

# Adjustments Budget 2013-14



## Thabazimbi Local Municipality LIM (361)

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LIM (361)

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## **1 Part 1 – Adjustment Budget**

### **1.1 Mayor's report**

Hon Speaker, I have great pleasure and privilege to present for approval the adjustments budget for 2013-14 financial year.

Hon Speaker, the presentation of these estimates is consistent with Section 28 of the Municipal Finance Management Act 56 of 2003, which requires that before the 28<sup>th</sup> of February each year, the council considers for approval, adjustments to the original budget.

Hon Speaker, I am pleased to advise that as envisaged in 2013-14 approved budget, operational spending has been very conservative during the first half of the year, citing cash flow constraints compared to the approved allocations.

Reductions have been proposed on the approved votes to try and harmonise our second half spending to actual collections. This has resulted in less critical expenditure allocations being reduced and some deferred to the next financial year, furthermore resources were shifted from less critical and completed projects to areas of need based on the priority scale detailed in the approved IDP to improve service delivery.

Employee cost to officials was realigned to reflect the financial impact of the placement process which has just been concluded and the effect of an increase in EPWP workers. Overtime and standby allowances were not adjusted upwards despite heavy spending in that regard and this reflects the level of spending to date and cost control may be necessary to adhere with relevant statutory requirements in that area.

The capital budget has been reduced by 16% from R57 million to R 48 million for the current financial year to realistically reflect the level of funding available and also to align with our collection rate from basic services. As a result some projects have been deferred to the next financial year whilst others have received more priority. The respective managers have been fully consulted and have committed to execute critical projects during the second half of the year and ensure service delivery is prioritised with the available cash resources.

The Service Delivery and Budget Implementation Plan (SDBIP) have to be adjusted due to the realignment that has taken place on both the operational and capital budgets. This will affect service delivery targets and performance targets. The reviewed SDBIP will be approved as soon as it is finalised and tabled to council for consideration.

The total revised budget of the municipality for the year is R 286 million (inclusive of capital receipts).

In light of the above, I recommend Council to approve the following adjustments:

- Increase in total municipal revenue from operations by 2% from R241 million to R246 million.
- Upward adjustment on Employee benefits of 6% to cover the financial impact of the placement process and also the additional EPWP employees.
- Depreciation, amortisation were deliberately not adjusted for citing lack of a concrete and reliable base upon which the estimates could be drawn. The audited Fixed Asset Register was

disclaimed by the Auditor General due to incorrect valuation methodology, which resulted in misstated asset and depreciation estimates.

- Shifting of funds between projects as indicated on B5 and SB19

## **1.2 Budget related resolutions**

The Municipal Finance Management Act (MFMA) of 2003 requires that the municipality table and adopt the budget and budget resolutions. The format of the budget and supporting documentation is prescribed by the Municipal Budget and Reporting Regulations.

The following resolutions are placed before council for tabling and approval:

### **THAT**

1. The adjustments budget for the financial year 2013-2014 be approved as contained in the Tables B1 to B10 listed below:
  - a. Table B1 Adjustments Budget Summary (Page 6)
  - b. Table B2 Adjustments Budgeted Financial Performance (Revenue and Expenditure by Standard Classification) (Page 7)
  - c. Table B3 Adjustments Budgeted Financial Performance (Revenue and Expenditure by municipal vote) (Page 8)
  - d. Table B4 Adjustments Budgeted Financial Performance (Revenue and Expenditure) (Page 9)
  - e. Table B5 Adjustments Budgeted Capital Expenditure by Vote, Standard Classification and Funding (Page 10)
  - f. Table B6 Adjustments Budgeted Statement of Financial Position (Page 11)
  - g. Table B7 Adjustments Budgeted Statement of Cash flows (Page 12)
  - h. Table B8 Adjustments Budgeted Cash backed reserves/ Accumulated surplus reconciliation (Page 12)
  - i. Table B9 Adjustments Budgeted Asset Management (Page 13)
  - j. Table B10 Adjustments Budgeted Basic Service Delivery measurement (Page 14)
2. The SDBIP will be adjusted to reflect the adjustments made in the budget allocation and submitted for subsequent approval by the Mayor.

## **1.3 Executive summary**

### **Introduction**

The Medium Term Revenue and Expenditure Framework (MTREF) for 2013-2014 adjustments budget is prepared on a multi-year basis, which is in line with the MFMA Budget and Reporting Regulations (MBRR).

### **Budget Process**

The Process Plan scheduling key deadlines was approved by council in September 2013 in compliance with the Municipal Finance Management Act. This document outlined the process of compilation of the Adjustments Budget for 2013-2014. Meetings were held with all the clusters to explain the process and deadlines required to produce their respective process plans.

### **Income**

We have made adjustments of revenue forecasts to reflect the anticipated revenue billing and collections, particularly service revenue. The smart metering project has already been kick started and a pilot project with 637 households has already been converted. This has been the main reason why revenue has been adjusted upwards as this eliminates billing errors and enhances the municipal cash flow position. Interest on debtors has thus been reviewed in light of the above.

The property rates revenue has been adjusted downwardly due to the error in calculation made during the original budget preparation as the decrease in tariff as well as increase in exceptions were not properly accounted for.

In overall there is an increase of R5m anticipated revenue as a result of the implementation of smart metering and fixing of damaged meters.

Table B1 (Page 6) outlines the constituents of the revised revenue sources of the municipality. The total operating revenue therefore becomes R 246 million.

### **Operational Expenditure**

Overall operating expenditure has gone up by 4.4%. This is primarily constituted by R5 million upward adjustments on employee costs as highlighted above. The municipality has also increased the number of EPWP employees in all wards to assist with various municipal tasks.

Employee costs have been reviewed upwards by 6 % mainly as a result of unexpected overtime increases as well as EPWP employees remuneration and to take account of the financial impact of the placement process.

The municipality will continue implementing cost cutting measures as reported in the Mid year assessment report to ensure that spending is within the current collection rates.

Tables B2-B4 indicate the changes in operating expenditure categorised by department, vote and by item.

## **Capital expenditure**

A 16% decrease in capital expenditure was effected as a direct result of the unsatisfactory revenue collections and billing as above. This is particularly emanating from the need to defer some capital projects to the next financial year due to cash flow constraints.

Funds have been shifted from the project to purchase the civic centre which was budgeted R5.4m and was differed to the next financial years and the funds have been channelled to financing the Smart Metering project and Northam upgrading and repair of roads project with R2.5m each.

Savings of R0.5m from the project to purchase wheelie bins were utilised elsewhere. Thabazimbi and Northam Waste water works projects have been streamlined and a budget of R7.4m is reserved for WWW projects for the remainder of 2013-14 financial year, outstanding MIG roads projects for Regorogile Ext 5&6 and Ext 3 were prioritised with a budget of R16m. This mainly comprised the shifted funds from the two WWTW projects on the original budget.

MIG conditions require that 15% of the allocated funds be used for the upgrading of sports facilities, R1.4m was added to upgrading of sports projects to comply with legislation.

Table SB19 on page 26 lists all capital projects affected by this adjustments budget as discussed above. Table SB5 also indicates these capital adjustments per department and by standard classification, while sources of funding remained unchanged.

## **Funding of the adjustments budget**

The capital budget, including adjustments continues to be funded mainly by transfers from National Government with a very meek portion coming from internally generated reserves of the municipality.

The National Government capital receipts transfer is only for the Municipal Infrastructural Grant whose allocation did not change during the year.

Our monthly collection rate from basic services has increased significantly compared to the same time last year. Our collection rate is averaging around 75% compared to last year's average of 51%. This has mainly been made possible by stern credit control measures being applied by the municipality and the introduction of the smart metering system.

The operational budget is funded partly by internally generated municipal funds and the equitable share allocation. Despite all the effort being made to ease our financial constraints we continue to have cash flow constraints and this is mainly due to service losses that we continue to incur.

