



KING CETSHWAYO
DISTRICT MUNICIPALITY

DEPARTMENT : CORPORATE SERVICES

KCDMC : 575/2017/J Naidoo
DM#109418

INTERNAL MEMORANDUM

TO : MUNICIPAL MANAGER
DEPUTY MUNICIPAL MANAGER : PLANNING & DEVELOPMENT
DEPUTY MUNICIPAL MANAGER : CORPORATE SERVICES
DEPUTY MUNICIPAL MANAGER : FINANCIAL SERVICES
DEPUTY MUNICIPAL MANAGER : TECHNICAL SERVICES
DEPUTY MUNICIPAL MANAGER : COMMUNITY SERVICES

FROM : SENIOR MANAGER : ADMIN SERVICES

DATE : 02 JUNE 2017

RE : FINAL MTREF REPORT FOR KING CETSHWAYO DISTRICT
MUNICIPALITY FOR THE PERIOD 2017/2018 TO 2019/2020

I hereby wish to inform you that Council during a meeting held on 26 May 2017, (Item KCDMC : 575/2017), resolved that :

1. The 2017/2018 Multi Year budget as per the A schedules below, be approved :

DC28 King Cetshwayo - Table A1 Budget Summary

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands										
Financial Performance										
Property rates	-	-	-	-	-	-	-	85 624	92 086	99 069
Service charges	-	-	-	-	-	-	-	37 834	44 308	46 966
Investment revenue	-	-	-	-	-	-	-	523 525	517 977	554 463
Transfers recognised - operational	-	-	-	-	-	-	-	7 677	1 234	1 306
Other own revenue	-	-	-	-	-	-	-	654 659	655 604	701 804
Total Revenue (excluding capital transfers and contributions)										
Employee costs	-	-	-	-	-	-	-	229 690	243 241	257 350
Remuneration of councillors	-	-	-	-	-	-	-	12 153	12 870	13 617
Depreciation & asset impairment	-	-	-	-	-	-	-	86 211	91 384	96 867
Finance charges	-	-	-	-	-	-	-	6 432	8 097	10 169
Materials and bulk purchases	-	-	-	-	-	-	-	68 455	70 885	75 066
Transfers and grants	-	-	-	-	-	-	-	8 688	6 490	7 198
Other expenditure	-	-	-	-	-	-	-	338 717	361 126	376 183
Total Expenditure										
Surplus/(Deficit)	-	-	-	-	-	-	-	(95 586)	(138 488)	(134 646)
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	289 758	325 920	345 589
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions										
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year										
	-	-	-	-	-	-	-	194 172	187 431	210 943
Capital expenditure & funds sources										
Capital expenditure	-	-	-	-	-	-	-	326 102	377 609	351 009
Transfers recognised - capital	-	-	-	-	-	-	-	289 758	325 920	345 589
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	46 390	-
Internally generated funds	-	-	-	-	-	-	-	36 344	5 300	5 420
Total sources of capital funds										
	-	-	-	-	-	-	-	326 102	377 609	351 009
Financial position										
Total current assets	-	-	-	-	-	-	-	450 254	506 355	620 490
Total non current assets	-	-	-	-	-	-	-	2 604 855	2 891 032	3 145 135
Total current liabilities	-	-	-	-	-	-	-	126 760	138 298	142 109
Total non current liabilities	-	-	-	-	-	-	-	151 532	199 117	202 850
Community wealth/Equity	-	-	-	-	-	-	-	2 776 817	3 061 973	3 420 665
Cash flows										
Net cash from (used) operating	-	-	-	-	-	-	-	275 384	273 380	301 895
Net cash from (used) investing	-	-	-	-	-	-	-	(319 880)	(377 566)	(350 976)
Net cash from (used) financing	-	-	-	-	-	-	-	(9 558)	41 296	(6 096)
Cash/cash equivalents at the year end										
	-	-	-	-	-	-	-	249 372	186 482	131 304
Cash backing/surplus reconciliation										
Cash and investments available	-	-	-	-	-	-	-	384 279	435 784	540 675
Application of cash and investments	-	-	-	-	-	-	-	349 747	375 717	394 338
Balance - surplus (shortfall)										
	-	-	-	-	-	-	-	34 532	60 067	146 337
Asset management										
Asset register summary (WDV)	-	-	-	-	-	-	2 604 677	2 604 677	2 890 902	3 145 044
Depreciation	-	-	-	-	-	-	86 211	86 211	91 384	96 867
Renewal of Existing Assets	-	-	-	-	-	-	-	2 000	-	-
Repairs and Maintenance	-	-	-	-	-	-	68 229	68 229	72 254	76 446

