



202021 SCHEDULE B

202021 BUDGET ADJUSTMENTS

Budget & Reporting
Budget & Treasury Office
202021 SCHEDULE B

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA.

The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by National to Provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations April 2009

MFMA – The Municipal Finance Management Act – No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget. In Harry Gwala District Municipality means a directorate level.

PART 1 – ADJUSTMENTS BUDGET

1. Mayor’s Report

INTRODUCTION

The adjustment budget seeks to rectify issues identified in the mid-year assessment of the financial results as well as the inclusion of additional allocations. It is drafted in terms of section 28 of the MFMA and seeks to adhere to the stipulations of specifically section 28(2) of the MFMA

BACKGROUND

In accordance with section 28 of the Municipal Finance Management Act, No 56 of 2003 (MFMA) a municipality must revise its approved annual budget through an adjustments budget, in the following circumstances:

- i. To appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
- ii. To authorise the utilisation of projected savings in one vote towards spending under another vote.
- iii. To authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected rollovers when the annual budget for the current year was approved by the Council.
- iv. To correct any errors in the annual budget.

In line with the MFMA, the 2020/21 approved Budget has now been adjusted. The adjustment has been mainly necessitated as a result of the following:

- To appropriate the reduction of revenues that have been deducted from the annual budget, but only to revise spending programmes already budgeted for
- The need to authorise the spending of unspent funds at the end of the 2020/2021 financial year.

- The Adjustments Budget reaffirms the Municipality's commitment to achieve the service delivery targets and performance indicators as reflected in the approved service delivery and budget implementation plan.

The process of budget adjustment also allows us to assess the state of our finances, reflect on the current challenges and design therapeutic measures that will turn around the finances of Harry Gwala District Municipality.

The attention is given to the department of Water Services operational efficiency with considerable emphasis on operations and maintenance cost control. The Water services budget has seen an increase by R 24, 7million due to the nature of the operations and maintenance undertaken under this department, while most departments have seen a decrease in their budgets

In preparing the adjustment budget priority had to be given to Water Services Department by making budget available for the next five months, this is largely due to prioritization of repairs and maintenance of the aging water and sanitation infrastructure that is now degenerating putting more strain on the cash flow of the municipality.

2. Resolutions

It is recommended that the Harry Gwala District Municipal Council;

2.1 Approves the adjustments budget and consolidated adjustments budget for the financial year 2020/2021, as set-out in the schedules contained in Section 4, be approved:

2.2 Approves any adjustments permitted in terms of Section 28 (2) of the Act,

2.3 Approves the revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan, if any, to correspond with the approval of the adjustments budget.

2.4 Notes the Provincial Treasury comments and their effect on the Adjustments budget

2.5 Notes the 2020/2021 unfunded budget plan

3. Executive Summary

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

It is critical to note that this report s28 MFMA report has been prepared as informed by the Midyear Performance assessment report presented to Council in January 2021 in terms of s72 of the MFMA a report that was also submitted to the National and Provincial in terms of s72 (1) (b) MFMA.

The Parent Adjusted revenue has increased by R6, 7m (1%) from R784, 1m to R790, 8m. This adjustment is mainly due to following major contributing factors:

- Downward adjustment of Service charges - water revenue R 5, 5m
- Downward adjustment of Service charges - sanitation revenue R 1, 1m
- Downward adjustment of Interest earned - external investments R 616k
- Downward adjustment of Interest earned - external investments R 2, 2m
- Upward adjustment of COGTA Grant R 15M

The Parent Adjusted operations budget is R575, 9m having increased by R17million from the original budget of R558, 5million. The item below had the major movements

- An increase of R14million for Repairs and Maintenance
- Decrease of R6, 7m Sport and Development
- Increase of R 2m for Security
- An increase of R2, 7m for Contracted

To this end, much attention is given to the department of Water Services. Water services department also hosts the largest percentage of the municipality's labour force. Water Services department seen an upward adjustment by R 24, 7million for operations and Maintenance.

The capital budget has increased from R280, 4million to R312million. This is mainly attributable to the upward adjustment of the following:

- ✓ Internally Generated funds R16, 5m
- ✓ COGTA Grant R15m

As the municipality is in the process of reducing costs, there is an amount of R16, 5million that is set aside to procure the municipal fleet, furthermore the municipality decided not renew the contract of leasing the municipal vehicles in that way the municipality is going save a lot of money. That is the reason why the capital budget for internally funded assets had upward adjustment.

TABLE B 1 CONSOLIDATED ADJUSTMENT BUDGET SUMMARY

Table B1 below provides a summary of the budget adjustment of the municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table B1 Consolidated Adjustments Budget Summary - 26/02/2021

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	71 050	71 050	-	(5 558)	(5 558)	65 492	75 272	79 723
Investment revenue	7 681	7 681	-	(2 309)	(2 309)	5 372	8 140	8 627
Transfers recognised - operational	387 266	431 049	-	20 877	20 877	451 926	411 458	441 097
Other own revenue	11 345	11 345	-	(1 174)	(1 174)	10 172	12 018	12 727
Total Revenue (excluding capital transfers and contributions)	477 343	521 126	-	11 836	11 836	532 962	506 888	542 175
Employee costs	222 746	222 746	-	(300)	(300)	222 446	232 810	248 842
Remuneration of councillors	8 018	8 018	-	321	321	8 339	8 579	9 180
Depreciation & asset impairment	84 249	84 249	-	(100)	(100)	84 149	88 294	92 533
Finance charges	4 385	4 385	-	(2 877)	(2 877)	1 507	4 595	4 816
Materials and bulk purchases	27 745	28 745	-	(71)	(71)	28 674	28 959	30 349
Transfers and grants	-	-	-	17 000	17 000	17 000	-	-
Other expenditure	207 401	210 851	-	23 129	23 129	233 979	223 220	234 130
Total Expenditure	554 543	558 993	-	37 101	37 101	596 094	586 457	619 850
Surplus/(Deficit)	(77 200)	(37 867)	-	(25 265)	(25 265)	(63 132)	(79 568)	(77 675)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	263 488	263 488	-	15 000	15 000	278 488	277 232	293 486
Surplus/(Deficit) after capital transfers & contributions	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811
Capital expenditure & funds sources								
Capital expenditure	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
Transfers recognised - capital	263 488	263 488	-	15 100	15 100	278 588	277 232	295 236
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	7 734	17 292	-	16 756	16 756	34 048	4 189	4 399
Total sources of capital funds	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
Financial position								
Total current assets	54 206	126 366	-	(55 570)	(55 570)	70 796	76 729	93 093
Total non current assets	2 290 106	2 576 729	-	31 856	31 856	2 608 585	2 362 708	2 496 194
Total current liabilities	85 282	105 888	-	-	-	105 888	86 844	92 040
Total non current liabilities	27 811	37 425	-	-	-	37 425	25 786	27 333
Community wealth/Equity	2 231 219	2 484 105	-	(23 694)	(23 694)	2 460 411	2 317 876	2 464 327

Table B1 Cont.....

DC43 Harry Gwala - Table B1 Consolidated Adjustments Budget Summary - 26/02/2021

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 1	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Cash flows								
Net cash from (used) operating	269 092	291 320	18 500	(11 441)	7 059	298 379	282 612	304 482
Net cash from (used) investing	(271 221)	(280 780)	(15 000)	(16 856)	(31 856)	(312 635)	(281 421)	(299 635)
Net cash from (used) financing	(4 555)	(9 741)	-	-	-	(9 741)	(1 287)	(1 365)
Cash/cash equivalents at the year end	6 237	41 471	3 500	(28 297)	(24 797)	16 674	16 577	20 060
Cash backing/surplus reconciliation								
Cash and investments available	6 237	41 471	-	(24 797)	(24 797)	16 674	16 577	20 060
Application of cash and investments	(4 943)	31 660	-	20 955	20 955	52 615	(9 952)	(16 761)
Balance - surplus (shortfall)	11 180	9 811	-	(45 752)	(45 752)	(35 941)	26 529	36 821
Asset Management								
Asset register summary (WDV)	1 875 916	1 909 545	-	31 856	31 856	1 941 401	1 932 990	2 049 790
Depreciation & asset impairment	84 249	84 249	-	(100)	(100)	84 149	88 294	92 533
Renewal and Upgrading of Existing Assets	17 505	18 205	-	13 495	13 495	31 700	18 403	26 655
Repairs and Maintenance	22 897	26 897	-	15 697	15 697	42 594	23 462	24 594
Free services								
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	6 561	6 954
Households below minimum service level								
Water:	29	-	-	-	-	29	31	33
Sanitation/sewerage:	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-

TABLE B2 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE

Schedule B2 is the Expenditure by standard classification presents the adjustment expenditures by the departments.

DC43 Harry Gwala - Table B2 Consolidated Adjustments Budget Financial Performance (functional classification) - 26/02/2021

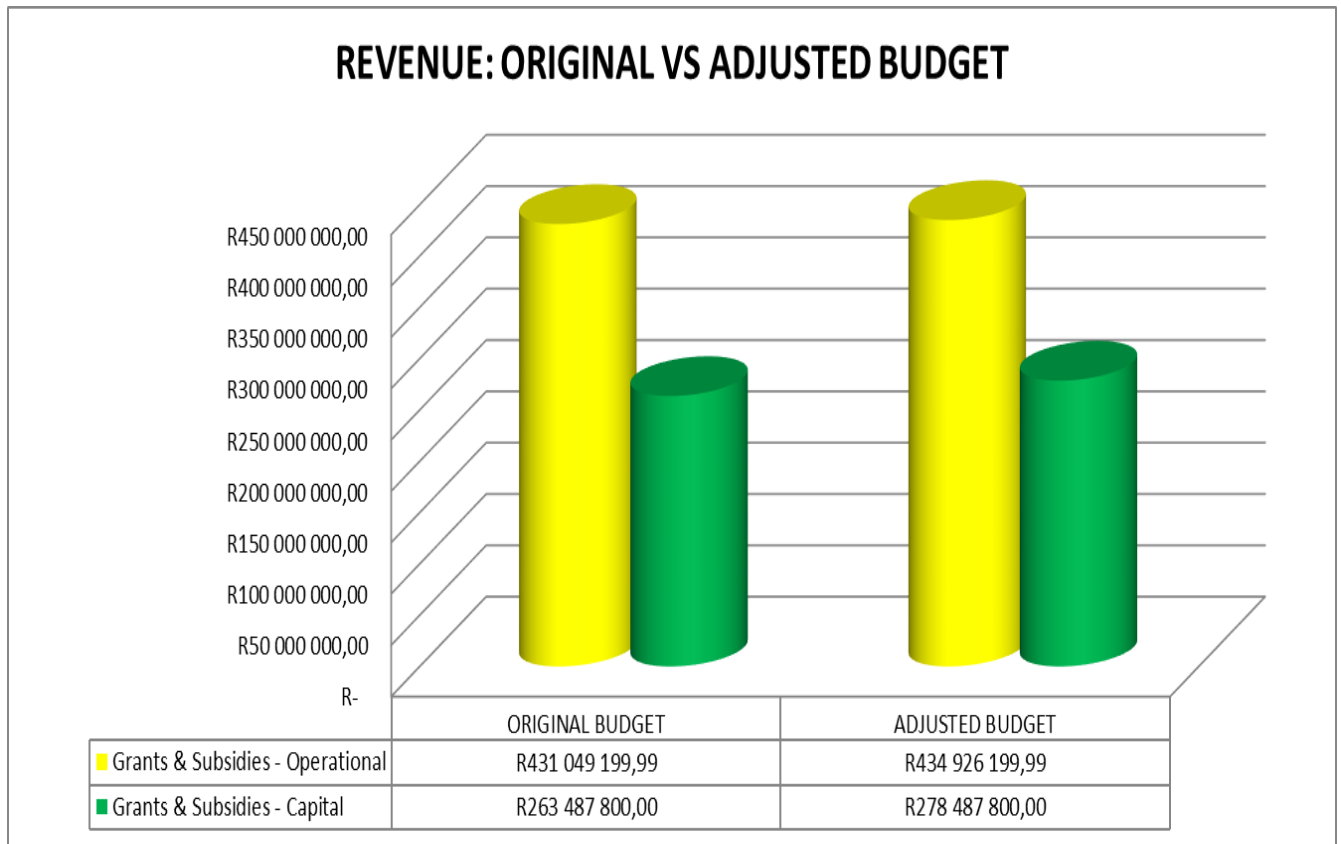
Standard Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Revenue - Functional								
Governance and administration	391 887	437 170	-	(2 716)	(2 716)	434 454	423 302	453 642
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	391 887	437 170	-	(2 716)	(2 716)	434 454	423 302	453 642
Internal audit	-	-	-	-	-	-	-	-
Economic and environmental services	6 966	5 466	-	20 110	20 110	25 576	5 946	6 304
Planning and development	6 966	5 466	-	20 110	20 110	25 576	5 946	6 304
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
Trading services	341 978	341 978	-	9 442	9 442	351 420	354 872	375 714
Energy sources	-	-	-	-	-	-	-	-
Water management	321 468	321 468	-	(4 440)	(4 440)	317 028	333 143	352 698
Waste water management	20 510	20 510	-	13 882	13 882	34 392	21 730	23 016
Waste management	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Revenue - Functional	740 831	784 614	-	26 836	26 836	811 450	784 120	835 660
Expenditure - Functional								
Governance and administration	240 522	243 972	-	13 254	13 254	257 226	256 513	271 025
Executive and council	24 234	24 234	-	908	908	25 142	24 766	26 200
Finance and administration	208 209	211 659	-	12 086	12 086	223 745	223 282	235 780
Internal audit	8 078	8 078	-	260	260	8 338	8 465	9 045
Community and public safety	18 788	18 788	-	(1 962)	(1 962)	16 826	18 070	19 299
Community and social services	18 788	18 788	-	(1 962)	(1 962)	16 826	18 070	19 299
Sport and recreation	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Economic and environmental services	148 577	147 377	-	4 872	4 872	152 248	154 152	162 388
Planning and development	148 577	147 377	-	4 872	4 872	152 248	154 152	162 388
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
Trading services	146 657	148 857	-	20 937	20 937	169 793	157 721	167 138
Energy sources	-	-	-	-	-	-	-	-
Water management	145 857	148 057	-	20 894	20 894	168 951	156 866	166 223
Waste water management	800	800	-	43	43	842	856	915
Waste management	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenditure - Functional	554 543	558 993	-	37 101	37 101	596 094	586 457	619 850
Surplus/ (Deficit) for the year	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811