## 1.4 Adjustment budget tables

**Table B1 Adjustments Budget Summary - 28 February 2014**

Description	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	23,658	-	-	-	-	-	(6,722)	(6,722)	16,936	17,885	18,958
Service charges	133,288	-	-	-	-	-	10,026	10,026	143,314	151,339	160,420
Investment revenue	4,600	-	-	-	-	-	-	-	4,600	4,857	5,149
Transfers recognised - operational	67,686	-	-	-	-	-	-	-	67,686	68,564	77,540
Other own revenue	12,152	-	-	-	-	-	2,057	2,057	14,209	6,248	6,623
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>241,383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,362</b>	<b>5,362</b>	<b>246,745</b>	<b>248,894</b>	<b>268,689</b>
Employee costs	82,900	-	-	-	-	-	4,519	4,519	87,419	92,315	97,853
Remuneration of councillors	6,933	-	-	-	-	-	443	443	7,376	7,789	8,256
Depreciation & asset impairment	16,123	-	-	-	-	-	3,750	3,750	19,873	20,986	22,245
Finance charges	3,500	-	-	-	-	-	(49)	(49)	3,451	3,645	3,863
Materials and bulk purchases	58,803	-	-	-	-	-	-	-	58,803	62,096	66,821
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	52,740	-	-	-	-	-	1,246	1,246	53,986	54,897	58,191
<b>Total Expenditure</b>	<b>220,999</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,909</b>	<b>9,909</b>	<b>230,908</b>	<b>241,727</b>	<b>256,231</b>
<b>Surplus/(Deficit)</b>	<b>20,384</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>15,837</b>	<b>7,167</b>	<b>12,459</b>
Transfers recognised - capital	40,019	-	-	-	-	-	-	-	40,019	32,926	30,039
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>60,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>60,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>57,029</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,055)</b>	<b>(9,055)</b>	<b>47,974</b>	<b>36,093</b>	<b>38,258</b>
Transfers recognised - capital	40,019	-	-	-	-	-	-	-	40,019	32,926	30,039
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	17,010	-	-	-	-	-	(9,055)	(9,055)	7,955	3,167	0
<b>Total sources of capital funds</b>	<b>57,029</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,055)</b>	<b>(9,055)</b>	<b>47,974</b>	<b>36,093</b>	<b>30,039</b>
<b>Financial position</b>											
Total current assets	58,423	-	-	-	-	-	(3,388)	(3,388)	55,035	154,643	164,771
Total non current assets	1,639,682	-	-	-	-	-	(701,599)	(701,599)	938,083	990,552	1,049,914
Total current liabilities	68,855	-	-	-	-	-	27,000	27,000	95,855	99,925	106,038
Total non current liabilities	37,362	-	-	-	-	-	8,957	8,957	46,319	48,913	51,848
<b>Community wealth/Equity</b>	<b>1,591,887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(740,943)</b>	<b>(740,943)</b>	<b>850,944</b>	<b>996,356</b>	<b>1,056,138</b>
<b>Cash flows</b>											
Net cash from (used) operating	50,036	-	-	-	-	-	(13,659)	(13,659)	36,377	30,975	23,621
Net cash from (used) investing	(50,601)	-	-	-	-	-	21,159	21,159	(29,442)	(21,943)	(26,008)
Net cash from (used) financing	9,998	-	-	-	-	-	(11,000)	(11,000)	(1,002)	(1,056)	(1,113)
<b>Cash/cash equivalents at the year end</b>	<b>5,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,500)</b>	<b>(3,500)</b>	<b>1,941</b>	<b>7,976</b>	<b>(3,500)</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	8,066	-	-	-	-	-	(3,500)	(3,500)	4,566	5,271	6,438
Application of cash and investments	(2,372)	-	-	-	-	-	68,899	68,899	66,527	50,740	53,784
<b>Balance - surplus (shortfall)</b>	<b>10,438</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(72,399)</b>	<b>(72,399)</b>	<b>(61,962)</b>	<b>(45,468)</b>	<b>(47,346)</b>
<b>Asset Management</b>											
Asset register summary (WDV)	1,639,682	-	-	-	-	-	(506,140)	(506,140)	1,133,543	1,164,681	1,197,652
Depreciation & asset impairment	16,123	-	-	-	-	-	3,750	3,750	19,873	20,986	22,245
Renewal of Existing Assets	6,300	-	-	-	-	-	5,295	5,295	11,595	6,380	6,698
Repairs and Maintenance	22,300	-	-	-	-	-	-	-	22,300	15,168	16,078
<b>Free services</b>											
Cost of Free Basic Services provided	31,941	-	-	-	-	-	-	-	31,941	33,665	35,483
Revenue cost of free services provided	40,668	-	-	-	-	-	-	-	40,668	43,922	47,436
<b>Households below minimum service level</b>											
Water:	9	-	-	-	-	-	-	-	9	9	9
Sanitation/sewerage:	9	-	-	-	-	-	-	-	9	9	9
Energy:	1	-	-	-	-	-	-	-	1	1	1
Refuse:	13	-	-	-	-	-	-	-	13	13	13

**Table B2 Adjustments Budget Financial Performance (standard classification) - 28 February 2014**

Standard Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands	1,4											
<b>Revenue - Standard</b>												
<i>Governance and administration</i>		100,362	-	-	-	-	-	(4,756)	(4,756)	95,606	90,045	100,310
Executive and council		94,477	-	-	-	-	-	(6,722)	(6,722)	87,756	81,755	91,522
Budget and treasury office		3,646	-	-	-	-	-	661	661	4,307	4,548	4,821
Corporate services		2,238	-	-	-	-	-	1,306	1,306	3,544	3,742	3,967
<i>Community and public safety</i>		5,235	-	-	-	-	-	89	89	5,324	4,868	5,160
Community and social services		675	-	-	-	-	-	39	39	714	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		4,560	-	-	-	-	-	50	50	4,610	4,868	5,160
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		2,499	-	-	-	-	-	2	2	2,501	2,641	2,799
Planning and development		2,499	-	-	-	-	-	2	2	2,501	2,641	2,799
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		133,288	-	-	-	-	-	10,026	10,026	143,314	151,339	160,420
Electricity		53,184	-	-	-	-	-	8,842	8,842	62,026	65,499	69,429
Water		57,104	-	-	-	-	-	(3,216)	(3,216)	53,888	56,906	60,320
Waste water management		13,612	-	-	-	-	-	4,400	4,400	18,012	19,021	20,162
Waste management		9,388	-	-	-	-	-	-	-	9,388	9,914	10,508
<i>Other</i>		40,019	-	-	-	-	-	-	-	40,019	32,926	30,039
<b>Total Revenue - Standard</b>	2	281,402	-	-	-	-	-	5,362	5,362	286,764	281,820	298,728
<b>Expenditure - Standard</b>												
<i>Governance and administration</i>		63,898	-	-	-	-	-	7,531	7,531	71,429	75,429	79,860
Executive and council		22,688	-	-	-	-	-	2,878	2,878	25,566	26,997	28,617
Budget and treasury office		20,165	-	-	-	-	-	3,278	3,278	23,443	24,756	26,241
Corporate services		21,045	-	-	-	-	-	1,375	1,375	22,421	23,676	25,002
<i>Community and public safety</i>		17,590	-	-	-	-	-	553	553	18,143	17,393	18,534
Community and social services		5,013	-	-	-	-	-	551	551	5,564	4,109	4,453
Sport and recreation		1,946	-	-	-	-	-	893	893	2,839	2,998	3,178
Public safety		10,631	-	-	-	-	-	(891)	(891)	9,740	10,285	10,902
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		36,143	-	-	-	-	-	(252)	(252)	35,890	37,900	40,174
Planning and development		6,166	-	-	-	-	-	234	234	6,400	6,759	7,164
Road transport		29,977	-	-	-	-	-	(486)	(486)	29,490	31,142	33,010
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		103,368	-	-	-	-	-	2,077	2,077	105,446	111,351	118,032
Electricity		48,742	-	-	-	-	-	-	-	48,742	51,471	54,559
Water		34,478	-	-	-	-	-	489	489	34,968	36,926	39,142
Waste water management		7,799	-	-	-	-	-	1,588	1,588	9,387	9,913	10,508
Waste management		12,349	-	-	-	-	-	-	-	12,349	13,040	13,823
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	220,999	-	-	-	-	-	9,909	9,909	230,908	242,072	256,600
<b>Surplus/ (Deficit) for the year</b>		60,403	-	-	-	-	-	(4,547)	(4,547)	55,856	39,747	42,129



**Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28 February 2014**

Vote Description  <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2013/14								Budget Year +1 2014/15	Budget Year +2 2015/16	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>Revenue by Vote</b>	1											
Vote 1 - Organisational structure sub-votes (if required)		88,363	-	-	-	-	-	(6,722)	(6,722)	81,641	80,766	91,385
Vote 2 - 200 Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - 300 Budget & Treasury		5,853	-	-	-	-	-	661	661	6,514	5,945	6,302
Vote 4 - 400 Corporate Services		2,238	-	-	-	-	-	1,306	1,306	3,544	2,454	2,601
Vote 5 - 500 Planning and Economic Development		2,499	-	-	-	-	-	2	2	2,501	2,641	2,799
Vote 6 - 600 Community Services		19,016	-	-	-	-	-	89	89	19,105	20,174	21,385
Vote 7 - 700 Technical Services		163,434	-	-	-	-	-	10,026	10,026	173,460	169,840	174,255
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
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>281,402</b>	-	-	-	-	-	<b>5,362</b>	<b>5,362</b>	<b>286,764</b>	<b>281,820</b>	<b>298,728</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - Organisational structure sub-votes (if required)		14,589	-	-	-	-	-	1,263	1,263	15,852	16,602	17,432
Vote 2 - 200 Municipal Manager		6,097	-	-	-	-	-	1,615	1,615	7,712	8,521	9,075
Vote 3 - 300 Budget & Treasury		12,162	-	-	-	-	-	3,278	3,278	15,440	16,169	17,631
Vote 4 - 400 Corporate Services		19,839	-	-	-	-	-	1,375	1,375	21,214	21,557	22,483
Vote 5 - 500 Planning and Economic Development		6,273	-	-	-	-	-	234	234	6,507	4,065	4,429
Vote 6 - 600 Community Services		32,092	-	-	-	-	-	553	553	32,644	34,229	38,653
Vote 7 - 700 Technical Services		129,947	-	-	-	-	-	1,591	1,591	131,538	140,583	146,528
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
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>	2	<b>220,999</b>	-	-	-	-	-	<b>9,909</b>	<b>9,909</b>	<b>230,908</b>	<b>241,727</b>	<b>256,230</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>60,403</b>	-	-	-	-	-	<b>(4,547)</b>	<b>(4,547)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>

**Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1	3	4	5	6	7	8	9	10	+1 2014/15	+2 2015/16	
		A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
Property rates	2	23,650	-	-	-	-	-	(6,722)	(6,722)	16,928	17,876	18,949
Property rates - penalties & collection charges		8								8	8	9
Service charges - electricity revenue	2	53,184	-	-	-	-	-	8,842	8,842	62,026	65,499	69,429
Service charges - water revenue	2	57,104	-	-	-	-	-	(3,216)	(3,216)	53,888	56,906	60,320
Service charges - sanitation revenue	2	13,612	-	-	-	-	-	4,400	4,400	18,012	19,021	20,162
Service charges - refuse revenue	2	9,388	-	-	-	-	-	-	-	9,388	9,914	10,508
Service charges - other		-								-	-	-
Rental of facilities and equipment		750						327	327	1,077	1,137	1,205
Interest earned - external investments		45						-	-	45	48	50
Interest earned - outstanding debtors		4,555						-	-	4,555	4,810	5,098
Dividends received		-						-	-	-	-	-
Fines		1,026						(398)	(398)	629	664	704
Licences and permits		1,889						415	415	2,304	2,433	2,579
Agency services		1,908						-	-	1,908	2,015	2,136
Transfers recognised - operating		67,686						-	-	67,686	68,564	77,540
Other revenue	2	6,579	-	-	-	-	-	1,713	1,713	8,292	-	-
Gains on disposal of PPE		-						-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>241,383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,362</b>	<b>5,362</b>	<b>246,745</b>	<b>248,894</b>	<b>268,689</b>
<b>Expenditure By Type</b>												
Employee related costs		82,900	-	-	-	-	-	4,519	4,519	87,419	92,315	97,853
Remuneration of councillors		6,933						443	443	7,376	7,789	8,256
Debt impairment		2,000						-	-	2,000	-	-
Depreciation & asset impairment		16,123	-	-	-	-	-	3,750	3,750	19,873	20,986	22,245
Finance charges		3,500						(49)	(49)	3,451	3,645	3,863
Bulk purchases		58,803	-	-	-	-	-	-	-	58,803	62,096	65,821
Other materials		-						-	-	-	-	-
Contracted services		8,893	-	-	-	-	-	608	608	9,501	10,033	10,635
Transfers and grants		-						-	-	-	-	-
Other expenditure		41,847	-	-	-	-	-	638	638	42,485	44,864	47,556
Loss on disposal of PPE		-						-	-	-	-	-
<b>Total Expenditure</b>		<b>220,999</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,909</b>	<b>9,909</b>	<b>230,908</b>	<b>241,727</b>	<b>256,231</b>
<b>Surplus/(Deficit)</b>		<b>20,384</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>15,837</b>	<b>7,167</b>	<b>12,459</b>
Transfers recognised - capital		40,019						-	-	40,019	32,926	30,039
Contributions		-						-	-	-	-	-
Contributed assets		-						-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>60,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>
Taxation		-						-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>60,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>
Attributable to minorities		-						-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>60,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>
Share of surplus/ (deficit) of associate		-						-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>60,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,548)</b>	<b>(4,548)</b>	<b>55,856</b>	<b>40,093</b>	<b>42,498</b>

**Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	5	6	7	8	9	10	11	12			
		A1	B	C	D	E	F	G	H			
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>	2											
Vote 1 - Organisational structure sub-votes (if required)		100	-	-	-	-	-	-	100	-	-	
Vote 2 - 200 Municipal Manager		-	-	-	-	-	3,200	3,200	3,200	-	-	
Vote 3 - 300 Budget & Treasury		2,500	-	-	-	-	2,500	2,500	5,000	-	-	
Vote 4 - 400 Corporate Services		6,450	-	-	-	-	(5,400)	(5,400)	1,050	1,109	1,175	
Vote 5 - 500 Planning and Economic Development		-	-	-	-	-	-	-	-	-	-	
Vote 6 - 600 Community Services		8,060	-	-	-	-	1,495	1,495	9,555	4,287	4,545	
Vote 7 - 700 Technical Services		39,919	-	-	-	-	(10,850)	(10,850)	29,069	30,696	32,538	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	
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>	3	57,029	-	-	-	-	(9,055)	(9,055)	47,974	36,093	38,258	
<b>Single-year expenditure to be adjusted</b>	2											
Vote 1 - Organisational structure sub-votes (if required)		-	-	-	-	-	-	-	-	-	-	
Vote 2 - 200 Municipal Manager		-	-	-	-	-	-	-	-	-	-	
Vote 3 - 300 Budget & Treasury		-	-	-	-	-	-	-	-	-	-	
Vote 4 - 400 Corporate Services		-	-	-	-	-	-	-	-	-	-	
Vote 5 - 500 Planning and Economic Development		-	-	-	-	-	-	-	-	-	-	
Vote 6 - 600 Community Services		-	-	-	-	-	-	-	-	-	-	
Vote 7 - 700 Technical Services		-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	
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>Total Capital Expenditure - Vote</b>		57,029	-	-	-	-	(9,055)	(9,055)	47,974	36,093	38,258	
<b>Capital Expenditure - Standard</b>												
<b>Governance and administration</b>		9,050	-	-	-	-	300	300	9,350	1,109	1,175	
Executive and council		100	-	-	-	-	3,200	3,200	3,300	-	-	
Budget and treasury office		2,500	-	-	-	-	2,500	2,500	5,000	-	-	
Corporate services		6,450	-	-	-	-	(5,400)	(5,400)	1,050	1,109	1,175	
<b>Community and public safety</b>		8,060	-	-	-	-	1,495	1,495	9,555	4,287	4,545	
Community and social services		4,000	-	-	-	-	-	-	4,000	4,224	4,477	
Sport and recreation		4,000	-	-	-	-	1,495	1,495	5,495	-	-	
Public safety		60	-	-	-	-	-	-	60	63	67	
Housing		-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		3,619	-	-	-	-	17,981	17,981	21,600	22,810	24,178	
Planning and development		-	-	-	-	-	-	-	-	-	-	
Road transport		3,619	-	-	-	-	17,981	17,981	21,600	22,810	24,178	
Environmental protection		-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		36,300	-	-	-	-	(28,831)	(28,831)	7,469	7,887	8,360	
Electricity		1,500	-	-	-	-	(1,500)	(1,500)	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	
Waste water management		34,300	-	-	-	-	(26,831)	(26,831)	7,469	7,887	8,360	
Waste management		500	-	-	-	-	(500)	(500)	-	-	-	
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	
<b>Total Capital Expenditure - Standard</b>	3	57,029	-	-	-	-	(9,055)	(9,055)	47,974	36,093	38,258	
<b>Funded by:</b>												
National Government		40,019	-	-	-	-	-	-	40,019	32,926	30,039	
Provincial Government		-	-	-	-	-	-	-	-	-	-	
District Municipality		-	-	-	-	-	-	-	-	-	-	
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	
<b>Total Capital transfers recognised</b>	4	40,019	-	-	-	-	-	-	40,019	32,926	30,039	
<b>Public contributions &amp; donations</b>		-	-	-	-	-	-	-	-	-	-	
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	
<b>Internally generated funds</b>		17,010	-	-	-	-	(9,055)	(9,055)	7,955	3,167	0	
<b>Total Capital Funding</b>		57,029	-	-	-	-	(9,055)	(9,055)	47,974	36,093	30,039	

