

**SCHEDULE A**

**FINAL BUDGET AND SUPPORTING DOCUMENTATION BOJANALA PLATINUM  
DISTRICT MUNICIPALITY**

**2020/21 TO 2022/23**

**Adopted by Council on**

**Resolution:**

**FINAL BUDGET OF  
BOJANALA DISTRICT MUNICIPALITY**

**DC37**

**2020/21 TO 2022/23  
MEDIUM TERM REVENUE AND EXPENDITURE FORECAST**

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## 1 Abbreviations and Acronyms

AMR	Automated Meter Reading	IDP	Integrated Development Plan
ASGISA	Accelerated and Shared Growth Initiative	IT	Information Technology
BPC	Budget Planning Committee	kℓ	kilolitre
CBD	Central Business District	km	kilometre
CFO	Chief Financial Officer	KPA	Key Performance Area
MM	Municipal Manager	KPI	Key Performance Indicator
CPI	Consumer Price Index	kWh	kilowatt
CRRF	Capital Replacement Reserve Fund	ℓ	litre
DBSA	Development Bank of South Africa	LED	Local Economic Development
DoRA	Division of Revenue Act	MEC	Member of the Executive Committee
DWA	Department of Water Affairs	MFMA	Municipal Financial Management Act
EE	Employment Equity		Programme
EEDSM	Energy Efficiency Demand Side Management	MIG	Municipal Infrastructure Grant
FBS	Free basic services	MPRA	Municipal Properties Rates Act
GAMAP	Generally Accepted Municipal Accounting Practice	MSA	Municipal Systems Act
GDP	Gross domestic product	MTEF	Medium-term Expenditure Framework
GFS	Government Financial Statistics	MTREF	Medium-term Revenue and Expenditure Framework
GRAP	General Recognised Accounting Practice	NERSA	National Electricity Regulator South Africa
HR	Human Resources	NGO	Non-Governmental organisations
HSRC	Human Science Research Council	NKPIs	National Key Performance Indicators

OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprise

## **Part 1 – Annual Budget**

### **1.1 Foreword to the Budget 2020/21 the Executive Mayor, CLLR Fetsang Molosiwa**

The Integrated Development Plan (IDP) we are presenting is the strategic blueprint for Bojanala Platinum District Municipality that communicates to the community of Bojanala Platinum service delivery priorities within its jurisdiction.

The drafting of the IDP requires a lengthy planning process, and involves a wide range of role players from inside and outside the municipality. The process therefore needs to be properly organized and prepared.

As a result, municipalities are required to prepare an Operational Plan (commonly known as a Process Plan) which indicate what needs to happen, by when, whom and where and includes the costs estimates for facilitating the process.

It is very important for municipalities to adhere to this plan in order to fulfil the legal requirements of Section 28 of the Local Government Municipal Systems Act of 2000. The processes to be followed in preparing our IDP`s are as well guided by White Paper on Local Government promulgated in 1998. The plan takes cognizance of the successes and challenges of the entire district and outlines projects designed to circumvent the identified service delivery challenges. It also gives an overall framework for development and focuses on economic and social development of the district as a whole.

The plan endeavoured to represent the development priorities contained in the election 2014 election manifesto of the ruling party as well as our constitutional mandate as the sphere of government closer to the people. It is however, of significance to take note that the plan acknowledges the fact that the district is predominantly rural in nature and requires area based service delivery methodologies to ensure equitable service delivery provisioning in both towns and rural nodes.

It gives me pleasure as the Executive Mayor to report to our stakeholders that the partnership between Bojanala Platinum District Municipality as the provider of services and communities as the end-users of those services has once again been successful in assisting the district to plan its responses to the developmental aspirations of its people for the 2020/21 financial year. This IDP document is thus a direct result of yet another extensive consultative process. It is an expression of the general interest of our people and a mirror that reflects the holistic. Although much still needs to be done to alleviate poverty and create an environment conducive to economic growth, we strive for the best in ensuring alignment of our IDP and Budget. We will continue to support Council in ensuring that its core functions are maintained.

Yours in the struggle to move South Africa, North West and Bojanala forward.

**CLLR. FETSANG MOLOSIWA  
EXECUTIVE MAYOR**

## 1. Executive Summary

The Reviewed IDP is a result of extensive consultation with the various role players as demonstrated by the developmental priorities that each municipality put forward. A situation analysis is made of where the municipalities are at present and where they want to be in future.

The Infra-structure and services delivery, socio-economic, spatial development and economic framework are respectively outlined. The way forward is subsequently concretized by a strategic long term vision and secondly, by the detail in which these strategic objectives will be achieved.

The district municipality derives the following mandate from Section 152 of the Constitution of South Africa, Act 108 of 1996,

- To promote democratic and accountable local government;
- To ensure the provision of services to communities in a sustainable manner/;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organizations in the matters of local government

### **Vision**

The IDP is guided by Municipal vision which states that “Bojanala Platinum District Municipality, a model of cooperative governance for effective and efficient service delivery in partnership with local municipalities and all stakeholders”

### **Mission**

In order to achieve the vision, the district municipality has to adhere to its Mission Statement and the elucidation of the strategic IDP Objectives through shared services, will coordinate, facilitate and support local municipalities by equitable sharing of resources and maximising community benefit of natural resources in a safe and healthy environment.

BPDM 2020/21 Reviewed Integrated Development Plan seeks to provide an over-arching strategic framework for the municipality for the next Financial Year.



## **1.2 Council Resolutions**

On 27 May 2020 the Council of Bojanala District Municipality met through virtual meeting considered the tabling of the draft annual budget of the municipality for the financial year 2020/21. The following resolutions **B1838/19/20** were tabled with the draft budget under item

1. The Council of Bojanala District Municipality, acted in terms of sections 16 and 24 of the Municipal Finance Management Act, (Act 56 of 2003) approved:

### **1.1. Table 1 Consolidated Overview of the 2020/21 MTREF**

#### **1.1.1. Table 2 Main Revenue Source**

1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in **Table 3 Operating Transfers and Grant Receipts**

1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 4 Summary of operating expenditure by standard classification item

1.1.4. Table 5 Operational repairs and maintenance

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 13

1.2.2. Budgeted Cash Flows as contained in Table 14

1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 15

1.2.4. Asset management as contained in Table 16

1.2.5. Basic service delivery measurement as contained in Table.17

1.4. The quality certification of the draft budget signed by the Municipal Manager as required separate item with positions aimed at strengthening the organisations' performance to ensure that the priorities set out in the IDP and matters raised by the Auditor General, be noted

1.5. The Budget timetable for 2020/2021 attached as was approved.

1.6. The Final Budget, through the consultation processes to follow, be considered and reduced in the second and third outer years to remain within sustainable measures.

It is also the basis on which the Fiscal appropriations of Council for the next financial year will be made.

### **1.3 Executive Summary**

This document details several areas that are important for any member of the public or interested party to have a fuller understanding what is planned over four quarters of a financial year. It will also be the basis upon which macro targets for service delivery in the district, taking into account the allocated powers and functions, will be shaped.

The IDP is developed in line with section 25 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), which requires each newly elected municipal council, to adopt a single, inclusive and strategic plan (Integrated Development Plan or IDP) for the development of the municipality which links, integrates and coordinates plans and takes into account proposals for the development of the municipality and which aligns the resources and capacity of the municipality with the implementation of the said plan. The newly elected council of Bojanala Platinum District Municipality developed this IDP as the principal strategic planning instrument to guide and inform all planning, budgeting, management and decision-making processes in line with the Local Government Systems Act.

The 4th Generation IDP which was approved by Council in May 2019, was developed in line with the IDP process plan which was approved by council in August 2019. The IDP process plan seek to identify and coordinate key stakeholders in the planning process in the district municipality and coordinate their contribution in the development of the IDP.

In the original 4th Generation IDP, when approved, the following key features as per section 26 of the Municipal Systems Act, 32 of 2000, were included:

- i. an assessment of the existing level of development
- ii. the council's development priorities and objectives

- iii. the council's development strategies
- iv. the spatial development framework – albeit, the review of the SDF in line with the Spatial Planning & Land Use Management Act (SPLUMA);
- v. the council's operational strategies;
- vi. the disaster management plan;
- vii. a financial plan, and
- viii. the key performance indicators and performance targets.

The IDP document will be reviewed at the end of each financial year after the assessment of the performance of the municipality and an analysis of the situation at community level.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2020/21 Medium-term Revenue and Expenditure Framework:

National Treasury circular 98 and 99 is a follow-up to circulars issued in 09 March 2020 regarding municipal budget and reporting. It guides municipalities with their preparation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within this context.

Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate. The key focus of this Circular is the grant allocations per the 2020 Budget Review and the 2021 Division of Revenue Bill.

Total revenue is R343 531 000 in 2019/2020 financial year and escalates to R357 422 000 by 2020/2021 which represents increase of 4.04 per cent. The municipality has utilised the 2020/21 Division of revenue bill.

Transfers recognised includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants

receipts from national government are growing rapidly over the MTREF for the two outer years. The equitable share remains to be the most important part of the municipality's revenue base as no services are rendered for which revenue can be collected.

Equitable share represents 98% of the Municipality's total revenue and the remaining 2% is made up of other conditional grants, interest and other revenue from Health and environmental services to be collected in respect of municipal by-laws.

#### **1.4 Operating Revenue Framework**

For Bojanala Platinum 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 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 BPDM and continued economic development and
- Efficient revenue management,

#### **Percentage growth in revenue by main revenue source**

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.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table 1 Consolidated Overview of the 2020/21 MTREF**

Description	Adjustment Budget		Final Annual Budget		Budget year +1		Budget year +2	
	2019/2020		2020/2021		2021/2022		2022/2023	
Revenue	R	343,531,000	R	357,422,000	R	371,370,000	R	385,392,000
Expenditure	R	278,693,769	R	288,237,784	R	305,673,056	R	322,261,518
Surplus/Deficit	R	64,837,231	R	69,184,216	R	65,696,944	R	63,130,482

Total operating revenue increased by 4.04 per cent or R13 891 000 to R357 422 000 for the 2020/21 financial year when compared to the 2019/20 Adjustments Budget

Total operating expenditure for the 2020/21 financial year has been appropriated at R R288 237 784 and translates into a budgeted surplus of R69 184 216, which will fund the creditors, depreciation capital expenditure and other provisions. When compared to the 2019/20 Adjustments Budget, operational expenditure has increased by R9 544 015 which is a 3.42% in the 2020/21 budget and increased by 6% for the 2021/22 respectively.

The capital budget increased by R2 933 000 to R3 002 900 compared to the 2019/20 Adjustment Budget. The capital budget of R2 383 000 is for Rural Asset Management Grant of which National Treasury advice the municipality to classify it under capital, other capital expenditure will be funded from internally generated funds and accumulated surplus. Further on internal audit is capacitated with audit software to an amount of R370 000 to strengthen governance structures and oversight. The remaining balance of R250 000 is to finance computer equipment.

#### 1.4 Operating Revenue Framework

For Bojanala Platinum 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 2020/21 MTREF (classified by main revenue source excluding capital conditional grants):

**Table 2 Main Revenue Source**

DC37 Bojanala Platinum - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Financial Performance</b>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	2,591	3,407	2,477	1,500	1,200	1,200	1,200	800	1,550	1,560
Transfers recognised - operational	315,299	320,591	327,632	341,715	342,221	342,221	342,221	356,512	369,710	383,722
Other own revenue	2,291	-	94	300	110	110	110	110	110	110
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>320,180</b>	<b>323,998</b>	<b>330,203</b>	<b>343,515</b>	<b>343,531</b>	<b>343,531</b>	<b>343,531</b>	<b>357,422</b>	<b>371,370</b>	<b>385,392</b>

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.

The District’s expenditure framework for the 2020/21 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 Municipality is highly dependent on equitable share which is allocated in terms of the Division of Revenue Act (DORA). According to the Act, the Municipality has been allocated R357 422 000 for the 2020/2021 financial year, which is 4.04 per cent more than the 2019/2020 allocation.

The equitable share remains to be the most important part of the municipality's revenue base as no services are rendered for which revenue can be collected.

Equitable share represents 98% of the Municipality's total revenue and the remaining 2% is made up of other conditional grants, interest and other revenue from Health and environmental services to be collected in respect of municipal by-laws.

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 2019/20 financial year, the operating grants total R342 221 000 and constitute 99.6 per cent of Total Revenue (excluding capital transfers and contributions). This increases to R356 512 000, R369 710 000 and R383 722 000 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 3 Operating Transfers and Grant Receipts**

<b>INCOME</b>	<b>JUNE BUDGET 2019/20</b>	<b>FINAL BUDGET 2020/2021</b>	<b>2021/22</b>	<b>2022/2023</b>
Equitable shares	R 339,278,000	R 352,817,000	R 368,010,000	R 381,822,000
EPWP	R 1,437,000	R 1,789,000	R -	R -
FMG	R 1,000,000	R 1,400,000	R 1,700,000	R 1,900,000
Disaster Relief Fund COVID-19	R 506,000	R 506,000	R -	R -
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>R 342,221,000</b>	<b>R 356,512,000</b>	<b>R 369,710,000</b>	<b>R 383,722,000</b>
<b>Capital Grant</b>				
R A M S	R 2,504,000	R 2,383,000	R 2,515,000	R 2,660,000
	<b>R 344,725,000</b>	<b>R 358,895,000</b>	<b>R 372,225,000</b>	<b>R 386,382,000</b>

The municipality is 100% on the Equitable share, Investment revenue is the second largest revenue source totalling to R800 000 thousand when compare to the adjustment budget it has been decreased by 1.5%

The third largest source is 'other revenue' which consists of various items such as income received from fire and health by-laws, the municipality must revisit the revenue strategy for collection,

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 2020/21 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 2020/21 budget and MTREF (classified per main type of operating expenditure):

**Table 4 Summary of operating expenditure by standard classification item**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1										
Employee costs		153,275	162,967	180,147	191,929	194,585	194,585	194,585	204,095	215,427	227,433
Remuneration of councillors		14,568	17,368	17,930	18,662	18,662	18,662	18,662	19,558	20,570	21,793
Depreciation & asset impairment		9,174	7,067	6,244	7,392	6,300	6,300	6,300	6,300	7,200	7,400
Finance charges		1,202	778	247	-	3,331	3,331	3,331	500	500	500
Materials and bulk purchases		1,394	2,760	3,726	3,607	279	279	279	510	440	408
Transfers and grants		24,864	-	-	1,909	1,871	1,871	1,871	-	-	-
Other expenditure		129,460	138,288	234,503	94,693	53,666	53,666	53,666	57,275	61,536	64,728
<b>Total Expenditure</b>		<b>333,938</b>	<b>329,229</b>	<b>442,798</b>	<b>318,192</b>	<b>278,694</b>	<b>278,694</b>	<b>278,694</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>
<b>Surplus/(Deficit)</b>		<b>(13,758)</b>	<b>(5,231)</b>	<b>(112,595)</b>	<b>25,323</b>	<b>64,837</b>	<b>64,837</b>	<b>64,837</b>	<b>69,184</b>	<b>65,697</b>	<b>63,130</b>

## Salaries

The South African Local Government Bargaining Council for the 2020/2021, the proposal indicates that the increment will be CPI plus 1.5 and 1, 25% respectively.