DC28 King Cityshway - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional	1									
Governance and administration		-	-	-	-	-	-	608 882	640 958	682 384
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	608 882	640 958	682 384
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	19 298	20 450	21 648
Community and social services		-	-	-	-	-	-	224	246	270
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	19 075	20 204	21 376
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	318 266	320 116	343 382
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	245 455	263 917	283 643
Waste water management		-	-	-	-	-	-	45 706	28 697	29 456
Waste management		-	-	-	-	-	-	25 093	27 602	30 382
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2							944 418	981 524	1 047 392
Expenditure - Functional										
Governance and administration		-	-	-	-	-	-	169 882	177 888	187 987
Executive and council		-	-	-	-	-	-	41 736	44 733	47 561
Finance and administration		-	-	-	-	-	-	128 146	133 135	140 406
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	55 056	54 780	57 815
Community and social services		-	-	-	-	-	-	32 956	31 871	33 397
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	22 100	22 910	24 418
Economic and environmental services		-	-	-	-	-	-	28 955	27 291	29 672
Planning and development		-	-	-	-	-	-	28 955	27 291	29 672
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	498 353	534 153	560 996
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	411 242	462 358	489 656
Waste water management		-	-	-	-	-	-	46 052	29 001	23 968
Waste management		-	-	-	-	-	-	39 060	42 795	47 352
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3							760 246	794 092	836 449
Surplus/(Deficit) for the year								184 172	187 431	210 943

DC28 King Cetshwayo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote										
Vote 1 - Executive & Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Economic Development, Planning & Environment		-	-	-	-	-	-	-	-	-
Vote 3 - Community & Social Services		-	-	-	-	-	-	224	246	270
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Environmental Health		-	-	-	-	-	-	19 076	20 204	21 376
Vote 6 - Finance & Administration		-	-	-	-	-	-	608 662	640 956	682 384
Vote 7 - Infrastructure Services		-	-	-	-	-	-	245 455	263 917	283 613
Vote 8 - Waste Management		-	-	-	-	-	-	26 093	27 602	30 362
Vote 9 - Waste Water Management		-	-	-	-	-	-	45 708	28 597	29 456
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	-	-	-	944 418	981 524	1 047 392
Expenditure by Vote to be appropriated										
Vote 1 - Executive & Council	1	-	-	-	-	-	-	64 708	69 110	73 401
Vote 2 - Economic Development, Planning & Environment		-	-	-	-	-	-	26 955	27 291	29 672
Vote 3 - Community & Social Services		-	-	-	-	-	-	32 956	31 671	33 397
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Environmental Health		-	-	-	-	-	-	22 100	22 910	24 418
Vote 6 - Finance & Administration		-	-	-	-	-	-	105 177	108 768	114 666
Vote 7 - Infrastructure Services		-	-	-	-	-	-	411 242	462 358	489 656
Vote 8 - Waste Management		-	-	-	-	-	-	39 060	42 785	47 352
Vote 9 - Waste Water Management		-	-	-	-	-	-	46 052	29 001	23 968
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	-	-	-	750 246	784 092	836 449
Surplus (Deficit) for the year	2	-	-	-	-	-	-	194 172	187 431	210 943