**LIM361 Thabazimbi - Table B6 Adjustments Budget Financial Position - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		3	4	5	6	7	8	9	10			
R thousands		A	A1	B	C	D	E	F	G	H		
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		5,441						(3,500)	(3,500)	1,941	2,500	3,500
Call investment deposits	1	2,625	-	-	-	-	-	-	-	2,625	2,771	2,938
Consumer debtors	1	47,000	-	-	-	-	-	44,450	44,450	91,450	149,371	158,333
Other debtors		-						23	23	23		
Current portion of long-term receivables		-						-	-	-		
Inventory		3,357						90	90	3,447		
<b>Total current assets</b>		<b>58,423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,063</b>	<b>41,063</b>	<b>99,485</b>	<b>154,643</b>	<b>164,771</b>
<b>Non current assets</b>												
Long-term receivables		-							-	-		
Investments		-							-	-		
Investment property		-							-	-		
Investment in Associate		-							-	-		
Property, plant and equipment	1	1,639,682	-	-	-	-	-	(703,334)	(703,334)	936,348	988,784	1,048,111
Agricultural		-							-	-		
Biological		-						610	610	610	643	678
Intangible		-						1,125	1,125	1,125	1,125	1,125
Other non-current assets		-							-	-		
<b>Total non current assets</b>		<b>1,639,682</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(701,599)</b>	<b>(701,599)</b>	<b>938,083</b>	<b>990,552</b>	<b>1,049,914</b>
<b>TOTAL ASSETS</b>		<b>1,698,105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(660,536)</b>	<b>(660,536)</b>	<b>1,037,569</b>	<b>1,145,195</b>	<b>1,214,685</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		-							-	-		
Borrowing		-							-	-		
Consumer deposits		3,348							-	3,348	3,585	3,654
Trade and other payables		21,049						27,000	27,000	48,049	50,740	53,784
Provisions		44,458							-	44,458	45,600	48,600
<b>Total current liabilities</b>		<b>68,855</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,000</b>	<b>27,000</b>	<b>95,855</b>	<b>99,925</b>	<b>106,038</b>
<b>Non current liabilities</b>												
Borrowing	1	5,840							-	5,840	6,167	6,537
Provisions	1	31,523						8,957	8,957	40,480	42,747	45,312
<b>Total non current liabilities</b>		<b>37,362</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,957</b>	<b>8,957</b>	<b>46,319</b>	<b>48,913</b>	<b>51,848</b>
<b>TOTAL LIABILITIES</b>		<b>106,218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,957</b>	<b>35,957</b>	<b>142,175</b>	<b>148,838</b>	<b>157,886</b>
<b>NET ASSETS</b>	2	<b>1,591,887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(696,493)</b>	<b>(696,493)</b>	<b>895,394</b>	<b>996,356</b>	<b>1,056,799</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		1,591,887						(696,493)	(696,493)	895,394	996,356	1,056,138
Reserves		-						-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>1,591,887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(696,493)</b>	<b>(696,493)</b>	<b>895,394</b>	<b>996,356</b>	<b>1,056,138</b>

**Table B7 Adjustments Budget Cash Flows - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Ratepayers and other		150,825						4,800	4,800	155,625	164,340	173,214
Government - operating	1	63,569							-	63,569	68,578	67,920
Government - capital	1	40,019							-	40,019	32,926	30,039
Interest		-							-	-	-	-
Dividends		-							-	-	-	-
<b>Payments</b>												
Suppliers and employees		(203,375)						(8,608)	(8,608)	(211,983)	(223,430)	(235,495)
Finance charges		(1,002)						49	49	(953)	(1,004)	(1,059)
Transfers and Grants	1	-						-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>50,036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,759)</b>	<b>(3,759)</b>	<b>46,277</b>	<b>41,409</b>	<b>34,619</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		-							-	-	-	-
Decrease (Increase) in non-current debtors		-							-	-	-	-
Decrease (increase) other non-current receivables		6,428						2,204	2,204	8,632	14,150	12,250
Decrease (increase) in non-current investments		-							-	-	-	-
<b>Payments</b>												
Capital assets		(57,029)						9,055	9,055	(47,974)	(36,093)	(38,258)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(50,601)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,259</b>	<b>11,259</b>	<b>(39,342)</b>	<b>(21,943)</b>	<b>(26,008)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		-							-	-	-	-
Borrowing long term/refinancing		15,000						(15,000)	(15,000)	-	-	-
Increase (decrease) in consumer deposits		-							-	-	-	-
<b>Payments</b>												
Repayment of borrowing		(5,002)						4,000	4,000	(1,002)	(1,056)	(1,113)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>9,998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,000)</b>	<b>(11,000)</b>	<b>(1,002)</b>	<b>(1,056)</b>	<b>(1,113)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>9,433</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,500)</b>	<b>(3,500)</b>	<b>5,933</b>	<b>18,411</b>	<b>7,498</b>
Cash/cash equivalents at the year begin:	2	(3,992)							-	(3,992)		
Cash/cash equivalents at the year end:	2	5,441						(3,500)	-	1,941	18,411	7,498

**Table B8 Cash Backed Reserves/Accumulated Surplus Reconciliation - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	(3,992)	-	-	-	-	-	-	-	1,941	7,976	3,500
Other current investments > 90 days		5,441	-	-	-	-	-	(3,500)	(3,500)	2,850	2,500	3,500
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>1,449</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,500)</b>	<b>(3,500)</b>	<b>4,791</b>	<b>10,476</b>	<b>7,000</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	11,250	-	-	-	-	-	(7,300)	(7,300)	3,950	9,950	4,560
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>11,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,300)</b>	<b>(7,300)</b>	<b>3,950</b>	<b>9,950</b>	<b>4,560</b>
<b>Surplus(shortfall)</b>		<b>(9,801)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,800</b>	<b>3,800</b>	<b>841</b>	<b>526</b>	<b>2,440</b>

**Table B9 Asset Management - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	50,729	-	-	-	-	-	(16,350)	(16,350)	34,379	29,713	31,561
Infrastructure - Road transport		1,819	-	-	-	-	-	14,181	14,181	16,000	16,896	17,910
Infrastructure - Electricity		2,500	-	-	-	-	-	2,500	2,500	5,000	663	3
Infrastructure - Water		1,500	-	-	-	-	-	(1,500)	(1,500)	-	2,250	3,150
Infrastructure - Sanitation		34,300	-	-	-	-	-	(26,831)	(26,831)	7,469	7,887	8,360
Infrastructure - Other		1,900	-	-	-	-	-	(500)	(500)	1,400	1,478	1,567
Infrastructure		42,019	-	-	-	-	-	(12,150)	(12,150)	29,869	29,174	30,990
Community		60	-	-	-	-	-	-	-	60	63	67
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	8,150	-	-	-	-	-	(4,200)	(4,200)	3,950	475	504
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		500	-	-	-	-	-	-	-	500	-	-
<b>Total Renewal of Existing Assets to be adjusted</b>	2	6,300	-	-	-	-	-	5,295	5,295	11,595	6,380	6,698
Infrastructure - Road transport		1,800	-	-	-	-	-	3,800	3,800	5,600	5,880	6,198
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1,800	-	-	-	-	-	3,800	3,800	5,600	5,880	6,198
Community		4,500	-	-	-	-	-	1,495	1,495	5,995	500	500
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure to be adjusted</b>	4	3,619	-	-	-	-	-	17,981	17,981	21,600	22,776	24,107
Infrastructure - Road transport		2,500	-	-	-	-	-	2,500	2,500	5,000	663	3
Infrastructure - Electricity		1,500	-	-	-	-	-	(1,500)	(1,500)	-	2,250	3,150
Infrastructure - Water		34,300	-	-	-	-	-	(26,831)	(26,831)	7,469	7,887	8,360
Infrastructure - Sanitation		1,900	-	-	-	-	-	(500)	(500)	1,400	1,478	1,567
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		43,819	-	-	-	-	-	(8,350)	(8,350)	35,469	35,054	37,187
Community		4,560	-	-	-	-	-	1,495	1,495	6,055	563	567
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	8,150	-	-	-	-	-	(4,200)	(4,200)	3,950	475	504
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		500	-	-	-	-	-	-	-	500	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	2	57,029	-	-	-	-	-	(11,055)	(11,055)	45,974	36,093	38,258
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>												
Infrastructure - Road transport	5	820,014	-	-	-	-	-	(245,000)	(245,000)	575,014	597,790	621,897
Infrastructure - Electricity		172,453	-	-	-	-	-	(41,000)	(41,000)	131,453	131,453	131,453
Infrastructure - Water		308,731	-	-	-	-	-	(80,512)	(80,512)	228,220	228,220	228,220
Infrastructure - Sanitation		211,418	-	-	-	-	-	(90,000)	(90,000)	121,418	129,305	137,665
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1,512,615	-	-	-	-	-	(456,512)	(456,512)	1,056,104	1,086,767	1,119,234
Community		5,830	-	-	-	-	-	1,900	1,900	7,730	7,730	7,730
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	121,237	-	-	-	-	-	(51,528)	(51,528)	69,709	70,184	70,688
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	1,639,682	-	-	-	-	-	(506,140)	(506,140)	1,133,543	1,164,681	1,197,652
<b>EXPENDITURE OTHER ITEMS</b>												
<b>Depreciation &amp; asset impairment</b>		16,123	-	-	-	-	-	1,750	1,750	17,873	18,874	20,007
<b>Repairs and Maintenance by asset class</b>	3	22,300	-	-	-	-	-	-	-	22,300	15,168	16,078
Infrastructure - Road transport		6,417	-	-	-	-	-	-	-	6,417	6,777	7,183
Infrastructure - Electricity		3,988	-	-	-	-	-	-	-	3,988	-	-
Infrastructure - Water		4,890	-	-	-	-	-	-	-	4,890	5,164	5,474
Infrastructure - Sanitation		2,956	-	-	-	-	-	-	-	2,956	3,122	3,309
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		18,252	-	-	-	-	-	-	-	18,252	15,063	15,966
Community		100	-	-	-	-	-	-	-	100	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	3,948	-	-	-	-	-	-	-	3,948	106	112
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		38,423	-	-	-	-	-	1,750	1,750	40,173	34,043	36,085
<b>% of capital exp on renewal of assets</b>		11.0%	0.0%	-	-	-	-	-	-	25.2%	17.7%	17.5%
<b>Renewal of existing assets as % of deprec</b>		39.1%	0.0%	-	-	-	-	-	-	64.9%	33.8%	33.5%
<b>R&amp;M as a % of PPE</b>		1.4%	0.0%	-	-	-	-	-	-	2.0%	1.3%	1.3%
<b>Renewal and R&amp;M as a % of PPE</b>		1.7%	0.0%	-	-	-	-	-	-	3.0%	1.9%	1.9%

