



202425  
SCHEDULE B

# 202425 BUDGET ADJUSTMENTS

Budget & Reporting  
Budget & Treasury Office  
202425 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**

It is critical to note that according to Municipal Finance Management Act and Municipal Budget Regulation and Reporting only one adjustment budget referred to in sub regulation (1) maybe tabled to municipal council during a financial year except when the additional revenues contemplated in section 28 (2) (b) of the MFMA are allocated to a municipality in a national or provincial adjustment budget.

The National Treasury reduced Municipal Infrastructure grant funding by R2, 2m and there is a funding from Department of Water and Sanitation of R8m. The mayor must table the adjustment budget to council within 60 days of the approval of the relevant national adjustments budget referred to in section 28 (2) (b) of the act in the council to appropriate this additional revenue.

If the municipality prepares the second adjustments to capital expenditure, a list of adjusted capital programmes and projects of the municipality must be aligned to the goals of the integrated development plan of the municipality.

#### **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 2024/25 approved Budget has now been adjusted. The following matters the preparation of the 2024/2025 Adjustments Budget have been considered:

- Adjustments of revenue items such as capital transfers and subsidies
- Improvement or acceleration of expenditure on Capital projects.
- The municipality should also ensure that the Adjustments Budget is funded.
- 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.

In preparing the adjustment budget Water Services department has seen an increase in revenue as per the conditions of the grant to prioritise the implementation of water and sanitation followed by Infrastructure department for Municipal Infrastructure Grant that is also allocated to implement water and sanitation within Harry Gwala District community.

## **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 2024/2025, as set-out in the schedules contained in Section 4:
- 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.

## **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.

This adjustments budget is therefore prepared in terms of section 28 (2) (b) of the MFMA since the municipality has reduction of R2, 2million for Municipal Infrastructure Grant through National Treasury. The municipality received a confirmation of a funding as per s28 of the MFMA from Department of Water and Sanitation amounting to R8m towards the development of water services planning studies for Greater Bulwer Bulk Water scheme reference PL/KZN/GB/10.

The Adjusted revenue for parent has increased by R5, 7million (1%) from R935, 5million to R941, 3million. The consolidated Adjusted Revenue is R962, 8million from the original budget of R957million. This upward adjustment is mainly due to following contributing factor;

### **Provincial Grant**

- Department of Water and Sanitation (RBIG)- R8m

This downward adjustment is mainly due to following major contributing factor;

### **Conditional Grant**

- Reduction of Municipal Infrastructure Grant- R 2, 2m

Total operating expenditure budget remains the same from the main adopted budget in May 2024, since the new allocation is allocated towards the development of water services planning studies and designs therefore operations budget is still the same as per approved original budget.

The consolidated capital budget has increased from R 322, 3million to R 343, 5million. The capital budget for the parent municipality also seen an increase from R 317, 2million to R 338, 5million due to increase of R8million from Water and Sanitation department to facilitate the development of the planning studies and Municipal Infrastructure Grant reduction of R2, 2million due to amended Division of Revenue Act.



This is mainly attributable to the additional/Reduction of the following grants;

- ✓ Municipal Infrastructure Grant Reduction: R2, 2million
- ✓ Department of Water & Sanitation (RBIG): R 8million

### Internal Funding Capital Assets

- ✓ Biometrics: R 3million
- ✓ Municipal Trucks: R 12, 5million

#### Adjustments Capital Expenditure Budget by Funding

Description	Budget Year 2024/25					Budget Year +2 2025/26	Budget Year +2 2026/27
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	E	F	G	H		
<b>Funded by:</b>							
National Government	276 629	(2 280)		(2 280)	274 349	273 235	298 542
Provincial Government	-	8 013	-	8 013	8 013	-	-
District Municipality	315	-	-	-	315	-	-
Transfers and subsidies - capital (in-kind)					-		
<b>Transfers recognised - capital</b>	<b>276 944</b>	<b>5 733</b>	<b>-</b>	<b>5 733</b>	<b>282 677</b>	<b>273 235</b>	<b>298 542</b>
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>45 368</b>	<b>-</b>	<b>15 500</b>	<b>15 500</b>	<b>60 868</b>	<b>26 580</b>	<b>24 758</b>
<b>Total Capital Funding</b>	<b>322 312</b>	<b>5 733</b>	<b>15 500</b>	<b>21 233</b>	<b>343 544</b>	<b>299 815</b>	<b>323 300</b>