The Municipality adjusted the salary budget according to the facilitators' proposal and the circular 98 of the MFMA. Furthermore, the collective agreement on conditions of service for the North West Division of SALGBC also contributes to the increase in salaries, particularly on the 7 days' workers who receive several allowances according to the agreement. Some of these allowances increase at the same percentage as that of salaries.

Salaries amounts to R204 094 933 and Councillor Allowances increased to R19 557 580, and constitutes 78% of the total expenditure, 43% more than the 35% norm of the salary bill.

Provision has been made in the budget to include positions of critical position of Director Corporate Services in the organogram to ensure that the priorities set out in the IDP and matters raised by the Auditor General are adequately attended to. These positions aim to strengthen accelerate Budget expenditure. Other positions are not budgeted for.

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 and allowed for an increase rate of 4.9 per cent

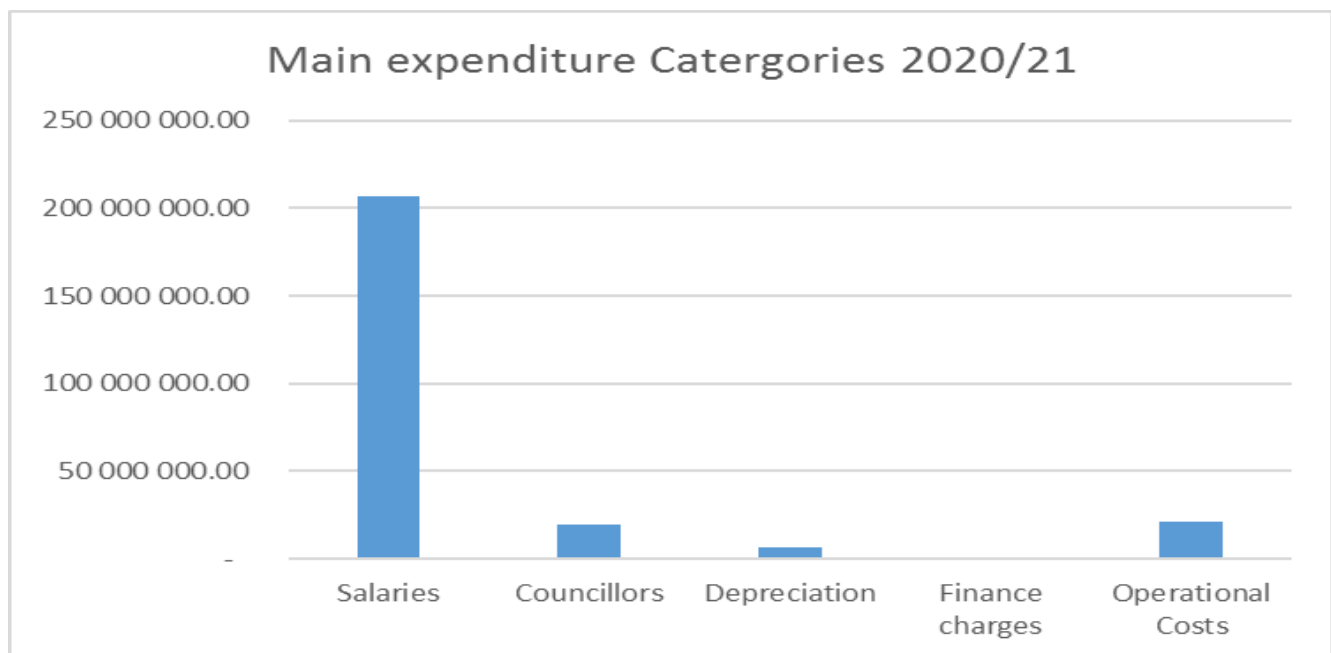
Circular 98 and 99 guide's salary budget to be appropriated in accordance with the salary and wage collective agreement for the period 01 July 2018 to 30 June 2021 dated 15 August 2018 through the South African Local Bargaining Council (SALGBC) Circular No 6 of 2018. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once a year manual salary disbursement in order to root out ghost employees.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation and amortisation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R6 300 000 for the 2020/21 financial and equates to 2.2 per cent of the total operating expenditure.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Of which municipality do not have, mainly municipality has the bank charges. Finance charges make up 0.17 per cent (R500 000) of operating expenditure.

Other expenditure comprises of various line items relating to the daily operations of the municipality. Other expenditure increased with R3 609 442 for 2020/21 and increase at 7% respectively. The municipality will reprioritise expenditure due to the COVID-19 pandemic. The plan has been set aside to detailed how the municipality is going to deal with the coronavirus in the District.

The following graphical presentation gives a breakdown of the main expenditure categories for the 2020/21 financial year



### 1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the District's current asset. Due to financial difficulties the district is unable to budget for their respective locals as per legislation.

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 less than 8%, considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance: repairs and Maintenance of the municipality is mainly on vehicle maintenance and building.

**Table 5 Operational repairs and maintenance**

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

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.

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Asset management</b>										
Asset register summary (WDV)	48,180	42,487	38,243	6,521	6,350	6,350	6,350	620	150	200
Depreciation	-	-	12	7,067	10,129	1,931	1,931	6,300	7,200	7,400
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	887	37,706	3,186	309	309	309	400	240	300

## 1.6 Capital expenditure

**Table 6 Capital Expenditure**

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

DC37 Bojanala District Municipality Capital Expenditure	2019/20	2020/2021/2021/2022	
<b>Non-current Assets</b>			
<b>Intangible Assets</b>			
Other		370	
<b>Property Plant and Equipment</b>			
Computer Equipment	70	250	150
Furniture and Office Equipment			
Machinery and Equipment			
Other Assets		2 383	
Transport Assets			
<b>Grand Total</b>	70	100	

In addition to the MBRR Table A9, MBRR Tables SA34a and SA34c provides a detailed breakdown of the capital programme relating to new asset, capital asset renewal as well as operational repairs and maintenance by asset class 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 48 MBRR SA35. This table shows that future operational costs associated with the capital programme amounts to R0 in 2021/22.

## 1.7 Annual Budget Tables

The following eighteen 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 2020/21 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page

**Table 7 MBRR Table A1 - Budget Summary**

DC37 Bojanala Platinum - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	2,591	3,407	2,477	1,500	1,200	1,200	1,200	800	1,550	1,560
Transfers recognised - operational	315,299	320,591	327,632	341,715	342,221	342,221	342,221	356,512	369,710	383,722
Other own revenue	2,291	-	94	300	110	110	110	110	110	110
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>320,180</b>	<b>323,998</b>	<b>330,203</b>	<b>343,515</b>	<b>343,531</b>	<b>343,531</b>	<b>343,531</b>	<b>357,422</b>	<b>371,370</b>	<b>385,392</b>
Employee costs	153,275	162,967	180,147	191,929	194,585	194,585	194,585	204,095	215,427	227,433
Remuneration of councillors	14,568	17,368	17,930	18,662	18,662	18,662	18,662	19,558	20,570	21,793
Depreciation & asset impairment	9,174	7,067	6,244	7,392	6,300	6,300	6,300	6,300	7,200	7,400
Finance charges	1,202	778	247	-	3,331	3,331	3,331	500	500	500
Materials and bulk purchases	1,394	2,760	3,726	3,607	279	279	279	510	440	408
Transfers and grants	24,864	-	-	1,909	1,871	1,871	1,871	-	-	-
Other expenditure	129,460	138,288	234,503	94,693	53,666	53,666	53,666	57,275	61,536	64,728
<b>Total Expenditure</b>	<b>333,938</b>	<b>329,229</b>	<b>442,798</b>	<b>318,192</b>	<b>278,694</b>	<b>278,694</b>	<b>278,694</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>
<b>Surplus/(Deficit)</b>	<b>(13,758)</b>	<b>(5,231)</b>	<b>(112,595)</b>	<b>25,323</b>	<b>64,837</b>	<b>64,837</b>	<b>64,837</b>	<b>69,184</b>	<b>65,697</b>	<b>63,130</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,175	2,359	2,364	2,504	2,504	2,504	2,504	2,383	2,515	2,660
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)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(11,583)</b>	<b>(2,872)</b>	<b>(110,231)</b>	<b>27,827</b>	<b>67,341</b>	<b>67,341</b>	<b>67,341</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(11,583)</b>	<b>(2,872)</b>	<b>(110,231)</b>	<b>27,827</b>	<b>67,341</b>	<b>67,341</b>	<b>67,341</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>					50	50	50	3,003	2,665	2,860
Transfers recognised - capital	(3,260)	5,823	6,942	-	-	-	-	2,383	2,515	2,660
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	82,099	90,387	90,957	-	50	50	50	620	150	200
<b>Total sources of capital funds</b>	<b>78,839</b>	<b>96,210</b>	<b>97,899</b>	<b>-</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>3,003</b>	<b>2,665</b>	<b>2,860</b>
<b>Financial position</b>										
Total current assets	3,070	3,857	55,985	57,979	128,160	128,160	2,810	25,977	74,941	131,375
Total non current assets	38,005	63,105	59,523	59,118	59,118	59,118	59,523	59,893	59,893	59,893
Total current liabilities	51,916	55,494	213,462	25,000	52,873	52,873	52,873	10,000	30,000	20,000
Total non current liabilities	28,133	27,632	28,440	-	-	28,440	28,440	28,440	28,440	28,440
Community wealth/Equity	(38,974)	(16,164)	(126,394)	92,097	134,406	105,966	(18,980)	47,430	76,395	142,828
<b>Cash flows</b>										
Net cash from (used) operating	(28,495)	24,122	67,640	35,019	75,521	82,034	82,034	26,080	51,529	59,193
Net cash from (used) investing	13,135	(19,746)	(12,066)	-	50	50	50	(3,003)	(2,665)	(2,860)
Net cash from (used) financing	4,066	(2,801)	(53,776)	-	(84,000)	(84,000)	(84,000)	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>764</b>	<b>2,340</b>	<b>4,138</b>	<b>39,156</b>	<b>(4,292)</b>	<b>2,221</b>	<b>2,221</b>	<b>25,277</b>	<b>74,141</b>	<b>130,475</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	764	2,340	4,138	2,500	37,685	37,685	2,200	25,277	74,141	130,475
Application of cash and investments	51,916	55,494	213,462	25,000	52,873	52,873	52,873	24,300	44,200	34,100
<b>Balance - surplus (shortfall)</b>	<b>(51,152)</b>	<b>(53,154)</b>	<b>(209,324)</b>	<b>(22,500)</b>	<b>(15,188)</b>	<b>(15,188)</b>	<b>(50,673)</b>	<b>977</b>	<b>29,941</b>	<b>96,375</b>
<b>Asset management</b>										
Asset register summary (WDV)	48,180	42,487	38,243	6,521	6,350	6,350	6,350	620	150	200
Depreciation	-	-	12	7,067	10,129	1,931	1,931	6,300	7,200	7,400
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	887	37,706	3,186	309	309	309	400	240	300
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
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 is negative, and is not promising unless serious cash flow management is addressed is only then the municipality can budget to fund capital projects with the cash resources.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently all of its obligations are not cash-backed. This places the municipality in a very negative financial position. Cash-backed surplus remain the same taking into consideration the increase on the creditors which is an indication that the BPDM operational expenditure needs to be carefully scrutinized and either administrative operational expenditure or contributions to Local Municipalities needs to be decreased.



**Table 8 Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

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

DC37 Bojanala Platinum - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue - Functional</b>	1									
<b>Governance and administration</b>		327,116	326,382	332,473	345,819	345,429	345,429	357,906	371,260	385,282
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		327,116	326,382	332,473	345,819	345,429	345,429	357,906	371,260	385,282
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	200	100	100	110	2,625	2,770
Community and social services		-	-	-	200	100	100	110	110	110
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	2,515	2,660
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		1,899	-	-	-	-	-	1,789	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1,899	-	-	-	-	-	1,789	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	329,014	326,382	332,473	346,019	345,529	345,529	359,805	373,885	388,052
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		227,108	179,966	233,091	155,459	140,260	140,260	140,619	148,935	156,569
Executive and council		53,866	69,040	108,959	69,026	52,132	52,132	48,233	51,051	53,385
Finance and administration		173,242	110,464	124,132	86,432	88,128	88,128	92,386	97,884	103,184
Internal audit		-	462	-	-	-	-	-	-	-
<b>Community and public safety</b>		80,272	116,909	169,893	135,275	118,702	118,702	128,881	139,694	148,550
Community and social services		42,758	22,642	20,444	23,283	18,263	18,263	92,626	102,622	109,120
Sport and recreation		-	1,067	1,447	1,555	-	-	-	-	-
Public safety		37,514	57,301	78,053	72,255	65,333	65,333	1,020	960	1,070
Housing		-	-	-	-	-	-	-	-	-
Health		-	35,899	69,949	38,183	35,106	35,106	35,235	36,112	38,360
<b>Economic and environmental services</b>		19,480	24,695	17,092	16,988	9,094	9,094	9,068	7,323	7,367
Planning and development		8,197	24,581	16,950	16,738	9,066	9,066	9,068	7,323	7,367
Road transport		11,283	113	142	250	28	28	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		3,148	9,827	23,838	10,470	8,152	8,152	9,669	9,722	9,775
Energy sources		-	-	-	-	-	-	-	-	-
Water management		622	1,422	15,595	2,315	97	97	20	15	10
Waste water management		2,526	7,966	8,130	8,155	8,055	8,055	9,649	9,707	9,765
Waste management		-	439	113	-	-	-	-	-	-
<b>Other</b>	4	-	-	-	-	-	-	0	-	-
<b>Total Expenditure - Functional</b>	3	330,008	331,397	443,915	318,192	276,208	276,208	288,238	305,673	322,262
<b>Surplus/(Deficit) for the year</b>		(994)	(5,015)	(111,442)	27,827	69,321	69,321	71,567	68,212	65,790