**Table B10 Basic service delivery measurement - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2014/15	+2 2015/16
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H	Adjusted Budget	Adjusted Budget
<b>Household service targets (000)</b>	1											
<b>Water:</b>												
Piped water inside dwelling		11,973								12	11,973	11,973
Piped water inside yard (but not in dwelling)		3,069								3	3,069	3,069
Using public tap (at least min.service level)	2	1,300								1	1,300	1,300
Other water supply (at least min.service level)		206								0	206	206
Minimum Service Level and Above sub-total		17								17	17	17
Using public tap (< min.service level)	3	8,431								8	8,431	8,431
Other water supply (< min.service level)	3,4	101								0	101	101
No water supply												
Below Minimum Service Level sub-total		9								9	9	9
<b>Total number of households</b>	5	25								25	25	25
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)		11,970								11,970	11,970	11,970
Flush toilet (with septic tank)		2,846								2,846	2,846	2,846
Chemical toilet												
Pit toilet (ventilated)		1,222								1,222	1,222	1,222
Other toilet provisions (> min.service level)		189								189	189	189
Minimum Service Level and Above sub-total		16,227								16,227	16,227	16,227
Bucket toilet		89								89	89	89
Other toilet provisions (< min.service level)		4,283								4,283	4,283	4,283
No toilet provisions		4,481								4,481	4,481	4,481
Below Minimum Service Level sub-total		8,853								8,853	8,853	8,853
<b>Total number of households</b>	5	25,080								25,080	25,080	25,080
<b>Energy:</b>												
Electricity (at least min. service level)		11,970								11,970	11,970	11,970
Electricity - prepaid (> min.service level)		12,145								12,145	12,145	12,145
Minimum Service Level and Above sub-total		24,115								24,115	24,115	24,115
Electricity (< min.service level)												
Electricity - prepaid (< min. service level)												
Other energy sources		965								965	965	965
Below Minimum Service Level sub-total		965								965	965	965
<b>Total number of households</b>	5	25,080								25,080	25,080	25,080
<b>Refuse:</b>												
Removed at least once a week (min.service)		11,970								11,970	11,970	11,970
Minimum Service Level and Above sub-total		11,970								11,970	11,970	11,970
Removed less frequently than once a week		3,326								3,326	3,326	3,326
Using communal refuse dump		579								579	579	579
Using own refuse dump		6,867								6,867	6,867	6,867
Other rubbish disposal												
No rubbish disposal		2,341								2,341	2,341	2,341
Below Minimum Service Level sub-total		13,113								13,113	13,113	13,113
<b>Total number of households</b>	5	25,083								25,083	25,083	25,083
<b>Households receiving Free Basic Service</b>	15											
Water (6 kilolitres per household per month)		8,412								8,412	8,412	8,412
Sanitation (free minimum level service)		8,412								8,412	8,412	8,412
Electricity/other energy (50kwh per household per month)		8,412								8,412	8,412	8,412
Refuse (removed at least once a week)		8,412								8,412	8,412	8,412
<b>Cost of Free Basic Services provided (R'000)</b>	16											
Water (6 kilolitres per household per month)		3,943								3,943	4,156	4,380
Sanitation (free sanitation service)		11,916								11,916	12,559	13,237
Electricity/other energy (50kwh per household per month)		5,361								5,361	5,650	5,955
Refuse (removed once a week)		10,721								10,721	11,300	11,911
<b>Total cost of FBS provided (minimum social package)</b>		31,941								31,941	33,665	35,483
<b>Highest level of free service provided</b>												
Property rates (R'000 value threshold)		5,074								5,074	5,348	5,647
Water (kilolitres per household per month)		6								6	6	7
Sanitation (kilolitres per household per month)		339								339	357	377
Sanitation (Rand per household per month)		3,185								3,184,857	3,356,639	3,544,822
Electricity (kw per household per month)		50								50	53	56
Refuse (average litres per week)		20,782								20,782	21,904	23,131
<b>Revenue cost of free services provided (R'000)</b>	17											
Property rates (R15 000 threshold rebate)		2,733								2,733	2,951	3,187
Property rates (other exemptions, reductions and rebates)		2,342								2,342	2,530	2,732
Water		10,074								10,074	10,880	11,751
Sanitation		3,185								3,185	3,440	3,715
Electricity/other energy		9,367								9,367	10,116	10,925
Refuse		12,968								12,968	14,005	15,126
Municipal Housing - rental rebates												
Housing - top structure subsidies	6	0								0		
Other												
<b>Total revenue cost of free services provided (total social p</b>		40,668								40,668	43,922	47,436

## **2 Supporting documentation**

### **2.1 Adjustment budget assumptions**

- a. The approved tariffs increases did not change in the adjustments budget.
- b. Trade payable and accruals balance as at 31 December 2013 is R 101 Million. This by far outweighs the expected National Government transfers in the third quarter both operational and capital. We need to improve our current collection rate from basic services to sustain the volumes of cash requirements needed and to service our immediate financial obligations.
- c. Budgeted allocations were also compared to actual for the same period. Variances were noted mainly with revenue collections and the impact thereon was cascaded to the budgeted expenditure vote, both capital and operational.
- d. Where there is overwhelming evidence or justification that an allocation for income or expenditure must be provided for, this was accommodated in the adjustments budget..
- e. We have deliberately decided not to alter original estimates on Property Plant and Equipment and depreciation due to the unreliability of the fixed asset register provided by our consultants. The Auditor general disclaimed the municipality mainly based on incorrect valuation of municipal assets due to wrong valuation methodologies being applied.
- f. The budget position still remains with a surplus after effecting all the proposed adjustments.
- g. The required threshold of repairs and maintenance as per National Treasury guidelines could not be met due to our ill valued asset figures, in the FAR . This has distorted the recommended ratio and the municipality has kept the original estimates on repairs and maintenance.