### TABLE B 1 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 - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1 A1	6 F	7 G	8 H		
<b>R thousands</b>							
<b>Financial Performance</b>							
Property rates	-	-	-	-	-	-	-
Service charges	71 195	71 195	-	-	71 195	80 379	84 317
Investment revenue	17 435	17 435	-	-	17 435	16 552	17 378
Transfers recognised - operational	532 623	532 623	-	-	532 623	571 788	609 441
Other own revenue	17 721	17 721	-	-	17 721	18 767	19 686
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>638 975</b>	<b>638 975</b>	<b>-</b>	<b>-</b>	<b>638 975</b>	<b>687 485</b>	<b>730 823</b>
Employee costs	273 607	273 607	-	-	273 607	289 914	307 186
Remuneration of councillors	8 606	8 606	-	-	8 606	9 122	9 670
Depreciation & asset impairment	101 837	101 837	-	-	101 837	106 824	112 055
Finance charges	115	115	-	-	115	120	126
Inventory consumed and bulk purchases	36 543	36 543	-	-	36 543	38 224	40 097
Transfers and subsidies	6 700	6 700	-	-	6 700	7 008	7 324
Other expenditure	288 262	288 262	-	-	288 262	314 901	336 117
<b>Total Expenditure</b>	<b>715 670</b>	<b>715 670</b>	<b>-</b>	<b>-</b>	<b>715 670</b>	<b>766 114</b>	<b>812 574</b>
<b>Surplus/(Deficit)</b>	<b>(76 695)</b>	<b>(76 695)</b>	<b>-</b>	<b>-</b>	<b>(76 695)</b>	<b>(78 629)</b>	<b>(81 752)</b>
Transfers and subsidies - capital (monetary allocations)	318 124	318 124	5 733	5 733	323 856	314 221	343 324
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>241 428</b>	<b>241 428</b>	<b>5 733</b>	<b>5 733</b>	<b>247 161</b>	<b>235 592</b>	<b>261 572</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>241 428</b>	<b>241 428</b>	<b>5 733</b>	<b>5 733</b>	<b>247 161</b>	<b>235 592</b>	<b>261 572</b>
<b>Capital expenditure &amp; funds sources</b>							
<b>Capital expenditure</b>	322 312	322 312	20 485	20 485	342 797	300 903	324 437
Transfers recognised - capital	276 944	276 944	4 985	4 985	281 929	273 565	298 886
Borrowing	-	-	-	-	-	-	-
Internally generated funds	45 368	45 368	15 500	15 500	60 868	27 338	25 551
<b>Total sources of capital funds</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>
<b>Financial position</b>							
Total current assets	208 559	208 559	(14 752)	(14 752)	193 806	223 237	247 591
Total non current assets	3 446 319	3 446 319	20 485	20 485	3 466 804	3 637 689	3 861 009
Total current liabilities	124 097	124 097	-	-	124 097	125 211	127 653
Total non current liabilities	29 399	29 399	-	-	29 399	31 163	33 033
Community wealth/Equity	<b>3 501 649</b>	<b>3 501 649</b>	<b>5 733</b>	<b>5 733</b>	<b>3 507 381</b>	<b>3 704 569</b>	<b>3 947 931</b>

Table B1 Cont.....

DC43 Harry Gwala - Table B1 Consolidated Adjustments Budget Summary - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	6 F	7 G	8 H		
<b>Cash flows</b>							
Net cash from (used) operating	326 348	326 348	7 890	7 890	334 239	312 660	344 683
Net cash from (used) investing	(322 312)	(322 312)	(20 485)	(20 485)	(342 797)	(300 903)	(324 437)
Net cash from (used) financing	(2 969)	(2 969)	–	–	(2 969)	(3 004)	(3 040)
<b>Cash/cash equivalents at the year end</b>	<b>152 288</b>	<b>152 288</b>	<b>(12 595)</b>	<b>(12 595)</b>	<b>139 694</b>	<b>186 589</b>	<b>213 022</b>
<b>Cash backing/surplus reconciliation</b>							
Cash and investments available	142 005	142 005	–	–	142 005	157 672	182 145
Application of cash and investments	69 862	69 862	13 865	13 865	83 726	73 494	77 298
<b>Balance - surplus (shortfall)</b>	<b>72 143</b>	<b>72 143</b>	<b>(13 865)</b>	<b>(13 865)</b>	<b>58 278</b>	<b>84 178</b>	<b>104 847</b>
<b>Asset Management</b>							
Asset register summary (WDV)	2 728 314	2 728 314	20 485	20 485	2 748 799	2 919 683	3 143 003
Depreciation	101 837	101 837	–	–	101 837	106 824	112 055
Renewal and Upgrading of Existing Assets	22 875	22 875	7 378	7 378	30 253	17 475	4 067
Repairs and Maintenance	48 009	48 009	–	–	48 009	51 542	54 067
<b>Free services</b>							
Cost of Free Basic Services provided	(724)	(724)	–	–	(724)	(683)	(717)
Revenue cost of free services provided	–	–	–	–	–	–	–
<b>Households below minimum service level</b>							
Water:	37	–	–	–	37	40	–
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) - 45485

Standard Description	Budget Year 2024/25					Budget Year	Budget Year
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
	A	5 A1	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
<b>R thousands</b>							
<b>Revenue - Functional</b>							
<b>Governance and administration</b>	510 213	510 213	-	-	510 213	537 182	566 449
Executive and council	-	-	-	-	-	-	-
Finance and administration	510 213	510 213	-	-	510 213	537 182	566 449
Internal audit	-	-	-	-	-	-	-
<b>Community and public safety</b>	17	17	-	-	17	17	18
Community and social services	17	17	-	-	17	17	18
Sport and recreation	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	21 530	21 530	8 013	8 013	29 543	21 538	22 829
Planning and development	21 530	21 530	8 013	8 013	29 543	21 538	22 829
Road transport	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	425 338	425 338	(2 280)	(2 280)	423 058	442 969	484 851
Energy sources	-	-	-	-	-	-	-
Water management	409 956	409 956	(2 280)	(2 280)	407 676	426 664	467 747
Waste water management	15 382	15 382	-	-	15 382	16 305	17 104
Waste management	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>957 098</b>	<b>957 098</b>	<b>5 733</b>	<b>5 733</b>	<b>962 831</b>	<b>1 001 706</b>	<b>1 074 146</b>
<b>Expenditure - Functional</b>							
<b>Governance and administration</b>	328 884	328 884	(1 743)	(1 743)	327 142	346 675	364 959
Executive and council	45 410	45 410	-	-	45 410	46 908	49 378
Finance and administration	271 416	271 416	(300)	(300)	271 116	287 018	302 095
Internal audit	12 058	12 058	(1 443)	(1 443)	10 616	12 749	13 486
<b>Community and public safety</b>	24 662	24 662	-	-	24 662	24 291	25 688
Community and social services	24 662	24 662	-	-	24 662	24 291	25 688
Sport and recreation	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	175 539	175 539	1 443	1 443	176 981	198 830	214 841
Planning and development	175 539	175 539	1 443	1 443	176 981	198 830	214 841
Road transport	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	186 601	186 601	300	300	186 901	196 073	206 832
Energy sources	-	-	-	-	-	-	-
Water management	185 665	185 665	300	300	185 965	195 081	205 779
Waste water management	937	937	-	-	937	993	1 052
Waste management	-	-	-	-	-	-	-
<b>Other</b>	250	250	-	-	250	262	273
<b>Total Expenditure - Functional</b>	<b>715 937</b>	<b>715 937</b>	<b>-</b>	<b>-</b>	<b>715 937</b>	<b>766 131</b>	<b>812 592</b>
<b>Surplus/ (Deficit) for the year</b>	<b>241 161</b>	<b>241 161</b>	<b>5 733</b>	<b>5 733</b>	<b>246 894</b>	<b>235 575</b>	<b>261 554</b>