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 9 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 9 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

**DC37 Bojanala Platinum - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue by Vote</b>	1									
Vote 1 - Municipal manager		-	-	-	-	-	-	-	-	-
Vote 2 - Community and Social Services		-	-	-	200	100	100	110	110	110
Vote 3 - Health & environmental Services		-	-	-	-	-	-	-	-	-
Vote 4 - Executive		-	-	-	-	-	-	-	-	-
Vote 5 - Finance		327,116	326,382	332,473	345,819	345,429	345,429	357,906	371,260	385,282
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 8 - Technical		1,899	-	-	-	-	-	1,789	2,515	2,660
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>329,014</b>	<b>326,382</b>	<b>332,473</b>	<b>346,019</b>	<b>345,529</b>	<b>345,529</b>	<b>359,805</b>	<b>373,885</b>	<b>388,052</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Municipal manager		20,416	41,588	39,669	28,762	18,348	18,348	28,374	28,941	30,679
Vote 2 - Community and Social Services		64,961	67,184	89,325	84,919	73,993	73,993	24,365	25,744	27,346
Vote 3 - Health & environmental Services		1,738	10,408	10,447	13,565	9,683	9,683	69,281	77,838	82,845
Vote 4 - Executive		39,262	46,285	87,153	46,473	35,320	35,320	33,748	35,220	37,321
Vote 5 - Finance		136,005	33,958	47,281	31,712	29,303	29,303	28,882	31,534	33,500
Vote 6 - Local economic development		13,117	4,901	753	350	200	200	7,279	7,323	7,366
Vote 7 - Corporate Services		39,085	104,921	141,218	101,690	101,181	101,181	86,639	89,351	93,429
Vote 8 - Technical		14,431	9,502	23,867	10,720	8,180	8,180	9,669	9,722	9,775
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	0	-	-
<b>Total Expenditure by Vote</b>	2	<b>329,014</b>	<b>318,747</b>	<b>439,713</b>	<b>318,192</b>	<b>276,208</b>	<b>276,208</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(0)</b>	<b>7,635</b>	<b>(107,240)</b>	<b>27,827</b>	<b>69,321</b>	<b>69,321</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>

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

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. The structure of the municipality is not

compliant; with the new regulation the municipality must review the structure according to the GFS functions of mSCOA.

**Table 10 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

DC37 Bojanala Platinum - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		2,591	3,407	2,477	1,500	1,200	1,200	1,200	800	1,550	1,560
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	200	100	100	100	110	110	110
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		315,299	320,591	327,632	341,715	342,221	342,221	342,221	356,512	369,710	383,722
Other revenue	2	2,291	-	-	100	10	10	10	-	-	-
Gains		-	-	94	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>320,180</b>	<b>323,998</b>	<b>330,203</b>	<b>343,515</b>	<b>343,531</b>	<b>343,531</b>	<b>343,531</b>	<b>357,422</b>	<b>371,370</b>	<b>385,392</b>
<b>Expenditure By Type</b>											
Employee related costs	2	153,275	162,967	180,147	191,929	194,585	194,585	194,585	204,095	215,427	227,433
Remuneration of councillors		14,568	17,368	17,930	18,662	18,662	18,662	18,662	19,558	20,570	21,793
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	2	9,174	7,067	6,244	7,392	6,300	6,300	6,300	6,300	7,200	7,400
Finance charges		1,202	778	247	-	3,331	3,331	3,331	500	500	500
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	1,394	2,760	3,726	3,607	279	279	279	510	440	408
Contracted services		66,099	66,007	145,898	51,546	34,186	34,186	34,186	11,196	11,256	10,876
Transfers and subsidies		24,864	-	-	1,909	1,871	1,871	1,871	-	-	-
Other expenditure	4, 5	63,361	69,756	77,190	43,147	19,479	19,479	19,479	46,079	50,280	53,852
Losses		-	2,525	11,415	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>333,938</b>	<b>329,229</b>	<b>442,798</b>	<b>318,192</b>	<b>278,694</b>	<b>278,694</b>	<b>278,694</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>
<b>Surplus/(Deficit)</b>		<b>(13,758)</b>	<b>(5,231)</b>	<b>(112,595)</b>	<b>25,323</b>	<b>64,837</b>	<b>64,837</b>	<b>64,837</b>	<b>69,184</b>	<b>65,697</b>	<b>63,130</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2,175	2,359	2,364	2,504	2,504	2,504	2,504	2,383	2,515	2,660
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(11,583)</b>	<b>(2,872)</b>	<b>(110,231)</b>	<b>27,827</b>	<b>67,341</b>	<b>67,341</b>	<b>67,341</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(11,583)</b>	<b>(2,872)</b>	<b>(110,231)</b>	<b>27,827</b>	<b>67,341</b>	<b>67,341</b>	<b>67,341</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(11,583)</b>	<b>(2,872)</b>	<b>(110,231)</b>	<b>27,827</b>	<b>67,341</b>	<b>67,341</b>	<b>67,341</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(11,583)</b>	<b>(2,872)</b>	<b>(110,231)</b>	<b>27,827</b>	<b>67,341</b>	<b>67,341</b>	<b>67,341</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>

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

1. Total revenue is R357 422 000 in 2020/21 and escalates to R371 370 000 by 2021/22. This represents a year-on-year increase of 4.4 per cent for the 2021/22 financial year,

**Figure 2 Expenditure by major type**

**Table 11 Contributions to Local Municipalities per municipality**

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Employee costs	153,275	162,967	180,147	191,929	194,585	194,585	194,585	204,095	215,427	227,433
Remuneration of councillors	14,568	17,368	17,930	18,662	18,662	18,662	18,662	19,558	20,570	21,793
Depreciation & asset impairment	9,174	7,067	6,244	7,392	6,300	6,300	6,300	6,300	7,200	7,400
Finance charges	1,202	778	247	-	3,331	3,331	3,331	500	500	500
Materials and bulk purchases	1,394	2,760	3,726	3,607	279	279	279	510	440	408
Transfers and grants	24,864	-	-	1,909	1,871	1,871	1,871	-	-	-
Other expenditure	129,460	138,288	234,503	94,693	53,666	53,666	53,666	57,275	61,536	64,728
<b>Total Expenditure</b>	<b>333,938</b>	<b>329,229</b>	<b>442,798</b>	<b>318,192</b>	<b>278,694</b>	<b>278,694</b>	<b>278,694</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>

The contribution for local municipalities for the 2020/21 and 2021/22 2022/23, financial years: Due to the financial difficulties that municipality has, the transfers for the local is R0 Employee related costs and contribution is the main cost drivers within the district.

**Table 12 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Bojanala District Municipality DC 37

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Municipal manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Health & environmental Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Executive		-	-	-	-	-	-	-	-	-	-
Vote 5 - Finance		-	-	-	-	-	-	-	-	-	-
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - Technical		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Municipal manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Community and Social Services		(3,260)	5,823	8,710	-	-	-	-	-	-	-
Vote 3 - Health & environmental Services		-	3,777	5,410	-	-	-	-	2,383	2,515	2,660
Vote 4 - Executive		-	-	15	-	-	-	-	-	-	-
Vote 5 - Finance		59,173	54,041	53,558	-	50	50	50	620	150	200
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		22,926	21,552	22,604	-	-	-	-	-	-	-
Vote 8 - Technical		-	11,018	7,602	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>78,839</b>	<b>96,210</b>	<b>97,899</b>	-	<b>50</b>	<b>50</b>	<b>50</b>	<b>3,003</b>	<b>2,665</b>	<b>2,860</b>
<b>Total Capital Expenditure - Vote</b>		<b>78,839</b>	<b>96,210</b>	<b>97,899</b>	-	<b>50</b>	<b>50</b>	<b>50</b>	<b>3,003</b>	<b>2,665</b>	<b>2,860</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		-	-	-	-	50	50	50	620	150	200
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	50	50	50	250	150	200
Internal audit		-	-	-	-	-	-	-	370	-	-
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	2,383	2,515	2,660
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	2,383	2,515	2,660
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	-	-	-	-	<b>50</b>	<b>50</b>	<b>50</b>	<b>3,003</b>	<b>2,665</b>	<b>2,860</b>
<b>Funded by:</b>											
National Government		(3,260)	5,823	6,942	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	2,383	2,515	2,660
<b>Transfers recognised - capital</b>	4	<b>(3,260)</b>	<b>5,823</b>	<b>6,942</b>	-	-	-	-	<b>2,383</b>	<b>2,515</b>	<b>2,660</b>
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		<b>82,099</b>	<b>90,387</b>	<b>90,957</b>	-	<b>50</b>	<b>50</b>	<b>50</b>	<b>620</b>	<b>150</b>	<b>200</b>
<b>Total Capital Funding</b>	7	<b>78,839</b>	<b>96,210</b>	<b>97,899</b>	-	<b>50</b>	<b>50</b>	<b>50</b>	<b>3,003</b>	<b>2,665</b>	<b>2,860</b>

**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 multi-year appropriations, for 2020/21 R3 003 000 has been allocated of the total budget for capital expenditure and R2 665 000 and R2 860 000 for the 2021/22 and 2022/23 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 must be funded from internally generated funds from current year surpluses and accumulated surpluses, of which the district does not have.

**Table 13 MBRR Table A6 - Budgeted Financial Position**

**DC37 Bojanala Platinum - Table A6 Budgeted Financial Position**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		764	2,340	4,138	2,500	37,685	37,685	2,200	25,277	74,141	130,475
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	-	-	-	-	-	-	-	-	-	-
Other debtors		2,306	1,517	51,847	55,479	90,475	90,475	610	700	800	900
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>		<b>3,070</b>	<b>3,857</b>	<b>55,985</b>	<b>57,979</b>	<b>128,160</b>	<b>128,160</b>	<b>2,810</b>	<b>25,977</b>	<b>74,941</b>	<b>131,375</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	37,055	61,596	59,118	59,118	59,118	59,118	59,118	59,118	59,118	59,118
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		950	1,510	405	-	-	-	405	775	775	775
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>38,005</b>	<b>63,105</b>	<b>59,523</b>	<b>59,118</b>	<b>59,118</b>	<b>59,118</b>	<b>59,523</b>	<b>59,893</b>	<b>59,893</b>	<b>59,893</b>
<b>TOTAL ASSETS</b>		<b>41,075</b>	<b>66,962</b>	<b>115,508</b>	<b>117,097</b>	<b>187,278</b>	<b>187,278</b>	<b>62,333</b>	<b>85,870</b>	<b>134,835</b>	<b>191,268</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	51,916	55,494	213,462	25,000	52,873	52,873	52,873	10,000	30,000	20,000
Provisions		-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>51,916</b>	<b>55,494</b>	<b>213,462</b>	<b>25,000</b>	<b>52,873</b>	<b>52,873</b>	<b>52,873</b>	<b>10,000</b>	<b>30,000</b>	<b>20,000</b>
<b>Non current liabilities</b>											
Borrowing		7,064	3,776	-	-	-	-	-	-	-	-
Provisions		21,069	23,856	28,440	-	-	28,440	28,440	28,440	28,440	28,440
<b>Total non current liabilities</b>		<b>28,133</b>	<b>27,632</b>	<b>28,440</b>	<b>-</b>	<b>-</b>	<b>28,440</b>	<b>28,440</b>	<b>28,440</b>	<b>28,440</b>	<b>28,440</b>
<b>TOTAL LIABILITIES</b>		<b>80,049</b>	<b>83,126</b>	<b>241,902</b>	<b>25,000</b>	<b>52,873</b>	<b>81,313</b>	<b>81,313</b>	<b>38,440</b>	<b>58,440</b>	<b>48,440</b>
<b>NET ASSETS</b>	5	<b>(38,974)</b>	<b>(16,164)</b>	<b>(126,394)</b>	<b>92,097</b>	<b>134,406</b>	<b>105,966</b>	<b>(18,980)</b>	<b>47,430</b>	<b>76,395</b>	<b>142,828</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		(38,974)	(27,404)	(137,634)	(27,903)	134,406	105,966	(18,980)	47,430	76,395	142,828
Reserves	4	-	11,240	11,240	120,000	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>(38,974)</b>	<b>(16,164)</b>	<b>(126,394)</b>	<b>92,097</b>	<b>134,406</b>	<b>105,966</b>	<b>(18,980)</b>	<b>47,430</b>	<b>76,395</b>	<b>142,828</b>

**Explanatory notes to Table A6 - Budgeted Financial Position**

1. Table A6 is consistent with international standards of good financial management practice, and improves understand ability 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 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

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.

4. 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.

5. The municipality has budgeted an amount of R52 872 693 for the creditors, other creditors like the third party the municipality has managed to clear the matter



**Table 14 MBRR Table A7 - Budgeted Cash Flow Statement**

DC37 Bojanala Platinum - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		-	213	123	-	-	-	-	110	110	110
Transfers and Subsidies - Operational	1	315,730	320,160	330,656	343,315	342,925	354,823	354,823	356,512	369,710	383,722
Transfers and Subsidies - Capital	1	2,175	2,359	2,364	2,504	2,504	2,648	2,648	2,383	2,515	2,660
Interest		2,591	3,432	2,477	-	-	1,200	1,200	800	1,500	1,550
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(347,789)	(301,264)	(267,734)	(308,891)	(266,577)	(277,137)	(277,137)	(333,225)	(321,806)	(328,349)
Finance charges		(1,202)	(778)	(247)	-	(1,460)	500	500	(500)	(500)	(500)
Transfers and Grants	1	-	-	-	(1,909)	(1,871)	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(28,495)</b>	<b>24,122</b>	<b>67,640</b>	<b>35,019</b>	<b>75,521</b>	<b>82,034</b>	<b>82,034</b>	<b>26,080</b>	<b>51,529</b>	<b>59,193</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		8	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		13,127	(19,746)	(12,066)	-	50	50	50	(3,003)	(2,665)	(2,860)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>13,135</b>	<b>(19,746)</b>	<b>(12,066)</b>	<b>-</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>(3,003)</b>	<b>(2,665)</b>	<b>(2,860)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		4,066	(2,801)	(53,776)	-	(84,000)	(84,000)	(84,000)	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>4,066</b>	<b>(2,801)</b>	<b>(53,776)</b>	<b>-</b>	<b>(84,000)</b>	<b>(84,000)</b>	<b>(84,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(11,293)</b>	<b>1,575</b>	<b>1,798</b>	<b>35,019</b>	<b>(8,429)</b>	<b>(1,916)</b>	<b>(1,916)</b>	<b>23,077</b>	<b>48,864</b>	<b>56,333</b>
Cash/cash equivalents at the year begin:	2	12,058	764	2,340	4,138	4,138	4,138	4,138	2,200	25,277	74,141
Cash/cash equivalents at the year end:	2	764	2,340	4,138	39,156	(4,292)	2,221	2,221	25,277	74,141	130,475

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash-in flows versus cash-outflow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the District increase over the MTREF to R25 277 000 in the 2021/22 period respectively.