**2.2 Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 28  
February 2014**

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget A	Prior Adjusted 6 A1	Accum. Funds 7 B	Multi-year capital 8 C	Unfore. Unavoid. 9 D	Nat. or Prov. Govt 10 E	Other Adjusts. 11 F	Total Adjusts. 12 G	Adjusted Budget 13 H	Adjusted Budget	Adjusted Budget
<b>R thousands</b>												
<b>REVENUE ITEMS</b>												
<b>Property rates</b>												
Total Property Rates		23,650						(6,722)	(6,722)	16,928	17,876	18,949
less Revenue Foregone												
<b>Net Property Rates</b>		<b>23,650</b>						<b>(6,722)</b>	<b>(6,722)</b>	<b>16,928</b>	<b>17,876</b>	<b>18,949</b>
<b>Service charges - electricity revenue</b>												
Total Service charges - electricity revenue		53,184						8,842	8,842	62,026	65,499	69,429
less Revenue Foregone												
<b>Net Service charges - electricity revenue</b>		<b>53,184</b>						<b>8,842</b>	<b>8,842</b>	<b>62,026</b>	<b>65,499</b>	<b>69,429</b>
<b>Service charges - water revenue</b>												
Total Service charges - water revenue		57,104						(3,216)	(3,216)	53,888	56,906	60,320
less Revenue Foregone												
<b>Net Service charges - water revenue</b>		<b>57,104</b>						<b>(3,216)</b>	<b>(3,216)</b>	<b>53,888</b>	<b>56,906</b>	<b>60,320</b>
<b>Service charges - sanitation revenue</b>												
Total Service charges - sanitation revenue		13,612						4,400	4,400	18,012	19,021	20,162
less Revenue Foregone												
<b>Net Service charges - sanitation revenue</b>		<b>13,612</b>						<b>4,400</b>	<b>4,400</b>	<b>18,012</b>	<b>19,021</b>	<b>20,162</b>
<b>Service charges - refuse revenue</b>												
Total refuse removal revenue		9,388								9,388	9,914	10,508
Total landfill revenue												
less Revenue Foregone												
<b>Net Service charges - refuse revenue</b>		<b>9,388</b>								<b>9,388</b>	<b>9,914</b>	<b>10,508</b>
<b>Other Revenue By Source</b>												
List other revenue by source		4,516						1,713	1,713	6,229		
service connection fees		854								854		
fees for graves		272								272		
Building plan fees		607								607		
Advertising fees		97								97		
Meter reading fees		118								118		
Tender Fees												
Game farm admission fees												
Library fees												
Hawkers and others fees		34								34		
Fire services fees		17								17		
Sale of refuse bins		64								64		
<b>Total 'Other' Revenue</b>	1	<b>6,579</b>						<b>1,713</b>	<b>1,713</b>	<b>8,292</b>		
<b>EXPENDITURE ITEMS</b>												
<b>Employee related costs</b>												
Basic Salaries and Wages		52,126						9,458	9,458	61,583	65,032	68,934
Pension and UIF Contributions		11,840						481	481	12,321	13,011	13,791
Medical Aid Contributions		3,010						277	277	3,288	3,472	3,680
Overtime		1,669						733	733	2,402	2,537	2,689
Performance Bonus												
Motor Vehicle Allowance		4,918						106	106	5,024	5,306	5,624
Cellphone Allowance		599						20	20	620	654	693
Housing Allowances		75						17	17	91	96	102
Other benefits and allowances		8,663						25	25	8,688	9,175	9,725
Payments in lieu of leave												
Long service awards												
Post-retirement benefit obligations												
<b>sub-total</b>	4	<b>82,900</b>						<b>11,118</b>	<b>11,118</b>	<b>94,018</b>	<b>99,283</b>	<b>105,239</b>
Less Employees costs capitalised to PPE												
<b>Total Employee related costs</b>	1	<b>82,900</b>						<b>11,118</b>	<b>11,118</b>	<b>94,018</b>	<b>99,283</b>	<b>105,239</b>
<b>Contributions recognised - capital</b>												
List contributions by contract												
<b>Total Contributions recognised - capital</b>												
<b>Depreciation &amp; asset impairment</b>												
Depreciation of Property, Plant & Equipment		16,123						1,750	1,750	17,873	18,874	20,007
Lease amortisation												
Capital asset impairment												
Depreciation resulting from revaluation of PPE												
<b>Total Depreciation &amp; asset impairment</b>	1	<b>16,123</b>						<b>1,750</b>	<b>1,750</b>	<b>17,873</b>	<b>18,874</b>	<b>20,007</b>
<b>Bulk purchases</b>												
Electricity		39,273						6,000	6,000	45,273	47,809	50,677
Water		19,529								19,529	20,623	21,860
<b>Total bulk purchases</b>	1	<b>58,803</b>						<b>6,000</b>	<b>6,000</b>	<b>64,803</b>	<b>68,432</b>	<b>72,538</b>
<b>Contracted services</b>												
List services provided by contract		8,893						608	608	9,501	10,033	10,635
<b>sub-total</b>	1	<b>8,893</b>						<b>608</b>	<b>608</b>	<b>9,501</b>	<b>10,033</b>	<b>10,635</b>
<b>Allocations to organs of state:</b>												
Electricity												
Water												
Sanitation												
Other												
<b>Total contracted services</b>		<b>8,893</b>						<b>608</b>	<b>608</b>	<b>9,501</b>	<b>10,033</b>	<b>10,635</b>
<b>Other Expenditure By Type</b>												
Repairs and maintenance												
Collection costs												
Contributions to 'other' provisions												
Consultant fees												
Audit fees		2,301								2,301	2,429	2,575
General expenses	3,5	39,546						2,638	2,638	42,184	44,546	47,219
<b>Total Other Expenditure</b>	1	<b>41,847</b>						<b>2,638</b>	<b>2,638</b>	<b>44,485</b>	<b>46,976</b>	<b>49,794</b>

**2.3 Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year +1 2014/15	Budget Year +2 2015/16
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	4	5	6	7	8	9	10	11		
		A1	B	C	D	E	F	G	H			
<b>R thousands</b>												
<b>ASSETS</b>												
<b>Call investment deposits</b>												
Call deposits < 90 days		2,625					-			2,625	2,771	2,938
Other current investments > 90 days												
<b>Total Call investment deposits</b>	1	2,625	-	-	-	-	-	-	-	2,625	2,771	2,938
<b>Consumer debtors</b>												
Consumer debtors		141,450					-			141,450	149,371	158,333
Less: provision for debt impairment		94,450					(44,450)	(44,450)	50,000			
<b>Total Consumer debtors</b>	1	47,000	-	-	-	-	44,450	44,450	91,450	149,371	158,333	
<b>Debt impairment provision</b>												
Balance at the beginning of the year		72,195						(44,450)	(44,450)	27,745		
Contributions to the provision		22,255								22,255		
Bad debts written off												
<b>Balance at end of year</b>		94,450	-	-	-	-	(44,450)	(44,450)	50,000			
<b>Property, plant &amp; equipment</b>												
PPE at cost/valuation (excl. finance leases)		1,807,242						(509,890)	(509,890)	1,297,353	1,370,004	1,452,205
Leases recognised as PPE												
Less: Accumulated depreciation		167,560						193,444	193,444	361,004	381,221	404,094
<b>Total Property, plant &amp; equipment</b>	1	1,639,682	-	-	-	-	(703,334)	(316,445)	(316,445)	1,658,357	988,784	1,048,111
<b>LIABILITIES</b>												
<b>Current liabilities - Borrowing</b>												
Short term loans (other than bank overdraft)												
Current portion of long-term liabilities												
<b>Total Current liabilities - Borrowing</b>												
<b>Trade and other payables</b>												
Creditors		21,049						27,000	27,000	48,049	50,740	53,784
Unspent conditional grants and receipts												
VAT												
<b>Total Trade and other payables</b>	1	21,049	-	-	-	-	27,000	27,000	27,000	48,049	50,740	53,784
<b>Non current liabilities - Borrowing</b>												
Borrowing	3	5,840								5,840	6,167	6,537
Finance leases (including PPP asset element)												
<b>Total Non current liabilities - Borrowing</b>		5,840	-	-	-	-	-	-	-	5,840	6,167	6,537
<b>Provisions - non current</b>												
Retirement benefits		24,506						2,957	2,957	27,463	29,001	30,741
List other major items												
Refuse landfill site rehabilitation		7,017						6,000	6,000	13,017	13,746	14,571
Other												
<b>Total Provisions - non current</b>		31,523	-	-	-	-	-	8,957	8,957	40,480	42,747	45,312
<b>CHANGES IN NET ASSETS</b>												
<b>Accumulated surplus/(Deficit)</b>												
Accumulated surplus/(Deficit) - opening balance		1,591,887						(696,493)	(696,493)	895,394	996,356	1,056,138
Appropriations to Reserves												
Transfers from Reserves												
Depreciation offsets												
Other adjustments												
<b>Accumulated Surplus/(Deficit)</b>	1	1,591,887	-	-	-	-	(696,493)	(696,493)	(696,493)	895,394	996,356	1,056,138
<b>Reserves</b>												
Housing Development Fund												
Capital replacement												
Self-insurance												
Other reserves (list)												
Revaluation												
<b>Total Reserves</b>	2											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	1,591,887	-	-	-	-	(696,493)	(696,493)	(696,493)	895,394	996,356	1,056,138