DC28 King Cetshwayo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year #1 2018/19	Budget Year #2 2019/20
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	62 492	55 641	58 880
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	7 815	8 697	9 456
Service charges - refuse revenue	2	-	-	-	-	-	-	-	25 083	27 802	30 362
Service charges - other									224	248	270
Rental of facilities and equipment									6 543	50	50
Interest earned - external investments									37 834	44 308	48 956
Interest earned - outstanding debtors									910	910	929
Dividends received									-	-	-
Fines, penalties and forfeits									-	-	-
Licenses and permits									-	-	-
Agency services									-	-	-
Transfers and subsidies									623 626	617 977	654 453
Other revenue	2	-	-	-	-	-	-	-	824	874	926
Gains on disposal of PPE									-	-	-
Total Revenue (excluding capital transfers and contributions)									654 659	655 604	701 804
Expenditure By Type											
Employee related costs	2	-	-	-	-	-	-	-	229 690	243 241	257 350
Remuneration of councillors									12 453	12 870	13 617
Debt Impairment	3	-	-	-	-	-	-	-	3 815	3 826	4 050
Depreciation & asset impairment	2	-	-	-	-	-	-	-	86 211	91 384	96 667
Finance charges									6 432	8 097	10 199
Bulk purchases	2	-	-	-	-	-	-	-	62 800	65 668	68 982
Other materials	6	-	-	-	-	-	-	-	15 655	16 217	16 891
Contracted services									259 292	278 740	289 696
Transfers and subsidies									8 558	6 490	7 198
Other expenditure	4,6	-	-	-	-	-	-	-	75 810	78 658	82 538
Loss on disposal of PPE									-	-	-
Total Expenditure									760 246	794 692	836 449
Surplus/(Deficit)									(95 586)	(138 488)	(134 644)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)									-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)									-	-	-
Surplus/(Deficit) after capital transfers & contributions									184 172	187 431	219 943
Taxation									-	-	-
Surplus/(Deficit) after taxation									184 172	187 431	219 943
Attributable to minorities									-	-	-
Surplus/(Deficit) attributable to municipality									184 172	187 431	219 943
Share of surplus/(deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year									184 172	187 431	219 943

DC28 King Colehwayo - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcomes	Audited Outcomes	Audited Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Vote											
<i>Multi-year expenditure to be appropriated</i>	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Economic Development, Planning & Environment		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 5 - Environmental Health		-	-	-	-	-	-	-	-	-	-
Vote 6 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure Services		-	-	-	-	-	-	-	290,768	326,920	346,589
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	290,768	326,920	346,589
<i>Single-year expenditure to be appropriated</i>	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	1,160	100	100
Vote 2 - Economic Development, Planning & Environment		-	-	-	-	-	-	-	100	100	100
Vote 3 - Community & Social Services		-	-	-	-	-	-	-	450	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 5 - Environmental Health		-	-	-	-	-	-	-	350	300	300
Vote 6 - Finance & Administration		-	-	-	-	-	-	-	10,724	1,760	1,870
Vote 7 - Infrastructure Services		-	-	-	-	-	-	-	18,970	2,060	2,060
Vote 8 - Waste Management		-	-	-	-	-	-	-	3,650	46,390	-
Vote 9 - Waste Water Management		-	-	-	-	-	-	-	60	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	35,344	50,690	4,420
Total Capital Expenditure - Vote		-	-	-	-	-	-	-	326,102	377,609	351,009
Capital Expenditure - Functional											
<i>Governance and administration</i>											
Executive and council		-	-	-	-	-	-	-	11,874	1,850	1,870
Finance and administration		-	-	-	-	-	-	-	1,160	100	100
Internal audit		-	-	-	-	-	-	-	10,724	1,760	1,870
<i>Community and public safety</i>											
Community and social services		-	-	-	-	-	-	-	450	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	800	300	300
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	350	300	300
<i>Economic and environmental services</i>											
Planning and development		-	-	-	-	-	-	-	100	100	100
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>											
Energy services		-	-	-	-	-	-	-	319,328	376,368	346,839
Water management		-	-	-	-	-	-	-	209,728	326,920	346,639
Waste water management		-	-	-	-	-	-	-	60	-	-
Waste management		-	-	-	-	-	-	-	3,650	46,390	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	-	-	-	-	-	-	326,102	377,609	351,009
Funded by:											
National Government		-	-	-	-	-	-	-	289,768	325,920	345,589
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	-	-	-	-	289,768	325,920	345,589
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	46,390	-
Internally generated funds	6	-	-	-	-	-	-	-	36,344	6,300	5,420
Total Capital Funding	7	-	-	-	-	-	-	-	326,102	377,609	351,009