The consolidated revenue has increased by 3% from R784, 6million originally approved budget to R811, 4million. This upward adjustment is mainly due to following major contributing factors;

- Service charges - water revenue: Reduced by R4, 4million from R45, 9million to R41, 5million. Service charges water reduced due to a reduction in consumption on properties who have migrated to prepaid meters.
- Service charges - sanitation revenue: Adjusted downward by R1, 1million from R17, 7million to R18, 8million. Services charges sanitation reduced due to a reduction in consumption on properties who have migrated to prepaid meters.
- Interest earned - external investments: Reduced by R2, 2million from R7, 5million to R5, 2million due to the accelerated spending on capital grants resulting in the reduction of available for investments during the financial year.
- Interest earned – Outstanding Debtors: Decreased by R616k to R9, 6million due to a reduction in the interest rates. Interest charged on outstanding debtors is linked to the interest charged on the primary bank account.
- Operating transfers and grants Operational - Grant from Provincial Treasury has been adjusted upward by R3, 5million this is as a result of funding that was received by Harry Gwala Development Agency from Department of Higher Education.
- Capital transfers and Grants - Capital transfers and grants has been increased due to unspent grant from Provincial COGTA amount to R15million. The allocation was received on the 10 of March 2020 and due to the conditions of the grant it was only agreed that the municipality must implement in this current financial year.

The adjusted consolidated revenue on the system generated B Schedule is R794, 4million which is R17million higher than the actual adjusted budget. The R17 million relates to the transfers to Harry Gwala Development Agency from the parent municipality as shown on the entity's E schedule. This amount should be eliminated on consolidation however; the system is not eliminating the revenue against the transfers from the parent side resulting in the overstatement.

Chart 1: Adjusted Revenue Budget by Standard Classification



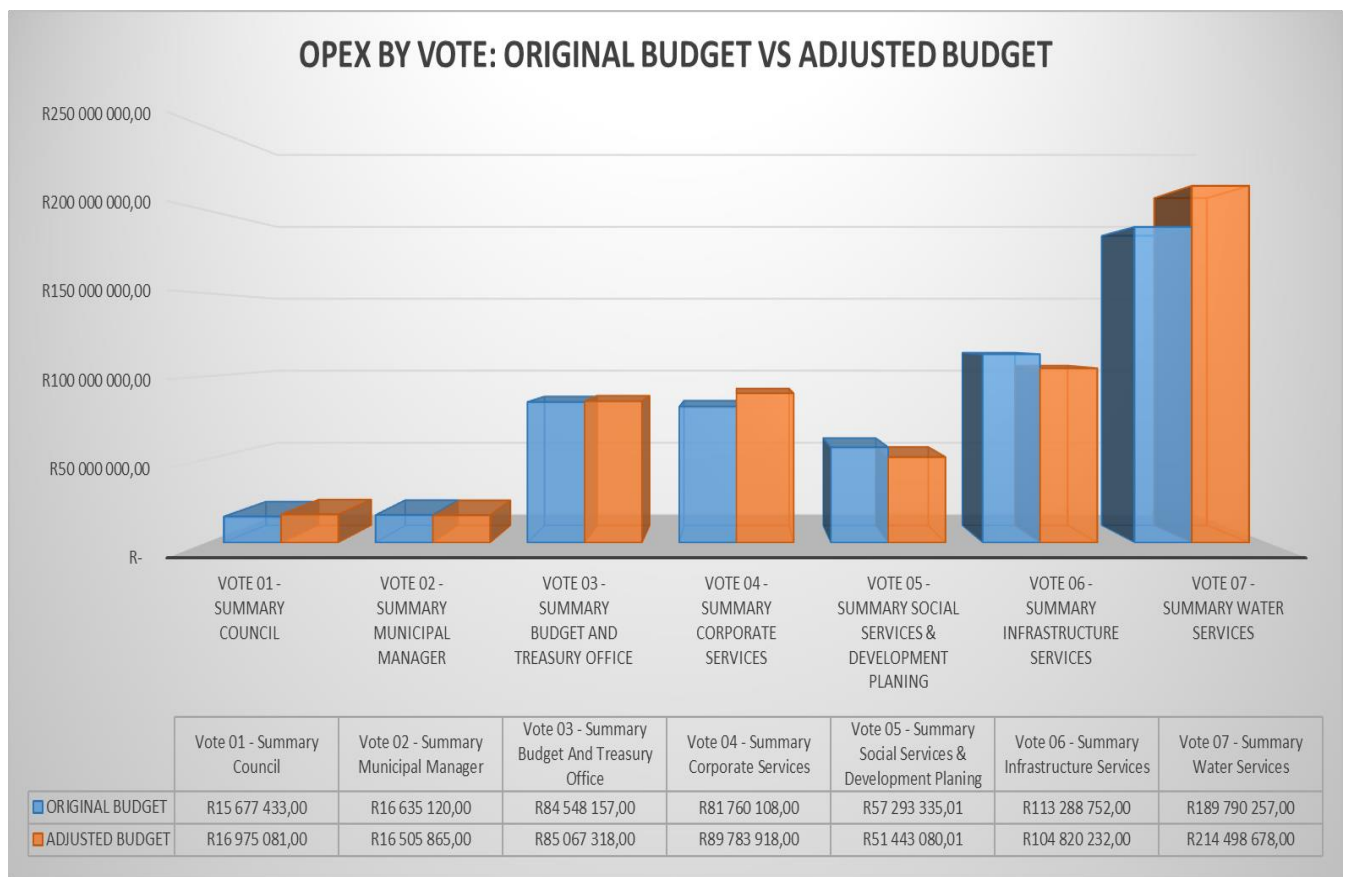
Consolidated Operational expenditure has increased by 7% to R596million. This increase is largely attributed to the water services department which is responsible for repairs and maintenance.

- Employee Related Costs: Decreased by R400 000 from R222, 7million to R222, 3 4million this is as a results of decrease in acting allowance and frozen posts by development agency.
- Remuneration of Councilors: Increase of R320 721 from R 8million to R 8, 3million due to councilor’s determination.
- Contracted Services: An increase on contracted services mainly due to the repairs and maintenance.

- Other expenditure: An increase on other expenditures mainly due security services and the expenditure on grant from Department of Education.

The adjusted consolidated revenue on the system generated B Schedule is R579 million which is R17million higher than the actual adjusted budget. The R17 million relates to the transfers to Harry Gwala Development Agency from the parent municipality as shown on the parent B schedule and the entity’s E schedule. This amount should be eliminated on consolidation however; the system is not eliminating the revenue against the transfers from the parent side resulting in the overstatement.

Chart 2: Adjusted Operation Budget by Standard Classification



Some major differences above are caused by the cash flow constraint facing the municipality as a result of the limited revenue, while most departments have not adjusted their budgets, Water Services has seen an increase due to the nature of the operations and repairs and maintenance undertaken under water services department followed by

Corporate Services due to day to day operations of the municipality. Water Services Department also hosts the largest percentage of the municipality's labour force

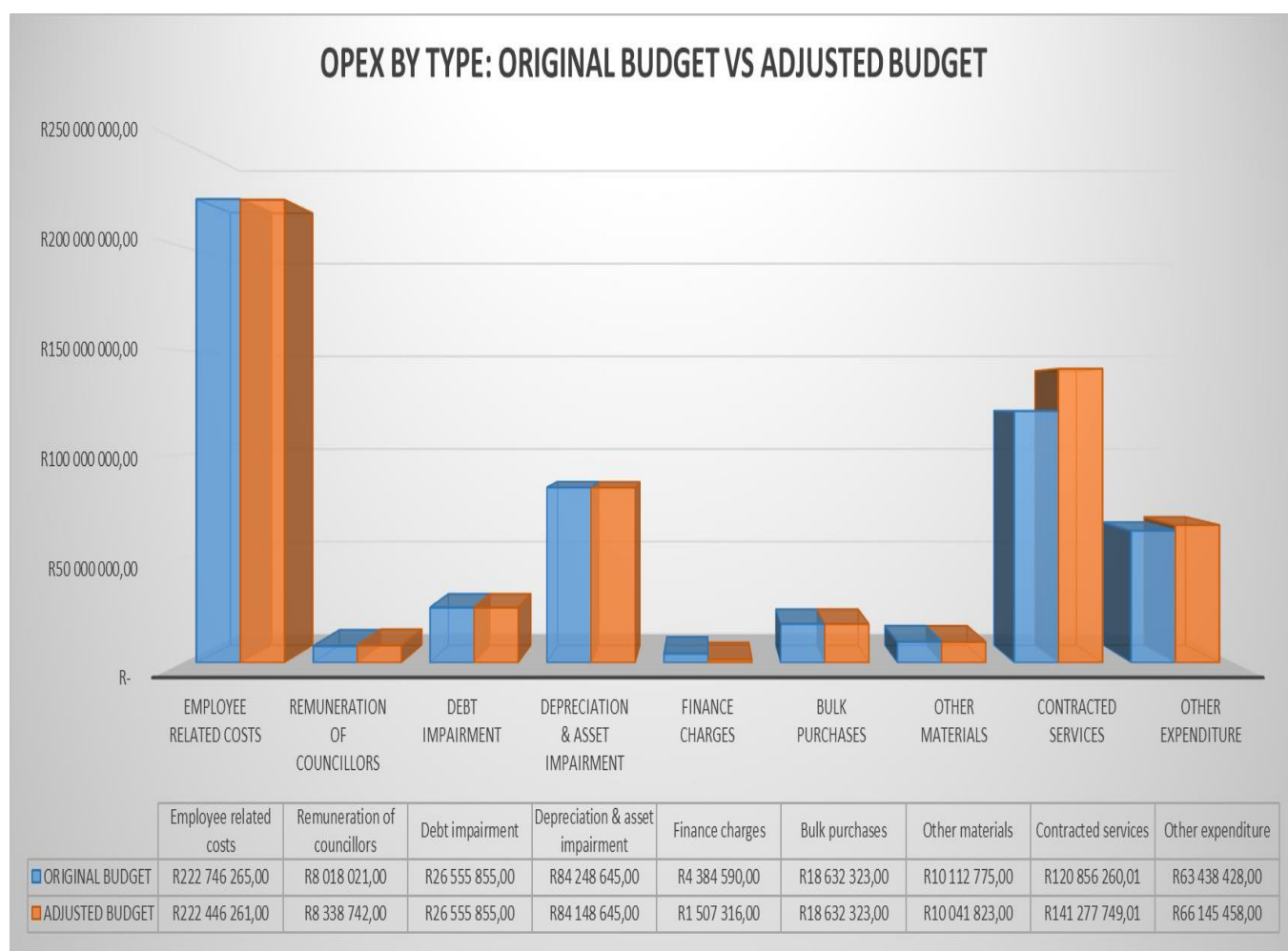
TABLE B3 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE

Table B3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table B3 Consolidated Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 26/02/2021

Vote Description <i>[Insert departmental structure etc]</i>	Budget Year 2020/21						Budget Year +1	Budget Year +2
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	3 A1	7 E	8 F	9 G	10 H		
Revenue by Vote								
Vote 01 - Summary Council	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	391 887	437 170	-	(3 351)	(3 351)	433 819	423 302	453 642
Vote 04 - Summary Corporate Services	-	-	-	635	635	635	-	-
Vote 05 - Summary Social Services & Development Planning	6 966	5 466	-	20 110	20 110	25 576	5 946	6 304
Vote 06 - Summary Infrastructure Services	270 928	270 928	-	-	-	270 928	279 600	295 991
Vote 07 - Summary Water Services	71 050	71 050	-	9 442	9 442	80 492	75 272	79 723
Vote 15 - Other	-	-	-	-	-	-	-	-
Total Revenue by Vote	740 831	784 614	-	26 836	26 836	811 450	784 120	835 660
Expenditure by Vote								
Vote 01 - Summary Council	15 677	15 677	-	1 298	1 298	16 975	16 011	16 954
Vote 02 - Summary Municipal Manager	16 635	16 635	-	(129)	(129)	16 506	17 220	18 291
Vote 03 - Summary Budget And Treasury Office	84 548	84 548	-	519	519	85 067	87 203	92 044
Vote 04 - Summary Corporate Services	81 310	81 760	-	8 024	8 024	89 784	91 218	96 210
Vote 05 - Summary Social Services & Development Planning	58 793	57 293	-	11 150	11 150	68 443	61 210	64 870
Vote 06 - Summary Infrastructure Services	112 989	113 289	-	(8 469)	(8 469)	104 820	115 738	121 874
Vote 07 - Summary Water Services	184 590	189 790	-	24 708	24 708	214 499	197 856	209 606
Vote 15 - Other	-	-	-	-	-	-	-	-
Total Expenditure by Vote	554 543	558 993	-	37 101	37 101	596 094	586 457	619 850
Surplus/ (Deficit) for the year	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811

Chart 3: Adjustment budget financial performance



The graph above presents the adjustment budget expenditure by type.

Employee related costs has decreased by R400 000 to R222, 2million due to decrease on acting allowance by Development Agency and frozen posts. The expenditure on contracted Service has been adjusted upward due to repairs and maintenance of the aging water and sanitation infrastructure that is now degenerating putting more strain on the cash flow of the municipality. Other expenditure has increased by R2, 7million.

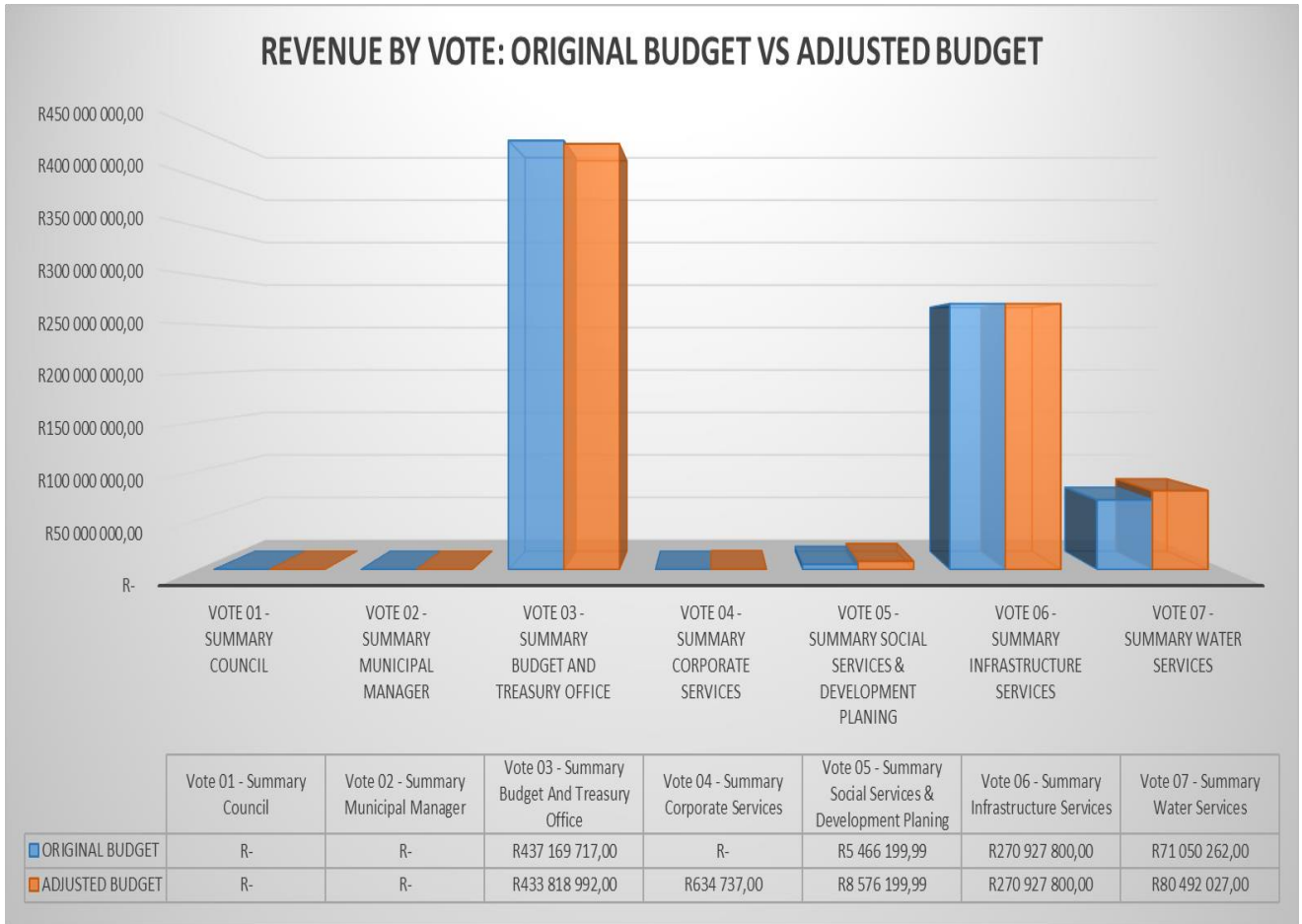
TABLE B4 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE

This schedule provides information on the adjustment revenue by source and adjustment operational expenditures by type.

DC43 Harry Gwala - Table B4 Consolidated Adjustments Budget Financial Performance (revenue and expenditure) - 26/02/2021

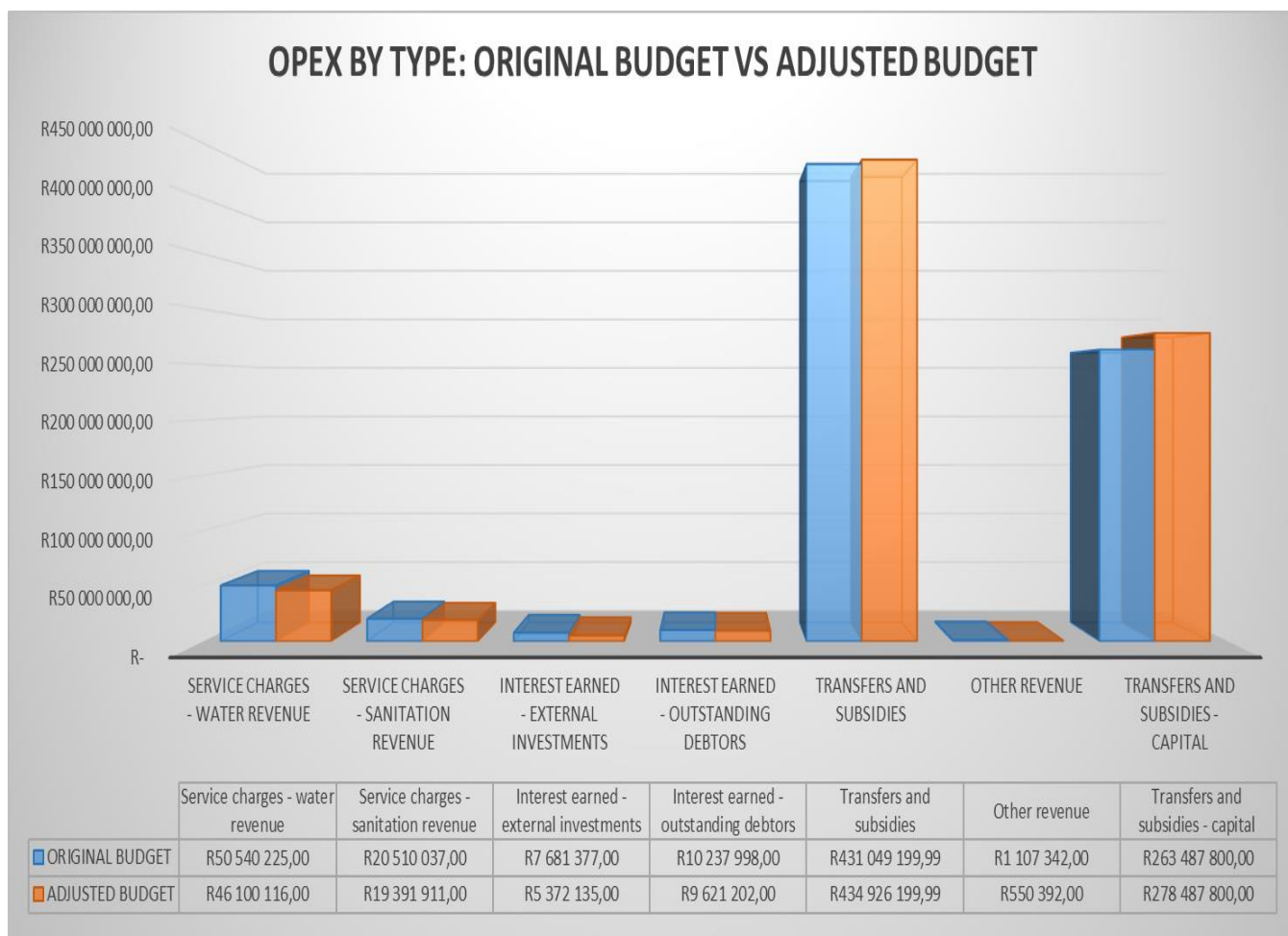
Description	Budget Year 2020/21						Budget Year	Budget Year
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22 Adjusted Budget	+2 2022/23 Adjusted Budget
R thousands	A	A1	E	F	G	H		
Revenue By Source								
Property rates	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-
Service charges - water revenue	50 540	50 540	-	(4 440)	(4 440)	46 100	53 543	56 707
Service charges - sanitation revenue	20 510	20 510	-	(1 118)	(1 118)	19 392	21 730	23 016
Service charges - refuse revenue	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-
Interest earned - external investments	7 681	7 681	-	(2 309)	(2 309)	5 372	8 140	8 627
Interest earned - outstanding debtors	10 238	10 238	-	(617)	(617)	9 621	10 852	11 503
Dividends received	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-
Transfers and subsidies	387 266	431 049	-	20 877	20 877	451 926	411 458	441 097
Other revenue	1 107	1 107	-	(557)	(557)	550	1 165	1 224
Gains	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	477 343	521 126	-	11 836	11 836	532 962	506 888	542 175
Expenditure By Type								
Employee related costs	222 746	222 746	-	(300)	(300)	222 446	232 810	248 842
Remuneration of councillors	8 018	8 018	-	321	321	8 339	8 579	9 180
Debt impairment	26 556	26 556	-	-	-	26 556	27 831	29 166
Depreciation & asset impairment	84 249	84 249	-	(100)	(100)	84 149	88 294	92 533
Finance charges	4 385	4 385	-	(2 877)	(2 877)	1 507	4 595	4 816
Bulk purchases	18 632	18 632	-	-	-	18 632	19 527	20 464
Other materials	9 113	10 113	-	(71)	(71)	10 042	9 432	9 885
Contracted services	118 356	120 856	-	20 421	20 421	141 278	132 296	138 735
Transfers and subsidies	-	-	-	17 000	17 000	17 000	-	-
Other expenditure	62 488	63 438	-	2 707	2 707	66 145	63 093	66 228
Losses	-	-	-	-	-	-	-	-
Total Expenditure	554 543	558 993	-	37 101	37 101	596 094	586 457	619 850
Surplus/(Deficit)	(77 200)	(37 867)	-	(25 265)	(25 265)	(63 132)	(79 568)	(77 675)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	263 488	263 488	-	15 000	15 000	278 488	277 232	293 486
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811
Taxation	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811
Attributable to minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	186 288	225 621	-	(10 265)	(10 265)	215 356	197 664	215 811

Chart 4: Revenue by Vote



The above graph presents the adjustment budget by source

Chart 5: Revenue by Source



There is an upward adjustment for transfers and subsidies capital.