## 2.4 Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 28 February 2014

Description of financial indicator	Basis of calculation	2010/11	2011/12	2012/13	Budget Year 2013/14			Budget Year +1 2014/15	Budget Year +2 2015/16
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Borrowing Management</b>									
Credit Rating	Short term/long term rating	TBA	TBA	TBA	TBA	TBA	TBA		
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	10.0%	7.9%	1.2%	3.8%	0.0%	1.8%	1.8%	1.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants	0.0%	441.1%	63.6%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>									
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	69.6%	29.8%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>									
Current Ratio	Current assets/current liabilities	55.4%	30.1%	24.2%	84.8%	0.0%	57.4%	154.8%	155.4%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities	0.0%	0.0%	0.0%	2360.9%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	-13.6%	8.4%	8.4%	0.1	0.0	0.0	0.1	0.1
<b>Revenue Management</b>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		98.3%	98.2%	86.0%		78.0%	80.0%	85.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	21.6%	10.6%	8.3%	19.5%	0.0%	19.1%	60.0%	58.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	0.0%	86.0%	88.5%	70.0%		50.0%	65.0%	75.0%
Creditors to Cash		0.0%	0.0%	0.0%	386.9%	0.0%	2475.5%	864.7%	-940.0%
<b>Other Indicators</b>									
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	8.3%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%	13.6%
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	38.7%	38.7%	38.9%	34.3%	0.0%	38.1%	39.9%	39.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	8.2%	9.0%	9.2%	0.0%	9.0%	6.1%	6.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	1.6%	1.3%	1.9%	8.1%	0.0%	8.6%	9.0%	8.9%
<b>IDP regulation financial viability indicators</b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	0.0%	118.7%	14973.8%	3695.1%	0.0%	3809.2%	3623.7%	3841.1%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	81.9%	5.5%	19.5%	0.0%	19.0%	60.0%	58.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-1.7%	-38.6%	392.7%	0.0	0.0	0.0	0.0	0.0

## 2.5 Supporting Table SB6 Adjustments Budget - funding measurement - 28 February 2014

Description	Ref	MFMA section	2010/11	2011/12	2012/13	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>R thousands</b>										
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	1	18(1)b	34,046	(10,729)	3,105	5,441	-	1,941	7,976	500
Cash + investments at the yr end less applications - R'000	2	18(1)b	15,309	(7,876)	5,869	(3,530)	-	4,587	5,271	6,249
Cash year end/monthly employee/supplier payments	3	18(1)b	0	28%	0	0	-	0	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	10,339	16,284		60,403	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)	0.063	162.0%		0.0%	0.0%	0.0%	-0.4%	0.0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	89.2%	0.0%	0.0%	0.0%	-2.3%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	29.7%	7.0%		1.3%	0.0%	1.2%	0.0%	0.0%
Capital payments % of capital expenditure	8	18(1)c;19	52.6%	100.0%		100.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a	100.0%	92.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a	73.0%	55.0%					-196.3%	-34.0%
Long term receivables % change - incr(decr)	12	18(1)a	0.0%	0.0%	20.0%				0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)	68.9%	16.1%	0.0%	1.4%	0.0%	2.0%	1.3%	1.3%
Asset renewal % of capital budget	14	20(1)(vi)	0.0%	0.0%	0.0%	11.0%	0.0%	25.2%	17.7%	17.5%

## 2.6 Supporting Table SB7 Adjustments Budget - transfers and grants receipts - 28 February 2014

Description	Ref	Budget Year 2013/14						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	7 A1	8 B	9 C	10 D	11 E	12 F	+1 2014/15	+2 2015/16
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		63,569	-	-	-	-	-	63,569	68,365	73,817
Equitable share	3	60,129						60,129	64,551	70,003
Finance Management		890						890	1,500	1,500
Municipal Systems Improvement		1,550						1,550	800	800
Public Works		1,000						1,000	1,514	1,514
<b>Provincial Government:</b>		2,000	-	-	-	-	-	2,000	1,800	1,800
L G SETA	4	2,000						2,000	1,800	1,800
Other transfers and grants [insert description]	5									
<b>District Municipality:</b>		2,117	-	-	-	-	-	2,117	2,117	2,117
Fire subsidy		2,117						2,117	2,117	2,117
<b>Other grant providers:</b>										
[insert description]										
<b>Total Operating Transfers and Grants</b>	6	67,686	-	-	-	-	-	67,686	72,282	77,734
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		40,019	-	-	-	-	-	40,019	32,926	30,039
Municipal Infrastructure Grant (MIG)		40,019						40,019	32,926	30,039
Department of Energy										
Other capital transfers [insert description]										
<b>Provincial Government:</b>										
[insert description]										
<b>District Municipality:</b>										
[insert description]										
<b>Other grant providers:</b>										
[insert description]										
<b>Total Capital Transfers and Grants</b>	6	40,019	-	-	-	-	-	40,019	32,926	30,039
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		107,705	-	-	-	-	-	107,705	105,208	107,773

**2.7 Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme  
- 28 February 2014**

Description	Ref	Budget Year 2013/14						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	2 A1	3 B	4 C	5 D	6 E	7 F	+1 2014/15	+2 2015/16
<b>R thousands</b>										
<b>EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		63,569	-	-	-	-	-	63,569	68,365	73,817
Equitable share		60,129					-	60,129	64,551	70,003
Finance Management		890					-	890	1,500	1,500
Municipal Systems Improvement		1,550					-	1,550	800	800
Public Works		1,000					-	1,000	1,514	1,514
							-	-	-	-
							-	-	-	-
<b>Provincial Government:</b>		2,000	-	-	-	-	-	2,000	1,800	1,800
L G SETA		2,000					-	2,000	1,800	1,800
							-	-	-	-
							-	-	-	-
Other transfers and grants [insert description]							-	-	-	-
<b>District Municipality:</b>		2,117	-	-	-	-	-	2,117	2,117	2,117
Fire subsidy		2,117					-	2,117	2,117	2,117
							-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]							-	-	-	-
							-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		67,686	-	-	-	-	-	67,686	72,282	77,734
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		40,019	-	-	-	-	-	40,019	32,926	30,039
Municipal Infrastructure Grant (MIG)		40,019					-	40,019	32,926	30,039
Department of Energy							-	-	-	-
							-	-	-	-
Other capital transfers [insert description]							-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
[insert description]							-	-	-	-
							-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]							-	-	-	-
							-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]							-	-	-	-
							-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		40,019	-	-	-	-	-	40,019	32,926	30,039
<b>Total capital expenditure of Transfers and Grants</b>		107,705	-	-	-	-	-	107,705	105,208	107,773

## 2.8 Supporting Table SB9 Adjustments Budget - reconciliation of unspent funds - 28 February 2014

Description	Ref	Budget Year 2013/14						Budget Year +1	Budget Year
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F	
<b>R thousands</b>									
<b>Operating transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year		-					-	-	
Current year receipts		63,569					-	63,569	64,551 70,003
<b>Conditions met - transferred to revenue</b>		<b>63,569</b>	-	-	-	-	-	<b>63,569</b>	<b>64,551 70,003</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>Provincial Government:</b>									
Balance unspent at beginning of the year		-					-	-	
Current year receipts		2,000					-	2,000	1,800 1,800
<b>Conditions met - transferred to revenue</b>		<b>2,000</b>	-	-	-	-	-	<b>2,000</b>	<b>1,800 1,800</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>District Municipality:</b>									
Balance unspent at beginning of the year		-					-	-	
Current year receipts		2,117					-	2,117	2,117 2,117
<b>Conditions met - transferred to revenue</b>		<b>2,117</b>	-	-	-	-	-	<b>2,117</b>	<b>2,117 2,117</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>Other grant providers:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts							-	-	
<b>Conditions met - transferred to revenue</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>- -</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>Total operating transfers and grants revenue</b>		<b>67,686</b>	-	-	-	-	-	<b>67,686</b>	<b>68,468 73,920</b>
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-
<b>Capital transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		40,019					-	40,019	32,926 30,039
<b>Conditions met - transferred to revenue</b>		<b>40,019</b>	-	-	-	-	-	<b>40,019</b>	<b>32,926 30,039</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>Provincial Government:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts							-	-	
<b>Conditions met - transferred to revenue</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>- -</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>District Municipality:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts							-	-	
<b>Conditions met - transferred to revenue</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>- -</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>Other grant providers:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts							-	-	
<b>Conditions met - transferred to revenue</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>- -</b>
Conditions still to be met - transferred to liabilities							-	-	
<b>Total capital transfers and grants revenue</b>		<b>40,019</b>	-	-	-	-	-	<b>40,019</b>	<b>32,926 30,039</b>
<b>Total capital transfers and grants - CTBM</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>- -</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>107,705</b>	-	-	-	-	-	<b>107,705</b>	<b>101,394 103,959</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>- -</b>

