



ANNUAL DRAFT BUDGET OF
NKANGALA DISTRICT
MUNICIPALITY
(DC31)

2018/19 TO 2020/21
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

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- **At www.nkangaladm.gov.za**

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Abbreviations and Acronyms

AMR	Automated Meter Reading	MFMA	Municipal Financial Management Act Programme
ASGISA	Accelerated and Shared Growth Initiative	MIG	Municipal Infrastructure Grant
BPC	Budget Planning Committee	MM	Municipal Manager
CBD	Central Business District	MMC	Member of Mayoral Committee
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
CPI	Consumer Price Index	MSA	Municipal Systems Act
CRRF	Capital Replacement Reserve Fund	MSCOA	Municipal Standard Chart of Accounts
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NDM	Nkangala District Municipality
EEDSM	Energy Efficiency Demand Side Management	NGO	Non-Governmental organisations
EM	Executive Mayor	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GDP	Gross domestic product	PBO	Public Benefit Organisations
GDS	Gauteng Growth and Development Strategy	PHC	Provincial Health Care
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
HR	Human Resources	PPP	Public Private Partnership
HSRC	Human Science Research Council	PTIS	Public Transport Infrastructure System
IDP	Integrated Development Strategy	RG	Restructuring Grant
IT	Information Technology	RSC	Regional Services Council
kℓ	kilolitre	SALGA	South African Local Government Association
km	kilometre	SAPS	South African Police Service
KPA	Key Performance Area	SDBIP	Service Delivery Budget Implementation Plan
KPI	Key Performance Indicator	SMME	Small Micro and Medium Enterprises
kWh	kilowatt		
ℓ	litre		
LED	Local Economic Development		
MEC	Member of the Executive Committee		

Part 1 – Annual Budget

1.1 Mayor’s Report

FOREWORD TO THE BUDGET 2018/19 BY THE EXECUTIVE MAYOR, CLR L M MALATJIE

The Executive and the Officials of Nkangala District Municipality met at Olifants River Lodge on the 24th November 2017 to review the strategy, projects and the performance of the Municipality and I have no doubt in my mind that the exercise greatly enhance the general performance of the Municipality and introduced a much needed sense of urgency in order to strengthen our efforts to create a better life for all our people in the district.

Furthermore, we had fruitful meetings with communities through our outreach programme. People from our towns and villages have acknowledge the work we are doing and many also made it clear to us that impact-making and decisive change is needed to address the service delivery challenges that they are facing.

Budgeting is primarily about the choices that the Municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available limited resources. We need to remain focused on the effective service delivery mechanisms.

Once more, we are proud to receive yet another clean audit for the 2016/2017 financial year. It is now three years in a row obtaining clean Audit outcomes from the Auditor General (AG). Undoubtedly this is a great achievement which needs to be emulated by the six constituent Local Municipalities of Nkangala District. We are determined, to use our shared services committees such as the Audit Committee to assist the local Municipalities to improve their audit outcomes. This Annual Draft Budget 2018/19 – 2020/21 carries the hopes and aspirations of the masses of our communities and we believe it will guide our operations over the next financial years in the midterm.

Our vision as a Municipality says “**IMPROVED QUALITY OF LIFE FOR ALL**”. This is our focus as our mission is encapsulated in the inclusive growth path of NDM. We are ready to confront the triple challenges of inequality, unemployment and poverty to attain Radical-Socio-Economic Freedom in our life time. We are determined to ensure that this budget will see to it that our people will experience significant improvement in the delivery of municipal services. In our IDP, we have set clear targets for the predetermined outcomes. Our cordial objective of this budget inter alia, is to create conditions for an inclusive economy that will reduce unemployment, poverty and inequality and produce decent job opportunities as well as sustainable livelihoods.

As a District we are encouraged by the prospect of the New Dawn, and the Renewal of our society under the President of the Republic, President Cyril Matamela Ramaphosa who inspires all of us to choose to serve our people with vigour and verve.

CLLR LINAH M MALATJIE

EXECUTIVE MAYOR

1.2 Council Resolutions

On 28 March 2018 the Council of Nkangala District Municipality met in the Council Chambers of Nkangala District Municipality to consider the tabling of the draft annual budget of the municipality for the financial year 2018/19. The following resolutions were tabled with the draft budget under item **DM --/03/2018**:

1. The Council of Nkangala District Municipality, acting in terms of sections 16 and 24 of the Municipal Finance Management Act, (Act 56 of 2003) approved:
 - 1.1. The annual budget of the municipality for the financial year 2018/19 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 10 on page 16;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 11 on page 18;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 12 on page 20; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 15 on page 26.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 15 on page 26;
 - 1.2.2. Budgeted Cash Flows as contained in Table 16 on page 28;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 17 on page 29;
 - 1.2.4. Asset management as contained in Table 18 on page 30; and
 - 1.2.5. Basic service delivery measurement as contained in Table 23 on page 45.
 - 1.3. The project priority list as submitted by local municipalities in table 6 page 11 was confirmed.
 - 1.4. The quality certification of the draft budget signed by the Municipal Manager as required by section 5 of the Municipal Budget and Reporting regulations attached on page 87 be noted.
 - 1.5. The Sundry tariffs for the draft Annual Budget 2018/19 – 2020/21 be approved as contained on page 95
 - 1.6. The Budget timetable for 2019/20 attached as figure page 94 was approved.
 - 1.7. The draft Budget, through the consultation processes to follow, be considered and reduced in the second and third outer years to remain within sustainable measures.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the District's financial plan is essential and critical to ensure that the District remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The District's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. Key areas where savings were realized were on operational administrative expenditure.

The District has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 51, 54, 55, 58, 70, 72, 74, 75, 78, 85, 86, 88, 89 & 91 were used to guide the compilation of the 2018/19 MTREF.

The main challenges experienced during the compilation of the 2018/19 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;

The following budget principles and guidelines directly informed the compilation of the 2018/19 MTREF:

- The 2017/18 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2018/19 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The following items and allocations to these items had to be supported by a list and/or motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - Special Projects;
 - Consultant Fees;
 - Furniture and office equipment;
 - Special Events;
 - Refreshments and entertainment;
 - Ad-hoc travelling; and
 - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2018/19 MTREF

Description	Adjustment Budget year 2017/2018 Millions	Budget year 2018/2019 Millions	Budget year 2019/2020 Millions	Budget year 2020/2021 Millions
Total Operating Revenue	372 350	373 393	379 731	390 954
Total Operating Expenditure	418 816	445 223	440 553	443 423
<i>Surplus/ (Deficit) for the year</i>	(46 466)	(71 830)	(60 822)	(52 469)
Transfers recognised – capital or Contributed Assets	2 175	2 180	2 308	2 442
<i>Surplus/ (Deficit) for the year after transfers recognised and contributed assets</i>	(44 291)	(69 650)	(58 514)	(50 027)
Total Capital Expenditure	25 498	33 248	18 126	14 010
Total Loan Redemption	3 303	3 085	1 543	

Total operating revenue has increased with 0.28 per cent or R1,044 million to R373,393 million for the 2018/19 financial year when compared to the 2017/18 Adjustments Budget. For the two outer years, operational revenue will increase by 1.7 and 2.96 per cent respectively, equating to a total revenue growth of R18,604 million over the MTREF when compared to the 2017/18 financial year.

Total operating expenditure for the 2018/19 financial year has been appropriated at R445,223 million and translates into a budgeted deficit of R69,650 million, which will be funded from the accumulated operating surpluses. When compared to the 2017/18 Adjustments Budget, operational expenditure has increased by 6.3 per cent in the 2018/19 budget and decreased by 71.05 per cent for the 2019/20 budget and increase with 0.65 per cent for the 2020/21 budget year of the MTREF.

The capital budget of R33,248 million for 2018/19 increased with 30.39 per cent compared to the 2017/18 Adjustment Budget. The capital programme decreases to R18,126 million in the 2019/20 financial year and to R14,010 in 2020/21. The capital budget will be funded from internally generated funds and accumulated surplus.

1.4 Operating Revenue Framework

For Nkangala District Municipality to continue improving the quality of services provided to its citizens and local municipalities it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the District and continued economic development;
- Efficient revenue management,;

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

DC31 Nkangala - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	31 116	38 235	43 921	25 450	25 550	25 550	10 494	22 459	20 468	20 480
Transfers recognised - operational	330 236	338 036	337 235	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Other own revenue	3 470	3 483	4 596	1 170	2 312	2 312	1 331	2 346	2 507	2 593
Total Revenue (excluding capital transfers and contributions)	364 822	379 755	385 752	371 108	372 350	372 350	270 294	373 393	379 731	390 954

Table 3 Percentage growth in revenue by main revenue source

Description	2018/19 Medium Term Revenue & Expenditure Framework						
	Adjusted Budget 2017/18	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Financial Performance							
Investment revenue	25 550	22 459	-12.10	20 468	-8.86	20 480	0.06
Transfers recognised - operational	344 488	348 588	1.19	356 755	2.34	367 881	3.12
Other own revenue	2 312	2 346	1.49	2 507	6.87	2 593	3.42
Total Revenue (excluding capital transfers and contributions)	372 350	373 393	0.28	379 731	1.70	390 954	2.96

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Operating Grants form a significant percentage of the revenue basket for the District. In the 2018/19 financial year, the operating grants total R348,588 million and constitute 92.83 per cent. This increases to R356,755 million and R367,881 million in the respective financial years of the MTREF. The main portion of the operating grants is the RSC Levy Replacement grant, which can be classified as own revenue as well because it replaced the RSC Levies that were abolished in 2006.

Table 4 Operating Transfers and Grant Receipts

Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RSC Levy Replacement Grant	318 017	326 223	333 667	319 654	319 654	319 654	322 989	332 483	341 474
Equitable Share	-	-	-	19 402	19 402	19 402	20 973	23 272	25 407
Finance Management Grant	1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 000	1 000
Municipal Systems Improvement	934	930	-	-	-	-	-	-	-
Expanded Public Works Program	2 121	2 280	2 318	4 182	4 182	4 182	3 626	-	-
Provincial Treasury Data cleansing	1 694	3 000	-	-	-	-	-	-	-
Public donation mining house	5563	-	-	-	-	-	-	-	-
Total Grant Revenue (excluding capital transfers and contributions)	328 015	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881

Investment revenue is the second largest revenue source totalling 6.86 per cent or R22,459 million and decreases to R20,480 million by 2020/21. The third largest source is 'other revenue' which consists of various items such as income received from discounts, sale of tender documents and sundry income.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, petrol, diesel, contracted services etc. The current challenge facing the District is managing the gap between cost drivers and revenue income, as any shortfall must be made up by either operational efficiency gains or service level reductions.

1.5 Operating Expenditure Framework

The District's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The contribution to local municipalities is aligned to the asset, IDP and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the contribution to local municipalities and other core services; and
- Project lists submitted by local municipalities.

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

Table 5 Summary of operating expenditure by standard classification item

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full-year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Employee costs	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Remuneration of councillors	12 691	12 882	12 587	12 795	13 916	13 916	9 288	13 498	14 241	15 148
Depreciation & asset impairment	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Finance charges	3 211	1 519	1 127	1 296	1 338	1 338	465	968	516	542
Contracted services	-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Transfers and grants	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Other expenditure	80 225	34 624	35 835	52 214	48 162	48 162	18 901	55 287	58 310	62 286
Loss on sale of Property	189	-	71							
Total Expenditure	338 940	356 846	363 996	371 606	418 816	418 816	232 078	445 223	440 553	443 423

The budgeted allocation for employee related costs for the 2018/19 financial year totals R144,287 million, which equals 32.41 per cent of the total operating expenditure. Based on circulars 74, 75, 78, 85 & 86, 88 & 89 salary increases have been factored into this budget at a percentage increase based on CPI per cent over the full MTREF, awaiting the final agreement on salary increases to be adjusted in the final budget.

Provision has been made in the budget to include positions in the organogram to ensure that the priorities set out in the IDP and matters raised by the Auditor General are adequately attended to. An organogram was approved for a period of five years, but this include both funded and unfunded positions. Only funded positions have been budgeted for over the MTREF.

The cost associated with the remuneration of councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the District's budget. Increases are allowed for in accordance with the projected CPI rate over the MTREF.

The provision of debt impairment was determined based on an annual collection rate of 99 per cent and the Credit Control and Debt Collection Policy of the District. For the 2018/19 financial year this amount is immaterial. While this expenditure is considered to be a non-cash flow item,

it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R9,380 million for the 2018/19 financial and equates to 2.11 per cent of the total operating expenditure.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.22 per cent (R0,968 million) of operating expenditure excluding annual redemption for 2018/19 and decreases to R0,542 million by 2020/21.

Other expenditure comprises of various line items relating to the daily operations of the municipality. Other expenditure increased with 14.79 per cent for 2018/19 and increase at 5.47 and 6.82 per cent for the two outer years. Further details relating to contracted services can be seen in table 49 MBRR SA2 (see page 83)

The following graphical presentation gives a breakdown of the main expenditure categories for the 2018/19 financial year.

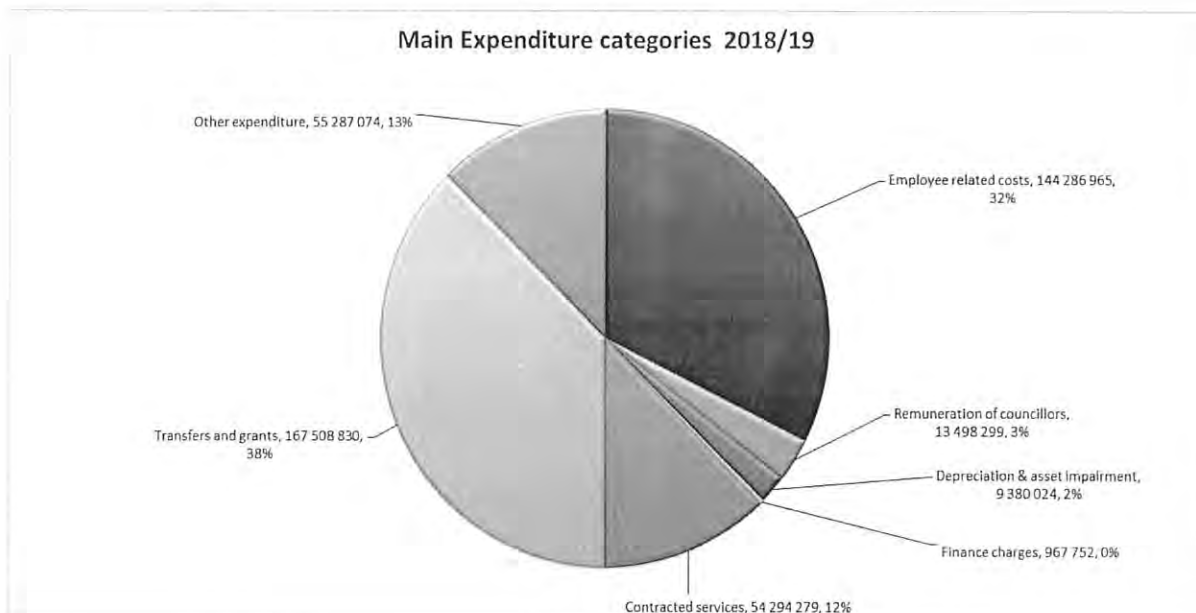


Figure 1 Main operational expenditure categories for the 2018/19 financial year

1.5.1 Priority given to Contribution to Local Municipalities

The prioritised projects submitted by Local Municipalities as contained in the approved 2018/19 IDP of the District to improve service delivery and eradicate backlogs was the main focus for this expenditure category.

The following table gives a breakdown of the main expenditure categories per Local Municipality for the 2018/19 financial year.

Table 6 Breakdown of the main expenditure categories per Local Municipality

Municipality	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
DC31 Nkangala District Municipality	22 676 424	27 202 750	26 187 750	21 487 828
Community and Social Services	3 890 000	3 030 000	3 260 000	3 506 000
Environmental Protection	335 681	-	-	-
Executive and Council	-	-	-	-
Finance and Admin	1 865 545	1 464 750	-	-
Health	-	-	-	-
Planning and Development	14 262 123	20 328 000	20 369 750	15 539 828
Public Safety	-	-	-	-
Road Transport	2 323 075	2 180 000	2 308 000	2 442 000
Sport and Recreation	-	-	-	-
Waste Water Management	-	-	-	-
Water	-	200 000	250 000	-
MP311 Victor Khanye local Municipality	12 910 795	15 335 128	12 751 849	11 642 678
Community and Social Services	101 320	262 967	1 247 977	675 000
Finance and Admin	659 475	845 200	921 912	995 508
Planning and Development	300 000	4 700 000	1 055 000	445 210
Public Safety	-	-	-	-
Road Transport	3 350 000	4 526 961	4 526 960	4 526 960
Sport and Recreation	-	-	-	-
Waste Water Management	8 500 000	5 000 000	5 000 000	5 000 000
Water	-	-	-	-
MP312 Emalahleni local Municipality	48 601 919	25 063 789	15 338 695	23 246 295
Community and Social Services	72 005	671 300	297 977	340 000
Finance and Admin	960 615	1 288 800	1 339 328	1 406 295
Planning and Development	-	-	-	-
Public Safety	1 661 000	-	-	-
Road Transport	6 356 186	4 000 000	-	5 000 000
Waste Water Management	26 234 154	13 603 689	10 701 390	16 500 000
Water	13 317 959	5 500 000	3 000 000	-
MP313 Steve Tshwete local Municipality	3 284 526	21 971 767	22 246 425	12 835 415
Community and Social Services	523 302	262 967	297 977	840 000
Finance and Admin	480 000	908 800	959 328	1 006 295
Planning and Development	2 281 224	6 800 000	-	-
Public Safety	-	-	-	-
Road Transport	-	4 000 000	10 989 120	10 989 120
Waste Water Management	-	-	-	-
Water	-	10 000 000	10 000 000	-
MP314 Emakhazeni local Municipality	36 711 604	24 883 656	27 254 128	13 185 024
Community and Social Services	5 788 724	262 967	697 976	340 000
Finance and Admin	573 510	1 345 200	871 912	895 508
Planning and Development	22 142 672	8 850 000	4 162 750	2 949 516
Public Safety	-	-	-	-
Road Transport	540 240	9 000 000	10 000 000	-
Sport and Recreation	-	-	-	-
Waste Water Management	-	-	-	-
Water	7 666 458	5 425 489	11 521 490	9 000 000
MP315 Thembisile Hani local Municipality	28 561 612	37 558 830	24 787 229	25 169 372
Community and Social Services	547 669	301 300	337 977	880 000
Finance and Admin	3 073 510	845 200	871 912	895 508
Planning and Development	3 549 681	6 000 000	3 165 000	2 893 864
Public Safety	-	-	-	-
Road Transport	12 575 052	26 412 330	15 412 340	11 000 000
Sport and Recreation	-	-	-	-
Waste Water Management	2 887 784	-	-	-
Water	5 927 916	4 000 000	5 000 000	9 500 000
MP316 Dr JS Moroka local Municipality	11 125 777	15 492 910	27 009 848	33 076 326
Community and Social Services	143 338	751 300	337 976	380 000
Finance and Admin	745 440	1 045 200	1 091 912	1 135 508
Planning and Development	1 428 011	4 950 000	4 846 250	7 560 818
Public Safety	40 369	-	-	-
Road Transport	3 470 009	3 500 000	9 733 710	17 000 000
Sport and Recreation	-	-	-	-
Water	5 298 610	5 246 410	11 000 000	7 000 000
Grand Total	163 872 657	167 508 830	155 575 924	140 642 938

1.5.2 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the District's current infrastructure, which amongst others include the main office building of the District, the 2018/19 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the repairs and maintenance plan of the District. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering that the only cost driver for the District is contracted services, the following table is a consolidation of all the expenditures associated with repairs and maintenance. The repairs and maintenance is 4.84% of the total operating expenditure and 10.79% of the total carrying value of property, Plant & equipment.

Table 7 Operational repairs and maintenance

The table below provides a breakdown of the repairs and maintenance:

Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19
Depreciation & asset impairment	7 910	9 566	9 609	10 912	10 957	10 957	9 380	8 406	7 934
Repairs and Maintenance	17 545	6 721	4 844	16 341	14 860	14 860	21 560	20 951	21 393

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 8 2018/19 Medium-term capital budget per asset class

ASSET TYPE	ADJUSTMENT			
	BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Community Assets	2 750 000	9 000 000	4 400 000	5 400 000
Computer Equipment	8 500 000	2 800 000	2 700 000	3 700 000
Computer Software	1 000 000	1 850 000		
Furniture and Office Equipment	1 594 500	1 398 000	1 438 800	1 518 180
Machinery and Equipment	4 410 000	4 100 000	3 337 500	2 641 880
Other Assets	3 894 952	12 400 000	4 350 000	750 000
Transport Assets	3 349 000	1 700 000	1 900 000	-
TOTAL ASSETS	25 498 452	33 248 000	18 126 300	14 010 060

Total assets represent R33,248 million of the total budget. Further detail relating to asset classes and proposed capital expenditure is contained in Table 18 MBRR A9 (Asset Management) on

page 30. In addition to the MBRR Table A9, MBRR Tables SA34a and SA34c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class (refer to pages 78 and 79). Some of the salient projects to be undertaken over the medium-term includes, amongst others:

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 47 MBRR SA35 on page 81. This table shows that future operational costs associated with the capital programme totals R1,770 million in 2018/19 and decreases to R1,566 million by 2020/21. The concomitant operational expenditure is expected to further decrease to R1,300 million by 2020/21, and follow the same declining trend of the capital expenditure. It needs to be noted that as part of the 2018/19 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/19 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 9 MBRR Table A1 - Budget Summary

DC31 Nkangala - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	31 116	38 235	43 921	25 450	25 550	25 550	10 494	22 459	20 468	20 480
Transfers recognised - operational	330 236	338 036	337 235	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Other own revenue	3 470	3 483	4 596	1 170	2 312	2 312	1 331	2 346	2 507	2 593
Total Revenue (excluding capital transfers and contributions)	364 822	379 755	385 752	371 108	372 350	372 350	270 294	373 393	379 731	390 954
Employee costs	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Remuneration of councillors	12 691	12 882	12 587	12 795	13 916	13 916	9 288	13 498	14 241	15 148
Depreciation & asset impairment	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Finance charges	3 211	1 519	1 127	1 296	1 338	1 338	465	968	516	542
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Other expenditure	80 414	65 471	69 831	97 623	94 304	94 304	42 943	109 581	109 591	117 808
Total Expenditure	338 940	356 846	363 996	371 606	418 816	418 816	232 078	445 223	440 553	443 423
Surplus/(Deficit)	25 882	22 909	21 756	(498)	(46 466)	(46 466)	38 216	(71 830)	(60 822)	(52 469)
Transfers and subsidies - capital (monetary allocations)	1 950	2 010	2 076	2 175	2 175	2 175	-	2 180	2 308	2 442
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Capital expenditure & funds sources										
Capital expenditure	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	527	-	-	-	-	-	-	-	-	-
Borrowing	788	-	-	-	-	-	-	-	-	-
Internally generated funds	23 810	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Total sources of capital funds	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Financial position										
Total current assets	599 556	556 574	570 859	586 559	578 999	578 999	575 358	515 507	447 813	391 509
Total non current assets	116 416	176 863	205 911	228 117	229 502	229 502	209 506	248 865	263 191	276 610
Total current liabilities	48 349	40 872	58 213	30 673	30 673	30 673	28 092	53 202	55 140	56 782
Total non current liabilities	26 137	26 161	24 813	22 860	22 860	22 860	24 813	25 853	29 060	34 560
Community wealth/Equity	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
Cash flows										
Net cash from (used) operating	77 526	66 361	32 158	13 126	(91 583)	(91 583)	26 675	35 106	(4 083)	(37 161)
Net cash from (used) investing	(27 389)	(33 329)	(38 505)	(33 359)	(29 483)	(29 483)	(10 038)	(37 368)	(22 476)	(21 201)
Net cash from (used) financing	(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 086)	(3 085)	(1 543)	-
Cash/cash equivalents at the year end	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Cash backing/surplus reconciliation										
Cash and investments available	469 058	503 211	500 289	430 112	422 552	422 552	513 839	421 325	397 573	346 403
Application of cash and investments	(285 573)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Balance - surplus (shortfall)	754 631	491 898	514 072	408 804	398 483	398 483	491 239	379 553	353 357	297 839
Asset management										
Asset register summary (WDV)	116 416	136 001	161 055	183 270	183 963	183 963	-	199 899	209 874	216 102
Depreciation	7 910	9 566	9 609	10 912	10 957	10 957	-	9 380	8 406	7 934
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	17 545	6 721	4 844	16 341	14 860	14 860	-	21 560	20 951	21 393
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of Free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the District's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasise the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was paying much attention to managing this aspect of its finances, and consequently all of its obligations are cash-backed. This places the municipality in a very positive financial position. Cash-backed surplus will decreased to R379,553 million in 2018/19, which is an indication that the NDM operational expenditure needs to be carefully scrutinized and either administrative operational expenditure or contributions to Local Municipalities needs to be decreased.

Table 10Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC31 Nkangala - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional										
<i>Governance and administration</i>		365 838	381 673	385 288	368 701	369 203	369 203	370 427	380 404	391 746
Executive and council		4	2	6	10	11	11	11	11	12
Finance and administration		365 834	381 670	385 282	368 691	369 192	369 192	370 417	380 392	391 735
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1	(18)	-	1 100	1 100	1 100	1 200	1 200
Community and social services		-	-	(26)	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1	(1)	-	350	350	350	400	400
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	70	-	750	750	750	800	800
<i>Economic and environmental services</i>		934	91	2 558	4 582	4 222	4 222	4 046	435	450
Planning and development		934	21	2 305	4 182	4 182	4 182	3 626	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	70	254	400	40	40	420	435	450
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	366 772	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396
Expenditure - Functional										
<i>Governance and administration</i>		113 766	111 141	124 138	149 740	146 386	146 386	160 626	162 477	174 786
Executive and council		54 236	50 805	33 784	35 762	33 938	33 938	36 677	38 660	40 832
Finance and administration		59 530	60 336	83 795	104 399	103 308	103 308	111 838	111 186	120 735
Internal audit		-	-	6 559	9 579	9 140	9 140	12 111	12 631	13 219
<i>Community and public safety</i>		43 612	56 784	71 511	88 691	89 286	89 286	96 016	100 962	107 202
Community and social services		29 160	26 709	29 603	26 823	27 683	27 683	31 498	32 557	35 750
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		14 452	20 045	20 496	34 541	32 864	32 864	35 772	37 438	38 817
Housing		-	-	-	-	-	-	-	-	-
Health		-	10 030	21 412	27 327	28 740	28 740	28 746	30 968	32 635
<i>Economic and environmental services</i>		105 026	176 531	166 823	131 032	180 287	180 287	187 284	175 745	160 006
Planning and development		103 005	43 300	165 281	127 522	177 314	177 314	185 073	173 381	157 458
Road transport		-	131 830	-	-	-	-	-	-	-
Environmental protection		2 020	1 400	1 541	3 510	2 973	2 973	2 211	2 364	2 548
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	76 536	12 391	1 524	2 143	2 857	2 857	1 297	1 368	1 429
Total Expenditure - Functional	3	338 940	356 846	363 996	371 606	418 816	418 816	445 223	440 553	443 423
Surplus/(Deficit) for the year		27 832	24 919	23 832	1 677	(44 291)	(44 291)	(69 650)	(58 514)	(50 027)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

Table 11 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**DC31 Nkangala - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - Council General and Executive		4	2	11	10	11	11	11	11	12
Vote 2 - Municipal Manager Town Secretary and Chief Exec		-	5	(13)	-	-	-	-	-	-
Vote 3 - Finance		365 834	381 665	385 290	368 691	369 192	369 192	370 417	380 392	391 735
Vote 4 - Social Services		-	72	235	400	1 140	1 140	1 520	1 635	1 650
Vote 5 - Local Economic Development		-	18	2 308	4 182	4 182	4 182	3 626	-	-
Vote 6 - Development and Planning		934	2	(3)	-	-	-	-	-	-
Vote 7 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 8 - Corporate services		-	-	-	-	-	-	-	-	-
Vote 9 - null		-	-	-	-	-	-	-	-	-
Vote 10 - null		-	-	-	-	-	-	-	-	-
Vote 11 - null		-	-	-	-	-	-	-	-	-
Vote 12 - null		-	-	-	-	-	-	-	-	-
Vote 13 - null		-	-	-	-	-	-	-	-	-
Vote 14 - null		-	-	-	-	-	-	-	-	-
Vote 15 - null		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	366 772	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396
Expenditure by Vote, to be appropriated	1									
Vote 1 - Council General and Executive		45 228	34 399	30 347	32 001	30 621	30 621	33 226	35 042	36 936
Vote 2 - Municipal Manager Town Secretary and Chief Exec		21 133	25 827	32 579	45 727	43 343	43 343	51 897	48 806	51 282
Vote 3 - Finance		33 934	42 713	37 454	31 012	31 027	31 027	31 652	32 453	33 864
Vote 4 - Social Services		41 147	57 055	73 052	92 201	92 259	92 259	98 227	103 326	109 751
Vote 5 - Local Economic Development		41 303	29 572	24 036	23 209	25 806	25 806	26 681	25 627	21 128
Vote 6 - Development and Planning		72 936	23 778	23 836	19 397	16 553	16 553	25 460	17 056	19 193
Vote 7 - Technical Services		66 399	117 935	116 191	80 749	132 608	132 608	126 686	126 818	113 967
Vote 8 - Corporate services		16 861	25 568	26 500	47 310	46 598	46 598	51 394	51 415	57 302
Vote 9 - null		-	-	-	-	-	-	-	-	-
Vote 10 - null		-	-	-	-	-	-	-	-	-
Vote 11 - null		-	-	-	-	-	-	-	-	-
Vote 12 - null		-	-	-	-	-	-	-	-	-
Vote 13 - null		-	-	-	-	-	-	-	-	-
Vote 14 - null		-	-	-	-	-	-	-	-	-
Vote 15 - null		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	338 940	356 846	363 996	371 606	418 816	418 816	445 223	440 553	443 423
Surplus/(Deficit) for the year	2	27 832	24 919	23 832	1 677	(44 291)	(44 291)	(69 650)	(58 514)	(50 027)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the District. This means it is possible to present the operating surplus or deficit of a vote.

Table 12 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

DC31 Nkangala - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Rental of facilities and equipment		89	102	100	10	10	10	-	11	11	12
Interest earned - external investments		31 116	38 235	43 921	25 450	25 550	25 550	10 494	22 459	20 468	20 480
Fines, penalties and forfeits		-	2 440	1 628	500	900	900	293	900	990	1 050
Licences and permits		-	70	263	400	790	790	536	1 170	1 235	1 250
Transfers and subsidies		330 236	338 036	337 235	344 488	344 488	344 488	258 469	349 588	356 755	367 881
Other revenue	2	2 101	843	2 537	260	612	612	503	266	271	282
Gains on disposal of PPE		-	28	44	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		364 822	379 755	385 752	371 108	372 350	372 350	270 294	373 393	379 731	390 954
Expenditure By Type											
Employee related costs	2	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Remuneration of councillors		12 691	12 882	12 587	12 795	13 916	13 916	9 288	13 498	14 241	15 148
Depreciation & asset impairment	2	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Finance charges		3 211	1 519	1 127	1 296	1 338	1 338	465	968	516	542
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Contracted services		-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Transfers and subsidies		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Other expenditure	4, 5	80 225	34 624	35 835	52 214	48 162	48 162	18 901	55 287	58 310	62 286
Loss on disposal of PPE		189	-	71	-	-	-	-	-	-	-
Total Expenditure		338 940	356 846	363 996	371 606	418 816	418 816	232 078	445 223	440 553	443 423
Surplus/(Deficit)		25 882	22 909	21 756	(498)	(46 466)	(46 466)	38 216	(71 830)	(60 822)	(52 469)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 950	2 010	2 076	2 175	2 175	2 175	-	2 180	2 308	2 442
Surplus/(Deficit) after capital transfers & contributions		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Taxation											
Surplus/(Deficit) after taxation		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R373,393 million in 2018/19 and escalates to R390,954 million by 2020/21. This represents a year-on-year increase of 0.28 per cent for the 2018/19 financial year, increase 1.7 per cent for the 2019/20 and 2.96 per cent for the 2020/21 financial year.
2. Operating Grants form a significant percentage of the revenue basket for the District. In the 2018/19 financial year, the operating grants total R348,588 million or 92.83 per cent. This increases to R356,755 million and R367,881 million in the respective financial years of the MTREF. Operating Grants includes the RSC Levy Replacement, local government equitable share and other operating grants from national government.
3. Investment revenue is the second largest revenue source totalling 6.86 per cent or R25,450 million and decreases to R20,468 million by 2020/21. The third largest source is 'other revenue' which consists of various items such as income received from discounts, sale of tender documents and sundry income.
4. The following graph illustrates the major expenditure items per type.

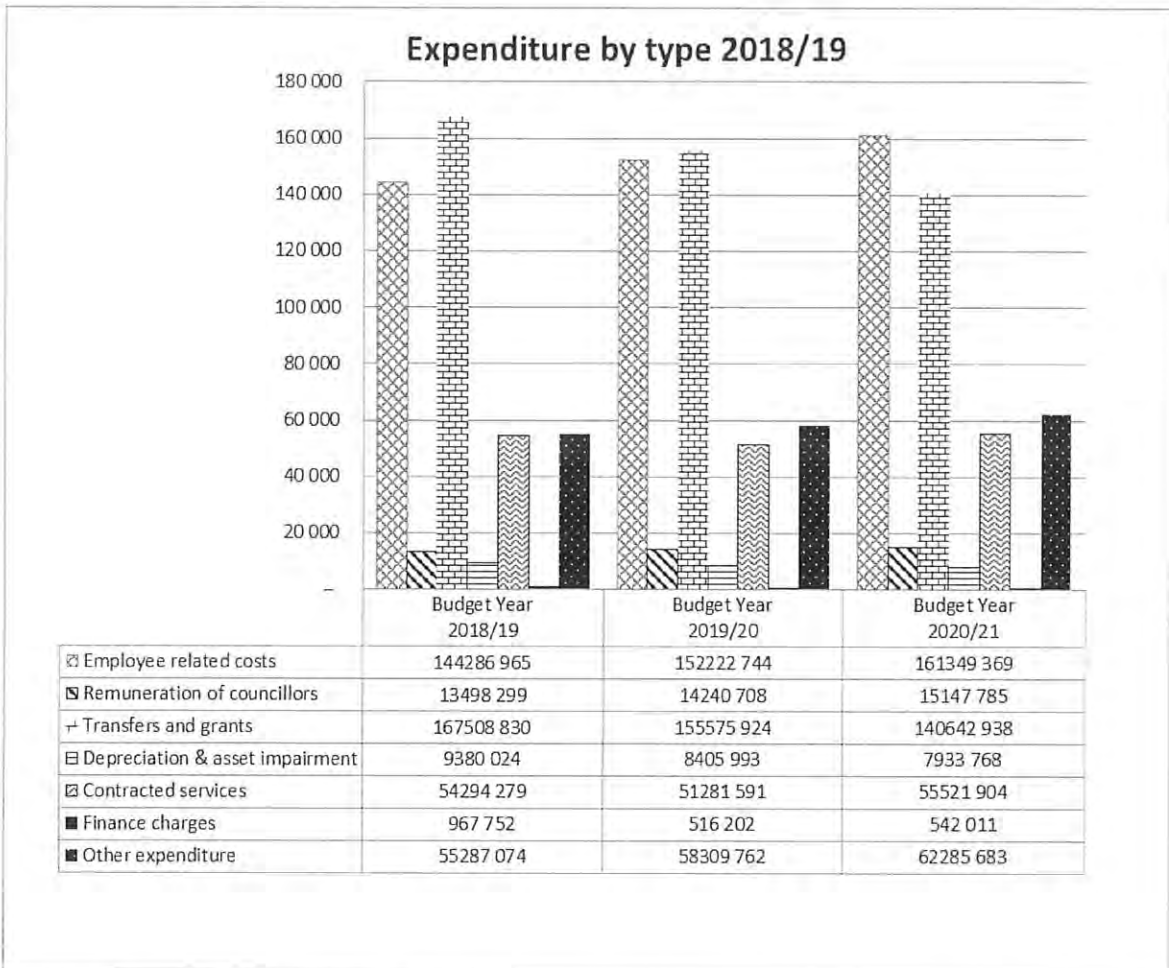


Figure 2 Expenditure by major type

5. Transfers and grants is the main expenditure type, which is the contribution in kind to Local Municipalities an amounts to R167,509 million for the 2018/19 financial year.

The Contribution to Local Municipalities can be summarised below.

Table 13 Contributions to Local Municipalities per municipality

The following table illustrates the contribution for local municipalities for the 2018/19, 2019/20 and 2020/21 financial years:

DC31 Nkangala - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Non-Cash Transfers to other municipalities											
MP311 Vicor Khanyo	1	10 767	16 665	13 642	12 990	12 911	12 911	7 533	15 335	12 752	11 643
MP312 Emalaheni		42 340	23 933	3 551	21 481	48 602	48 602	26 282	25 064	15 339	23 246
MP313 Steve Tshwele		5 345	38 223	43 604	683	3 285	3 285	1 116	21 972	22 246	12 835
MP314 Emkhazeni		9 300	21 564	36 839	22 033	36 712	36 712	20 369	24 884	21 254	13 185
MP315 Thembele Hani		39 998	21 523	22 892	20 172	28 562	28 562	22 530	37 559	24 787	25 169
MP316 Dr JS Moroka		25 087	36 619	20 830	10 291	11 126	11 126	7 918	15 493	27 010	33 076
DC31 Nkangala (Cross boundary projects)		38 801	18 822	20 943	24 245	22 676	22 676	10 283	27 203	26 188	21 488
Total Non-Cash Transfers To Municipalities:		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
TOTAL NON CASH TRANSFERS AND GRANTS		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
TOTAL TRANSFERS AND GRANTS	6	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643

Employee related costs and transfers and subsidies (contribution to local municipalities) are the main cost drivers within the district.

Table 14 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

DC31 Nkangala - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote											
<i>Single-year expenditure to be appropriated</i>	2										
Vote 1 - Council General and Executive		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Vote 2 - Municipal Manager Town Secretary and Chief Exec		-	11 014	-	10 305	9 555	9 555	6 398	4 650	2 700	3 700
Vote 3 - Finance		168	330	27 303	50	50	50	8	60	65	70
Vote 4 - Social Services		21 362	15 281	3 770	9 350	8 544	8 544	2 537	15 928	9 014	9 353
Vote 5 - Local Economic Development		-	178	5	-	-	-	-	-	-	-
Vote 6 - Development and Planning		124	-	-	42	42	42	-	-	-	-
Vote 7 - Technical Services		-	14	737	1 500	1 369	1 369	1 368	1 700	1 900	-
Vote 8 - Corporate services		1 468	684	2 480	6 337	3 839	3 839	44	10 810	4 448	887
Capital single-year expenditure sub-total		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010
Total Capital Expenditure - Vote		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010
Capital Expenditure - Functional											
<i>Governance and administration</i>		3 639	13 525	31 028	18 493	15 544	15 544	6 486	15 620	7 213	4 657
Executive and council		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Finance and administration		1 636	11 846	27 303	16 673	13 424	13 424	6 435	15 520	7 213	4 657
Internal audit		-	-	3 217	20	20	20	16	-	-	-
<i>Community and public safety</i>		21 362	15 281	3 770	9 320	8 514	8 514	2 537	15 928	9 014	9 353
Community and social services		1	-	-	840	840	840	-	2 070	950	-
Public safety		21 331	13 417	2 943	5 880	5 530	5 530	2 537	12 358	6 994	8 253
Health		30	1 864	828	2 600	2 144	2 144	-	1 500	1 070	1 100
<i>Economic and environmental services</i>		124	374	5	1 572	1 441	1 441	1 368	1 700	1 900	-
Planning and development		124	178	5	1 542	1 411	1 411	1 368	1 700	1 900	-
Road transport		-	196	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	30	30	30	-	-	-	-
Total Capital Expenditure - Functional	3	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Funded by:											
National Government		-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	5	527	-	-	-	-	-	-	-	-	-
Borrowing	6	788	-	-	-	-	-	-	-	-	-
Internally generated funds		23 810	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Total Capital Funding	7	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010

DC31 Nkangala - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation											
Vote 1 - Council General and Executive	2	2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Executive Mayor and Council		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Vote 2 - Municipal Manager Town Secretary and Chief		-	11 014	-	10 305	9 555	9 555	6 398	4 650	2 700	3 700
Risk Management		-	-	-	-	-	-	-	-	-	-
Internal Audit		-	-	-	20	20	20	16	-	-	-
Public Participation		-	-	-	-	-	-	-	-	-	-
Support Unit		-	-	-	-	-	-	-	-	-	-
Municipal Manager		-	-	-	-	-	-	-	-	-	-
Performance Management		-	-	-	-	-	-	-	-	-	-
Legal Services		-	-	-	15	15	15	11	-	-	-
Information Technology		-	11 014	-	10 270	9 520	9 520	6 371	4 650	2 700	3 700
Vote 3 - Finance		168	330	27 303	50	50	50	8	60	65	70
Finance		-	14	-	-	-	-	8	60	65	70
Supply Chain Management		-	-	-	-	-	-	-	-	-	-
Budget Office		168	316	27 303	50	50	50	-	-	-	-
Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 4 - Social Services		21 362	15 281	3 770	9 350	8 544	8 544	2 537	15 928	9 014	9 353
Transversal Issues		-	-	-	-	-	-	-	-	-	-
Youth Services		-	-	-	-	-	-	-	-	-	-
Social Services		-	-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	840	840	840	-	2 070	950	-
Fire Fighting and Protection		21 332	13 417	2 943	5 880	5 530	5 530	2 537	12 358	6 994	8 253
Pollution Control		-	-	-	30	30	30	-	-	-	-
Health Services		30	1 864	828	2 600	2 144	2 144	-	1 500	1 070	1 100
Vote 5 - Local Economic Development		-	178	5	-	-	-	-	-	-	-
Tourism		-	-	-	-	-	-	-	-	-	-
LED		-	178	-	-	-	-	-	-	-	-
EPWP		-	-	5	-	-	-	-	-	-	-
Vote 6 - Development and Planning		124	-	-	42	42	42	-	-	-	-
Town Planning		124	-	-	30	30	30	-	-	-	-
IDP		-	-	-	12	12	12	-	-	-	-
Vote 7 - Technical Services		-	14	737	1 500	1 369	1 369	1 368	1 700	1 900	-
Development Facilitation: Regional Planning		-	14	737	1 500	1 369	1 369	1 368	1 700	1 900	-
Vote 8 - Corporate services		1 468	584	2 480	6 337	3 839	3 839	44	10 810	4 448	887
Public Liaison		-	-	-	-	-	-	-	-	-	-
Human Resources Administration		-	-	-	100	100	100	31	-	-	-
Property Services		-	182	737	6 050	3 551	3 551	-	10 750	4 388	827
Corporate Support		1 468	502	1 743	188	188	188	14	60	60	60
Capital single-year expenditure sub-total		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010
Total Capital Expenditure		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to single-year appropriations, for 2018/19 R33,248 million has been allocated of the total budget for capital expenditure and R18,126 million and R14,010 million for the 2019/20 and 2020/21 financial years respectively. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the District. For the purpose of funding assessment of the MTREF.
3. The capital programme is funded from internally generated funds from current year surpluses and accumulated surpluses.

Table 15 MBRR Table A6 - Budgeted Financial Position

DC31 Nkangala - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS											
Current assets											
Cash		24 992	4 252	6 292	2 512	2 512	2 512	6 696	5 128	7 115	7 570
Call investment deposits	1	444 075	458 096	449 150	382 754	375 194	375 194	462 297	367 231	337 142	278 326
Consumer debtors	1	-	144	119	-	-	-	142	164	180	180
Other debtors		15 820	25 429	12 204	5 590	5 590	5 590	3 129	7 465	8 483	7 308
Current portion of long term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	114 679	68 653	103 094	195 703	195 703	195 703	103 094	135 500	94 894	98 125
Total current assets		599 556	556 574	570 859	586 558	578 999	578 999	575 358	515 507	447 813	391 509
Non current assets											
Long term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	40 862	44 846	44 847	44 847	44 847	44 846	48 967	53 317	60 507
Investment property		-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	115 659	135 418	160 573	180 029	181 415	181 415	164 230	197 890	207 610	213 686
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		757	583	491	3 241	3 241	3 241	430	2 009	2 264	2 416
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		116 416	176 863	205 911	228 117	229 502	229 502	209 506	248 865	263 191	276 610
TOTAL ASSETS		715 972	733 438	776 770	814 676	808 501	808 501	784 864	764 373	711 004	668 118
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	3 738	3 403	3 530	3 303	3 303	3 303	1 791	3 085	1 543	-
Consumer deposits		-	14	10	-	-	-	12	-	-	-
Trade and other payables	4	44 419	36 715	54 002	26 899	26 899	26 899	25 872	49 420	52 879	56 052
Provisions		192	739	672	471	471	471	417	697	718	730
Total current liabilities		48 349	40 872	58 213	30 673	30 673	30 673	28 092	53 202	55 140	56 782
Non current liabilities											
Borrowing		11 283	7 713	4 628	2 043	2 043	2 043	4 628	1 543	-	-
Provisions		14 854	18 448	20 185	20 817	20 817	20 817	20 185	24 310	29 060	34 560
Total non current liabilities		26 137	26 161	24 813	22 860	22 860	22 860	24 813	25 853	29 060	34 560
TOTAL LIABILITIES		74 486	67 033	83 026	53 533	53 533	53 533	52 905	79 054	84 200	91 342
NET ASSETS	5	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6 is supported by an extensive table of notes (SA3 which can be found on page 102) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 16MBRR Table A7 - Budgeted Cash Flow Statement

DC31 Nkangala - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		72 376	3 432	25 039	1 170	1 170	1 170	1 331	2 346	2 507	2 593
Government - operating	1	328 960	334 043	337 391	344 488	344 400	344 488	258 469	348 588	356 755	367 881
Government - capital	1	-	2 010	2 076	2 175	2 175	2 175	-	2 180	2 300	2 442
Interest		32 363	38 133	43 945	25 450	25 450	25 450	10 494	22 459	20 468	20 480
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(189 753)	(132 298)	(212 864)	(246 766)	(300 107)	(300 107)	(147 122)	(192 345)	(220 010)	(249 301)
Finance charges		(4 491)	(1 610)	(1 127)	(1 296)	(1 296)	(1 296)	(465)	(969)	(514)	(542)
Transfers and Grants	1	(161 930)	(177 349)	(162 301)	(112 095)	(163 463)	(163 463)	(96 032)	(147 154)	(165 589)	(180 714)
NET CASH FROM/(USED) OPERATING ACTIVITIES		77 526	66 361	32 158	13 126	(91 583)	(91 583)	26 675	35 106	(4 083)	(37 161)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		109	58	282	-	-	-	353	-	-	-
Decrease (Increase) in non-current debtors		-	-	(3 904)	-	-	-	-	-	-	-
Decrease (Increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current investments		(2 901)	(4 205)	-	(3 984)	(3 984)	(3 984)	-	(4 120)	(4 350)	(7 191)
Payments											
Capital assets		(24 597)	(29 181)	(34 803)	(29 385)	(25 498)	(25 498)	(10 391)	(33 248)	(18 126)	(14 010)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(27 389)	(33 329)	(38 505)	(33 369)	(29 483)	(29 483)	(10 038)	(37 368)	(22 476)	(21 201)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	61	-	-	-
Borrowing long term/financing		-	-	-	-	-	-	157	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	(1)	-	-	-
Payments											
Repayment of borrowing		(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 303)	(3 085)	(1 543)	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 086)	(3 085)	(1 543)	-
NET INCREASE/ (DECREASE) IN CASH HELD		30 597	29 947	(9 700)	(23 546)	(124 368)	(124 368)	13 551	(5 347)	(28 102)	(58 361)
Cash/cash equivalents at the year begin	2	401 783	432 401	465 142	408 811	502 073	502 073	455 442	377 706	372 359	344 257
Cash/cash equivalents at the year end	2	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896

- The budgeted cash flow statement is the first measurement in determining if the budget is funded.
- It shows the expected level of cash-in flows versus cash-outflow that is likely to result from the implementation of the budget.
- It can be seen that the cash levels of the District decreases from R377,706 million over the MTREF 2018/19 to R372,359 million and to R344,257 million in 2019/20 period and to R285,896 million in 2020/21 financial years.
- The approved 2018/19 MTREF provide for a further net decrease in cash of R91,809 million for the 2020/21 financial year resulting in an overall projected positive cash position of R285,896 million at year end.
- Cash and cash equivalents totals R372,359 million as at the end of the 2018/19 financial year and decreases to R285,896 million by 2020/21.

Table 17 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

DC31 Nkangala - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available											
Cash/cash equivalents at the year end	1	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Other current investments > 90 days		36 678	(0)	0	0	(0)	(0)	0	(0)	(1)	(0)
Non current assets - Investments	1	-	40 862	44 846	44 847	44 847	44 847	44 846	48 967	53 317	60 507
Cash and investments available:		469 058	503 211	500 289	430 112	422 552	422 552	513 839	421 325	397 573	346 403
Application of cash and investments											
Unspent conditional transfers		3 994	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(289 567)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(285 573)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Surplus(shortfall)		754 631	491 898	514 072	408 804	398 483	398 483	491 239	379 553	353 357	297 839

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2018/19 to 2020/21 the surplus stabilises to R297,839 million.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2018/19 MTREF was sufficiently funded.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2018/19 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

Table 18 MBRR Table A9 - Asset Management

DC31 Nkangala - Table A9 Asset Management

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CAPITAL EXPENDITURE										
Total New Assets	1	25 124	29 181	34 803	29 384	25 498	25 498	33 248	18 126	14 010
Roads Infrastructure		-	186	-	-	-	-	-	-	-
Electrical Infrastructure		-	996	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	250	250	-	-	-
Infrastructure		-	1 182	-	-	250	250	-	-	-
Community Facilities		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Heritage Assets		-	-	509	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Other Assets		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Licences and Rights		-	265	-	2 750	1 000	1 000	1 850	-	-
Intangible Assets		-	265	-	2 750	1 000	1 000	1 850	-	-
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	186	-	-	-	-	-	-	-
Electrical Infrastructure		-	996	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	250	250	-	-	-
Infrastructure		-	1 182	-	-	250	250	-	-	-
Community Facilities		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Heritage Assets		-	-	509	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Other Assets		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Licences and Rights		-	265	-	2 750	1 000	1 000	1 850	-	-
Intangible Assets		-	265	-	2 750	1 000	1 000	1 850	-	-
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	-
TOTAL CAPITAL EXPENDITURE - Asset class		25 124	29 181	34 803	29 384	25 498	25 498	33 248	18 126	14 010
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure		2 012	1 917	1 635	1 635	1 635	1 635	1 269	1 185	1 120
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		361	1 296	1 215	1 215	1 215	1 215	1 054	973	892
Water Supply Infrastructure		-	-	-	-	-	-	250	250	250
Infrastructure		2 383	3 213	2 850	2 850	2 850	2 850	2 573	2 408	2 263
Community Facilities		-	-	-	38 358	38 358	38 358	10 929	14 758	19 588
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	38 358	38 358	38 358	10 929	14 758	19 588
Heritage Assets		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	509	-	-	-	509	509	509
Investment properties		-	-	509	-	-	-	509	509	509
Operational Buildings		113 266	132 205	114 512	84 054	84 055	84 055	126 382	128 793	127 604
Other Assets		113 266	132 205	114 512	84 054	84 055	84 055	126 382	128 793	127 604
Licences and Rights		757	583	491	3 241	3 241	3 241	3 249	3 157	3 070
Intangible Assets		757	583	491	3 241	3 241	3 241	3 249	3 157	3 070
Computer Equipment		-	-	3 162	4 640	5 332	5 332	12 106	14 085	17 239
Furniture and Office Equipment		-	-	4 828	9 795	9 796	9 796	6 607	7 696	8 665
Machinery and Equipment		-	-	6 797	13 926	13 926	13 926	12 384	14 684	16 353
Transport Assets		-	-	27 916	26 405	26 405	26 405	25 161	23 884	20 813
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	116 416	136 001	161 065	183 270	183 963	183 963	199 899	209 874	216 102
EXPENDITURE OTHER ITEMS										
Depreciation	7	7 910	9 566	9 609	10 912	10 957	10 957	9 380	8 406	7 934
Repairs and Maintenance by Asset Class	3	17 545	6 721	4 844	16 341	14 860	14 860	21 560	20 951	21 393
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Housing		-	-	-	-	-	-	-	-	-
Other Assets		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Licences and Rights		-	-	-	6 870	5 687	5 687	6 515	6 553	6 746
Intangible Assets		-	-	-	6 870	5 687	5 687	6 515	6 553	6 746
Computer Equipment		-	-	237	500	800	800	-	-	179
Furniture and Office Equipment		13 468	-	144	-	-	-	-	-	-
Machinery and Equipment		-	-	1 007	6 538	5 940	5 940	8 081	8 769	8 721
Transport Assets		-	-	676	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		25 456	16 287	14 453	27 253	25 817	25 817	30 940	29 357	29 326
Renewal and upgrading of Existing Assets as a % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and upgrading of Existing Assets as a % of deprec		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		15.2%	5.0%	3.0%	9.1%	8.2%	8.2%	10.9%	10.1%	10.0%
Renewal and upgrading and R&M as a % of PPE		15.0%	5.0%	3.0%	9.0%	8.0%	8.0%	11.0%	10.0%	10.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 4 - 8 per cent of PPE. The District does not meet the renewal benchmark, as the District moved into new office buildings in 2006. However for the 2018/2019 budget year, the repairs and maintenance amounts to 4.84 per cent of total operating expenditure which is within the required range.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the MMC for Finance, MMC for Technical Services, Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Executive Mayor.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the District's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 31 May 2017. Key dates applicable to the process were:

- **23 August 2017** – Council adopted a roll-over budget for 2017/18.
- **22-24 November 2017**–Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2018/19 MTREF;
- **January and February 2018**–Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;
- **February 2018** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **24 January 2018**- Council considered the 2017/18 Mid-year Review;
- **28 February 2018** - Council considers the 2017/18 Adjustments Budget;

- **13 March 2018** - Recommendations of the Mayoral Committee are communicated to the Budget Steering Committee, and on to the respective departments. The draft 2017/18 MTREF is revised accordingly;
- **28 March 2018** - Tabling in Council of the draft 2018/19 IDP and 2018/19 MTREF to Mayoral committee;
- **4-5 Apr 2018** – IDP and Budget Indaba;
- **20 April 2018** - Closing date for written comments;
- **14 to 22 April 2017**–finalisation of the 2018/19 IDP and 2018/19 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- **26 April 2018** – Budget stakeholder report back meeting
- **23 May 2018** – Submission of final 2017/18 MTREF to Mayoral Committee for adoption
- **30 May 2018** - Submission of the final 2017/18 MTREF before Council for consideration and approval.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The review of the IDP for the MTREF 2018/19 – 2020/21 was submitted to Council.

The District's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2018/19 MTREF, based on the approved 2017/18 MTREF, Mid-year Review and adjustments budget as well as the annual report for 2016/17. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2018/19 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2017/18 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2018/19 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2018/19 MTREF:

- District growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, household debt, migration patterns)
- Performance trends
- Any challenges identified in the 2016/17 annual report
- The approved 2017/18 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51, 54, 55, 58, 66, 67, 70, 72, 74, 75, 78, 85, 86, 88, 89 & 91 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

The draft 2018/19 MTREF as tabled before Council on 28 March 2018 for community consultation will be published on the municipality's website, and hard copies will be made available at customer care offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Local Municipalities were utilised to facilitate the community consultation process from January to March 2018, and included six public briefing sessions and the IDP and Budget Indaba on the 4-5 April 2018. The applicable dates and venues were published in all the local newspapers and on average attendance amounted 50 to 100 per meeting. This is up on the previous year's process. This can be attributed to the additional initiatives that were launched during the consultation process, including the specific targeting of ratepayer associations. Individual sessions were scheduled with organised business and Imbizo's were held to further ensure transparency and interaction. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organisations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects will be addressed, and where relevant considered as part of the finalisation of the 2018/19 MTREF. Feedback and responses to the submissions received are available on request. The following are some of the issues and concerns raised as well as comments received during the consultation process:

- Capital expenditure is not allocated to the areas in the same ratio as the income derived from those areas. This is a normal practice in a collective taxation environment. The District is responsible for managing the equitable use of resources to ensure that constitutional imperative to progressively improve basic services in undeveloped areas is realized in a sustainable manner over a reasonable period of time;
- Several complaints were received regarding poor service delivery, especially the state of road infrastructure and slow implementation of projects in local municipalities;
- Poor performance of contractors relating to infrastructure development and maintenance especially in the areas of road construction and maintenance were raised;
- Environmental problems of the mines and climate change;
- High levels of poverty and unemployment, which indicate there is a need for skills training.
- The district needs to promote the cargo project in Victor Khanye.
- High percentage of rollovers

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the District, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the District strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the District's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP);
- The National Priority Outcomes and
- The National Development Plan.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2018/19 MTREF and further planning refinements that have directly informed the compilation of the budget:

IDP Strategic Objectives

- Local Economic Development
- Infrastructure Development and Service Delivery
- Institutional Development and Municipal Transformation
- Good Governance and Public Participation
- Build more united, non-racial, integrated and safer communities;
- Financial Viability
- Ensure more effective, accountable and clean Local Government that works together with National and Provincial Spheres of Government.

In order to ensure integrated and focused service delivery between all spheres of government it was important for the District to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;

- Provide public transport;
 - Provide district planning services; and
 - Maintaining the infrastructure of the District.
2. Economic growth and development that leads to sustainable job creation by:
- Ensuring there is a clear structural plan for the District;
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
- Working with strategic partners such as SAPS to address crime;
 - Ensuring safe working environments
 - Promote viable, sustainable communities through proper zoning; and
 - Promote environmental sustainability by protecting wetlands and key open spaces.
 - Implementing initiatives to reduce the effect of climate change.
- 3.2 Integrated Social Services for empowered and sustainable communities
- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly coordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
- Optimising effective community participation in the ward committee system; and
 - Implementing Batho Pele in the revenue management strategy.
- 5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
 - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the District. The five-year programme responds to the development challenges and opportunities faced by the District by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the IDP, including:

- Strengthening the analysis and strategic planning processes of the District;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

- Multi-year budgeting remains a priority

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

The District received a clean audit opinion with no matters on the Annual Financial Statements and annual performance report for the year ending 30 June 2017. This was also the second set of financial statements which was compiled in compliance with the mSCOA regulations. It is this a major achievement to have retained the clean audit opinion of 2014/2015 with the accompanying difficulties of implementation of a new chart of accounts (and different versions thereof)!

However in order to maintain the clean audit status for the coming financial years, management needs to attend to all the matters raised by Auditor General in the final management letter following the audit outcome, an action plan had been compiled to address the issues raised by the Auditor-General during the 2016/17 audit.

An Audit Action Plan was developed from the final management letter received from Auditor General. The action plan addresses not only the findings raised but also possible future findings which might come out of the same population going forward looking into and fixing the root causes of the findings.

The management letter has 11 matters of which some are referring to the same incidents, however management has decided to keep to action plan properly aligned to the management letter in order not to lose track of the issues raised. Matters raised relates to the following:

- Predetermined objectives
 - Incomplete information reported on performance information
 - Actual reported target does not agree to the recalculated target
 - Supporting documents not provided
 - Inconsistency between planned target in SDBIP and the APR
- Procurement and Contract Management
 - Deviation not disclosed
 - Awards made to persons in the service of the state
- Annual Financial Statements
 - Contingent asset disclosed inappropriately
 - Payables not recorded in correct period.

The Audit Action plan was approved by Council as per item DM-N 97/12/2017 and progress is reported on a monthly basis to Council.

During the compilation of the Mid-year Budget and Performance Assessment report the issues arising from the previous year's annual report was taken into consideration and was hence taken up as part of the Audit Action Plan, referred to previously, in an attempt to put more controls in place and to resolve the problems identified. Subsequently such issues had been considered during the compilation of the 2018/2019 MTREF.

Table 19 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

DC31 Nkangala - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Institutional Development and Transformation	Competent, Innovative and Accountable Team	KPA 1		-	5	-	-	-	-	-	-	-
Good Governance and Public Participation	Sound Electronic Governance	KPA 2		-	2	-	-	-	-	-	-	-
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3		-	18	2 308	4 182	4 182	4 182	3 626		
Financial Viability and Financial Management	Sound Financial Management	KPA 4		365 837	381 665	385 273	368 691	369 192	369 192	370 417	380 392	381 735
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5		-	72	235	400	1 140	1 140	1 520	1 635	1 650
Spatial Rationale	Sustainable Infrastructure and Service Provisioning	KPA 5		934	2	11	10	11	11	11	11	12
Allocations to other priorities	Integrated regionalised planning	KPA 6	2									
Total Revenue (excluding capital transfers and contributions)			1	366 771	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396

Table 20 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

DC31 Nkangala - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Institutional Development and Transformation	Competent, Innovative and Accountable Team	KPA 1		74 700			259 547	104 244	104 244	117 516	115 477	124 993
Good Governance and Public Participation	Sound Electronic Governance	KPA 2		5			15 090	16 318	16 318	19 002	19 788	20 527
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3		35 142			17 702	25 806	25 806	26 681	25 627	21 128
Financial Viability and Financial Management	Sound Financial Management	KPA 4		29 523			6 094	31 027	31 027	31 652	32 453	33 864
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5		115 480			18 081					
	Sustainable Infrastructure and Service Provisioning	KPA 5		79 097			43 158	224 867	224 867	224 913	230 144	223 718
Spatial Rationale	Integrated regionalised planning	KPA 6					11 934	16 553	16 553	25 460	17 066	19 193
Allocations to other priorities												
Total Expenditure			1	333 947	-	-	371 606	418 816	418 816	445 224	440 553	443 423

Table 21 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

DC31 Nkangala - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code Ref	2014/15 Audited Outcome	2015/16 Audited Outcome	2016/17 Audited Outcome	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
						Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand												
Institutional Development and Transformation	Competent, Innovative and Accountable Team	KPA 1				11 884	15 474	15 474	15 560	7 148	4 587	
Good Governance and Public Participation	Sound Electronic Governance	KPA 2				7 450	20	20				
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3										
Financial Viability and Financial Management	Sound Financial Management	KPA 4					50	50	60	65	70	
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5				8 550	9 913	9 913	17 628	10 914	9 353	
	Sustainable Infrastructure and Service Provisioning	KPA 5				1 500						
Spatial Rationale	Integrated regionalised planning	KPA 6					42	42				
Allocations to other priorities		3										
Total Capital Expenditure		1	-	-	-	29 385	25 498	25 498	33 248	18 126	14 010	

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the District has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

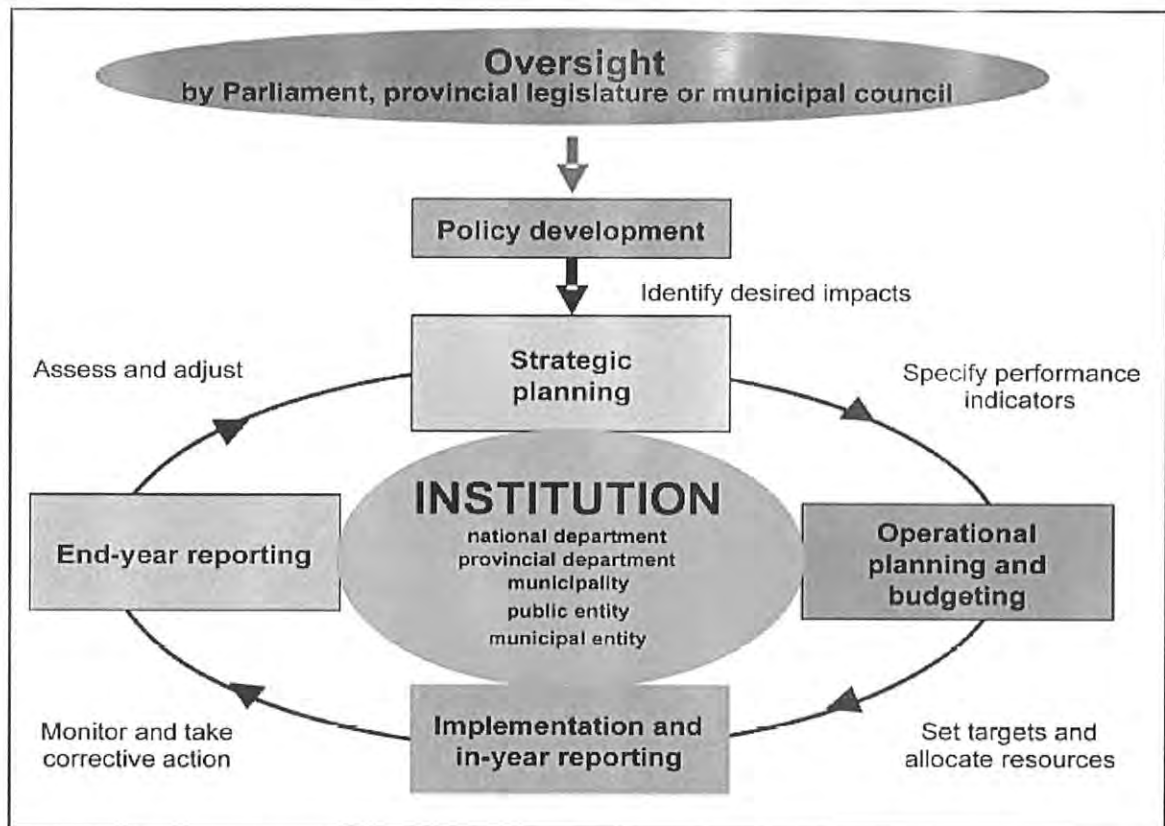


Figure 3 Planning, budgeting and reporting cycle

The performance of the District relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The District therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the District in its integrated performance management system are aligned to the *Framework of Managing Programme Performance Information* issued by the National Treasury:

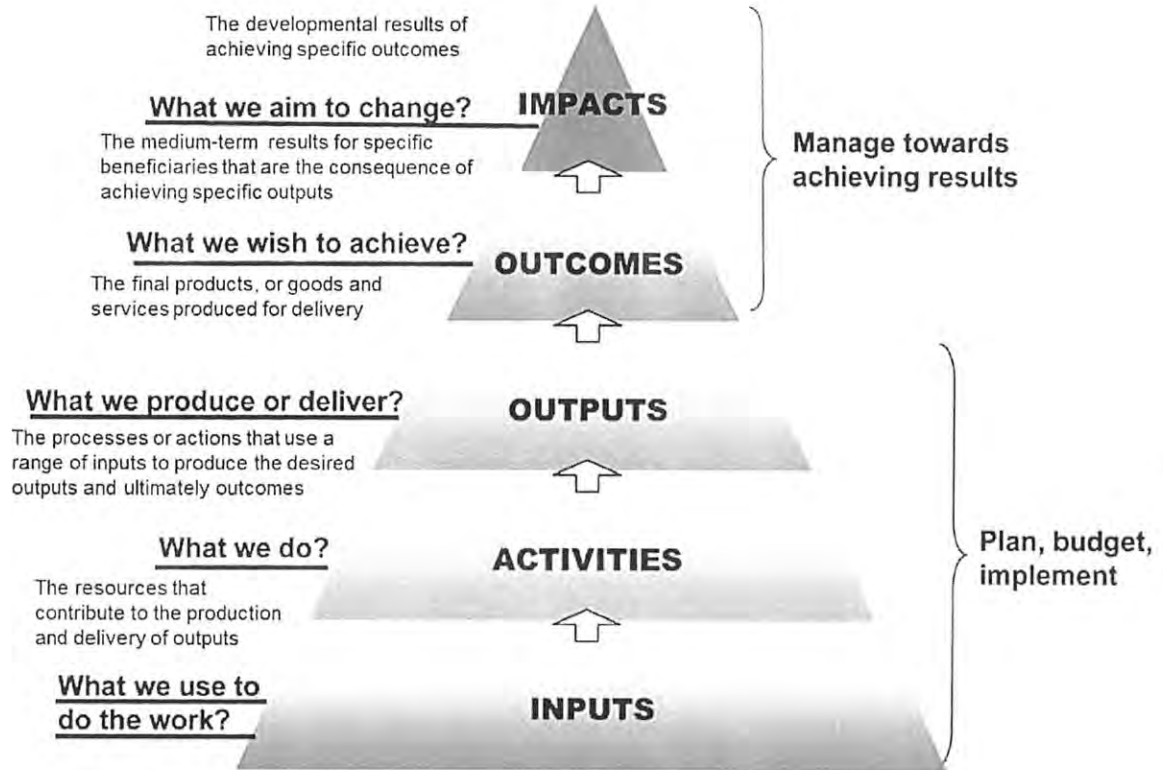


Figure 4 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 22 MBRR Table SA7 - Measurable performance objectives (replaced with QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS AS PER APPROVED SDBIP)

DC31 Nkangala - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 - Office of the Municipal Manager										
Function 1 - Organisational Restructuring and Transformation										
Sub-function 1 - Performance Management										
# of quarterly performance report submitted to Council by 30 June	Number	4	4	4	4	4	4	4	4	4
Function 2 - Governance										
Sub-function 1 - Audit										
% of MPAC recommendation resolved per quarter	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% achievement to resolve issues raised on the Audit Action Plan per quarter	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintain Auditor General Opinion - Clean Audit in respect of the Annual Report	Number	1	1	1	1	1	1	1	1	1
% of AG Management Letter findings resolved by quarter (Total organization)	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 2 - Risk Management										
% of future action plans resolved to address fraud and corruption risk identified per quarter	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Function 3 - Service Delivery										
Sub-function 1 - Community Satisfaction										
# of Community Satisfaction Surveys conducted on the work of the District by 30 June 2017	Number		1	1	1	1	1	0	1	1
Function 4 - IDP and BUDGET										
Sub-function 1 - IDP										
Final IDP and Budget tabled and approved by Council by the 31st May	Number	1	1	1	1	1	1	1	1	1
Function 4 - Financial Viability										
Sub-function 1 - Expenditure										
% spend of the Total Capital Budget by 30 June	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.0%	100.0%	100.0%
Vote 2 - Corporate Services										
Function 1 - Organisational Restructuring and Transformation										
Sub-function 1 - Human Resources										
% approved vacant positions (previously filled) processed within (3) months of post vacancy	Percentage		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 2 - Training and Development										
% of budget spent implementing the Workplace Skills Plan (GKPI) by 30 June 2017	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Vote 3 - Finance										
Function 1 - Financial Viability										
Sub-function 1 - Financial Management										
Cost coverage ratio (GKPI) by 30 June 2017	Ratio	N/A	N/A	N/A	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%
Sub-function 2 - Budgeting										
Submission for approval of MTREF Budget by the 31st May	Number	1	1	1	1	1	1	1	1	1
Sub-function 3 - Financial Reporting										
Annual Financial Statements (AFS) submitted on or before the 31st August	Number	1	1	1	1	1	1	1	1	1
# of quarterly section 52(a) MFMA reports submitted to Executive Mayor within legislative timeframes	Number	4	4	4	4	4	4	4	4	4
Section 72 (midyear) MFMA reports submitted to Executive Mayor within legislative timeframes	Number	1	1	1	1	1	1	1	1	1
# of section 71 MFMA reports submitted to Executive Mayor within legislative timeframes per month	Number	12	12	12	12	12	12	12	12	12

DC31 Nkangala - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Function 2 - SCM										
Sub-function 1 - SCM										
# of SCM deviation reports submitted to the MM per month (Total Administration)	Number	12	12	12	12	12	12	12	12	12
Vote 4 - Development Planning										
Function 1 - Human Settlements										
Sub-function 1 - Human Settlements										
# of informal settlements formalised by 30th June	Number			5	5	5	5	0	1	5
# of formal townships established by 30th June	Number		6	5	5	5	5	0	4	5
Function 2 - Land Administration										
Sub-function 1 - GIS										
# of projects implemented from the GIS Strategy by 30th June	Number		2	1	1	1	1	1	1	1
Sub-function 2 - Land Management										
# of projects implemented based on SPLUMA by 30th June	Number		3	2	2	2	2	1	2	3
Vote 5 - Technical Services										
Function 1 - Service Delivery										
Sub-function 1 - Water and Sanitation										
Number of Sanitation projects (as submitted by the LM.s) completed by 30 June	Number		10	6	6	6	6	1	1	1
Number of Water projects (as submitted by the LM.s) completed by 30 June	Number		8	14	14	14	14	20	20	11
Sub-function 2 - Electricity										
Number of Electricity projects (as submitted by the LM.s) completed by 30 June	Number		1	2	2	2	2	1	1	1
Sub-function 3 - Project Management										
% spend of Capital projects in terms of budget (NDM funded projects) by 30 June	Percentage		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 4 - Road and Stormwater										
Number of Road and Stormwater projects (as submitted by the LM.s) completed by 30 June	number							10	18	4
Vote 6 - Local Economic Delivery										
Function 1 - Economic Development and Job Creation										
Sub-function 1 - Economic Development										
Hosting of Investment Summit to market Anchor Projects / Catalytic by 30 June 2017	Number		1	1	1	1	1	1	1	1
Sub-function 2 - Job Creation										
# of EPWP Full Time Equivalent (FTE's) job opportunities provided through the implementation of LED and Capital projects (GKPI) per quarter	Number		308	72	72	72	72	100%	100%	100%
Vote 7 - Social Services										
Function 1 - Health										
Sub-function 1 - HIV/AIDS										
# of HIV/AIDS educational awareness campaigns implemented to capacitate and build communities per quarter	Number		8	8	8	8	8	6	6	6
% of water samples taken per month that do not comply to SANS 241 and that are formally reported to the LM.s to implement corrective action per quarter	Percentage		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Function 2 - Environmental Management										
Sub-function 1 - Air Pollution										
% of atmospheric emission license applications finalised as compared to application received as per NEM Air Quality Act, 2004 by 30 June 2017	Percentage		60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
Function 3 - Youth										
Sub-function 1 - Youth Development										
Annual Youth Summit convened by 30th June	Number		1	1	1	1	1	1	1	1
Function 4 - Disaster Management										
Sub-function 1 - Disaster Education										
# of Disaster Emergency Open Day Hosted with local Municipalities by June 2017	Number		1	2	2	2	2	2	2	2

The following table sets out the municipalities main performance objectives and benchmarks for the 2018/19 MTREF.

Table 23 MBRR Table SA8 - Performance indicators and benchmarks

DC31 Nkangala - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Borrowing Management											
Credit Rating	Short term			A1	A1	A1	A1	A1			
Credit Rating	Long term			A	A	A	A	A			
Credit Rating	International			BB-	BB-	BB-	BB-	BB-			
Capital Charges to Operating Expenditure	Interest & Principal Paid/Operating Expenditure	6.7%	1.3%	1.2%	1.2%	1.1%	1.1%	1.6%	0.0%	0.5%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	65.8%	11.0%	9.2%	17.3%	16.7%	16.7%	31.9%	16.3%	9.0%	2.1%
Borrowed funding of own capital expenditure	Borrowing/Capital expenditure excl transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	12.4	13.6	9.8	19.1	18.9	18.9	20.5	9.7	8.1	6.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	12.4	13.6	9.8	19.1	18.9	18.9	20.5	9.7	8.1	6.9
Liquidity Ratio	Monetary Assets/Current Liabilities	9.7	11.3	7.8	12.6	12.3	12.3	16.7	7.0	6.2	5.0
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	4.3%	6.7%	3.2%	1.5%	1.5%	1.5%	1.2%	2.0%	2.3%	1.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		9.3%	7.9%	11.9%	7.0%	7.1%	7.1%	5.5%	13.3%	15.4%	19.6%
Employee costs	Employee costs/(Total Revenue - capital revenue)	19.5%	23.7%	28.1%	36.9%	36.1%	36.1%	28.3%	38.6%	40.1%	41.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	23.0%	27.1%	31.4%	40.3%	39.8%	39.8%		42.3%	43.8%	45.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.8%	1.8%	1.3%	4.4%	4.0%	4.0%		5.8%	5.5%	5.5%
Finance charges & Depreciation	F&D/(Total Revenue - capital revenue)	3.0%	2.9%	2.8%	3.3%	3.3%	3.3%	2.7%	2.8%	2.3%	2.2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	0.8	0.9	1.7	0.9	0.9	0.9	0.5	1.1	1.1	1.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	17682.4%	24955.8%	12338.7%	55898.2%	55898.2%	55898.2%	0.0%	72154.3%	77100.0%	65110.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	52.0	38.0	32.7	21.6	21.4	21.4	49.1	19.3	17.2	13.3

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Nkangala District Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the District's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2018/19 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has stabilised at 0.9 for 2018/19 to 0.1 for 2020/21 over the MTREF.

- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is zero per cent. Capital expenditure is financed from cash backed accumulated surpluses.

The District's debt profile provides some interesting insights on the District's future borrowing capacity. Firstly, the use of amortising loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the District to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs.

2.3.1.2 Safety of Capital

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of borrowing, creditors and provisions as a percentage of funds and reserves. In the 2018/19 financial year the ratio is at a level 0 per cent and remains relatively stable at 0 per cent in the 2020/21 financial year.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the District has set a limit of 1, hence at no point in time should this ratio be less than 1. The 2016/17 current ratio of the District is 9.8 per cent. The current ratio for 2017/18 is 18.9 per cent, whilst the projected current ratio is 9.7 per cent for 2018/19. The 2019/20 financial year is 8.1 and 6.9 per cent for the outer year of the MTREF respectively.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. The 2016/17 liquidity ratio of the District is 7.8 per cent, whilst the projected current ratio is 12.3 per cent for 2017/18. The 2018/19 financial year is 7.0 and 6.2 and 5.0 for the two outer years of the MTREF respectively.

2.3.1.4 Revenue Management

- With the abolishment of the RSC Levies the outstanding debtors has declined to a point where the total outstanding debtors to annual revenue is very positive. The estimated ratio for 2018/19 is 2.0 per cent and remains stable at 2.3 and 1.9 per cent for the two outer years.

2.3.1.5 Creditors Management

- The District has managed to ensure that creditors are settled within the legislated 30 days of invoice. By applying daily cash flow management the municipality has managed to

ensure a 100 per cent compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the District, which is expected to benefit the District in the form of more competitive pricing of tenders, as suppliers compete for the District's business.

2.3.1.6 Other Indicators

- The total employee costs and Councillor remuneration as a percentage of operating revenue are continues increasing to 38.60 for the 2018/19 budget year, 40.1 and 41.3 for the 2020/21 budget year, which will be above the norm or 25-40 per cent.
- Repairs and maintenance as percentage of operating revenue is very low as the District has only the office building.
- The filling of vacancies has commenced.
- Measures have been put in place to ensure that relevant officials comply with the extension of the minimum competency requirements;

2.4 Overview of budget related-policies

The District's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Review of credit control and debt collection procedures/policies

The Credit Control and Debt Collection Policy as approved by Council in October 2003 and was reviewed during the 2016/17 budget process. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt.

The 2018/19 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 99 per cent on debtors. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the District's cash levels.

2.4.2 Asset Management Policy

The reviewed asset management policy was adopted by Council in 2017/18. The policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment. The depreciation and capitalization of assets are dealt with in terms of this policy. The Asset Management policy was reviewed during the 2017/18 budget preparation process.

2.4.3 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in October 2006. An amended policy was adopted by Council in May 2013. The policy was reviewed during the 2017/18 budget process

The policy provides for processes to be followed in the procurement of goods and services. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost effective system for the procurement of goods and services, disposing of goods and selection of contractors in the provision of municipal services.

2.4.4 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the District's system of delegations. The Budget and Virement Policy was reviewed during the budget process in 2017/18.

2.4.5 Cash Management and creditor payment Policy

The policy provides for the management of cash and creditor payment. The aim of the policy is to ensure that surplus cash and investments are adequately managed especially the funds set aside for the cash banking of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks. This policy was reviewed by Council during the 2017/18 budget process.

2.4.6 Donation Policy

The policy provides for the conditions and procedures for which donations can be made and accounted for. This policy was reviewed by Council during the 2017/18 budget process.

2.4.7 Fraud and Corruption Prevention Policy

The policy provides for the mitigating, preventing, and reporting any corrupt or fraudulent activities. The policy was reviewed by Council during the 2017/18 budget process.

2.4.8 Travel and Subsistence Policy

The objective of this policy is to enforce the promulgated legislation in terms of ad-hoc travel and subsistence allowances, in order to set uniform guidelines for Councillors and officials from Nkangala District Municipality. Furthermore, this policy sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official travelling. The policy was reviewed during the 2017/18 budget process.

2.4.9 Rental of municipal facilities Policy

The objectives of this policy are to:

- Ensure that the rental of council facilities are dealt with in accordance with authorized processes only
- Ensure that the municipality has and maintains an effective system of internal control.

This policy was reviewed by Council during the 2017/18 budget process.

2.4.10 Budget policy

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- To establish and maintain procedures to ensure adherence to the Nkangala District Municipality's 2017/18 IDP review and budget processes.

2.4.11 Borrowing policy

The purpose of the policy is to:

Enable the municipality to exercise their obligation to ensure sufficient cash resources to implement their capital programme in the most cost effective manner.

Ensure compliance with the relevant legal and statutory requirements relating to municipal borrowing.

This policy was reviewed by Council during the 2017/18 budget process

2.4.12 Funds and reserves policy

The purpose of the policy is to:

The funding and reserves policy is aimed to ensure that the municipality has sufficient and cost-effective funding in order to achieve its objectives through the implementation of its operating and capital budgets.

This policy aims to set guidelines towards ensuring financial viability over both the short- and long-term which includes reserves requirements.

This policy was reviewed by Council during the 2017/18 budget process

2.4.13 Investment and surplus funds policy

The purpose of the policy is to:

The preservation and safety of investments as a primary aim;

The need of investment diversification;

To specify minimum acceptable credit rating for investments including:

- a list of approved investment types; o a list of approved institutions;
- guidelines for the invitation and selection of competitive bids or offers in accordance with part 1 of chapter 11 of the Act for investments in excess of six (6) months or the appointment of an investments manager;

To put measures in place to ensuring implementation of the policy and internal controls over investments made;

This policy was reviewed by Council during the 2017/18 budget process

2.4.14 Black listing policy

The purpose of the policy is to:

To prevent the municipality from doing business with persons, business, organizations or entities who abuse the supply chain management system by committing a corrupt, fraudulent, unfair or irregular practice/s.

To prevent the municipality from doing business with individual persons, business, organizations or entities who default on any contract, performance will fully or negligently.

To develop a uniform criteria and a fair process for barring such persons, tenderers and business entities who engage in the above

This policy was reviewed by Council during the 2017/18 budget process

2.4.15 Catering Policy

Objectives of the policy

To regulate and control expenditure in relation to catering;

To regulate instances and events where catering should be provided;

To indicate what meetings are allowed to have catering;

To indicate what other gatherings are allowed to have catering;

To indicate what type of catering is allowed; and

To indicate the processes to be followed for catering.

This policy was reviewed by Council during the 2017/18 budget process

2.4.16 Management of foreign exchange policy

The purpose of this policy is to provide an agreed framework within which:

Foreign currency exchange risks are identified and managed in an efficient and cost effective manner;

Foreign exchange conversion differences are properly quantified, accounted for and fairly apportioned between the foreign supplier, any local agent and the Municipality;

The policy was developed during the 2017/18 budget process

2.5 Overview of budget assumptions

2.5.1 External factors

Further guidance for the preparation of the 2018/19 Budget is provided by the National Treasury MFMA Circulars 88, 89 and 91.

Highlights from circular 88, 89 and 91 as follows:

MFMA Circular No.88 Municipal Circular on Rationalisation Planning and Reporting Requirements for the 2018/2019 MTREF:

“The circular aims to support the alignment of planning and reporting instruments for a prescribed set of municipal performance indicators. The Municipal Systems Act (MSA) and the MFMA require alignment between planning and reporting instruments such as the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and the Annual Report. However, there has been some confusion as to the results level that indicators in the SDBIP occupy, particularly in component 3. Quarterly projections of service delivery targets and performance indicators for each vote. This is particularly in relation to the goals and objectives set out over the medium term in the IDP, and how they are measured. This circular aims to clarify this matter by prescribing municipal performance indicators for metropolitan municipalities. In providing guidance and conceptual clarity and alignment between the IDP, SDBIP and the performance part of the Annual Report, this MFMA Circular has conceptual benefit for all municipalities. However, the prescribed performance indicators will be applicable to only metropolitan municipalities from the 2018/19 financial year onwards.”

MFMA Circular No.89 Municipal Budget Circular for 2018/2019 MTREF:

This circular gives guidance to municipalities on preparation of the 2018/2019 Medium Term Revenue and Expenditure Framework (MTREF).

GDP growth forecasted of 1.3 per cent in 2017/2018 was revised down to 0.7 per cent. Recovery rate is expected to be slow and is estimated that growth may reach 1.9 per cent by 2020.

Due to tax collection target which have not been met, there is less funds available to allocate across the different spheres of government.

Economic challenges will continue to pressurise municipal revenue generation and collection levels hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. To this effect, the MFMA Circular 82 which introduced cost containment measures for implementation by municipalities and municipal entities was published on 30 March 2016 (updated November 2016).

The urgency expressed in the SONA and announcements by the Minister of Finance, after consulting SALGA and Minister of Cooperative Government and Traditional Affairs, is articulated in this regulations on cost containment measures. In this regard, the Draft Municipal Cost Containment Regulations, as published in Part 2 of *Government Gazette* No. 41445, was published and is currently open for comments and consideration.

The following macro-economic forecasts must be considered when preparing the 2017/18 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2016 - 2020

Fiscal year	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Estimate	Forecast		
CPI Inflation	6.3%	5.4%	5.2%	5.5%	5.5%

Source: Medium Term Budget Policy Statement 2017.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

Local government conditional grants and additional allocations

The 2017 Medium Term Budget Policy Statement (MTBPS) indicates transfers to local government for the 2018 MTREF are R397 billion, of which 62.2 per cent comprise unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 9.2 per cent of non-interest expenditure and an increase of 8.3 per cent.

The equitable share and the allocation of the general fuel levy to local government constitute unconditional funding. Municipalities are reminded that this funding allocation is formula driven and designed to fund the provision of free basic services to disadvantaged communities. Conditional grant funding must be utilised for the intended purpose within the timeframes, as specified in the annual Division of Revenue Bill. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered in extenuating circumstances.

Municipal Standard Chart of Accounts (mSCOA)

The mSCOA Regulations apply to all municipalities and municipal entities with effect from 1 July 2017."

Some challenges with version 6.1 of the chart had to be addressed and therefore version 6.2 was issued with this circular and will be effective 2018/2019 which means that the MTREF must be drawn up using the latest version.

The NDM is one of the identified pilot municipalities for the mSCOA and has implemented the mSCOA on the 1st of July 2015. The 2018/19 budget year will be the third budget on mSCOA.

Revenue budgets

As municipalities also face a difficult fiscal environment, they must ensure that expenditure is limited to the maximum revenue collected. It is also advised that municipalities maintain tariff increases on levels that reflect an appropriate balance between poorer and other households.

Municipalities are required to justify all increases in excess of the projected inflation target for 2018/2019 (forecast to be between 3 and 6 per cent) for 2018/2019 in the budget narratives.

Funding choices and management issues

In light of the current economic conditions, municipalities must consider the following with the compilation of the 2018/2019 MTREF :

- improving the effectiveness of revenue management processes and procedures;
- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as was highlighted in MFMA Circular No. 82;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households; and
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

Employee related costs

The multi-year Salary and Wage Collective Agreement for the period 1 July 2015 to 30 June 2018 has come to an end and is currently under consultation .

Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries,

Allowances and Benefits of different members of municipal councils published annually by the Department of Cooperative Governance.

Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councilor(s) concerned.

MFMA Circular No.91 Municipal Budget Circular for 2018/2019 MTREF:

This circular follows up on Circular number 89 issued in December 2017 and discussed above:

The local economy is beginning to recover after a short recession in early 2017 however the improvement is insufficient. Growth has remained stagnant at less than 2 per cent and unemployment remains high at 26.7 per cent. The prerequisites for increased revenue and expanded service delivery are more rapid growth, investment and job creation.

The GDP growth rate is forecasted at 1.5 per cent in 2018, 1.8 per cent in 2019 and 2.1 per cent in 2020. Statistics South Africa's December 2017 economic statistics showed an unexpected improvement in the economic outlook, largely as a result of growth in agriculture and mining.

Local government grants and additional allocations

Since the 2017 Medium Term Budget Policy Statement (MTBPS) reprioritisation and reductions undertaken have affected planned spending for 2018/19. Local government direct and indirect transfers absorb 18.8 per cent of the reductions. A total of R13.9 billion has been cut from direct local government conditional grant allocations for the Medium Term Expenditure Framework (MTEF) period ahead since the 2017 MTBPS was tabled. Indirect grants to local government have been reduced by an additional R2.2 billion.

Participation in RT15-2016 Vodacom transversal contract- for the supply and delivery of mobile communication services to the state

When municipalities make an application to the Office of the Chief Procurement Officer (OCPO) to participate in the RT15-2016 transversal contract's account management service offering in respect of smart meters, they must comply with the process that will be communicated in an MFMA Circular that will soon be issued. In terms of the application process municipalities are expected to provide evidence of adequate operating budget provision over the MTREF. The Circular will include pre-conditions for eligibility to participate, such as adequate resourcing and technology platform to fulfil their obligation as envisaged by the Smart Utility Management Solution; and capability to sustain the implementation effort in the longer term.

Rollover of conditional grant funds

Section 22 of the 2017 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves to the satisfaction of National Treasury that the unspent allocation is committed

to identifiable projects, in which case the funds may be rolled over.

There is specific information which must accompany a request for roll over of grant funding and is listed in detail in the attached circular.

Credit rating outlook

Global Credit Rating Co. performed a credit rating analysis during October 2017 and is summarized as follows:

Table 24 Credit rating outlook

Nkangala District Municipality				
South Africa Local Authority Analysis				October 2017
Rating class	Rating scale	Rating	Rating outlook	Review date
Long term	National	A _(ZA)	Stable	October 2018
Short term	National	A1 _(ZA)		
Long term	International LC	BB-	Negative	October 2018

CONCLUSION

NDM has made great strides in ensuring that sound financial management practices are maintained which has seen sustainable service delivery achievements in the past. However due to high dependency on Grant funding which is closely dependent on the South Africa growth rate, there is a high risk of curtailment and non-delivering of services at the same rate as in the past financial years.

Development and exploring of other sources of revenue remains a key critical programme to ensure sustainability of service delivery to the constituency of NDM in the long term.

2.5.2 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The District engaged in a number of financing arrangements to minimise its interest rate costs and risk. However, in 2018/19 MTREF is based on the assumption that no additional borrowings are undertaken.

2.5.3 Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (99 per cent) of budgeted income. Cash flow is assumed to be 99 per cent of budgeted income.

2.5.4 Salary increases

Employee related costs

The multi-year Salary and Wage Collective Agreement was entered into for the period 1 July 2015 to 30 June 2018 and has come to an end. A new agreement is currently being negotiated and the outcome thereof will be taken into consideration during the open window consultation period of the MTREF.

Currently provision for salary increases had been aligned to the proposed CPI forecast contained in the relevant budget circulars.

Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually by the Department of Cooperative Governance.

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.5 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 60 per cent is achieved on operating expenditure and 60 per cent on the capital programme for the 2018/19 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 25 Breakdown of the operating revenue over the medium-term

DC31 Nkangala - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	31 116	38 235	43 921	25 450	25 550	25 550	10 494	22 459	20 468	20 480
Transfers recognised - operational	330 236	338 036	337 235	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Other own revenue	3 470	3 483	4 596	1 170	2 312	2 312	1 331	2 346	2 507	2 593
Total Revenue (excluding capital transfers and contributions)	364 822	379 755	385 752	371 108	372 350	372 350	270 294	373 393	379 731	390 954

The following graph is a breakdown of the operational revenue per main category for the 2018/19 financial year.

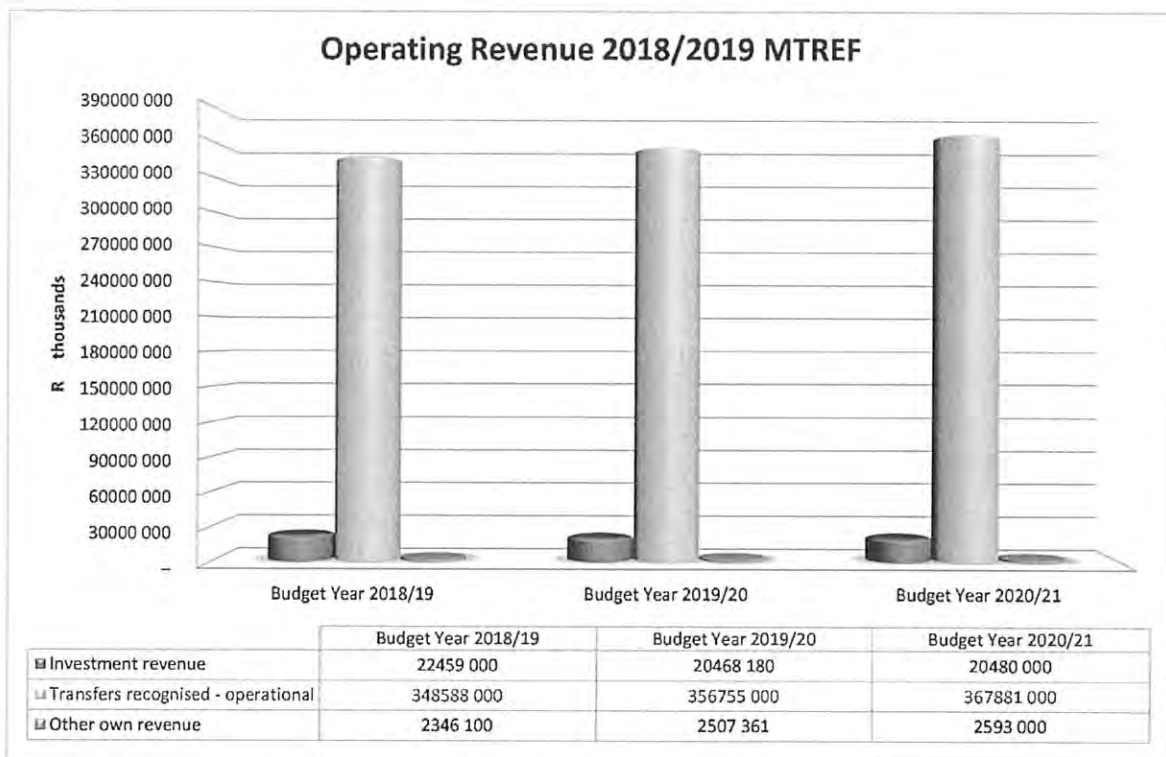


Figure 5 Breakdown operating revenue over the 2018/19 MTREF

Operating Grants form a significant percentage of the revenue basket for the District. In the 2018/19 financial year, the operating grants totals R348,588 million or 92.83 per cent. This increases to R356,755 million and R367,881 million in the respective financial years of the MTREF and includes the RSC Levy Replacement, local government equitable share and other operating grants from national government.

Investment revenue is the second largest revenue source totalling 6.86 per cent or R25,450 million and decreases to R20,480 million by 2020/21. The third largest sources is 'other revenue' which consists of various items such as income received from discounts, sale of tender documents and sundry income.

The tables below provide detail investment information and investment particulars by maturity.

Table 26 MBRR SA15 – Detail Investment Information

DC31 Nkangala - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		444 075	498 958	493 996	427 600	420 040	420 040	416 197	390 458	338 833
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	444 075	498 958	493 996	427 600	420 040	420 040	416 197	390 458	338 833
Consolidated total:		444 075	498 958	493 996	427 600	420 040	420 040	416 197	390 458	338 833

Table 27 MBRR SA16 – Investment particulars by maturity

DC31 Nkangala - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be rebated	Partial / Premature Withdrawal (R)	Investment Top Up	Closing Balance
Name of institution & investment ID														
Parent municipality														
Municipality sub-total														
TOTAL INVESTMENTS AND INTEREST														

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surpluses be invested. This surplus is intended to partly fund contribution to local municipalities from own sources as well as ensure adequate cash backing of reserves and funds.

The following table is a detailed analysis of the District's borrowing liability.

Table 28 MBRR Table SA 17 - Detail of borrowings

DC31 Nkangala - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Parent municipality										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)		11 283	7 713	4 628	2 043	2 043	2 043	1 543	-	-
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	11 283	7 713	4 628	2 043	2 043	2 043	1 543	-	-
Total Borrowing	1	11 283	7 713	4 628	2 043	2 043	2 043	1 543	-	-

The following graph illustrates the decrease in outstanding borrowing for the 2018/19 to 2020/21 period. The DBSA external loan will be fully redeemed in September 2019.

Figure 6 Decline in outstanding borrowing (long-term liabilities)

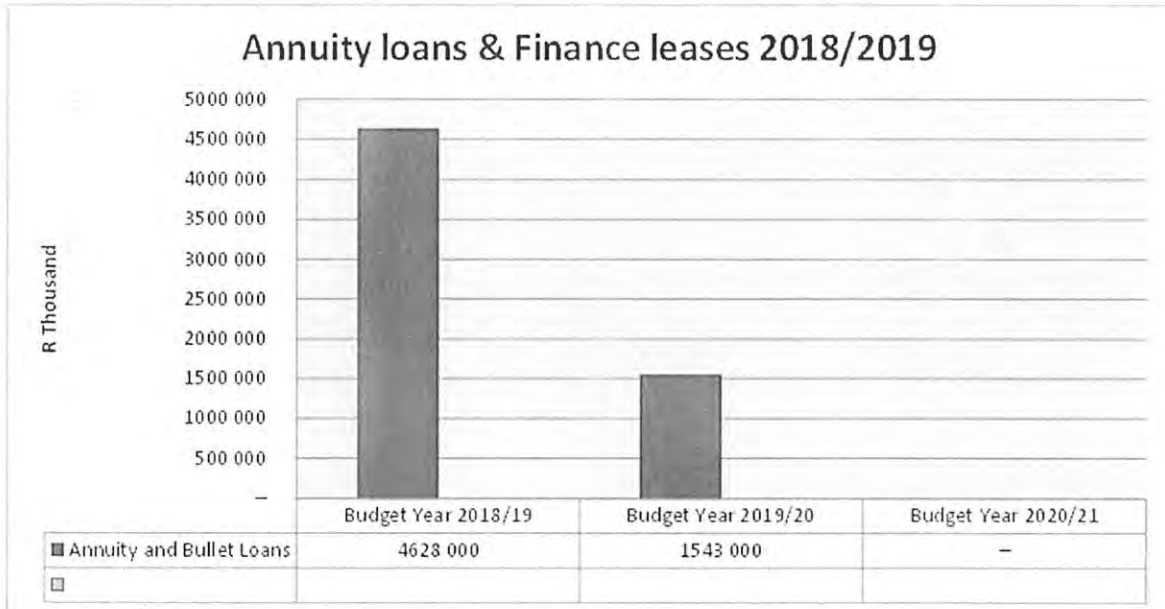


Table 29 MBRR Table SA 18 - Capital transfers and grant receipts

DC31 Nkangala - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15 Audited Outcome	2015/16 Audited Outcome	2016/17 Audited Outcome	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:										
1, 2										
Operating Transfers and Grants										
National Government:		322 322	330 683	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Local Government Equitable Share		–	–	–	–	–	–	–	–	–
Local Government Equitable Share		–	–	–	19 402	19 402	19 402	20 973	23 272	25 407
RSC Levy Replacement		318 017	326 223	333 667	319 654	319 654	319 654	322 989	332 483	341 474
Finance Management		1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 000	1 000
Municipal Systems Improvement		934	930	–	–	–	–	–	–	–
EPWP Incentive		2 121	2 280	2 318	4 182	4 182	4 182	3 626	–	–
SETA		–	–	–	–	–	–	–	–	–
Provincial Government:		130	332	–	–	–	–	–	–	–
Provincial Treasury Data cleansing		1 694	3 000	–	–	–	–	–	–	–
Other grant providers:		5 563	–	–	–	–	–	–	–	–
Public Donations Mining House		5 563	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	328 015	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Capital Transfers and Grants										
National Government:		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Rural Transport Services and Infrastructure		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Other capital transfers/grants [insert desc]		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
TOTAL RECEIPTS OF TRANSFERS & GRANTS		329 965	333 025	339 311	346 663	346 663	346 663	350 768	359 063	370 323

2.6.2 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 30 MBRR Table A7 - Budget cash flow statement

DC31 Nkangala - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		72 376	3 432	25 039	1 170	1 170	1 170	1 331	2 346	2 507	2 583
Government - operating	1	328 960	334 043	337 391	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Government - capital	1	-	2 010	2 076	2 175	2 175	2 175	-	2 180	2 308	2 442
Interest		32 363	38 133	43 945	25 450	25 450	25 450	10 494	22 459	20 468	20 480
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(189 753)	(132 298)	(212 864)	(246 766)	(300 107)	(300 107)	(147 122)	(192 345)	(220 016)	(249 301)
Finance charges		(4 491)	(1 610)	(1 127)	(1 296)	(1 296)	(1 296)	(465)	(968)	(516)	(642)
Transfers and Grants	1	(161 930)	(177 349)	(162 301)	(112 095)	(163 463)	(163 463)	(96 032)	(147 154)	(165 589)	(180 714)
NET CASH FROM/(USED) OPERATING ACTIVITIES		77 526	66 361	32 158	13 126	(91 583)	(91 583)	26 675	35 106	(4 083)	(37 161)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		109	58	282	-	-	-	353	-	-	-
Decrease (increase) in non-current debtors		-	-	(3 984)	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(2 901)	(4 205)	-	(3 984)	(3 984)	(3 984)	-	(4 120)	(4 350)	(7 191)
Payments											
Capital assets		(24 597)	(29 161)	(34 803)	(29 385)	(25 498)	(25 498)	(10 391)	(33 248)	(18 126)	(14 010)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(27 389)	(33 329)	(38 505)	(33 369)	(29 483)	(29 483)	(10 038)	(37 368)	(22 476)	(21 201)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	61	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	157	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	(1)	-	-	-
Payments											
Repayment of borrowing		(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 303)	(3 085)	(1 543)	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 086)	(3 085)	(1 543)	-
NET INCREASE/ (DECREASE) IN CASH HELD		30 597	29 947	(9 700)	(23 546)	(124 368)	(124 368)	13 551	(5 347)	(28 102)	(58 361)
Cash/cash equivalents at the year begin:	2	401 783	432 401	465 142	408 811	502 073	502 073	455 442	377 706	372 359	344 257
Cash/cash equivalents at the year end:	2	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896

The budgeted cash flow statement is the first measurement in determining if the budget is funded.

It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

It can be seen that the cash levels of the District decreased from R432,380 million over the 2014/15 to R377,706 million in 2017/18 period.

The current approved 2018/19 MTREF provide for a further net decrease in cash of R372,359 million for the 2018/19 financial year resulting in an overall projected positive cash position of R285,896 million at year end.

2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 31 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

DC31 Nkangala - Table A8 Cash backed reserves/accumulated surplus reconciliation

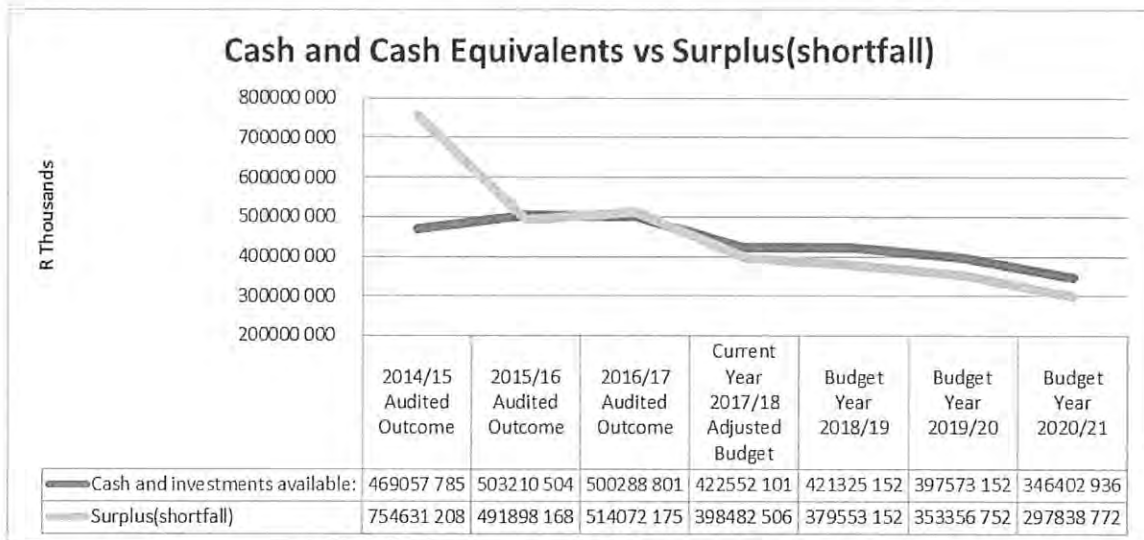
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		Audited Outcome	Audited Outcome	Audited Outcome							
Cash and investments available											
Cash/cash equivalents at the year end	1	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Other current investments > 90 days		36 678	(0)	0	0	(0)	(0)	0	(0)	(1)	(0)
Non current assets - investments	1	-	40 862	44 846	44 847	44 847	44 847	44 846	48 967	53 317	60 507
Cash and investments available:		469 058	503 211	500 289	430 112	422 552	422 552	513 839	421 325	397 573	346 403
Application of cash and investments											
Unspent conditional transfers		3 994	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(289 567)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(285 573)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Surplus(shortfall)		754 631	491 898	514 072	408 804	398 483	398 483	491 239	379 553	353 357	297 839

From the above table it can be seen that the cash and investments available total R421,325 million in the 2018/19 financial year and progressively decrease to R346,403 million by 2020/21, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
- In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
- The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
- Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
- From the table it can be seen that for the period 2014/15 to 2016/17 the surplus decreased from R754,631 million to R514,072 million.
- From the table it can be seen that over the MTREF the surplus is estimated to further decrease from R398,483 million in 2017/18, to R379,553 in 2018/19 and decrease to R297,839 in 2020/21
- Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2017/18 MTREF was sufficiently funded.
- As part of the budgeting and planning guidelines that informed the compilation of the 2018/19 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

Figure 7 Cash and cash equivalents / Cash backed reserves and accumulated funds



2.6.4 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 32 MBRR SA10 – Funding compliance measurement

DC31 Nkangala Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)(b)	1	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Cash + investments at the yr end less applications - R'000	18(1)(b)	2	754 631	491 898	514 072	408 804	398 483	398 483	-491 239	379 553	353 357	297 839
Cash year end/monthly employee/supplier payments	18(1)(b)	3	52.0	38.0	32.7	21.6	21.4	21.4	49.1	19.3	17.2	13.3
Surplus/(Deficit) excluding depreciation effects - R'000	18(1)	4	27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Service charge rev % change - macro CPI-X target exclusive	18(1)(a)(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)(a)(2)	6	2086.0%	99.3%	550.1%	100.0%	50.6%	50.6%	100.0%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)(a)(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)(c)(19)	8	97.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl transfers)	18(1)(c)	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%
Grants % of Govt legislated/gazetted allocations	18(1)(a)	10								0.0%	0.0%	0.0%
Current consumer debtors % change - inc/(decr)	18(1)(a)	11	N.A.	61.7%	(51.8%)	(54.6%)	0.0%	0.0%	(41.5%)	36.8%	13.3%	(11.6%)
Long term receivables % change - inc/(decr)	18(1)(a)	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RAM % of Property Plant & Equipment	20(1)(iv)	13	15.2%	5.0%	3.0%	9.1%	8.2%	8.2%	13.1%	10.9%	10.1%	10.0%
Asset renewal % of capital budget	20(1)(iv)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2.6.4.1 Cash/cash equivalent position

The District's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2018/19 MTREF shows R372,359 million, R344,257 million and R285,896 million for each respective financial year.

2.6.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 18. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.4.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the District to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection. The ratio has been decreasing for the period 2014/15 to 2016/17, moving from 52.2 to 32.7. With the adopted 2017/18 MTREF the ratio stabilised at 21.4. As part of the 2018/19 MTREF the municipalities improving Project expenditure, thus the cash position causes the ratio to down to 19.3 for 2018/19 and then decreases to 17.2 for the 2019/20 and to 13.3 in the 2020/21 year. It can be concluded that the District maintains a stable cash position.

2.6.4.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs.

The surplus excluding depreciation offsets declined from R27,832 million in 2014/15 to a surplus of R23,832 million in 2016/17. It should be noted that the deficit of (R44,291) million is estimated in 2017/18. The deficit of (R69,650) million is budgeted for 2018/19, (R58,514) million for 2019/20 and (R50,027) million for 2020/21 is mainly due to the current commitments and future demands on contributions to local municipalities, which is funded from accumulated surpluses.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.4.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

This ratio does not apply to the District as no property rates /service charges is collected by the District.

2.6.4.6 Cash receipts as a percentage of other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 100 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 99 per cent performance target, the cash flow statement has been conservatively determined. In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended.

2.6.4.7 Debt impairment expense as a percentage of billable revenue

With effect from 1 July 2006 RSC levies were abolished and replaced with a transitional replacement grant and the District has limited billable revenue.

2.6.4.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that creditors be paid within 30 days.

2.6.4.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. No additional borrowings are undertaken.

2.6.4.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The District has budgeted for all transfers.

2.6.4.11 Consumer debtors change (Current and Non-current)

The purpose of these measures are to ascertain whether budgeted reductions in outstanding consumer debtors are realistic. With effect from 1 July 2006 RSC levies were abolished and replaced with a transitional replacement grant and the District has only a few sundry debtors, mostly relating to the renting out of office space.

2.6.4.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the District's strategy pertaining to asset management and repairs and maintenance is contained in Table 47 MBRR SA34C.

2.6.4.13 Asset renewal/rehabilitation expenditure level

The District's only infrastructure assets are the office building, Thembisile Fire Station and the Dr JS Moroka Fire Station. This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 33 MBRR SA19 - Expenditure on transfers and grant programmes

Nkangala District Municipality DC31 - Supporting Table SA19 Expenditure on transfers and grant programme

DC31 Nkangala - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		322 452	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Local Government Equitable Share		-	-	-	-	-	-	-	-	-
Local Government Equitable Share		318 017	326 223	333 667	19 402	19 402	19 402	20 973	23 272	25 407
RSC Levy Replacement		-	-	-	319 654	319 654	319 654	322 989	332 483	341 474
Finance Management		1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 000	1 000
Municipal Systems Improvement		934	930	-	-	-	-	-	-	-
EPWP Incentive		2 121	2 280	2 318	4 182	4 182	4 182	3 626	-	-
SETA		130	332	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		329 709	334 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Capital expenditure of Transfers and Grants										
National Government:		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Rural Transport Services and Infrastructure		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Total capital expenditure of Transfers and Grants		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		331 659	336 025	339 311	346 663	346 663	346 663	350 768	359 063	370 323

Table 34 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

DC31 Nkangala - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operating transfers and grants:	1.3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		322 452	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Conditions met - transferred to revenue		322 452	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		329 709	334 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1.3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Conditions met - transferred to revenue		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		331 659	336 025	339 311	346 663	346 663	346 663	350 768	359 063	370 323
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

2.8 Councillor and employee benefits

Table 35 MBRR SA22 - Summary of councillor and staff benefits

DC31 Nkangala - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand	I	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7 695	7 874	8 118	7 961	8 286	8 286	8 398	8 860	9 337
Pension and UIF Contributions		1 202	1 201	935	1 022	1 391	1 391	1 078	1 137	1 194
Medical Aid Contributions		174	166	183	543	235	235	573	604	634
Motor Vehicle Allowance		3 012	3 034	2 760	2 756	3 065	3 065	2 907	3 067	3 221
Cellphone Allowance		608	607	592	514	938	938	542	572	762
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		12 691	12 882	12 587	12 795	13 916	13 916	13 498	14 241	15 148
% increase	4		1.5%	(2.3%)	1.7%	8.8%	-	(3.0%)	5.5%	6.4%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		15 010	4 516	4 556	6 027	5 041	5 041	6 359	6 709	6 977
Pension and UIF Contributions		234	544	580	280	401	401	479	505	525
Medical Aid Contributions		42	137	125	-	(41)	(41)	92	97	101
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	259	297	573	450	450	605	638	664
Motor Vehicle Allowance	3	583	564	594	576	623	623	481	507	666
Cellphone Allowance	3	-	144	132	150	132	132	158	167	174
Housing Allowances	3	22	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	32	25	376	569	569	121	127	133
Payments in lieu of leave		-	300	808	196	167	167	289	305	317
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		15 891	6 498	7 117	8 179	7 342	7 342	8 583	9 055	9 557
% increase	4		(59.1%)	9.5%	14.9%	(10.2%)	-	16.9%	5.5%	5.5%
Other Municipal Staff										
Basic Salaries and Wages		38 794	50 835	63 278	76 665	76 899	76 899	81 039	85 496	90 992
Pension and UIF Contributions		6 956	8 148	10 419	13 482	13 609	13 609	14 224	15 006	15 778
Medical Aid Contributions		4 653	6 964	7 788	10 613	9 110	9 110	11 197	11 813	12 431
Overtime		-	2 680	2 982	5 251	5 171	5 171	5 540	5 845	6 079
Performance Bonus		-	2 715	4 284	6 272	5 859	5 859	6 617	6 980	7 260
Motor Vehicle Allowance	3	4 424	5 886	9 020	8 780	8 493	8 493	10 184	10 745	11 588
Cellphone Allowance	3	-	1 090	1 192	1 266	1 183	1 183	1 336	1 409	1 546
Housing Allowances	3	108	331	436	445	593	593	470	496	515
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	2 727	952	5 067	4 700	4 700	4 343	4 581	4 765
Long service awards		-	1 389	487	-	533	533	-	-	-
Post-retirement benefit obligations	6	429	795	586	865	938	938	756	797	838
Sub Total - Other Municipal Staff		55 365	83 562	101 423	128 706	127 087	127 087	135 704	143 167	151 792
% increase	4		50.9%	21.4%	26.9%	(1.3%)	-	6.8%	5.5%	6.0%
Total Parent Municipality		83 948	102 942	121 127	149 680	148 345	148 345	157 785	166 463	176 497
			22.6%	17.7%	23.6%	(0.9%)	-	6.4%	5.5%	6.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		83 948	102 942	121 127	149 680	148 345	148 345	157 785	166 463	176 497
% increase	4		22.6%	17.7%	23.6%	(0.9%)	-	6.4%	5.5%	6.0%
TOTAL MANAGERS AND STAFF	5,7	71 257	90 060	108 540	136 885	134 429	134 429	144 287	152 223	161 349

Table 36 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

DC31 Nkangala - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum	No.		1.				2.
Councillors	3						
Speaker	4	498 183	82 621	193 601			774 405
Chief Whip		493 423	51 081	181 501			726 005
Executive Mayor		718 271	129 737	120 000			968 008
Deputy Executive Mayor							-
Executive Committee		2 795 093	489 210	1 089 007			4 373 310
Total for all other councillors		3 681 533	487 586	1 363 305			5 532 424
Total Councillors	8	8 186 503	1 240 234	2 947 415			12 374 152
Senior Managers of the Municipality	5						
Municipal Manager (MM)		1 181 518	295 104	120 000			1 596 621
Chief Finance Officer		989 049	193 208	126 000			1 308 257
<i>List of each official with packages >= senior manager</i>							
General Manager Corporate service		1 047 714	1 884	96 000			1 145 598
General Manager Social services		778 425	183 308	183 901			1 145 634
General Manager Dpu		869 679	131 919	144 000			1 145 598
General Manager Technical		953 752	47 846	144 000			1 145 598
Total Senior Managers of the Municipality	8,10	5 820 137	853 268	813 901	-		7 487 306
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	14 006 640	2 093 502	3 761 316	-		19 861 458

Table 37 MBRR SA24 – Summary of personnel numbers

DC31 Nkangala - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)			57		56		56	56	-	56
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	6		6	6		6
Other Managers	7	32	23	9	37	27	10	37	27	10
Professionals		54	54	-	63	53	70	63	53	70
<i>Finance</i>		31	31	-	33	27	6	33	27	6
<i>Spatial/town planning</i>		9	9	-	16	12	4	16	12	4
<i>Information Technology</i>		4	4	-	6	6	-	6	6	-
<i>Other</i>		10	10	-	8	8	-	8	8	-
Technicians		7	7	6	17	12	5	17	12	5
<i>Other</i>		7	1	6	17	12	5	17	12	5
Clerks (Clerical and administrative)		32	28	4	39	32	7	39	32	7
Service and sales workers		106	104	2	123	120	3	123	120	3
TOTAL PERSONNEL NUMBERS	9		293	210	83		341	244	97	
% increase					16.4%	16.2%	16.9%			
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 Monthly targets for revenue, expenditure and cash flow

Table 38 MBRR SA25 - Budgeted monthly revenue and expenditure by type

DC31 Nkangala - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		Budget Year 2018/19												Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Revenue By Source																	
Property rates																	
Service charges - electricity revenue																	
Service charges - water revenue																	
Service charges - sanitation revenue																	
Service charges - refuse revenue																	
Service charges - other																	
Rental of facilities and equipment																	
Interest earned - external investments	1 790	1 938	2 138	2 039	3	1 841	1 892	1 740	1 688	1 538	1 985	5	11	11	12		
Interest earned - outstanding debtors																	
Dividends received																	
Fines, penalties and forfeits																	
Licences and permits																	
Agency services		100	200			300		450				75	900	990	1 050		
Transfers and subsidies	144 318	907											1 170	1 235	1 250		
Other revenue	1	1	1	1	256	1 631	1 653	1	1 088	85 991	1	1	348 588	356 755	367 081		
Gains on disposal of PPE													266	271	282		
Total Revenue (excluding capital transfers and contribution)			2 946	2 438	2 043	4 028	116 546	2 194	3 077	87 529	2 136	1 911	373 393	379 731	390 954		
Expenditure By Type																	
Employee related costs																	
Remuneration of councillors	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	144 287	152 223	161 349		
Debt impairment	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	13 498	14 241	15 148		
Depreciation & asset impairment	817	817	817	817	790	790	790	789	789	746	745	734	9 380	8 406	7 934		
Finance charges	42	42	272	42	42	42	42	42	42	272	42	40	968	516	47		
Bulk purchases																	
Other materials																	
Contracted services	3 546	3 032	2 845	2 775	3 701	3 163	2 588		2 761	3 655	2 753	3 891	54 294	51 282	55 522		
Transfers and subsidies	4 669	11 518	14 809	9 022	9 298	14 665	9 872	9 109	14 266	8 029	8 029	10 168	167 509	155 576	140 643		
Other expenditure	1 711	1 842	2 362	2 303	1 792	2 481	2 392	1 689	1 689	2 484	1 910	1 452	55 287	58 310	62 286		
Loss on disposal of PPE																	
Total Expenditure		30 399	34 253	28 108	28 772	34 200	28 833	28 833	27 539	34 571	26 629	29 437	445 223	440 553	443 423		
Surplus/(Deficit)			(27 453)	(31 814)	(26 065)	(24 744)	82 256	(26 640)	(24 462)	52 958	(24 493)	(27 526)	(71 830)	(60 822)	(52 469)		
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								653					2 100	2 308	2 442		
Transfers and subsidies - capital (in-kind - all)			1 527														
Surplus/(Deficit) after capital transfers & contributions			(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 526)	(69 650)	(58 514)	(50 027)		
Taxation																	
Attributable to minorities																	
Share of surplus/(deficit) of associate																	
Surplus/(Deficit)	1		(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 526)	(69 650)	(58 514)	(50 027)		

Table 39 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

DC31 Nkangala - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework						
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21				
	Revenue by Vote																				
	Vote 1 - Council General and Executive																				
	Vote 2 - Municipal Manager, Town Secretary and Chief Exec																				
	Vote 3 - Finance																				
	Vote 4 - Social Services																				
	Vote 5 - Local Economic Development																				
	Vote 6 - Development and Planning																				
	Vote 7 - Technical Services																				
	Vote 8 - Corporate services																				
	Total Revenue by Vote		146 109	4 472	2 438	2 043	4 028	1 642	1 642	1 642	1 642	1 642	1 642	1 635	1 635	1 635	1 635	1 635	382 039	393 396	
	Expenditure by Vote to be appropriated																				
	Vote 1 - Council General and Executive		1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 635	1 635	1 635	1 635	1 635	1 635	33 226	35 042
	Vote 2 - Municipal Manager, Town Secretary and Chief Exec		2 315	2 263	2 384	2 594	2 694	3 198	3 014	3 014	3 014	3 014	3 014	3 014	3 014	3 014	3 014	3 014	3 014	51 897	48 806
	Vote 3 - Finance		1 438	1 437	1 684	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	1 437	31 652	32 453
	Vote 4 - Social Services		1 423	7 222	9 001	7 458	7 480	7 977	7 528	6 871	8 724	7 730	7 200	7 200	7 200	7 200	7 200	7 200	7 200	89 227	103 326
	Vote 5 - Local Economic Development		897	4 793	3 324	1 264	2 427	2 100	911	2 232	2 163	2 163	2 163	2 163	2 163	2 163	2 163	2 163	2 163	25 681	25 627
	Vote 6 - Development and Planning		4 479	6 676	8 541	8 874	7 676	7 409	9 873	7 408	7 676	7 408	7 408	7 408	7 408	7 408	7 408	7 408	7 408	126 686	126 818
	Vote 7 - Technical Services		4 418	3 957	4 347	4 005	3 876	4 350	3 645	4 028	4 211	3 862	3 862	3 862	3 862	3 862	3 862	3 862	3 862	51 394	51 415
	Vote 8 - Corporate services		23 934	30 369	34 253	28 108	28 772	34 290	28 833	27 539	34 571	26 629	29 437	118 458	445 223	440 553	440 553	440 553	440 553	69 650	69 650
	Surplus/(Deficit) before assoc.		122 175	(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 529)	(116 022)	(58 514)	(58 514)	(58 514)	(58 514)	(58 514)	(69 650)	(69 650)
	Taxation																				
	Attributable to minorities																				
	Share of surplus/ (deficit) of associate																				
	Surplus/(Deficit)	1	122 175	(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 529)	(116 022)	(58 514)	(58 514)	(58 514)	(58 514)	(58 514)	(69 650)	(69 650)

Table 40 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

DC31 Nkangala - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1,2019/20	Budget Year +2,2020/21	
R thousand																	
Revenue - Functional																	
<i>Governance and administration</i>		146 109	3 465	2 238	2 043	2 097	116 546	2 497	1 689	87 529	1 986	1 911	2 316	370 427	380 404	391 746	
Executive and council		-	-	-	3	-	-	3	-	-	-	-	5	11	-	-	
Finance and administration		146 109	3 465	2 238	2 040	2 097	116 546	2 494	1 689	87 529	1 986	1 911	2 312	370 417	380 392	391 735	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		-	-	200	-	200	-	350	200	-	150	-	-	1 100	1 200	1 200	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	350	-	-	-	-	-	350	400	400	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	200	-	200	-	-	200	-	150	-	-	750	800	800	
<i>Economic and environmental services</i>		-	1 007	-	-	-	-	-	1 088	-	-	-	120	4 046	435	450	
Planning and development		-	907	-	-	1 631	-	-	1 088	-	-	-	-	3 626	-	-	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	100	-	-	100	-	-	100	-	-	-	-	420	435	450	
Total Revenue - Functional		146 109	4 472	2 438	2 043	4 028	116 546	2 847	3 077	87 529	2 136	1 911	2 436	375 573	382 039	393 306	
Expenditure - Functional																	
<i>Governance and administration</i>		9 557	8 851	9 572	8 920	9 042	9 768	9 088	9 273	10 020	9 102	12 104	55 328	150 626	162 477	174 786	
Executive and council		1 880	1 880	1 880	1 880	1 880	1 880	1 880	1 879	1 873	1 872	1 872	16 019	36 677	38 660	40 832	
Finance and administration		6 969	6 454	7 710	6 513	6 459	7 232	6 430	6 737	7 052	6 534	6 441	37 788	111 838	111 186	120 735	
Internal audit		688	517	481	527	703	657	778	657	1 096	696	3 791	1 521	1 211	1 263	1 321 9	
<i>Community and public safety</i>		7 047	8 826	7 276	7 247	7 708	7 783	7 353	6 680	8 550	7 555	7 009	12 972	96 016	100 962	107 202	
Community and social services		2 048	2 935	2 124	1 600	2 238	2 711	2 216	1 652	3 597	2 011	1 975	6 392	31 438	32 557	35 750	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		2 702	3 327	2 844	3 410	3 056	2 832	2 965	2 562	2 640	3 137	2 626	3 771	35 772	37 438	38 817	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		2 297	2 564	2 309	2 237	2 414	2 250	2 272	2 466	2 312	2 407	2 408	2 809	28 746	30 968	32 635	
<i>Economic and environmental services</i>		7 258	12 699	17 377	11 555	11 999	16 623	12 359	11 562	15 975	9 948	9 801	50 127	187 284	175 745	160 006	
Planning and development		7 083	12 524	17 196	11 322	11 817	16 438	12 184	11 371	15 801	9 773	9 610	49 953	185 073	173 381	157 458	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		175	175	182	233	182	185	175	191	175	175	191	175	2 211	2 364	2 548	
<i>Other</i>		71	23	28	386	23	106	33	23	26	23	523	31	1 297	1 368	1 429	
Total Expenditure - Functional		23 934	30 399	34 253	28 108	28 772	34 290	28 833	27 539	34 571	26 629	29 437	118 458	445 223	440 553	443 423	
Surplus/(Deficit) before assoc.		122 175	(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(69 650)	(58 514)	(50 027)	
Share of surplus/(deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	1	122 175	(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(69 650)	(58 514)	(50 027)	

Table 41 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

DC31 Nkangala - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Single-year expenditure to be appropriated																	
Vote 1 - Council General and Executive													100	100	-	-	-
Vote 2 - Municipal Manager, Town Secretary and Chief Exec							300						3 650	4 650	2 700	3 700	
Vote 3 - Finance											300		60	60	65	70	
Vote 4 - Social Services													15 928	15 928	9 014	9 353	
Vote 5 - Local Economic Development													-	-	-	-	
Vote 6 - Development and Planning													-	-	-	-	
Vote 7 - Technical Services													-	-	-	-	
Vote 8 - Corporate services													1 700	1 900	-	-	
Capital single-year expenditure sub-total	2												10 810	10 810	4 448	887	
Total Capital Expenditure	2												32 248	33 248	18 126	14 010	
													32 248	33 248	18 126	14 010	

Table 43 MBRR SA30 - Budgeted monthly cash flow
DC31 Nkangala - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Cash Receipts by Source																
Rental of facilities and equipment	1 790	1 938	2 138	2 039	1 841	1 892	1 740	1 668	1 538	1 985	1 835	2 036	11	20 468	11	20 480
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	22 459	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	100	-	-	-	450	-	-	-	75	275	900	-	990	1 050
Licences and permits	-	100	200	-	300	-	-	300	-	150	-	120	1 170	1 235	1 250	1 250
Agency services	144 318	907	-	-	1 631	114 653	-	1 088	85 991	-	-	-	348 588	356 755	367 881	367 881
Transfer receipts - operational	1	1	1	1	256	1	1	1	1	1	1	1	266	271	262	262
Other revenue	146 109	2 946	2 438	2 043	4 028	116 546	2 194	3 077	87 529	2 136	1 911	2 436	373 383	378 731	390 954	390 954
Cash Receipts by Source																
Other Cash Flows by Source																
Transfer receipts - capital	-	1 527	-	-	-	-	653	-	-	-	-	-	2 180	2 308	-	2 442
Transfers and subsidies - capital (monetary allocations) (National/ Provincial/ Departmental Agencies; Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions & Transfers and subsidies - capital) (in kind a))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/ refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	146 109	4 472	2 438	2 043	4 028	116 546	2 847	3 077	87 529	2 136	1 911	(4 120)	(4 120)	371 453	(4 350)	(7 191)
Cash Payments by Type																
Employee related costs	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	(7 976)	124 287	154 223	161 349	161 349
Remuneration of councillors	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	13 498	14 241	15 148	15 148
Finance charges	42	42	272	42	42	42	42	42	272	42	43	40	968	516	542	542
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractual services	3 546	3 032	2 845	2 775	3 701	3 163	2 588	2 761	3 655	2 753	3 891	19 585	54 294	51 282	72 522	72 522
Transfers and grants - other municipalities	4 659	11 518	14 809	9 022	9 298	14 665	9 872	9 109	14 266	8 029	10 168	31 728	147 154	165 589	180 714	180 714
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	1	1	1	1	256	1	1	1	1	1	1	1	266	271	262	262
Cash Payments by Type	21 408	27 742	31 075	24 989	26 446	31 020	25 653	25 062	31 342	23 975	27 252	44 503	340 467	386 121	430 557	430 557
Other Cash Flows/Payments by Type																
Capital assets	-	-	-	-	-	-	300	-	300	-	400	32 248	33 248	18 126	14 070	14 070
Repayment of borrowing	-	-	1 543	-	-	-	-	-	1 543	-	-	-	-	1 543	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	21 408	27 742	32 618	24 989	26 446	31 020	25 953	25 062	33 185	23 975	27 652	76 751	376 800	405 790	444 567	444 567
NET INCREASE/(DECREASE) IN CASH HELD	124 702	(23 269)	(30 179)	(22 947)	(22 418)	85 526	(23 105)	(21 985)	54 344	(21 839)	(25 741)	(78 435)	(5 347)	(28 102)	(58 361)	(58 361)
Cash/cash equivalents at the monthly year begin:	377 006	502 407	470 136	448 958	426 012	403 594	489 119	465 014	444 029	498 373	476 534	450 794	377 006	372 359	344 257	344 257
Cash/cash equivalents at the monthly year end:	502 407	479 138	448 958	426 012	403 594	489 119	465 014	444 029	498 373	476 534	450 794	372 359	372 359	344 257	285 896	285 896

Table 44 MBRR SA34a – Capital expenditure on new assets by class

DC31 Nkangala - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	1 182	–	–	250	250	–	–	–
Roads Infrastructure		–	186	–	–	–	–	–	–	–
<i>Roads</i>		–	186	–	–	–	–	–	–	–
Electrical Infrastructure		–	996	–	–	–	–	–	–	–
<i>MV Networks</i>		–	996	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	250	250	–	–	–
<i>Bulk Mains</i>		–	–	–	–	250	250	–	–	–
Community Assets		44	–	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Community Facilities		44	–	27 296	2 000	2 500	2 500	9 000	4 400	5 400
<i>Halls</i>		–	–	–	–	–	–	–	–	–
<i>Fire/Ambulance Stations</i>		44	–	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Heritage assets		–	–	509	–	–	–	–	–	–
Other Heritage		–	–	509	–	–	–	–	–	–
Other assets		13 334	8 324	–	4 350	3 895	3 895	12 400	4 350	750
Operational Buildings		13 334	8 324	–	4 350	3 895	3 895	12 400	4 350	750
<i>Municipal Offices</i>		13 334	8 324	–	4 350	3 895	3 895	12 400	4 350	750
Intangible Assets		–	265	–	2 750	1 000	1 000	1 850	–	–
Licences and Rights		–	265	–	2 750	1 000	1 000	1 850	–	–
<i>Computer Software and Applications</i>		–	265	–	2 750	1 000	1 000	1 850	–	–
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	–
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	–
Total Capital Expenditure on new assets	1	25 124	29 181	34 803	29 384	25 498	25 498	33 248	18 126	14 010

Table 45 MBRR SA34c – Repairs & Maintenance by asset class

DC31 Nkangala - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15		2015/16		2016/17		Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21		
Repairs and maintenance expenditure by Asset Class/Sub-class	1												
<u>Infrastructure</u>		-	-	-	-	-	-	-	-	-	-	-	-
<u>Other assets</u>		4 077	6 721	2 779	2 433	2 433	2 433	2 433	6 963	5 628	5 746	5 746	5 746
Operational Buildings		4 077	6 721	2 779	2 433	2 433	2 433	2 433	6 963	5 628	5 746	5 746	5 746
Municipal Offices		4 077	6 721	2 779	2 433	2 433	2 433	2 433	6 963	5 628	5 746	5 746	5 746
<u>Intangible Assets</u>		-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	6 870	5 687	6 746	6 746	6 746
Computer Software and Applications		-	-	-	-	-	-	-	6 870	5 687	6 746	6 746	6 746
Unspecified		-	-	-	-	-	-	-	6 730	5 533	6 613	6 613	6 613
<u>Computer Equipment</u>		-	-	-	-	-	-	-	140	154	134	134	134
Computer Equipment		-	-	-	-	-	-	-	500	800	179	179	179
<u>Furniture and Office Equipment</u>		-	-	-	-	-	-	-	500	800	179	179	179
Furniture and Office Equipment		13 468	-	144	-	144	-	-	-	-	-	-	-
<u>Machinery and Equipment</u>		13 468	-	144	-	144	-	-	-	-	-	-	-
Machinery and Equipment		-	-	1 007	6 538	1 007	5 940	5 940	8 081	8 769	8 721	8 721	8 721
<u>Transport Assets</u>		-	-	676	6 538	676	5 940	5 940	8 081	8 769	8 721	8 721	8 721
Transport Assets		-	-	676	6 538	676	5 940	5 940	8 081	8 769	8 721	8 721	8 721
Total Repairs and Maintenance Expenditure	1	17 545	6 721	4 844	16 341	4 844	14 860	14 860	21 560	20 951	21 393	21 393	21 393
R&M as a % of PPE		15.2%	5.0%	3.0%	9.1%	3.0%	8.2%	8.2%	13.1%	10.6%	10.3%	10.3%	10.3%
R&M as % Operating Expenditure		5.2%	1.9%	1.3%	4.4%	1.3%	3.5%	3.5%	9.3%	4.7%	4.9%	4.9%	4.9%

Table 4746 MBRR SA34d – Repairs & Maintenance by asset class

DC31 Nkangala - Supporting Table SA34d Depreciation by asset class

R thousand	Description	Ref	2014/15 Audited Outcome	2015/16 Audited Outcome	2016/17 Audited Outcome	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
						Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
1	Depreciation by Asset Class/Sub-class											
	Infrastructure		558	358	363	363	363	363	496	420	298	
	Roads Infrastructure		-	277	282	282	282	282	84	84	65	
	Roads		-	277	282	282	282	282	84	84	65	
	Stormwater Infrastructure		-	-	-	-	-	-	198	198	150	
	Storm water Conveyance		-	-	-	-	-	-	198	198	150	
	Electrical Infrastructure		282	81	81	81	81	81	81	81	81	
	MV Networks		282	81	81	81	81	81	81	81	81	
	Information and Communication Infrastructure		276	-	-	-	-	-	134	58	1	
	Distribution Layers		276	-	-	-	-	-	134	58	1	
	Community Assets		-	-	-	-	-	-	571	571	571	
	Community Facilities		-	-	-	-	-	-	571	571	571	
	Fire/Ambulance Stations		-	-	-	-	-	-	571	571	571	
	Other assets		1 934	2 773	2 463	2 463	2 486	2 486	1 939	1 939	1 939	
	Operational Buildings		1 934	2 773	2 463	2 463	2 486	2 486	1 939	1 939	1 939	
	Municipal Offices		1 934	2 773	2 463	2 463	2 486	2 486	1 939	1 939	1 939	
	Intangible Assets		95	173	92	92	93	93	92	92	88	
	Licences and Rights		95	173	92	92	93	93	92	92	88	
	Computer Software and Applications		95	173	92	92	93	93	92	92	88	
	Computer Equipment		1 613	1 010	909	1 514	1 417	1 417	939	721	546	
	Computer Equipment		1 613	1 010	909	1 514	1 417	1 417	939	721	546	
	Furniture and Office Equipment		754	1 028	628	686	764	764	449	449	449	
	Furniture and Office Equipment		754	1 028	628	686	764	764	449	449	449	
	Machinery and Equipment		720	955	1 327	1 769	1 661	1 661	1 263	1 037	973	
	Machinery and Equipment		720	955	1 327	1 769	1 661	1 661	1 263	1 037	973	
	Transport Assets		2 238	3 268	3 828	4 025	4 173	4 173	3 631	3 177	3 071	
	Transport Assets		2 238	3 268	3 828	4 025	4 173	4 173	3 631	3 177	3 071	
	Total Depreciation	1	7 910	9 566	9 609	10 912	10 957	10 957	9 360	8 406	7 934	

Table 47 MBRR SA35 – Future financial implications of the capital budget

DC31 Nkangala - Supporting Table SA35 Future financial implications of the capital budget

R thousand	Vote Description	Ref	2018/19 Medium Term Revenue & Expenditure Framework				Forecasts					
			Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Budget Year 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2023/24	Present value		
	Capital expenditure	1										
	Vote 1 - Council General and Executive		100	-	-	-						
	Vote 2 - Municipal Manager Town Secretary and Chief Exec		4 650	2 700	3 700							
	Vote 3 - Finance		60	65	70							
	Vote 4 - Social Services		15 928	9 014	9 353							
	Vote 5 - Local Economic Development		-	-	-							
	Vote 6 - Development and Planning		-	-	-							
	Vote 7 - Technical Services		1 700	1 900	-							
	Vote 8 - Corporate services		10 810	4 448	887							
	Total Capital Expenditure		33 248	18 126	14 010							
	Future operational costs by vote	2										
	Vote 1 - Council General and Executive		10	-	-							
	Vote 2 - Municipal Manager Town Secretary and Chief Exec		442	257	352							
	Vote 3 - Finance		6	6	7							
	Vote 4 - Social Services		557	856	889							
	Vote 5 - Local Economic Development		-	-	-							
	Vote 6 - Development and Planning		-	-	-							
	Vote 7 - Technical Services		162	181	-							
	Vote 8 - Corporate services		595	267	53							
	Total future operational costs		1 770	1 566	1 300							
	Future revenue by source	3										
	Property rates											
	Service charges - electricity revenue											
	Service charges - water revenue											
	Service charges - sanitation revenue											
	Service charges - refuse revenue											
	Service charges - other											
	Rental of facilities and equipment											
	<i>List other revenues sources, if applicable</i>											
	<i>List entity summary, if applicable</i>											
	Total future revenue		-	-	-							
	Net Financial Implications		35 018	19 693	15 310							

Table 49 MBRR SA1 – Supporting detail to budgeted financial performance

DC31 Nkangala - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
REVENUE ITEMS:											
Other Revenue by source											
Other Revenue		2 101	843	2 537							
Commission					10	10	10	-			
Sales of Goods and Rendering of Services					250	250	250	503	266	271	282
Insurance Refund						6	6	-			
Skills Development Levy Refund						345	345	-			
Administrative Handling Fees						1	1	-			
Total 'Other' Revenue	1	2 101	843	2 537	260	612	612	503	266	271	282
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	7	53 823	55 352	67 834	82 693	82 089	82 089	49 133	87 398	92 205	97 969
Pension and UIF Contributions		7 190	8 693	10 999	13 762	14 184	14 184	8 370	14 702	15 511	16 304
Medical Aid Contributions		4 696	7 101	7 913	10 613	9 156	9 156	4 142	11 289	11 910	12 533
Overtime		-	2 680	2 982	5 251	5 171	5 171	2 815	5 540	5 845	6 079
Performance Bonus		-	2 975	4 580	6 845	6 309	6 309	2 878	7 221	7 619	7 924
Motor Vehicle Allowance		5 007	6 450	9 614	9 356	9 989	9 989	7 282	10 665	11 252	12 255
Cellphone Allowance		-	1 234	1 324	1 416	1 314	1 314	876	1 494	1 576	1 719
Housing Allowances		130	331	436	445	593	593	353	470	496	515
Other benefits and allowances		429	828	25	1 241	1 097	1 097	179	876	925	971
Payments in lieu of leave		-	3 028	1 760	5 263	3 993	3 993	(11)	4 631	4 886	5 082
Long service awards		-	1 389	487	-	533	533	68	-	-	-
Post retirement benefit obligations	4	-	-	586	-	-	-	469	-	-	-
<i>sub-total</i>	5	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Total transfers and grants	1	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Contracted services											
Outsourced Service		-	6 916	6 322	10 258	8 934	8 934		9 513	6 770	7 516
Professional services		-	14 261	13 354	16 192	16 689	16 689		15 512	17 074	17 865
Contractors		-	9 669	14 250	18 960	20 519	20 519	24 042	29 269	27 438	30 121
<i>sub-total</i>	1	-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Total contracted services		-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Other Expenditure By Type											
Collection costs											
Contributions to other provisions											
Consultant fees											
Audit fees											
General expenses	1	80 225	34 624	35 835							
<i>List Other Expenditure by Type</i>											
Inventory consumed					5 676	5 160	5 160		7 333	8 021	8 669
Operating Leases					1 147	1 700	1 700		2 209	1 067	1 121
Operational cost					45 391	41 302	41 302	18 901	45 745	49 221	52 496
Total 'Other' Expenditure	1	80 225	34 624	35 835	52 214	48 162	48 162	18 901	55 287	58 310	62 286
by Expenditure Item											
Employee related costs	8	-	-	-							
Other materials		-	-	-							
Contracted Services		17 545	6 721	4 844	16 341	14 860	14 860	5 591	21 560	20 951	21 393
Other Expenditure		-	-	-							
Total Repairs and Maintenance Expenditure	9	17 545	6 721	4 844	16 341	14 860	14 860	5 591	21 560	20 951	21 393

Table 50 MBRR SA2 – Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

DC31 Nkangala - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Council General and Executive	Vote 2 - Municipal Manager Town Secretary and Chief	Vote 3 - Finance	Vote 4 - Social Services	Vote 5 - Local Economic Development	Vote 6 - Development and Planning	Vote 7 - Technical Services	Vote 8 - Corporate services	Total
R thousand	1									
Revenue By Source										
Rental of facilities and equipment		11	-	-	-	-	-	-	-	11
Interest earned - external investments		-	-	22 459	-	-	-	-	-	22 459
Fines, penalties and forfeits		-	-	550	350	-	-	-	-	900
Licences and permits		-	-	-	1 170	-	-	-	-	1 170
Other revenue		-	-	266	-	-	-	-	-	266
Transfers and subsidies		-	-	344 962	-	3 626	-	-	-	348 588
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		11	-	368 237	1 520	3 626	-	-	-	373 393
Expenditure By Type										
Employee related costs		5 317	17 713	16 922	64 854	4 290	6 923	9 495	18 774	144 287
Remuneration of councillors		13 498	-	-	-	-	-	-	-	13 498
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		499	652	93	5 536	21	28	227	2 324	9 380
Finance charges		362	7	551	-	-	-	23	25	968
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		1 947	13 868	5 858	10 106	1 276	1 264	1 255	18 720	54 294
Transfers and subsidies		-	7 730	2 798	5 543	20 085	16 558	114 795	-	167 509
Other expenditure		11 603	11 927	5 431	12 188	1 009	687	891	11 550	55 287
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		33 226	51 897	31 652	98 227	26 681	25 460	126 686	51 394	445 223
Surplus/(Deficit)		(33 216)	(51 897)	336 584	(96 707)	(23 055)	(25 460)	(126 686)	(51 394)	(71 830)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	2 180	-	-	-	-	-	2 180
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(33 216)	(51 897)	338 764	(96 707)	(23 055)	(25 460)	(126 686)	(51 394)	(69 650)

Table 51 MBRR SA3 Supporting detail to Budgeted Financial Position

DC31 Nkangala - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'		Current Year 2017/18					2018/19 Medium Term Revenue & Expenditure Framework				
Description	Ref	2014/15	2015/16	2016/17	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Forecast	Outcome	2018/19	2019/20	2020/21
R thousand											
ASSETS											
Call investment deposits		407 418	458 096	449 150	382 754	375 194	375 194	462 297	367 231	337 142	278 326
Other current investments		36 657	-	-	-	-	-	-	-	-	-
Total Call investment deposits	2	444 075	458 096	449 150	382 754	375 194	375 194	462 297	367 231	337 142	278 326
Consumer debtors		-	144	119	-	-	-	142	164	180	180
Less: Provision for debt impairment		-	-	-	-	-	-	-	-	-	-
Total Consumer debtors	2	-	144	119	-	-	-	142	164	180	180
Property, plant and equipment (PPE)											
PPE at cost valuation (excl. finance leases)		164 310	193 301	227 744	259 572	260 957	260 957	239 584	286 491	304 617	318 627
Leases recognised as PPE	3	788	788	1 584	79 542	79 542	79 542	75 354	88 601	97 007	104 941
Less: Accumulated depreciation		49 439	58 672	68 264	180 029	181 415	181 415	164 230	197 890	207 610	213 686
Total Property, plant and equipment (PPE)	2	115 659	135 418	161 065	180 029	181 415	181 415	164 230	197 890	207 610	213 686
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		244	268	-	3 085	3 085	3 085	1 791	3 085	1 543	-
Current portion of long term liabilities		3 494	3 135	3 530	218	218	218	-	-	-	-
Total Current liabilities - Borrowing		3 738	3 403	3 530	3 303	3 303	3 303	1 791	3 085	1 543	-
Trade and other payables											
Trade and other creditors		40 425	36 715	54 002	26 899	26 899	26 899	25 872	49 420	52 879	56 052
Unspent conditional transfers		3 994	-	-	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	44 419	36 715	54 002	26 899	26 899	26 899	25 872	49 420	52 879	56 052
Non-current liabilities - Borrowing											
Borrowing		10 798	7 495	4 628	1 543	1 543	1 543	4 628	1 543	-	-
Finance leases (including PPP asset element)	4	486	218	-	501	501	501	-	-	-	-
Total Non-current liabilities - Borrowing		11 283	7 713	4 628	2 043	2 043	2 043	4 628	1 543	-	-
Provisions - non-current											
Retirement benefits		14 854	15 985	20 185	20 817	20 817	20 817	20 185	24 310	29 060	34 560
Less other major provision items		-	-	-	-	-	-	-	-	-	-
Total Provisions - non-current		14 854	15 985	20 185	20 817	20 817	20 817	20 185	24 310	29 060	34 560
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)		613 654	641 486	669 912	637 452	677 247	677 247	693 744	754 969	685 318	626 804
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Residual balance		613 654	641 486	669 912	637 452	677 247	677 247	693 744	754 969	685 318	626 804
Surplus/(Deficit)		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(659 650)	(58 514)	(50 027)
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
TOTAL COMMUNITY WEALTH/EQUITY	2	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777

Table 48 MBRR SA6 – Reconciliation of IDP strategic objectives and budget (capital expenditure)

DC31 Nkangala - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15		2015/16		2016/17		Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21		
R thousand Institutional Development and Transformation	Competent, Innovative and Accountable Team	KPA 1								11 884	15 474	15 474	15 560	7 148	4 587
Good Governance and Public Participation	Sound Electronic Governance	KPA 2								7 450	20	20			
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3													
Financial Viability and Financial Management	Sound Financial Management	KPA 4									50	50	60	65	70
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5								8 550	9 913	9 913	17 628	10 914	9 353
Spatial Rationale	Sustainable Infrastructure and Service Provisioning	KPA 5								1 500					
	Integrated regionalised planning	KPA 6									42	42			
Allocations to other priorities			3							29 385	25 498	25 498	33 248	18 126	14 010
Total Capital Expenditure			1												

Table 49 MBRR SA21 -Transfers & grants made by the municipality

DC31 Nkangala - Supporting Table SA21 Transfers and grants made by the municipality

R thousand	Description	Ref	2014/15		2015/16		2016/17		Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	10 767	Audited Outcome	16 655	Audited Outcome	13 642	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20
	Non-Cash Transfers to other municipalities	1												
	MP311 Victor Khanye		42 340	23 933	3 551	13 642	12 990	12 911	12 911	7 533	15 335	12 752	11 643	
	MP312 Emelahlenti		5 345	38 223	43 604	3 551	21 481	48 602	48 602	26 282	25 064	15 339	23 246	
	MP313 Steve Tshwete		9 300	21 564	36 839	3 551	883	3 285	3 285	1 116	21 972	22 246	12 835	
	MP314 Erekhazeni		30 998	21 523	22 892	22 892	22 033	36 712	36 712	20 369	24 884	27 254	13 185	
	MP315 Thembisile Hani		25 887	36 519	20 830	20 830	20 172	28 562	28 562	22 530	37 559	24 787	25 169	
	MP316 Dr JS Moroka		38 801	18 822	20 943	20 943	10 291	11 126	11 126	7 918	15 493	27 010	33 076	
	DC31 Nkangala (Cross boundary projects)						24 245	22 676	22 676	10 283	27 203	26 188	21 488	
	Total Non-Cash Transfers To Municipalities:		163 438	177 349	162 301	162 301	112 095	163 873	163 873	86 032	167 509	155 576	140 643	
	TOTAL NON-CASH TRANSFERS AND GRANTS		163 438	177 349	162 301	162 301	112 095	163 873	163 873	86 032	167 509	155 576	140 643	
	TOTAL TRANSFERS AND GRANTS	6	163 438	177 349	162 301	162 301	112 095	163 873	163 873	86 032	167 509	155 576	140 643	

Municipal Manager's quality certificate

I, SKOSANA M.M., Municipal Manager of Nkangala District Municipality, hereby certify that the 2018/19 to 2020/21 Annual 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 Annual Budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Signature:



Municipal Manager of Nkangala District Municipality (DC31)

Date:

28/03/2018

PROJECT LISTS

DR JS MOROKA

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Aids Day: HCT and VMMC campaign	70 000	111 300	117 976	120 000
Assistance to Local Municipalities (Capacity Building): Co-sourced Internal Audit Support	325 440	600 000	620 000	640 000
Assistance to Local Municipalities (Software and Application Support): Drjsm Scm/ Debtors Verification	420 000	445 200	471 912	495 508
Disaster Management: Awareness Campaigns Disaster M	38 338	80 000	100 000	120 000
Disaster Management: Emergency Open day needs	-	450 000	-	-
Disaster Management: Moral Regeneration Movement	-	70 000	75 000	80 000
Distribution: Madubaduba and Moripe Gardens Water Supply	150 000	2 246 410	6 000 000	7 000 000
Drainage Collection: Mabuyeni Stormwater Drainage systems	-	-	3 000 000	4 500 000
Environmental Health: Education & Awareness Campaigns	35 000	40 000	45 000	60 000
Feasibility Studies: Feasibility Study for Integrated Human Settlement Dr JS Moroka	600 000	600 000	633 000	667 815
LV Networks: 20 Highmast Lights Dr JS Moroka	11 711	-	-	-
LV Networks: Highmast Lights Dr JS Moroka	40 369	-	-	-
Machinery and Equipment: Grader	3 350 000	-	-	-
Master plan: Geohydrological investigations	1 620 164	-	-	-
Project: EPWP INCENTIVE GRANT PROJECTS	88 800	-	-	-
Reticulation: Replace Asbestos Pipes Siyabuswa	3 528 446	3 000 000	5 000 000	-
Road Structures: Ga-Morwe to Mthambothini Vehicle Bridge	-	-	6 000 000	6 000 000
Roads: Bus Route from Mogononong to Siyabuswa Magistrate Court	-	-	-	5 000 000
Roads: Kakarela Road Construction	-	-	3 733 710	6 000 000
Roads: Upgrading Marothobolong Bus & Taxi Route	120 009	-	-	-
Spatial Planning: Bulfontein Land Survey	207 500	-	-	-
Spatial Planning: Land surveying Dr JS Moroka	220 000	400 000	-	-
Spatial Planning: Opening of Township Register Dr JS Moroka	-	650 000	685 750	723 466
Spatial Planning: Review of Land Use Scheme Dr JS Moroka	300 000	1 300 000	-	-
Spatial Planning: State Land release for Integrated Human Settlement In: Dr JS Moroka	-	500 000	527 500	-
Spatial Planning: Township Establishment for Integrated human Settlement in Dr JS Moroka	-	1 500 000	-	1 669 537
Storm water Conveyance: Kabenziwa Stormwater Control	-	3 500 000	-	-
TOTAL DR JS MOROKA LOCAL MUNICIPALITY	11 125 777	15 492 910	27 009 848	33 076 326

EMAKHAZENI

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Aids Day: HCT and VMMC campaign	70 000	111 300	117 976	120 000
Assistance to Local Municipalities (Capacity Building): Co-sourced Internal Audit Support	153 510	400 000	400 000	400 000
Assistance to Local Municipalities (Capacity Building): Valuation roll Emakhaseni	-	500 000	-	-
Assistance to Local Municipalities (Software and Application Support): Emkh Scm/ Debtors Verification	420 000	445 200	471 912	495 508
Disaster Management: Awareness Campaigns Disaster M	38 724	41 667	60 000	80 000
Disaster Management: Emergency Open day needs	-	-	400 000	-
Disaster Management: Moral Regeneration Movement	-	70 000	75 000	80 000
Distribution: Installation of prepaid water meters Dullstroom	4 474 765	-	3 500 000	2 000 000
Distribution: Installation of water reticulation in Gugulethu	2 500 000	5 425 489	2 000 000	-
Distribution: Water conservation and Demand Management at Emthonjeni	-	-	6 021 490	7 000 000
Distribution: Water Reticulation Inkanini Water	691 693	-	-	-
Environmental Health: Education & Awareness Campaigns	35 000	40 000	45 000	60 000
Feasibility Studies: Feasibility Study for Integrated human Settlement Emakhaseni	-	600 000	-	667 815
Halls: Community Hall Sakhelwe	15 357 366	-	-	-
Project Implementation: Support Small Holder Farm Emkl	-	1 000 000	1 055 000	1 113 025
Reticulation: Installation of sanitation reticulation in Gugulethu	2 500 000	6 200 000	2 000 000	-
Roads: Bhekumuzi Masango Road ph5	540 240	9 000 000	4 000 000	-
Roads: Paving of Roads Emakhaseni	-	-	6 000 000	-
Spatial Planning: Land Surveying Emakhaseni	220 000	400 000	422 000	445 210
Spatial Planning: Opening of Township Register Emakhaseni	1 495 306	650 000	685 750	723 466
Spatial Planning: Review of Land Use Scheme Emakhaseni	570 000	-	-	-
Tourism Projects: Tourism Site Geluk Farm Constu	2 000 000	-	-	-
Transport Assets: Sewerage drainage truck Emakhaseni	5 300 000	-	-	-
Youth Development: Integrated Youth Development Strategy	345 000	-	-	-
TOTAL EMAKHAZENI LOCAL MUNICIPALITY	36 711 604	24 883 656	27 254 128	13 185 024

EMALAHLENI

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Aids Day: HCT and VMMC campaign	-	111 300	117 977	120 000
Assistance to Local Municipalities (Capacity Building): Co-sourced Internal Audit Support	480 615	780 000	800 000	840 000
Assistance to Local Municipalities (Software and Application Support): Emih Scm/debtors Verification	480 000	508 800	539 328	566 295
Disaster Management: Awareness Campaigns Disaster M	37 005	-	60 000	80 000
Disaster Management: Emergency Open day needs	-	450 000	-	-
Disaster Management: Moral Regeneration Movement	-	70 000	75 000	80 000
Distribution: Bulk Water Supply Wilge	13 317 959	5 500 000	3 000 000	-
Environmental Health: Education & Awareness Campaigns	35 000	40 000	45 000	60 000
Machinery and Equipment: Grader	-	4 000 000	-	5 000 000
Outfall Sewers: Upgrading Klarinet x2 x3 and Pine Ridge Sewer	-	6 303 689	4 701 390	8 000 000
Outfall Sewers: Upgrading of Pap & Vleis Outfall Sewer	6 974 813	-	-	-
Reticulation: Sewer Line Hlalanikhale Ext 3	-	6 000 000	6 000 000	8 500 000
Roads: KG Mall Road in Vosman	6 356 186	-	-	-
Transport Assets: Hazmat Response Vehicle Emalahleni	1 661 000	-	-	-
Waste Water Treatment Works: Upgrading WWTW Thubelihle	19 259 341	1 300 000	-	-
TOTAL EMALAHLENI LOCAL MUNICIPALITY	48 601 919	25 063 789	15 338 695	23 246 295

STEVE TSHWETE

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Aids Day: HCT and VMMC campaign	40 904	111 300	117 977	120 000
Assistance to Local Municipalities (Capacity Building): Co-sourced Internal Audit Support	-	400 000	420 000	440 000
Assistance to Local Municipalities (Software and Application Support): Stlm Scm/debtors Verification	480 000	508 800	539 328	566 295
Disaster Management: Awareness Campaigns Disaster M	38 338	41 667	60 000	80 000
Disaster Management: Emergency Open day needs	409 060	-	-	500 000
Disaster Management: Moral Regeneration Movement	-	70 000	75 000	80 000
Distribution: Infrastructure for supply of reclaimed Mine Water	-	10 000 000	10 000 000	-
Environmental Health: Education & Awareness Campaigns	35 000	40 000	45 000	60 000
Machinery and Equipment: Grader	-	4 000 000	-	-
Master plan: By Laws for Public Transport and Non Motorised	45 524	-	-	-
Project Implementation: Business Creation & Expans Smm	1 500 000	-	-	-
Project: EPWP INCENTIVE GRANT PROJECTS	75 700	-	-	-
Roads: Roads and Stormwater Newtown	-	-	10 989 120	10 989 120
Spatial Planning: Newtown Land Survey	660 000	800 000	-	-
Transport Assets: High Pressure Sewer Drainage Truck	-	6 000 000	-	-
TOTAL STEVE TSHWETE LOCAL MUNICIPALITY	3 284 526	21 971 767	22 246 425	12 835 415

THEMBISILE HANI

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Aids Day: HCT and VMMC campaign	67 158	111 300	117 977	120 000
Assistance to Local Municipalities (Capacity Building): Co-sourced Internal Audit Support	153 510	400 000	400 000	400 000
Assistance to Local Municipalities (Capacity Building): Valuation Roll THLM	2 500 000	-	-	-
Assistance to Local Municipalities (Software and Application Support): Thlm Scm/ Debtors Verification	420 000	445 200	471 912	495 508
Boreholes: Moloto Borehole Water Supply	200 000	-	-	-
Boreholes: Rehab borehole to supply elevated steel tank Moloto	2 780 694	-	-	-
Bulk Mains: Moloto Bulk Water Supply	-	4 000 000	5 000 000	9 500 000
Disaster Management: Awareness Campaigns Disaster M	33 282	80 000	100 000	120 000
Disaster Management: Emergency Open day needs	412 229	-	-	500 000
Disaster Management: Moral Regeneration Movement	-	70 000	75 000	80 000
Environmental Health: Education & Awareness Campaigns	35 000	40 000	45 000	60 000
Feasibility Studies: Feasibility Study for Integrated Human Settlement Thembisile Hani	850 000	600 000	633 000	667 815
Master plan: Feasibility study Waterborne Moloto	216 184	-	-	-
Master plan: Geohydrological investigations	1 502 138	-	-	-
Project: EPWP INCENTIVE GRANT PROJECTS	954 136	1 500 000	-	-
Reticulation: Zakheni Water Reticulation	1 228 900	-	-	-
Road Structures: Phola Park Vehicle Bridge	4 780 462	-	-	-
Roads: Bus Route Miliva	7 112 926	-	-	-
Roads: Bus Routes Kwaggafontein D	379 131	2 500 000	-	-
Roads: Completion of Bus Route Tweefontein G	-	4 912 330	3 000 000	-
Roads: Completion of Bus route Verena A-B	152 533	-	-	-
Roads: Kwaggafontein D Bus Route Phase 3	150 000	-	-	-
Roads: Madamini Bus Route	-	7 000 000	1 500 000	-
Roads: Paving of Greenside Road Khayalanyoni	-	3 500 000	4 000 000	7 000 000
Roads: Thembalethu Bus Route	-	5 500 000	2 912 340	-
Spatial Planning: Land Surveying Thembisile Hani	745 545	400 000	422 000	-
Spatial Planning: Review of Land Use Scheme Thembisile Hani	300 000	1 500 000	-	-
Spatial Planning: State Land release Integrated Human Settlement Thembisile Hani	-	500 000	527 500	556 512
Spatial Planning: Thlm State Land Release	700 000	-	-	-
Spatial Planning: Township Establishment for Integrated Human settlement Thembisile Hani	-	1 500 000	1 582 500	1 669 537
Storm water Conveyance: Stormwater Phumula	-	3 000 000	4 000 000	4 000 000
Waste Water Treatment Works: Construction of Waterborne System RDP Moloto	2 887 784	-	-	-
TOTAL THEMBISILE HANI LOCAL MUNICIPALITY	28 561 612	37 558 830	24 787 229	25 169 372

VICTOR KHANYE

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Aids Day: HCT and VMMC campaign	27 982	111 300	117 977	120 000
Assistance to Local Municipalities (Capacity Building): Co-sourced Internal Audit Support	239 475	400 000	450 000	500 000
Assistance to Local Municipalities (Capacity Building): Valuation Roll THLM	-	3 000 000	-	-
Assistance to Local Municipalities (Software and Application Support): Vklm Scm/debtors Verification	420 000	445 200	471 912	495 508
Disaster Management: Awareness Campaigns Disaster M	38 338	41 667	60 000	80 000
Disaster Management: Emergency Open day needs	-	-	400 000	-
Disaster Management: Moral Regeneration Movement	-	70 000	75 000	80 000
Environmental Health: Education & Awareness Campaigns	35 000	40 000	45 000	60 000
Feasibility Studies: Feasibility Study for Integrated Human Settlement Victor Khanye	-	-	633 000	-
Machinery and Equipment: Grader	3 350 000	-	-	-
Reticulation: Sewer Pipeline Kgmostreet ph3	8 500 000	5 000 000	5 000 000	5 000 000
Roads: Construction of Roads VKLM	-	4 526 961	4 526 960	4 526 960
Spatial Planning: Land Surveying Victor Khanye	-	400 000	422 000	445 210
Spatial Planning: Review of Land Use Scheme Victor Khanye	300 000	1 300 000	-	-
Youth Development: Integrated Youth Development Strategy	-	-	550 000	335 000
TOTAL VICTOR KHANYE LOCAL MUNICIPALITY	12 910 795	15 335 128	12 751 849	11 642 678

GENERAL

NKANGALA CROSS BOUNDARY PROJECTS

PROJECT	ADJUSTMENT BUDGET 2017/2018	DRAFT 2018/2019	DRAFT 2019/2020	DRAFT 2020/2021
Assistance to Local Municipalities (Capacity Building): Blue & Green drop assistance	-	800 000	2 000 000	1 200 000
Assistance to Local Municipalities (Capacity Building): Non-Financial & Financial Support	6 011 463	-	-	-
By-Laws: Local Municipalities	390 000	450 000	454 500	600 000
Capacity Building Local Municipalities (District Boundaries): Various training to local municipalities	150 000	-	-	-
Child Programmes: Regional Freedom Park Develop	375 000	-	-	-
Develop Integrated Waste Management Plan: Review of the Integrated Waste Management Plan	700 000	-	-	-
Disaster Management: Moral Regeneration Movement	370 000	-	-	-
Feasibility Studies: Feasibility Study On Fire Hydrants	335 681	-	-	-
Government Information System (GIS) Project and Support: Procurement Gis Cadastral Data	1 865 545	1 464 750	-	-
Master plan: Develop District Integrated Tr	-	593 000	-	-
Master plan: Mining & Big Business Engagement strategy	245 660	-	-	-
Master plan: Rural Road Asset Management	2 323 075	2 180 000	2 308 000	2 442 000
Master plan: Transport By Laws	-	300 000	316 500	333 907
Project Implementation: Census/ survey SMME Co op and Informal Traders	50 000	-	-	-
Project Implementation: Develop & Review Led Strat	24 000	-	-	-
Project Implementation: Integrated Green Economy Manag	360 000	3 500 000	3 692 500	3 895 587
Project Implementation: Neda Development & Establishment	250 000	500 000	527 500	556 512
Project Implementation: Non-financial support tp SMMEs Cooperatives & Informal Traders	1 000 000	2 000 000	2 110 000	2 226 050
Project Implementation: Strategy Township Economy	504 000	-	-	-
Project Implementation: Support to SMMEs Cooperatives & Informal Traders	-	2 000 000	2 110 000	2 226 050
Project: Erradication And Control Of Alien Plants	77 000	-	-	-
Project: Job Creation EPWP Creative Arts and Culture	1 000 000	1 905 000	2 075 250	-
Project: Job Creation EPWP Rural Development & Agriculture	1 500 000	2 540 000	2 767 000	-
Project: Job Creation EPWP Security	2 700 000	4 840 000	4 000 000	3 500 000
Research and Development: Community satisfaction survey	-	600 000	-	667 815
Special Events and Functions: Water Summit	-	200 000	250 000	-
Touism Projects: Support to LTO and RTO	-	300 000	316 500	333 907
Youth Development: Mayoral Bursary Fund	2 200 000	2 600 000	2 800 000	3 000 000
Youth Development: Youth Development Summit	25 000	200 000	220 000	242 000
Youth Development: Youth Entrepreneur Workshop	220 000	230 000	240 000	264 000
TOTAL NKANGALA CROSS BOUNDARY PROJECTS	22 676 424	27 202 750	26 187 750	21 487 828

Organogram

The Organogram was amended after a re-engineering project was undertaken. The organogram was approved with the budget in May 2017 for a period of five years.

Service Standards

Province: Municipality(Code) - Schedule of Service Delivery Standards Table XX	
Standard	Description
Standard	Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	N/A
Premise based removal (Business Frequency)	N/A
Bulk Removal (Frequency)	N/A
Removal Bags provided(Yes/No)	N/A
Garden refuse removal Included (Yes/No)	N/A
Street Cleaning Frequency in CBD	N/A
Street Cleaning Frequency in areas excluding CBD	N/A
How soon are public areas cleaned after events (24hours/48hours/longer)	N/A
Clearing of illegal dumping (24hours/48hours/longer)	N/A
Recycling or environmentally friendly practices(Yes/No)	N/A
Licensed landfill site(Yes/No)	N/A
Water Service	
Water Quality rating (Blue/Green/Brown/NO drop)	N/A
Is free water available to all? (All/only to the indigent consumers)	N/A
Frequency of meter reading? (per month, per year)	N/A
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	N/A
One service connection affected (number of hours)	N/A
Up to 5 service connection affected (number of hours)	N/A
Up to 20 service connection affected (number of hours)	N/A
Feeder pipe larger than 800mm (number of hours)	N/A
What is the average minimum water flow in your municipality?	N/A
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	N/A
How long does it take to replace faulty water meters? (days)	N/A
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	N/A
Electricity Service	
What is your electricity availability percentage on average per month?	N/A
Do your municipality have a ripple control in place that is operational? (Yes/No)	N/A
How much do you estimate is the cost saving in utilizing the ripple control system?	N/A
What is the frequency of meters being read? (per month, per year)	N/A
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	N/A
Are accounts normally calculated on actual readings? (Yes/no)	N/A
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	N/A
How long does it take to replace faulty meters? (days)	N/A
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	N/A
How effective is the action plan in curbing line losses? (Good/Bad)	N/A
How soon does the municipality provide a quotation to a customer upon a written request? (days)	N/A
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	N/A
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	N/A
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	N/A
Sewerage Service	
Are your purification system effective enough to put water back in to the system after purification?	N/A
To what extent do you subsidize your indigent consumers?	N/A
How long does it take to restore sewerage breakages on average	N/A
Severe overflow? (hours)	N/A
Sewer blocked pipes: Large pipes? (Hours)	N/A
Sewer blocked pipes: Small pipes? (Hours)	N/A
Spillage clean-up? (hours)	N/A
Replacement of manhole covers? (Hours)	N/A

Road Infrastructure Services	N/A
Time taken to repair a single pothole on a major road? (Hours)	N/A
Time taken to repair a single pothole on a minor road? (Hours)	N/A
Time taken to repair a road following an open trench service crossing? (Hours)	N/A
Time taken to repair walkways? (Hours)	N/A
Property valuations	N/A
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	N/A
Do you have any special rating properties? (Yes/No)	N/A
Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease
Are the financial statement outsourced? (Yes/No)	No
Are there Council adopted business processes structuring the flow and management of documentation feeding to Trial Balance?	No
How long does it take for an Tax/invoice to be paid from the date it has been received?	14-30 Days
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	Yes
Administration	
Reaction time on enquiries and requests?	
Time to respond to a verbal customer enquiry or request? (working days)	
Time to respond to a written customer enquiry or request? (working days)	
Time to resolve a customer enquiry or request? (working days)	
What percentage of calls are not answered? (5%, 10% or more)	
How long does it take to respond to voice mails? (hours)	
Does the municipality have control over locked enquiries? (Yes/No)	
Is there a reduction in the number of complaints or not? (Yes/No)	
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	
Community safety and licensing services	N/A
How long does it take to register a vehicle? (minutes)	N/A
How long does it take to renew a vehicle license? (minutes)	N/A
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	N/A
How long does it take to de-register a vehicle? (minutes)	N/A
How long does it take to renew a drivers license? (minutes)	N/A
What is the average reaction time of the fire service to an incident? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	N/A
Economic development	
How many economic development projects does the municipality drive?	5
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	5
What percentage of the projects have created sustainable job security?	(0%) Still Work in progress
Does the municipality have any incentive plans in place to create a conducive environment for economic development? (Yes/No)	Busy developing an Investm
Other Service delivery and communication	
Is a information package handed to the new customer? (Yes/No)	
Does the municipality have training or information sessions to inform the community? (Yes/No)	
Are customers treated in a professional and humanly manner? (Yes/No)	

BUDGET TIMETABLE

SCHEDULE OF KEY DEADLINES		
Mayor to Table in Council 10 Months Prior to Start of Budget Year		
Month	Nkangala District Municipality	Budget Year 2019/2020
	Mayor and Council	Administration - Municipality
February – March 2018	Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process. MFMA s 53 Planning includes review of the previous years budget process and completion of the Budget Evaluation Checklist	Accounting officers and senior officials of municipality begin planning for next three-year budget MFMA s 68, 77 Accounting officers and senior officials of municipality review options and contracts for service delivery MSA s 76-81
March 2018	Mayor tables in Council the schedule of key deadlines setting the time table for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. MFMA s 21, 22, 23; MSA s 34, Ch 4 as amended Mayor establishes committees and consultation forums for the budget process	Accounting Officer to assist Mayor to prepare the schedule of key deadlines and align the IDP and Budget process
September – October 2018		Accounting officer does initial review of national policies and budget plans with department officials MFMA s 35, 36, 42; MTBPS
November – December 2018	Council finalises tariff policies for next financial year MSA s 74, 75 Mayor tables municipal budget, resolutions, plans, and proposed revisions to IDP	Accounting officer submits draft budget and plans for next financial year to the Mayor for tabling Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others Accounting officer to notify relevant municipalities of projected allocations for next three budget years
January 2019		Budget office of municipality determine revenue projections and proposed tariffs and draft initial allocations to functions and departments for the next financial year after taking into account strategic objectives Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the final budget.
February 2019	Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc	Accounting officer incorporates the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report
March 2019	Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans	Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc)
March 2019	Council considers municipal proposed budget and service delivery plan	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year
April - May 2019	Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended	Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature
May 2019	Council must approve annual budget by resolution, setting tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year MFMA s 16, 24, 26, 53	Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. MFMA s 69; MSA s 57
June 2019	Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval MFMA s 53; MSA s 38-45, 57(2) Council must review the system of delegations. MFMA s 59, 79, 82; MSA s 59-65	Accounting officer of municipality publishes adopted budget and plans MFMA s 75, 87

Abbreviations:

IDP - Integrated Development Plan
MFMA - Local Government: Municipal Finance Management Act, No. 56 of 2003
MSA - Local Government: Municipal Systems Act, No. 32 of 2000, as amended
MTBPS - National Treasury annual publication, Medium Term Budget and Policy Statement;
NT - National Treasury
PT - Provincial Treasuries
SDBIP - Service Delivery and Budget Implementation Plan

PROPOSED SUNDRY TARIFFS FOR THE 2018/19 – 2020/21 FINANCIAL YEARS

1. In terms of the Municipal Finance Management Act 56 of 2003, section 17(3)- when an annual budget is tabled in terms of section 16(2), it must be accompanied by the following documents – (a) draft resolutions – (ii) imposing any municipal taxes and setting any municipal tariffs as may be required for the budget year
2. The sundry tariffs for each service delivery by Council are annually revised at the time when the annual budget is being prepared and is aimed at the effective recovery of cost incurred to supply the related services.
3. The recommended tariffs for each service to be implemented with effect from 1 July 2018 are reflected under each directorate / department.
4. It is recommended:
 - 4.1 That the adjusted tariffs as reflected in the comments of the various managers of departments be approved for implementation with effect from 1 July 2018.
 - 4.2 That the sundry tariffs be VAT inclusive except those tariffs for services indicated with an (*) which are exempted or out of scope of the VAT Act.

DIRECTORATE CORPORATE SERVICES**Legal and Administration (Building)**

Description	Approved 2017/2018	rate of measure	Recommended 2018/2019	Recommended 2020/2021
Rental of Council Chamber				
Refundable deposit	R2 681.00		R2 842.00	R2 984.00
Utilisation	175.00	hour	R185.00	R194.00
Rental of Council Parlour				
Refundable deposit	R2 681.00		R2 842.00	R2 984.00
Utilisation	175.00	hour	R185.00	R194.00
Rental of Training Room Non-commercial use				
Refundable deposit	R2 681.00		R2 842.00	R2 984.00
Utilisation	175.00	hour	R185.00	R194.00
Commercial Use				
Refundable deposit	R5000.00		R5 000.00	R5 000.00
Utilisation	408.00	hour	R432.00	R454.00

Description	Approved 2017/2018	rate of measure	Recommended 2018/2019	Recommended 2020/2021
Rental of Committee Room				
Refundable deposit	R2681.00		R2 842.00	R2 984.00
Utilisation	151.00	hour	R160.00	R168.00
Rental of offices				
Refundable deposit	Equal to one monthly instalment			
Rental	R127.00	per m ²	R135.00	R142.00
Rental of kitchen	Use of kitchen must be limited to the Caterers who are rendering services for Nkangala District Municipality and Government Departments only.		Use of kitchen must be limited to the Caterers who are rendering services for Nkangala District Municipality and Government Departments only.	Use of kitchen must be limited to the Caterers who are rendering services for Nkangala District Municipality and Government Departments only.
<p>* That all rentable Council facilities be made available free of charge to government departments (National and Provincial) and political parties and be exempted from paying the deposit, provided:</p> <ul style="list-style-type: none"> ▪ That they be charged for all damage caused; ▪ That they be charged normal fees should they use it for commercial use (fee charged at the entrance); ▪ That they make use of local service providers; and ▪ That the kitchen is booked simultaneously with the hall and not <p>❖ The booking of Council facilities for political parties is subject to approval by the Executive Mayor.</p>				
Access to information				
Photocopy (A4)		3.20 /copy	3.40	4.00
Requesting fee as per Regulation 7(2)		46.65/hour	49.45	52.00
Searching and preparing of records as per Reg 7(3)		29.70/hour	31.50	33.00
Searching and preparing records as per Reg 11(3)		41.30/hour	43.80	46.00

Description	Approved 2017/2018	rate of measure	Recommended 2018/2019	Recommended 2020/2021
Fees prescribed by Regulation 84v of the Deeds Registration Act 47 of 1937 as amended	32.00	/hour	34.00	36.00
Deed	8.50	/document	9.00	9.50
A document enquiry relating to a property or obtaining a computer printout and for the inspection of any deed, document, folio, register or micro film relating thereof (including the search of the index) for each enquiry per property deed	8.50	/copy	9.00	9.50
information obtained through any other electronic system for a list of erven in a township of units in a sectional title scheme or portions of a farm or holdings in an agricultural holdings area, or any other similar (list of registered properties)				

Library Services (Public Facilities & Cultural Services)

Description	Approved 2017/2018	rate of measure	Recommended 2018/2019	Recommended 2020/2021
Membership fees				
Membership card	free R23.50			
Lost membership		each	R25.00	R26.25
Lost library materials				
books/DVD/CD	replace the material or pay the current value of the material		replace the material or pay the current value of the material	replace the material or pay the current value of the material
Photostats				
A4 library material(black & white)	1.60	/page	R1.70	R1.80
A3 library material(black & white)	3.20	/page	R3.40	R3.60
A4 library material(colour)	3.70	/page	R4.00	R4.20
A3 library material(colour)	7.40	/page	R7.85	R8.25

Development and Planning Unit

Description	Approved 2017/2018	rate of measur e	Recommended 2018/2019	Recommended 2020/2021
1. Spatial development framework:				
(a) Hard copy	202.00	/region	215.00	226.00
(b) In electronic format	95.00	/region	101.00	106.00
2. Integrated Development Plan				
(a) Hard copy	116.60		123.60	130.00
(b) In electronic format	58.30		61.80	65.00
3. Copy of Land Use Scheme or Town Planning Scheme (Scheme)	467.50		495.50	520.00
4. Scheme Regulations	777.00	/set	823.60	865.00
5. Search fees	31.80	/erf	33.70	35.40
6. Diagrammes	31.80	/diagramme	33.70	35.40
7. Deed search and copy of the title deed	190.00	document/ search	201.00	211.00
8. Map Copies				
(a) A4	58.30	Copy/print	61.80	65.000
(b) A3	87.00	Copy/print	92.00	97.00
(c) A2	116.60	Copy/print	123.60	130.00
(d) A1	145.25	Copy/print	154.00	162.00
(e) A0	164.30	Copy/print	174.00	183.00

DIRECTORATE SOCIAL SERVICES**Municipal Health Services and Environmental**

Description	Approved 2017/2018	rate of measure	Recommended 2018/2019	Recommended 2020/2021
1. CERTIFICATE OF ACCETABILITY FORMAL FOOD PREMISES <i>Foodstuffs, Cosmetics and Disinfectant Act, 1972 (Act 54 of 1972)</i> e.g Spar, Pick n Pay, Restaurant- Spur, Ocean basket	R1 650.00	Annual	R1 650.00	R1 650.00

Description	Approved 2017/2018	rate of measure	Recommended 2018/2019	Recommended 2020/2021
2. INFORMAL FOOD PREMISES <i>General hygiene requirements of food premises and the transport of food, Regulation R962 23 Nov 2012)</i> e.g. tuck shop, informal café or caterers or informal restaurant	R550.00	Annual	R550.00	R550.00
3. HEALTH CERTIFICATE <i>NDM Municipal Health Services By-laws</i> e.g Pre-school, after care centres, certificate of competency	R550.00	Annual or when the number of children increases or change of ownership	R550.00	R550.00
4. CERTIFICATE OF COMPLIANCE OR COMPETENCE (COC) Mortuaries, Old Age Home, Private Schools, Institutions, Salons, Accommodations, Spray Painters, Private Clinics Or Surgeries and all health related facilities.	R550.00	Annual or change of ownership	R550.00	R550.00
5. GOVERNMENT FACILITIES, <i>NDM Municipal Health Services By-laws</i> e.g SAPS kitchen, mortuaries, hospital kitchens	No fees or charges	Annual	No fees or charges	No fees or charges
6. GOVERNMENT SCHOOLS <i>NDM Municipal Health Services By-laws</i>	No fees or charges	Annual	No fees or charges	No fees or charges
7. MUNICIPAL HEALTH SERVICES OFFENCES & PENALTIES	Penalties effective when the NDM MHS By-Laws is gazetted and promulgated	As per the offence	Penalties effective when the NDM MHS By-Laws is gazetted and promulgated	Penalties effective when the NDM MHS By-Laws is gazetted and promulgated

Description	Approved 2017/2018	rate of measure	Recommende d	Recommended 2020/2021
8. ATMOSPHERIC EMISSION LICENSING <i>National Environmental Management Air Quality Act (Act 39 Of 2004)</i>				
8.1 General Offences	Penalties as per the <i>National Environmental Management Air Quality Act (Act 39 Of 2004) as amended and the NDM Air Quality Management By-Laws after promulgation</i>	Penalties as per the <i>National Environmental Management Air Quality Act (Act 39 Of 2004) as amended and the NDM Air Quality Management By-Laws after promulgation</i>	As per the offence	As per the offence
8.2 Atmospheric Emission Licensing Fee	Tariffs as per the AEL Processing Fee Regulations terms of sections 53(o), 37(2)(a),44(3)(a),45 (1) and 47(3Xa) of the National Environmental Management: Air Quality Act, (Act No. 39 of 2004)	Once off per five (5) years or change of ownership	Once off per year if it is a new application, if it is a renewal and once off if it is a transfer, review and amendment	Once off per year if it is a new application, if its renewal and once off if it is a transfer, review and amendment
8.3 Applications and processing of AEL's in terms of subsection 22A of <i>National Environmental Management Air Quality Act (Act 39 Of 2004) as amended.</i>	Tariffs as per <i>NEM:AQA Administrative fine in terms of section 22A Regulations when promulgated</i>	Administrative fine in terms of section 22A under sections 53(1A) of the National Environmental Management: Air Quality Act, 2004 (Act No.39 of 2004)	Once off as per the offence	Once off as per the offence

Fire and Rescue Services

Description	Approved 2017/2018	rate of measure	Recommende d	Recommended 2020/2021
1. Fixed charges for services rendered regarding hazardous substances as promulgated in SANS 10228 inside and outside the municipal area	R4 430.00	+km	R4 697.00	R4 932.00
2. Turn-outs -The following accumulating fees:	291.00		R308.00	R323.00
2.1 Fixed charges per call-out				
2.2 First hour or part thereof per incident	583.00		R618.00	R649.00
2.3 For each subsequent hour or part thereof per incident	291.00		R308.00	R323.00
3. Cost for replacement of material, damaged equipment or consumable items		cost + 20 % handling charge + VAT		
4. Cost of water used	Current municipal tariff	/kl	Current municipal tariff	Current municipal tariff
5. Equipment used	291.00		R308.00	R323.00
6. Jaws of life	583.00		R618.00	R649.00
- Light motor vehicles < 3500kg	583.00		R618.00	R649.00
- Heavy motor vehicles > 3500kg	1 749.00		R1 854.00	R1 947.00
7. Kilometers of fire engines	35.00 *	km	R37.00 *	R39.00 *
8. Kilometers of utility vehicles	17.50 *	km	R18.50 *	R19.50 *
9. Personnel per member per hour or part	186.50		R197.75	R207.657.75
10. Fire equipment serviceman	525.00		R556.00	R583.80

DIRECTORATE FINANCIAL SERVICES**Municipal Health Services and Environmental**

Description	Approved 2017/2018	rate of measure	Recommende d	Recommended 2020/2021
Tender document fee				
30, 001 -200, 000	117.00	/document	R124.00	R130.00
200, 001- 500, 000	175.00		R185.00	R195.00
500, 001 – 1, 000, 000	233.00		R247.00	R260.00
1, 000, 001 -1, 500, 000	408.00		R433.00	R455.00
1, 500, 001 – 5, 000, 000	583.00		R618.00	R650.00
5, 000, 001 – 10, 000, 000	758.00		R803.00	R843.00
10, 000, 0001 - above	933.00		R989.00	R1038.00
Banking				
Tracing electronic payments made on Council's bank account without any references	65.00	/each	R67.50	R71.00
Levy on repudiated cheques	233.00	/each	R247.00	R260.00

**DC31 Nkangala District
Municipality
Draft Budget 2018/19 – 2020/21**

A-schedule based on
Version 6.2 of mSCOA

DC31 Nkangala - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	31 116	38 235	43 921	25 450	25 550	25 550	10 494	22 459	20 468	20 480
Transfers recognised - operational	330 236	338 036	337 235	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Other own revenue	3 470	3 483	4 596	1 170	2 312	2 312	1 331	2 346	2 507	2 593
Total Revenue (excluding capital transfers and contributions)	364 822	379 755	385 752	371 108	372 350	372 350	270 294	373 393	379 731	390 954
Employee costs	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Remuneration of councillors	12 691	12 882	12 587	12 795	13 916	13 916	9 288	13 498	14 241	15 148
Depreciation & asset impairment	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Finance charges	3 211	1 519	1 127	1 296	1 338	1 338	465	968	516	542
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Other expenditure	80 414	65 471	69 831	97 623	94 304	94 304	42 943	109 581	109 591	117 808
Total Expenditure	338 940	356 846	363 996	371 606	418 816	418 816	232 078	445 223	440 553	443 423
Surplus/(Deficit)	25 882	22 909	21 756	(498)	(46 466)	(46 466)	38 216	(71 830)	(60 822)	(52 469)
Transfers and subsidies - capital (monetary allocations)	1 950	2 010	2 076	2 175	2 175	2 175	-	2 180	2 308	2 442
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Capital expenditure & funds sources										
Capital expenditure	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	527	-	-	-	-	-	-	-	-	-
Borrowing	788	-	-	-	-	-	-	-	-	-
Internally generated funds	23 810	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Total sources of capital funds	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Financial position										
Total current assets	599 556	556 574	570 859	586 559	578 999	578 999	575 358	515 507	447 813	391 509
Total non current assets	116 416	176 863	205 911	228 117	229 502	229 502	209 506	248 865	263 191	276 610
Total current liabilities	48 349	40 872	58 213	30 673	30 673	30 673	28 092	53 202	55 140	56 782
Total non current liabilities	26 137	26 161	24 813	22 860	22 860	22 860	24 813	25 853	29 060	34 560
Community wealth/Equity	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
Cash flows										
Net cash from (used) operating	77 526	66 361	32 158	13 126	(91 583)	(91 583)	26 675	35 106	(4 083)	(37 161)
Net cash from (used) investing	(27 389)	(33 329)	(38 505)	(33 369)	(29 483)	(29 483)	(10 038)	(37 368)	(22 476)	(21 201)
Net cash from (used) financing	(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 086)	(3 085)	(1 543)	-
Cash/cash equivalents at the year end	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Cash backing/surplus reconciliation										
Cash and investments available	469 058	503 211	500 289	430 112	422 552	422 552	513 839	421 325	397 573	346 403
Application of cash and investments	(285 573)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Balance - surplus (shortfall)	754 631	491 898	514 072	408 804	398 483	398 483	491 239	379 553	353 357	297 839
Asset management										
Asset register summary (WDV)	116 416	136 001	161 065	183 270	183 963	183 963	-	199 899	209 874	216 102
Depreciation	7 910	9 566	9 609	10 912	10 957	10 957	-	9 380	8 406	7 934
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	17 545	6 721	4 844	16 341	14 860	14 860	-	21 560	20 951	21 393
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

DC31 Nkangala - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional	1									
<i>Governance and administration</i>		365 838	381 673	385 288	368 701	369 203	369 203	370 427	380 404	391 746
Executive and council		4	2	6	10	11	11	11	11	12
Finance and administration		365 834	381 671	385 282	368 691	369 192	369 192	370 417	380 392	391 735
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1	(18)	-	1 100	1 100	1 100	1 200	1 200
Community and social services		-	-	(26)	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1	(1)	-	350	350	350	400	400
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	10	-	750	750	750	800	800
<i>Economic and environmental services</i>		934	91	2 558	4 582	4 222	4 222	4 046	435	450
Planning and development		934	21	2 305	4 182	4 182	4 182	3 626	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	70	254	400	40	40	420	435	450
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	366 772	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396
Expenditure - Functional										
<i>Governance and administration</i>		113 766	111 141	124 138	149 740	146 386	146 386	160 626	162 477	174 786
Executive and council		54 236	50 805	33 784	35 762	33 938	33 938	36 677	38 660	40 832
Finance and administration		59 530	60 336	83 795	104 399	103 308	103 308	111 838	111 186	120 735
Internal audit		-	-	6 559	9 579	9 140	9 140	12 111	12 631	13 219
<i>Community and public safety</i>		43 612	56 784	71 511	88 691	89 286	89 286	96 016	100 962	107 202
Community and social services		29 160	26 709	29 603	26 823	27 683	27 683	31 498	32 557	35 750
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		14 452	20 045	20 496	34 541	32 864	32 864	35 772	37 438	38 817
Housing		-	-	-	-	-	-	-	-	-
Health		-	10 030	21 412	27 327	28 740	28 740	28 746	30 968	32 635
<i>Economic and environmental services</i>		105 026	176 531	166 823	131 032	180 287	180 287	187 284	175 745	160 006
Planning and development		103 005	43 300	165 281	127 522	177 314	177 314	185 073	173 361	157 458
Road transport		-	131 830	-	-	-	-	-	-	-
Environmental protection		2 020	1 400	1 541	3 510	2 973	2 973	2 211	2 364	2 548
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	76 536	12 391	1 524	2 143	2 857	2 857	1 297	1 368	1 429
Total Expenditure - Functional	3	338 940	356 846	363 996	371 606	418 816	418 816	445 223	440 553	443 423
Surplus/(Deficit) for the year		27 832	24 919	23 832	1 677	(44 291)	(44 291)	(69 650)	(58 514)	(50 027)

References

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

DC31 Nkangala - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional	1									
<i>Municipal governance and administration</i>		365 838	381 673	385 268	368 701	369 203	369 203	370 427	380 404	391 746
Executive and council		4	2	6	10	11	11	11	11	12
Mayor and Council				11	10	11	11	11	11	12
Municipal Manager, Town Secretary and Chief Executive		4	2	(5)	-	-	-	-	-	-
Finance and administration		365 834	381 670	385 262	368 691	369 192	369 192	370 417	380 392	391 735
Finance		365 834	381 667	385 290	368 691	369 192	369 192	370 417	380 392	391 735
Information Technology		-	3	(8)	-	-	-	-	-	-
<i>Community and public safety</i>		-	1	(18)	-	1 100	1 100	1 100	1 200	1 200
Community and social services		-	-	(26)	-	-	-	-	-	-
Disaster Management		-	-	(26)	-	-	-	-	-	-
Public safety		-	1	(1)	-	350	350	350	400	400
Fire Fighting and Protection		-	1	(1)	-	350	350	350	400	400
Health		-	-	10	-	750	750	750	800	800
Health Services		-	-	10	-	750	750	750	800	800
<i>Economic and environmental services</i>		934	91	2 558	4 582	4 222	4 222	4 046	435	450
Planning and development		934	21	2 305	4 182	4 182	4 182	3 626	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)		-	-	(4)	-	-	-	-	-	-
Economic Development/Planning		-	18	2 316	4 182	4 182	4 182	3 626	-	-
Town Planning, Building Regulations and Enforcement, and City Project Management Unit		934	2	0	-	-	-	-	-	-
Project Management Unit		-	-	(9)	-	-	-	-	-	-
Environmental protection		-	70	254	400	40	40	420	435	450
Pollution Control		-	70	254	400	40	40	420	435	450
Total Revenue - Functional	2	366 772	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396
Expenditure - Functional										
<i>Municipal governance and administration</i>		113 766	111 141	124 138	149 740	146 386	146 386	160 626	162 477	174 786
Executive and council		54 236	50 805	33 784	35 762	33 938	33 938	36 677	38 660	40 832
Mayor and Council		45 944	40 335	30 347	32 001	30 621	30 621	33 226	35 042	36 836
Municipal Manager, Town Secretary and Chief Executive		8 292	10 470	3 437	3 761	3 316	3 316	3 451	3 618	3 996
Finance and administration		59 530	60 336	83 795	104 399	103 308	103 308	111 838	111 186	120 735
Administrative and Corporate Support		3 792	(696)	12 826	18 237	17 981	17 981	16 536	16 624	21 079
Asset Management		-	-	926	1 121	1 213	1 213	1 152	1 215	1 265
Budget and Treasury Office		34 272	35 538	5 235	6 324	6 812	6 812	6 595	6 961	7 244
Finance		-	-	19 654	19 205	18 313	18 313	19 315	19 429	20 327
Human Resources		4 410	7 175	8 922	12 557	10 612	10 612	11 829	12 643	13 033
Information Technology		9 117	4 424	8 962	16 601	16 404	16 404	19 655	16 970	18 059
Legal Services		-	-	3 951	5 960	5 396	5 396	5 411	6 472	7 578
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	5 200	4 391	4 770	4 770	5 123	5 184	5 672
Property Services		7 939	13 895	13 297	13 691	14 969	14 969	18 538	18 691	19 299
Risk Management		-	-	2 205	2 685	2 980	2 980	2 878	2 981	3 001
Supply Chain Management		-	-	2 717	3 608	3 858	3 858	3 807	4 016	4 178
Internal audit		-	-	6 559	9 579	9 140	9 140	12 111	12 631	13 219
Governance Function		-	-	6 559	9 579	9 140	9 140	12 111	12 631	13 219
<i>Community and public safety</i>		43 612	56 784	71 511	88 691	89 286	89 286	96 016	100 962	107 202
Community and social services		29 160	26 709	29 603	26 823	27 683	27 683	31 498	32 557	35 750
Cemeteries, Funeral Parlours and Crematoriums		-	445	337	-	-	-	-	-	-
Disaster Management		4 942	6 699	8 296	10 158	10 131	10 131	12 246	12 256	14 407
Population Development		24 218	19 566	20 971	16 665	17 552	17 552	19 252	20 300	21 343
Public safety		14 452	20 045	20 496	34 541	32 864	32 864	35 772	37 438	38 817
Fire Fighting and Protection		14 452	20 045	20 496	34 541	32 864	32 864	35 772	37 438	38 817
Health		-	10 030	21 412	27 327	28 740	28 740	28 746	30 968	32 635
Health Services		-	10 030	21 412	27 327	28 740	28 740	28 746	30 968	32 635
<i>Economic and environmental services</i>		105 026	176 531	166 823	131 032	180 287	180 287	187 284	175 745	160 006
Planning and development		103 005	43 300	165 281	127 522	177 314	177 314	185 073	173 381	157 458
Corporate Wide Strategic Planning (IDPs, LEDs)		-	-	3 019	2 990	2 956	2 956	3 395	3 744	3 887
Development Facilitation		-	-	116 191	80 749	132 608	132 608	126 686	126 818	113 967
Economic Development/Planning		30 069	19 523	22 398	21 067	22 949	22 949	25 384	24 258	19 699
Town Planning, Building Regulations and Enforcement, and City Project Management Unit		72 936	23 778	20 817	16 406	13 597	13 597	22 065	13 322	15 306
Project Management Unit		-	-	114	-	-	-	-	-	-
Support to Local Municipalities		-	-	2 742	6 310	5 204	5 204	7 544	5 240	4 598
Road transport		-	131 830	-	-	-	-	-	-	-
Roads		-	131 830	-	-	-	-	-	-	-
Environmental protection		2 020	1 400	1 541	3 510	2 973	2 973	2 211	2 364	2 548
Pollution Control		2 020	1 400	1 541	3 510	2 973	2 973	2 211	2 364	2 548
<i>Other</i>		76 536	12 391	1 524	2 143	2 857	2 857	1 297	1 368	1 429
Licensing and Regulation		74 675	12 391	-	-	-	-	-	-	-
Tourism		1 861	-	1 524	2 143	2 857	2 857	1 297	1 368	1 429
Total Expenditure - Functional	3	338 940	356 846	363 996	371 606	418 816	418 816	445 223	440 553	443 423
Surplus/(Deficit) for the year		27 832	24 919	23 832	1 677	(44 291)	(44 291)	(69 650)	(58 514)	(50 027)

References

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

DC31 Nkangala - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - Council General and Executive		4	2	11	10	11	11	11	11	12
Vote 2 - Municipal Manager Town Secretary and Chief Executive		-	5	(13)	-	-	-	-	-	-
Vote 3 - Finance		365 834	381 665	385 290	368 691	369 192	369 192	370 417	380 392	391 735
Vote 4 - Social Services		-	72	235	400	1 140	1 140	1 520	1 635	1 650
Vote 5 - Local Economic Development		-	18	2 308	4 182	4 182	4 182	3 626	-	-
Vote 6 - Development and Planning		934	2	(3)	-	-	-	-	-	-
Vote 7 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 8 - Corporate services		-	-	-	-	-	-	-	-	-
Vote 9 - null		-	-	-	-	-	-	-	-	-
Vote 10 - null		-	-	-	-	-	-	-	-	-
Vote 11 - null		-	-	-	-	-	-	-	-	-
Vote 12 - null		-	-	-	-	-	-	-	-	-
Vote 13 - null		-	-	-	-	-	-	-	-	-
Vote 14 - null		-	-	-	-	-	-	-	-	-
Vote 15 - null		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	366 772	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396
Expenditure by Vote to be appropriated	1									
Vote 1 - Council General and Executive		45 228	34 399	30 347	32 001	30 621	30 621	33 226	35 042	36 936
Vote 2 - Municipal Manager Town Secretary and Chief Executive		21 133	25 827	32 579	45 727	43 343	43 343	51 897	48 806	51 282
Vote 3 - Finance		33 934	42 713	37 454	31 012	31 027	31 027	31 652	32 453	33 864
Vote 4 - Social Services		41 147	57 055	73 052	92 201	92 259	92 259	98 227	103 326	109 751
Vote 5 - Local Economic Development		41 303	29 572	24 036	23 209	25 806	25 806	26 681	25 627	21 128
Vote 6 - Development and Planning		72 936	23 778	23 836	19 397	16 553	16 553	25 460	17 066	19 193
Vote 7 - Technical Services		66 399	117 935	116 191	80 749	132 608	132 608	126 686	126 818	113 967
Vote 8 - Corporate services		16 861	25 568	26 500	47 310	46 598	46 598	51 394	51 415	57 302
Vote 9 - null		-	-	-	-	-	-	-	-	-
Vote 10 - null		-	-	-	-	-	-	-	-	-
Vote 11 - null		-	-	-	-	-	-	-	-	-
Vote 12 - null		-	-	-	-	-	-	-	-	-
Vote 13 - null		-	-	-	-	-	-	-	-	-
Vote 14 - null		-	-	-	-	-	-	-	-	-
Vote 15 - null		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	338 940	356 846	363 996	371 606	418 816	418 816	445 223	440 553	443 423
Surplus/(Deficit) for the year	2	27 832	24 919	23 832	1 677	(44 291)	(44 291)	(69 650)	(58 514)	(50 027)

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

DC31 Nkangala - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Revenue by Vote										
Vote 1 - Council General and Executive	1	4	2	11	10	11	11	11	11	12
Executive Mayor and Council		4	2	11	10	11	11	11	11	12
Vote 2 - Municipal Manager Town Secretary and Chief Executive Officer		-	5	(13)	-	-	-	-	-	-
Municipal Manager		-	2	(5)	-	-	-	-	-	-
Information Technology		-	3	(6)	-	-	-	-	-	-
Vote 3 - Finance		365 834	381 665	385 290	368 691	369 192	369 192	370 417	380 392	391 735
Finance		365 834	381 665	385 290	368 691	369 192	369 192	370 417	380 392	391 735
Vote 4 - Social Services		-	72	235	400	1 140	1 140	1 520	1 635	1 650
Disaster Management		-	-	(26)	-	-	-	-	-	-
Fire Fighting and Protection		-	1	(1)	-	350	350	350	400	400
Pollution Control		-	70	254	400	40	40	420	435	450
Health Services		-	-	10	-	750	750	750	800	800
Vote 5 - Local Economic Development		-	18	2 308	4 182	4 182	4 182	3 626	-	-
Tourism		-	-	-	-	-	-	-	-	-
LED		-	18	-	-	-	-	-	-	-
EPWP		-	-	2 308	4 182	4 182	4 182	3 626	-	-
Vote 6 - Development and Planning		934	2	(3)	-	-	-	-	-	-
Town Planning		-	-	0	-	-	-	-	-	-
IDP		934	2	(4)	-	-	-	-	-	-
Total Revenue by Vote	2	366 772	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396
Expenditure by Vote										
Vote 1 - Council General and Executive	1	45 228	34 399	30 347	32 001	30 621	30 621	33 226	35 042	36 936
Executive Mayor and Council		45 228	34 399	30 347	32 001	30 621	30 621	33 226	35 042	36 936
Vote 2 - Municipal Manager Town Secretary and Chief Executive Officer		21 133	25 827	32 579	45 727	43 343	43 343	51 897	48 806	51 282
Risk Management		566	1 818	2 205	2 685	2 980	2 980	2 981	2 981	3 001
Internal Audit		4 780	7 154	6 559	9 579	9 140	9 140	12 111	12 631	13 219
Public Participation		-	1 436	2 742	902	902	902	848	895	931
Support Unit		-	2 683	2 742	6 310	5 204	5 204	7 544	5 240	4 598
Municipal Manager		3 512	3 316	3 437	3 761	3 316	3 316	3 451	3 618	3 896
Performance Management		-	2 341	2 080	-	-	-	-	-	-
Legal Services		3 172	2 656	3 851	5 980	5 396	5 396	5 411	6 472	7 578
Information Technology		9 103	4 424	8 962	16 601	16 404	16 404	19 655	16 970	18 059
Vote 3 - Finance		33 934	42 713	37 454	31 012	31 027	31 027	31 652	32 453	33 864
Finance		29 523	26 099	19 654	19 205	18 313	18 313	18 315	19 429	20 327
Supply Chain Management		-	2 843	2 717	3 608	3 858	3 858	3 807	4 016	4 176
Budget Office		4 410	12 079	13 358	5 358	5 815	5 815	5 591	5 907	6 132
Treasury Office		-	1 692	1 724	2 841	3 040	3 040	2 940	3 101	3 226
Vote 4 - Social Services		41 147	57 055	73 052	92 201	92 259	92 259	98 227	103 326	109 751
Transversal Issues		5	9 888	18 022	5 137	5 190	5 190	6 746	6 061	6 526
Youth Services		-	2 979	2 949	6 974	6 911	6 911	7 049	8 466	8 804
Social Services		-	445	337	4 554	5 451	5 451	5 457	5 773	6 014
Disaster Management		4 942	6 699	8 296	10 158	10 131	10 131	12 246	12 256	14 407
Fire Fighting and Protection		29 465	25 614	20 496	34 541	32 864	32 864	35 772	37 438	38 817
Pollution Control		948	1 400	1 541	3 510	2 973	2 973	2 211	2 364	2 548
Health Services		5 787	10 030	21 412	27 327	28 740	28 740	28 746	30 968	32 635
Vote 5 - Local Economic Development		41 303	29 572	24 036	23 209	25 806	25 806	26 681	25 627	21 128
Tourism		11 234	10 049	1 524	2 143	2 857	2 857	1 297	1 368	1 429
LED		-	-	78	10 530	15 670	15 670	12 802	13 519	14 218
EPWP		30 069	19 523	22 435	10 537	7 279	7 279	12 582	10 739	5 481
Vote 6 - Development and Planning		72 936	23 778	23 836	19 397	16 553	16 553	25 460	17 066	19 193
Town Planning		66 806	21 162	20 817	16 406	13 597	13 597	22 065	13 322	15 306
IDP		6 130	2 615	3 019	2 990	2 956	2 956	3 395	3 744	3 887
Vote 7 - Technical Services		66 399	117 935	116 191	80 749	132 608	132 608	126 686	126 818	113 967
Development Facilitation; Regional Planning		66 399	117 935	116 191	80 749	132 608	132 608	126 686	126 818	113 967
Vote 8 - Corporate services		16 861	25 568	26 500	47 310	46 598	46 598	51 394	51 415	57 302
Public Liaison		-	2 531	2 457	3 579	3 868	3 868	4 274	4 289	4 741
Human Resources Administration		-	-	-	11 803	9 781	9 781	11 046	11 812	12 183
Property Services		7 939	13 895	13 297	13 691	14 969	14 969	19 538	18 691	19 299
Corporate Support		8 922	9 142	10 747	18 237	17 981	17 981	16 536	16 624	21 079
Total Expenditure by Vote	2	338 940	356 846	363 996	371 606	418 816	418 816	445 223	440 553	443 423
Surplus/(Deficit) for the year	2	27 832	24 919	23 832	1 677	(44 291)	(44 291)	(69 650)	(58 514)	(50 027)

References

1. Insert 'Vote', e.g. Department, if different to Functional structure
2. Must reconcile to Financial Performance (Revenue and Expenditure by Functional Classification) and Revenue and Expenditure
3. Assign share in 'associate' to relevant Vote

DC31 Nkangala - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Rental of facilities and equipment		89	102	100	10	10	10	-	11	11	12
Interest earned - external investments		31 116	38 235	43 921	25 450	25 550	25 550	10 494	22 459	20 468	20 480
Fines, penalties and forfeits		-	2 440	1 628	500	900	900	293	900	990	1 050
Licences and permits		-	70	263	400	790	790	536	1 170	1 235	1 250
Transfers and subsidies		330 236	338 036	337 235	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Other revenue	2	2 101	843	2 537	260	612	612	503	266	271	282
Gains on disposal of PPE		-	28	44							
Total Revenue (excluding capital transfers and contributions)		364 822	379 755	385 752	371 108	372 350	372 350	270 294	373 393	379 731	390 954
Expenditure By Type											
Employee related costs	2	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Remuneration of councillors		12 691	12 882	12 587	12 795	13 916	13 916	9 288	13 498	14 241	15 148
Depreciation & asset impairment	2	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Finance charges		3 211	1 519	1 127	1 296	1 338	1 338	465	968	516	542
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Contracted services		-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Transfers and subsidies		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Other expenditure	4, 5	80 225	34 624	35 835	52 214	48 162	48 162	18 901	55 287	58 310	62 286
Loss on disposal of PPE		189	-	71							
Total Expenditure		338 940	356 846	363 996	371 606	418 816	418 816	232 078	445 223	440 553	443 423
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		25 882	22 909	21 756	(498)	(46 466)	(46 466)	38 216	(71 830)	(60 822)	(52 469)
		1 950	2 010	2 076	2 175	2 175	2 175	-	2 180	2 308	2 442
Surplus/(Deficit) after capital transfers & contributions		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Surplus/(Deficit) after taxation											
Taxation		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Surplus/(Deficit) attributable to municipality											
Attributable to minorities		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34.
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)

DC31 Nkangala - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote											
Single-year expenditure to be appropriated	2										
Vote 1 - Council General and Executive		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Vote 2 - Municipal Manager Town Secretary and Chief Executive		-	11 014	-	10 305	9 555	9 555	6 398	4 650	2 700	3 700
Vote 3 - Finance		168	330	27 303	50	50	50	8	60	65	70
Vote 4 - Social Services		21 362	15 281	3 770	9 350	8 544	8 544	2 537	15 928	9 014	9 353
Vote 5 - Local Economic Development		-	178	5	-	-	-	-	-	-	-
Vote 6 - Development and Planning		124	-	-	42	42	42	-	-	-	-
Vote 7 - Technical Services		-	14	737	1 500	1 369	1 369	1 368	1 700	1 900	-
Vote 8 - Corporate services		1 468	684	2 480	6 337	3 839	3 839	44	10 810	4 448	887
Capital single-year expenditure sub-total		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010
Total Capital Expenditure - Vote		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010
Capital Expenditure - Functional											
Governance and administration		3 639	13 525	31 028	18 493	15 544	15 544	6 486	15 620	7 213	4 657
Executive and council		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Finance and administration		1 636	11 846	27 303	16 673	13 424	13 424	6 435	15 520	7 213	4 657
Internal audit		-	-	3 217	20	20	20	16	-	-	-
Community and public safety		21 362	15 281	3 770	9 320	8 514	8 514	2 537	15 928	9 014	9 353
Community and social services		1	-	-	840	840	840	-	2 070	950	-
Public safety		21 331	13 417	2 943	5 880	5 530	5 530	2 537	12 358	6 994	8 253
Health		30	1 864	828	2 600	2 144	2 144	-	1 500	1 070	1 100
Economic and environmental services		124	374	5	1 572	1 441	1 441	1 368	1 700	1 900	-
Planning and development		124	178	5	1 542	1 411	1 411	1 368	1 700	1 900	-
Road transport		-	195	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	30	30	30	-	-	-	-
Total Capital Expenditure - Functional	3	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Funded by:											
National Government		-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	5	527	-	-	-	-	-	-	-	-	-
Borrowing	6	788	-	-	-	-	-	-	-	-	-
Internally generated funds		23 810	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010
Total Capital Funding	7	25 124	29 181	34 803	29 385	25 498	25 498	10 391	33 248	18 126	14 010

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year.
- Capital expenditure by functional classification must reconcile to the appropriations by vote.
- Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure).
- Must reconcile to Budgeted Financial Performance (revenue and expenditure).
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17.
- Total Capital Funding must balance with Total Capital Expenditure.
- Include any capitalised interest (MFMA section 46) as part of relevant capital budget.

DC31 Nkangala - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Municipal Vote											
Single-year expenditure appropriation											
	1										
Vote 1 - Council General and Executive		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Executive Mayor and Council		2 002	1 679	509	1 800	2 100	2 100	36	100	-	-
Vote 2 - Municipal Manager Town Secretary and Chief Ex	2	-	11 014	-	10 305	9 555	9 555	6 398	4 650	2 700	3 700
Risk Management		-	-	-	-	-	-	-	-	-	-
Internal Audit		-	-	-	20	20	20	16	-	-	-
Public Participation		-	-	-	-	-	-	-	-	-	-
Support Unit		-	-	-	-	-	-	-	-	-	-
Municipal Manager		-	-	-	-	-	-	-	-	-	-
Performance Management		-	-	-	-	-	-	-	-	-	-
Legal Services		-	-	-	15	15	15	11	-	-	-
Information Technology		-	11 014	-	10 270	9 520	9 520	6 371	4 650	2 700	3 700
Vote 3 - Finance		168	330	27 303	50	50	50	8	60	65	70
Finance		-	14	-	-	-	-	8	60	65	70
Supply Chain Management		-	-	-	-	-	-	-	-	-	-
Budget Office		168	316	27 303	50	50	50	-	-	-	-
Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 4 - Social Services		21 362	15 281	3 770	9 350	8 544	8 544	2 537	15 928	9 014	9 353
Transversal Issues		-	-	-	-	-	-	-	-	-	-
Youth Services		-	-	-	-	-	-	-	-	-	-
Social Services		-	-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	840	840	840	-	2 070	950	-
Fire Fighting and Protection		21 332	13 417	2 943	5 880	5 530	5 530	2 537	12 358	6 994	8 253
Pollution Control		-	-	-	30	30	30	-	-	-	-
Health Services		30	1 864	828	2 600	2 144	2 144	-	1 500	1 070	1 100
Vote 5 - Local Economic Development		-	178	5	-	-	-	-	-	-	-
Tourism		-	-	-	-	-	-	-	-	-	-
LED		-	178	-	-	-	-	-	-	-	-
EPWP		-	-	5	-	-	-	-	-	-	-
Vote 6 - Development and Planning		124	-	-	42	42	42	-	-	-	-
Town Planning		124	-	-	30	30	30	-	-	-	-
IDP		-	-	-	12	12	12	-	-	-	-
Vote 7 - Technical Services		-	14	737	1 500	1 369	1 369	1 368	1 700	1 900	-
Development Facilitation: Regional Planning		-	14	737	1 500	1 369	1 369	1 368	1 700	1 900	-
Vote 8 - Corporate services		1 468	684	2 480	6 337	3 839	3 839	44	10 810	4 448	887
Public Liaison		-	-	-	-	-	-	-	-	-	-
Human Resources Administration		-	-	-	100	100	100	31	-	-	-
Property Services		-	182	737	6 050	3 551	3 551	-	10 750	4 388	827
Corporate Support		1 468	502	1 743	188	188	188	14	60	60	60
Capital single-year expenditure sub-total		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010
Total Capital Expenditure		25 124	29 181	34 803	29 384	25 498	25 498	10 391	33 248	18 126	14 010

DC31 Nkangala - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
Current assets											
Cash		24 982	4 252	6 292	2 512	2 512	2 512	6 696	5 128	7 115	7 570
Call investment deposits	1	444 075	458 096	449 150	382 754	375 194	375 194	462 297	367 231	337 142	278 326
Consumer debtors	1	-	144	119	-	-	-	142	164	180	180
Other debtors		15 820	25 429	12 204	5 590	5 590	5 590	3 129	7 485	8 483	7 308
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	114 679	68 653	103 094	195 703	195 703	195 703	103 094	135 500	94 894	98 125
Total current assets		599 556	556 574	570 859	586 559	578 999	578 999	575 358	515 507	447 813	391 509
Non current assets											
Long term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	40 862	44 846	44 847	44 847	44 847	44 846	48 957	53 317	60 507
Investment property		-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	115 659	135 418	160 573	180 029	181 415	181 415	164 230	197 890	207 610	213 686
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		757	583	491	3 241	3 241	3 241	430	2 009	2 264	2 416
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		116 416	176 863	205 911	228 117	229 502	229 502	209 506	248 865	263 191	276 610
TOTAL ASSETS		715 972	733 438	776 770	814 676	808 501	808 501	784 864	764 373	711 004	668 118
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	3 738	3 403	3 530	3 303	3 303	3 303	1 791	3 085	1 543	-
Consumer deposits		-	14	10	-	-	-	12	-	-	-
Trade and other payables	4	44 419	36 715	54 002	26 899	26 899	26 899	25 872	49 420	52 879	56 052
Provisions		192	739	672	471	471	471	417	697	718	730
Total current liabilities		48 349	40 872	58 213	30 673	30 673	30 673	28 092	53 202	55 140	56 782
Non current liabilities											
Borrowing		11 283	7 713	4 628	2 043	2 043	2 043	4 628	1 543	-	-
Provisions		14 854	18 448	20 185	20 817	20 817	20 817	20 185	24 310	29 060	34 560
Total non current liabilities		26 137	26 161	24 813	22 860	22 860	22 860	24 813	25 853	29 060	34 560
TOTAL LIABILITIES		74 486	67 033	83 026	53 533	53 533	53 533	52 905	79 054	84 200	91 342
NET ASSETS	5	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777

References

1. Detail to be provided in Table SA:
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

DC31 Nkangala - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		72 376	3 432	25 039	1 170	1 170	1 170	1 331	2 346	2 507	2 593
Government - operating	1	328 960	334 043	337 391	344 488	344 488	344 488	258 469	348 588	356 755	367 881
Government - capital	1	-	2 010	2 076	2 175	2 175	2 175	-	2 180	2 308	2 442
Interest		32 363	38 133	43 945	25 450	25 450	25 450	10 494	22 459	20 460	20 480
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(189 753)	(132 298)	(212 864)	(246 766)	(300 107)	(300 107)	(147 122)	(192 345)	(220 016)	(249 301)
Finance charges		(4 491)	(1 610)	(1 127)	(1 296)	(1 296)	(1 296)	(465)	(568)	(516)	(542)
Transfers and Grants	1	(161 930)	(177 349)	(162 301)	(112 095)	(163 463)	(163 463)	(96 032)	(147 154)	(165 589)	(180 714)
NET CASH FROM/(USED) OPERATING ACTIVITIES		77 526	66 361	32 158	13 126	(91 583)	(91 583)	26 675	35 106	(4 083)	(37 161)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		109	58	282	-	-	-	353	-	-	-
Decrease (increase) in non-current debtors		-	-	(3 984)	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(2 901)	(4 205)	-	(3 984)	(3 984)	(3 984)	-	(4 120)	(4 350)	(7 191)
Payments											
Capital assets		(24 597)	(29 181)	(34 803)	(29 385)	(25 498)	(25 498)	(10 391)	(33 248)	(18 126)	(14 010)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(27 389)	(33 329)	(38 505)	(33 369)	(29 483)	(29 483)	(10 038)	(37 368)	(22 476)	(21 201)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	61	-	-	-
Borrowing long term financing		-	-	-	-	-	-	157	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	(1)	-	-	-
Payments											
Repayment of borrowing		(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 303)	(3 085)	(1 543)	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(19 541)	(3 085)	(3 353)	(3 303)	(3 303)	(3 303)	(3 086)	(3 085)	(1 543)	-
NET INCREASE/ (DECREASE) IN CASH HELD		30 597	29 947	(9 700)	(23 546)	(124 368)	(124 368)	13 551	(5 347)	(28 102)	(58 361)
Cash/cash equivalents at the year begin:	2	401 783	432 401	465 142	408 811	502 073	502 073	455 442	377 706	372 359	344 257
Cash/cash equivalents at the year end:	2	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896

DC31 Nkangala - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Other current investments > 90 days		36 678	(0)	0	0	(0)	(0)	0	(0)	(1)	(0)
Non current assets - Investments	1	-	-40 862	-44 846	-44 847	-44 847	-44 847	-44 846	-48 967	-53 317	-60 507
Cash and investments available:		469 058	503 211	500 289	430 112	422 552	422 552	513 839	421 325	397 573	346 403
Application of cash and investments											
Unspent conditional transfers		3 994	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(289 567)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(285 573)	11 312	(13 783)	21 309	24 070	24 070	22 601	41 772	44 216	48 564
Surplus(shortfall)		754 631	491 898	514 072	408 804	398 483	398 483	491 239	379 553	353 357	297 839

DC31 Nkangala - Table A9 Asset Management

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	25 124	29 181	34 803	29 384	25 498	25 498	33 248	18 126	14 010
Roads Infrastructure		-	186	-	-	-	-	-	-	-
Electrical Infrastructure		-	996	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	250	250	-	-	-
Infrastructure		-	1 182	-	-	250	250	-	-	-
Community Facilities		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Heritage Assets		-	-	509	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Other Assets		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Licences and Rights		-	265	-	2 750	1 000	1 000	1 850	-	-
Intangible Assets		-	265	-	2 750	1 000	1 000	1 850	-	-
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	-
Total Capital Expenditure	4	-	1 182	-	-	250	250	-	-	-
Roads Infrastructure		-	186	-	-	-	-	-	-	-
Electrical Infrastructure		-	996	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	250	250	-	-	-
Infrastructure		-	1 182	-	-	250	250	-	-	-
Community Facilities		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Heritage Assets		-	-	509	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Housing		-	-	-	-	-	-	-	-	-
Other Assets		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Licences and Rights		-	265	-	2 750	1 000	1 000	1 850	-	-
Intangible Assets		-	265	-	2 750	1 000	1 000	1 850	-	-
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	-
TOTAL CAPITAL EXPENDITURE - Asset class		25 124	29 181	34 803	29 384	25 498	25 498	33 248	18 126	14 010
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure		2 012	1 917	1 635	1 635	1 635	1 635	1 269	1 185	1 120
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		381	1 296	1 215	1 215	1 215	1 215	1 054	973	892
Water Supply Infrastructure		-	-	-	-	-	-	250	250	250
Infrastructure		2 393	3 213	2 850	2 850	2 850	2 850	2 573	2 408	2 263
Community Facilities		-	-	-	38 358	38 358	38 358	10 929	14 758	19 588
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	38 358	38 358	38 358	10 929	14 758	19 588
Heritage Assets		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	509	-	-	-	509	509	509
Investment properties		-	-	509	-	-	-	509	509	509
Operational Buildings		113 266	132 205	114 512	84 054	84 055	84 055	126 382	128 793	127 604
Other Assets		113 266	132 205	114 512	84 054	84 055	84 055	126 382	128 793	127 604
Licences and Rights		757	583	491	3 241	3 241	3 241	3 249	3 157	3 070
Intangible Assets		757	583	491	3 241	3 241	3 241	3 249	3 157	3 070
Computer Equipment		-	-	3 162	4 640	5 332	5 332	12 106	14 085	17 239
Furniture and Office Equipment		-	-	4 828	9 796	9 796	9 796	6 807	7 596	8 665
Machinery and Equipment		-	-	6 797	13 926	13 926	13 926	12 384	14 684	16 353
Transport Assets		-	-	27 916	26 405	26 405	26 405	25 161	23 884	20 813
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	116 416	136 001	161 065	183 270	183 963	183 963	199 899	209 874	216 102
EXPENDITURE OTHER ITEMS										
Depreciation	7	7 910	9 566	9 609	10 912	10 957	10 957	9 380	8 406	7 934
Repairs and Maintenance by Asset Class	3	17 545	6 721	4 844	16 341	14 860	14 860	21 560	20 951	21 393
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Housing		-	-	-	-	-	-	-	-	-
Other Assets		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Licences and Rights		-	-	-	6 870	5 687	5 687	6 515	6 553	6 746
Intangible Assets		-	-	-	6 870	5 687	5 687	6 515	6 553	6 746
Computer Equipment		-	-	237	500	800	800	-	-	179
Furniture and Office Equipment		13 468	-	144	-	-	-	-	-	-
Machinery and Equipment		-	-	1 007	6 538	5 940	5 940	8 081	8 769	8 721
Transport Assets		-	-	676	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		25 456	16 287	14 453	27 253	25 817	25 817	30 940	29 357	29 326
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprec</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		15.2%	5.0%	3.0%	9.1%	8.2%	8.2%	10.9%	10.1%	10.0%
<i>Renewal and upgrading and R&M as a % of PPE</i>		15.0%	5.0%	3.0%	9.0%	8.0%	8.0%	11.0%	10.0%	10.0%

DC31 Nkangala - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
REVENUE ITEMS:											
Other Revenue by source											
Other Revenue		2 101	843	2 537							
Commission					10	10	10	-			
Sales of Goods and Rendering of Services					250	250	250	503	266	271	282
Insurance Refund						6	6	-			
Skills Development Levy Refund						345	345	-			
Administrative Handling Fees						1	1	-			
Total 'Other' Revenue	1	2 101	843	2 537	260	612	612	503	266	271	282
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	53 823	55 352	67 834	82 693	82 089	82 089	49 133	87 398	92 205	97 959
Pension and UIF Contributions		7 190	8 693	10 999	13 762	14 184	14 184	8 370	14 702	15 511	16 304
Medical Aid Contributions		4 696	7 101	7 913	10 613	9 156	9 156	4 142	11 289	11 910	12 533
Overtime		-	2 680	2 982	5 251	5 171	5 171	2 815	5 540	5 845	6 079
Performance Bonus		-	2 975	4 580	6 845	6 309	6 309	2 878	7 221	7 619	7 924
Motor Vehicle Allowance		5 007	6 450	9 614	9 356	9 989	9 989	7 282	10 665	11 252	12 255
Cellphone Allowance		-	1 234	1 324	1 416	1 314	1 314	876	1 494	1 576	1 719
Housing Allowances		130	331	436	445	593	593	353	470	496	515
Other benefits and allowances		429	828	25	1 241	1 097	1 097	179	876	925	971
Payments in lieu of leave		-	3 028	1 760	5 263	3 993	3 993	(11)	4 631	4 886	5 082
Long service awards		-	1 389	487	-	533	533	68	-	-	-
Post retirement benefit obligations		-	-	586	-	-	-	469	-	-	-
sub-total	5	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	71 275	90 060	108 540	136 885	134 429	134 429	76 554	144 287	152 223	161 349
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	7 910	9 566	9 609	10 912	10 957	10 957	6 795	9 380	8 406	7 934
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Total transfers and grants	1	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643
Contracted services											
Outsourced Service		-	6 916	6 322	10 258	8 934	8 934		9 513	6 770	7 536
Professional services		-	14 261	13 354	16 192	16 689	16 689		15 512	17 074	17 865
Contractors		-	9 669	14 250	18 960	20 519	20 519	24 042	29 269	27 438	30 121
sub-total	1	-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Total contracted services	1	-	30 847	33 926	45 410	46 142	46 142	24 042	54 294	51 282	55 522
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees											
General expenses	3	80 225	34 624	35 835							
List Other Expenditure by Type											
Inventory consumed					5 676	5 160	5 160		7 333	8 021	8 669
Operating Leases					1 147	1 700	1 700		2 209	1 067	1 121
Operational cost					45 391	41 302	41 302	18 901	45 745	49 221	52 496
Total 'Other' Expenditure	1	80 225	34 624	35 835	52 214	48 162	48 162	18 901	55 287	58 310	62 286
by Expenditure Item											
Employee related costs	8	-	-	-							
Other materials		-	-	-							
Contracted Services		17 545	6 721	4 844	16 341	14 860	14 860	5 591	21 560	20 951	21 393
Other Expenditure		-	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	9	17 545	6 721	4 844	16 341	14 860	14 860	5 591	21 560	20 951	21 393

DC31 Nkangala - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Council General and Executive	Vote 2 - Municipal Manager Town Secretary and Chief Executive	Vote 3 - Finance	Vote 4 - Social Services	Vote 5 - Local Economic Development	Vote 6 - Development and Planning	Vote 7 - Technical Services	Vote 8 - Corporate services	Total
R thousand	1									
Revenue By Source										
Rental of facilities and equipment		11	-	-	-	-	-	-	-	11
Interest earned - external investments		-	-	22 459	-	-	-	-	-	22 459
Fines, penalties and forfeits		-	-	550	350	-	-	-	-	900
Licences and permits		-	-	-	1 170	-	-	-	-	1 170
Other revenue		-	-	266	-	-	-	-	-	266
Transfers and subsidies		-	-	344 962	-	3 626	-	-	-	348 588
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		11	-	368 237	1 520	3 626	-	-	-	373 393
Expenditure By Type										
Employee related costs		5 317	17 713	16 922	64 854	4 290	6 923	9 495	18 774	144 287
Remuneration of councillors		13 498	-	-	-	-	-	-	-	13 498
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		499	652	93	5 536	21	28	227	2 324	9 380
Finance charges		362	7	551	-	-	-	23	25	968
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		1 947	13 868	5 658	10 106	1 276	1 264	1 255	18 720	54 294
Transfers and subsidies		-	7 730	2 798	5 543	20 085	16 558	114 795	-	167 509
Other expenditure		11 603	11 927	5 431	12 188	1 009	687	891	11 550	55 287
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		33 226	51 897	31 652	98 227	26 681	25 460	126 686	51 394	445 223
Surplus/(Deficit)		(33 216)	(51 897)	336 584	(96 707)	(23 055)	(25 460)	(126 686)	(51 394)	(71 830)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	2 180	-	-	-	-	-	2 180
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(33 216)	(51 897)	338 764	(96 707)	(23 055)	(25 460)	(126 686)	(51 394)	(69 650)

References:

1. Departmental columns to be based on municipal organisation structure

DC31 Nkangala - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits		407 418	458 096	449 150	382 754	375 194	375 194	462 297	367 231	337 142	278 326
Other current investments		36 657	-	-	-	-	-	-	-	-	-
Total Call investment deposits	2	444 075	458 096	449 150	382 754	375 194	375 194	462 297	367 231	337 142	278 326
<u>Consumer debtors</u>											
Consumer debtors		-	144	119	-	-	-	142	164	180	180
<i>Less: Provision for debt impairment</i>		-	-	-	-	-	-	-	-	-	-
Total Consumer debtors	2	-	144	119	-	-	-	142	164	180	180
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		164 310	193 301	227 744	259 572	260 957	260 957	239 584	286 491	304 617	318 627
Leases recognised as PPE	3	788	788	1 584	-	-	-	-	-	-	-
<i>Less: Accumulated depreciation</i>		49 439	58 672	68 264	79 542	79 542	79 542	75 354	88 601	97 007	104 941
Total Property, plant and equipment (PPE)	2	115 659	135 418	161 065	180 029	181 415	181 415	164 230	197 890	207 610	213 686
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)		244	268	-	3 085	3 085	3 085	1 791	3 085	1 543	-
Current portion of long term liabilities		3 494	3 135	3 530	218	218	218	-	-	-	-
Total Current liabilities - Borrowing		3 738	3 403	3 530	3 303	3 303	3 303	1 791	3 085	1 543	-
<u>Trade and other payables</u>											
Trade and other creditors		40 425	36 715	54 002	26 899	26 899	26 899	25 872	49 420	52 879	56 052
Unspent conditional transfers		3 994	-	-	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
Total Trade and other payables	2	44 419	36 715	54 002	26 899	26 899	26 899	25 872	49 420	52 879	56 052
<u>Non current liabilities - Borrowing</u>											
Borrowing	4	10 798	7 495	4 628	1 543	1 543	1 543	4 628	1 543	-	-
Finance leases (including PPP asset element)		486	218	-	501	501	501	-	-	-	-
Total Non current liabilities - Borrowing		11 283	7 713	4 628	2 043	2 043	2 043	4 628	1 543	-	-
<u>Provisions - non-current</u>											
Retirement benefits		14 854	15 985	20 185	20 817	20 817	20 817	20 185	24 310	29 060	34 560
<i>List other major provision items</i>		-	-	-	-	-	-	-	-	-	-
Total Provisions - non-current		14 854	15 985	20 185	20 817	20 817	20 817	20 185	24 310	29 060	34 560
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance		613 654	641 486	669 912	637 452	677 247	677 247	693 744	754 969	685 318	626 804
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		613 654	641 486	669 912	637 452	677 247	677 247	693 744	754 969	685 318	626 804
Surplus/(Deficit)		27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	122 013	122 013	122 013	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
TOTAL COMMUNITY WEALTH/EQUITY	2	641 486	666 405	693 744	761 143	754 969	754 969	731 960	685 318	626 804	576 777
Total capital expenditure includes expenditure on nationally significant priorities:											
Provision of basic services											

DC31 Nkangala - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Institutional Development and Transformation	Competent, Innovative and Accountable Team	KPA 1		-	5	-	-	-	-	-	-	-
Good Governance and Public Participation	Sound Electronic Governance	KPA 2		-	2	-	-	-	-	-	-	-
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3		-	18	2 308	4 182	4 182	4 182	3 626		
Financial Viability and Financial Management	Sound Financial Management	KPA 4		365 837	381 665	385 273	368 691	369 192	369 192	370 417	380 392	391 735
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5		-	72	235	400	1 140	1 140	1 520	1 635	1 650
	Sustainable Infrastructure and Service Provisioning	KPA 5		934	2	11	10	11	11	11	11	12
Spatial Rationale	Integrated regionalised planning	KPA 6										
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	366 771	381 765	387 828	373 283	374 525	374 525	375 573	382 039	393 396

DC31 Nkangala - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand													
Institutional Development and Transformation	Competent, Innovative and Accountable Team	KPA 1		74 700			259 547	104 244	104 244	117 516	115 477	124 993	
Good Governance and Public Participation	Sound Electronic Governance	KPA 2		5			15 090	16 318	16 318	19 002	19 788	20 527	
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3		35 142			17 702	25 806	25 806	26 681	25 627	21 128	
Financial Viability and Financial Management	Sound Financial Management	KPA 4		29 523			6 094	31 027	31 027	31 652	32 453	33 864	
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5		115 480			18 081						
	Sustainable Infrastructure and Service Provisioning	KPA 5		79 097			43 158	224 867	224 867	224 913	230 144	223 718	
Spatial Rationale	Integrated regionalised planning	KPA 6					11 934	16 553	16 553	25 460	17 066	19 193	
Allocations to other priorities													
Total Expenditure				1	333 947	-	-	371 606	418 816	418 816	445 224	440 553	443 423

DC31 Nkangala - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Institutional Development and Transformation	Competent Innovative and Accountable Team	KPA 1		3 574	13 391	3 726	11 884	15 474	15 474	15 560	7 148	4 587
Good Governance and Public Participation	Sound Electronic Governance	KPA 2		-			7 450	20	20			
Local Economic Development	Inclusive Economic Growth with Sustainable Development	KPA 3		-	178	5						
Financial Viability and Financial Management	Sound Financial Management	KPA 4		168	330			50	50	60	65	70
Basic Service Delivery and Infrastructure	Healthy Social Environment	KPA 5		21 362	15 281	27 303	8 550	9 913	9 913	17 628	10 914	9 353
	Sustainable Infrastructure and Service Provisioning	KPA 5		21		3 770	1 500					
Spatial Rationale	Integrated regionalised planning	KPA 6						42	42			
Allocations to other priorities			3									
Total Capital Expenditure			1	25 124	29 181	34 803	29 385	25 498	25 498	33 248	18 126	14 010

DC31 Nkangala - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 - Office of the Municipal Manager										
Function 1 - Organisational Restructuring and Transformation										
Sub-function 1 - Performance Management										
# of quarterly performance report submitted to Council by 30 June	Number	4	4	4	4	4	4	4	4	4
Function 2 - Governance										
Sub-function 1 - Audit										
% of MPAC recommendation resolved per quarter	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% achievement to resolve issues raised on the Audit Action Plan per quarter	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintain Auditor General Opinion - Clean Audit in respect of the Annual Report	Number	1	1	1	1	1	1	1	1	1
% of AG Management Letter findings resolved by quarter (Total organization)	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 2 - Risk Management										
% of future action plans resolved to address fraud and corruption risk identified per quarter	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Function 3 - Service Delivery										
Sub-function 1 - Community Satisfaction										
# of Community Satisfaction Surveys conducted on the work of the District by 30 June 2017	Number		1	1	1	1	1	0	1	1
Function 4 - IDP and BUDGET										
Sub-function 1 - IDP										
Final IDP and Budget tabled and approved by Council by the 31st May	Number	1	1	1	1	1	1	1	1	1
Function 4 - Financial Viability										
Sub-function 1 - Expenditure										
% spend of the Total Capital Budget by 30 June	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.0%	100.0%	100.0%
Vote 2 - Corporate Services										
Function 1 - Organisational Restructuring and Transformation										
Sub-function 1 - Human Resources										
% approved vacant positions (previously filled) processed within (3) months of post vacancy	Percentage		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 2 - Training and Development										
% of budget spent implementing the Workplace Skills Plan (GKPI) by 30 June 2017	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Vote 3 - Finance										
Function 1 - Financial Viability										
Sub-function 1 - Financial Management										
Cost coverage ratio (GKPI) by 30 June 2017	Ratio	NA	NA	NA	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%
Sub-function 2 - Budgeting										
Submission for approval of MTRF Budget by the 31st May	Number	1	1	1	1	1	1	1	1	1
Sub-function 3 - Financial Reporting										
Annual Financial Statements (AFS) submitted on or before the 31st August	Number	1	1	1	1	1	1	1	1	1
# of quarterly section 52(d) MFMA reports submitted to Executive Mayor within legislative timeframes	Number	4	4	4	4	4	4	4	4	4
Section 72 (midyear) MFMA reports submitted to Executive Mayor within legislative timeframes	Number	1	1	1	1	1	1	1	1	1
# of section 71 MFMA reports submitted to Executive Mayor within legislative timeframes per month	Number	12	12	12	12	12	12	12	12	12
Function 2 - SCM										
Sub-function 1 - SCM										
# of SCM deviation reports submitted to the MM per month (Total Administration)	Number	12	12	12	12	12	12	12	12	12

DC31 Nkangala - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 4 - Development Planning										
Function 1 - Human Settlements										
Sub-function 1 - Human Settlements										
# of informal settlements formalised by 30th June	Number			5	5	5	5	0	1	5
# of formal townships established by 30th June	Number		6	5	5	5	5	0	4	5
Function 2 - Land Administration										
Sub-function 1 - GIS										
# of projects implemented from the GIS Strategy by 30th June	Number		2	1	1	1	1	1	1	1
Sub-function 2 - Land Management										
# of projects implemented based on SPLUMA by 30th June	Number		3	2	2	2	2	1	2	3
Vote 5 - Technical Services										
Function 1 - Service Delivery										
Sub-function 1 - Water and Sanitation										
Number of Sanitation projects (as submitted by the LM's) completed by 30 June	Number		10	6	6	6	6	1	1	1
Number of Water projects (as submitted by the LM's) completed by 30 June	Number		8	14	14	14	14	20	20	11
Sub-function 2 - Electricity										
Number of Electricity projects (as submitted by the LM's) completed by 30 June	Number		1	2	2	2	2	1	1	1
Sub-function 3 - Project Management										
% spend of Capital projects in terms of budget (NDM funded projects) by 30 June	Percentage		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sub-function 4 - Road and Stormwater										
Number of Road and Stormwater projects (as submitted by the LM's) completed by 30 June	number							10	18	4
Vote 6 - Local Economic Delivery										
Function 1 - Economic Development and Job Creation										
Sub-function 1 - Economic Development										
Hosting of Investment Summit to market Anchor Projects / Catalytic by 30 June 2017	Number		1	1	1	1	1	1	1	1
Sub-function 2 - Job Creation										
# of EPWP Full Time Equivalent (FTE's) job opportunities provided through the implementation of LED and Capital projects (GKPI) per quarter	Number		308	72	72	72	72	100%	100%	100%
Vote 7 - Social Services										
Function 1 - Health										
Sub-function 1 - HIV/AIDs										
# of HIV/AIDs educational awareness campaigns implemented to capacitate and build communities per quarter	Number		8	8	8	8	8	6	6	6
% of water samples taken per month that do not comply to SANS 241 and that are formally reported to the LM's to implement corrective action per quarter	Percentage		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Function 2 - Environmental Management										
Sub-function 1 - Air Pollution										
% of atmospheric emission license applications issued as compared to application received as per NEM Air Quality Act, 2004 by 30 June 2017	Percentage		60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
Function 3 - Youth										
Sub-function 1 - Youth Development										
Annual Youth Summit convened by 30th June	Number		1	1	1	1	1	1	1	1
Function 4 - Disaster Management										
Sub-function 1 - Disaster Education										
# of Disaster Emergency Open Day Hosted with local Municipalities by June 2017	Number		1	2	2	2	2	2	2	2

DC31 Nkangala - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Borrowing Management											
Credit Rating	Short term			A1	A1	A1	A1	A1			
Credit Rating	Long term			A	A	A	A	A			
Credit Rating	International			BB-	BB-	BB-	BB-	BB-			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	6.7%	1.3%	1.2%	1.2%	1.1%	1.1%	1.6%	0.9%	0.5%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	65.8%	11.0%	9.2%	17.3%	16.7%	16.7%	31.9%	16.3%	9.0%	2.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	12.4	13.6	9.8	19.1	18.9	18.9	20.5	9.7	8.1	6.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	12.4	13.6	9.8	19.1	18.9	18.9	20.5	9.7	8.1	6.9
Liquidity Ratio	Monetary Assets/Current Liabilities	9.7	11.3	7.8	12.6	12.3	12.3	16.7	7.0	6.2	5.0
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	4.3%	6.7%	3.2%	1.5%	1.5%	1.5%	1.2%	2.0%	2.3%	1.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		9.3%	7.9%	11.9%	7.0%	7.1%	7.1%	5.5%	13.3%	15.4%	19.6%
Employee costs	Employee costs/(Total Revenue - capital revenue)	19.5%	23.7%	28.1%	36.9%	36.1%	36.1%	28.3%	38.6%	40.1%	41.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	23.0%	27.1%	31.4%	40.3%	39.8%	39.8%	42.3%	43.8%	45.1%	
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.8%	1.8%	1.3%	4.4%	4.0%	4.0%		5.8%	5.5%	5.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	3.0%	2.9%	2.8%	3.3%	3.3%	3.3%	2.7%	2.6%	2.3%	2.2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	0.8	0.9	1.7	0.9	0.9	0.9	0.5	1.1	1.1	1.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	17682.4%	24955.8%	12338.7%	55898.2%	55898.2%	55898.2%	0.0%	72154.3%	77100.0%	65110.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	52.0	38.0	32.7	21.6	21.4	21.4	49.1	19.3	17.2	13.3

DC31 Nkangala - Supporting Table SA9 Social, economic and demographic statistics (with assumptions)

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population		1 018	1 225	1 308							
Females aged 5 - 14		5 825	8	1 994							
Males aged 5 - 14		43 009	5 825	1 994							
Females aged 15 - 34		4 755	103 294	1 724							
Males aged 15 - 34		4 755	7 008	1 724							
Unemployment		487	766	8 988							
Monthly household income (no. of households)											
No income	1, 12										
R1 - R1 600											
R1 601 - R3 200											
R3 201 - R6 400											
R6 401 - R12 800											
R12 801 - R25 600											
R25 601 - R51 200											
R51 201 - R102 400											
R102 401 - R204 800											
R204 801 - R409 600											
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 050 per household per month	13										
Insert description	2										
Household demographics (000)											
Number of people in municipal area				1 308 128							
Number of poor people in municipal area											
Number of households in municipal area				421 144							
Number of poor households in municipal area											
Definition of poor household (R per month)											
Housing statistics											
Formal	3			343 556							
Informal		18 874	50 681	63 317							
Total number of households		18 874	50 681	406 873							
Dwellings provided by municipality	4										
Dwellings provided by province/s											
Dwellings provided by private sector	5										
Total new housing dwellings											
Economic											
Inflation/inflation outlook (CPI-X)	6										
Interest rate - borrowing											
Interest rate - investment											
Remuneration increases											
Consumption growth (electricity)											
Consumption growth (water)											
Collection rates											
Property tax/service charges	7										
Rental of facilities & equipment											
Interest - external investments											
Interest - debtors											
Revenue from agency services											

DC31 Nkangala Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	432 380	462 348	455 442	385 266	377 706	377 706	468 993	372 359	344 257	285 896
Cash + investments at the yr end less applications - R'000	18(1)b	2	754 631	491 898	514 072	408 804	398 483	398 483	491 239	379 553	353 357	297 839
Cash year end/monthly employee/supplier payment	18(1)b	3	52.0	38.0	32.7	21.6	21.4	21.4	49.1	19.3	17.2	13.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	27 832	24 919	23 832	1 677	(44 291)	(44 291)	38 216	(69 650)	(58 514)	(50 027)
Service charge rev % change - macro CPI-X target exclusiv	18(1)a.(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a.(2)	6	2086.0%	99.3%	550.1%	100.0%	50.6%	50.6%	100.0%	100.0%	100.0%	100.0%
Debit impairment expense as a % of total billable revenue	18(1)a.(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c.15	8	97.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	61.7%	(51.8%)	(54.6%)	0.0%	0.0%	(41.5%)	36.8%	13.3%	(13.6%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipmen	20(1)(vi)	13	15.2%	5.0%	3.0%	9.1%	8.2%	8.2%	13.1%	10.9%	10.1%	10.0%
Asset renewal % of capital budge	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

DC31 Nkangala - Supporting Table SA15 Investment particulars by type

Investment type	leaf	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Parent municipality										
Securities - National Government		-	-	-	-	-	-			
Listed Corporate Bonds		-	-	-	-	-	-			
Deposits - Bank		444 075	498 958	493 996	427 600	420 040	420 040	416 197	390 458	338 833
Deposits - Public Investment Commissioners		-	-	-	-	-	-			
Deposits - Corporation for Public Deposits		-	-	-	-	-	-			
Bankers Acceptance Certificates		-	-	-	-	-	-			
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-			
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-			
Repurchase Agreements - Banks		-	-	-	-	-	-			
Municipal Bonds		-	-	-	-	-	-			
Municipality sub-total	1	444 075	498 958	493 996	427 600	420 040	420 040	416 197	390 458	338 833
Consolidated total:		444 075	498 958	493 996	427 600	420 040	420 040	416 197	390 458	338 833

References

1. Total investments must reconcile to Budgeted Financial Position (current call investment deposits plus 'non-current' investments)

DC31 Nkangala - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Parent municipality										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)		11 283	7 713	4 628	2 043	2 043	2 043	1 543	-	-
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	11 283	7 713	4 628	2 043	2 043	2 043	1 543	-	-
Total Borrowing	1	11 283	7 713	4 628	2 043	2 043	2 043	1 543	-	-

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)
check borrowing balance

	0	-	-	-	-	-	-	-	-
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DC31 Nkangala - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		322 322	330 683	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Local Government Equitable Share		-	-	-	19 402	19 402	19 402	20 973	23 272	25 407
Local Government Equitable Share		-	-	-	19 402	19 402	19 402	20 973	23 272	25 407
RSC Levy Replacement		318 017	326 223	333 667	319 654	319 654	319 654	322 969	332 483	341 474
Finance Management		1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 000	1 000
Municipal Systems Improvement		934	930	-	-	-	-	-	-	-
EPWP Incentive		2 121	2 280	2 318	4 182	4 182	4 182	3 626	-	-
SETA		-	-	-	-	-	-	-	-	-
Provincial Government:		130	332	-	-	-	-	-	-	-
Provincial Treasury Data cleansing		1 694	3 000	-	-	-	-	-	-	-
Other grant providers:		5 563	-	-	-	-	-	-	-	-
Public Donations Mining House		5 563	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	328 015	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Capital Transfers and Grants										
National Government:		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Rural Transport Services and Infrastructure		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
TOTAL RECEIPTS OF TRANSFERS & GRANTS		329 965	333 025	339 311	346 663	346 663	346 663	350 768	359 063	370 323

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)
3. Replacement of FSC levies
4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
5. Total transfers and grants must reconcile to Budgeted Cash Flows
6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

DC31 Nkangala - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		322 452	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Local Government Equitable Share		-	-	-	-	-	-	-	-	-
Local Government Equitable Share		318 017	326 223	333 667	19 402	19 402	19 402	20 973	23 272	25 407
RSC Levy Replacement		-	-	-	319 654	319 654	319 654	322 989	332 483	341 474
Finance Management		1 250	1 250	1 250	1 250	1 250	1 250	1 000	1 000	1 000
Municipal Systems Improvement		934	930	-	-	-	-	-	-	-
EPWP incentive		2 121	2 280	2 318	4 182	4 182	4 182	3 626	-	-
SETA		130	332	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		329 709	334 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Rural Transport Services and Infrastructure		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Total capital expenditure of Transfers and Grants		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		331 659	336 025	339 311	346 663	346 663	346 663	350 768	359 063	370 323

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

DC31 Nkangala - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		322 452	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Conditions met - transferred to revenue		322 452	331 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		329 709	334 015	337 235	344 488	344 488	344 488	348 588	356 755	367 881
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Conditions met - transferred to revenue		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		1 950	2 010	2 076	2 175	2 175	2 175	2 180	2 308	2 442
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		331 659	336 025	339 311	346 663	346 663	346 663	350 768	359 063	370 323
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

DC31 Nkangala - Supporting Table SA21 Transfers and grants made by the municipality

R thousand	Description	Ref	2014/15		2015/16		2016/17		Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21			
	<u>Non-Cash Transfers to other municipalities</u>															
1	MP311 Victor Khanye		10 767	16 665	13 642	12 990	12 911	12 911	7 533	15 335	12 752	11 643				
	MP312 Emalahleni		42 340	23 933	3 551	21 481	48 602	48 602	26 282	25 064	15 339	23 246				
	MP313 Steve Tshwete		5 345	38 223	43 604	883	3 285	3 285	1 116	21 972	22 246	12 835				
	MP314 Enakhazeni		9 300	21 564	36 839	22 033	36 712	36 712	20 369	24 864	27 254	13 185				
	MP315 Thembisile Hani		30 998	21 523	22 892	20 172	28 562	28 562	22 530	37 559	24 787	25 169				
	MP316 Dr JS Moroka		25 887	36 619	20 830	10 291	11 126	11 126	7 918	15 493	27 010	33 076				
	MP316 Dr JS Moroka		38 801	18 822	20 943	24 245	22 676	22 676	10 283	27 203	26 188	21 488				
	DC31 Nkangala (Cross boundary projects)															
	Total Non-Cash Transfers To Municipalities:		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643				
	TOTAL NON-CASH TRANSFERS AND GRANTS		163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643				
	TOTAL TRANSFERS AND GRANTS	6	163 438	177 349	162 301	112 095	163 873	163 873	96 032	167 509	155 576	140 643				

DC31 Nkangala - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		7 695	7 874	8 118	7 961	8 286	8 286	8 398	8 860	9 337
Pension and UIF Contributions		1 202	1 201	935	1 022	1 391	1 391	1 078	1 137	1 194
Medical Aid Contributions		174	166	183	543	235	235	573	604	634
Motor Vehicle Allowance		3 012	3 034	2 760	2 756	3 065	3 065	2 907	3 067	3 221
Cellphone Allowance		608	607	592	514	938	938	542	572	762
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		12 691	12 882	12 587	12 795	13 916	13 916	13 498	14 241	15 148
% increase	4		1.5%	(2.3%)	1.7%	8.8%	-	(3.0%)	5.5%	6.4%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		15 010	4 516	4 556	6 027	5 041	5 041	6 359	6 709	6 977
Pension and UIF Contributions		234	544	580	280	401	401	479	505	525
Medical Aid Contributions		42	137	125	-	(41)	(41)	92	97	101
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	259	297	573	450	450	605	638	664
Motor Vehicle Allowance	3	583	564	594	576	623	623	481	507	666
Cellphone Allowance	3	-	144	132	150	132	132	158	167	174
Housing Allowances	3	22	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	32	25	376	569	569	121	127	133
Payments in lieu of leave		-	300	808	196	167	167	289	305	317
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		15 891	6 498	7 117	8 179	7 342	7 342	8 583	9 055	9 557
% increase	4		(59.1%)	9.5%	14.9%	(10.2%)	-	16.9%	5.5%	5.5%
Other Municipal Staff										
Basic Salaries and Wages		38 794	50 835	63 278	76 665	76 899	76 899	81 039	85 496	90 992
Pension and UIF Contributions		6 956	8 148	10 419	13 482	13 609	13 609	14 224	15 006	15 778
Medical Aid Contributions		4 653	6 964	7 788	10 613	9 110	9 110	11 197	11 813	12 431
Overtime		-	2 680	2 982	5 251	5 171	5 171	5 540	5 845	6 079
Performance Bonus		-	2 715	4 284	6 272	5 859	5 859	6 617	6 980	7 260
Motor Vehicle Allowance	3	4 424	5 886	9 020	8 780	8 493	8 493	10 184	10 745	11 588
Cellphone Allowance	3	-	1 090	1 192	1 266	1 183	1 183	1 336	1 409	1 546
Housing Allowances	3	108	331	436	445	593	593	470	496	515
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	2 727	952	5 067	4 700	4 700	4 343	4 581	4 765
Long service awards		-	1 389	487	-	533	533	-	-	-
Post-retirement benefit obligations	6	429	795	586	865	938	938	756	797	838
Sub Total - Other Municipal Staff		55 365	83 562	101 423	128 706	127 087	127 087	135 704	143 167	151 792
% increase	4		50.9%	21.4%	26.9%	(1.3%)	-	6.8%	5.5%	6.0%
Total Parent Municipality		83 948	102 942	121 127	149 680	148 345	148 345	157 785	166 463	176 497
			22.6%	17.7%	23.6%	(0.9%)	-	6.4%	5.5%	6.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		83 948	102 942	121 127	149 680	148 345	148 345	157 785	166 463	176 497
% increase	4		22.6%	17.7%	23.6%	(0.9%)	-	6.4%	5.5%	6.0%
TOTAL MANAGERS AND STAFF	5,7	71 257	90 060	108 540	136 885	134 429	134 429	144 287	152 223	161 349

DC31 Nkangala - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		498 183	82 621	193 601			774 405
Chief Whip			493 423	51 081	181 501			726 005
Executive Mayor			718 271	129 737	120 000			968 008
Deputy Executive Mayor								-
Executive Committee			2 795 093	489 210	1 089 007			4 373 310
Total for all other councillors			3 681 533	487 586	1 363 305			5 532 424
Total Councillors	8	-	8 186 503	1 240 234	2 947 415			12 374 152
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 181 518	295 104	120 000			1 596 621
Chief Finance Officer			989 049	193 208	126 000			1 308 257
<i>List of each official with packages >= senior manager</i>								
General Manager Corporate service			1 047 714	1 884	96 000			1 145 598
General Manager Social services			778 425	183 308	183 901			1 145 634
General Manager Dpu			869 679	131 919	144 000			1 145 598
General Manager Technical			953 752	47 846	144 000			1 145 598
Total Senior Managers of the Municipality	8,10	-	5 820 137	853 268	813 901	-		7 487 306
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	14 006 640	2 093 502	3 761 316	-		19 861 458

References

1. Pension and medical aid
2. Total package must equal the total cost to the municipality
3. List each political office bearer by designation. Provide a total for all other councillors
4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
6. List each entity where municipality has an interest and state percentage ownership and control
7. List each senior manager reporting to the CEO of an Entity by designation
8. Must reconcile to relevant section of Table SA24
9. Must reconcile to totals shown for the budget year of Table SA22
10. Correct as at 30 June

DC31 Nkangala - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		57		57	56		56	56	-	56
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	6		6	6	-	6
Other Managers	7	32	23	9	37	27	10	37	27	10
Professionals		54	54	-	63	53	70	63	53	70
<i>Finance</i>		31	31	-	33	27	6	33	27	6
<i>Spatial/town planning</i>		9	9	-	16	12	4	16	12	4
<i>Information Technology</i>		4	4	-	6	6	-	6	6	-
<i>Other</i>		10	10	-	8	8	-	8	8	-
Technicians		7	7	6	17	12	5	17	12	5
<i>Other</i>		7	1	6	17	12	5	17	12	5
Clerks (Clerical and administrative)		32	28	4	39	32	7	39	32	7
Service and sales workers		106	104	2	123	120	3	123	120	3
TOTAL PERSONNEL NUMBERS	9	293	210	83	341	244	97	341	244	97
% increase					16.4%	16.2%	16.9%	-	-	-
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions

DC31 Nkangala - Supporting Table SA25 Budgeted monthly revenue and expenditure

R thousand	Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
	Revenue By Source																	
	Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rental of facilities and equipment		-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-
	Interest earned - external investments		1 790	1 938	2 138	2 039	1 841	1 688	1 538	1 895	1 835	2 036	5	11	20 468	12	20 480	
	Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Licences and permits		-	-	100	-	-	-	-	-	-	-	-	-	-	-	-	-
	Agency services		-	100	200	-	300	-	-	-	-	-	-	-	-	-	-	-
	Transfers and subsidies		144 318	907	-	-	1 631	1 14 653	85 991	1	1	1	1	1	348 588	356 755	367 881	
	Other revenue		1	-	1	1	256	1	1	1	1	1	1	1	266	271	282	
	Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Revenue (excluding capital transfers and contribution)		146 109	2 946	2 438	2 043	4 028	3 077	87 529	2 136	1 911	2 436	373 393	379 731	390 954			
	Expenditure By Type																	
	Employee related costs		12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	144 287	152 223	161 349			
	Remuneration of councillors		1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	13 498	14 241	15 148			
	Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Depreciation & asset impairment		817	817	817	817	790	789	746	745	734	732	9 380	8 406	7 934			
	Finance charges		42	42	272	42	42	42	272	42	43	40	968	516	542			
	Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contracted services		3 546	3 032	2 845	2 775	3 701	2 588	3 655	2 753	3 891	19 585	54 294	51 282	55 522			
	Transfers and subsidies		4 669	11 518	14 809	9 022	9 298	9 109	14 266	8 029	10 168	52 083	167 509	155 576	140 643			
	Other expenditure		1 711	1 842	2 362	2 303	1 689	1 689	2 484	1 910	1 452	32 869	55 287	58 310	67 286			
	Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Expenditure		23 934	30 399	34 253	28 108	28 772	27 539	34 571	26 629	29 437	118 458	445 223	440 553	443 423			
	Surplus/(Deficit)		122 175	(27 453)	(31 814)	(26 065)	(24 744)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(71 830)	(60 822)	(52 469)			
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	2 180	2 308	2 442			
	Transfers and subsidies - capital (in-kind - all)		-	1 527	-	-	-	-	-	-	-	-	-	-	-			
	Surplus/(Deficit) after capital transfers & contributions		122 175	(25 927)	(31 814)	(26 065)	(24 744)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(69 650)	(58 514)	(50 027)			
	Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Share of surplus/(deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-			
	Surplus/(Deficit)		122 175	(25 927)	(31 814)	(26 065)	(24 744)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(69 650)	(58 514)	(50 027)			
	<i>References</i>																	
	1. Surplus (Deficit) must reconcile with Budgeted Financial Performance																	

DC31 Mkgangala - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework				
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21		
	Revenue by Vote					3	2 040	2 238	2 040	2 087	1 165 546	2 494	1 689	87 529	1 986	1 911	370 417	380 392	391 735
	Vote 1 - Council General and Executive																		
	Vote 2 - Municipal Manager Town Secretary and Chief Exec																		
	Vote 3 - Finance		146 109	3 465	2 238	2 040	2 087	2 238	2 040	2 087	1 165 546	2 494	1 689	87 529	1 986	1 911	370 417	380 392	391 735
	Vote 4 - Social Services			100	200		300	300		300		350	300		150		1 520	1 635	1 650
	Vote 5 - Local Economic Development			907			1 631						1 088				3 626		
	Vote 6 - Development and Planning																		
	Vote 7 - Technical Services																		
	Vote 8 - Corporate Services																		
	Total Revenue by Vote		146 109	4 472	2 438	2 043	4 028	1 165 546	2 847	3 077	87 529	2 136	1 911	2 436	375 573	382 039	383 396		
	Expenditure by Vote to be appropriated																		
	Vote 1 - Council General and Executive		1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 642	1 635	1 635	1 635	33 226	35 042	36 936
	Vote 2 - Municipal Manager Town Secretary and Chief Exec		2 315	2 263	2 394	2 594	2 694	3 198	3 014	3 028	3 112	3 028	3 112	3 112	2 827	5 487	51 869	48 806	51 282
	Vote 3 - Finance		1 438	1 437	1 694	1 437	1 437	1 439	1 593	1 437	1 437	1 437	1 437	1 437	1 437	1 436	31 652	32 453	33 854
	Vote 4 - Social Services		7 222	9 001	7 458	7 480	7 890	7 977	7 528	6 871	8 724	7 730	7 200	13 147	8 627	7 200	8 627	103 326	109 761
	Vote 5 - Local Economic Development		1 423	4 793	3 324	1 264	2 427	2 100	911	2 232	2 163	1 115	3 013	1 916	1 115	3 013	26 681	25 627	21 128
	Vote 6 - Development and Planning		997	619	4 854	812	1 130	6 175	628	883	5 381	615	651	2 705	7 408	6 211	25 460	17 066	19 193
	Vote 7 - Technical Services		4 479	6 676	8 541	8 874	7 676	7 409	9 873	7 408	7 676	7 408	6 211	44 465	126 686	126 686	126 686	126 818	113 967
	Vote 8 - Corporate services		4 418	3 967	4 347	4 006	3 876	4 350	3 645	4 028	4 211	3 862	3 804	5 882	51 394	51 394	51 394	51 415	57 302
	Total Expenditure by Vote		23 934	30 399	34 253	28 108	28 772	34 290	28 833	27 539	34 571	26 629	29 437	118 458	445 223	440 553	443 423		
	Surplus/(Deficit) before assoc.		122 175	(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(69 650)	(68 514)	(50 027)		
	Taxation																		
	Attributable to minorities																		
	Share of surplus/(deficit) of associate																		
	Surplus/(Deficit)	1	122 175	(25 927)	(31 814)	(26 065)	(24 744)	82 256	(25 986)	(24 462)	52 958	(24 493)	(27 526)	(116 022)	(69 650)	(68 514)	(50 027)		
	<i>References</i>																		
	<i>1. Surplus (Deficit) must reconcile with Budgeted Financial Performance</i>																		

DC31 Nkangala - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand																	
Single-year expenditure to be appropriated																	
Vote 1 - Council General and Executive													100	100			
Vote 2 - Municipal Manager Town Secretary and Chief Executive													3 650	4 650	2 700	3 700	
Vote 3 - Finance													60	60	65	70	
Vote 4 - Social Services													15 928	15 928	9 014	9 353	
Vote 5 - Local Economic Development																	
Vote 6 - Development and Planning																	
Vote 7 - Technical Services													1 700	1 700	1 900		
Vote 8 - Corporate services													10 810	10 810	4 448	887	
Capital single-year expenditure sub-total	2												300	300	400	14 010	
Total Capital Expenditure	2												32 248	33 248	18 126	14 010	
													32 248	33 248	18 126	14 010	

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimate.
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure.

DC31 Nkangala - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts by Source															
Rental of facilities and equipment	1 790	1 938	2 138	2 039	1 841	1 892	1 740	1 688	1 538	1 895	1 835	2 036	11	20 468	12
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	22 459	-	20 480
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	100	100	-	300	-	450	-	-	-	75	275	900	990	1 050
Licences and permits	-	100	200	-	-	-	-	300	-	150	-	120	1 170	1 235	1 250
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	144 318	507	-	-	1 631	114 553	-	1 088	85 991	-	-	-	348 588	356 755	367 881
Other revenue	1	1	1	1	256	1	1	1	1	1	1	1	266	271	282
Cash Receipts by Source	146 109	2 946	2 438	2 043	4 028	116 546	2 194	3 077	87 529	2 136	1 911	2 436	373 393	379 731	390 954
Other Cash Flows by Source															
Transfer receipts - capital	-	1 527	-	-	-	-	653	-	-	-	-	-	2 180	2 308	2 412
Transfers and subsidies - capital (monetary allocations) (National/ Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	146 109	4 472	2 438	2 043	4 028	116 546	2 847	3 077	87 529	2 136	1 911	(4 120)	371 453	377 689	386 206
Cash Payments by Type															
Employee related costs	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	12 024	(7 976)	124 287	154 223	161 349
Remuneration of councillors	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	1 125	13 498	14 241	15 148
Finance charges	42	42	272	42	42	42	42	42	272	42	43	40	968	516	542
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	3 546	3 032	2 845	2 775	3 701	3 163	2 588	2 761	3 655	2 753	3 891	19 585	54 294	51 282	72 522
Transfers and grants - other municipalities	4 669	11 518	14 609	9 022	9 238	14 665	9 872	9 109	14 266	8 029	10 168	31 728	147 154	165 589	180 714
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	1	1	1	1	256	1	1	1	1	1	1	1	266	271	282
Cash Payments by Type	21 408	27 742	31 075	24 989	26 446	31 020	25 653	25 062	31 342	23 975	27 252	44 503	340 467	386 121	430 557
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	300	-	300	-	400	32 248	33 248	18 126	14 010
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	1 543	-	-	-	-	-	1 543	-	-	-	-	3 085	1 543
Total Cash Payments by Type	21 408	27 742	32 618	24 989	26 446	31 020	25 953	25 062	33 185	23 975	27 652	76 751	376 800	405 790	444 567
NET INCREASE/(DECREASE) IN CASH HELD	124 702	(23 269)	(30 179)	(22 947)	(22 418)	85 526	(23 105)	(21 985)	54 344	(21 839)	(25 741)	(78 435)	(5 347)	(28 102)	(68 361)
Cash/cash equivalents at the month/year begin:	377 706	502 407	479 138	448 958	426 012	403 594	466 014	466 014	444 029	458 373	476 534	450 794	371 706	372 359	344 257
Cash/cash equivalents at the month/year end:	502 407	479 138	448 958	426 012	403 594	489 119	466 014	444 029	498 373	476 534	450 794	372 359	372 359	344 257	285 896

DC31 Nkangala - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	1 182	-	-	250	250	-	-	-
Roads Infrastructure		-	186	-	-	-	-	-	-	-
Roads		-	186	-	-	-	-	-	-	-
Electrical Infrastructure		-	996	-	-	-	-	-	-	-
MV Networks		-	996	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	250	250	-	-	-
Bulk Mains		-	-	-	-	250	250	-	-	-
Community Assets		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Community Facilities		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Halls		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		44	-	27 296	2 000	2 500	2 500	9 000	4 400	5 400
Heritage assets		-	-	509	-	-	-	-	-	-
Other Heritage		-	-	509	-	-	-	-	-	-
Other assets		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Operational Buildings		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Municipal Offices		13 334	8 324	-	4 350	3 895	3 895	12 400	4 350	750
Intangible Assets		-	265	-	2 750	1 000	1 000	1 850	-	-
Licences and Rights		-	265	-	2 750	1 000	1 000	1 850	-	-
Computer Software and Applications		-	265	-	2 750	1 000	1 000	1 850	-	-
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Computer Equipment		1 026	491	762	2 800	8 500	8 500	2 800	2 700	3 700
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Furniture and Office Equipment		973	7 030	1 022	5 995	1 595	1 595	1 398	1 439	1 518
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Machinery and Equipment		1 376	3 419	877	8 390	4 410	4 410	4 100	3 338	2 642
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	-
Transport Assets		8 372	8 471	4 338	3 100	3 349	3 349	1 700	1 900	-
Total Capital Expenditure on new assets	1	25 124	29 181	34 803	29 384	25 498	25 498	33 248	18 126	14 010

DC31 Nkangala - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Other assets		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Operational Buildings		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Municipal Offices		4 077	6 721	2 779	2 433	2 433	2 433	6 963	5 628	5 746
Intangible Assets		-	-	-	6 870	5 687	5 687	6 515	6 553	6 746
Licences and Rights		-	-	-	6 870	5 687	5 687	6 515	6 553	6 746
Computer Software and Applications		-	-	-	6 730	5 533	5 533	6 402	6 429	6 613
Unspecified		-	-	-	140	154	154	114	124	134
Computer Equipment		-	-	237	500	800	800	-	-	179
Computer Equipment		-	-	237	500	800	800	-	-	179
Furniture and Office Equipment		13 468	-	144	-	-	-	-	-	-
Furniture and Office Equipment		13 468	-	144	-	-	-	-	-	-
Machinery and Equipment		-	-	1 007	6 538	5 940	5 940	8 081	8 769	8 721
Machinery and Equipment		-	-	1 007	6 538	5 940	5 940	8 081	8 769	8 721
Transport Assets		-	-	676	-	-	-	-	-	-
Transport Assets		-	-	676	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	17 545	6 721	4 844	16 341	14 860	14 860	21 560	20 951	21 393
<i>R&M as a % of PPE</i>		<i>15.2%</i>	<i>5.0%</i>	<i>3.0%</i>	<i>9.7%</i>	<i>8.2%</i>	<i>8.2%</i>	<i>13.1%</i>	<i>10.6%</i>	<i>10.3%</i>
<i>R&M as % Operating Expenditure</i>		<i>5.2%</i>	<i>1.9%</i>	<i>1.3%</i>	<i>4.4%</i>	<i>3.5%</i>	<i>3.5%</i>	<i>9.3%</i>	<i>4.7%</i>	<i>4.9%</i>

DC31 Nkangala - Supporting Table SA34d Depreciation by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		558	358	363	363	363	363	496	420	298
Roads Infrastructure		-	277	282	282	282	282	84	84	65
<i>Roads</i>		-	277	282	282	282	282	84	84	65
Storm water Infrastructure		-	-	-	-	-	-	198	198	150
<i>Storm water Conveyance</i>		-	-	-	-	-	-	198	198	150
Electrical Infrastructure		282	81	81	81	81	81	81	81	81
<i>MV Networks</i>		282	81	81	81	81	81	81	81	81
Information and Communication Infrastructure		276	-	-	-	-	-	134	58	1
<i>Distribution Layers</i>		276	-	-	-	-	-	134	58	1
Community Assets		-	-	-	-	-	-	571	571	571
Community Facilities		-	-	-	-	-	-	571	571	571
<i>Fire/Ambulance Stations</i>		-	-	-	-	-	-	571	571	571
Other assets		1 934	2 773	2 463	2 463	2 486	2 486	1 939	1 939	1 939
Operational Buildings		1 934	2 773	2 463	2 463	2 486	2 486	1 939	1 939	1 939
<i>Municipal Offices</i>		1 934	2 773	2 463	2 463	2 486	2 486	1 939	1 939	1 939
Intangible Assets		95	173	92	92	93	93	92	92	88
Licences and Rights		95	173	92	92	93	93	92	92	88
<i>Computer Software and Applications</i>		95	173	92	92	93	93	92	92	88
Computer Equipment		1 613	1 010	909	1 514	1 417	1 417	939	721	546
Computer Equipment		1 613	1 010	909	1 514	1 417	1 417	939	721	546
Furniture and Office Equipment		754	1 028	628	686	764	764	449	449	449
Furniture and Office Equipment		754	1 028	628	686	764	764	449	449	449
Machinery and Equipment		720	955	1 327	1 769	1 661	1 661	1 263	1 037	973
Machinery and Equipment		720	955	1 327	1 769	1 661	1 661	1 263	1 037	973
Transport Assets		2 238	3 268	3 828	4 025	4 173	4 173	3 631	3 177	3 071
Transport Assets		2 238	3 268	3 828	4 025	4 173	4 173	3 631	3 177	3 071
Total Depreciation	1	7 910	9 566	9 609	10 912	10 957	10 957	9 380	8 406	7 934

DC31 Nkangala - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2018/19 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Council General and Executive		100	-	-				
Vote 2 - Municipal Manager Town Secretary and Chief Exec		4 650	2 700	3 700				
Vote 3 - Finance		60	65	70				
Vote 4 - Social Services		15 928	9 014	9 353				
Vote 5 - Local Economic Development		-	-	-				
Vote 6 - Development and Planning		-	-	-				
Vote 7 - Technical Services		1 700	1 900	-				
Vote 8 - Corporate services		10 810	4 448	887				
Total Capital Expenditure		33 248	18 126	14 010	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Council General and Executive		10	-	-				
Vote 2 - Municipal Manager Town Secretary and Chief Exec		442	257	352				
Vote 3 - Finance		6	6	7				
Vote 4 - Social Services		557	856	889				
Vote 5 - Local Economic Development		-	-	-				
Vote 6 - Development and Planning		-	-	-				
Vote 7 - Technical Services		162	181	-				
Vote 8 - Corporate services		595	267	53				
Total future operational costs		1 770	1 566	1 300	-	-	-	-
Future revenue by source	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		35 018	19 693	15 310	-	-	-	-

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

DC31 Nkangala - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	2018/19 Medium Term Revenue & Expenditure Framework					
										Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand	4			2	6	3	3	5							
Parent municipality:															
<i>List all capital projects grouped by Municipal Vote</i>															
Corporate Support		Acquisition of library books				Furniture and Office Equipment					60	60	60	60	
Development Facilitation		Regional water tanker				Transport Assets					1 700	1 900	1 900	1 900	
Disaster Management		New furniture and Office Equipment Disaster Mng				Furniture and Office Equipment					40	50	50	50	
Disaster Management		Two Way Radio Communication				Machinery and Equipment					800	850	900	900	
Disaster Management		Disaster Management Centre				Operational Buildings					1 200	1 200	1 200	1 200	
Executive Mayor & Council		New furniture and Office Equipment Exec Mayor & Council				Furniture and Office Equipment					100	100	100	100	
Executive Mayor & Council		Machinery and Equipment Executive Mayor & Council				Machinery and Equipment					20	20	20	20	
Executive Mayor & Council		Executive Council Mayor vehicles				Transport Assets					1 990	1 990	1 990	1 990	
Finance		New furniture and Office Equipment Finance				Furniture and Office Equipment					50	60	65	70	
Fire Fighting		Additions Nkangang Fire Station Phase 1				Community Facilities					4 000	2 500	2 500	3 500	
Fire Fighting		Bulk water supply Dr JS Moroka fire station Phase 1				Community Facilities					5 000	1 900	1 900	1 900	
Fire Fighting		Completion of Fire Station Dr JS Moroka				Community Facilities					2 500	2 500	2 500	2 500	
Fire Fighting		New furniture and Office Equipment Fire fighting Dr JSM				Furniture and Office Equipment					780	858	944	1 038	
Fire Fighting		Generator Kwambhanga				Machinery and Equipment					1 000	1 000	1 000	1 000	
Fire Fighting		Machinery and Equipment Thembisile				Machinery and Equipment					1 100	1 500	1 650	1 815	
Fire Fighting		Skid Units Dr JS Moroka fire station				Machinery and Equipment					900	900	900	900	
Health Services		New furniture and Office Equipment Health Services				Machinery and Equipment					250	300	320	350	
Health Services		Municipal Health Services Parkhome Dr JS Moroka				Operational Buildings					851	851	851	851	
Health Services		Municipal Health Services Parkhome Dr JS Moroka				Operational Buildings					250	250	250	250	
Health Services		Municipal Health Services Parkhome Emalaheni				Operational Buildings					851	851	851	851	
Health Services		Municipal Health Services Parkhome STL				Operational Buildings					851	851	851	851	
Health Services		Municipal Health Services Parkhome Thembisile Hani				Operational Buildings					1 043	1 043	1 043	1 043	
Human Resource Admin		New furniture and Office Equipment HR Admin				Furniture and Office Equipment					60	60	60	60	
Human Resource Admin		Machinery and Equipment Human Resource Admin				Machinery and Equipment					40	40	40	40	
IDP		New furniture and Office Equipment IDP				Furniture and Office Equipment					12	12	12	12	
Information Technology		Data centre Information Technology				Computer Equipment					800	800	800	800	
Information Technology		New computer equipment IT				Computer Equipment					2 000	2 500	2 500	3 500	
Information Technology		Telephone system (VOIP)				Computer Equipment					5 700	5 700	5 700	5 700	
Information Technology		ERP System				Licences and Rights					1 000	850	850	850	
Information Technology		ERP System modules				Licences and Rights					1 000	1 000	1 000	1 000	
Information Technology		New furniture and Office Equipment IT				Furniture and Office Equipment					20	20	20	20	
Internal Audit		New furniture and Office Equipment Internal Audit				Furniture and Office Equipment					20	20	20	20	
Legal Services		New furniture and Office Equipment Legal Services				Furniture and Office Equipment					15	15	15	15	
Pollution Control		New furniture and Office Equipment Pollution Control				Furniture and Office Equipment					30	30	30	30	
Town Planning		New furniture and Office Equipment Town Planning				Furniture and Office Equipment					30	30	30	30	
Property Services		Audio visual equipment				Machinery and Equipment					1 500	1 500	1 500	1 500	
Property Services		Installation of new air conditioners				Machinery and Equipment					50	750	788	827	
Property Services		Garage and Office extension Civic Centre				Operational Buildings					10 000	10 000	3 600	3 600	
Parent Capital expenditure	1										33 248	18 126	18 126	14 010	
Total Capital expenditure											25 498	33 248	18 126	14 010	