The revenue of the municipality has increased from R957million originally approved budget to R962, 8million.

Total operating expenditure budget remains the same from the main adopted budget in May 2024, since the new allocation is allocated towards the development of water services planning studies and designs therefore operations budget is still the same as per approved original budget.

### 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) - 45485

Vote Description <i>[Insert departmental structure etc]</i>	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	3 A1	8 F	9 G	10 H		
<b>Revenue by Vote</b>							
Vote 01 - Summary Council	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	509 775	509 775	-	-	509 775	536 725	565 970
Vote 04 - Summary Corporate Services	387	387	-	-	387	403	422
Vote 05 - Summary Social Services & Development Planing	21 547	21 547	-	-	21 547	21 555	22 847
Vote 06 - Summary Infrastructure Services	343 279	343 279	5 733	5 733	349 012	349 729	387 042
Vote 07 - Summary Water Services	82 110	82 110	-	-	82 110	93 294	97 865
Vote 15 - Other	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>957 098</b>	<b>957 098</b>	<b>5 733</b>	<b>5 733</b>	<b>962 831</b>	<b>1 001 706</b>	<b>1 074 146</b>
<b>Expenditure by Vote</b>							
Vote 01 - Summary Council	21 342	21 342	-	-	21 342	22 154	23 359
Vote 02 - Summary Municipal Manager	27 993	27 993	-	-	27 993	28 996	30 615
Vote 03 - Summary Budget And Treasury Office	105 423	105 423	-	-	105 423	110 930	116 833
Vote 04 - Summary Corporate Services	106 417	106 417	-	-	106 417	111 096	116 855
Vote 05 - Summary Social Services & Development Planing	88 372	88 372	-	-	88 372	90 493	94 643
Vote 06 - Summary Infrastructure Services	125 796	125 796	-	-	125 796	147 243	161 164
Vote 07 - Summary Water Services	240 594	240 594	-	-	240 594	255 219	269 123
Vote 15 - Other	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>715 937</b>	<b>715 937</b>	<b>-</b>	<b>-</b>	<b>715 937</b>	<b>766 131</b>	<b>812 592</b>
<b>Surplus/ (Deficit) for the year</b>	<b>241 161</b>	<b>241 161</b>	<b>5 733</b>	<b>5 733</b>	<b>246 894</b>	<b>235 575</b>	<b>261 554</b>

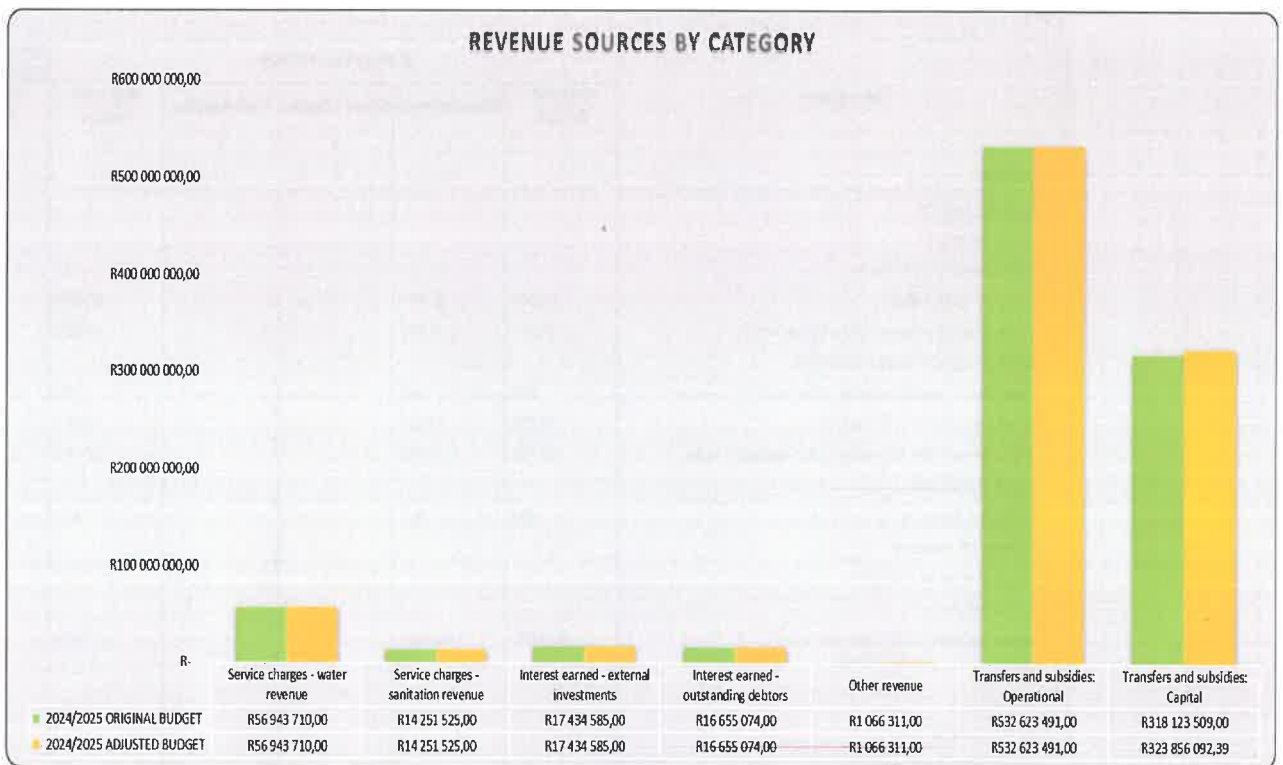
Table B2 and Table B3 presents a comparison of original budget and adjusted budget for both revenue and operating expenditure. Both tables shows that the only adjustment is on transfers recognized capital that increased then overall surplus from R241, 1million to R246, 8million.