## 2.9 Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 28 February 2014

Summary of remuneration	Ref	Budget Year 2013/14								
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H
<b>R thousands</b>										
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		4,373								4,373
Pension and UIF Contributions		530					31	31		561
Medical Aid Contributions		302								302
Motor Vehicle Allowance		1,247					96	96		1,344
Cellphone Allowance		289								289
Housing Allowances										
Other benefits and allowances		193					316	316		509
<b>Sub Total - Councillors</b>		<b>6,934</b>					<b>443</b>	<b>443</b>		<b>7,377</b>
<b>% increase</b>			(0)							0
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		5,576								5,576
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance		1,000								1,000
Cellphone Allowance		16					8	8		24
Housing Allowances							7	7		7
Other benefits and allowances		59								59
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Senior Managers of Municipality</b>	5	<b>6,652</b>					<b>14</b>	<b>14</b>		<b>6,666</b>
<b>% increase</b>			(0)							0
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		43,990					2,195	2,195		46,185
Pension and UIF Contributions		10,669					55	55		10,724
Medical Aid Contributions		2,709					178	178		2,886
Overtime		3,145					601	601		3,746
Performance Bonus										
Motor Vehicle Allowance		9,052					98	98		9,150
Cellphone Allowance		264					14	14		278
Housing Allowances		75					10	10		85
Other benefits and allowances		6,476					1,346	1,346		7,822
Payments in lieu of leave										
Long service awards		821								821
Post-retirement benefit obligations										
<b>Sub Total - Other Municipal Staff</b>	5	<b>77,199</b>					<b>4,499</b>	<b>4,499</b>		<b>81,698</b>
<b>% increase</b>										
<b>Total Parent Municipality</b>		<b>90,785</b>					<b>4,956</b>	<b>4,956</b>		<b>95,740</b>
<b>Board Members of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Board Members of Entities</b>	5									
<b>% increase</b>										
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Senior Managers of Entities</b>	5									
<b>% increase</b>										
<b>Other Staff of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Other Staff of Entities</b>	5									
<b>% increase</b>										
<b>Total Municipal Entities</b>										
<b>COUNCILLOR ALLOWANCES, EMPLOYEE REMUNERATION &amp; ENTITY REMUNERATION</b>		<b>90,785</b>					<b>4,956</b>	<b>4,956</b>		<b>95,740</b>
<b>% increase</b>										
<b>TOTAL MANAGERS AND STAFF</b>		<b>83,851</b>					<b>4,513</b>	<b>4,513</b>		<b>88,363</b>



**2.10 LIM361 Thabazimbi - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 28 February 2014**

Description	Ref	Budget Year 2013/14									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>												
<b>Infrastructure</b>		42,019	-	-	-	-	-	(12,150)	(12,150)	29,869	29,174	30,990
Infrastructure - Road transport		1,819	-	-	-	-	-	14,181	14,181	16,000	16,896	17,910
Roads, Pavements & Bridges		1,819	-	-	-	-	-	14,181	14,181	16,000	16,896	17,910
Storm water		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		2,500	-	-	-	-	-	2,500	2,500	5,000	663	3
Generation		2,500	-	-	-	-	-	2,500	2,500	5,000	663	3
Transmission & Reticalution		-	-	-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		1,500	-	-	-	-	-	(1,500)	(1,500)	-	2,250	3,150
Dams & Reservoirs		-	-	-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-	-	-
Reticalution		1,500	-	-	-	-	-	(1,500)	(1,500)	-	2,250	3,150
Infrastructure - Sanitation		34,300	-	-	-	-	-	(26,831)	(26,831)	7,469	7,887	8,360
Reticalution		34,300	-	-	-	-	-	(26,831)	(26,831)	7,469	7,887	8,360
Sewerage purification		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		1,900	-	-	-	-	-	(500)	(500)	1,400	1,478	1,567
Refuse		1,400	-	-	-	-	-	-	-	1,400	1,478	1,567
Transportation	2	-	-	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-	-	-
Other	3	500	-	-	-	-	-	(500)	(500)	-	-	-
<b>Community</b>		60	-	-	-	-	-	-	-	60	63	67
Parks & gardens		-	-	-	-	-	-	-	-	-	-	-
Sports Fields & stadia		-	-	-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-	-	-
Fire, safety & emergency		60	-	-	-	-	-	-	-	60	63	67
Security and policing		-	-	-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
<b>Other assets</b>		8,150	-	-	-	-	-	(4,200)	(4,200)	3,950	475	504
General vehicles		-	-	-	-	-	-	-	-	-	-	-
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		450	-	-	-	-	-	-	-	450	475	504
Furniture and other office equipment		-	-	-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-	-	-
Civic Land and Buildings		5,400	-	-	-	-	-	(5,400)	(5,400)	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-	-	-
Other Land		1,800	-	-	-	-	-	-	-	1,800	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-	-	-
Other		500	-	-	-	-	-	1,200	1,200	1,700	-	-
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		500	-	-	-	-	-	-	-	500	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-	-	-
Other (list sub-class)		500	-	-	-	-	-	-	-	500	-	-
<b>Total Capital Expenditure on new assets to be adjusted</b>	1	50,729	-	-	-	-	-	(16,350)	(16,350)	34,379	29,713	31,561

## 2.12 Supporting Table SB19 Capital programmes and projects affected by Adjustments Budget - 28 February 2014

Municipal Vote/Capital project	Individually Approved Yes/No	Asset Class	Asset Sub-Class	GPS co-ordinates	Medium Term Revenue and Expenditure Framework	
					Budget Year 2013/14	
					Original Budget	Adjusted Budget
R thousand	6	4	4	5		
Parent municipality:						
Thabazimbi Waste water works	yes	Infrastructure - Sanitation	Sewerage purification		16,600	7,469
Northam waste water works	yes	Infrastructure - Sanitation	Sewerage purification		15,600	6
Roads	yes	Infrastructure - Road transport	Roads, Pavements & Bridges		3,619	21,600
Purchase of Refuse Weighbridge	yes	Infrastructure - Electricity	Waste Management		500	6
Upgrading of sports facilities	yes	Community	Sportsfields & stadia		4,000	5,494
Purchase of civic centre	yes	Infrastructure - Other	Buildings		5,400	6
Purchase of domestic water metres	yes	Infrastructure - Other	Reticulation		1,300	6
Purchase of firearms	yes	Community	Security services		60	60
Finance lease computers	yes	Office Equipment	Computers		450	450
Purchase of loud hailer	yes	Office Equipment	loud hailer		100	100
Smart metres	yes	Infrastructure - Electricity	Transmission & Reticulation		2,500	5,000
Upgrading of IT servers	yes	IT equipment	IT servers		500	
Upgrading of Finance, other capex	yes	Other buildings	other assetd		6	2,801
Municipal Halls Revovations	yes	Community	Other Buildings		500	500
Street name boards	yes	Other assets	Other assets		500	500
Land for cemeteries	yes	Community	cemeteries		1,800	1,800
Wheelie Bins	yes	community	Refuse removal		1,400	6
Garden sprinklers	yes	Community	parks and recreation		100	100
Rhaputi	yes	Infrastructure - Sanitation	Sewerage purification		2,100	2,100
<b>Total</b>					<b>57,029</b>	<b>47,974</b>

All the MIG projects were re-aligned based on the registered projects with Coghsta and the remaining unspent balances thereon. There were no MIG roll overø from prior year. Priority was given to the registered roads project in Regorogile Ext 3, 5 and 6. The Division for Revenue Act requires that 15% of the allocated funds be allocated towards upgrading of sporting facilities, an addition R1.4m was allocated to upgrading of Thabazimbi sports grounds to comply with legislation.

Savings of R2.5m from the civic centre project was channelled towards widening the scope on the smart metering project to improve our cash flows. Upgrading and renovations of finance building and Traffic offices were also considered.

### 3 Adjustment to Service Delivery and Budget Implementation Plan (SDBIP)

The Accounting Officer will submit for approval by the Mayor revised SDBIPø based on the adjustments being approved.

The Mid-Year Budget and Performance Assessment report that was tabled at the end of January 2014 highlighted the need to adjust Key Performance Indicators for certain departments. This shall be done together with the results of the effects of this adjustment budget before submission to the Mayor for approval.

**Quality certificate**

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I, Adv.E.M Ntsoane, the Municipal Manager of Thabazimbi Local Municipality, hereby certify that the Adjustment budget for the 2013-14 budget year has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

*Edward Morutse Ntsoane*

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Municipal manager of Thabazimbi Local Municipality (LIM361)

**Signature**.....

**Date**.....