



*"An improved quality of life for all residents"*

## **Adjustment Budget Report**

*Prepared in terms of the Local  
Government: Municipal Finance  
Management Act (56/2003):  
Municipal Budget and Reporting  
Regulations, Government Gazette  
32141, 17 April 2009.*

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## **Adjustment Budget**

**dated**

**20 February 2014**

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**JOE GQABI**

**DISTRICT MUNICIPALITY**

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## **Glossary**

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

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

**AFS** – Annual Financial Statements.

**Budget** – The financial plan of the Joe Gqabi District Municipality.

**Budget Related Policy** – Policy of a District Municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

**Capital Expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the District Municipality's Statement of Financial Performance.

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

**CFO** – Chief Financial Officer of Joe Gqabi District Municipality

**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.

**Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

**IDP** – Integrated Development Plan. The main strategic planning document of the District Municipality

**KPI's** – Key Performance Indicators. Measures of service output and/or outcome.

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

**MFMA** – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

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

**NT** – National Treasury

**Net Assets** – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the District Municipality equates to the "net wealth" of the District Municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

**Operating Expenditure** – Spending on the day to day expenses of the District 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.

**R&M** – Repairs and maintenance on property, plant and equipment.

**SCM** – Supply Chain Management.

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

**Strategic Objectives** – The main priorities of the District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Unauthorised expenditure** – Generally, spending without, or in excess of, an approved budget.

**Virement** – A transfer of budget.

**Virement Policy** – The policy that sets out the rules for budget transfers.

**Vote** – One of the main segments into which a budget. In Joe Gqabi District Municipality this means at directorate level. The votes for Joe Gqabi therefore are:

- Management Services;
- Financial Services;
- Corporate Services;
- Technical Services; and
- Community Services.

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## **PART 1 – ADJUSTMENTS BUDGET**

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### **Section 1 – Mayor’s Report**

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#### **Introduction**

The adjustment budget seeks to rectify issues identified in the mid-year assessment of the financial results as well as the inclusion of additional allocations. It is drafted in terms of section 28 of the MFMA and seeks to adhere to the stipulations of specifically section 28(2) of the MFMA.

#### **1.1 Reasons for the adjustments budget**

The reason for the tabling of an adjustment budget is fully disclosed in the executive summary of this report. A brief summary of the reasons in terms of Sect 28 of the MFMA are discussed below:

##### ***1.1.1 New allocations of cash backed accumulated funds;***

No new allocations from cash backed accumulated funds was included.

##### ***1.1.2 Multi-year funds shifting in relation to the capital programme;***

No shifting of multi-year capital programs took place.

##### ***1.1.3 Unforeseen and unavoidable expenditure;***

No unforeseen and unavoidable expenditure as in terms of section 29 of the MFMA was included.

##### ***1.1.4 Allocations and grant adjustments; and***

The changes to grants relates to the downwards adjustment of:

- Roads and Transport by R1,575 million ;

This whilst the following grants were adjusted upwards:

- RHIP: Rural Sanitation by R4 million;
- RBIG Regional Bulk by R2.5 million
- Emergency Drought Relief R43.55 million;

- Working for Water by R4 million:
- Water Services Operating Subsidy by R526 thousand; and
- Department of Water Affairs by R600 thousand.

**1.1.5 Correction of budget errors**

None.

**1.2 Any other information considered relevant by the mayor**

None

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**Section 2 - Resolutions**

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**ADJUSTMENT BUDGET 2013/2014**

The resolution tabled at Council for consideration with approval of the adjustments budget is:

**RECOMMENDATION:**

- (a) That the adjustments budget of Joe Gqabi District Municipality for the financial year 2013/2014 as set out in the schedules contained in section 4 be approved:
- (i) Table B2 Adjustments Budget Financial Performance (by standard classification);
  - (ii) Table B3 Adjustments Budget Financial Performance (by municipal vote);
  - (iii) Table B4 Adjustments Budget Financial Performance (revenue by source); and
  - (iv) Table B5 Adjustments Budget Capital Expenditure (by municipal vote and funding source)



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**Section 3 – Executive Summary**

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**3.1 INTRODUCTION**

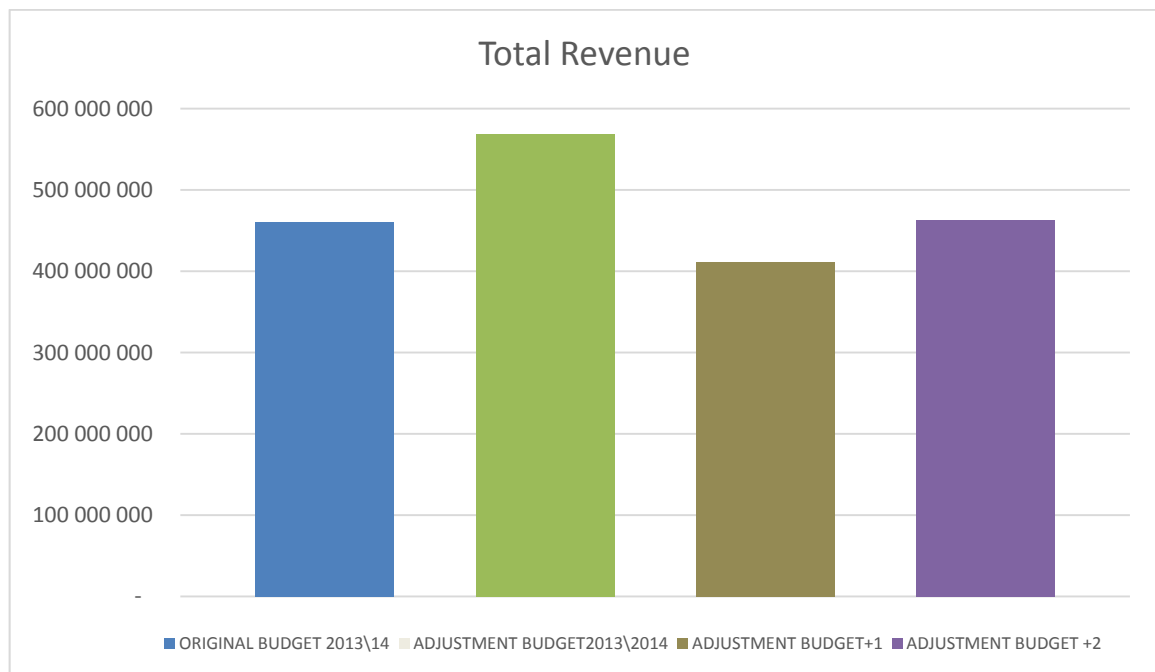
The adjustments budget for 2013/14 is the first adjustment budget of Joe Gqabi District Municipality prepared via the SAMRAS financial system to comply with the Budget and Reporting Regulations and guidelines as issued by NT.

It became evident during the mid-year assessment that the calculation of the debt impairment at the budget stage was inadequate and adjustments needed to be made on the loan amounting R15 million that council will be receiving.