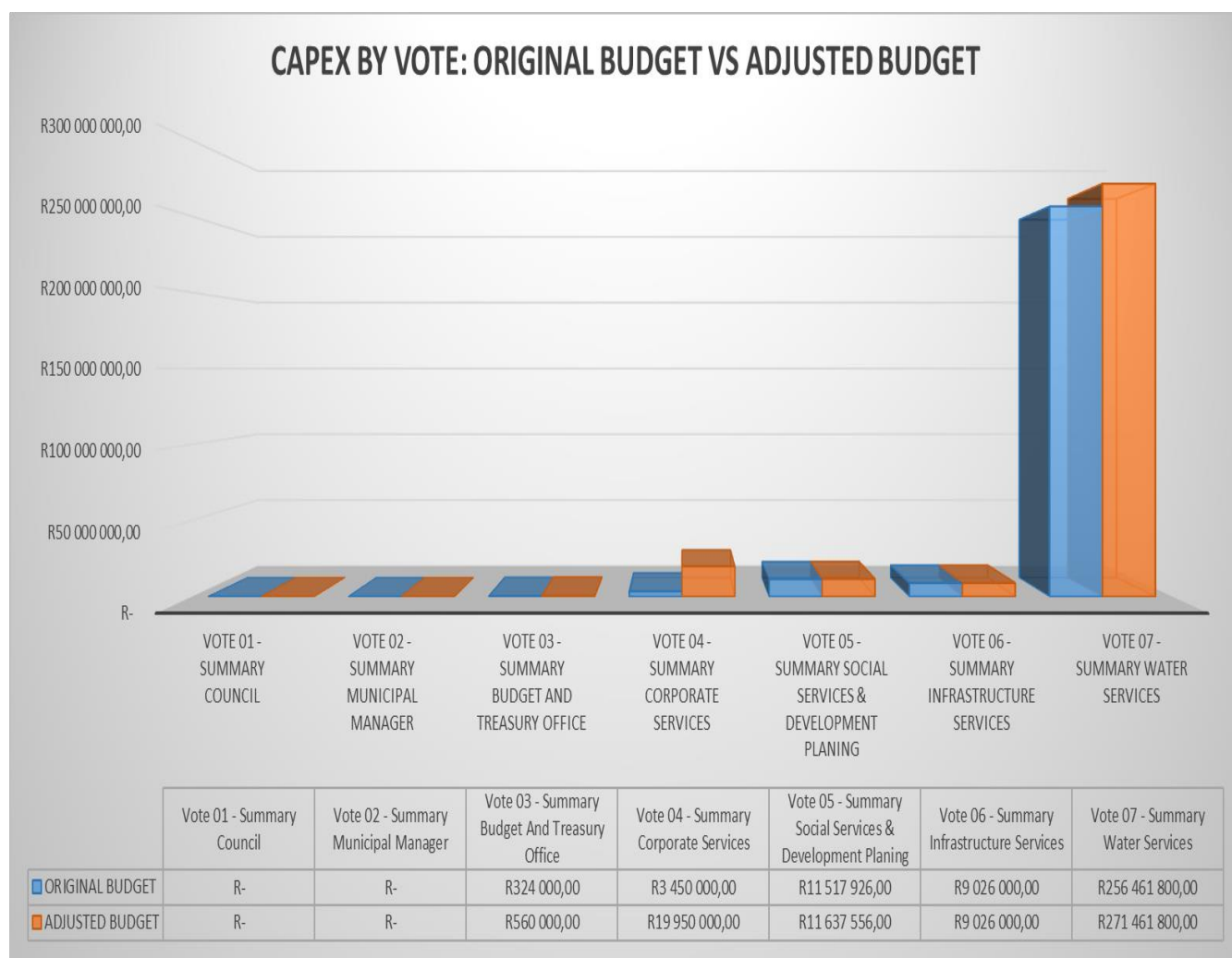
TABLE B5 ADJUSTMENT CAPITAL EXPENDITURE BUDGET BY VOTE AND FUNDING

Schedule B5 below reports on the adjusted capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Harry Gwala - Table B5 Consolidated Adjustments Capital Expenditure Budget by vote and funding - 26/02/2021

Description	Budget Year 2020/21						Budget Year	Budget Year
	Original	Prior	Nat. or Prov.	Other	Total Adjusts.	Adjusted	Adjusted	
	Budget	Adjusted	Govt	Adjusts.		Budget	Budget	
R thousands	A	5 A1	9 E	10 F	11 G	12 H	+1 2021/22	+2 2022/23
Capital expenditure - Vote								
Multi-year expenditure to be adjusted								
Vote 01 - Summary Council	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	324	324	-	236	236	560	340	357
Vote 04 - Summary Corporate Services	2 350	3 450	-	16 500	16 500	19 950	1 393	1 462
Vote 05 - Summary Social Services & Development Planning	3 060	11 518	-	120	120	11 638	357	374
Vote 06 - Summary Infrastructure Services	9 026	9 026	-	-	-	9 026	-	-
Vote 07 - Summary Water Services	256 462	256 462	-	15 000	15 000	271 462	279 332	297 441
Capital multi-year expenditure sub-total	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
Single-year expenditure to be adjusted								
Vote 01 - Summary Council	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	-	-	-	-	-	-	-	-
Vote 04 - Summary Corporate Services	-	-	-	-	-	-	-	-
Vote 05 - Summary Social Services & Development Planning	-	-	-	-	-	-	-	-
Vote 06 - Summary Infrastructure Services	-	-	-	-	-	-	-	-
Vote 07 - Summary Water Services	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
Capital Expenditure - Functional								
Governance and administration	2 964	4 064	-	17 026	17 026	21 089	2 037	2 139
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	2 964	4 064	-	17 026	17 026	21 089	2 037	2 139
Internal audit	-	-	-	-	-	-	-	-
Community and public safety	2 500	10 958	-	100	100	11 058	-	-
Community and social services	2 500	10 958	-	100	100	11 058	-	-
Economic and environmental services	270	270	-	(270)	(270)	-	53	55
Planning and development	270	270	-	(270)	(270)	-	53	55
Trading services	265 488	265 488	-	15 000	15 000	280 488	279 332	297 441
Energy sources	-	-	-	-	-	-	-	-
Water management	220 615	220 615	-	35 236	35 236	255 851	238 661	247 045
Waste water management	44 873	44 873	-	(20 236)	(20 236)	24 637	40 671	50 395
Waste management	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
Funded by:								
National Government	263 488	263 488	-	-	-	263 488	277 232	295 236
Provincial Government	-	-	-	15 000	15 000	15 000	-	-
District Municipality	-	-	-	100	100	100	-	-
Transfers recognised - capital	263 488	263 488	-	15 100	15 100	278 588	277 232	295 236
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	7 734	17 292	-	16 756	16 756	34 048	4 189	4 399
Total Capital Funding	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635

Chart 6: Capital Expenditure by Type



The originally approved capital budget was R 280, 7million and adjusted budget is at R 312, 6million. The upward adjustment is caused by the new fleet that the municipality is planning to buy as the lease agreement is coming to an end. The other increase is due to grant that was not spent in the 2019/2020 financial year as it was received late from COGTA and the municipality together with COGTA emanated into an agreement that the money will be used in the 2020/2021 financial year for boreholes amounting to R15m.

CAPEX: ORIGINAL BUDGET VS ADJUSTED BUDGET

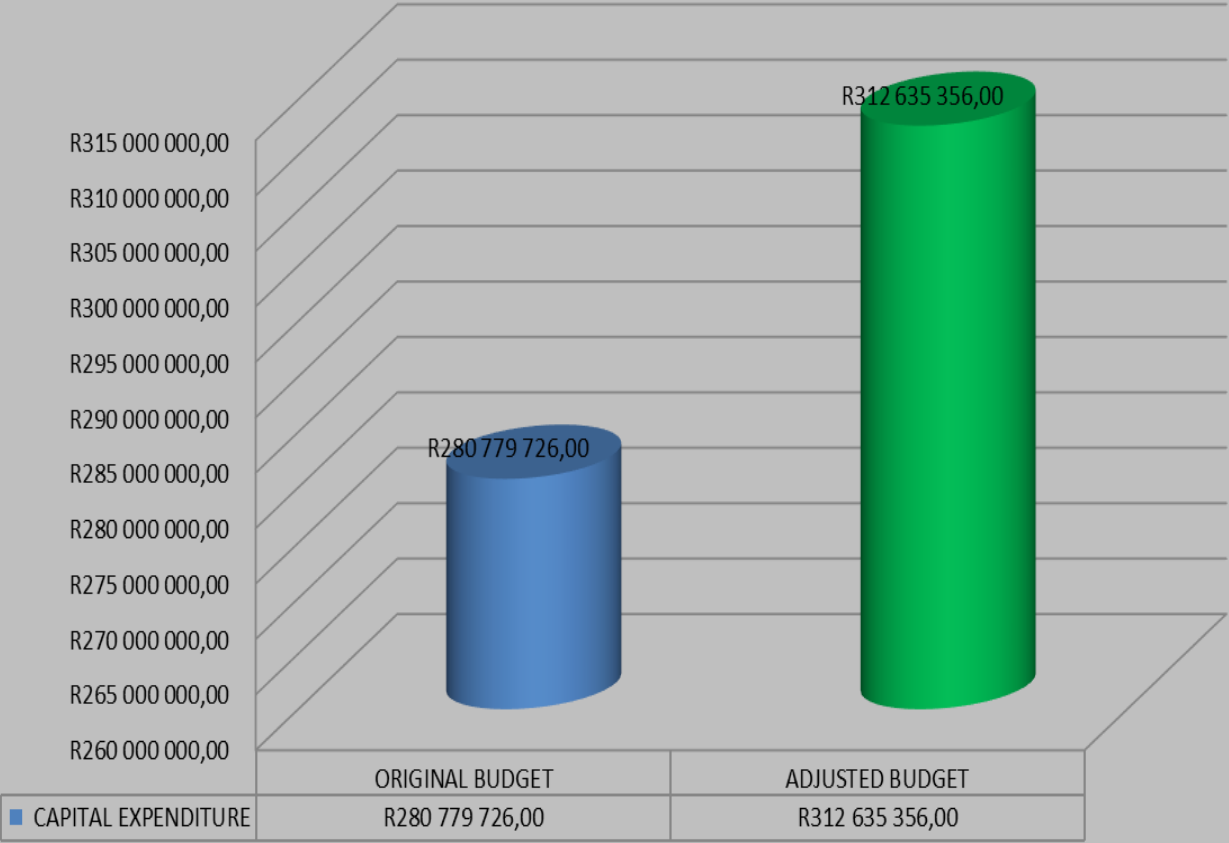


TABLE B6 ADJUSTMENTS BUDGET FINANCIAL POSITION

Table C6 displays the adjustment budget financial position of the municipality

DC43 Harry Gwala - Table B6 Consolidated Adjustments Budget Financial Position - 26/02/2021

