	2 571	13 529	7 379	6 150	83%	-
Total Revenue (excluding capital transfers and contributions)	411 951	457 992	-	30 485	272 750	228 996	43 754	19%	-
Employee costs	126 210	132 068	-	15 100	84 997	66 034	18 963	29%	-
Remuneration of Councillors	9 138	9 793	-	762	4 574	4 896	(322)	-7%	-
Depreciation & asset impairment	2 118	2 200	-	-	-	1 100	(1 100)	-100%	-
Finance charges	3 707	2 900	-	600	2 399	1 450	949	65%	-
Materials and bulk purchases	142 203	152 157	-	17 024	91 527	76 078	15 449	20%	-
Transfers and grants	36 006	38 526	-	1 006	1 006	19 263	(18 257)	-	-
Other expenditure	98 916	120 349	-	5 463	36 433	60 174	(23 741)	-39%	-
Total Expenditure	418 297	457 992	-	39 955	220 936	228 996	(8 060)	-4%	-
Surplus/(Deficit)	(6 346)	(0)	-	(9 470)	51 813	(0)	51 814	#####	-
Transfers recognised - capital	50 441	67 889	-	-	35 514	33 945	1 570	5%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	44 095	67 889	-	(9 470)	87 327	33 944	53 383	157%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	44 095	67 889	-	(9 470)	87 327	33 944	53 383	157%	-
Capital expenditure & funds sources									
Capital expenditure	120 045	73 889	-	6 936	29 794	33 944	(4 151)	-12%	-
Capital transfers recognised	63 854	67 889	-	6 936	29 794	33 945	(4 151)	-12%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	6 000	-	-	-	3 000	(3 000)	-100%	-
Internally generated funds	4 000	-	-	-	-	-	-	-	-
Total sources of capital funds	67 854	73 889	-	6 936	29 794	36 945	(7 151)	-19%	-
Financial position									
Total current assets	289 843	444 132	-	-	350 009	-	-	-	-
Total non current assets	1 286 967	1 671 739	-	-	-	-	-	-	-
Total current liabilities	281 366	247 900	-	-	(162 117)	-	-	-	-
Total non current liabilities	53 896	50 896	-	-	-	-	-	-	-
Community wealth/Equity	1 218 045	1 817 075	-	-	(0)	-	-	-	-
Cash flows									
Net cash from (used) operating	58 632	41 982	-	(37 568)	36 958	20 991	15 967	76%	-
Net cash from (used) investing	(66 276)	(73 889)	-	(8 694)	(33 238)	(36 944)	3 707	-10%	-
Net cash from (used) financing	(3 707)	3 100	-	(600)	(2 399)	1 550	(3 949)	-255%	-
Cash/cash equivalents at the month/year end	18 549	1 093	-	-	96 771	15 497	81 274	524%	95 450
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	21 156	4 059	15 664	14 077	163 877	10 905	-	-	229 738

3.1.2 Table C2; Monthly budget statement – Financial performance (standard classification)

This table reflects the operating budget in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

FS203 Ngwathe - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		206 316	210 049	-	6 781	141 270	105 025	36 246	35%	-
Executive and council		4 780	5 355	-	-	670	2 677	(2 007)	-75%	-
Budget and treasury office		199 362	203 180	-	6 780	140 506	101 590	38 916	38%	-
Corporate services		2 173	1 515	-	1	93	757	(664)	-88%	-
<i>Community and public safety</i>		5 909	4 854	-	89	630	2 427	(1 797)	-74%	-
Community and social services		4 968	1 352	-	48	452	676	(224)	-33%	-
Sport and recreation		106	1 541	-	8	47	770	(724)	-94%	-
Public safety		835	1 961	-	32	131	980	(850)	-87%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 620	59	-	3	61	30	31	106%	-
Planning and development		1 616	54	-	3	61	27	34	126%	-
Road transport		4	5	-	-	-	3	(3)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		198 053	243 030	-	23 611	130 780	121 515	9 265	8%	-
Electricity		134 834	135 143	-	12 411	73 081	67 572	5 509	8%	-
Water		18 443	46 848	-	5 359	27 310	23 424	3 886	17%	-
Waste water management		25 805	33 068	-	3 051	15 944	16 534	(590)	-4%	-
Waste management		18 971	27 971	-	2 790	14 445	13 986	459	3%	-
<i>Other</i>	4	53	-	-	1	9	-	9	#DIV/0!	-
Total Revenue - Standard	2	411 951	457 992	-	30 485	272 750	228 996	43 754	19%	-
Expenditure - Standard										
<i>Governance and administration</i>		131 876	175 196	-	14 217	81 817	87 598	(5 781)	-7%	-
Executive and council		34 218	40 129	-	3 916	20 697	20 065	633	3%	-
Budget and treasury office		76 557	116 569	-	5 064	28 052	58 285	(30 233)	-52%	-
Corporate services		21 101	18 497	-	5 237	33 068	9 249	23 820	258%	-
<i>Community and public safety</i>		43 163	40 794	-	3 196	17 814	20 397	(2 583)	-13%	-
Community and social services		17 332	17 448	-	1 230	5 332	8 724	(3 392)	-39%	-
Sport and recreation		13 420	10 978	-	897	6 730	5 489	1 241	23%	-
Public safety		11 241	11 117	-	978	5 254	5 558	(305)	-5%	-
Housing		1 171	1 252	-	91	498	626	(128)	-20%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		30 776	28 878	-	816	4 134	14 439	(10 306)	-71%	-
Planning and development		6 945	2 924	-	60	314	1 462	(1 148)	-78%	-
Road transport		23 832	25 954	-	756	3 819	12 977	(9 158)	-71%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		212 482	213 124	-	21 726	116 373	106 562	9 811	9%	-
Electricity		155 608	156 923	-	13 970	83 488	78 462	5 027	6%	-
Water		22 978	25 981	-	4 757	17 241	12 991	4 250	33%	-
Waste water management		19 774	17 652	-	1 786	8 479	8 826	(347)	-4%	-
Waste management		14 123	12 567	-	1 214	7 165	6 284	881	14%	-
<i>Other</i>		-	-	-	-	799	-	799	#DIV/0!	-
Total Expenditure - Standard	3	418 297	457 992	-	39 955	220 936	228 996	(8 060)	-4%	-
Surplus/ (Deficit) for the year		(6 347)	(0)	-	(9 470)	51 813	(0)	51 813	#####	-

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement
3. Total Expenditure by standard classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

3.1.3 Table C3; Monthly budget statement – Financial Performance (revenue and expenditure by municipal vote)

The operating expenditure budget is approved by Council at the municipal vote level.