**3.2 OPERATIONAL BUDGET**

The overall changes made to the 2013/2014 budget can be best illustrated in Chart 1 and 2 below.

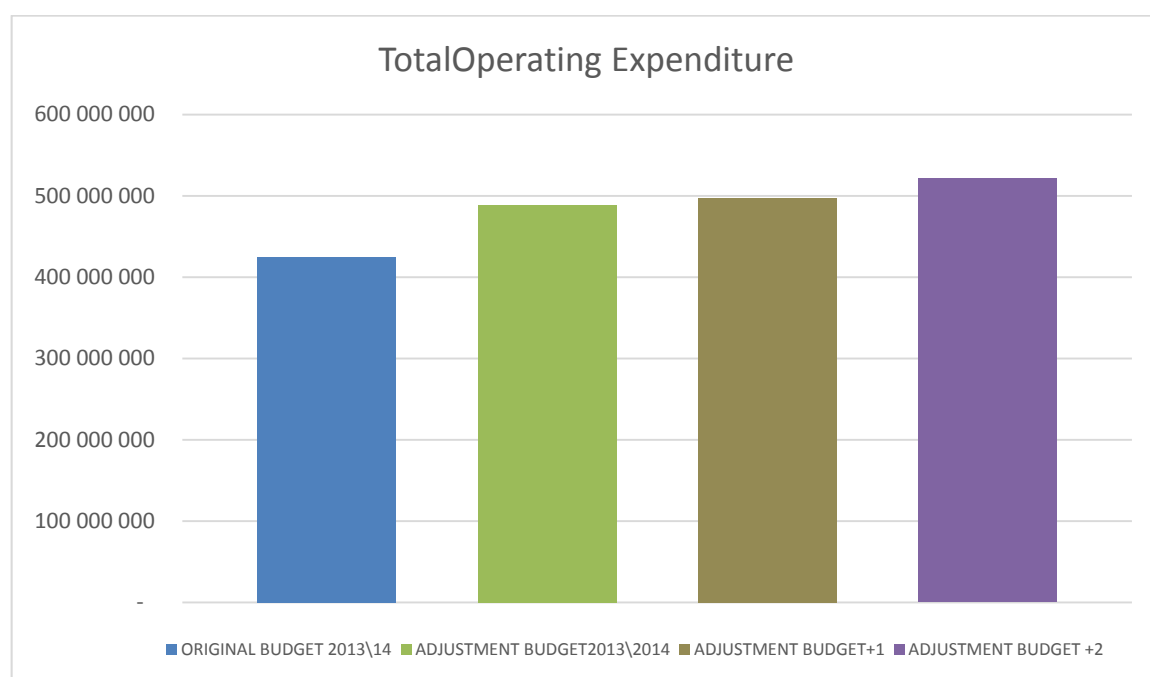
***Chart 1 – Operational Revenue Budget***



The operational revenue budget excluding capital transfers recognised has been adjusted upwards by R 100.7 million or 37% from R275.8 million to R376.5 million

The capital transfers recognised has been adjusted upwards by R6.8 million from R185.3 million to R 192.1 million for the 2013/2014 budget year.

**Chart 2 – Operational Expenditure Budget**



The operational expenditure has been adjusted upwards by R93.8 million or 22% from R425.5 million to R519.3million.

The detail amounts of both revenue and expenditure for the adjustment budget are included in Table B4 in Section 4 of this report.

### Operating Revenue

Operating Revenue was adjusted as follows

- Service Charges adjusted upwards by R43.6 million to R67.3million;
- Internal investments was adjusted upwards by R645 thousand to R3.3 million;

## ADJUSTMENT BUDGET 2013/2014

- Transfer recognised adjusted upwards by R47.1 million to R291.5 million; and
- Other revenue was adjusted upwards by R3.7 million to R14.4 million

### Operating Expenditure

The adjustments to the operating expenditure budget consists of upwards adjustments to:

- Employee related cost by R16.1 million to R135.9 million. The increase is due to additional positions that were created on the organogram;
- Depreciation charges by R1.1 million to R46 million. Depreciated was under budgeted on the original budget;
- Finance charges increased by R781 thousand to R4.1 million. This increase is due to the R15 million that council applied for;
- Debt Impairment increased by R34 million to R42 million. This is due to the low payment ratio of services;
- Repairs and Maintenance has increased by R12.3 million to R43.7 million. This is due to our deteriorating infrastructure assets that needs constant maintenance; and
- General Expenditure increased by R8.8 million to R260.3 million.

### Capital budget

The capital budget was adjusted upwards by R44.4 million to R150.9 million.

The adjustment budget will be funded as follow:

- Government Grant                      R131.1 million
- Own Internal Generated Funds    R16.8 million

The table below provides the list of projects affected by the Adjustment Budget

DESCRIPTION OF THE PROJECT	BUDGET	ADJUSTMENT BUDGET 2013- 2014	ADJUSTED BY
Computer Equipment	145 000	450 000	305 000
Emergency Equipment	100 000	170 000	70 000
Steynsburg Waterborne San Phase3	7 894 737	<b>9 926 953</b>	2 032 216
UGIE SANITATION INFRASTRUCTURE	1 754 386	-	(1 754 386)

## ADJUSTMENT BUDGET 2013/2014

DESCRIPTION OF THE PROJECT	BUDGET	ADJUSTMENT BUDGET 2013- 2014	ADJUSTED BY
Maclear Upgrade of Bulk Water Services	2 631 579	<b>4 000 000</b>	2 368 421
Maclear Upgrade of Bulk Sanitation	-	<b>365 000</b>	365 000
Mt Fletcher Villages-Bulk Water Supply Scheme	9 243 860	<b>18 682 837</b>	9 438 977
Sterk: Upgrading of WTW & Bulk Lines	17 543 860	13 543 296	(4 000 564)
ALIWAL NORTH WTP UPGRADE	-	212 556	(787 444)
Senqu Rural Water Programme	8 771 930	2 717 343	(6 054 587)
Elundini Rural Water Programme	10 526 316	4 880 163	(5 646 153)
Steynsburg Bulk Water Supply	-	260 000	260 000
MIG Rural Sanitation Programme	8 006 140	-	(8 006 140)
Venterstad Galaxy Reservoir	3 289 912	4 385 965	1 096 053
MALETSWAI WCDM PROJECT	3 289 912		(3 289 912)
SENQU SPRING PROTECTION	3 289 912		(3 289 912)
Rain Water Harvesting & Spring Protection	-	4 387 719	4 387 719
ELUNDINI SPRING PROTECTION	3 289 912	-	(3 289 912)
Sterk Regional Bulk Sanitation	-	2 192 982	2 192 982
Upgrade of Sterkspruit WWTW	-	5 000 000	5 000 000
Sterkspruit WTW Refurbishment	-	8 771 930	8 771 930
Water and Sanitation Bakkies	3 000 000	14 969 810	11 969 810
Orio Grant Expenditure	4 500 000	3 947 368	(552 632)
EHP Equipment	-	355 768	355 768
Furniture & Equipment	-	110 000	110 000
Area 13 Waste Management: Aliwal North	-	1 900 000	1 900 000
Water Filter System	-	460 000	460 000
Drought Relief	-	29 824 561	29 824 561
<b>Total</b>	<b>106 518 614</b>	<b>150 885 410</b>	<b>44 236 796</b>

### 3.2 Provision of basic services

The provision of basic services will be effected positively by the approval of the adjustment budget.