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 3	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
ASSETS								
Current assets								
Cash	1 720	39 157	-	(34 259)	(34 259)	4 897	10 978	12 142
Call investment deposits	4 517	2 314	-	9 462	9 462	11 776	5 600	7 918
Consumer debtors	33 454	61 711	-	(30 773)	(30 773)	30 939	44 766	56 724
Other debtors	14 334	22 917	-	-	-	22 917	15 194	16 106
Current portion of long-term receivables	-	-	-	-	-	-	-	-
Inventory	181	267	-	-	-	267	192	203
Total current assets	54 206	126 366	-	(55 570)	(55 570)	70 796	76 729	93 093
Non current assets								
Long-term receivables	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-	-
Investment in Associate	-	-	-	-	-	-	-	-
Property, plant and equipment	2 288 618	2 575 900	-	31 156	31 156	2 607 055	2 361 132	2 494 526
Biological	-	-	-	-	-	-	-	-
Intangible	1 489	829	-	700	700	1 529	1 576	1 668
Other non-current assets	0	0	-	-	-	0	0	0
Total non current assets	2 290 106	2 576 729	-	31 856	31 856	2 608 585	2 362 708	2 496 194
TOTAL ASSETS	2 344 313	2 703 095	-	(23 714)	(23 714)	2 679 381	2 439 437	2 589 287
LIABILITIES								
Current liabilities								
Bank overdraft	-	-	-	-	-	-	-	-
Borrowing	4 555	(0)	-	-	-	(0)	1 287	1 365
Consumer deposits	1 845	2 008	-	-	-	2 008	1 956	2 073
Trade and other payables	68 734	90 586	-	-	-	90 586	72 844	77 200
Provisions	10 148	13 294	-	-	-	13 294	10 757	11 403
Total current liabilities	85 282	105 888	-	-	-	105 888	86 844	92 040
Non current liabilities								
Borrowing	3 485	16 040	-	-	-	16 040	-	-
Provisions	24 326	21 385	-	-	-	21 385	25 786	27 333
Total non current liabilities	27 811	37 425	-	-	-	37 425	25 786	27 333
TOTAL LIABILITIES	113 094	143 313	-	-	-	143 313	112 630	119 373
NET ASSETS	2 231 219	2 559 782	-	(23 714)	(23 714)	2 536 068	2 326 807	2 469 914
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)	2 231 219	2 484 105	-	(23 694)	(23 694)	2 460 411	2 317 876	2 464 327
Reserves	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2 231 219	2 484 105	-	(23 694)	(23 694)	2 460 411	2 317 876	2 464 327

TABLE B7 ADJUSTMENTS BUDGET CASH FLOWS

DC43 Harry Gwala - Table B7 Consolidated Adjustments Budget Cash Flows - 26/02/2021

Description	Budget Year 2020/21						Budget Year	Budget Year
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22	+2 2022/23
R thousands	A	A1	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates								
Service charges	53 288	46 183	–	1 627	1 627	47 809	54 949	58 198
Other revenue	1 107	7 732	–	(7 182)	(7 182)	550	1 165	1 224
Transfers and Subsidies - Operational	387 266	431 049	3 500	–	3 500	434 549	411 458	441 097
Transfers and Subsidies - Capital	263 488	263 488	15 000	–	15 000	278 488	277 232	293 486
Interest	7 681	7 681	–	(2 309)	(2 309)	5 372	8 140	8 627
Dividends								
Payments								
Suppliers and employees	(439 354)	(460 428)	–	(6 454)	(6 454)	(466 882)	(465 737)	(493 334)
Finance charges	(4 385)	(4 385)	–	2 877	2 877	(1 507)	(4 595)	(4 816)
Transfers and Grants	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	269 092	291 320	18 500	(11 441)	7 059	298 379	282 612	304 482
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–
Payments								
Capital assets	(271 221)	(280 780)	(15 000)	(16 856)	(31 856)	(312 635)	(281 421)	(299 635)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(271 221)	(280 780)	(15 000)	(16 856)	(31 856)	(312 635)	(281 421)	(299 635)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–
Payments								
Repayment of borrowing	(4 555)	(9 741)	–	–	–	(9 741)	(1 287)	(1 365)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(4 555)	(9 741)	–	–	–	(9 741)	(1 287)	(1 365)
NET INCREASE/ (DECREASE) IN CASH HELD	(6 685)	800	3 500	(28 297)	(24 797)	(23 997)	(96)	3 483
Cash/cash equivalents at the year begin:	12 922	40 671	–	–	–	40 671	16 674	16 577
Cash/cash equivalents at the year end:	6 237	41 471	3 500	(28 297)	(24 797)	16 674	16 577	20 060

TABLE B8 CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION

DC43 Harry Gwala - Table B8 Consolidated Cash backed reserves/accumulated surplus reconciliation - 26/02/2021

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 3	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Cash and investments available								
Cash/cash equivalents at the year end	6 237	41 471	3 500	(28 297)	(24 797)	16 674	16 577	20 060
Other current investments > 90 days	0	0	(3 500)	3 500	(0)	0	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-
Cash and investments available:	6 237	41 471	-	(24 797)	(24 797)	16 674	16 577	20 060
Applications of cash and investments								
Unspent conditional transfers	236	236	-	-	-	236	236	236
Unspent borrowing						-	-	-
Statutory requirements	(42 128)					(42 128)	(44 250)	(47 150)
Other working capital requirements	36 950	31 424		20 955	20 955	52 379	34 062	30 153
Other provisions						-	-	-
Long term investments committed	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	-	-				-	-	-
Total Application of cash and investments:	(4 943)	31 660	-	20 955	20 955	10 486	(9 952)	(16 761)
Surplus(shortfall)	11 180	9 811	-	(45 752)	(45 752)	6 188	26 529	36 821

TABLE B9 ASSET MANAGEMENT

DC43 Harry Gwala - Table B9 Consolidated Asset Management - 24/02/2021

Description	Budget Year 2020/21						Budget Year	Budget Year
	Original	Prior	Nat. or Prov.	Other	Total Adjus.	Adjusted	Adjusted	
	Budget	Adjusted	Govt	Adjus.		Budget	Budget	
	7	11	12	13	14	+1 2021/22	+2 2022/23	
R thousands	A	A1	E	F	G	H		
CAPITAL EXPENDITURE								
Total New Assets to be adjusted	253 717	262 575	-	18 360	18 360	280 935	263 019	272 979
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	213 161	213 161	-	27 691	27 691	240 851	220 311	220 445
<i>Sanitation Infrastructure</i>	34 873	34 873	-	(10 236)	(10 236)	24 637	40 671	50 395
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	248 033	248 033	-	17 455	17 455	265 488	260 982	270 841
Community Facilities	-	-	-	-	-	-	-	-
Licences and Rights	200	200	-	700	700	900	210	221
Intangible Assets	200	200	-	700	700	900	210	221
Computer Equipment	1 590	1 690	-	90	90	1 779	594	624
Furniture and Office Equipment	910	1 210	-	500	500	1 710	956	1 003
Machinery and Equipment	484	484	-	(384)	(384)	100	277	291
Transport Assets	2 500	10 958	-	-	-	10 958	-	-
Total Renewal of Existing Assets to be adjusted	830	1 530	-	21 670	21 670	23 200	10 203	14 655
<i>Water Supply Infrastructure</i>	780	780	-	(780)	(780)	-	10 150	14 600
<i>Sanitation Infrastructure</i>	-	-	-	6 500	6 500	6 500	-	-
Infrastructure	780	780	-	5 720	5 720	6 500	10 150	14 600
Community Facilities	-	-	-	-	-	-	-	-
Machinery and Equipment	50	50	-	(50)	(50)	-	53	55
Transport Assets	-	700	-	16 000	16 000	16 700	-	-
Total Upgrading of Existing Assets to be adjusted	16 675	16 675	-	(8 175)	(8 175)	8 500	8 200	12 000
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	6 675	6 675	-	1 825	1 825	8 500	8 200	12 000
<i>Sanitation Infrastructure</i>	10 000	10 000	-	(10 000)	(10 000)	-	-	-
Infrastructure	16 675	16 675	-	(8 175)	(8 175)	8 500	8 200	12 000
Community Facilities	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
<i>Water Supply Infrastructure</i>	220 615	220 615	-	28 736	28 736	249 351	238 661	247 045
<i>Sanitation Infrastructure</i>	44 873	44 873	-	(13 736)	(13 736)	31 137	40 671	50 395
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	265 488	265 488	-	15 000	15 000	280 488	279 332	297 441
Licences and Rights	200	200	-	700	700	900	210	221
Intangible Assets	200	200	-	700	700	900	210	221
Computer Equipment	1 590	1 690	-	90	90	1 779	594	624
Furniture and Office Equipment	910	1 210	-	500	500	1 710	956	1 003
Machinery and Equipment	534	534	-	(434)	(434)	100	330	346
Transport Assets	2 500	11 658	-	16 000	16 000	27 658	-	-
Land	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635

DC43 Harry Gwala - Table B9 Consolidated Asset Management - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
CAPITAL EXPENDITURE								
<u>Total New Assets to be adjusted</u>	253 717	262 575	-	18 360	18 360	280 935	263 019	272 979
<i>Water Supply Infrastructure</i>	213 161	213 161	-	27 691	27 691	240 851	220 311	220 445
<i>Sanitation Infrastructure</i>	34 873	34 873	-	(10 236)	(10 236)	24 637	40 671	50 395
Infrastructure	248 033	248 033	-	17 455	17 455	265 488	260 982	270 841
Licences and Rights	200	200	-	700	700	900	210	221
Intangible Assets	200	200	-	700	700	900	210	221
Computer Equipment	1 590	1 690	-	90	90	1 779	594	624
Furniture and Office Equipment	910	1 210	-	500	500	1 710	956	1 003
Machinery and Equipment	484	484	-	(384)	(384)	100	277	291
Transport Assets	2 500	10 958	-	-	-	10 958	-	-
<u>Total Renewal of Existing Assets to be adjusted</u>	830	1 530	-	21 670	21 670	23 200	10 203	14 655
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	780	780	-	(780)	(780)	-	10 150	14 600
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	780	780	-	5 720	5 720	6 500	10 150	14 600
Community Facilities	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-
Machinery and Equipment	50	50	-	(50)	(50)	-	53	55
Transport Assets	-	700	-	16 000	16 000	16 700	-	-
<u>Total Upgrading of Existing Assets to be adjusted</u>	16 675	16 675	-	(8 175)	(8 175)	8 500	8 200	12 000
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	6 675	6 675	-	1 825	1 825	8 500	8 200	12 000
<i>Sanitation Infrastructure</i>	10 000	10 000	-	(10 000)	(10 000)	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	16 675	16 675	-	(8 175)	(8 175)	8 500	8 200	12 000
<u>Total Capital Expenditure to be adjusted</u>	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	220 615	220 615	-	28 736	28 736	249 351	238 661	247 045
<i>Sanitation Infrastructure</i>	44 873	44 873	-	(13 736)	(13 736)	31 137	40 671	50 395
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	265 488	265 488	-	15 000	15 000	280 488	279 332	297 441
Community Facilities	-	-	-	-	-	-	-	-
Licences and Rights	200	200	-	700	700	900	210	221
Intangible Assets	200	200	-	700	700	900	210	221
Computer Equipment	1 590	1 690	-	90	90	1 779	594	624
Furniture and Office Equipment	910	1 210	-	500	500	1 710	956	1 003
Machinery and Equipment	534	534	-	(434)	(434)	100	330	346
Transport Assets	2 500	11 658	-	16 000	16 000	27 658	-	-
Land	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635