**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) - 45485

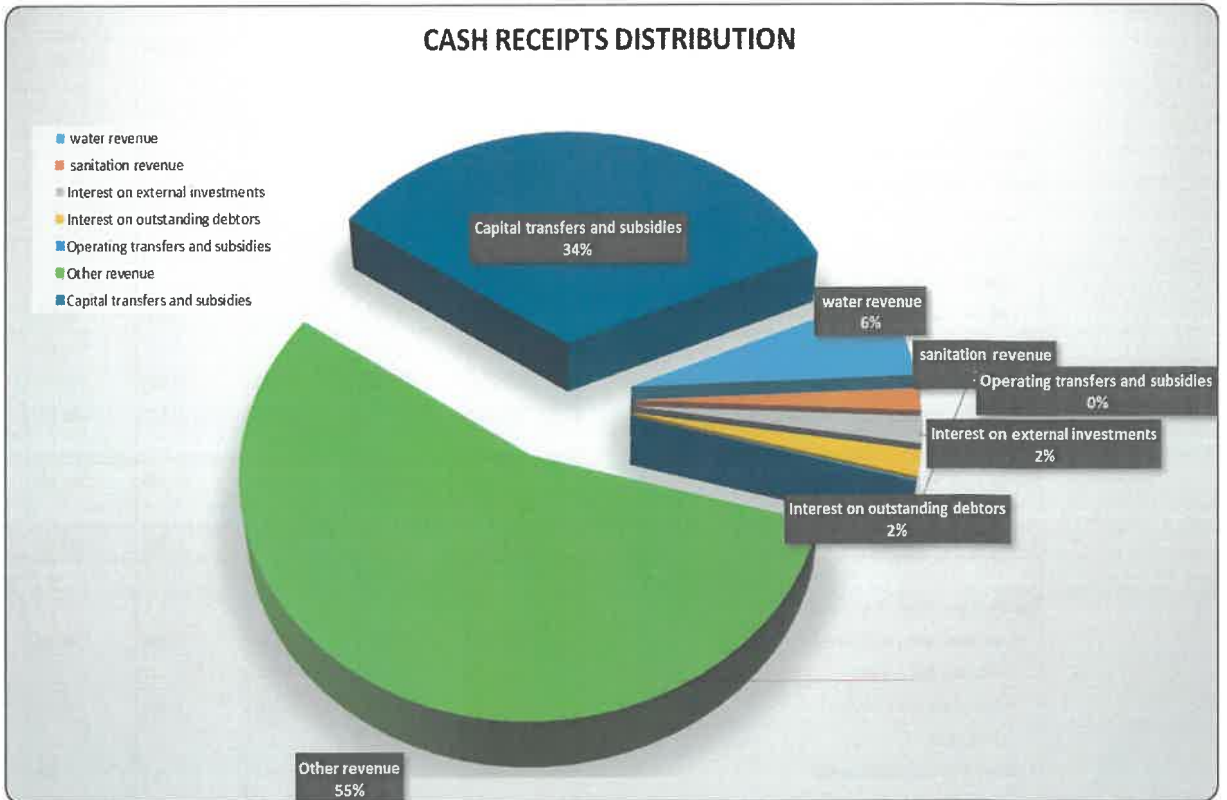
Description	Budget Year 2024/25					Budget Year	Budget Year
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	3	8	9	10	+1 2025/26	+2 2026/27
<b>R thousands</b>		A1	F	G	H		
<b>Revenue By Source</b>							
<b>Exchange Revenue</b>							
Service charges - Electricity	-	-	-	-	-	-	-
Service charges - Water	56 944	56 944	-	-	56 944	65 272	68 471
Service charges - Waste Water Management	14 252	14 252	-	-	14 252	15 107	15 847
Service charges - Waste Management	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	663	663	-	-	663	693	727
Interest earned from Receivables	16 655	16 655	-	-	16 655	17 654	18 519
Interest earned from Current and Non Current Assets	17 435	17 435	-	-	17 435	16 552	17 378
Licence and permits	-	-	-	-	-	-	-
Operational Revenue	404	404	-	-	404	420	441
<b>Non-Exchange Revenue</b>							
Fines, penalties and forfeits	-	-	-	-	-	-	-
Licences or permits	-	-	-	-	-	-	-
Transfer and subsidies - Operational	532 623	532 623	-	-	532 623	571 788	609 441
Interest	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>638 975</b>	<b>638 975</b>	<b>-</b>	<b>-</b>	<b>638 975</b>	<b>687 485</b>	<b>730 823</b>
<b>Expenditure By Type</b>							
Employee related costs	273 607	273 607	-	-	273 607	289 914	307 186
Remuneration of councillors	8 606	8 606	-	-	8 606	9 122	9 670
Bulk purchases - electricity	-	-	-	-	-	-	-
Inventory consumed	36 543	36 543	-	-	36 543	38 224	40 097
Debt impairment	-	-	-	-	-	-	-
Depreciation and amortisation	101 837	101 837	-	-	101 837	106 824	112 055
Interest	115	115	-	-	115	120	126
Contracted services	152 097	152 097	(290)	(290)	151 807	174 297	189 261
Transfers and subsidies	6 700	6 700	-	-	6 700	7 008	7 324
Irrecoverable debts written off	31 908	31 908	-	-	31 908	33 472	35 112
Operational costs	104 257	104 257	290	290	104 547	107 132	111 745
Losses on disposal of Assets	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>715 670</b>	<b>715 670</b>	<b>-</b>	<b>-</b>	<b>715 670</b>	<b>766 114</b>	<b>812 574</b>
<b>Surplus/(Deficit)</b>	<b>(76 695)</b>	<b>(76 695)</b>	<b>-</b>	<b>-</b>	<b>(76 695)</b>	<b>(78 629)</b>	<b>(81 752)</b>
Transfers and subsidies - capital (monetary allocations)	318 124	318 124	5 733	5 733	323 856	314 221	343 324
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>	<b>241 428</b>	<b>241 428</b>	<b>5 733</b>	<b>5 733</b>	<b>247 161</b>	<b>235 592</b>	<b>261 572</b>
Income Tax	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>241 428</b>	<b>241 428</b>	<b>5 733</b>	<b>5 733</b>	<b>247 161</b>	<b>235 592</b>	<b>261 572</b>
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>241 428</b>	<b>241 428</b>	<b>5 733</b>	<b>5 733</b>	<b>247 161</b>	<b>235 592</b>	<b>261 572</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>241 428</b>	<b>241 428</b>	<b>5 733</b>	<b>5 733</b>	<b>247 161</b>	<b>235 592</b>	<b>261 572</b>