The expenditure on providing basic services has been increased by R65.4million.

The big four contributors to this are the following projects:

- Sterk: Upgrading of WTW & Bulk Lines;
- Upgrade of Sterkspruit WWTW;
- Sterkspruit WTW Refurbishment; and
- Drought Relief

### **3.3 Effect of the adjustments budget**

#### **3.3.1 Service delivery and budget implementation plan**

Except for the adjustment of the monthly revenue and expenditure targets the effect to the SDBIP's are zero. None of non-financial performance targets have been adjusted.

#### **3.3.2 Service delivery agreements**

No service delivery agreements will be influenced by the approval of the adjustments budget.

#### **3.3.3 Medium term revenue and expenditure framework**

The effect to the outer years has not been included. It remains the same as the original budget.

#### **3.3.4 Long term financial sustainability**

The deficit before capital transfers recognised has improved by R7.2 million. It decreased from R150 million to a deficit of R 142.8 million.

The District Municipality has a cash shortage when the reconciliation of cash and cash equivalents versus commitments is performed. The shortage is R49.2 million.

The operational and capital budget is under extreme pressure. In order to mitigate this, the Municipality needs to:

- Take this into account this budget deficit in future budgets are compiled; and
- A revenue enhancement strategy needs to be developed which will enable us to fund this deficit over long-term period.

Refer to Section 4 'Table B9 Cash backed reserves/accumulated surplus reconciliation' under section 4.

### **3.4 Adjustment highlights**

The adjustment budget seeks to comply with section 28 of the MFMA. The adjustments can best be discussed according to the sub-sections below:

- **Budget Reforms**

The budget regulations promulgated in terms of the MFMA prescribes the format of the budget. Even the layout of this report is prescribed in terms of the MBRR. All of these reforms will be adhere to with the acceptance of this budget. All line items were coded, both for cash flow, financial performance and financial position in order to be able to extract and complete the prescribe schedule B. The adjustment budget has been prepared on the latest B Schedule (version 2.5) that was issued by National Treasury.

- **Depreciation charges**

The recalculation of depreciation charges were performed based on the financial outcomes of 2012/2013. The GRAP compliant asset register was used as basis together with the capital program of 2013/2014 to focus. The actual depreciation charges according to the AFS for 2012/2013 were R42.5million; whilst the calculation for 2013/2014 is R 46 million.

- **Debt Impairment**

Debt impairment is based on current collection rate and any measures that have put in place to collect revenue. This has resulted in the increase of R42.3 million to R50.6 million.

- **Shifting of Projects**

At face value it creates the impression that no system exists to prioritise projects based on project plans that can be executed at short notice. Major movements did take place and it is best illustrated by the Supporting table that lists all the affected projects (Table SB 19).

### **3.5 Conclusion**

This Adjustment Budget provided the final opportunity to adjust the financial targets and to increase or reduce the focus on certain focus areas for the current financial year ending at 30 June 2014.

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**Section 4 – Adjustments budget tables**

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Section 1 and 3 already dealt in detail with the accounting and budget changes made to the budget documents. The tables below set out the figures for firstly the original budget; then the next 7 columns provide detail of the adjustment budget; with the adjustment budget and the two outer years in the last two columns.

The tables that will follow in order listed below are:

**4.1 Table B1 - Budget Summary**

(Providing an executive summary of Tables B2 to B10)



## ADJUSTMENT BUDGET 2013/2014

DC14 Joe Qqabi - Table B1 Adjustments Budget Summary -

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		
<b>Financial Performance</b>											
Property rates	-	-	-	-	-	-	-	-	-	-	-
Service charges	23,680	23,680	-	-	-	-	43,578	43,578	67,258	27,232	31,317
Investment revenue	2,666	2,666	-	-	-	-	645	645	3,311	2,826	2,995
Transfers recognised - operational	244,382	244,382	-	-	-	-	47,430	47,430	291,812	261,967	281,907
Other own revenue	5,073	10,774	-	-	-	-	3,675	3,675	14,449	5,505	5,993
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>275,802</b>	<b>281,503</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,328</b>	<b>95,328</b>	<b>376,830</b>	<b>297,531</b>	<b>322,213</b>
Employee costs	120,900	119,765	0	-	-	-	16,047	16,047	135,812	128,638	136,356
Remuneration of councillors	5,362	5,347	-	-	-	-	(121)	(121)	5,226	5,666	6,036
Depreciation & asset impairment	44,812	44,812	-	-	-	-	1,170	1,170	45,982	47,501	50,351
Finance charges	3,272	3,272	-	-	-	-	781	781	4,062	3,468	3,702
Materials and bulk purchases	-	-	-	-	-	-	4,800	4,800	4,800	-	-
Transfers and grants	56,100	49,125	-	-	-	-	33,933	33,933	83,068	48,262	40,195
Other expenditure	195,053	208,870	150	-	-	-	31,684	31,684	240,704	206,474	219,498
<b>Total Expenditure</b>	<b>425,489</b>	<b>431,190</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>88,294</b>	<b>88,445</b>	<b>519,635</b>	<b>440,037</b>	<b>456,139</b>
<b>Surplus/(Deficit)</b>	<b>(149,688)</b>	<b>(149,688)</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,033</b>	<b>6,883</b>	<b>(142,804)</b>	<b>(142,506)</b>	<b>(133,926)</b>
Transfers recognised - capital	185,294	185,294	-	-	-	-	6,758	6,758	192,052	181,575	200,532
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>35,606</b>	<b>35,606</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,791</b>	<b>13,641</b>	<b>49,248</b>	<b>39,069</b>	<b>66,606</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>35,606</b>	<b>35,606</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,791</b>	<b>13,641</b>	<b>49,248</b>	<b>39,069</b>	<b>66,606</b>
<b>Capital expenditure &amp; funds sources</b>											
Capital expenditure	106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675
Transfers recognised - capital	106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	15,000	15,000	15,000	-	-
Internally generated funds	-	-	-	-	-	-	(15,000)	(15,000)	(15,000)	-	-
<b>Total sources of capital funds</b>	<b>106,519</b>	<b>106,519</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,376</b>	<b>44,376</b>	<b>150,894</b>	<b>116,414</b>	<b>68,675</b>
<b>Financial position</b>											
Total current assets	25,450	25,450	-	-	-	-	22,585	22,585	48,035	1,999,255	266,165
Total non current assets	1,286,264	1,286,264	-	-	-	-	(146,866)	(146,866)	1,139,399	1,247,880	1,200,889
Total current liabilities	59,128	59,128	-	-	-	-	113,621	113,621	172,750	245,485	327,393
Total non current liabilities	20,106	20,106	-	-	-	-	26,066	26,066	46,162	26,573	27,103
<b>Community wealth/Equity</b>	<b>1,232,480</b>	<b>1,232,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(263,958)</b>	<b>(263,958)</b>	<b>968,522</b>	<b>2,575,087</b>	<b>2,641,693</b>
<b>Cash flows</b>											
Net cash from (used) operating	92,263	-	-	-	-	-	24,727	24,727	116,991	(16,573)	9,594
Net cash from (used) investing	(92,377)	-	-	-	-	-	85,935	85,935	(6,442)	115,789	96,491
Net cash from (used) financing	(396)	-	-	-	-	-	(14,640)	(14,640)	(15,036)	585	910
<b>Cash/cash equivalents at the year end</b>	<b>224,236</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(296,493)</b>	<b>(296,493)</b>	<b>(72,257)</b>	<b>27,545</b>	<b>134,540</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	27,817	27,817	-	-	-	-	(39,704)	(39,704)	(11,887)	1,188,557	(245,521)
Application of cash and investments	47,315	47,315	-	-	-	-	#####	#####	#####	#####	#####
<b>Balance - surplus (shortfall)</b>	<b>(19,498)</b>	<b>(19,498)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>
<b>Asset Management</b>											
Asset register summary (WDV)	1,278,564	1,278,564	-	-	-	-	(146,866)	(146,866)	1,131,698	1,240,646	1,193,645
Depreciation & asset impairment	44,812	44,812	-	-	-	-	1,170	1,170	45,982	47,501	50,351
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	58,660	64,066	-	-	-	-	(31,487)	(31,487)	32,569	61,713	65,315
<b>Free services</b>											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>											
Water:	42,332	-	-	-	-	-	(42,332)	(42,332)	-	-	-
Sanitation/sewerage:	33	22	-	-	-	-	-	-	22	22	22
Energy:	-	-	-	-	-	-	103	103	103	103	103
Refuse:	-	-	-	-	-	-	70	70	70	70	70