**Table 15 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation**

DC37 Bojanala Platinum - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	764	2,340	4,138	39,156	(4,292)	2,221	2,221	25,277	74,141	130,475
Other current investments > 90 days		(0)	0	0	(36,656)	41,976	35,463	(21)	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>764</b>	<b>2,340</b>	<b>4,138</b>	<b>2,500</b>	<b>37,685</b>	<b>37,685</b>	<b>2,200</b>	<b>25,277</b>	<b>74,141</b>	<b>130,475</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		431	-	3,024	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	51,484	55,494	210,438	25,000	52,873	52,873	52,873	9,300	29,200	19,100
Other provisions		-	-	-	-	-	-	-	15,000	15,000	15,000
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>51,916</b>	<b>55,494</b>	<b>213,462</b>	<b>25,000</b>	<b>52,873</b>	<b>52,873</b>	<b>52,873</b>	<b>24,300</b>	<b>44,200</b>	<b>34,100</b>
<b>Surplus(shortfall)</b>		<b>(51,152)</b>	<b>(53,154)</b>	<b>(209,324)</b>	<b>(22,500)</b>	<b>(15,188)</b>	<b>(15,188)</b>	<b>(50,673)</b>	<b>977</b>	<b>29,941</b>	<b>96,375</b>

**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 2019/20 to 2020/21 the municipality has never been consistent in regards to financing no stabilization the figures are not inconsistent
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2020/21 MTREF was funded with risk.

7. As part of the budgeting and planning guidelines that informed the compilation of the 2020/21 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

## **Table 16 MBRR Table A9 - Asset Management**

### **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.

a 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 both these recommendations as the District do not have the building of their own, and the infrastructure projects.

DC37 Bojanala Platinum - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	78,839	96,210	97,899	50	50	3,003	2,665	2,860	
Roads Infrastructure		7,832	4,021							
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure		3,186	3,565							
Sanitation Infrastructure		3,777	3,777							
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
<b>Infrastructure</b>			14,795	11,363						
Community Facilities				1,633			2,383	2,515	2,660	
Sport and Recreation Facilities		(3,260)	5,823	8,285						
<b>Community Assets</b>		(3,260)	5,823	9,918			2,383	2,515	2,660	
<b>Heritage Assets</b>										
Revenue Generating										
Non-revenue Generating										
<b>Investment properties</b>										
Operational Buildings		14,137	4,163	5,269						
Housing										
<b>Other Assets</b>		14,137	4,163	5,269						
<b>Biological or Cultivated Assets</b>										
Services										
Licences and Rights		1,107	2,323	1,095						
<b>Intangible Assets</b>		1,107	2,323	1,095						
Computer Equipment		13,947	13,947	14,419			250	150	200	
Furniture and Office Equipment		6,091	910	1,509						
<b>Machinery and Equipment</b>		12,136	13,858	13,370	50	50	370			
<b>Transport Assets</b>		22,926	21,552	22,069						
<b>Land</b>		11,756	18,800	18,888						
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>Total Renewal of Existing Assets</b>	2									
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure										
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
<b>Infrastructure</b>										
Community Facilities										
Sport and Recreation Facilities										
<b>Community Assets</b>										
<b>Heritage Assets</b>										
Revenue Generating										
Non-revenue Generating										
<b>Investment properties</b>										
Operational Buildings										
Housing										
<b>Other Assets</b>										
<b>Biological or Cultivated Assets</b>										
Services										
Licences and Rights										
<b>Intangible Assets</b>										
Computer Equipment										
Furniture and Office Equipment										
<b>Machinery and Equipment</b>										
<b>Transport Assets</b>										
<b>Land</b>										
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>Total Upgrading of Existing Assets</b>	6									
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure										
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
<b>Infrastructure</b>										
Community Facilities										
Sport and Recreation Facilities										
<b>Community Assets</b>										
<b>Heritage Assets</b>										
Revenue Generating										
Non-revenue Generating										
<b>Investment properties</b>										
Operational Buildings										
Housing										
<b>Other Assets</b>										
<b>Biological or Cultivated Assets</b>										
Services										
Licences and Rights										
<b>Intangible Assets</b>										
Computer Equipment										
Furniture and Office Equipment										
<b>Machinery and Equipment</b>										
<b>Transport Assets</b>										
<b>Land</b>										
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>Total Capital Expenditure</b>	4	78,839	96,210	97,899	50	50	3,003	2,665	2,860	
Roads Infrastructure		7,832	4,021							
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure		3,186	3,565							
Sanitation Infrastructure		3,777	3,777							
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
<b>Infrastructure</b>			14,795	11,363						
Community Facilities				1,633			2,383	2,515	2,660	
Sport and Recreation Facilities		(3,260)	5,823	8,285						
<b>Community Assets</b>		(3,260)	5,823	9,918			2,383	2,515	2,660	
<b>Heritage Assets</b>										
Revenue Generating										
Non-revenue Generating										
<b>Investment properties</b>										
Operational Buildings		14,137	4,163	5,269						
Housing										
<b>Other Assets</b>		14,137	4,163	5,269						
<b>Biological or Cultivated Assets</b>										
Services										
Licences and Rights		1,107	2,323	1,095						
<b>Intangible Assets</b>		1,107	2,323	1,095						
Computer Equipment		13,947	13,947	14,419			250	150	200	
Furniture and Office Equipment		6,091	910	1,509						
<b>Machinery and Equipment</b>		12,136	13,858	13,370	50	50	370			
<b>Transport Assets</b>		22,926	21,552	22,069						
<b>Land</b>		11,756	18,800	18,888						
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		78,839	96,210	97,899	50	50	3,003	2,665	2,860	
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	48,180	42,487	38,243	6,521	6,350	6,350	150	200	
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Water Supply Infrastructure										
Sanitation Infrastructure										
Solid Waste Infrastructure		248	(139)	(231)						

## 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

STRUCTURES	ROLES AND RESPONSIBILITIES
Council	<ul style="list-style-type: none"> <li>▪ The overall responsibility of Council of the Bojanala Platinum District Municipality is to adopt the Framework/Process Plan,</li> <li>▪ Be responsible for the overall management and coordination</li> </ul>

	<p>of the planning process</p> <ul style="list-style-type: none"><li>▪ Adopt the final IDP</li><li>▪ To ensure that the Budgets, SDBIP, Performance Agreements are based on the approved IDP</li></ul>
Executive Mayor	<ul style="list-style-type: none"><li>▪ Provides Political guidance over the IDP Review process and priorities</li></ul>
Members of the Mayor Committee	<ul style="list-style-type: none"><li>▪ Overall management, co-ordination and monitoring of the IDP Review Process</li></ul>

STRUCTURES	ROLES AND RESPONSIBILITIES
Municipal Manager	<ul style="list-style-type: none"> <li>▪ Municipal Manager has the following responsibilities, that are assigned to the IDP Manager</li> <li>▪ Preparation of the process plan;</li> <li>▪ Day to day management and coordination of the IDP process in terms of the time, resources and people, and ensuring:               <ul style="list-style-type: none"> <li>▪ The involvement of all relevant role-players, especially official's management officials; to ensure that;</li> <li>▪ The timeframes are being adhered to;</li> <li>▪ That the planning process is horizontally and vertically aligned and complies with national and provincial requirements;</li> <li>▪ That condition for participation is provided and those outcomes are documented.</li> </ul> </li> </ul>
IDP Manager	<ul style="list-style-type: none"> <li>▪ Day to day management of the IDP process.</li> <li>▪ Co-ordination and facilitation of IDP Review Process.</li> </ul>
IDP/Budget Steering Committee	<ul style="list-style-type: none"> <li>▪ Monitor, evaluate progress and provide feedback</li> <li>▪ Provide technical guidance to review process</li> <li>▪ Ensure alignment of the IDP and Budget</li> <li>▪ Record realistic revenue and expenditure projections for current and future years</li> <li>▪ Take cognizance of national, provincial budgets, DORA and national fiscal and macro-economic policy</li> </ul>
Municipal Officials	<ul style="list-style-type: none"> <li>▪ Provide technical/sector expertise</li> <li>▪ Prepare selected Sector Plans</li> </ul>



### 3.2.2 EXTERNAL ROLE PLAYERS AND RESPONSIBILITIES

ROLE PLAYER	ROLES AND RESPONSIBILITIES
Sector Department Officials	<ul style="list-style-type: none"> <li>▪ Provide sector information</li> <li>▪ Alignment of budgets with the IDP</li> <li>▪ Provide sector budget</li> <li>▪ Provide professional and technical support</li> </ul>
Planning	<ul style="list-style-type: none"> <li>▪ Methodological guidance and training</li> </ul>
Professionals/Service Providers	<ul style="list-style-type: none"> <li>▪ Facilitation of planning workshops</li> <li>▪ Drafting sector plans</li> <li>▪ Assist with Performance Management System</li> <li>▪ Documentation of IDP</li> </ul>
IDP Representative Forum	<ul style="list-style-type: none"> <li>▪ Representing interest and contributing knowledge and Ideas</li> </ul>

#### 2.1.2 IDP and Service Delivery and Budget Implementation Plan

Council is going to adopt a new IDP for 2020 to 2022/23. The Draft IDP will be submitted to Council for approval on the 31 March 2020 and reviewed before the 31 May 2020 together with the budget.

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 2020/21 MTREF, based on the approved 2019/20 MTREF, Mid-year Review and adjustments budget. 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 2020/21 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 2019/20 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 2020/21 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 2020/21 MTREF:

- District growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends
- Performance trends
- The approved 2019/20 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 & 89, 90, 93 94 98 and.99 has been taken into consideration in the planning

#### **2.1. 4 Community Consultation**

The 2020/21 MTREF as tabled before Council on 31 March 2020 Presentation of the IDP Framework and Process Plan to the 1st IDP Representative Forum (decentralised Approach to include ward Committee Representatives at LM level)

IDP Context and Process

Community Needs analysis and prioritisation and by local municipalities.

Consolidation & Presentation of community needs/issues to the IDP Managers forum.

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 will be utilised to facilitate the community consultation process from January to April 2020, sessions will be scheduled with organised business and Imbizo's to be held to further ensure transparency and interaction.

#### **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. 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 2020/21 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
- 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:
2. Provide sanitation;
3. Provide waste removal;
4. Provide housing;
5. Provide roads and storm water Provide public transport;
6. Provide district planning services; and
7. Maintaining the infrastructure of the District.

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.

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.

#### 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:

1. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
  - Optimising effective community participation in the ward committee system; andImplementing Batho Pele in the revenue management strategy.  
Promote sound governance through:
  - Publishing the outcomes of all tender processes on the municipal website
  - Ensure financial sustainability through formulation and implementation of the financial recovery plan, with the assistance of the Northwest Provincial Treasury.

Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

- 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.

The 2020/21 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.

**Table 20 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

DC37 Bojanala Platinum - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
Municipal Financial Viability	Administrative and Financial capability			322,355	326,357	332,567	346,019	348,539	348,539	359,805	373,885	388,052
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	322,355	326,357	332,567	346,019	348,539	348,539	359,805	373,885	388,052

**1. Table 21 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure**



DC37 Bojanala Platinum - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

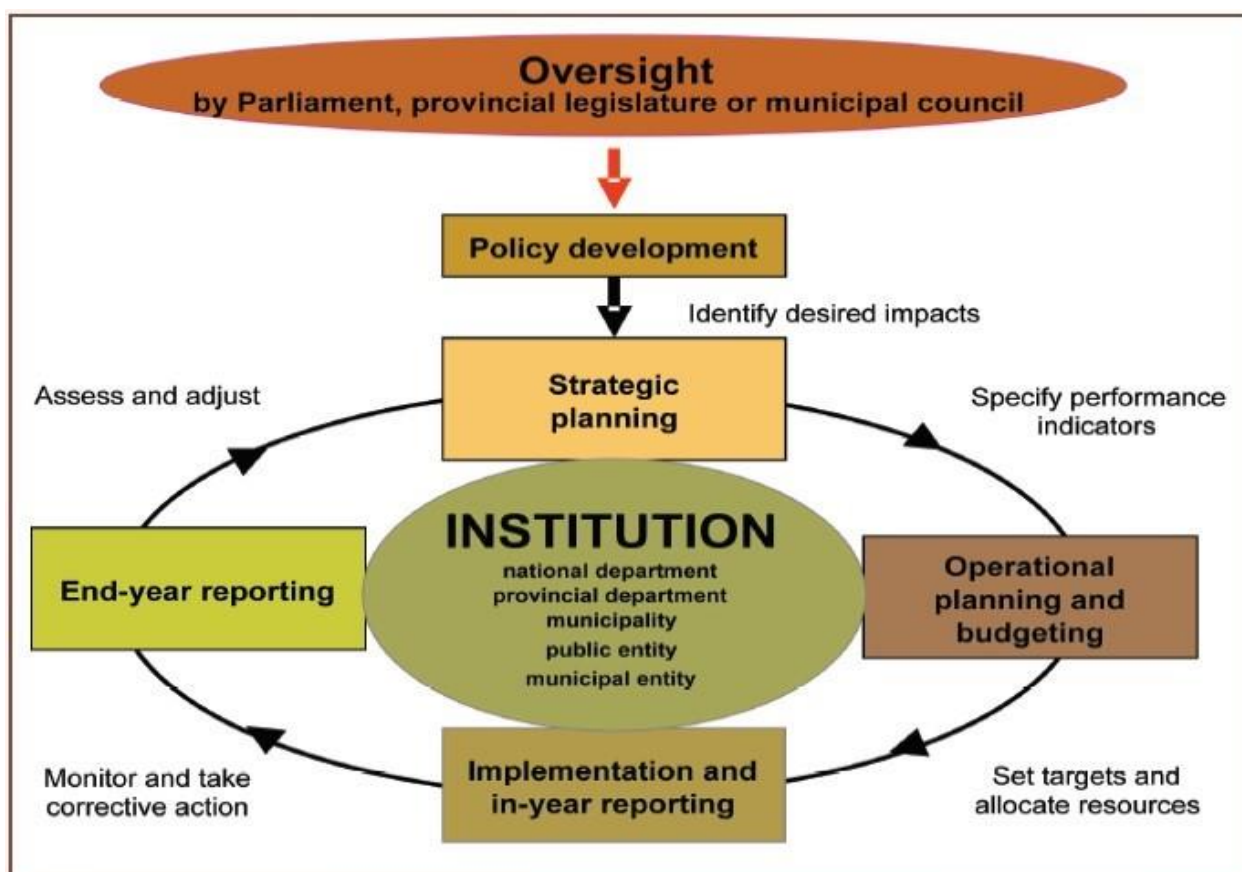
Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>												
Good Governance and Public Participation	Implement a differentiated approach to municipal planning			45,052	86,782	36,473	45,052	35,320	35,320	34,079	49,254	38,064
Municipal Institutional Development and Transformation	Planning and Support			51,019	73,002	44,191	51,019	58,625	58,625	56,621	59,397	62,547
Municipal Institutional Development and Transformation	Planning and Support			23,974	33,926	44,467	23,974	16,911	16,911	35,215	37,147	39,009
Basic Delivery and Infrastructure	Improving access to basic services			76,310	83,160	91,374	76,310	67,703	67,703	86,841	80,321	100,925
Financial viability	Financial capability			31,712	47,281	22,991	31,712	23,003	23,003	23,347	25,208	24,984
Basic Delivery and Infrastructure Tech and HES	Improving access to basic services			71,950	100,502	197,012	71,950	43,486	43,486	44,856	47,023	49,366
Local Economic Development	Implementation of community work programme			29,991	19,149	6,260	18,175	31,160	31,160	7,279	7,323	7,367
Local Economic Development	Implementation of community work											
<b>Total Expenditure</b>			1	<b>330,008</b>	<b>443,802</b>	<b>442,768</b>	<b>318,192</b>	<b>276,208</b>	<b>276,208</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>