The above graphs present comparison of original and adjusted budget for revenue (by source)

The revenue of the municipality has increased from R957million originally approved budget to R962, 8million. The increase is due to funding from Department of Water and Sanitation for Greater Bulwer Water Supply through RBIG amounting to R8million.





The above graph shows an expenditure (by type) even though there are no changes from the original budget and special adjustment budget

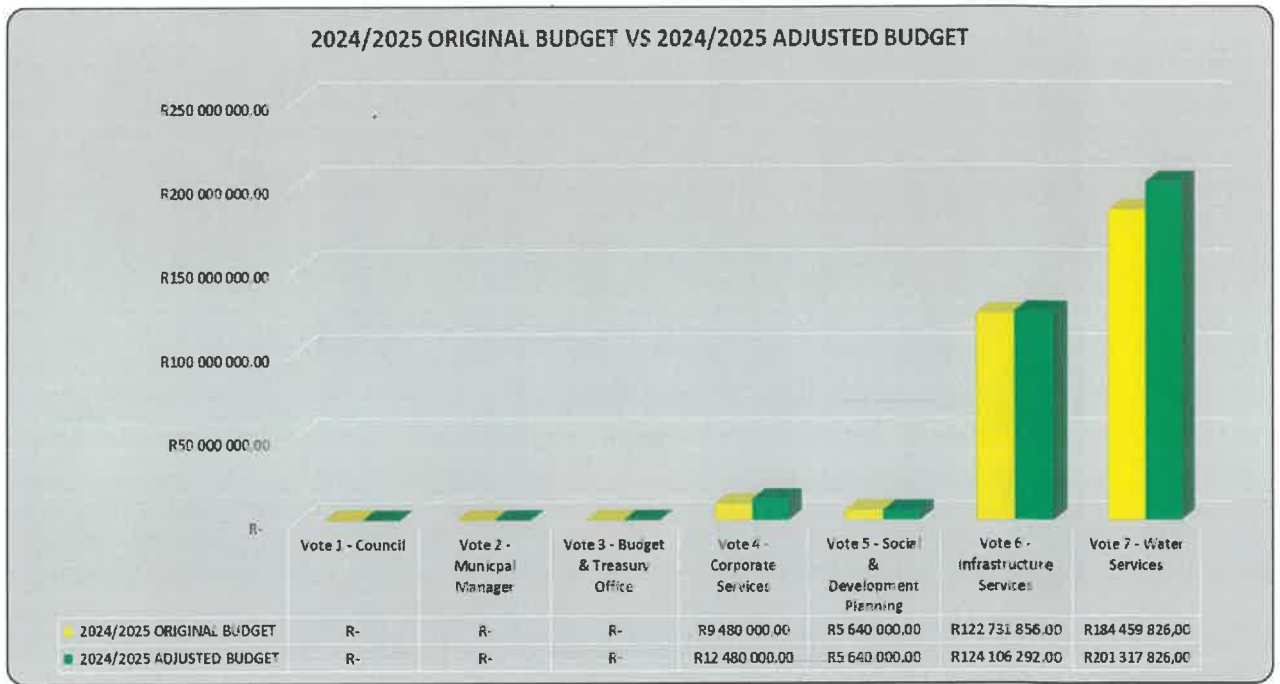
**TABLE B5 ADJUSTMENT CAPITAL EXPENDITURE BUDGET BY VOTE AND FUNDING**

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.