National Treasury tables are locked. The sizes cannot be increased, hence the "####" in the table

ADJUSTMENT BUDGET 2013/2014

**4.2 Table B2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

(This table reflects the operating budget (Financial Performance) 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.)

DC14 Joe Gqabi - Table B2 Adjustments Budget Financial Performance (standard classification) -

Standard Description	Ref	Budget Year 2013/14										Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	+1 2014/15	+2 2015/16	
<b>Revenue - Standard</b>													
<i>Governance and administration</i>		175,378	175,758	-	-	-	-	646	646	176,405	364,710	396,236	
Executive and council		8,666	9,046	-	-	-	-	100	100	9,146	15,074	20,264	
Budget and treasury office		-	-	-	-	-	-	-	-	-	197,095	214,417	
Corporate services		166,712	166,712	-	-	-	-	546	546	167,258	152,541	161,555	
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		53,284	58,605	-	-	-	-	3,452	3,452	62,437	55,391	58,153	
Planning and development		380	-	-	-	-	-	-	-	380	411	-	
Road transport		35,078	35,078	-	-	-	-	(1,546)	(1,546)	33,532	36,084	38,124	
Environmental protection		17,826	23,527	-	-	-	-	4,998	4,998	28,525	18,896	20,029	
<i>Trading services</i>		50,216	50,216	-	-	-	-	97,341	97,341	147,557	59,005	68,356	
Electricity		-	-	-	-	-	-	-	-	-	-	-	
Water		31,670	31,670	-	-	-	-	86,102	86,102	117,772	37,677	43,829	
Waste water management		18,546	18,546	-	-	-	-	11,239	11,239	29,785	21,327	24,527	
Waste management		-	-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue - Standard</b>	2	278,878	294,579	-	-	-	-	101,439	101,439	386,398	479,106	522,745	
<b>Expenditure - Standard</b>													
<i>Governance and administration</i>		172,424	175,378	150	-	-	-	37,990	38,140	213,518	170,838	170,142	
Executive and council		33,386	36,330	150	-	-	-	6,402	6,552	42,882	35,343	37,444	
Budget and treasury office		21,801	21,801	-	-	-	-	171	171	21,972	23,065	24,373	
Corporate services		117,227	117,247	-	-	-	-	31,417	31,417	148,664	112,430	108,325	
<i>Community and public safety</i>		9,634	9,964	-	-	-	-	243	243	10,207	10,242	10,857	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		9,634	9,964	-	-	-	-	243	243	10,207	10,242	10,857	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		66,170	69,910	-	-	-	-	(5,108)	(5,108)	64,803	70,155	74,142	
Planning and development		6,594	4,460	-	-	-	-	(4,373)	(4,373)	87	7,013	7,434	
Road transport		30,832	30,832	-	-	-	-	2,700	2,700	33,532	32,634	34,384	
Environmental protection		28,744	34,618	-	-	-	-	(3,434)	(3,434)	31,184	30,508	32,324	
<i>Trading services</i>		177,262	175,938	-	-	-	-	55,169	55,169	231,107	188,802	200,998	
Electricity		-	-	-	-	-	-	-	-	-	-	-	
Water		124,516	123,763	-	-	-	-	60,157	60,157	183,919	132,550	141,000	
Waste water management		52,746	52,176	-	-	-	-	(4,988)	(4,988)	47,188	56,242	59,938	
Waste management		-	-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure - Standard</b>	3	425,489	431,190	150	-	-	-	88,294	88,445	519,635	440,037	456,139	
<b>Surplus/ (Deficit) for the year</b>		(146,611)	(146,611)	(150)	-	-	-	13,145	12,995	(133,236)	39,069	66,606	

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**4.3 Table B3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

(The operating expenditure budget is approved by Council on the municipal vote level. The Municipal votes reflect the organisational structure of the District Municipality which is made up of the following directorates: Management Services; Financial Services; Corporate Services; Technical Services and Community Services)