### 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:

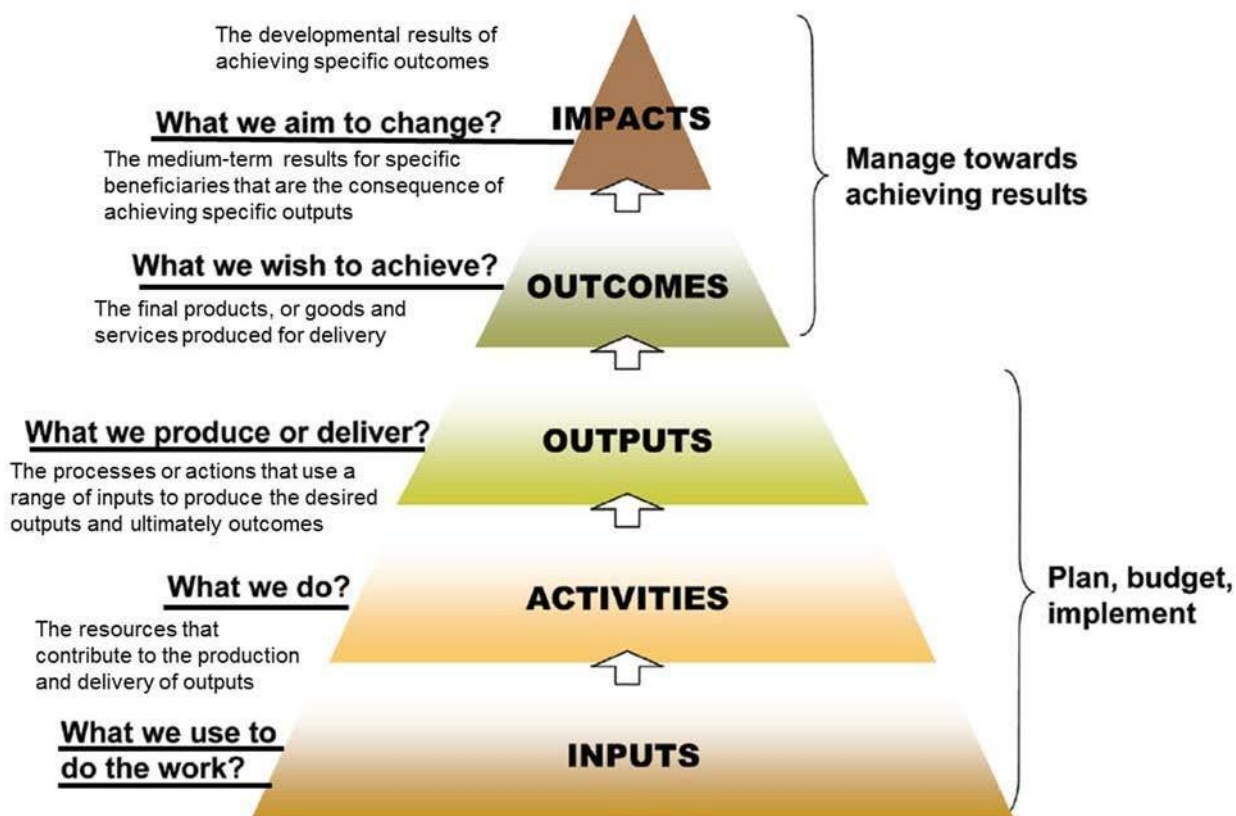


**Planning, budgeting and reporting cycle**

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 Information** issued by the National Treasury:



### 1 Figure 4 Definition of performance information concepts

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

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

DC37 Bojanala Platinum - Supporting Table SA7 Measurable performance objectives

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Vote 1 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure's description</i>	1 workshop for BPDM	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2 Ward Committee	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Sub-function 2 - (name)</b>										
<i>Insert measure's description</i>	1 Anti Corruption awareness	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	1 Oversight Report on									
<b>Sub-function 3 - (name)</b>										
<i>Insert measure's description</i>	1 public participation	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	3 Single Whip Forums									
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure's description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure's description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure's description</i>										
<b>Vote 2 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure's description</i>	4 Advocacy programmes	100.0%	100.0%	100.0%	25.0%	25.0%	25.0%	100.0%	100.0%	100.0%
	2 public participation				0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
<b>Sub-function 2 - (name)</b>										
<i>Insert measure's description</i>	4 IGR Forum meetings held	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2 Community Outreach									
<b>Sub-function 3 - (name)</b>										
<i>Insert measure's description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure's description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure's description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure's description</i>										
<b>Vote 3 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure's description</i>	1 Reviewed 2020/21 IDP	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	4 computer licences	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Sub-function 2 - (name)</b>										
<i>Insert measure's description</i>	2 Quarterly updates of risks				50.0%	50.0%	50.0%	100.0%	100.0%	100.0%
<b>Sub-function 3 - (name)</b>										
<i>Insert measure's description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure's description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure's description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure's description</i>										
<b>And so on for the rest of the MunicipalVotes</b>										

The following table sets out the municipalities main performance objectives and benchmarks for the 2020/21 MTREF.

DC37 Bojanala Platinum - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Borrowing Management</b>											
<b>Credit Rating</b>											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.4%	1.1%	12.3%	0.0%	31.3%	31.3%	31.3%	0.2%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	10.4%	71.9%	2180.6%	0.0%	6666.5%	6666.5%	6666.5%	54.9%	30.1%	29.9%
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%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	0.5	0.5	0.4	2.3	8.5	8.5	1.3	3.0	2.6	6.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.5	0.5	0.4	2.3	8.5	8.5	1.3	3.0	2.6	6.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.0	0.1	2.5	2.5	0.1	3.0	2.6	6.8
<b>Revenue Management</b>											
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	9.0%	7.4%	25.5%	16.2%	26.1%	26.1%	5.3%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		1.0%	1465.3%	1209.3%	56.2%	-349.5%	675.2%	675.2%	39.6%	40.5%	15.3%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	82.4%	50.3%	54.6%	55.9%	56.2%	56.2%	56.2%	57.1%	58.0%	59.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	89.6%	56.0%	61.4%	61.3%	61.3%	61.3%		62.6%	63.5%	64.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.3%	11.4%	0.9%	0.1%	0.1%		0.1%	0.1%	0.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	4.6%	2.4%	2.0%	2.2%	2.8%	2.8%	2.8%	1.9%	2.1%	2.0%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/(Debt service payments due within financial year)	1.9	0.1	-	0.0	0.0	0.0	1.6	0.6	1.1	1.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	-	-	-	-	-	-	-	-	-

### 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, Bojanala District Municipality’s borrowing strategy is primarily informed by the affordability of debt repayments. The District is not credit worthy, because of too much creditors

*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

supposed to be financed from cash backed accumulated surpluses which the district doesn't have.

Various financial risks 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 2020/21 financial year the ratio is at a level 1.12 per cent and remains relatively stable at 1.1 per cent in the 2021/22 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 2:1, hence at no point in time should this ratio be less than 2:1. The current ratio for 2019/20 is 1:4.

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 1:1. Anything below 1 indicates a shortage in cash to meet creditor obligations. The 2019/20 current ratio of the District is 0 indicates that the municipality are unable to pay for their creditors in 30 day calendars days as prescribed by the legislation.

#### 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 2020/21 is 1:290.

## Creditors Management

The District struggled to settle their creditors within 30 days of invoice as legislated. Municipality must ensure that they apply daily cash flow management, 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 increased by 6.25% and Councillor remuneration as a percentage of operating revenue continues increasing to 4.9 per cent for the 2020/21 budget
- Repairs and maintenance is 1 per cent of revenue is. This is low as the District does not have building and infrastructure projects;
- The filling of vacancies has withheld only critical position like CSS; and Most of the officials within BTO comply 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 Asset Management Policy**

The reviewed asset management policy was adopted by Council in May 2019/20. 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 2020/21 budget preparation process.

## **2.4.2 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in 2007. An amended policy was adopted by Council in May 2009. The policy was reviewed during the 2020/21 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.

## **2.4.3 Virement Policy**

The 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 2019/20. The draft policy will also be presented before council on the 19<sup>th</sup> May 2020 for budget of 2020/21

## **2.4.4 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:
  - 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; the municipality have the short term insurance



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

#### **2.4.5 Cost containment policy**

Objectives of the policy

To regulate and control expenditure in relation to expenditure;

To regulate instances and events where to provide the services

### **2.5 Overview of budget assumptions**

#### **2.5.1 External factors**

Highlights from circular 98 and 99 as follows:

In the 2019 Medium Term Budget Policy Statement (MTBPS) tabled by the Minister of Finance on 30 October 2019, he stated that, he is tabling the 2019 MTBPS in a difficult global and domestic environment. The global growth forecast for 2019 is the lowest since the 2008 financial crisis, weighed down by mounting trade tensions and political uncertainty. Economic activity in two engines of the world economy, namely China and India, is also slowing this year. Policy makers have taken a number of steps to support growth, but there is a risk that these measures will create new vulnerabilities, as interest rates in advanced economies decline. About a quarter of government bonds in these countries have negative yields

In South Africa, economic growth has continued to stagnate and weaknesses in the world economy are likely to amplify our own challenges. The discussion paper termed the Economic transformation, inclusive growth, and competitiveness released by the National Treasury has proposed a number of economic reforms that might boost GDP growth over the medium and longer term, and support increased investment and job creation. These measures have been broadly agreed on within government. The next step is to implement the reforms urgently. Nevertheless, the economy has continued to weaken with the economic growth projected to grow at 1.2 per cent in the 2020/21 financial year, while long term estimates have fallen prompting government to review its outer year's estimates.

In addition to low growth, South Africa’s biggest economic risk is Eskom. Ongoing problems with the utility’s operations continue to disrupt the supply of electricity to households and businesses. Government has allocated significant resources to assist Eskom. With the immediate financial restraints lifted, the focus must be on operational problems and restructuring Eskom into three separate entities. Doing so will mark the beginning of a transition to a competitive, transparent and financially viable electricity sector.

South Africa’s public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. For 10 years, the country has run large budget deficits. This has put us deeply in debt, to the point where interest payments have begun crowding out social and economic spending programmes. This cannot be sustained.

**2.5.2 General inflation outlook and its impact on the municipal activities**

There are five key factors that have been taken into consideration in the compilation of the 2020/21 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on District’s residents and businesses;
- The impact of municipal cost drivers; and

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Forecast		
CPI Inflation	4.7%	4.3%	4.9%	4.8%	4.8%

**Key focus areas for the 2020/21 budget process Local government conditional grants and additional allocations**

The proposed division of revenue is still biased towards prioritising funding services for poor communities. Allocations to local government subsidise the cost of delivering

free basic services to the less fortunate and the poorest of the poor households, and the infrastructure needed to deliver those services, as well as the maintenance of the infrastructure to ensure the sustainable delivery of these services.

The 2019 Medium Term Budget Policy Statement (MTBPS) projects transfers for local government for the 2020 MTREF at 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 8.6 per cent of non-interest expenditure and a slight decrease from the 8.9 per cent realised in the 2018 budget.

The equitable share and the allocation of the general fuel levy to local government constitutes 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.

The annual Division of Revenue Bill will be published in February 2020 after the budget speech by the Minister of Finance. The grant allocations will be specified in this Bill and municipalities must reconcile their budgets to the numbers published therein.

### **Tabling of funded budgets**

The importance of tabling funded budgets is highlighted in MFMA Circular No. 98 and 99. Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution. It has been agreed that no municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. As a result, such municipalities must, together with their 2020/21 MTREF budget, table a financial plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility. The assessment of the 2019/20

MTREF budgets have shown a deterioration with more budgets being unfunded. Plans and support will have to be re-evaluated to produce a positive

### **Employee related costs**

The Salary and Wage Collective Agreement for the period 01 July 2018 to 30 June 2021 is still in operation, therefore municipalities need to budget for their employee related costs in line with the multi-year wage agreement, and also ensure the agreement is correctly implemented and applied as per clauses of the agreement

Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once a year manual salary disbursement, in order to root out ghost employees.

### **Remuneration of councillors**

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette No. 20 of 1998 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 between December and January by the Department of Cooperative Governance (DCoG). Any overpayment to councillors 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 councillor(s) concerned.