The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Executive & Council; Finance & Admin; Planning & Development; Community Services & social services; Housing; Public safety; Sports & recreation; waste management; waste water management; Road transport; Water; Electricity; Technical Services & PMU; and Other.

FS203 Ngwathe - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and council		4 780	5 355	-	-	670	2 677	(2 007)	-75.0%	-
Vote 2 - Finance and Admin		201 468	204 695	-	6 781	140 600	102 347	38 252	37.4%	-
Vote 3 - Planning and Development		1 684	54	-	3	61	27	34	126.1%	-
Vote 4 - Community and Social services		2 408	1 352	-	48	452	676	(224)	-33.1%	-
Vote 5 - Housing		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		835	1 961	-	32	131	980	(850)	-86.7%	-
Vote 7 - Sports and Recreation		2 666	1 541	-	8	47	770	(724)	-93.9%	-
Vote 8 - Waste Management		18 971	27 971	-	2 790	14 445	13 986	459	3.3%	-
Vote 9 - Waste Water Management		25 805	33 068	-	3 051	15 944	16 534	(590)	-3.6%	-
Vote 10 - Road Transport		4	4	-	-	-	-	-	-	-
Vote 11 - Water		18 443	46 848	-	5 359	27 310	22 974	4 336	18.9%	-
Vote 12 - Electricity		134 834	135 143	-	12 411	73 081	67 572	5 509	8.2%	-
Vote 13 - Technical Services and PMU		-	2	-	-	-	1	(1)	-100.0%	-
Vote 14 - Other		53	-	-	1	9	-	9	#DIV/0!	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	411 951	457 992	-	30 485	272 750	228 544	44 206	19.3%	-
Expenditure by Vote	1									
Vote 1 - Executive and council		34 218	40 129	-	3 916	20 697	20 065	633	3.2%	-
Vote 2 - Finance and Admin		98 408	135 067	-	10 301	61 120	67 134	(6 014)	-9.0%	-
Vote 3 - Planning and Development		6 945	2 924	-	60	314	1 462	(1 148)	-78.5%	-
Vote 4 - Community and Social services		17 332	17 448	-	1 230	5 332	8 722	(3 390)	-38.9%	-
Vote 5 - Housing		1 171	1 252	-	91	498	626	(128)	-20.4%	-
Vote 6 - Public Safety		11 241	11 117	-	978	5 254	5 558	(305)	-5.5%	-
Vote 7 - Sports and Recreation		13 420	10 978	-	897	6 730	5 489	1 241	22.6%	-
Vote 8 - Waste Management		14 123	12 567	-	1 214	7 165	6 284	881	14.0%	-
Vote 9 - Waste Water Management		17 664	17 652	-	1 786	8 479	8 826	(347)	-3.9%	-
Vote 10 - Road Transport		10 568	10 931	-	756	4 618	5 466	(848)	-15.5%	-
Vote 11 - Water		24 490	25 981	-	4 757	17 241	12 991	4 250	32.7%	-
Vote 12 - Electricity		155 608	156 923	-	13 970	83 488	78 462	5 027	6.4%	-
Vote 13 - Technical Services and PMU		11 001	15 023	-	-	-	7 511	(7 511)	-100.0%	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	416 187	457 992	-	39 955	220 936	228 595	(7 658)	-3.4%	-
Surplus/ (Deficit) for the year	2	(4 237)	(0)	-	(9 470)	51 813	(51)	51 864	#####	-

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure
2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

3.1.4 Table C4 Monthly budget statement – Financial performance (revenue and expenditure)

FS203 Ngwathe - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		41 150	48 489		4 180	20 189	24 245	(4 056)	-17%	
Property rates - penalties & collection charges										
Service charges - electricity revenue		133 490	133 997		12 377	72 617	66 999	5 619	8%	
Service charges - water revenue		17 663	35 685		5 358	27 305	17 842	9 463	53%	
Service charges - sanitation revenue		25 701	33 068		3 051	15 927	16 534	(607)	-4%	
Service charges - refuse revenue		18 941	27 971		2 790	14 445	13 986	459	3%	
Service charges - other		6 319	3 817		-	-	1 909	(1 909)	-100%	
Rental of facilities and equipment		1 131	2 242		24	170	1 121	(951)	-85%	
Interest earned - external investments		1	575		159	1 103	287	815	284%	
Interest earned - outstanding debtors		4 972	9 251		2 425	12 135	4 625	7 510	162%	
Dividends received		-	1		-	-	1	(1)	-100%	
Fines		1 200	2 430		44	383	1 215	(832)	-68%	
Licences and permits		-	-		-	-	-	-		
Agency services		-	-		-	-	-	-		
Transfers recognised - operational		157 276	159 631		-	107 635	79 816	27 820	35%	
Other revenue		2 530	834		79	841	417	424	102%	
Gains on disposal of PPE		1 578	-		-	-	-	-		
Total Revenue (excluding capital transfers and contributions)		411 951	457 992	-	30 485	272 750	228 996	43 754	19%	-
Expenditure By Type										
Employee related costs		126 210	132 068		15 100	84 997	66 034	18 963	29%	
Remuneration of councillors		9 138	9 793		762	4 574	4 896	(322)	-7%	
Debt impairment		12 325	43 198		-	-	21 599	(21 599)	-100%	
Depreciation & asset impairment		2 118	2 200		-	-	1 100	(1 100)	-100%	
Finance charges		3 707	2 900		600	2 399	1 450	949	65%	
Bulk purchases		142 203	152 157		13 056	80 198	76 078	4 120	5%	
Other materials					3 968	11 329	-	11 329	#DIV/0!	
Contracted services		14 458	15 880		635	2 083	7 940	(5 857)	-74%	
Transfers and grants		36 006	38 526		1 006	1 006	19 263	(18 257)	-95%	
Other expenditure		72 133	61 271		4 828	34 351	30 635	3 715	12%	
Loss on disposal of PPE										
Total Expenditure		418 297	457 992	-	39 955	220 936	228 996	(8 060)	-4%	-
Surplus/(Deficit)										
Transfers recognised - capital		50 441	67 889		-	35 514	33 945	1 570	0	
Contributions recognised - capital		-	-		-	-	-	-		
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		44 095	67 889	-	(9 470)	87 327	33 944			-
Taxation										
Surplus/(Deficit) after taxation		44 095	67 889	-	(9 470)	87 327	33 944			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		44 095	67 889	-	(9 470)	87 327	33 944			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		44 095	67 889	-	(9 470)	87 327	33 944			-