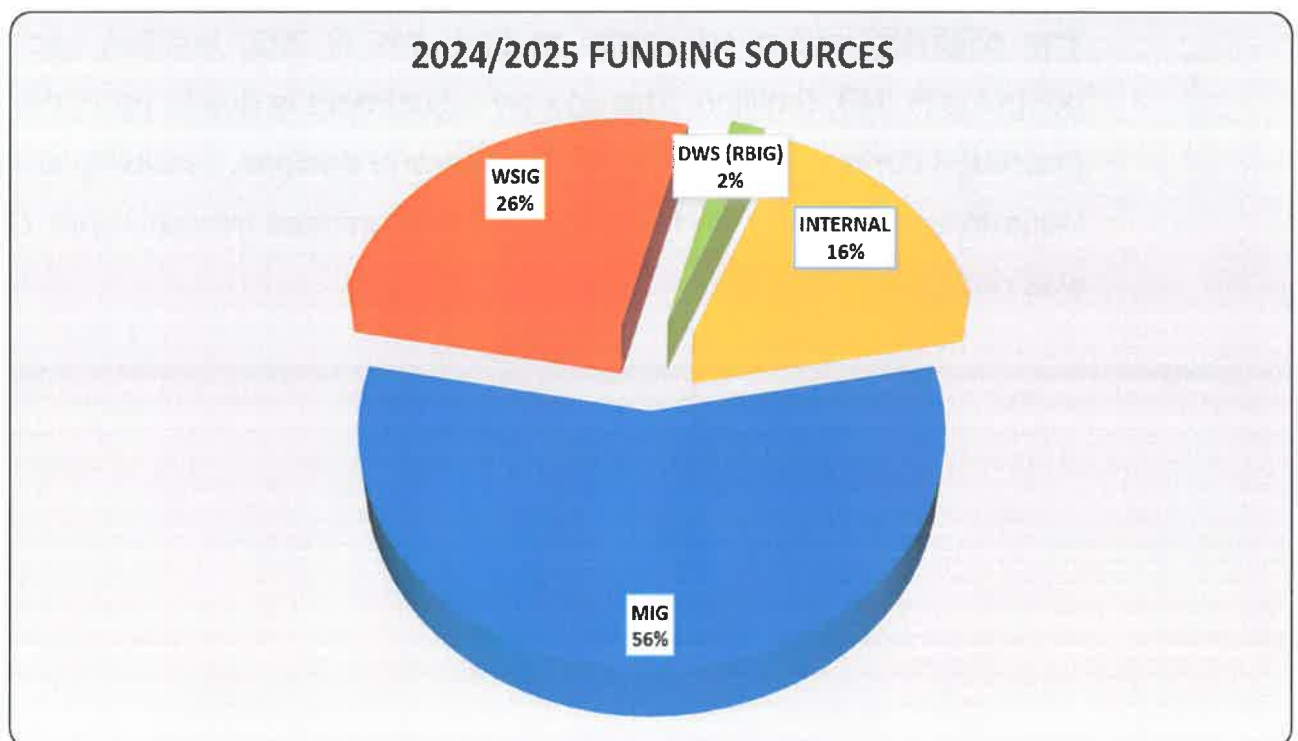
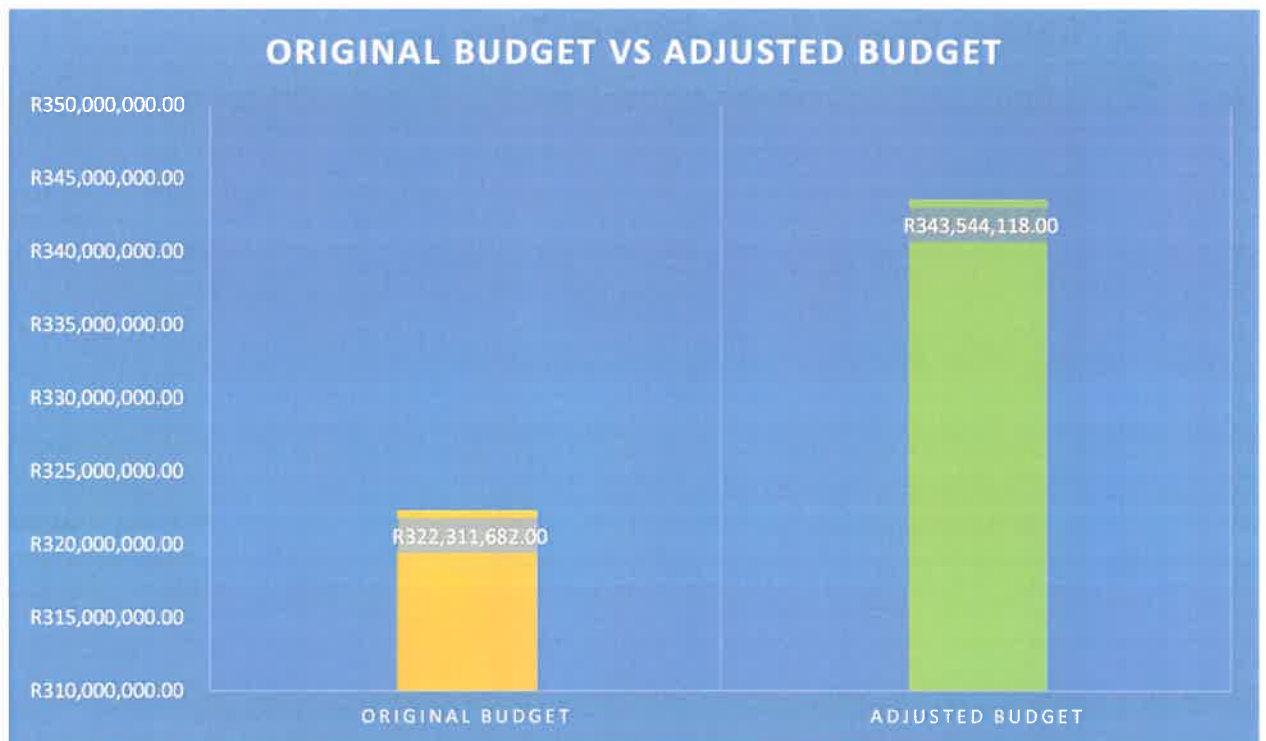
DC43 Harry Gwala - Table B5 Consolidated Adjustments Capital Expenditure Budget by vote and funding - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	5 A1	10 F	11 G	12 H		
<b>R thousands</b>							
<b>Capital expenditure - Vote</b>							
<b>Multi-year expenditure to be adjusted</b>							
Vote 01 - Summary Council	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	-	-	-	-	-	-	-
Vote 04 - Summary Corporate Services	9 480	9 480	3 000	3 000	12 480	6 255	6 568
Vote 05 - Summary Social Services & Development Planning	5 640	5 640	-	-	5 640	1 088	1 137
Vote 06 - Summary Infrastructure Services	122 732	122 732	(4 656)	(4 656)	118 076	115 635	100 000
Vote 07 - Summary Water Services	184 460	184 460	22 140	22 140	206 600	177 925	216 733
Vote 15 - Other	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>
<b>Total Capital Expenditure - Vote</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>
<b>Capital Expenditure - Functional</b>							
<b>Governance and administration</b>	<b>14 205</b>	<b>14 205</b>	<b>3 000</b>	<b>3 000</b>	<b>17 205</b>	<b>7 013</b>	<b>7 360</b>
Executive and council	-	-	-	-	-	-	-
Finance and administration	14 205	14 205	3 000	3 000	17 205	7 013	7 360
Internal audit	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>600</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>-</b>	<b>-</b>
Community and social services	600	600	-	-	600	-	-
Sport and recreation	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>121 210</b>	<b>121 210</b>	<b>(5 789)</b>	<b>(5 789)</b>	<b>115 421</b>	<b>114 142</b>	<b>98 433</b>
Planning and development	121 210	121 210	(5 789)	(5 789)	115 421	114 142	98 433
Road transport	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	<b>186 297</b>	<b>186 297</b>	<b>23 273</b>	<b>23 273</b>	<b>209 570</b>	<b>179 747</b>	<b>218 644</b>
Energy sources	-	-	-	-	-	-	-
Water management	176 093	176 093	9 681	9 681	185 775	156 067	161 531
Waste water management	10 204	10 204	13 592	13 592	23 796	23 680	57 113
Waste management	-	-	-	-	-	-	-
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>
<b>Funded by:</b>							
National Government	276 629	276 629	(1 983)	(1 983)	274 647	273 235	298 542
Provincial Government	-	-	6 967	6 967	6 967	-	-
District Municipality	315	315	-	-	315	329	344
<b>Transfers recognised - capital</b>	<b>276 944</b>	<b>276 944</b>	<b>4 985</b>	<b>4 985</b>	<b>281 929</b>	<b>273 565</b>	<b>298 886</b>
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>45 368</b>	<b>45 368</b>	<b>15 500</b>	<b>15 500</b>	<b>60 868</b>	<b>27 338</b>	<b>25 551</b>
<b>Total Capital Funding</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>

**Chart 6: Capital Expenditure by Type**



The originally approved capital budget was R 322, 3million and adjusted budget is R 343, 5million. The upward adjustment is due to grant that was not gazzetted during original budget planning and designs, feasibility studies from Department of Water and Sanitation and Municipal Infrastructure Grant that was reduced.



**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 - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted
	Budget	3	8	9	Budget	Budget	Budget
R thousands	A	A1	F	G	H	+1 2025/26	+2 2026/27
<b>ASSETS</b>							
<b>Current assets</b>							
Cash and cash equivalents	139 694	139 694	-	-	139 694	155 369	179 848
Trade and other receivables from exchange transactions	29 605	29 605	-	-	29 605	28 970	28 303
Receivables from non-exchange transactions	2 311	2 311	-	-	2 311	2 304	2 297
Current portion of non-current receivables	-	-	-	-	-	-	-
Inventory	759	759	-	-	759	804	853
VAT	36 188	36 188	(14 752)	(14 752)	21 436	35 788	36 288
Other current assets	2	2	-	-	2	2	2
<b>Total current assets</b>	<b>208 559</b>	<b>208 559</b>	<b>(14 752)</b>	<b>(14 752)</b>	<b>193 806</b>	<b>223 237</b>	<b>247 591</b>
<b>Non current assets</b>							
Investments	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-
Property, plant and equipment	3 444 846	3 444 846	20 485	20 485	3 465 330	3 635 783	3 858 645
Biological assets	-	-	-	-	-	-	-
Intangible assets	1 473	1 473	-	-	1 473	1 906	2 363
Other non-current assets	0	0	-	-	0	0	0
<b>Total non current assets</b>	<b>3 446 319</b>	<b>3 446 319</b>	<b>20 485</b>	<b>20 485</b>	<b>3 466 804</b>	<b>3 637 689</b>	<b>3 861 009</b>
<b>TOTAL ASSETS</b>	<b>3 654 878</b>	<b>3 654 878</b>	<b>5 733</b>	<b>5 733</b>	<b>3 660 610</b>	<b>3 860 925</b>	<b>4 108 600</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft	-	-	-	-	-	-	-
Financial liabilities	8 006	8 006	-	-	8 006	5 606	3 206
Consumer deposits	3 522	3 522	-	-	3 522	4 126	4 765
Trade and other payables from exchange transactions	86 542	86 542	-	-	86 542	88 424	91 536
Trade and other payables from non-exchange transactions	1 483	1 483	-	-	1 483	1 483	1 483
Provisions	17 142	17 142	-	-	17 142	18 170	19 260
VAT	7 402	7 402	-	-	7 402	7 402	7 402
Other current liabilities	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>124 097</b>	<b>124 097</b>	<b>-</b>	<b>-</b>	<b>124 097</b>	<b>125 211</b>	<b>127 653</b>
<b>Non current liabilities</b>							
Borrowing	-	-	-	-	-	-	-
Provisions	29 399	29 399	-	-	29 399	31 163	33 033
Long term portion of trade payables	-	-	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-	-	-
<b>Total non current liabilities</b>	<b>29 399</b>	<b>29 399</b>	<b>-</b>	<b>-</b>	<b>29 399</b>	<b>31 163</b>	<b>33 033</b>
<b>TOTAL LIABILITIES</b>	<b>153 496</b>	<b>153 496</b>	<b>-</b>	<b>-</b>	<b>153 496</b>	<b>156 374</b>	<b>160 686</b>
<b>NET ASSETS</b>	<b>3 501 382</b>	<b>3 501 382</b>	<b>5 733</b>	<b>5 733</b>	<b>3 507 114</b>	<b>3 704 552</b>	<b>3 947 914</b>
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)	3 501 649	3 501 649	5 733	5 733	3 507 381	3 704 569	3 947 931
Funds and Reserves	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>3 501 649</b>	<b>3 501 649</b>	<b>5 733</b>	<b>5 733</b>	<b>3 507 381</b>	<b>3 704 569</b>	<b>3 947 931</b>