### **Budgeting for Trade Payables on Table SA3**

Municipalities raised concerns about the calculation used for determining the creditors' payment period ratio. As a result, an analysis was undertaken of the note in the Annual Financial Statements relating to Trade Payables from Exchange Transactions as it is disclosed on the face of the Statement of Financial Position. The analysis revealed that this liability includes creditors which do not have a direct impact on the ratio, such as payments received in advance, funds administered on behalf of third parties, retention, accrued staff leave, license fees etc.

The inclusion of such liabilities as “Trade and Other-Payables from Exchange Transactions” under “Working Capital – Creditors due” on Table A8 has an impact on the funding assessment as they are considered when determining whether the budget is funded as per the Municipal Budget and Reporting Regulations schedules. Table A8 is separated into three disclosures which are:

- Unspent Grants – linked by a formula from Table SA3;
- Working Capital – Creditors due - linked by a formula from Table SA3 that currently includes all Trade and Other-Payables from Exchange Transactions as explained above; and
- Statutory Requirements – This refers to VAT and taxation and is not linked by a formula to any table as it may include VAT and taxation receivable included under Other Debtors in Table A6 and/or VAT and taxation payable included in Table SA3.

### **Conditional Grant transfers to Municipalities**

Summary of changes in the Division of Revenue Amendment Bill, 2019

An adjustments budget provides for unforeseen and unavoidable expenditure; appropriation of monies already announced during the tabling of the annual budget (but not allocated at that stage); the shifting of funds between and within votes where a function is transferred; the utilisation of savings; and the roll-over of unspent funds from the preceding financial year. If the adjustments budget effects changes to the division of revenue as contained in the Division of Revenue Act for the relevant year, the Minister of Finance must table a Division of Revenue Amendment Bill with the revised framework. There are amendments to the 2019 Budget that affect the Division of Revenue Act, 2019 which will be effected through the Division of Revenue Amendment Act, 2019, once enacted. The amendments as they impact on provinces and municipalities are discussed below

### ***Municipal Budget Circular 99 for the 2020/21 MTREF 08 April 2020***

Municipalities with unspent conditional grants that were not approved for rollover, are afforded an opportunity to refund the portion of the unspent funds to the National Revenue Fund (NRF). In instances wherein the unspent funds are not refunded to

the NRF, National Treasury in accordance to Section 22 of the Division of Revenue Act, offsets these funds against the equitable share allocations.

### **Preparation of Municipal Budgets for 2020/21 MTREF**

#### **Schedule A1 version to be used for the 2020/21 MTREF**

National Treasury has released Version 6.4 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.4 of the *m*SCOA classification framework and must be used when compiling the 2020/21 MTREF budget.

**ALL** municipalities **MUST** use this version for the preparation of their 2020/21 MTREF budget.

It is imperative that all municipalities prepare their 2020/21 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Municipalities **must** start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and **must** ensure that they produce their Schedule A1 directly out of the budget module.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the website).

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data

for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

Version 6.4

## 2.6 Overview of budget funding

### 2.6.1 Medium-term outlook: operating revenue

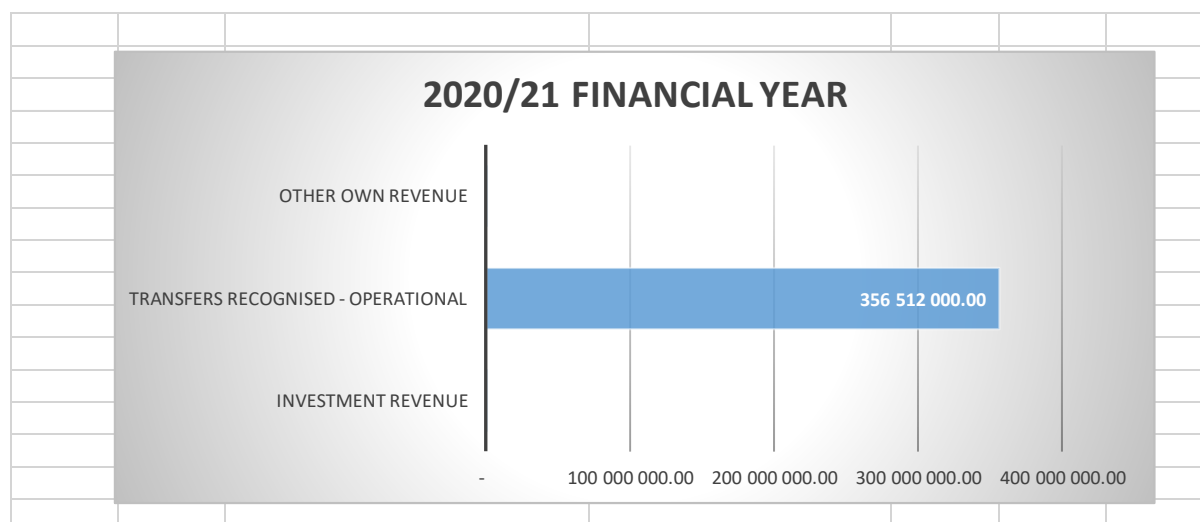
The following table is a breakdown of the operating revenue over the medium-term:

**Table 24 Breakdown of the operating revenue over the medium-term**

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Financial Performance</b>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	2,591	3,407	2,477	1,500	1,200	1,200	1,200	800	1,550	1,560
Transfers recognised - operational	315,299	320,591	327,632	341,715	342,221	342,221	342,221	356,512	369,710	383,722
Other own revenue	2,291	-	94	300	110	110	110	110	110	110
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>320,180</b>	<b>323,998</b>	<b>330,203</b>	<b>343,515</b>	<b>343,531</b>	<b>343,531</b>	<b>343,531</b>	<b>357,422</b>	<b>371,370</b>	<b>385,392</b>

**Figure 5 Breakdown operating revenue over the 2020/21 MTREF**

The following graph is a breakdown of the operational revenue per main category for the 2020/21 financial year.



Operating Grants form a significant percentage of the revenue basket for the District. In the 2020/21 financial year, the operating grants totalled R357 422 000 or 99.7 per cent. This increases to R371 370 000 and R385 722 000 the respective financial years of the MTREF. The MTREF includes the RSC Levy Replacement, local government equitable share and other operating grants from national government.

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

DC37 Bojanala Platinum - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	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 realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		1 Yrs/Months												
Parent municipality														
ABSA BANK									21 August 2020	18 000	85			18 085
ABSA BANK									22 September 2020	18 000	107			18 107
ABSA BANK									22 October 2020	18 000	136			18 136
ABSA BANK									23 November 2020	18 000	167			18 167
ABSA BANK									23 January 2021	18 000	57			18 057
ABSA BANK									22 February 2021	18 000	114			18 114
ABSA BANK									23 March 2021	18 000	135			18 135
Municipality sub-total										126 000		-	-	126 000

**Table 25 MBRR SA15 – Detail Investment Information**

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus 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 26 MBRR Table SA 17 - Detail of borrowings**



DC37 Bojanala Platinum - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>										
<b>Parent municipality</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
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										
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
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										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	-	-	-	-	-	-	-	-	-
<b>Unspent Borrowing - Categorized by type</b>										
<b>Parent municipality</b>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
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										
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
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										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	1	-	-	-	-	-	-	-	-	-

The municipality doesn't have any borrowing. The table below illustrate zero borrowing.

Table 27 MBRR Table SA 18 - Capital transfers and grant receipts

DC37 Bojanala Platinum - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:										
<b>Operating Transfers and Grants</b>										
National Government:		323,724	322,950	327,124	344,219	344,219	344,219	358,389	372,225	386,382
Local Government Equitable Share		317,474	322,950	322,202	339,278	339,278	339,278	352,817	368,010	381,822
Finance Management		1,250		1,000	1,000	1,000	1,000	1,400	1,700	1,900
EPWP Incentive				1,558	1,437	1,437	1,437	1,789		
Municipal Systems Improvement		5,000								
RAMS				2,364	2,504	2,504	2,504	2,383	2,515	2,660
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Seta, Spatial Planning Disaster Relief Grant		-	-	2,872	-	-	-	506	-	-
<b>Total Operating Transfers and Grants</b>	5	323,724	322,950	329,996	344,219	344,219	344,219	358,895	372,225	386,382
<b>Capital Transfers and Grants</b>										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Seta, Spatial Planning		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		323,724	322,950	329,996	344,219	344,219	344,219	358,895	372,225	386,382

## 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 provided 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 28 MBRR Table A7 - Budget cash flow statement**

DC37 Bojanala Platinum - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		-	213	123	-	-	-	-	110	110	110
Transfers and Subsidies - Operational	1	315,730	320,160	330,656	343,315	342,925	354,823	354,823	356,512	369,710	383,722
Transfers and Subsidies - Capital	1	2,175	2,359	2,364	2,504	2,504	2,648	2,648	2,383	2,515	2,660
Interest		2,591	3,432	2,477	-	-	1,200	1,200	800	1,500	1,550
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(347,789)	(301,264)	(267,734)	(308,891)	(266,577)	(277,137)	(277,137)	(333,225)	(321,806)	(328,349)
Finance charges		(1,202)	(778)	(247)	-	(1,460)	500	500	(500)	(500)	(500)
Transfers and Grants	1	-	-	-	(1,909)	(1,871)	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(28,495)</b>	<b>24,122</b>	<b>67,640</b>	<b>35,019</b>	<b>75,521</b>	<b>82,034</b>	<b>82,034</b>	<b>26,080</b>	<b>51,529</b>	<b>59,193</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		8	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		13,127	(19,746)	(12,066)	-	50	50	50	(3,003)	(2,665)	(2,860)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>13,135</b>	<b>(19,746)</b>	<b>(12,066)</b>	<b>-</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>(3,003)</b>	<b>(2,665)</b>	<b>(2,860)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		4,066	(2,801)	(53,776)	-	(84,000)	(84,000)	(84,000)	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>4,066</b>	<b>(2,801)</b>	<b>(53,776)</b>	<b>-</b>	<b>(84,000)</b>	<b>(84,000)</b>	<b>(84,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(11,293)</b>	<b>1,575</b>	<b>1,798</b>	<b>35,019</b>	<b>(8,429)</b>	<b>(1,916)</b>	<b>(1,916)</b>	<b>23,077</b>	<b>48,864</b>	<b>56,333</b>
Cash/cash equivalents at the year begin:	2	12,058	764	2,340	4,138	4,138	4,138	4,138	2,200	25,277	74,141
Cash/cash equivalents at the year end:	2	764	2,340	4,138	39,156	(4,292)	2,221	2,221	25,277	74,141	130,475

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

The projected cash levels for the year ending 2020/21 is R 25 277 000.

The main concern for the 2019/20 and 2020/21 financial years is the payment of outstanding creditors, the municipality must find a way of how to prioritise certain things and pay creditors.

### 2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 98 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

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 29 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

From the above table it can be seen that the cash and investments projection total R5 084 000 in the 2020/21 financial year and progressively increase to R34 226 000 by 2021/22, 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:

DC37 Bojanala Platinum - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	764	2,340	4,138	39,156	(4,292)	2,221	2,221	25,277	74,141	130,475
Other current investments > 90 days		(0)	0	0	(36,656)	41,976	35,463	(21)	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>764</b>	<b>2,340</b>	<b>4,138</b>	<b>2,500</b>	<b>37,685</b>	<b>37,685</b>	<b>2,200</b>	<b>25,277</b>	<b>74,141</b>	<b>130,475</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		431	-	3,024	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	51,484	55,494	210,438	25,000	52,873	52,873	52,873	9,300	29,200	19,100
Other provisions		-	-	-	-	-	-	-	15,000	15,000	15,000
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>51,916</b>	<b>55,494</b>	<b>213,462</b>	<b>25,000</b>	<b>52,873</b>	<b>52,873</b>	<b>52,873</b>	<b>24,300</b>	<b>44,200</b>	<b>34,100</b>
<b>Surplus(shortfall)</b>		<b>(51,152)</b>	<b>(53,154)</b>	<b>(209,324)</b>	<b>(22,500)</b>	<b>(15,188)</b>	<b>(15,188)</b>	<b>(50,673)</b>	<b>977</b>	<b>29,941</b>	<b>96,375</b>

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 93 – 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 cash funded.
- Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2020/21 MTREF was unfunded.
- As part of the budgeting and planning guidelines that informed the compilation of the 2020/21 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

Table 30 MBRR SA10 – Funding compliance measurement

DC37 Bojanala Platinum Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	R 764,378	R 2,339,601	R 4,137,838	R 39,156,352	-R 4,291,528	R 2,221,442	R 2,221,442	R 25,276,911	R 74,141,400	R 130,474,587
Cash + investments at the yr end less applications - R'000	18(1)b	2	-R 51,151,532	-R 53,154,420	-R 209,324,354	-R 22,500,001	-R 15,187,828	-R 15,187,828	-R 50,672,693	R 976,911	R 29,941,400	R 96,374,587
Cash year end/monthly employees/supplier payments	18(1)b	3	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 3	R 5
Surplus/(Deficit) excluding depreciation offset: R'000	18(1)	4	R 11,583,255	R 2,871,925	R 110,230,505	R 27,826,515	R 67,341,416	R 67,341,416	R 67,341,416	R 71,567,216	R 68,211,944	R 65,790,482
Service charge rev % change - macro CPIX 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 Ratespayer & Other revenue	18(1)a(2)	6	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	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	(16.7%)	20.5%	12.3%	0.0%	(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%	0.0%	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.	(34.2%)	3317.5%	7.0%	63.1%	0.0%	(99.3%)	(99.2%)	14.3%	12.5%
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%
R&M % of Property Plant & Equipment	20(1)(v)	13	0.0%	1.4%	63.8%	5.4%	0.5%	0.5%	0.7%	0.7%	0.4%	0.5%
Asset renewal % of capital budget	20(1)(v)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Bojanala District Municipality DC 37