DC28 King Colehwayo - Table A6 Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets											
Cash									41,279	66,784	70,876
Call investment deposits	1	-	-	-	-	-	-	-	340,000	380,000	470,000
Consumer debtors									26,288	27,794	30,574
Other debtors									29,790	32,769	36,048
Current portion of long-term receivables									45	48	52
Inventory	2	-	-	-	-	-	-	-	10,873	11,880	13,156
Total current assets									458,265	604,355	630,460
Non current assets											
Long-term receivables									178	130	81
Investments									-	-	-
Investment property									-	-	-
Investment in Associates									-	-	-
Property, plant and equipment	3	-	-	-	-	-	-	-	2,694,427	2,680,060	3,133,573
Agricultural									-	-	-
Biological									10,250	10,842	11,471
Intangible									-	-	-
Other non-current assets									-	-	-
Total non current assets									2,804,855	2,801,032	3,145,135
TOTAL ASSETS									3,635,169	3,399,387	3,775,595
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	6,828	6,670	7,520
Consumer deposits									11,520	12,672	13,940
Trade and other payables	4	-	-	-	-	-	-	-	107,635	117,170	118,746
Provisions									1,677	1,766	1,895
Total current liabilities									128,740	138,298	142,106
Non current liabilities											
Borrowing									38,533	76,820	68,291
Provisions									112,999	123,297	134,659
Total non current liabilities									151,532	199,117	202,950
TOTAL LIABILITIES									278,292	337,415	344,880
NET ASSETS	5								2,776,817	3,061,973	3,420,645
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)									2,619,661	2,798,716	3,157,409
Reserves	4	-	-	-	-	-	-	-	263,256	263,256	263,256
TOTAL COMMUNITY WEALTH/EQUITY	6								2,776,817	3,061,973	3,420,645

DC28 King Cetshwayo - Table A7 Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates									-	-	-
Service charges									77 061	82 878	89 162
Other revenue									7 316	869	918
Government - operating	1								523 525	517 977	554 463
Government - capital	1								289 758	325 820	345 589
Interest									38 144	44 618	47 295
Dividends									-	-	-
Payments											
Suppliers and employees									(645 400)	(684 294)	(718 166)
Finance charges									(6 432)	(8 097)	(10 169)
Transfers and Grants	1								(8 588)	(6 490)	(7 198)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	-	-	-	-	275 364	273 380	301 895
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									143	43	33
Decrease (increase) in non-current investments									6 079	-	-
Payments											
Capital assets									(326 102)	(377 609)	(351 009)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	-	-	-	-	(319 888)	(377 566)	(350 976)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	46 300	-
Increase (decrease) in consumer deposits									1 047	1 152	1 267
Payments											
Repayment of borrowing									(10 605)	(6 246)	(7 363)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	(9 558)	41 296	(6 896)
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2								303 426	249 372	186 482
Cash/cash equivalents at the year end:	2								249 372	186 482	131 304

DC28 King Cetshwayo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash and investments available											
Cash/cash equivalents at the year end	1	-	-	-	-	-	-	-	260 172	187 882	132 824
Other current investments > 90 days		-	-	-	-	-	-	-	134 107	247 802	407 851
Non-current assets - investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		-	-	-	-	-	-	-	394 279	435 784	540 675
Application of cash and investments											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	62 854	68 333	104 636
Other working capital requirements	3	-	-	-	-	-	-	-	67 683	82 709	68 876
Other provisions		-	-	-	-	-	-	-	112 896	123 291	134 656
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	6	-	-	-	-	-	-	-	66 211	81 334	66 867
Total Application of cash and investments:		-	-	-	-	-	-	-	349 747	376 717	394 338
Surplus (shortfall)		-	-	-	-	-	-	-	44 532	69 067	146 337

DC28 King Cetslwayo - Table A9 Asset Management

R (thousand)	Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CAPITAL EXPENDITURE											
	Total New Assets	1	-	-	-	-	-	-	243 352	367 439	311 009
	Roads Infrastructure		-	-	-	-	-	-	-	-	-
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		-	-	-	-	-	-	-	-	-
	Water Supply Infrastructure		-	-	-	-	-	-	226 708	318 769	328 589
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	3 600	46 390	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		-	-	-	-	-	-	230 208	365 139	318 649
	Community Facilities		-	-	-	-	-	-	-	-	-
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
	Community Assets		-	-	-	-	-	-	-	-	-
	Heritage Assets		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	-	-	-	-	-	-	-
	Investment properties		-	-	-	-	-	-	-	-	-
	Operational Buildings		-	-	-	-	-	-	1 200	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Other Assets		-	-	-	-	-	-	1 200	-	-
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
	Servitudes		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	7 815	850	800
	Intangible Assets		-	-	-	-	-	-	7 815	850	800
	Computer Equipment		-	-	-	-	-	-	2 359	450	820
	Furniture and Office Equipment		-	-	-	-	-	-	820	700	700
	Machinery and Equipment		-	-	-	-	-	-	760	300	300
	Transport Assets		-	-	-	-	-	-	500	-	-
	Libraries		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
	Total Renewal of Existing Assets	2	-	-	-	-	-	-	2 000	-	-
	Roads Infrastructure		-	-	-	-	-	-	-	-	-
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		-	-	-	-	-	-	-	-	-
	Water Supply Infrastructure		-	-	-	-	-	-	2 000	-	-
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Infrastructure		-	-	-	-	-	-	2 000	-	-

DC26 King Cetshwayo - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Total Upgrading of Existing Assets	6	-	-	-	-	-	-	80 750	10 180	20 000
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	25 009	8 000	14 500
Sanitation Infrastructure		-	-	-	-	-	-	65 741	2 150	5 500
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	80 750	10 180	20 000
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	253 717	326 769	343 089
Sanitation Infrastructure		-	-	-	-	-	-	65 741	2 150	5 500
Solid Waste Infrastructure		-	-	-	-	-	-	3 600	45 390	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	312 658	376 309	348 589
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	1 200	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	1 200	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	7 815	850	900
Intangible Assets		-	-	-	-	-	-	7 815	450	900
Computer Equipment		-	-	-	-	-	-	2 359	450	520
Furniture and Office Equipment		-	-	-	-	-	-	520	700	700
Machinery and Equipment		-	-	-	-	-	-	750	500	500
Transport Assets		-	-	-	-	-	-	600	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		-	-	-	-	-	-	326 102	377 609	351 009