References

1. Material variances to be explained on Table SC1

It must be noted that the table above includes over levies that were not corrected in the December 2013 month. These over levies are currently being corrected by the Revenue and debt collection unit, the corrected YTD figures for electricity and water will be reflected in the January 2014 Budget statements.

The over levies have lead to discrepancies between the table above and the narration below.

Service charges – Electricity revenue:

Monthly electricity revenue consumption is 16 percent behind targeted Year to Date (YTD) budget projections. Escalated to year end the shortfall is projected to be around R23 million or 17 percent.

Fines

Monthly traffic fines revenue is behind targeted YTD budget projection by 68 percent.

Interest earned from outstanding debtors

The income earned from outstanding debtors' budget has to be reviewed and adjusted downwards

Interest from external investments

After investigations it was established that interest from external investments have been incorrectly allocated and the movement to date is not R159 000 but is R 1.1 million, this therefore necessitates that the budget be revised upwards.

As per section 28 of the MFMA, this will require an adjustments budget to adjust both revenue and expenditure estimates.

3.1.5 Table C5 Monthly budget statement – Capital expenditure (Municipal vote, standard classification and funding)

FS203 Ngwathe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December

Vote Description	Ref	2012/13	Budget Year 2013/14								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
Multi-Year expenditure appropriation	2										
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		1 300	-	-	-	-	-	-	-	-	-
Vote 3 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		450	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		-	-	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Water Management		10 913	-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 11 - Water		37 000	-	-	-	-	-	-	-	-	-
Vote 12 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 13 - Technical Services and PMU		2 528	-	-	-	-	-	-	-	-	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	52 191	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2										
Vote 1 - Executive and council		4 000	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-	-
Vote 3 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		7 825	8 604	-	1 252	3 471	4 302	(831)	-19%	-	
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Water Management		8 913	13 596	-	1 435	6 634	6 798	(165)	-2%	-	
Vote 10 - Road Transport		-	9 602	-	1 033	3 409	1 801	1 608	89%	-	
Vote 11 - Water		32 094	19 693	-	358	7 997	9 846	(1 849)	-19%	-	
Vote 12 - Electricity		12 500	20 000	-	2 850	8 180	10 000	(1 820)	-18%	-	
Vote 13 - Technical Services and PMU		2 522	2 394	-	8	103	1 197	(1 094)	-91%	-	
Vote 14 - Other		-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	
Total Capital single-year expenditure	4	67 854	73 889	-	6 936	29 794	33 944	(4 151)	-12%	-	
Total Capital Expenditure		120 045	73 889	-	6 936	29 794	33 944	(4 151)	-12%	-	
Capital Expenditure - Standard Classification											
<i>Governance and administration</i>		4 000	-	-	-	-	-	-	-	-	-
Executive and council		4 000	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		7 825	8 604	-	1 252	3 471	4 302	(831)	-19%	-	
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		7 825	8 604	-	1 252	3 471	4 302	(831)	-19%	-	
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	9 602	-	1 033	3 409	4 801	(1 392)	-29%	-	
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	9 602	-	1 033	3 409	4 801	(1 392)	-29%	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		53 507	53 289	-	4 643	22 811	26 645	(3 834)	-14%	-	
Electricity		12 500	20 000	-	2 850	8 180	10 000	(1 820)	-18%	-	
Water		8 913	19 693	-	358	7 997	9 846	(1 849)	-19%	-	
Waste water management		32 094	13 596	-	1 435	6 634	6 798	(165)	-2%	-	
Waste management		-	-	-	-	-	-	-	-	-	-
<i>Other</i>		2 522	2 394	-	8	103	1 197	(1 094)	-91%	-	
Total Capital Expenditure - Standard Classification	3	67 854	73 889	-	6 936	29 794	36 944	(7 151)	-19%	-	
Funded by:											
National Government		63 854	67 889	-	6 936	29 794	33 945	(4 151)	-12%	-	
Provincial Government		-	-	-	-	-	-	-	-	-	
District Municipality		-	-	-	-	-	-	-	-	-	
Other transfers and grants		-	-	-	-	-	-	-	-	-	
Transfers recognised - capital		63 854	67 889	-	6 936	29 794	33 945	(4 151)	-12%	-	
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	
Borrowing	6	-	6 000	-	-	-	3 000	(3 000)	-100%	-	
Internally generated funds		4 000	-	-	-	-	-	-	-	-	
Total Capital Funding		67 854	73 889	-	6 936	29 794	36 945	(7 151)	-19%	-	

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment
3. Capital expenditure by standard classification must reconcile to the total of multi-year and single year appropriations
4. Include expenditure on investment property, intangible and biological assets
5. Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

The approved MIG rollover of R 21.4 million means that the capital budget will have to be adjusted upwards.