DC43 Harry Gwala - Table B9 Consolidated Asset Management - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
ASSET REGISTER SUMMARY - PPE (WDV)	1 875 916	1 909 545	-	31 856	31 856	1 941 401	1 932 990	2 049 790
<i>Roads Infrastructure</i>	3 718	197	-	-	-	197	3 941	4 178
<i>Storm water Infrastructure</i>								
<i>Electrical Infrastructure</i>	14 902	10 098	-	-	-	10 098	15 797	16 744
<i>Water Supply Infrastructure</i>	1 639 662	1 638 217	-	35 236	35 236	1 673 453	1 693 992	1 789 732
<i>Sanitation Infrastructure</i>	174 209	196 445	-	(20 236)	(20 236)	176 209	177 768	195 718
<i>Solid Waste Infrastructure</i>								
<i>Rail Infrastructure</i>								
<i>Coastal Infrastructure</i>								
<i>Information and Communication Infrastructure</i>	361	161	-	-	-	161	383	405
Infrastructure	1 832 853	1 845 117	-	15 000	15 000	1 860 117	1 891 880	2 006 778
Community Assets	28 498	2 619	-	-	-	2 619	30 208	32 021
Other Assets	114	36 037	-	-	-	36 037	120	128
Biological or Cultivated Assets								
Intangible Assets	1 489	829	-	700	700	1 529	1 576	1 668
Computer Equipment	2 395	5 094	-	90	90	5 184	1 448	1 529
Furniture and Office Equipment	2 630	2 070	-	500	500	2 570	2 778	2 936
Machinery and Equipment	192	692	-	(434)	(434)	258	(582)	(1 164)
Transport Assets	7 746	17 087	-	16 000	16 000	33 087	5 561	5 895
Land								
Zoo's, Marine and Non-biological Animals								
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 875 916	1 909 545	-	31 856	31 856	1 941 401	1 932 990	2 049 790
EXPENDITURE OTHER ITEMS								
Depreciation & asset impairment	84 249	84 249	-	(100)	(100)	84 149	88 294	92 533
Repairs and Maintenance by asset class	22 897	26 897	-	15 697	15 697	42 594	23 462	24 594
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	18 685	22 685	-	14 009	14 009	36 695	19 582	20 522
Infrastructure	18 685	22 685	-	14 009	14 009	36 695	19 582	20 522
Community Facilities	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	153	153	-	(67)	(67)	86	160	168
Community Assets	153	153	-	(67)	(67)	86	160	168
Investment properties	-	-	-	-	-	-	-	-
Operational Buildings	2 500	2 500	-	1 266	1 266	3 766	2 631	2 763
Housing	-	-	-	-	-	-	-	-
Other Assets	2 500	2 500	-	1 266	1 266	3 766	2 631	2 763
Biological or Cultivated Assets	-	-	-	-	-	-	-	-
Computer Equipment	520	520	-	-	-	520	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-
Machinery and Equipment	724	724	-	489	489	1 213	759	795
Transport Assets	315	315	-	-	-	315	330	346
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	107 146	111 146	-	15 597	15 597	126 742	111 756	117 127
Renewal and upgrading of Existing Assets as % of total capex	6,5%	6,5%				10,1%	6,5%	8,9%
Renewal and upgrading of Existing Assets as % of deprecn"	20,8%	21,6%				37,7%	20,8%	28,8%
R&M as a % of PPE	1,2%	1,4%				2,2%	1,2%	1,2%
Renewal and upgrading and R&M as a % of PPE	2,2%	2,4%				3,8%	2,2%	2,5%

TABLE B10 BASIC SERVICE DELIVERY MEASUREMENT

DC43 Harry Gwala - Table B10 Consolidated Basic service delivery measurement - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	7 A1	11 E	12 F	13 G	14 H		
Household service targets								
<u>Water:</u>								
Piped water inside dwelling	48418					48	52292	55690,98
Piped water inside yard (but not in dwelling)	19686					20	21261	22642,965
Using public tap (at least min.service level)	34529					35	37292	39715,98
Other water supply (at least min.service level)						-		
<i>Minimum Service Level and Above sub-total</i>	103	-	-	-	-	103	111	118
Using public tap (< min.service level)						-		
Other water supply (< min.service level)	28645					29	30936	32946,84
No water supply						-		
<i>Below Minimum Service Level sub-total</i>	29	-	-	-	-	29	31	33
Total number of households	131	-	-	-	-	131	142	151
<u>Sanitation/sewerage:</u>								
Flush toilet (connected to sewerage)	75601					75 601	81649	86956,185
Flush toilet (with septic tank)	12188					12 188	13164	14019,66
Chemical toilet	0					-	0	0
Pit toilet (ventilated)	43490					43 490	46969	50021,985
Other toilet provisions (> min.service level)						-		
<i>Minimum Service Level and Above sub-total</i>	131 279	-	-	-	-	131 279	141 782	150 998
Bucket toilet						-		
Other toilet provisions (< min.service level)						-		
No toilet provisions						-		
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
Total number of households	131 279	-	-	-	-	131 279	141 782	150 998
Water (in excess of 6 kilolitres per indigent household per month)	6 189	-	-	-	-	6 189	6 561	6 954
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates						-	-	-
Housing - top structure subsidies						-	-	-
Other						-	-	-
Total revenue cost of subsidised services provided	6 189	-	-	-	-	6 189	6 561	6 954

PARENT TABLES

TABLE B 1 PARENT ADJUSTMENT BUDGET SUMMARY

Table B1 below provides a summary of the budget adjustment of the municipality and is unpacked in the sections that follow

DC43 Harry Gwala - Table B1 Adjustments Budget Summary - 44230

Description	Budget Year 2020/21						Budget Year	Budget Year
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22	+2 2022/23
R thousands	A	A1	E	F	G	H		
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	64 861	71 050	-	(5 558)	(5 558)	65 492	68 712	72 769
Investment revenue	7 501	7 501	-	(2 219)	(2 219)	5 282	7 951	8 429
Transfers recognised - operational	387 266	431 049	-	377	377	431 426	411 458	441 097
Other own revenue	11 045	11 045	-	(874)	(874)	10 172	11 703	12 396
Total Revenue (excluding capital transfers and contributions)	470 674	520 646	-	(8 274)	(8 274)	512 372	499 824	534 691
Employee costs	210 145	210 145	-	(0)	(0)	210 145	219 578	234 949
Remuneration of councillors	8 018	8 018	-	321	321	8 339	8 579	9 180
Depreciation & asset impairment	83 624	83 624	-	-	-	83 624	87 638	91 844
Finance charges	4 373	4 373	-	(2 880)	(2 880)	1 492	4 582	4 802
Materials and bulk purchases	27 447	28 447	-	(71)	(71)	28 376	28 646	30 021
Transfers and grants	-	-	-	17 000	17 000	17 000	-	-
Other expenditure	203 457	206 907	-	20 022	20 022	226 929	218 929	229 524
Total Expenditure	537 063	541 513	-	34 391	34 391	575 904	567 953	600 320
Surplus/(Deficit)	(66 389)	(20 867)	-	(42 665)	(42 665)	(63 532)	(68 129)	(65 629)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	263 488	263 488	-	15 000	15 000	278 488	277 232	293 486
Surplus/(Deficit) after capital transfers & contributions	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857
Capital expenditure & funds sources								
Capital expenditure	270 932	280 490	-	31 566	31 566	312 056	281 117	299 315
Transfers recognised - capital	263 488	263 488	-	15 100	15 100	278 588	277 232	295 236
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	7 444	17 002	-	16 466	16 466	33 468	3 885	4 079
Total sources of capital funds	270 932	280 490	-	31 566	31 566	312 056	281 117	299 315
Financial position								
Total current assets	54 206	126 366	-	(55 570)	(55 570)	70 796	67 798	87 506
Total non current assets	2 289 817	2 576 439	-	31 566	31 566	2 608 005	2 362 403	2 495 875
Total current liabilities	85 282	105 888	-	-	-	105 888	86 844	92 040
Total non current liabilities	27 811	37 425	-	-	-	37 425	25 786	27 333
Community wealth/Equity	2 242 030	2 501 105	-	(41 094)	(41 094)	2 460 011	2 329 316	2 476 373

TABLE A1 CONTIN.....

DC43 Harry Gwala - Table B1 Adjustments Budget Summary - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	5 E	6 F	7 G	8 H		
Cash flows								
Net cash from (used) operating	333 189	(161 727)	-	-	-	(161 727)	359 496	383 566
Net cash from (used) investing	271 221	312 346	-	-	-	312 346	281 421	299 635
Net cash from (used) financing	1 388	(2 008)	-	-	-	(2 008)	1 340	1 247
Cash/cash equivalents at the year end	618 720	189 281	-	(20 475)	(20 475)	168 807	648 494	692 094
Cash backing/surplus reconciliation								
Cash and investments available	6 237	41 471	-	(24 797)	(24 797)	16 674	7 646	14 473
Application of cash and investments	(4 241)	(16 742)	-	32 122	32 122	15 380	(18 678)	(33 893)
Balance - surplus (shortfall)	10 478	58 213	-	(56 919)	(56 919)	1 294	26 324	48 366
Asset Management								
Asset register summary (WDV)	1 875 627	1 909 256	-	31 566	31 566	1 940 822	1 932 686	2 049 470
Depreciation & asset impairment	83 624	83 624	-	-	-	83 624	87 638	91 844
Renewal and Upgrading of Existing Assets	17 505	18 205	-	13 495	13 495	31 700	18 403	26 655
Repairs and Maintenance	22 897	26 897	-	15 697	15 697	42 594	23 462	24 594
Free services								
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-
Revenue cost of free services provided	6 189	-	-	-	-	6 189	6 561	6 954
Households below minimum service level								
Water:	29	-	-	-	-	29	31	33
Sanitation/sewerage:	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-

TABLE B2 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE

Schedule B2 is the Expenditure by standard classification presents the adjustment expenditures by the departments.

DC43 Harry Gwala - Table B2 Adjustments Budget Financial Performance (functional classification) - 44230

Standard Description	Budget Year 2020/21						Budget Year	Budget Year
	Original	Prior	Nat. or Prov.	Other	Total Adjus.	Adjusted	Adjusted	
	Budget	Adjusted	Govt	Adjus.		Budget	Budget	
R thousands	A	5	9	10	11	12		
	A	A1	E	F	G	H		
Revenue - Functional								
Governance and administration	391 887	437 170	-	(2 716)	(2 716)	434 454	418 742	448 688
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	391 887	437 170	-	(2 716)	(2 716)	434 454	418 742	448 688
Internal audit	-	-	-	-	-	-	-	-
Economic and environmental services	297	4 986	-	-	-	4 986	3 442	3 775
Planning and development	297	4 986	-	-	-	4 986	3 442	3 775
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
Trading services	341 978	341 978	-	9 442	9 442	351 420	354 872	375 714
Energy sources	-	-	-	-	-	-	-	-
Water management	321 468	321 468	-	(4 440)	(4 440)	317 028	333 143	352 698
Waste water management	20 510	20 510	-	13 882	13 882	34 392	21 730	23 016
Waste management	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Revenue - Functional	734 162	784 134	-	6 726	6 726	790 860	777 056	828 177
Expenditure - Functional								
Governance and administration	240 522	243 972	-	13 254	13 254	257 226	256 513	271 025
Executive and council	24 234	24 234	-	908	908	25 142	24 766	26 200
Finance and administration	208 209	211 659	-	12 086	12 086	223 745	223 282	235 780
Internal audit	8 078	8 078	-	260	260	8 338	8 465	9 045
Community and public safety	18 788	18 788	-	(1 962)	(1 962)	16 826	18 070	19 299
Community and social services	18 788	18 788	-	(1 962)	(1 962)	16 826	18 070	19 299
Sport and recreation	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Economic and environmental services	131 097	129 897	-	2 162	2 162	132 058	135 648	142 858
Planning and development	131 097	129 897	-	2 162	2 162	132 058	135 648	142 858
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
Trading services	146 657	148 857	-	20 937	20 937	169 793	157 721	167 138
Energy sources	-	-	-	-	-	-	-	-
Water management	145 857	148 057	-	20 894	20 894	168 951	156 866	166 223
Waste water management	800	800	-	43	43	842	856	915
Waste management	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Expenditure - Functional	537 063	541 513	-	34 391	34 391	575 904	567 953	600 320
Surplus/ (Deficit) for the year	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857

TABLE B3 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE

Table B3 presents the same information as the table above, the difference being that it's by Municipal vote

DC43 Harry Gwala - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 44230

Vote Description <i>[Insert departmental structure etc]</i>	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Revenue by Vote								
Vote 01 - Summary Council	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	391 887	437 170	-	(3 351)	(3 351)	433 819	418 742	448 688
Vote 04 - Summary Corporate Services	-	-	-	635	635	635	-	-
Vote 05 - Summary Social Services & Development Planning	297	4 986	-	-	-	4 986	3 442	3 775
Vote 06 - Summary Infrastructure Services	270 928	270 928	-	-	-	270 928	279 600	295 991
Vote 07 - Summary Water Services	71 050	71 050	-	9 442	9 442	80 492	75 272	79 723
Vote 15 - Other	-	-	-	-	-	-	-	-
Total Revenue by Vote	734 162	784 134	-	6 726	6 726	790 860	777 056	828 177
Expenditure by Vote								
Vote 01 - Summary Council	15 677	15 677	-	1 298	1 298	16 975	16 011	16 954
Vote 02 - Summary Municipal Manager	16 635	16 635	-	(129)	(129)	16 506	17 220	18 291
Vote 03 - Summary Budget And Treasury Office	84 548	84 548	-	519	519	85 067	87 203	92 044
Vote 04 - Summary Corporate Services	81 310	81 760	-	8 024	8 024	89 784	91 218	96 210
Vote 05 - Summary Social Services & Development Planning	41 313	39 813	-	8 440	8 440	48 253	42 706	45 341
Vote 06 - Summary Infrastructure Services	112 989	113 289	-	(8 469)	(8 469)	104 820	115 738	121 874
Vote 07 - Summary Water Services	184 590	189 790	-	24 708	24 708	214 499	197 856	209 606
Vote 15 - Other	-	-	-	-	-	-	-	-
Total Expenditure by Vote	537 063	541 513	-	34 391	34 391	575 904	567 953	600 320
Surplus/ (Deficit) for the year	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857