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Supporting indicators</b>												
% inc total service charges (incl prop rates)	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Property Tax	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Service charges - electricity revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Service charges - water revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Service charges - sanitation revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Service charges - refuse revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc in	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a											
Service charges												
Property rates												
Service charges - electricity revenue												
Service charges - water revenue												
Service charges - sanitation revenue												
Service charges - refuse removal												
Service charges - other												
Rental of facilities and equipment												
Capital expenditure excluding capital grant funding	18(1)a	R 82,098,939	R 90,387,483	R 90,956,974	R -	R 50,000	R 50,000	R 50,000	R 620,000	R 150,000	R 200,000	
Cash receipts from ratepayers	18(1)a	R -	R 212,623	R 123,024	R -	R -	R -	R -	R 110,000	R 110,000	R 110,000	
Ratepayer & Other revenue	18(1)a	R 2,290,571	R -	R -	R 300,000	R 110,000	R 110,000	R 110,000	R 110,000	R 110,000	R 110,000	
Change in consumer debtors (current and non-current)	18(1)a	R 15,513,787	R 789,002	R 50,329,853	R 3,631,977	R 38,628,076	R 38,628,076	R 51,237,098	R 54,778,945	R 100,000	R 100,000	
Operating and Capital Grant Revenue	18(1)a	R 317,473,583	R 322,949,976	R 329,995,754	R 344,219,000	R 344,725,000	R 344,725,000	R 344,725,000	R 358,895,000	R 372,225,000	R 386,382,000	
Capital expenditure - total	20(1)(v)	R 78,839,036	R 96,210,092	R 97,899,252	R -	R 50,000	R 50,000	R 50,000	R 3,003,000	R 2,665,000	R 2,860,000	
Capital expenditure - renewal	20(1)(v)	-	-	-	-	-	-	-	-	-	-	
<b>Supporting benchmarks</b>												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
CPI guideline			4.3%	3.9%	4.6%	4.3%	4.3%	4.3%	4.3%	4.9%	4.8%	
DORA operating grants total MFY												
DORA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants												
Average annual collection rate (arrears inclusive)												
<b>DORA operating</b>												
Equitable Shares									352,817	368,010	381,822	
Expanded Public Works Programme									1,788	-	-	
Finance Management Grant									1,400	1,700	1,900	
Disaster Relief Grant									506	-	-	
									<b>356,512</b>	<b>369,710</b>	<b>383,722</b>	
<b>DORA capital</b>												
Rural Roads Management Grant									2,383	2,515	2,660	
									<b>2,383</b>	<b>2,515</b>	<b>2,660</b>	
<b>Trend</b>												
Change in consumer debtors (current and non-current)		R 15,513,787	R 789,002	R 50,329,853	R 3,631,977	R 38,628,076	R 38,628,076	R 51,237,098	R 54,778,945	R 100,000	R 100,000	
<b>Total Operating Revenue</b>												
Total Operating Revenue		R 320,180,354	R 323,998,013	R 330,203,215	R 343,515,000	R 343,531,000	R 343,531,000	R 343,531,000	R 357,422,000	R 371,370,000	R 385,392,000	
Total Operating Expenditure		R 333,938,172	R 329,228,938	R 442,797,720	R 318,192,485	R 278,693,582	R 278,693,582	R 278,693,582	R 288,237,784	R 305,673,056	R 322,261,518	
Operating Performance Surplus/(Deficit)		R 13,757,818	R 5,230,925	R 112,594,505	R 25,322,515	R 64,837,418	R 64,837,418	R 64,837,418	R 69,184,216	R 65,696,944	R 63,130,482	
Cash and Cash Equivalents (30 June 2012)		R 764,376	R 2,339,601	R 4,137,838	R 39,156,352	R 4,291,528	R 2,221,442	R 25,276,911	R 74,141,400	R 130,474,587		
<b>Revenue</b>												
% Increase in Total Operating Revenue			1.2%	1.9%	4.0%	0.0%	0.0%	0.0%	4.0%	3.9%	3.8%	
% Increase in Property Rates Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% Increase in Electricity Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% Increase in Property Rates & Services Charges			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
<b>Expenditure</b>												
% Increase in Total Operating Expenditure			(1.4%)	34.5%	(28.1%)	(12.4%)	0.0%	0.0%	3.4%	6.0%	5.4%	
% Increase in Employee Costs			6.3%	10.5%	6.5%	1.4%	0.0%	0.0%	4.9%	5.6%	5.6%	
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Average Cost Per Budgeted Employee Position (Remuneration)				R 586,799	R 517,329				R 550,121			
Average Cost Per Councilor (Remuneration)				R 618,280	R 643,511				R 674,399			
R&M % of PPE		0.0%	1.4%	63.8%	5.4%	0.5%	0.5%	0.7%	0.4%	0.5%		
Asset Renewal and R&M as a % of PPE		0.0%	2.0%	99.0%	49.0%	5.0%	5.0%	65.0%	160.0%	150.0%		
Debt Impairment % of Total Billable Revenue		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
<b>Capital Revenue</b>												
Internally Funded & Other (R000)		R 82,098,939	R 90,387,483	R 90,956,974	R -	R 50,000	R 50,000	R 50,000	R 620,000	R 150,000	R 200,000	
Borrowing (R000)		-	-	-	-	-	-	-	-	-	-	
Grant Funding and Other (R000)		R 3,259,903	R 5,822,609	R 6,942,278	R -	R -	R -	R -	R 2,383,000	R 2,515,000	R 2,660,000	
Internally Generated funds % of Non Grant Funding		100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Borrowing % of Non Grant Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Grant Funding % of Total Funding		(4.1%)	6.1%	7.1%	0.0%	0.0%	0.0%	0.0%	79.4%	94.4%	93.0%	
<b>Capital Expenditure</b>												
Total Capital Programme (R000)		-	-	-	-	50	50	50	3,003	2,665	2,860	
Asset Renewal		-	-	-	-	-	-	-	-	-	-	
Asset Renewal % of Total Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	
Cash Coverage Ratio		0	0	0	0	(0)	0	0	0	0	0	
<b>Borrowing</b>												
Credit Rating (2009/10)									0	0	0	
Capital Charges to Operating		(0.9%)	1.1%	12.2%	0.0%	31.3%	31.3%	31.3%	0.2%	0.2%	0.2%	
Borrowing Receipts % of Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
<b>Reserves</b>												
Surplus/(Deficit)		R 51,151,532	R 53,154,420	R 209,324,354	R 22,500,001	R 15,187,828	R 15,187,828	R 50,672,693	R 976,911	R 29,941,400	R 96,374,587	
<b>Free Services</b>												
Free Basic Services as a % of Equitable Share		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Free Services as a % of Operating Revenue (excl operational transfers)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
<b>High Level Outcome of Funding Compliance</b>												
Total Operating Revenue		R 320,180,354	R 323,998,013	R 330,203,215	R 343,515,000	R 343,531,000	R 343,531,000	R 343,531,000	R 357,422,000	R 371,370,000	R 385,392,000	
Total Operating Expenditure		R 333,938,172	R 329,228,938	R 442,797,720	R 318,192,485	R 278,693,582	R 278,693,582	R 278,693,582	R 288,237,784	R 305,673,056	R 322,261,518	
Surplus/(Deficit) Budgeted Operating Statement		R 13,757,818	R 5,230,925	R 112,594,505	R 25,322,515	R 64,837,418	R 64,837,418	R 64,837,418	R 69,184,216	R 65,696,944	R 63,130,482	
Surplus/(Deficit) Considering Reserves and Cash Backing		R 51,151,532	R 53,154,420	R 209,324,354	R 22,500,001	R 15,187,828	R 15,187,828	R 50,672,693	R 976,911	R 29,941,400	R 96,374,587	
MTREF Funded (1) / Unfunded (0)	15	0	0	0	0	0	0	0	1	1	1	
MTREF Funded ✓ / Unfunded ✗	15	x	x	x	x	x	x	x	✓	✓	✓	

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.

#### **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 2020/21 MTREF shows R25 277 000.

#### **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.

#### *2.6.4.5 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.

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

#### ***2.6.4.6 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.

#### *2.6.4.7 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 borrowings are undertaken.



*2.6.4.8 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.

*2.6.4.9 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.

*2.6.4.10 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

**2.7 Expenditure on grants and reconciliations of unspent funds**

**Table 31 MBRR SA19 - Expenditure on transfers and grant programmes**

## Bojanala District Municipality DC37 - Supporting Table SA19 Expenditure on transfers and grant programme

DC37 Bojanala Platinum - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		323,724	322,950	327,124	344,219	344,219	344,219	358,389	372,225	386,382
Local Government Equitable Share		317,474	322,950	322,202	339,278	339,278	339,278	352,817	368,010	381,822
Finance Management		1,250		1,000	1,000	1,000	1,000	1,400	1,700	1,900
EPWP Incentive				1,558	1,437	1,437	1,437	1,789		
Municipal Systems Improvement		5,000								
<b>RAMS</b>				2,364	2,504	2,504	2,504	2,383	2,515	2,660
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Seta, Spatial Planning Disaster Relief Grant		-	-	2,872	-	-	-	506	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>323,724</b>	<b>322,950</b>	<b>329,996</b>	<b>344,219</b>	<b>344,219</b>	<b>344,219</b>	<b>358,895</b>	<b>372,225</b>	<b>386,382</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
Provincial Government: Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Seta, Spatial Planning		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>323,724</b>	<b>322,950</b>	<b>329,996</b>	<b>344,219</b>	<b>344,219</b>	<b>344,219</b>	<b>358,895</b>	<b>372,225</b>	<b>386,382</b>

### 2.8 Councillor and employee benefits

#### Table 32 MBRR SA22 - Summary of councillor and staff benefits





## 2.9 Monthly targets for revenue, expenditure and cash flow

### Table 34 MBRR SA25 - Budgeted monthly revenue by source and expenditure by type

DC37 Bojanala Platinum - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>																
Property rates																
Service charges - electricity revenue																
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue																
Rental of facilities and equipment																
Interest earned - external investments		69	137	201	88	76		45	185				(0)	800	1,550	1,560
Interest earned - outstanding debtors																
Dividends received																
Fines, penalties and forfeits														110	110	110
Licences and permits																
Agency services																
Transfers and subsidies		143,506					131,600			85,389			(3,963)	356,512	369,710	383,722
Other revenue			2			2					3		(10)			
Gains																
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>143,575</b>	<b>138</b>	<b>201</b>	<b>88</b>	<b>76</b>	<b>131,602</b>	<b>45</b>	<b>187</b>	<b>85,389</b>	<b>3</b>	<b>-</b>	<b>(3,864)</b>	<b>357,422</b>	<b>371,370</b>	<b>385,392</b>
<b>Expenditure By Type</b>																
Employee related costs		17,401	17,401	17,401	17,401	17,401	17,401	17,401	17,401	17,401	17,401	17,401	12,685	204,095	215,427	227,433
Remuneration of councillors		1,574	1,574	1,574	1,574	1,574	1,574	1,574	1,574	1,574	1,574	1,574	2,249	19,568	20,570	21,793
Debt impairment																
Depreciation & asset impairment		583	583	583	583	583	583	583	583	583	583	583	(116)	6,300	7,200	7,400
Finance charges		122	122	122	122	122	122	122	122	122	122	122	(838)	500	500	500
Bulk purchases																
Other materials			78			65		95			2				195	440
Contracted services		1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	(532)	11,196	11,236	10,875
Transfers and subsidies		2,038												(2,038)		
Other expenditure		3,517	3,517	3,517	3,517	3,517	3,517	3,517	3,517	3,517	3,517	3,517	7,393	46,079	50,280	53,852
Losses																
<b>Total Expenditure</b>		<b>26,300</b>	<b>24,340</b>	<b>24,262</b>	<b>24,327</b>	<b>24,262</b>	<b>24,357</b>	<b>24,337</b>	<b>24,262</b>	<b>24,264</b>	<b>24,262</b>	<b>24,262</b>	<b>18,999</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>
<b>Surplus/(Deficit)</b>		<b>117,274</b>	<b>(24,262)</b>	<b>(24,061)</b>	<b>(24,238)</b>	<b>(24,187)</b>	<b>107,245</b>	<b>(24,292)</b>	<b>(24,075)</b>	<b>61,125</b>	<b>(24,260)</b>	<b>(24,262)</b>	<b>(22,862)</b>	<b>69,184</b>	<b>65,697</b>	<b>63,130</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)														2,383	2,383	2,515
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)																
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>117,274</b>	<b>(24,262)</b>	<b>(24,061)</b>	<b>(24,238)</b>	<b>(24,187)</b>	<b>107,245</b>	<b>(24,292)</b>	<b>(24,075)</b>	<b>61,125</b>	<b>(24,260)</b>	<b>(24,262)</b>	<b>(20,499)</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
Taxation			2,383										(2,383)			
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>117,274</b>	<b>(26,585)</b>	<b>(24,061)</b>	<b>(24,238)</b>	<b>(24,187)</b>	<b>107,245</b>	<b>(24,292)</b>	<b>(24,075)</b>	<b>61,125</b>	<b>(24,260)</b>	<b>(24,262)</b>	<b>(18,116)</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>

### Table 35 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

DC37 Bojanala Platinum - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue by Vote</b>																
Vote 1 - Municipal manager																
Vote 2 - Community and Social Services		4	2		15	4	35	17	28				6	110	110	110
Vote 3 - Health & environmental Services																
Vote 4 - Executive																
Vote 5 - Finance		143,506					131,600			85,220			(2,420)	357,906	371,260	385,282
Vote 6 - Local economic development																
Vote 7 - Corporate Services																
Vote 8 - Technical														1,789	1,789	2,515
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Total Revenue by Vote</b>		<b>143,510</b>	<b>2</b>	<b>-</b>	<b>15</b>	<b>4</b>	<b>131,635</b>	<b>17</b>	<b>28</b>	<b>85,220</b>	<b>-</b>	<b>-</b>	<b>(625)</b>	<b>359,805</b>	<b>373,885</b>	<b>388,052</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Municipal manager		2,365	2,365	2,365	2,365	2,365	2,365	2,365	2,365	2,365	2,365	2,365	2,365	28,374	28,941	30,679
Vote 2 - Community and Social Services		2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	24,365	25,744	27,346
Vote 3 - Health & environmental Services		5,773	5,773	5,773	5,773	5,773	5,773	5,773	5,773	5,773	5,773	5,773	5,773	69,281	77,838	82,845
Vote 4 - Executive		2,612	2,612	2,612	2,612	2,612	2,612	2,612	2,612	2,612	2,612	2,612	5,019	33,748	35,220	37,321
Vote 5 - Finance		2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	2,407	28,882	31,534	33,500
Vote 6 - Local economic development														7,279	7,279	7,366
Vote 7 - Corporate Services		7,827	7,827	7,827	7,827	7,827	7,827	7,827	7,827	7,827	7,827	7,827	547	86,639	89,351	93,429
Vote 8 - Technical		806	806	806	806	806	806	806	806	806	806	806	806	9,669	9,722	9,775
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Total Expenditure by Vote</b>		<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>23,819</b>	<b>26,227</b>	<b>288,238</b>	<b>305,673</b>	<b>322,262</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>119,690</b>	<b>(23,818)</b>	<b>(23,819)</b>	<b>(23,804)</b>	<b>(23,815)</b>	<b>107,816</b>	<b>(23,802)</b>	<b>(23,791)</b>	<b>61,401</b>	<b>(23,819)</b>	<b>(23,819)</b>	<b>(26,851)</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>119,690</b>	<b>(23,818)</b>	<b>(23,819)</b>	<b>(23,804)</b>	<b>(23,815)</b>	<b>107,816</b>	<b>(23,802)</b>	<b>(23,791)</b>	<b>61,401</b>	<b>(23,819)</b>	<b>(23,819)</b>	<b>(26,851)</b>	<b>71,567</b>	<b>68,212</b>	<b>65,790</b>