3.1.6 Table C6 Monthly budget statement – Financial position

FS203 Ngwathe - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2012/13	Budget Year 2013/14			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		29 900	32 000		95 015	
Call investment deposits		658	600			
Consumer debtors		149 405	310 749		247 268	
Other debtors		-			7 358	
Current portion of long-term receivables		109 283	100 283			
Inventory		597	500		368	
Total current assets		289 843	444 132	-	350 009	-
Non current assets						
Long-term receivables		-	-	-		
Investments		8 278	9 250	-	-	
Investment property		152 718	152 718		-	
Investments in Associate						
Property, plant and equipment		1 125 972	1 509 771		-	
Agricultural						
Biological assets						
Intangible assets						
Other non-current assets						
Total non current assets		1 286 967	1 671 739	-	-	-
TOTAL ASSETS		1 576 810	2 115 871	-	350 009	-
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing		-	9 000			
Consumer deposits		3 777	3 900		(376)	
Trade and other payables		246 784	202 000		(161 741)	
Provisions		30 805	33 000			
Total current liabilities		281 366	247 900	-	(162 117)	-
Non current liabilities						
Borrowing		23 467	20 467		-	
Provisions		30 429	30 429		-	
Total non current liabilities		53 896	50 896	-	-	-
TOTAL LIABILITIES		335 262	298 796	-	(162 117)	-
NET ASSETS	2	1 241 548	1 817 075	-	512 126	-
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 218 045	1 816 885			
Reserves		-	190		(0)	
TOTAL COMMUNITY WEALTH/EQUITY	2	1 218 045	1 817 075	-	(0)	-

References

1. Material variances to be explained in Table SC1
2. Net assets must balance with Total Community Wealth/Equity

3.1.7 Table C7 Monthly budget statement – Cash flow

FS203 Ngwathe - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		248 125	187 547		30 328	209 861	93 774	116 087	124%	
Government - operating		157 276	159 631		-	106 965	79 816	27 150	34%	
Government - capital		50 441	67 889		7 820	43 334	33 945	9 390	28%	
Interest		4 972	6 588		96	749	3 294	(2 545)	-77%	
Dividends			1	-			1	(1)	-100%	
Payments										
Suppliers and employees		(366 176)	(341 148)		(75 813)	(323 951)	(170 574)	153 377	-90%	
Finance charges		-					-	-		
Transfers and Grants		(36 006)	(38 526)				(19 263)	(19 263)	100%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		58 632	41 982	-	(37 568)	36 958	20 991	15 967	76%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 578			-	-	-	-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(67 854)	(73 889)		(8 694)	(33 238)	(36 944)	(3 707)	10%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(66 276)	(73 889)	-	(8 694)	(33 238)	(36 944)	(3 707)	10%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			6 000				3 000	(3 000)	-100%	
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(3 707)	(2 900)		(600)	(2 399)	(1 450)	949	-65%	
NET CASH FROM/(USED) FINANCING ACTIVITIES		(3 707)	3 100	-	(600)	(2 399)	1 550	3 949	255%	-
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		29 900	29 900			95 450	29 900			95 450
Cash/cash equivalents at month/year end:		18 549	1 093			96 771	15 497			95 450

References

1. Material variances to be explained in Table SC1

Annual Adjustment Budget Tables

The primary budget tables, as required in terms of Part 4 of the Municipal Budget and Reporting Regulations (MBRR). These tables reflect the Municipality's 2013/14 adjustments budget and MTREF to be approved by Council. Each table is accompanied by explanatory notes.

Table 1 MBRR Table B1 - Adjustments Budget Summary

FS203 Ngwathe - Table B1 Adjustments Budget Summary - 20/01/2014

Description	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	48 489	-	-	-	-	-	-	-	48 489	51 108	53 868
Service charges	234 538	-	-	-	-	-	(21 500)	(21 500)	213 038	249 704	265 902
Investment revenue	575	-	-	-	-	-	1 700	1 700	2 275	575	597
Transfers recognised - operational	159 631	-	-	-	-	-	-	-	159 631	162 462	167 618
Other own revenue	14 758	-	-	-	-	-	(9 200)	(9 200)	5 558	15 568	16 543
Total Revenue (excluding capital transfers and contributions)	457 992	-	-	-	-	-	(29 000)	(29 000)	428 992	479 417	504 527
Employee costs	132 068	-	-	-	-	-	(798)	(798)	131 270	143 288	152 447
Remuneration of councillors	9 793	-	-	-	-	-	-	-	9 793	10 322	10 879
Depreciation & asset impairment	2 200	-	-	-	-	-	-	-	2 200	2 319	2 444
Finance charges	2 900	-	-	-	-	-	-	-	2 900	4 480	4 706
Materials and bulk purchases	152 157	-	-	-	-	-	-	-	152 157	160 373	169 033
Transfers and grants	38 526	-	-	-	-	-	(20 000)	(20 000)	18 526	40 607	42 800
Other expenditure	120 349	-	-	-	-	-	718	718	121 067	118 028	122 218
Total Expenditure	457 992	-	-	-	-	-	(20 080)	(20 080)	437 913	479 417	504 527
Surplus/(Deficit)	(0)	-	-	-	-	-	(8 920)	(8 920)	(8 921)	(0)	(0)
Transfers recognised - capital	67 889	-	-	-	-	-	-	-	67 889	39 903	41 916
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	67 889	-	-	-	-	-	(8 920)	(8 920)	58 968	39 903	41 916
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	67 889	-	-	-	-	-	(8 920)	(8 920)	58 968	39 903	41 916
Capital expenditure & funds sources											
Capital expenditure	73 889	-	-	-	-	-	15 400	15 400	89 289	39 903	-
Transfers recognised - capital	67 889	-	-	-	-	-	21 400	21 400	89 289	39 903	41 916
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	6 000	-	-	-	-	-	(6 000)	(6 000)	-	2 000	2 000
Internally generated funds	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	73 889	-	-	-	-	-	15 400	15 400	89 289	41 903	43 916
Financial position											
Total current assets	412 922	-	-	-	-	-	-	-	412 922	437 805	456 086
Total non current assets	1 671 739	-	-	-	-	-	-	-	1 671 739	1 711 642	1 711 993
Total current liabilities	247 900	-	-	-	-	-	-	-	247 900	218 070	229 738
Total non current liabilities	50 896	-	-	-	-	-	-	-	50 896	49 390	48 222
Community wealth/Equity	68 079	-	-	-	-	-	-	-	68 079	190	190
Cash flows											
Net cash from (used) operating	41 982	-	-	-	-	-	113 552	113 552	155 534	42 851	43 875
Net cash from (used) investing	(73 889)	-	-	-	-	-	(15 400)	(15 400)	(89 289)	(39 903)	(41 916)
Net cash from (used) financing	3 100	-	-	-	-	-	(6 000)	(6 000)	(2 900)	(2 480)	(2 706)
Cash/cash equivalents at the year end	1 093	-	-	-	-	-	92 152	92 152	93 245	1 561	814
Cash backing/surplus reconciliation											
Cash and investments available	41 850	-	-	-	-	-	-	-	41 850	43 024	44 658
Application of cash and investments	#####	-	-	-	-	-	#####	#####	#####	#####	#####
Balance - surplus (shortfall)	#####	-	-	-	-	-	#####	#####	#####	#####	#####
Asset Management											
Asset register summary (WDV)	1 509 771	-	-	-	-	-	-	-	1 509 771	1 549 674	1 549 674
Depreciation & asset impairment	2 200	-	-	-	-	-	-	-	2 200	2 319	2 444
Renewal of Existing Assets	38 985	-	-	-	-	-	(6 000)	(6 000)	32 985	18 857	-
Repairs and Maintenance	20 226	-	-	-	-	-	995	995	21 221	19 077	20 108
Free services											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	3	-	-	-	-	-	-	-	3	3	3
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