TABLE B4 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE

This schedule provides information on the adjustment revenue by source and adjustment operational expenditures by type

DC43 Harry Gwala - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Revenue By Source								
Property rates	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-
Service charges - water revenue	44 351	50 540	-	(4 440)	(4 440)	46 100	46 982	49 753
Service charges - sanitation revenue	20 510	20 510	-	(1 118)	(1 118)	19 392	21 730	23 016
Rental of facilities and equipment	-	-	-	-	-	-	-	-
Interest earned - external investments	7 501	7 501	-	(2 219)	(2 219)	5 282	7 951	8 429
Interest earned - outstanding debtors	10 238	10 238	-	(617)	(617)	9 621	10 852	11 503
Dividends received	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-
Transfers and subsidies	387 266	431 049	-	377	377	431 426	411 458	441 097
Other revenue	807	807	-	(257)	(257)	550	850	893
Gains	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	470 674	520 646	-	(8 274)	(8 274)	512 372	499 824	534 691
Expenditure By Type								
Employee related costs	210 145	210 145	-	(0)	(0)	210 145	219 578	234 949
Remuneration of councillors	8 018	8 018	-	321	321	8 339	8 579	9 180
Debt impairment	26 556	26 556	-	-	-	26 556	27 831	29 166
Depreciation & asset impairment	83 624	83 624	-	-	-	83 624	87 638	91 844
Finance charges	4 373	4 373	-	(2 880)	(2 880)	1 492	4 582	4 802
Bulk purchases	18 632	18 632	-	-	-	18 632	19 527	20 464
Other materials	8 815	9 815	-	(71)	(71)	9 744	9 119	9 557
Contracted services	117 356	119 856	-	20 336	20 336	140 193	131 246	137 633
Transfers and subsidies	-	-	-	17 000	17 000	17 000	-	-
Other expenditure	59 545	60 495	-	(315)	(315)	60 180	59 852	62 725
Losses	-	-	-	-	-	-	-	-
Total Expenditure	537 063	541 513	-	34 391	34 391	575 904	567 953	600 320
Surplus/(Deficit)	(66 389)	(20 867)	-	(42 665)	(42 665)	(63 532)	(68 129)	(65 629)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	263 488	263 488	-	15 000	15 000	278 488	277 232	293 486
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857
Taxation	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857
Attributable to minorities	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	197 099	242 621	-	(27 665)	(27 665)	214 956	209 103	227 857

TABLE B5 ADJUSTMENT CAPITAL EXPENDITURE BUDGET BY VOTE AND FUNDING

Schedule B5 below reports on the adjusted capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Harry Gwala - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Capital expenditure - Vote								
Multi-year expenditure to be adjusted								
Vote 01 - Summary Council	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	324	324	-	236	236	560	340	357
Vote 04 - Summary Corporate Services	2 350	3 450	-	16 500	16 500	19 950	1 393	1 462
Vote 05 - Summary Social Services & Development Planning	2 770	11 228	-	(170)	(170)	11 058	53	55
Vote 06 - Summary Infrastructure Services	9 026	9 026	-	-	-	9 026	-	-
Vote 07 - Summary Water Services	256 462	256 462	-	15 000	15 000	271 462	279 332	297 441
Vote 15 - Other	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	270 932	280 490	-	31 566	31 566	312 056	281 117	299 315
Total Capital Expenditure - Vote	270 932	280 490	-	31 566	31 566	312 056	281 117	299 315
Capital Expenditure - Functional								
Governance and administration	2 674	3 774	-	16 736	16 736	20 510	1 733	1 819
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	2 674	3 774	-	16 736	16 736	20 510	1 733	1 819
Internal audit	-	-	-	-	-	-	-	-
Community and public safety	2 500	10 958	-	100	100	11 058	-	-
Community and social services	2 500	10 958	-	100	100	11 058	-	-
Sport and recreation	-	-	-	-	-	-	-	-
Economic and environmental services	270	270	-	(270)	(270)	-	53	55
Planning and development	270	270	-	(270)	(270)	-	53	55
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
Trading services	265 488	265 488	-	15 000	15 000	280 488	279 332	297 441
Energy sources	-	-	-	-	-	-	-	-
Water management	220 615	220 615	-	35 236	35 236	255 851	238 661	247 045
Waste water management	44 873	44 873	-	(20 236)	(20 236)	24 637	40 671	50 395
Waste management	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	270 932	280 490	-	31 566	31 566	312 056	281 117	299 315
Funded by:								
National Government	263 488	263 488	-	-	-	263 488	277 232	295 236
Provincial Government	-	-	-	15 000	15 000	15 000	-	-
District Municipality	-	-	-	100	100	100	-	-
Transfers recognised - capital	263 488	263 488	-	15 100	15 100	278 588	277 232	295 236
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	7 444	17 002	-	16 466	16 466	33 468	3 885	4 079
Total Capital Funding	270 932	280 490	-	31 566	31 566	312 056	281 117	299 315

TABLE B6 ADJUSTMENTS BUDGET FINANCIAL POSITION

Table C6 displays the adjustment budget financial position of the municipality

DC43 Harry Gwala - Table B6 Adjustments Budget Financial Position - 44230

Description	Budget Year 2020/21						Budget Year	Budget Year
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22 Adjusted Budget	+2 2022/23 Adjusted Budget
R thousands	A	A1	E	F	G	H		
ASSETS								
Current assets								
Cash	1 720	39 157	-	(25 399)	(25 399)	13 758	2 046	6 555
Call investment deposits	4 517	2 314	-	9 462	9 462	11 776	5 600	7 918
Consumer debtors	33 454	61 711	-	(30 773)	(30 773)	30 939	44 766	56 724
Other debtors	14 334	22 917	-	-	-	22 917	15 194	16 106
Current portion of long-term receivables	-	-	-	-	-	-	-	-
Inventory	181	267	-	-	-	267	192	203
Total current assets	54 206	126 366	-	(46 709)	(46 709)	79 657	67 798	87 506
Non current assets								
Long-term receivables	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-	-
Investment in Associate	-	-	-	-	-	-	-	-
Property, plant and equipment	2 288 528	2 575 810	-	31 066	31 066	2 606 876	2 361 037	2 494 427
Biological	-	-	-	-	-	-	-	-
Intangible	1 289	629	-	500	500	1 129	1 366	1 448
Other non-current assets	0	0	-	-	-	0	0	0
Total non current assets	2 289 817	2 576 439	-	31 566	31 566	2 608 005	2 362 403	2 495 875
TOTAL ASSETS	2 344 023	2 702 805	-	(15 143)	(15 143)	2 687 662	2 430 202	2 583 381
LIABILITIES								
Current liabilities								
Bank overdraft	-	-	-	-	-	-	-	-
Borrowing	4 555	(0)	-	-	-	(0)	1 287	1 365
Consumer deposits	1 845	2 008	-	-	-	2 008	1 956	2 073
Trade and other payables	68 734	90 586	-	-	-	90 586	72 844	77 200
Provisions	10 148	13 294	-	-	-	13 294	10 757	11 403
Total current liabilities	85 282	105 888	-	-	-	105 888	86 844	92 040
Non current liabilities								
Borrowing	3 485	16 040	-	-	-	16 040	-	-
Provisions	24 326	21 385	-	-	-	21 385	25 786	27 333
Total non current liabilities	27 811	37 425	-	-	-	37 425	25 786	27 333
TOTAL LIABILITIES	113 094	143 313	-	-	-	143 313	112 630	119 373
NET ASSETS	2 230 929	2 559 492	-	(15 143)	(15 143)	2 544 349	2 317 572	2 464 008
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)	2 230 929	2 559 492	-	(15 143)	(15 143)	2 544 349	2 317 572	2 464 008
Reserves	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2 230 929	2 559 492	-	(15 143)	(15 143)	2 544 349	2 317 572	2 464 008

TABLE B7 ADJUSTMENTS BUDGET CASH FLOWS

DC43 Harry Gwala - Table B7 Adjustments Budget Cash Flows - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates					-	-		
Service charges	53 288	53 288	-	(5 479)	(5 479)	47 809	50 160	53 121
Other revenue	1 107	1 107	-	(557)	(557)	550	850	893
Transfers and Subsidies - Operational	387 266	431 049	-	377	377	431 426	411 458	441 097
Transfers and Subsidies - Capital	263 488	263 488	15 000	-	15 000	278 488	277 232	293 486
Interest	7 681	7 681	-	(2 399)	(2 399)	5 282	7 951	8 429
Dividends		-			-	-		
Payments								
Suppliers and employees	(439 354)	(443 804)	-	(3 428)	(3 428)	(447 232)	(447 902)	(474 507)
Finance charges	(4 385)	(4 385)	-	2 892	2 892	(1 492)	(4 582)	(4 802)
Transfers and Grants	-	-	-	(17 000)	(17 000)	(17 000)	(20 000)	(20 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	269 092	308 425	15 000	(25 594)	(10 594)	297 831	275 167	297 716
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-
Payments								
Capital assets	(271 221)	(280 490)	(15 000)	(17 002)	(32 002)	(312 492)	(277 232)	(293 486)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(271 221)	(280 490)	(15 000)	(17 002)	(32 002)	(312 492)	(277 232)	(293 486)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	20	(1 845)	-	-	-	(1 845)	52	(117)
Payments								
Repayment of borrowing	1 370	1 370	-	-	-	1 370	1 287	1 365
NET CASH FROM/(USED) FINANCING ACTIVITIES	1 390	(475)	-	-	-	(475)	1 340	1 247
NET INCREASE/ (DECREASE) IN CASH HELD	(740)	27 460	-	(42 596)	(42 596)	(15 136)	(725)	5 478
Cash/cash equivalents at the year begin:	12 922	40 671	-	-	-	40 671	6 237	7 646
Cash/cash equivalents at the year end:	12 182	68 130	-	(42 596)	(42 596)	25 534	5 512	13 124

TABLE B8 CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION

DC43 Harry Gwala - Table B8 Cash backed reserves/accumulated surplus reconciliation - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 3	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
Cash and investments available								
Cash/cash equivalents at the year end	12 182	68 130	–	(42 596)	(42 596)	25 534	5 512	13 124
Other current investments > 90 days	(5 945)	(26 659)	–	26 659	26 659	0	2 134	1 349
Non current assets - Investments	–	–	–	–	–	–	–	–
Cash and investments available:	6 237	41 471	–	(15 937)	(15 937)	25 534	7 646	14 473
Applications of cash and investments								
Unspent conditional transfers	236	236	–	–	–	236	236	236
Unspent borrowing	–	–	–	–	–	–	–	–
Statutory requirements	(42 128)	(42 128)	–	–	–	(42 128)	(44 250)	(47 150)
Other working capital requirements	34 253	30 727	–	21 652	21 652	52 379	34 573	30 773
Other provisions	10 148	14 064	–	–	–	14 064	15 588	16 524
Long term investments committed	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–	–	–	–
Total Application of cash and investments:	2 508	2 898	–	21 652	21 652	24 550	6 146	382
Surplus(shortfall)	3 728	38 573	–	(37 589)	(37 589)	984	1 500	14 091

TABLE B9 ASSET MANAGEMENT

DC43 Harry Gwala - Table B9 Asset Management - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
CAPITAL EXPENDITURE								
<u>Total New Assets to be adjusted</u>	253 717	262 575	-	18 360	18 360	280 935	263 019	272 979
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	213 161	213 161	-	27 691	27 691	240 851	220 311	220 445
<i>Sanitation Infrastructure</i>	34 873	34 873	-	(10 236)	(10 236)	24 637	40 671	50 395
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	248 033	248 033	-	17 455	17 455	265 488	260 982	270 841
<i>Community Facilities</i>	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>	-	-	-	-	-	-	-	-
<i>Servitudes</i>	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>	200	200	-	700	700	900	210	221
Intangible Assets	200	200	-	700	700	900	210	221
<i>Computer Equipment</i>	1 590	1 690	-	90	90	1 779	594	624
<i>Furniture and Office Equipment</i>	910	1 210	-	500	500	1 710	956	1 003
<i>Machinery and Equipment</i>	484	484	-	(384)	(384)	100	277	291
<i>Transport Assets</i>	2 500	10 958	-	-	-	10 958	-	-
<u>Total Renewal of Existing Assets to be adjusted</u>	830	1 530	-	21 670	21 670	23 200	10 203	14 655
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	780	780	-	(780)	(780)	-	10 150	14 600
<i>Sanitation Infrastructure</i>	-	-	-	6 500	6 500	6 500	-	-
Infrastructure	780	780	-	5 720	5 720	6 500	10 150	14 600
<i>Community Facilities</i>	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>	50	50	-	(50)	(50)	-	53	55
<i>Transport Assets</i>	-	700	-	16 000	16 000	16 700	-	-
<i>Land</i>	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>	-	-	-	-	-	-	-	-
<u>Total Upgrading of Existing Assets to be adjusted</u>	16 675	16 675	-	(8 175)	(8 175)	8 500	8 200	12 000
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	6 675	6 675	-	1 825	1 825	8 500	8 200	12 000
<i>Sanitation Infrastructure</i>	10 000	10 000	-	(10 000)	(10 000)	-	-	-
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-	-	-
Infrastructure	16 675	16 675	-	(8 175)	(8 175)	8 500	8 200	12 000
<i>Community Facilities</i>	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure to be adjusted</u>	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	220 615	220 615	-	28 736	28 736	249 351	238 661	247 045
<i>Sanitation Infrastructure</i>	44 873	44 873	-	(13 736)	(13 736)	31 137	40 671	50 395
Infrastructure	265 488	265 488	-	15 000	15 000	280 488	279 332	297 441
<i>Licences and Rights</i>	200	200	-	700	700	900	210	221
Intangible Assets	200	200	-	700	700	900	210	221
<i>Computer Equipment</i>	1 590	1 690	-	90	90	1 779	594	624
<i>Furniture and Office Equipment</i>	910	1 210	-	500	500	1 710	956	1 003
<i>Machinery and Equipment</i>	534	534	-	(434)	(434)	100	330	346
<i>Transport Assets</i>	2 500	11 658	-	16 000	16 000	27 658	-	-
<i>Land</i>	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	271 221	280 780	-	31 856	31 856	312 635	281 421	299 635

DC43 Harry Gwala - Table B9 Asset Management - 44230

Description	Budget Year 2020/21						Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	E	F	G	H		
ASSET REGISTER SUMMARY - PPE (WDV)	1 875 916	1 909 545	-	31 856	31 856	1 941 401	1 932 990	2 049 790
<i>Roads Infrastructure</i>	3 718	197	-	-	-	197	3 941	4 178
<i>Storm water Infrastructure</i>								
<i>Electrical Infrastructure</i>	14 902	10 098	-	-	-	10 098	15 797	16 744
<i>Water Supply Infrastructure</i>	1 639 662	1 638 217	-	35 236	35 236	1 673 453	1 693 992	1 789 732
<i>Sanitation Infrastructure</i>	174 209	196 445	-	(20 236)	(20 236)	176 209	177 768	195 718
<i>Solid Waste Infrastructure</i>								
<i>Rail Infrastructure</i>								
<i>Coastal Infrastructure</i>								
<i>Information and Communication Infrastructure</i>	361	161	-	-	-	161	383	405
Infrastructure	1 832 853	1 845 117	-	15 000	15 000	1 860 117	1 891 880	2 006 778
Community Assets	28 498	2 619	-	-	-	2 619	30 208	32 021
Other Assets	114	36 037	-	-	-	36 037	120	128
Biological or Cultivated Assets								
Intangible Assets	1 489	829	-	700	700	1 529	1 576	1 668
Computer Equipment	2 395	5 094	-	90	90	5 184	1 448	1 529
Furniture and Office Equipment	2 630	2 070	-	500	500	2 570	2 778	2 936
Machinery and Equipment	192	692	-	(434)	(434)	258	(582)	(1 164)
Transport Assets	7 746	17 087	-	16 000	16 000	33 087	5 561	5 895
Land								
Zoo's, Marine and Non-biological Animals								
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 875 916	1 909 545	-	31 856	31 856	1 941 401	1 932 990	2 049 790
EXPENDITURE OTHER ITEMS								
Depreciation & asset impairment	84 249	84 249	-	(100)	(100)	84 149	88 294	92 533
Repairs and Maintenance by asset class	22 897	26 897	-	15 697	15 697	42 594	23 462	24 594
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	18 685	22 685	-	14 009	14 009	36 695	19 582	20 522
Infrastructure	18 685	22 685	-	14 009	14 009	36 695	19 582	20 522
Community Facilities	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	153	153	-	(67)	(67)	86	160	168
Community Assets	153	153	-	(67)	(67)	86	160	168
Investment properties	-	-	-	-	-	-	-	-
Operational Buildings	2 500	2 500	-	1 266	1 266	3 766	2 631	2 763
Housing	-	-	-	-	-	-	-	-
Other Assets	2 500	2 500	-	1 266	1 266	3 766	2 631	2 763
Biological or Cultivated Assets	-	-	-	-	-	-	-	-
Computer Equipment	520	520	-	-	-	520	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-
Machinery and Equipment	724	724	-	489	489	1 213	759	795
Transport Assets	315	315	-	-	-	315	330	346
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	107 146	111 146	-	15 597	15 597	126 742	111 756	117 127
Renewal and upgrading of Existing Assets as % of total capex	6,5%	6,5%				10,1%	6,5%	8,9%
Renewal and upgrading of Existing Assets as % of deprecn"	20,8%	21,6%				37,7%	20,8%	28,8%
R&M as a % of PPE	1,2%	1,4%				2,2%	1,2%	1,2%
Renewal and upgrading and R&M as a % of PPE	2,2%	2,4%				3,8%	2,2%	2,5%

TABLE B10 BASIC SERVICE DELIVERY MEASUREMENT

DC43 Harry Gwala - Table B10 Basic service delivery measurement - 44230

Description	Budget Year 2020/21						Budget Year	Budget Year
	Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22	+2 2022/23
	A	7 A1	11 E	12 F	13 G	14 H	Adjusted Budget	Adjusted Budget
Household service targets								
Water:								
Piped water inside dwelling	48418					48	52292	55690,98
Piped water inside yard (but not in dwelling)	19686					20	21261	22642,965
Using public tap (at least min.service level)	34529					35	37292	39715,98
Other water supply (at least min.service level)						-		
<i>Minimum Service Level and Above sub-total</i>	103	-	-	-	-	103	111	118
Using public tap (< min.service level)						-		
Other water supply (< min.service level)	28645					29	30936	32946,84
No water supply						-		
<i>Below Minimum Servic Level sub-total</i>	29	-	-	-	-	29	31	33
Total number of households	131	-	-	-	-	131	142	151
Sanitation/sewerage:								
Flush toilet (connected to sewerage)	75601					75 601	81649	86956,185
Flush toilet (with septic tank)	12188					12 188	13164	14019,66
Chemical toilet	0					-	0	0
Pit toilet (ventilated)	43490					43 490	46969	50021,985
Other toilet provisions (> min.service level)						-		
<i>Minimum Service Level and Above sub-total</i>	131 279	-	-	-	-	131 279	141 782	150 998
Bucket toilet						-		
Other toilet provisions (< min.service level)						-		
No toilet provisions						-		
<i>Below Minimum Servic Level sub-total</i>	-	-	-	-	-	-	-	-
Total number of households	131 279	-	-	-	-	131 279	141 782	150 998
Water (in excess of 6 kilolitres per indigent household per month)	6 189	-	-	-	-	6 189	6 561	6 954
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates						-		
Housing - top structure subsidies						-		
Other						-		
Total revenue cost of subsidised services provided	6 189	-	-	-	-	6 189	6 561	6 954

PART 2 – SUPPORTING DOCUMENTATION

2.1 Adjustments to Budget Assumptions

There have not been major shifts in the budget assumptions. However, the few points noted below are worth noting.

External factors: The economic slowdown as shown by the further declines in economic growth figures, the rising cost of living due to increases in the cost of borrowing and the high unemployment levels, financial resources are limited due to reduced payment levels by consumers. The latest figures released by the Census also show a decline in district population due to migration. This has resulted in declining cash inflows, which has necessitated major budgeted expenditure cuts to ensure that cash outflows remain within the affordability parameters of the district's finances. Corona Virus has affected most business and domestic consumers resulting in the reduction in collection rate for water and sanitation.

Collection rate for revenue services: A collection rate of 73 per cent of billed services looking at the performance of the previous financial year.

2.2 Adjustments to Budget funding

Cash flow constraints still continue to affect the financial sustainability of the municipality as the municipality is largely grant dependent. This high grant dependency ratio (of over 90%) means that the municipality's operations are highly sensitive to non-payment by consumers. The increasing water & sanitation infrastructural assets also tend to burden the operations budget in the form of high operations and maintenance costs.

As stated in the budget assumptions above, the adjustment to revenue collection estimated at a conservative 73 per cent.

Except for the existing ABSA loan, the Municipality has not planned to fund any of its infrastructural developments with debt instruments.

Table SB 7 below provides details of the Government Grants and Subsidies differentiated between National & Provincial Governments.

DC43 Harry Gwala - Supporting Table SB7 Consolidated Adjustments Budget - transfers and grant receipts - 26/02/2021

Description	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F		
RECEIPTS:									
Operating Transfers and Grants									
National Government:	385 766	431 049	-	-	-	-	431 049	411 458	441 097
Local Government Equitable Share									
Equitable Share	372 340	417 623	-	-	-	-	417 623	402 448	431 617
Expanded Public Works Programme Integrated Grant	5 195	5 195	-	-	-	-	5 195	-	-
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 000	1 000	-	-	-	-	1 000	1 200	1 200
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	4 986	4 986	-	-	-	-	4 986	5 442	5 775
Rural Road Asset Management Systems Grant	2 245	2 245	-	-	-	-	2 245	2 368	2 505
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
Provincial Government:	1 500	(0)	-	-	-	-	(0)	-	-
Other	-	-	-	-	-	-	-	-	-
Rural Development Grant	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	1 500	(0)	-	-	-	-	(0)	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	3 877	3 877	3 877	-	-
Chemical Industry Seta	-	-	-	-	377	377	377	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	3 500	3 500	3 500	-	-
Total Operating Transfers and Grants	387 266	431 049	-	-	3 877	3 877	434 926	411 458	441 097
Capital Transfers and Grants									
National Government:	263 488	263 488	-	-	-	-	263 488	277 232	293 486
Equitable Share	-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	194 462	194 462	-	-	-	-	194 462	212 232	225 236
Municipal Water Infrastructure Grant	-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	9 026	9 026	-	-	-	-	9 026	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	60 000	60 000	-	-	-	-	60 000	65 000	68 250
Provincial Government:	-	-	-	-	15 000	15 000	15 000	-	-
COGTA grant	-	-	-	-	15 000	15 000	15 000	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	263 488	263 488	-	-	15 000	15 000	278 488	277 232	293 486
TOTAL RECEIPTS OF TRANSFERS & GRANTS	650 754	694 537	-	-	18 877	18 877	713 414	688 690	734 583

The total adjusted **Operational Government** grant allocations are as follows;

- National Government R 431million

The total consolidated adjusted **Operational Government** grant allocations are as follows;

- National Government R 434, 9million

While the adjusted **Capital Funding** are as follows;

- National Government R 263, 4million

2.3 Adjustments to Expenditure on Allocations and Grant Programmes

2.3.1 A total amount of R15million unspent at the yearend has been added which is made up of the following grant allocation:

- COGTA Grant R 15 000 000


2.3.2 Department of Higher Education grant that was not spent by Development Agency has been also added which amount to R 3, 5m.

2.4 Municipal Manager's Quality Certificates

I, **Adelaide Nomnandi Dlamini**, Municipal Manager of **Harry Gwala District Municipality**, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print name: A. N. Dlamini

Municipal Manager of Harry Gwala District Municipality (DC43)

Signature: 

Date 25 February 2021