DC14 Joe Gqabi - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description  <i>[Insert departmental structure etc]</i>	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 Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Revenue by Vote</b>	1											
Vote 1 - MANAGEMENT SERVICES		4,166	4,546	-	-	-	-	-	-	4,546	5,074	5,264
Vote 2 - FINANCIAL SERVICES		186,718	186,718	-	-	-	-	746	746	187,464	207,096	229,417
Vote 3 - CORPORATE SERVICES		920	920	-	-	-	-	288	288	1,208	975	1,034
Vote 4 - TECHNICAL SERVICES		251,086	256,787	-	-	-	-	97,062	97,062	353,839	246,665	267,001
Vote 5 - COMMUNITY SERVICES		18,206	17,826	-	-	-	-	3,999	3,999	21,825	19,307	20,029
Vote 6 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	461,096	466,797	-	-	-	-	102,086	102,086	568,882	479,106	522,745
<b>Expenditure by Vote</b>	1											
Vote 1 - MANAGEMENT SERVICES		24,541	26,675	150	-	-	-	1,911	2,061	28,736	25,923	27,459
Vote 2 - FINANCIAL SERVICES		24,055	24,055	-	-	-	-	461	461	24,516	25,462	26,914
Vote 3 - CORPORATE SERVICES		32,751	32,771	-	-	-	-	979	979	33,749	34,286	36,370
Vote 4 - TECHNICAL SERVICES		273,010	277,861	-	-	-	-	78,668	78,668	356,528	278,842	285,356
Vote 5 - COMMUNITY SERVICES		71,133	69,829	-	-	-	-	6,279	6,279	76,109	75,523	80,040
Vote 6 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	425,489	431,190	150	-	-	-	88,298	88,448	519,638	440,037	456,139
<b>Surplus/ (Deficit) for the year</b>	2	35,606	35,606	(150)	-	-	-	13,788	13,638	49,244	39,069	66,606

## ADJUSTMENT BUDGET 2013/2014

### 4.4 Table B4 - Budgeted Financial Performance (revenue and expenditure)

DC14 Joe Gqabi - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

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	1	A	3	4	5	6	7	8	9	10		
		A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
Property rates	2	-	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	5,625	5,625	-	-	-	-	39,837	39,837	45,463	6,469	7,439
Service charges - sanitation revenue	2	18,055	18,055	-	-	-	-	3,740	3,740	21,796	20,764	23,878
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		2,666	2,666	-	-	-	-	645	645	3,311	2,826	2,995
Interest earned - outstanding debtors		1,533	1,533	-	-	-	-	2,131	2,131	3,665	1,763	2,028
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operating		244,382	244,382	-	-	-	-	47,430	47,430	291,812	261,967	281,907
Other revenue	2	3,540	9,241	-	-	-	-	1,543	1,543	10,784	3,742	3,966
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>275,802</b>	<b>281,503</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,328</b>	<b>95,328</b>	<b>376,830</b>	<b>297,531</b>	<b>322,213</b>
<b>Expenditure By Type</b>												
Employee related costs		120,900	119,765	0	-	-	-	16,051	16,051	135,816	128,638	136,366
Remuneration of councillors		5,362	5,347	-	-	-	-	(121)	(121)	5,226	5,685	6,036
Debt impairment		8,386	8,386	-	-	-	-	42,284	42,284	50,670	9,644	11,091
Depreciation & asset impairment		44,812	44,812	-	-	-	-	1,170	1,170	45,982	47,501	50,351
Finance charges		3,272	3,272	-	-	-	-	781	781	4,052	3,468	3,702
Bulk purchases		-	-	-	-	-	-	4,800	4,800	4,800	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-
Contracted services		47,013	47,013	-	-	-	-	(25,146)	(25,146)	21,867	49,834	52,824
Transfers and grants		56,100	49,125	-	-	-	-	33,933	33,933	83,058	48,262	40,195
Other expenditure		139,343	153,160	150	-	-	-	14,545	14,695	167,855	146,666	155,234
Loss on disposal of PPE		311	311	-	-	-	-	2	2	313	329	349
<b>Total Expenditure</b>		<b>425,489</b>	<b>431,190</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>88,298</b>	<b>88,448</b>	<b>519,638</b>	<b>440,037</b>	<b>456,139</b>
<b>Surplus/(Deficit)</b>		<b>(149,688)</b>	<b>(149,688)</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,030</b>	<b>6,880</b>	<b>(142,808)</b>	<b>(142,506)</b>	<b>(133,926)</b>
Transfers recognised - capital		185,294	185,294	-	-	-	-	6,758	6,758	192,052	181,575	200,532
Contributions		-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		35,606	35,606	(150)	-	-	-	13,788	13,638	49,244	39,069	66,606
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		35,606	35,606	(150)	-	-	-	13,788	13,638	49,244	39,069	66,606
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		35,606	35,606	(150)	-	-	-	13,788	13,638	49,244	39,069	66,606
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>35,606</b>	<b>35,606</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,788</b>	<b>13,638</b>	<b>49,244</b>	<b>39,069</b>	<b>66,606</b>

ADJUSTMENT BUDGET 2013/2014

**4.5 Table B5 - Budgeted Capital Expenditure by vote, standard classification and funding**

DC14 Joe Qqabi - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

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
		A	5	6	7	8	9	10	11	12		
R thousands												
<b>Capital expenditure - Vote</b>												
<i>Multi-year expenditure to be adjusted</i>	2											
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
<i>Single-year expenditure to be adjusted</i>	2											
Vote 1 - MANAGEMENT SERVICES		378	378	-	-	-	-	240	240	618	-	-
Vote 2 - FINANCIAL SERVICES		250	250	-	-	-	-	-	-	250	250	275
Vote 3 - CORPORATE SERVICES		145	145	-	-	-	-	305	305	450	-	-
Vote 4 - TECHNICAL SERVICES		105,746	105,746	-	-	-	-	43,466	43,466	149,212	116,154	68,400
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	365	365	365	-	-
Vote 6 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - 0		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - 0		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675
<b>Total Capital Expenditure - Vote</b>		106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675
<b>Capital Expenditure - Standard</b>												
<i>Governance and administration</i>		3,773	3,773	-	-	-	-	12,975	12,975	16,748	260	275
Executive and council		-	-	-	-	-	-	110	110	110	-	-
Budget and treasury office		250	250	-	-	-	-	-	-	250	250	275
Corporate services		3,523	3,523	-	-	-	-	12,865	12,865	16,388	-	-
<i>Community and public safety</i>		100	100	-	-	-	-	435	435	535	2,500	3,000
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		100	100	-	-	-	-	70	70	170	2,500	3,000
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	365	365	365	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		102,646	102,646	-	-	-	-	30,966	30,966	133,612	113,654	65,400
Electricity		-	-	-	-	-	-	-	-	-	-	-
Water		80,479	80,479	-	-	-	-	29,885	29,885	110,365	76,812	52,242
Waste water management		22,166	22,166	-	-	-	-	1,081	1,081	23,247	36,842	13,158
Waste management		-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	3	106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675
<b>Funded by:</b>												
National Government		102,791	102,791	-	-	-	-	31,271	31,271	134,062	113,654	65,400
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		3,728	3,728	-	-	-	-	13,105	13,105	16,833	2,760	3,275
Total Capital transfers recognised	4	106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	15,000	15,000	15,000	-	-
Internally generated funds		-	-	-	-	-	-	(15,000)	(15,000)	(15,000)	-	-
<b>Total Capital Funding</b>		106,519	106,519	-	-	-	-	44,376	44,376	150,894	116,414	68,675

ADJUSTMENT BUDGET 2013/2014

### 4.6 Table B6 - Budgeted Financial Position

DC14 Joe Qqabi - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		3,967	3,967							3,967	0	0
Call investment deposits	1	20,000	20,000							20,000	1,351,661	
Consumer debtors	1							22,585	22,585	22,585	46,525	(13,194)
Other debtors											199,693	277,865
Current portion of long-term receivables												
Inventory		1,483	1,483							1,483	1,374	1,464
<b>Total current assets</b>		<b>25,450</b>	<b>25,450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,585</b>	<b>22,585</b>	<b>48,035</b>	<b>1,599,255</b>	<b>266,165</b>
<b>Non current assets</b>												
Long-term receivables												
Investments		3,850	3,850							3,850	4,605	4,605
Investment property		3,850	3,850							3,850	2,639	2,639
Investment in Associate												
Property, plant and equipment	1	1,275,017	1,275,017					(146,866)	(146,866)	1,128,152	1,237,433	1,190,571
Agricultural												
Biological												
Intangible		3,547	3,547							3,547	3,212	3,073
Other non-current assets												
<b>Total non current assets</b>		<b>1,286,264</b>	<b>1,286,264</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(146,866)</b>	<b>(146,866)</b>	<b>1,139,399</b>	<b>1,247,890</b>	<b>1,200,889</b>
<b>TOTAL ASSETS</b>		<b>1,311,714</b>	<b>1,311,714</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(124,280)</b>	<b>(124,280)</b>	<b>1,187,434</b>	<b>2,847,145</b>	<b>1,467,054</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft								39,704	39,704	39,704	167,710	250,126
Borrowing		398	398					585	585	983	910	1,250
Consumer deposits												
Trade and other payables		47,315	47,315					58,033	58,033	105,348	56,973	55,849
Provisions		11,415	11,415					15,300	15,300	26,715	19,892	20,168
<b>Total current liabilities</b>		<b>59,128</b>	<b>59,128</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113,621</b>	<b>113,621</b>	<b>172,750</b>	<b>245,485</b>	<b>327,393</b>
<b>Non current liabilities</b>												
Borrowing	1	6,054	6,054					5,913	5,913	11,968	5,588	5,225
Provisions	1	14,052	14,052					20,143	20,143	34,195	20,985	21,878
<b>Total non current liabilities</b>		<b>20,106</b>	<b>20,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,056</b>	<b>26,056</b>	<b>46,162</b>	<b>26,573</b>	<b>27,103</b>
<b>TOTAL LIABILITIES</b>		<b>79,235</b>	<b>79,235</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139,678</b>	<b>139,678</b>	<b>218,912</b>	<b>272,058</b>	<b>354,495</b>
<b>NET ASSETS</b>	2	<b>1,232,480</b>	<b>1,232,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(263,958)</b>	<b>(263,958)</b>	<b>968,522</b>	<b>2,575,087</b>	<b>1,112,559</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		1,232,480	1,232,480					(263,958)	(263,958)	968,522	2,575,087	2,641,693
Reserves												
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>1,232,480</b>	<b>1,232,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(263,958)</b>	<b>(263,958)</b>	<b>968,522</b>	<b>2,575,087</b>	<b>2,641,693</b>

ADJUSTMENT BUDGET 2013/2014

4.7 Table B7 - Budgeted Cash Flows

DC14 Joe Gqabi - Table B7 Adjustments Budget Cash Flows -

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		A	3	4	5	6	7	8	9	10		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
Receipts												
Ratepayers and other		37,686	-	-	-	-	-	263,639	263,639	301,335	288,344	316,778
Government - operating	1	155,144	-	-	-	-	-	218,631	218,631	373,775	240,074	257,867
Government - capital	1	81,234	-	-	-	-	-	174,629	174,629	255,863	184,213	200,930
Interest		4,964	-	-	-	-	-	2,675	2,675	7,639	2,835	3,034
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(163,888)	-	-	-	-	-	(526,087)	(526,087)	(689,976)	(628,239)	(680,428)
Finance charges		(2,410)	-	-	-	-	-	(3,086)	(3,086)	(5,496)	(3,272)	(3,501)
Transfers and Grants	1	(20,477)	-	-	-	-	-	(105,673)	(105,673)	(126,149)	(100,529)	(85,087)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>92,263</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,727</b>	<b>24,727</b>	<b>116,991</b>	<b>(16,573)</b>	<b>9,594</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(1,313)	-	-	-	-	-	-	-	(1,313)	-	-
Payments												
Capital assets		(91,064)	-	-	-	-	-	85,935	85,935	(5,129)	115,789	96,491
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(92,377)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,935</b>	<b>85,935</b>	<b>(6,442)</b>	<b>115,789</b>	<b>96,491</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	(15,000)	(15,000)	(15,000)	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing		(396)	-	-	-	-	-	360	360	(36)	585	910
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(396)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,640)</b>	<b>(14,640)</b>	<b>(15,036)</b>	<b>585</b>	<b>910</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(510)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,022</b>	<b>96,022</b>	<b>95,512</b>	<b>99,802</b>	<b>106,995</b>
Cash/cash equivalents at the year begin:	2	224,746	-	-	-	-	-	(392,514)	(392,514)	(167,769)	(72,257)	27,545
Cash/cash equivalents at the year end:	2	224,236	-	-	-	-	-	(296,493)	(296,493)	(72,257)	27,545	134,540

ADJUSTMENT BUDGET 2013/2014

**4.8 Table B8 - Cash backed reserves/accumulated surplus reconciliation**

DC14 Joe Gqabi - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2012/13									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjus.	Adjus.	Budget	Budget	Budget
R thousands		3	4	5	6	7	8	9	10			
		A	A1	B	C	D	E	F	G	H		
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	224 236	-	-	-	-	-	(281 493)	(281 493)	(57 257)	42 545	149 540
Other current investments > 90 days		(200 269)	23 967	-	-	-	-	241 788	241 788	265 755	1 141 406	(399 666)
Non current assets - Investments	1	3 850	3 850	-	-	-	-	-	-	3 850	4 605	4 605
<b>Cash and investments available:</b>		<b>27 817</b>	<b>27 817</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39 704)</b>	<b>(39 704)</b>	<b>212 349</b>	<b>1 188 557</b>	<b>(245 521)</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		-	-	-	-	-	-	8 514	8 514	8 514	8 514	8 514
Unspent borrowing									-	-		
Statutory requirements									-	-		
Other working capital requirements	2	47 315	47 315					#####	#####	#####	#####	#####
Other provisions									-	-		
Long term investments committed		-	-						-	-		
Reserves to be backed by cash/investments		-	-						-	-		
<b>Total Application of cash and investments:</b>		<b>47 315</b>	<b>47 315</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>
<b>Surplus(shortfall)</b>		<b>(19 498)</b>	<b>(19 498)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>

National Treasury tables are locked. The sizes cannot be increased, hence the "###" in the table



# ADJUSTMENT BUDGET 2013/2014

## 4.9 Table B9 - Asset Management

DC14 Joe Gqabi - Table B9 Asset Management -

Description	Ref	Budget Year 2012/13									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjus.	Adjus.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	85 340	85 340	-	-	-	-	14 401	14 401	99 741	79 514	65 400
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		51 472	51 472	-	-	-	-	7 050	7 050	58 522	42 672	52 242
Infrastructure - Sanitation		30 172	30 172	-	-	-	-	6 925	6 925	37 098	36 842	13 158
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		81 644	81 644	-	-	-	-	13 975	13 975	95 619	79 514	65 400
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	3 696	3 696	-	-	-	-	426	426	4 122	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets to be adjusted</b>	2	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure to be adjusted</b>	4	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		51 472	51 472	-	-	-	-	7 050	7 050	58 522	42 672	52 242
Infrastructure - Sanitation		30 172	30 172	-	-	-	-	6 925	6 925	37 098	36 842	13 158
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		81 644	81 644	-	-	-	-	13 975	13 975	95 619	79 514	65 400
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	3 696	3 696	-	-	-	-	426	426	4 122	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	2	85 340	85 340	-	-	-	-	14 401	14 401	99 741	79 514	65 400
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5											
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		968 349	889 244	-	-	-	-	(100 862)	(100 862)	788 382	922 631	884 944
Infrastructure - Sanitation		266 643	359 482	-	-	-	-	(50 000)	(50 000)	309 482	285 604	276 594
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1 234 993	1 248 726	-	-	-	-	(150 862)	(150 862)	1 097 864	1 208 235	1 161 538
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	40 226	26 493	-	-	-	-	3 996	3 996	30 489	29 198	29 034
Intangibles		3 346	3 346	-	-	-	-	-	-	3 346	3 212	3 073
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	1 278 564	1 278 564	-	-	-	-	(146 866)	(146 866)	1 131 698	1 240 646	1 193 645
<b>EXPENDITURE OTHER ITEMS</b>												
<b>Depreciation &amp; asset impairment</b>		44 812	44 812	-	-	-	-	1 170	1 170	45 982	47 501	50 351
<b>Repairs and Maintenance by asset class</b>	3	58 650	64 056	-	-	-	-	(31 487)	(31 487)	32 569	61 713	65 315
Infrastructure - Road transport		7 277	7 027	-	-	-	-	(571)	(571)	6 456	7 774	8 301
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		48 756	54 457	-	-	-	-	(31 028)	(31 028)	23 429	51 682	54 783
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		56 034	61 485	-	-	-	-	(31 599)	(31 599)	29 886	59 456	63 083
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	2 616	2 571	-	-	-	-	112	112	2 683	2 257	2 232
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		103 462	108 868	-	-	-	-	(30 317)	(30 317)	78 551	109 214	115 666
<b>% of capital exp on renewal of assets</b>		0,0%	0,0%							0,0%	0,0%	0,0%
<b>Renewal of existing assets as % of deprecn</b>		0,0%	0,0%							0,0%	0,0%	0,0%
<b>R&amp;M as a % of PPE</b>		4,6%	5,0%							2,9%	5,0%	5,5%
<b>Renewal and R&amp;M as a % of PPE</b>		4,6%	5,0%							2,9%	5,0%	5,5%

#### **4.10 Table B10 - Basic service delivery measurement**

(The detail for this table was not available when this report was finalised.)

### **PART 2 – SUPPORTING DOCUMENTATION**

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#### **Section 5 – Adjustments to budget assumptions**

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No changes were made to the budget assumptions as included in the A Schedule for 2013/2014.

#### **Section 6 – Adjustments to budget funding**

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##### **6.1 Summary of the impact of the adjustments budget**

###### ***6.1.1 Funding of operating and capital expenditure***

The cash and cash equivalent situation will deteriorate to an overdraft of R 57 million by the end of June 2014. The cash flow on capital assets from own sources (Equitable share) to the value of R16.8 place an additional burden on the cash and cash equivalents. The budget is definitely not cash backed.

###### ***6.1.2 Financial plans***

At this stage Joe Gqabi District Municipality has not yet adopted a long-term financial plan that is fully funded. It is therefore difficult to provide inputs on how the adjustment budget will influence the financial plan.

###### ***6.1.3 Reserves & Provisions***

None of the reserves or provisions will be cash backed at 30 June 2014. The provisions to be cash funded will amount to R26.7 million, whilst no reserves exist currently. The provisions are mainly employee benefits.

### 6.1.4 Financial sustainability of the District Municipality

The financial sustainability of the District Municipality is under pressure due to the unfunded employee benefit provisions, low collection rate, unspent grants and disaster management grant not being received. These provisions include the following:

- Post-retirement health care benefits;
- Staff long service awards;
- Ex gratia Pension; and
- Staff leave

Refer to 'Supporting Table SB6 Adjustments Budget - funding measurement' for more detail.

DC14 Joe Gqabi - Supporting Table SB6 Adjustments Budget - funding measurement -

Description	Ref	MFMA section	2010/11	2011/12	2012/13	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousands										
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R000	1	18(1)b	4,000	20,550	26,718	224,236	—	(72,257)	27,545	134,540
Cash + investments at the yr end less applications - R000	2	18(1)b	(109)	(106)	219	(19,498)	(19,498)	#####	#####	#####
Cash year end/monthly employee/supplier payments	3	18(1)b	(260,907)	(266,397)	(360,420)	0	—	(0)	0	0
Surplus/(Deficit) excluding depreciation offsets: R000	4	18(1)	(62,889)	16,594	6,168	35,606	35,606	49,248	39,069	66,606
Service charge rev % change - macro CPI target exclusive	5	18(1)a,(2)	0	%		0.0%	0.0%	0.0%	-66.5%	9.0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	91941861.0%	0.0%	#####	#####	#####
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	0.0%	0.0%	48.7%	35.4%	35.4%	75.3%	35.4%	35.4%
Capital payments % of capital expenditure	8	18(1)c;19	100.0%	100.0%	100.0%	85.5%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	100.0%	100.0%	100.0%	0.0%	0.0%	43.5%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a	120.0%	120.0%	120.0%	120.0%	120.0%	120.0%	990.2%	7.5%
Long term receivables % change - incr(decr)	12	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)	5.0%	5.0%	5.0%	4.6%	5.0%	2.9%	5.0%	5.5%
Asset renewal % of capital budget	14	20(1)(vi)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

National Treasury tables are locked. The sizes cannot be increased, hence the "###" in the table

### 6.2 Expenditure funded in accordance with MFMA section 18

All revenue streams have been adjusted to be realistic. See paragraph 6.1.1 for more details regarding the non-funding of the budget.

### 6.3 Adjustments to the monetary investments

No investment was adjusted.

**6.4 Adjustments to contributions and donations in cash or in-kind**

None

**6.6 Adjustments related to proceeds from the sale of assets**

None

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

None

**6.8 Adjustments related to the planned use of previous years' cash backed accumulated surplus**

None

**6.9 Adjustments related to new proposed loans to be raised in the budget year**

The Municipality applied for a loan of R15 million which was approved by council. Council complied with all relevant legislation requirements in obtaining this loan. This loan will be used to buy motor vehicles and install water meters which in turn will assist in increasing revenue.

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**Section 7 – Adjustments to expenditure on allocations and grant programmes**

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The changes to grants relates to the downwards adjustment of:

- Roads and Transport by R1,575 million ;

This whilst the following grants were adjusted upwards:

- RHIP: Rural Sanitation by R4 million;
- RBIG Regional Bulk by R2.5 million
- Emergency Drought Relief R43.55 million;
- Working for Water by R4 million:
- Water Services Operating Subsidy by R526 thousand; and
- Department of Water Affairs by R600 thousand.

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**Section 8 – Adjustments to allocations or grants made by the District Municipality**

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The Municipality is now performing the water provisioning internally. The Operations and Maintenance Teams of the previous Water Services Providers (WSP) were taken over by the District. This has led to increase in our maintenance and employee related costs and a decrease in grant funding to the locals. This increase in operational costs is funded by this reduction in grant which we used to give to the WSP. Grant Funding to Locals has been reduced to zero, therefore no funding will be made to WSPs.

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**Section 9 – Adjustments to councillors and board members allowances and employee benefits**

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The remuneration for Councillors were adjusted downwards from R 5.4 million to R 5.2 million, whilst the employee related costs were adjusted upwards by R14.9 million from R120.9 million to R135.8 million. This is due to increase in the number of position in the organogram and provision for bargaining council payouts

## ADJUSTMENT BUDGET 2013/2014

### Section 10 – Adjustments to service delivery and budget implementation plan

#### 10.1 Quarterly service delivery targets and performance indicators in the SDBIP

No adjustments were made to any non-financial indicators.

#### 10.2 Key financial indicators

The annual collection rate was set at 25% for the year in the adjustments budget.

DC14 Joe Gqabi - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks -

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Budget Year 2012/13			Budget Year +1 2013/14	Budget Year +2 2014/15
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Borrowing Management</b>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure				0,9%	0,8%	0,8%	0,7%	0,6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants				0,0%	0,0%	0,0%	0,0%	0,0%
<b>Safety of Capital</b>									
Gearing	Long Term Borrowing/ Funds & Reserves				0,0%	0,0%	0,0%	0,0%	0,0%
<b>Liquidity</b>									
Current Ratio	Current assets/current liabilities				43,0%	43,0%	27,8%	651,5%	81,3%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				2175,4%	2175,4%	0,0%	0,0%	0,0%
Liquidity Ratio	Monetary Assets/Current Liabilities				0,4	0,4	0,1	5,5	0,0
<b>Revenue Management</b>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						21,0%	65,0%	65,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				0,0%	0,0%	6,0%	82,8%	82,2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0,0%	0,0%	0,0%	0,0%	0,0%
<b>Creditors Management</b>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash					21,1%	0,0%	-184,0%	133,9%	37,3%
<b>Other Indicators</b>									
Electricity Distribution Losses (2)	Total Volume Losses (kW) Total Cost of Losses (Rand '000)								
Water Distribution Losses (2)	Total Volume Losses (kℓ) Total Cost of Losses (Rand '000)								
Employee costs	Employee costs/(Total Revenue - capital revenue)				43,8%	42,5%	36,1%	43,2%	42,3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				21,3%	22,8%	8,6%	20,7%	20,3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				17,4%	17,1%	13,3%	17,1%	16,8%
<b>IDP regulation financial viability indicators</b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year				1089,8%	1287,6%	2948,9%	1273,8%	1443,6%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				0,0%	0,0%	6,0%	15,6%	-4,1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0,8	0,0	-0,2	0,1	0,5

## ADJUSTMENT BUDGET 2013/2014

### Section 11 – Adjustments to capital expenditure

As already mentioned in the executive summary; the capital budget was adjusted upwards by R44.2 million which is from R106.5 million to R 150.8 million.

DESCRIPTION OF THE PROJECT	BUDGET	ADJUSTMENT BUDGET 2013-2014	ADJUSTED BY
Computer Equipment	145 000	450 000	305 000
Emergency Equipment	100 000	170 000	70 000
Steynsburg Waterborne San Phase3	7 894 737	<b>9 926 953</b>	2 032 216
<b>UGIE SANITATION INFRASTRUCTURE</b>	<b>1 754 386</b>	-	<b>(1 754 386)</b>
Maclear Upgrade of Bulk Water Services	1 631 579	<b>4 000 000</b>	2 368 421
Maclear Upgrade of Bulk Sanitation	-	<b>365 000</b>	365 000
Mt Fletcher Villages-Bulk Water Supply Scheme	9 243 860	<b>18 682 837</b>	9 438 977
Sterk: Upgrading of WTW & Bulk Lines	17 543 860	13 543 296	(4 000 564)
ALIWAL NORTH WTP UPGRADE	1 000 000	212 556	(787 444)
Senqu Rural Water Programme	8 771 930	2 717 343	(6 054 587)
Elundini Rural Water Programme	10 526 316	4 880 163	(5 646 153)
Steynsburg Bulk Water Supply	-	260 000	260 000
MIG Rural Sanitation Programme	8 006 140	-	(8 006 140)
Venterstad Galaxy Reservoir	3 289 912	4 385 965	1 096 053
MALETSWAI WCDM PROJECT	3 289 912	-	(3 289 912)
SENQU SPRING PROTECTION	3 289 912	-	(3 289 912)
Rain Water Harvesting & Spring Protection	-	4 387 719	4 387 719
ELUNDINI SPRING PROTECTION	3 289 912	-	(3 289 912)
Sterk Regional Bulk Sanitation	-	2 192 982	2 192 982
Upgrade of Sterkspruit WWTW	-	5 000 000	5 000 000
Sterkspruit WTW Refurbishment	-	8 771 930	8 771 930
Water and Sanitation Bakkies	3 000 000	14 969 810	11 969 810
Orio Grant Expenditure	4 500 000	3 947 368	(552 632)
EHP Equipment	-	355 768	355 768
Furniture & Equipment	-	110 000	110 000
Area 13 Waste Management: Sterkspruit	-	1 900 000	1 900 000
Water Filter System	-	460 000	460 000
Drought Relief	-	29 824 561	29 824 561
<b>Total</b>	<b>106 518 614</b>	<b>150 885 410</b>	<b>44 236 796</b>

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**Section 12 – Municipal Manager’s quality certification**

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An adjustments budget and supporting documentation must be covered by a quality certificate in the format as per page 75 of the Government Gazette 32141 - 17 April 2009.

**QUALITY CERTIFICATE**

I, ZA Williams, Municipal Manager of Joe Gqabi District Municipality, hereby certify that the adjustments 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 adjustments budget and supporting documents are consistent with the Integrated Development Plan of the District Municipality.

Print Name \_\_\_\_\_

Municipal Manager of Joe Gqabi District Municipality (DC14)

Signature \_\_\_\_\_

Date \_\_\_\_\_