DC28 King Celshwayo - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
ASSET REGISTER SUMMARY - PPE (NDV)	5									
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure								1 790 976	2 055 403	2 326 979
Sanitation Infrastructure								86 896	187 357	80 950
Solid Waste Infrastructure								633 731	646 750	648 207
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure								2 813 706	2 808 811	3 060 326
Community Facilities								5 186	8 186	8 186
Sport and Recreation Facilities										
Community Assets								8 186	8 186	8 186
Heritage Assets								760	760	760
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings								67 770	67 016	67 067
Housing										
Other Assets								67 770	67 016	67 067
Biological or Cultivated Assets										
Seafurds										
Licences and Rights								8 922	8 922	8 922
Intangible Assets								8 922	8 922	8 922
Computer Equipment								3 214	2 263	1 208
Furniture and Office Equipment								1 343	1 025	642
Machinery and Equipment								601	771	343
Transport Assets										
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (NDV)	6							2 804 877	2 800 902	3 143 044
EXPENDITURE OTHER ITEMS										
Depreciation	7							85 211	91 384	96 867
Repairs and Maintenance by Asset Class	3							88 229	72 234	76 448
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure								66 468	70 389	74 472
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure								66 468	70 389	74 472
Community Facilities								250	265	280
Sport and Recreation Facilities										
Community Assets								250	265	280
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings								600	635	672
Housing										
Other Assets								600	635	672
Biological or Cultivated Assets										
Seafurds										
Licences and Rights										
Intangible Assets										
Computer Equipment										
Furniture and Office Equipment								8	7	7
Machinery and Equipment										
Transport Assets								803	958	1 014
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL EXPENDITURE OTHER ITEMS								184 440	163 438	173 312


DC28 King Cetshwayo - Table A10 Basic service delivery measurement

Description	Rm	2012/14	2016/15	2015/16	Current Year 2018/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets										
Water:										
Piped water inside dwelling	1	-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)	2	-	-	-	-	-	-	40,741	41,148	41,660
Using public tap (at least min. service level)	3	-	-	-	-	-	-	56,646	59,232	59,824
Other water supply (at least min. service level)	4	-	-	-	-	-	-	29,675	29,671	30,189
<i>Minimum Service Level and Above sub-total</i>	4	-	-	-	-	-	-	-	-	-
Using public tap (< min. service level)	5	-	-	-	-	-	-	128,961	130,251	131,663
Other water supply (< min. service level)	6	-	-	-	-	-	-	10,203	10,305	10,408
No water supply	7	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	7	-	-	-	-	-	-	56,234	56,796	57,354
Total number of households	8	-	-	-	-	-	-	66,437	67,192	67,773
Sanitation/sewerage:										
Flush toilet (connected to sewerage)	1	-	-	-	-	-	-	195,368	197,332	199,326
Flush toilet (with septic tank)	2	-	-	-	-	-	-	-	-	-
Chemical toilet	3	-	-	-	-	-	-	40,741	41,148	41,660
Pit toilet (ventilated)	4	-	-	-	-	-	-	5,713	5,770	5,826
Other toilet provisions (> min. service level)	5	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	5	-	-	-	-	-	-	98,603	99,488	100,483
Bucket toilet	6	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min. service level)	7	-	-	-	-	-	-	144,957	148,407	147,811
No toilet provisions	8	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	8	-	-	-	-	-	-	60,441	60,946	61,455
Total number of households	9	-	-	-	-	-	-	60,441	60,946	61,455
		-	-	-	-	-	-	195,368	197,332	199,326

2. The tariffs and charges as reflected for the 2017/2018, with the indicative outer two years as per Annexure A be approved.
3. The long term financial plan to assess the financial health of the Municipality be compiled during the 2017/2018 financial year.
4. The budget for the water tankering and the service support agency be prioritized in the February 2018 adjustment budget, and any savings from operational budget, including salaries, be redirected to this budget.
5. The Municipality to consider further resourcing of the Technical Services Department as a core function, should the financial position of the Municipality show improvements or from any savings in the February 2018 adjustment budget.
6. The following positions which have to be included in the approved organogram be funded through 2017/2018 budget as indicated below :
 - Chief Operations Officer (COO)
 - Senior Manager : Communications
 - Manager : IT Governance and Security
7. The comments by the Provincial Treasury on the tabled 2017/2018 budget and the responses thereto, be noted.
8. The Local Municipalities be urged to provide funding as contribution towards the SALGA Games.

9. The provision for the hosting of SALGA Games be accommodated and be dealt with administratively.

Thank You



Ms Z Conco