References

1. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
2. Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where
3. Increases of funds approved under MFMA section 31
4. Adjustments approved in accordance with MFMA section 29
5. Adjustments to transfers from National or Provincial Government
6. Adjusts. = 'Other' Adjustments proposed to be approved: including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section

Table B1 represents a high-level summation of the City's budget, providing a view that includes all major components, i.e. operating, capital, financial position, cash flow and MFMA funding compliance.

In essence it provides a synopsis of the amounts to be approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash flow and MFMA funding compliance.

Table 2 MBRR Table B2 - Adjustments Budget Financial Performance (standard classification)

FS203 Ngwathe - Table B2 Adjustments Budget Financial Performance (standard classification) - 20/01/2014

Standard Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Standard												
<i>Governance and administration</i>		210 049	-	-	-	-	-	(6 800)	(6 800)	203 249	215 929	224 467
Executive and council		5 355	-	-	-	-	-	-	-	5 355	6 758	7 013
Budget and treasury office		203 180	-	-	-	-	-	(5 800)	(5 800)	197 380	207 575	215 755
Corporate services		1 515	-	-	-	-	-	(1 000)	(1 000)	515	1 597	1 699
<i>Community and public safety</i>		4 854	-	-	-	-	-	(2 200)	(2 200)	2 654	5 127	5 435
Community and social services		1 352	-	-	-	-	-	(500)	(500)	852	1 425	1 517
Sport and recreation		1 541	-	-	-	-	-	-	-	1 541	1 624	1 728
Public safety		1 961	-	-	-	-	-	(1 700)	(1 700)	261	2 078	2 191
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		59	-	-	-	-	-	-	-	59	62	66
Planning and development		54	-	-	-	-	-	-	-	54	57	60
Road transport		5	-	-	-	-	-	-	-	5	6	6
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		243 030	-	-	-	-	-	(20 000)	(20 000)	223 030	258 298	274 559
Electricity		135 143	-	-	-	-	-	(20 000)	(20 000)	115 143	144 585	154 699
Water		46 848	-	-	-	-	-	-	-	46 848	49 378	52 051
Waste water management		33 068	-	-	-	-	-	-	-	33 068	34 853	36 736
Waste management		27 971	-	-	-	-	-	-	-	27 971	29 482	31 074
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	457 992	-	-	-	-	-	(29 000)	(29 000)	428 992	479 417	504 527
Expenditure - Standard												
<i>Governance and administration</i>		175 196	-	-	-	-	-	(22 177)	(22 177)	153 018	179 920	188 888
Executive and council		40 129	-	-	-	-	-	(1 874)	(1 874)	38 256	43 561	46 446
Budget and treasury office		116 569	-	-	-	-	-	(21 057)	(21 057)	95 512	116 232	121 008
Corporate services		18 497	-	-	-	-	-	753	753	19 251	20 127	21 434
<i>Community and public safety</i>		40 794	-	-	-	-	-	302	302	41 097	44 222	47 187
Community and social services		17 448	-	-	-	-	-	443	443	17 891	18 594	19 786
Sport and recreation		10 978	-	-	-	-	-	675	675	11 653	11 879	12 623
Public safety		11 117	-	-	-	-	-	(741)	(741)	10 376	12 417	13 361
Housing		1 252	-	-	-	-	-	(75)	(75)	1 177	1 332	1 417
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		28 878	-	-	-	-	-	(469)	(469)	28 409	31 472	32 134
Planning and development		2 924	-	-	-	-	-	(319)	(319)	2 605	3 111	3 311
Road transport		25 954	-	-	-	-	-	(151)	(151)	25 804	28 360	28 823
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		213 124	-	-	-	-	-	2 265	2 265	215 388	223 803	236 319
Electricity		156 923	-	-	-	-	-	442	442	157 365	163 832	172 752
Water		25 981	-	-	-	-	-	61	61	26 042	27 502	29 113
Waste water management		17 652	-	-	-	-	-	1 552	1 552	19 204	18 973	20 108
Waste management		12 567	-	-	-	-	-	210	210	12 777	13 497	14 347
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	457 992	-	-	-	-	-	(20 080)	(20 080)	437 912	479 417	504 528
Surplus/ (Deficit) for the year		(0)	-	-	-	-	-	(8 920)	(8 920)	(8 920)	(0)	(0)

References

- Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
- Total Revenue by standard classification must reconcile to Total Operating Revenue shown in the Adjustments Budget Financial Performance (revenue and expenditure)
- Total Operating Expenditure by standard classification must reconcile to Total Operating Expenditure shown in the Adjustments Budget Financial Performance (revenue and expenditure)
- All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unused funds (MFMA 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)
- Increases of funds approved under MFMA section 31
- Adjustments approved in accordance with MFMA section 29
- Adjustments to transfers from National or Provincial Government
- Adjusts. = 'Other' Adjustments proposed to be approved: including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))

Table B2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification, which divides the municipal services into 15 functional areas.