**Table 36 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)**

DC37 Bojanala Platinum - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
<b>Revenue - Functional</b>																	
<b>Governance and administration</b>		143,000	-	-	-	-	131,600	-	-	85,389	-	-	(2,083)	357,906	371,260	385,282	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Finance and administration		143,000	-	-	-	-	131,600	-	-	85,389	-	-	(2,083)	357,906	371,260	385,282	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Community and public safety</b>		4	2	-	15	4	35	17	28	-	-	-	6	110	2,625	2,770	
Community and social services		4	2	-	15	4	35	17	28	-	-	-	6	110	110	110	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	2,515	2,660		
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-	-	-	1,789	1,789	-		
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Road transport		-	-	-	-	-	-	-	-	-	-	-	1,789	1,789	-		
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total Revenue - Functional</b>		143,004	2	-	15	4	131,635	17	28	85,389	-	-	(288)	359,805	373,885	388,052	
<b>Expenditure - Functional</b>																	
<b>Governance and administration</b>		11,447	11,447	11,447	11,447	11,447	11,447	11,447	11,447	11,447	11,447	11,447	14,704	140,619	148,935	156,569	
Executive and council		4,766	4,766	4,766	4,766	4,766	4,766	4,766	4,766	4,766	4,766	4,766	(4,195)	48,233	51,051	53,385	
Finance and administration		6,681	6,681	6,681	6,681	6,681	6,681	6,681	6,681	6,681	6,681	6,681	18,899	92,386	97,884	103,184	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		10,939	10,939	10,939	10,939	10,939	10,939	10,939	10,939	10,939	10,939	10,939	8,551	128,881	139,694	148,550	
Community and social services		1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	73,515	92,626	102,622	109,120	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		6,318	6,318	6,318	6,318	6,318	6,318	6,318	6,318	6,318	6,318	6,318	(68,474)	1,020	960	1,070	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	3,511	35,235	36,112	38,360	
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-	-	-	9,068	9,068	7,323	7,367	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Road transport		-	-	-	-	-	-	-	-	-	-	-	9,068	9,068	7,323	7,367	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		854	854	854	854	854	854	854	854	854	854	854	275	9,669	9,722	9,775	
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water management		2	2	2	2	2	2	2	2	2	2	2	(3)	20	15	10	
Waste water management		852	852	852	852	852	852	852	852	852	852	852	278	9,649	9,707	9,765	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	0	0	-	-	
<b>Total Expenditure - Functional</b>		23,240	23,240	23,240	23,240	23,240	23,240	23,240	23,240	23,240	23,240	23,240	32,599	288,238	305,673	322,262	
<b>Surplus/(Deficit) before assoc.</b>		119,764	(23,238)	(23,240)	(23,225)	(23,236)	108,395	(23,223)	(23,212)	62,149	(23,240)	(23,240)	(32,886)	71,567	68,212	65,790	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	1	119,764	(23,238)	(23,240)	(23,225)	(23,236)	108,395	(23,223)	(23,212)	62,149	(23,240)	(23,240)	(32,886)	71,567	68,212	65,790	

**Table 37 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

DC37 Bojanala Platinum - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
<b>Multi-year expenditure to be appropriated</b>	1																
Vote 1 - Municipal manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Health & environmental Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 4 - Executive		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - Technical		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital multi-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - Municipal manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Health & environmental Services		-	-	-	-	-	-	-	-	-	-	-	-	2,383	2,383	2,515	2,660
Vote 4 - Executive		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - Finance		52	52	52	52	52	52	52	52	52	52	52	52	620	150	200	
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - Technical		199	199	199	199	199	199	199	199	199	199	199	(2,184)	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital single-year expenditure sub-total</b>	2	250	250	250	250	250	250	250	250	250	250	250	250	3,003	2,665	2,860	
<b>Total Capital Expenditure</b>	2	250	250	250	250	250	250	250	250	250	250	250	250	3,003	2,665	2,860	

**Table 38 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)**

DC37 Bojanala Platinum - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
<b>R thousand</b>																		
<b>Capital Expenditure - Functional</b>	1																	
<b>Governance and administration</b>														620	620	150	200	
Executive and council																		
Finance and administration													250	250	150	200		
Internal audit													370	370				
<b>Community and public safety</b>																		
Community and social services																		
Sport and recreation																		
Public safety																		
Housing																		
Health																		
<b>Economic and environmental services</b>													2,383	2,383	2,515	2,660		
Planning and development																		
Road transport													2,383	2,383	2,515	2,660		
Environmental protection																		
<b>Trading services</b>																		
Energy services																		
Water management																		
Waste water management																		
Waste management																		
<b>Other</b>																		
<b>Total Capital Expenditure - Functional</b>	2												3,003	3,003	2,665	2,860		
<b>Funded by:</b>																		
National Government																		
Provincial Government																		
District Municipality																		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)													2,383	2,383	2,515	2,660		
Transfers recognised - capital													2,383	2,383	2,515	2,660		
Borrowing																		
Internally generated funds													620	620	150	200		
<b>Total Capital Funding</b>													3,003	3,003	2,665	2,860		

Table 39 MBRR SA30 - Budgeted monthly cash flow

DC37 Bojanala Platinum - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
<b>R thousand</b>																
<b>Cash Receipts By Source</b>													1			
Property rates																
Service charges - electricity revenue																
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue																
Rental of facilities and equipment																
Interest earned - external investments			100		100		100		100	100	100	100	800	1,500	1,550	
Interest earned - outstanding debtors																
Dividends received																
Fines, penalties and forfeits	10	10	10	10	10	10	10	10	10	10	10	10	110	110	110	
Licences and permits																
Agency services																
Transfers and Subsidies - Operational	150,000					120,000			86,512				356,512	369,710	383,722	
Other revenue																
<b>Cash Receipts by Source</b>	150,010	110	10	110	10	120,110	10	110	86,622	110	110	100	357,422	371,320	385,382	
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		750				1,000			633				2,383	2,515	2,660	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																
Proceeds on Disposal of Fixed and Intangible Assets																
Short term loans																
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits																
Decrease (increase) in non-current receivables																
Decrease (increase) in non-current investments																
<b>Total Cash Receipts by Source</b>	150,010	860	10	110	10	121,110	10	110	87,255	110	110	100	359,805	373,835	388,042	
<b>Cash Payments by Type</b>																
Employee related costs	17,008	17,008	17,008	17,008	17,008	17,008	17,008	17,008	17,008	17,008	17,008	19,659	206,746	215,026	227,008	
Remuneration of councillors	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	19,558	20,645	21,793	
Finance charges	42	42	42	42	42	42	42	42	42	42	42	42	500	500	500	
Bulk purchases - Electricity																
Bulk purchases - Water & Sewer																
Other materials																
Contracted services	2,758	2,758	2,758	2,758	2,758	2,758	2,758	2,758	2,758	2,758	2,758	2,758	33,096	34,063	35,025	
Transfers and grants - other municipalities																
Transfers and grants - other																
Other expenditure	1,746	1,746	1,746	1,746	1,746	1,746	1,746	1,746	1,746	1,746	1,746	1,746	20,953	22,072	24,523	
<b>Cash Payments by Type</b>	23,163	23,163	23,163	23,163	23,163	23,163	23,163	23,163	23,163	23,163	23,163	25,855	286,852	292,306	308,849	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	199	199	199	199	199	199	199	199	199	199	199	199	819	3,003	2,665	
Repayment of borrowing																
Other Cash Flows/Payments	28,788					24,084								52,873	30,000	
<b>Total Cash Payments by Type</b>	52,170	23,382	23,382	23,382	23,382	23,382	23,382	23,382	23,382	23,382	23,382	26,653	336,728	324,971	331,709	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	97,840	(22,522)	(23,372)	(23,272)	(23,372)	73,644	(23,372)	(23,272)	63,873	(23,272)	(23,272)	(26,553)	23,077	48,864	56,333	
Cash/cash equivalents at the monthly/year begin	2,221	100,061	77,539	54,167	30,895	7,523	81,167	57,795	34,523	98,396	75,124	51,851	2,221	25,298	74,163	
Cash/cash equivalents at the monthly/year end	100,061	77,539	54,167	30,895	7,523	81,167	57,795	34,523	98,396	75,124	51,851	25,298	25,298	74,163	130,496	

**Table 40 MBRR SA34a – Capital expenditure on new assets by class**



Bojanala District Municipality DC 37

DC37 Bojanala Platinum - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2018/19			Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	<b>1</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>			14,795	11,363						
Roads Infrastructure			7,832	4,021						
Roads			7,832	4,021						
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure			3,186	3,565						
Dams and Weirs										
Boreholes			3,186	3,565						
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure			3,777	3,777						
Pump Station										
Reticalation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities			3,777	3,777						
Capital Spares										
Solid Waste Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
<b>Community Assets</b>		(3,260)	5,823	9,916				2,383	2,515	2,660
Community Facilities				1,633				2,383	2,515	2,660
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities				1,633				2,383	2,515	2,660
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		(3,260)	5,823	8,285						
Indoor Facilities										
Outdoor Facilities		(3,260)	5,823	8,285						
Capital Spares										
<b>Heritage assets</b>										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
<b>Investment properties</b>										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
<b>Other assets</b>		14,137	4,163	5,269						

**Table 41 MBRR SA34c – Repairs & Maintenance by asset class**

Bojanala District Municipality DC 37

DC37 Bojanala Platinum - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17			2017/18			2018/19			Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23							
<b>R thousand</b>	<b>1</b>																
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>																	
<b>Infrastructure</b>																	
Roads Infrastructure																	
Roads																	
Road Structures																	
Road Furniture																	
Capital Spares																	
Storm water Infrastructure																	
Drainage Collection																	
Storm water Conveyance																	
Attenuation																	
Electrical Infrastructure																	
Power Plants																	
HV Substations																	
HV Switching Station																	
HV Transmission Conductors																	
MV Substations																	
MV Switching Stations																	
MV Networks																	
LV Networks																	
Capital Spares																	
Water Supply Infrastructure																	
Dams and Weirs																	
Boreholes																	
Reservoirs																	
Pump Stations																	
Water Treatment Works																	
Bulk Mains																	
Distribution																	
Distribution Points																	
PRV Stations																	
Capital Spares																	
Sanitation Infrastructure																	
Pump Station																	
Reticalation																	
Waste Water Treatment Works																	
Outfall Sewers																	
Toilet Facilities																	
Capital Spares																	
Solid Waste Infrastructure																	
Landfill Sites																	
Waste Transfer Stations																	
Waste Processing Facilities																	
Waste Drop-off Points																	
Waste Separation Facilities																	
Electricity Generation Facilities																	
Capital Spares																	
Rail Infrastructure																	
Rail Lines																	
Rail Structures																	
Rail Furniture																	
Drainage Collection																	
Storm water Conveyance																	
Attenuation																	
MV Substations																	
LV Networks																	
Capital Spares																	
Coastal Infrastructure																	
Sand Pumps																	
Piers																	
Revetments																	
Promenades																	
Capital Spares																	
Information and Communication Infrastructure																	
Data Centres																	
Core Layers																	
Distribution Layers																	
Capital Spares																	
<b>Community Assets</b>																	
Community Facilities																	
Halls																	
Centres																	
Crèches																	
Clinics/Care Centres																	
Fire/Ambulance Stations																	
Testing Stations																	
Museums																	
Galleries																	
Theatres																	
Libraries																	
Cemeteries/Crematoria																	
Police																	
Parks																	
Public Open Space																	
Nature Reserves																	
Public Ablution Facilities																	
Markets																	
Stals																	
Abattoirs																	
Airports																	
Taxi Ranks/Bus Terminals																	
Capital Spares																	
Sport and Recreation Facilities																	
Indoor Facilities																	
Outdoor Facilities																	
Capital Spares																	
<b>Heritage assets</b>																	
Monuments																	
Historic Buildings																	
Works of Art																	
Conservation Areas																	
Other Heritage																	
<b>Investment properties</b>																	
Revenue Generating																	
Improved Property																	
Unimproved Property																	
Non-revenue Generating																	
Improved Property																	
Unimproved Property																	
<b>Other assets</b>			404	34 650	2 325	205	205										

**Table 42 MBRR SA34d – Repairs & Maintenance by asset class**

Bojanala District Municipality DC 37

DC37 Bojanala Platinum - Supporting Table SA34d Depreciation by asset class

Description	Ref	2018/19			Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	<b>1</b>									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>				0						
Roads Infrastructure										
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure										
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure										
Pump Station										
Reticalation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure				0						
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares				0						
<b>Community Assets</b>				1						
Community Facilities				1						
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares				1						
Sport and Recreation Facilities										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
<b>Heritage assets</b>										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
<b>Investment properties</b>										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
<b>Other assets</b>				2	0	722				

**Table 43 MBRR SA35 – Future financial implications of the capital budget**

**DC37 Bojanala Platinum - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Municipal manager		-	-	-				
Vote 2 - Community and Social Services		-	-	-				
Vote 3 - Health & environmental Services		2,383	2,515	2,660				
Vote 4 - Executive		-	-	-				
Vote 5 - Finance		620	150	200				
Vote 6 - Local economic development		-	-	-				
Vote 7 - Corporate Services		-	-	-				
Vote 8 - Technical		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>3,003</b>	<b>2,665</b>	<b>2,860</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Municipal manager								
Vote 2 - Community and Social Services								
Vote 3 - Health & environmental Services								
Vote 4 - Executive								
Vote 5 - Finance								
Vote 6 - Local economic development								
Vote 7 - Corporate Services								
Vote 8 - Technical								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>3,003</b>	<b>2,665</b>	<b>2,860</b>	-	-	-	-

## **1.12 Municipal manager's quality certificate**

I, Acting Municipal Manager of Bojanala Platinum District Municipality, hereby certify that the final 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 draft budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Signature:

Bojanala Platinum District Municipality (DC37)

Date: