

Executive Summary

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

Mbhashe municipality'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 noncore and 'nice to have' items as outline in circular 70.

The municipality has embarked on the implementation of data cleansing report which include management of municipal leases, writing off of long outstanding and untraceable balances and implement credit control and debt collection policy. The municipality has reviewed its revenue enhancement strategy with the aim of give rise to additional sources of revenue and to grow its own revenue base.

National Treasury's MFMA Circular No. 54, 55, 58, 59, 64, 66, 67, 70, 72, 85, 86, 89, 91, 93 and 94 were used to guide the compilation of the 2018/19 to 2019/20 MTREF.

The main challenges experienced during the compilation of the 2019/20 MTREF can be summarised as follows:

- The ongoing difficulties in the economy;
- Reduction in equitable share and other conditional grants;
- Reduction in proceeds generated from the plant machinery;
- Aging and poorly maintained infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Increase in debtors book as a result of non-payment by rate payers;
- Discrepancies between the General Valuation roll and billing system;
- Lack of resources to fund infrastructure backlog
- mSCOA implementation and challenges within the budgeting module;
- Cutting down own revenue sources due to poor performance in the current year 2018/19
- Ensuring that the municipality does not approve an unfunded budget for 2019/20 financial year
- Unfunded mandates

The following budget principles and guidelines directly informed the compilation of the 2019/20 MTREF:

- As per MFMA circular 85, when determining an annual tariff need to consider the input costs of trading services, the financial sustainability considering that 90% of the budget is from grants, local economic conditions and affordability including the municipal indigent policy.
- Considered the level of services versus the associated cost (affordability).
- Revised spending plans and reprioritizes funds to ensure key objectives are achieved and well-performing programs are supported.
- Ensured that efficiency gains, eradication of non-priority spending (cost containment measures) and the reprioritization of expenditure relating to core infrastructure continue to inform the planning framework of all municipalities as indicated in circular 72.

Table 1 Overview of the 2019/20 MTREF

DESCRIPTION	BUDGET YEAR 2019-20	BUDGET YEAR 2020-21	BUDGET YEAR 2019-20
GRANT REVENUE	331,937,000.00	343,930,000.00	362,446,000.00
OWN REVENUE	35,000,000.00	36,750,000.00	38,036,250.00
TOTAL REVENUE	366,937,000.00	380,680,000.00	400,482,250.00

The total revenue is made up of grants and subsidies which is 90% and 10% own revenue which is made up of income derived from our tariffs. Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of Mbhashe Municipality.

The expenditure on the tables below is fully funded from the above mentioned sources of revenue.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

BUDGET TABLES

EC121 Mbathe - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Revenue - Functional										
Governance and administration		214,514	226,652	242,518	251,726	256,726	256,726	278,764	288,614	305,505
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		214,514	226,652	242,518	251,726	256,726	256,726	278,764	288,614	305,505
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		3,700	4,864	4,274	4,000	3,500	3,500	3,000	3,150	3,308
Community and social services		490	350	483	1,000	1,500	1,500	1,000	1,050	1,103
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,210	4,514	3,791	3,000	2,000	2,000	2,000	2,100	2,205
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		97,755	153,823	72,470	76,192	76,192	76,192	67,592	71,291	75,914
Planning and development		1,007	-	443	1,000	1,000	1,000	1,100	1,155	662
Road transport		96,747	153,823	72,027	75,192	75,192	75,192	66,492	70,136	75,252
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		1,409	475	4,909	10,246	10,246	10,246	16,081	16,050	14,103
Energy sources		-	-	-	8,946	8,946	8,946	15,081	15,000	13,000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		86	-	-	-	-	-	-	-	-
Waste management		1,323	475	4,909	1,300	1,300	1,300	1,000	1,050	1,103
Other	4	-	-	-	3,000	1,000	1,000	1,500	1,575	1,654
Total Revenue - Functional	2	317,379	385,813	324,172	345,164	347,664	347,664	366,937	380,680	400,482
Expenditure - Functional										
Governance and administration		101,287	131,392	131,720	282,500	290,709	290,859	146,808	256,916	141,669
Executive and council		44,410	49,770	55,984	58,036	59,215	59,215	50,754	54,375	55,930
Finance and administration		56,877	81,622	75,736	221,781	228,721	228,871	92,084	198,295	81,280
Internal audit		-	-	-	2,682	2,772	2,772	3,969	4,246	4,459
Community and public safety		30,629	49,616	34,602	91,034	90,166	90,166	73,250	69,103	79,380
Community and social services		6,146	10,531	33,275	75,963	76,065	76,065	61,989	66,515	68,462
Sport and recreation		-	-	-	12,095	12,095	12,095	8,656	1,192	9,527
Public safety		21,436	30,377	1,327	2,676	1,706	1,706	1,950	788	788
Housing		3,048	8,709	-	300	300	300	405	346	327
Health		-	-	-	-	-	-	250	263	276
Economic and environmental services		106,410	160,331	117,243	45,186	40,166	40,166	69,906	136,917	74,351
Planning and development		14,402	16,890	19,273	28,956	24,935	24,935	19,901	22,504	21,036
Road transport		91,078	141,224	97,971	11,536	12,368	12,368	49,625	113,856	52,940
Environmental protection		930	2,216	-	4,695	2,863	2,863	380	557	375
Trading services		92,857	55,579	40,438	4,576	4,576	4,576	10,848	10,548	11,027
Energy sources		-	-	-	1,000	1,000	1,000	2,898	2,100	2,205
Water management		-	-	-	150	150	150	-	-	-
Waste water management		1,689	3,303	-	-	-	-	-	-	-
Waste management		91,168	52,275	40,438	3,426	3,426	3,426	7,950	8,448	8,822
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	331,184	396,918	324,003	423,297	425,616	425,766	300,811	473,483	306,428
Surplus/(Deficit) for the year		(13,806)	(11,105)	169	(78,133)	(77,952)	(78,102)	66,126	(92,803)	94,055

EC121 Mbashe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Revenue by Vote	1									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		213,363	224,757	242,518	251,726	256,726	256,726	278,764	-	305,505
Vote 3 - Planning and Development		1,007	-	443	1,000	1,000	1,000	1,100	1,155	662
Vote 4 - Community and Social services		490	350	483	1,000	1,500	1,500	1,000	1,050	1,103
Vote 5 - Road Transport		101,108	160,231	72,027	75,192	75,192	75,192	67,992	71,711	76,906
Vote 6 - Energy Sources		-	-	-	17,892	17,892	17,892	30,162	30,000	26,000
Vote 7 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Housing		-	-	-	-	-	-	-	-	-
Vote 10 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	6,000	2,000	2,000	3,000	3,150	3,308
Vote 12 - Public Safety		-	-	3,791	3,000	2,000	2,000	2,000	2,100	2,205
Vote 13 - Sports and Recreation		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Management		1,323	475	-	1,300	1,300	1,300	1,000	1,050	1,103
Vote 15 - Waste Water Management		86	-	4,909	-	-	-	-	-	-
Total Revenue by Vote	2	317,379	385,813	324,172	357,110	357,610	357,610	385,018	110,216	416,790
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		44,410	49,770	55,984	85,019	87,280	87,280	77,505	83,065	86,064
Vote 2 - Finance and Administration		56,877	81,622	75,736	228,536	236,356	236,566	97,291	204,121	85,332
Vote 3 - Planning and Development		14,402	16,890	19,273	28,956	24,935	24,935	19,991	22,504	21,036
Vote 4 - Community and Social services		6,146	10,531	33,275	71,803	71,413	71,413	62,723	67,087	69,448
Vote 5 - Road Transport		111,435	171,601	97,971	12,048	12,820	12,820	49,775	114,013	53,098
Vote 6 - Energy Sources		1,079	-	-	1,000	1,000	1,000	3,795	2,100	2,205
Vote 7 - Environmental Protection		930	2,216	-	4,725	2,893	2,893	430	607	430
Vote 8 - Health		-	-	-	-	-	-	350	368	386
Vote 9 - Housing		3,048	8,709	-	600	600	600	810	691	654
Vote 10 - Internal Audit		-	-	-	5,365	5,545	5,545	7,939	8,492	8,918
Vote 11 - Other		-	-	-	-	-	-	-	-	-
Vote 12 - Public Safety		-	-	1,327	3,328	2,008	2,008	1,800	630	630
Vote 13 - Sports and Recreation		-	-	-	24,189	24,189	24,189	17,312	2,385	19,055
Vote 14 - Waste Management		91,168	52,275	40,438	4,353	4,353	4,353	7,950	8,448	8,822
Vote 15 - Waste Water Management		1,689	3,303	-	-	-	-	-	-	-
Total Expenditure by Vote	2	331,184	396,918	324,003	469,921	473,392	473,602	347,671	514,510	356,078
Surplus/(Deficit) for the year	2	(13,806)	(11,105)	169	(112,811)	(115,782)	(115,992)	37,347	(404,294)	60,712

EC121 Mbashe - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Revenue By Source											
Property rates	2	7,701	4,032	9,694	5,700	5,700	5,700	5,700	7,000	7,350	7,718
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1,323	475	673	1,300	1,300	1,300	1,300	1,000	1,050	1,103
Rental of facilities and equipment		1,560	1,895	3,313	-	-	-	-	-	-	-
Interest earned - external investments		9,004	5,112	2,486	3,000	3,000	3,000	3,000	3,000	3,150	3,308
Interest earned - outstanding debtors		-	83	2,622	1,000	1,000	1,000	1,000	1,500	1,575	1,654
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,209	3,098	2,498	67,000	69,000	69,000	71,000	3,500	3,675	1,654
Licences and permits		732	1,415	1,293	3,000	2,000	2,000	2,000	2,000	2,100	2,205
Agency services		-	-	-	-	-	-	-	1,500	1,575	1,654
Transfers and subsidies		197,686	214,241	224,311	232,176	232,176	232,176	232,176	256,864	265,619	281,360
Other revenue	2	4,852	72,717	2,474	11,250	16,250	16,250	16,250	10,500	11,025	12,128
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		225,067	303,068	249,364	324,426	330,426	330,426	332,426	286,864	297,119	312,781
Expenditure By Type											
Employee related costs	2	79,491	120,918	121,884	107,640	107,640	107,640	107,640	117,626	125,860	134,670
Remuneration of councillors		23,984	23,320	25,089	24,668	24,668	24,668	24,668	25,068	26,823	28,700
Debt impairment	3	2,085	458	3,387	1,010	1,010	1,010	1,010	-	-	-
Depreciation & asset impairment	2	69,117	68,998	57,442	70,000	70,000	70,000	70,000	5,000	5,250	-
Finance charges		15,294	9,122	1,920	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	140	147	-
Contracted services		-	-	-	100,497	101,566	101,566	101,566	97,756	262,207	98,952
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	138,696	174,103	114,281	49,481	50,733	50,733	50,733	50,221	47,947	44,105
Loss on disposal of PPE		2,517	-	-	-	-	-	-	-	-	-
Total Expenditure		331,184	396,918	324,003	353,297	355,616	355,616	355,616	295,811	468,233	306,428
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		92,312	82,745	74,808	79,138	79,138	79,138	79,138	75,073	78,311	81,086
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(13,806)	(11,105)	169	50,267	53,948	53,948	55,948	66,126	(92,803)	87,440
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(13,806)	(11,105)	169	50,267	53,948	53,948	55,948	66,126	(92,803)	87,440
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(13,806)	(11,105)	169	50,267	53,948	53,948	55,948	66,126	(92,803)	87,440
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(13,806)	(11,105)	169	50,267	53,948	53,948	55,948	66,126	(92,803)	87,440

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	1,340	640	640	640	-	-	-
Vote 3 - Planning and Development		-	-	-	90	40	40	40	-	-	-
Vote 4 - Community and Social services		-	-	-	4,609	4,609	4,609	4,609	-	-	-
Vote 5 - Road Transport		-	-	-	26,059	26,059	26,059	26,059	-	-	-
Vote 6 - Energy Sources		-	-	-	22,192	22,122	22,122	22,122	-	-	-
Vote 7 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-	-
Vote 9 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 10 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	-	-	-	-	-	-	-
Vote 12 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 13 - Sports and Recreation		-	-	-	32,667	32,667	32,667	32,667	-	-	-
Vote 14 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	86,957	86,137	86,137	86,137	-	-	-
Single-year expenditure - to be appropriated	2										
Vote 1 - Executive and Council		413	399	61	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		2,614	4,211	1,620	1,340	640	640	640	2,136	1,425	1,473
Vote 3 - Planning and Development		121	100	197	90	40	40	40	140	147	147
Vote 4 - Community and Social services		100	13,581	7,827	-	-	-	-	-	-	-
Vote 5 - Road Transport		108,519	107,503	42,787	26,059	26,059	26,059	26,059	32,976	23,056	25,679
Vote 6 - Energy Sources		-	-	-	22,192	22,122	22,122	22,122	36,195	36,320	34,246
Vote 7 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-	-
Vote 9 - Housing		33	-	-	-	-	-	-	-	-	-
Vote 10 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 11 - Other		-	-	-	-	-	-	-	-	-	-
Vote 12 - Public Safety		-	-	460	-	-	-	-	-	-	-
Vote 13 - Sports and Recreation		500	-	-	32,667	32,667	32,667	32,667	5,537	5,929	6,105
Vote 14 - Waste Management		8,837	63	-	-	-	-	-	-	-	-
Vote 15 - Waste Water Management		127	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		121,263	125,857	52,952	82,348	81,528	81,528	81,528	76,983	66,877	67,650
Total Capital Expenditure - Vote		121,263	125,857	52,952	169,306	167,666	167,666	167,666	76,983	66,877	67,650
Capital Expenditure - Functional											
Governance and administration		3,026	4,610	1,681	-	-	-	-	-	-	-
Executive and council		413	399	61	-	-	-	-	-	-	-
Finance and administration		2,614	4,211	1,620	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		634	13,581	8,287	22,143	23,143	23,143	23,143	5,412	5,740	3,273
Community and social services		100	13,581	7,827	5,809	6,809	6,809	6,809	2,643	2,775	221
Sport and recreation		-	-	-	16,333	16,333	16,333	16,333	2,769	2,965	3,052
Public safety		500	-	460	-	-	-	-	-	-	-
Housing		33	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		108,639	107,603	42,984	26,149	26,099	26,099	26,099	33,116	23,203	25,826
Planning and development		121	100	197	90	40	40	40	140	147	147
Road transport		108,519	107,503	42,787	26,059	26,059	26,059	26,059	32,976	23,056	25,679
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		8,963	63	-	13,246	13,176	13,176	13,176	21,114	20,485	17,619
Energy sources		-	-	-	13,246	13,176	13,176	13,176	21,114	20,485	17,619
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		127	-	-	-	-	-	-	-	-	-
Waste management		8,837	63	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	121,263	125,857	52,952	61,538	62,418	62,418	62,418	59,641	49,428	46,718
Funded by:											
National Government		121,263	125,857	52,952	79,138	79,138	79,138	79,138	75,073	78,311	81,086
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	121,263	125,857	52,952	79,138	79,138	79,138	79,138	75,073	78,311	81,086
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-
Total Capital Funding	7	121,263	125,857	52,952	79,138	79,138	79,138	79,138	75,073	78,311	81,086

EC121 Mbashe - Table A6 Budgeted Financial Position

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Current assets											
Cash		66,777	13,635	6,223	21,575	21,575	21,575	13,981	15	-	-
Call investment deposits	1	-	-	-	83,676	83,676	83,676	83,676	-	-	-
Consumer debtors	1	2,852	2,487	4,298	6,223	6,223	6,223	6,223	-	-	-
Other debtors		15,957	9,926	4,233	-	-	-	17,262	127	134	141
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	-	-	-	-	390	-	-
Total current assets		85,586	26,048	14,755	111,474	111,474	111,474	121,142	532	134	141
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		47,080	47,080	33,512	49,434	49,434	49,434	47,080	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	524,570	557,276	553,520	133,888	63,058	205,079	205,079	70,309	50,550	104,242
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		675	2,269	1,730	-	-	-	2,793	285	299	314
Other non-current assets		0	0	0	-	-	-	-	-	-	-
Total non current assets		571,650	604,356	587,708	185,591	114,222	254,513	252,159	70,309	53,343	104,527
TOTAL ASSETS		657,237	630,405	602,462	297,065	225,696	365,986	373,300	70,841	53,477	104,667
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	25,981	-	-	36,960	-	36,960	36,960	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	18,594	31,562	29,887	(15,750)	-	15,750	15,750	-	-	-
Provisions		650	11,769	497	-	-	-	-	-	-	-
Total current liabilities		45,226	43,331	30,383	21,210	-	52,710	52,710	-	-	-
Non current liabilities											
Borrowing		13,285	-	-	-	-	-	-	-	-	-
Provisions		9,747	10,794	12,244	-	-	-	-	-	-	-
Total non current liabilities		23,032	10,794	12,244	-	-	-	-	-	-	-
TOTAL LIABILITIES		68,258	54,124	42,627	21,210	-	52,710	52,710	-	-	-
NET ASSETS	5	588,979	576,280	559,835	275,855	225,696	313,276	320,590	70,841	53,477	104,667
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		588,979	576,280	559,835	(108,198)	(231,918)	(231,918)	-	-	128,402	-
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	588,979	576,280	559,835	(108,198)	(231,918)	(231,918)	-	-	128,402	-

EC121 Mbashe - Table A7 Budgeted Cash Flows

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		7,701	4,032	8,481	5,700	5,700	7,000	7,000	-	-	-
Service charges		1,323	475	169	1,650	1,650	1,350	1,350	-	-	-
Other revenue		9,331	17,382	235,498	23,400	25,400	21,450	21,450	-	-	-
Government - operating	1	197,686	230,241		232,176	232,176	256,864	256,864	-	-	-
Government - capital	1	92,312	65,745	72,027	79,138	79,138	75,073	75,073	-	-	-
Interest		9,004	5,195	4,971	3,000	3,000	3,000	3,000	-	-	-
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(267,776)	(311,598)	(273,686)	(282,286)	(284,606)	(290,811)	(290,811)	-	-	-
Finance charges		(15,294)	(9,122)	(1,920)	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		34,285	2,350	45,540	62,778	62,458	73,926	73,926	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	1,431	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(121,629)	(56,923)	(52,952)	-	-	-	-	-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(121,629)	(55,492)	(52,952)	-	-	-	-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		9,087	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		9,087	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(78,257)	(53,142)	(7,412)	62,778	62,458	73,926	73,926	-	-	-
Cash/cash equivalents at the year begin:	2	145,034	66,777	13,635	-	-	-	-	-	-	-
Cash/cash equivalents at the year end:	2	66,777	13,635	6,223	62,778	62,458	73,926	73,926	-	-	-