A deficit of R8.9 million for 2013/14 adjustments budget is reflected in this table.

Excluding non cash items such as depreciation and contribution to bad debts, the municipality is projecting a surplus of R 36.5 million.

MBRR Table B3 - Adjustments Budget Financial and expenditure by municipal vote)

FS203 Ngwatho - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 20/01/2014

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2013/14									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
Revenue by Vote	1											
Vote 1 - Executive and Council		5 355	-	-	-	-	-	-	-	5 355	6 758	7 013
Vote 2 - Finance and Admin		204 695	-	-	-	-	-	(6 800)	(6 800)	197 895	209 172	217 454
Vote 3 - Planning and Development		54	-	-	-	-	-	-	-	54	57	60
Vote 4 - Community and Social services		1 352	-	-	-	-	-	(500)	(500)	852	1 425	1 517
Vote 5 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		1 961	-	-	-	-	-	(1 700)	(1 700)	261	2 078	2 191
Vote 7 - Sports and Recreation		1 541	-	-	-	-	-	-	-	1 541	1 624	1 728
Vote 8 - Waste Management		27 971	-	-	-	-	-	-	-	27 971	29 482	31 074
Vote 9 - Waste Water Management		33 068	-	-	-	-	-	-	-	33 068	34 853	36 736
Vote 10 - Road Transport		4	-	-	-	-	-	-	-	4	4	4
Vote 11 - Water		46 848	-	-	-	-	-	-	-	46 848	49 378	52 051
Vote 12 - Electricity		135 143	-	-	-	-	-	(20 000)	(20 000)	115 143	144 585	154 699
Vote 13 - Technical Services and PMU		2	-	-	-	-	-	-	-	2	2	2
Vote 14 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	457 992	-	-	-	-	-	(29 000)	(29 000)	428 992	479 417	504 527
Expenditure by Vote	1											
Vote 1 - Executive and Council		40 129	-	-	-	-	-	(1 874)	(1 874)	38 256	43 561	46 446
Vote 2 - Finance and Admin		135 067	-	-	-	-	-	(20 304)	(20 304)	114 763	136 358	142 442
Vote 3 - Planning and Development		2 924	-	-	-	-	-	(319)	(319)	2 605	3 111	3 311
Vote 4 - Community and Social services		17 448	-	-	-	-	-	443	443	17 891	18 594	19 786
Vote 5 - Housing		1 252	-	-	-	-	-	(75)	(75)	1 177	1 332	1 417
Vote 6 - Public Safety		11 117	-	-	-	-	-	(741)	(741)	10 376	12 417	13 361
Vote 7 - Sports and Recreation		10 978	-	-	-	-	-	675	675	11 653	11 879	12 623
Vote 8 - Waste Management		12 567	-	-	-	-	-	210	210	12 777	13 497	14 347
Vote 9 - Waste Water Management		17 652	-	-	-	-	-	1 552	1 552	19 204	18 973	20 108
Vote 10 - Road Transport		10 931	-	-	-	-	-	(780)	(780)	10 151	11 643	12 333
Vote 11 - Water		25 981	-	-	-	-	-	61	61	26 042	27 502	29 112
Vote 12 - Electricity		156 923	-	-	-	-	-	442	442	157 365	163 832	172 752
Vote 13 - Technical Services and PMU		15 023	-	-	-	-	-	630	630	15 652	16 717	16 489
Vote 14 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	457 992	-	-	-	-	-	(20 080)	(20 080)	437 912	479 416	504 528
Surplus/ (Deficit) for the year	2	(0)	-	-	-	-	-	(8 920)	(8 920)	(8 920)	0	(0)

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
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/unspent funds (MFMA 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 MFMA section 31
6. Adjustments approved in accordance with MFMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjusts: - 'Other' Adjustments proposed to be approved: including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))

Table B3 shows budgeted financial performance in relation to the revenue and expenditure and the operating surplus or deficit per municipal vote.

MBRR Table B4 - Adjustments Budget financial Performance (revenue and expenditure)

FS203 Ngwathe - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 20/01/2014

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
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	48 489	-	-	-	-	-	-	-	48 489	51 108	53 868
Property rates - penalties & collection charges												
Service charges - electricity revenue	2	133 997	-	-	-	-	-	(20 000)	(20 000)	113 997	143 377	153 414
Service charges - water revenue	2	35 685	-	-	-	-	-	-	-	35 685	37 969	40 399
Service charges - sanitation revenue	2	33 068	-	-	-	-	-	-	-	33 068	34 853	36 736
Service charges - refuse revenue	2	27 971	-	-	-	-	-	-	-	27 971	29 482	31 074
Service charges - other		3 817						(1 500)	(1 500)	2 317	4 023	4 280
Rental of facilities and equipment		2 242						(500)	(500)	1 742	2 363	2 514
Interest earned - external investments		575						1 700	1 700	2 275	575	597
Interest earned - outstanding debtors		9 251						(7 000)	(7 000)	2 251	9 750	10 374
Dividends received	1	1						-	-	1	1	2
Fines		2 430						(1 700)	(1 700)	730	2 573	2 717
Licences and permits												
Agency services												
Transfers recognised - operating		159 631						-	-	159 631	162 462	167 618
Other revenue	2	834	-	-	-	-	-	-	-	834	880	936
Gains on disposal of PPE												
Total Revenue (excluding capital transfers and contributions)		457 992	-	-	-	-	-	(29 000)	(29 000)	428 992	479 417	504 527
Expenditure By Type												
Employee related costs		132 068	-	-	-	-	-	(798)	(798)	131 270	143 288	152 447
Remuneration of councillors		9 793						-	-	9 793	10 322	10 879
Debt impairment		43 198						-	-	43 198	37 792	39 283
Depreciation & asset impairment		2 200	-	-	-	-	-	-	-	2 200	2 319	2 444
Finance charges		2 900						-	-	2 900	4 480	4 706
Bulk purchases		152 157						-	-	152 157	160 373	169 033
Other materials												
Contracted services		15 880	-	-	-	-	-	1 000	1 000	16 880	17 517	18 384
Transfers and grants		38 526						(20 000)	(20 000)	18 526	40 607	42 800
Other expenditure		61 271	-	-	-	-	-	(282)	(282)	60 989	62 719	64 552
Loss on disposal of PPE												
Total Expenditure		457 992	-	-	-	-	-	(20 080)	(20 080)	437 913	479 417	504 527
Surplus/(Deficit)		(0)	-	-	-	-	-	(8 920)	(8 920)	(8 921)	(0)	(0)
Transfers recognised - capital		67 889								67 889	39 903	41 916
Contributions												
Contributed assets												
Surplus/(Deficit) before taxation		67 889	-	-	-	-	-	(8 920)	(8 920)	58 968	39 903	41 916
Taxation												
Surplus/(Deficit) after taxation		67 889	-	-	-	-	-	(8 920)	(8 920)	58 968	39 903	41 916
Attributable to minorities												
Surplus/(Deficit) attributable to municipality		67 889	-	-	-	-	-	(8 920)	(8 920)	58 968	39 903	41 916
Share of surplus/ (deficit) of associate												
Surplus/ (Deficit) for the year		67 889	-	-	-	-	-	(8 920)	(8 920)	58 968	39 903	41 916

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/unspent funds (MFMA 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 MFMA section 31
6. Adjustments approved in accordance with MFMA section 29
7. Adjustments to transfers from National or Provincial Government
8. Adjusts. = 'Other' Adjustments proposed to be approved: including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))
9. $G = B + C + D + E + F$
10. Adjusted Budget H = (A or A1/2 etc) + G

Table B4 is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type. Total adjusted revenue is R428.9 against expenditure amounting to R 437. 9 million. The major adjustments to the budget are discussed in the executive summary.

Table 5 MBRR Table B5 - Adjustments Budget Capital Expenditure by vote, standard classification and funding source

FS203 Ngwatho - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 20/01/2014

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
R thousands		A	A1	B	C	D	E	F	G	H	+1 2014/15	+2 2015/16
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		-	-	-	-	-	-	-	-	-	10 789	-
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Water Management		-	-	-	-	-	-	-	-	-	9 150	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-	8 823	-
Vote 11 - Water		-	-	-	-	-	-	-	-	-	9 146	-
Vote 12 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Technical Services and PMU		-	-	-	-	-	-	-	-	-	1 995	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	39 903	-
Single-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		8 604	-	-	-	-	-	-	-	8 604	-	-
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Water Management		13 596	-	-	-	-	-	-	-	13 596	-	-
Vote 10 - Road Transport		9 602	-	-	-	-	-	-	15 400	25 002	-	-
Vote 11 - Water		19 693	-	-	-	-	-	-	-	19 693	-	-
Vote 12 - Electricity		20 000	-	-	-	-	-	-	-	20 000	-	-
Vote 13 - Technical Services and PMU		2 394	-	-	-	-	-	-	-	2 394	-	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		73 889	-	-	-	-	-	15 400	15 400	89 289	-	-
Total Capital Expenditure - Vote		73 889	-	-	-	-	-	15 400	15 400	89 289	39 903	-
Capital Expenditure - Standard												
Governance and administration												
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Budget and Treasury office		-	-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		8 604	-	-	-	-	-	-	-	8 604	10 789	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		8 604	-	-	-	-	-	-	-	8 604	10 789	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		9 602	-	-	-	-	-	21 400	21 400	31 002	10 823	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		9 602	-	-	-	-	-	21 400	21 400	31 002	10 823	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		53 289	-	-	-	-	-	-	-	53 289	18 296	-
Electricity		20 000	-	-	-	-	-	-	-	20 000	-	-
Water		19 693	-	-	-	-	-	-	-	19 693	9 146	-
Waste water management		13 596	-	-	-	-	-	-	-	13 596	9 150	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		2 394	-	-	-	-	-	-	-	2 394	1 995	-
Total Capital Expenditure - Standard	3	73 889	-	-	-	-	-	21 400	21 400	95 289	41 903	-
Funded by:												
National Government		67 889	-	-	-	-	-	21 400	21 400	89 289	39 903	41 916
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-
Total Capital transfers recognised	4	67 889	-	-	-	-	-	21 400	21 400	89 289	39 903	41 916
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-
Borrowing		6 000	-	-	-	-	-	-	-	6 000	2 000	2 000
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-
Total Capital Funding		73 889	-	-	-	-	-	21 400	21 400	95 289	41 903	43 916

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
- Capital expenditure by standard classification must reconcile to the appropriations by vote
- Must reconcile to supporting table SB7 and to Adjustments Budget Financial Performance (revenue and expenditure)
- Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
- Additional cash-backed accumulated funds/unspent funds (MFMA section 18(1)(b) and section 28(2)(e)) identified after the Original Budget approved and after annual financial statements audited (note: only where)
- Increases of funds approved under MFMA section 31
- Adjustments approved in accordance with MFMA section 29
- Adjustments to transfers from National or Provincial Government

FS203 Ngwathe - Table B9 Asset Management - 20/01/2014

Description	Ref	Budget Year 2013/14									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H	I	J	
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	34 904	-	-	-	-	-	21 400	21 400	56 304	21 046	-
Infrastructure - Road transport		1 102	-	-	-	-	-	21 400	21 400	22 502	5 183	-
Infrastructure - Electricity		20 000	-	-	-	-	-	-	-	20 000	-	-
Infrastructure - Water		6 500	-	-	-	-	-	-	-	6 500	3 650	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		27 602	-	-	-	-	-	21 400	21 400	49 002	8 833	-
Community		7 302	-	-	-	-	-	-	-	7 302	12 214	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	38 985	-	-	-	-	-	(6 000)	(6 000)	32 985	18 857	-
Infrastructure - Road transport		8 500	-	-	-	-	-	(6 000)	(6 000)	2 500	3 641	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		13 193	-	-	-	-	-	-	-	13 193	6 146	-
Infrastructure - Sanitation		13 596	-	-	-	-	-	-	-	13 596	8 500	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		35 289	-	-	-	-	-	(6 000)	(6 000)	29 289	18 287	-
Community		3 696	-	-	-	-	-	-	-	3 696	570	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	9 602	-	-	-	-	-	15 400	15 400	25 002	8 823	-
Infrastructure - Road transport		20 000	-	-	-	-	-	-	-	20 000	-	-
Infrastructure - Electricity		19 693	-	-	-	-	-	-	-	19 693	9 796	-
Infrastructure - Water		13 596	-	-	-	-	-	-	-	13 596	8 500	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		62 891	-	-	-	-	-	15 400	15 400	78 291	27 119	-
Community		10 998	-	-	-	-	-	-	-	10 998	12 784	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	2	73 889	-	-	-	-	-	15 400	15 400	89 289	39 903	-
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Infrastructure - Road transport		473 862	-	-	-	-	-	-	-	473 862	482 685	482 685
Infrastructure - Electricity		405 902	-	-	-	-	-	-	-	405 902	405 902	405 902
Infrastructure - Water		189 709	-	-	-	-	-	-	-	189 709	199 505	199 505
Infrastructure - Sanitation		98 636	-	-	-	-	-	-	-	98 636	107 136	107 136
Infrastructure - Other		2 307	-	-	-	-	-	-	-	2 307	2 307	2 307
Infrastructure		1 170 417	-	-	-	-	-	-	-	1 170 417	1 197 536	1 197 536
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		152 718	-	-	-	-	-	-	-	152 718	152 718	152 718
Other assets		186 636	-	-	-	-	-	-	-	186 636	199 420	199 420
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 509 771	-	-	-	-	-	-	-	1 509 771	1 549 674	1 549 674
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		2 200	-	-	-	-	-	-	-	2 200	2 319	2 444
Repairs and Maintenance by asset class	3	20 226	-	-	-	-	-	995	995	21 221	19 077	20 108
Infrastructure - Road transport		1 300	-	-	-	-	-	(200)	(200)	1 100	1 370	1 444
Infrastructure - Electricity		1 800	-	-	-	-	-	200	200	2 000	1 897	2 000
Infrastructure - Water		2 200	-	-	-	-	-	400	400	2 600	2 319	2 444
Infrastructure - Sanitation		1 400	-	-	-	-	-	150	150	1 550	1 476	1 555
Infrastructure - Other		100	-	-	-	-	-	-	-	100	105	111
Infrastructure		6 800	-	-	-	-	-	550	550	7 350	7 167	7 554
Community		810	-	-	-	-	-	200	200	1 010	854	900
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		12 616	-	-	-	-	-	245	245	12 861	11 056	11 654
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		22 426	-	-	-	-	-	995	995	23 421	21 396	22 552
% of capital exp on renewal of assets		52.8%	0.0%							36.9%	47.3%	0.0%
Renewal of existing assets as % of deprecn		1772.0%	0.0%							1499.3%	813.2%	0.0%
R&M as a % of PPE		1.3%	0.0%							1.4%	1.2%	1.3%
Renewal and R&M as a % of PPE		3.9%	0.0%							3.6%	2.4%	1.3%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to Adjustments Budget Financial Position (written down value)
6. Donated/contributed and assets funded by finance leases to be allocated to the respective category
7. Only complete if a previous adjusted budget has been approved in the same financial year. Reflect most recent adjusted budget.
8. Additional cash-backed accumulated funds/unspent funds (MFMA 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)
9. Increases of funds approved under MFMA section 31
10. Adjustments approved in accordance with MFMA section 29
11. Adjustments to transfers from National or Provincial Government
12. Adjusts. = Other Adjustments proposed to be approved: including revenue under-collection (MFMA section 28(2)(a)); additional revenue appropriation on existing programmes (section 28(2)(b)); projected savings (section 28(2)(d)); error correction (section 28(2)(f))

Table B5 reflects the Council's capital programme in relation to capital expenditure by municipal vote (directorate); capital expenditure by standard classification; and funding sources required to fund the Capital budget, including information on capital transfers from National and Provincial Departments.

The capital budget is funded by allocations made to the municipality by National government in the form of grants

Capital transfers from National Government amount to R95.3 million including the approved rollover of R21.4 million.

Adjustments to budget assumptions

The budget assumptions which underpinned compilation of the 2013/14 budget have largely materialised and no adjustments are required to those at this stage. In this regard, primary variables such as CPI, collection ratios, interest levels, wage awards, and expenditure levels on earmarked expenditure categories such as Repairs & Maintenance have realised as anticipated.

Adjustments to budget funding

a. Narrative summary of the impact of the adjustments budget on: Funding of operating and capital expenditure.

The Capital expenditure remains fully funded from external sources (National & Provincial Government).

Financial plans

The financial plan has been revisited considering the longer term effects of the adjustments. The impacts flowing from the adjusted budget will be incorporated in the compilation of the 2014/15 MTREF to ensure affordability and sustainability.

b. Adjustments to collection levels estimated

No change.

c. Adjustments to monetary investments by type and maturity date

No change

d. Adjustments to contributions and donations in cash or in-kind

No change.

e. Adjustments related to the proceeds from the sale of assets

No change.

f. Adjustments related to the proceeds from the lease of assets, where the period of the lease is three years or more

No change.

g. Adjustments relating to the planned use of previous years' cash backed surplus

No change.

h. Adjustments related to proposed new loans to be raised in budget year

The municipality had planned to get a loan amounting to R 6 million for the refurbishment of roads. This loan will no longer be considered.

i. Adjustments related to allocations and grants to the municipality

A rollover on unspent MIG allocation from the 2012/13 financial year amounting to 21.4 million was approved by National Treasury.

Adjustments to expenditure on allocations and grant programmes

As per capital budget.

B. Adjustments to allocations and grants made by the municipality

- No change

Adjustments to councillors and board members allowances and employee benefits

No change.

Adjustments to capital expenditure

Full disclosure on adjustments to the Capital budget is provided in adjustments budget (B schedule).