## TABLE B7 ADJUSTMENTS BUDGET CASH FLOWS

DC43 Harry Gwala - Table B7 Consolidated Adjustments Budget Cash Flows - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted	+1 2025/26	+2 2026/27
	Budget	3	8	9	Budget	Adjusted	Adjusted
R thousands	A	A1	F	G	H	Budget	Budget
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Property rates	-	-	-	-	-	-	-
Service charges	62 194	62 194	-	-	62 194	70 708	74 173
Other revenue	68 324	68 324	17 767	17 767	86 092	65 516	71 406
Transfers and Subsidies - Operational	512 493	512 493	-	-	512 493	551 650	588 096
Transfers and Subsidies - Capital	318 124	318 124	5 733	5 733	323 856	314 221	343 324
Interest	18 053	18 053	-	-	18 053	17 170	17 996
Dividends	-	-	-	-	-	-	-
<b>Payments</b>							
Suppliers and employees	(652 698)	(652 698)	(15 610)	(15 610)	(668 307)	(706 454)	(750 153)
Finance charges	(142)	(142)	-	-	(142)	(150)	(158)
Transfers and Subsidies	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>326 348</b>	<b>326 348</b>	<b>7 890</b>	<b>7 890</b>	<b>334 239</b>	<b>312 660</b>	<b>344 683</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds on disposal of PPE	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-
<b>Payments</b>							
Capital assets	(322 312)	(322 312)	(20 485)	(20 485)	(342 797)	(300 903)	(324 437)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(322 312)</b>	<b>(322 312)</b>	<b>(20 485)</b>	<b>(20 485)</b>	<b>(342 797)</b>	<b>(300 903)</b>	<b>(324 437)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Short term loans	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	(569)	(569)	-	-	(569)	(604)	(640)
<b>Payments</b>							
Repayment of borrowing	(2 400)	(2 400)	-	-	(2 400)	(2 400)	(2 400)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(2 969)</b>	<b>(2 969)</b>	<b>-</b>	<b>-</b>	<b>(2 969)</b>	<b>(3 004)</b>	<b>(3 040)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>1 067</b>	<b>1 067</b>	<b>(12 595)</b>	<b>(12 595)</b>	<b>(11 527)</b>	<b>8 753</b>	<b>17 206</b>
Cash/cash equivalents at the year begin:	151 221	151 221	-	-	151 221	177 836	195 816
Cash/cash equivalents at the year end:	152 288	152 288	(12 595)	(12 595)	139 694	186 589	213 022

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget. Cash and cash equivalents at the beginning of the financial year the municipality had a positive opening balance of R151, 2million. The closing cash and cash equivalent at year end is negative R152, 2million. Cash and cash equivalent at year end is positive.

**TABLE B8 CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION**

DC43 Harry Gwala - Table B8 Consolidated Cash backed reserves/accumulated surplus reconciliation - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	3 A1	8 F	9 G	10 H		
<b>R thousands</b>							
<b>Cash and investments available</b>							
Cash/cash equivalents at the year end	152 288	152 288	(12 595)	(12 595)	139 694	186 589	213 022
Other current investments > 90 days	(10 284)	(10 284)	12 595	12 595	2 311	(28 917)	(30 877)
Non current assets - Investments	-	-	-	-	-	-	-
<b>Cash and investments available:</b>	<b>142 005</b>	<b>142 005</b>	<b>-</b>	<b>-</b>	<b>142 005</b>	<b>157 672</b>	<b>182 145</b>
<b>Applications of cash and investments</b>							
Unspent conditional transfers	1 483	1 483	-	-	1 483	1 483	1 483
Unspent borrowing	-	-	-	-	-	-	-
Statutory requirements	(28 787)	(28 787)	14 752	14 752	(14 034)	(28 387)	(28 887)
Other working capital requirements	80 023	80 023	(887)	(887)	79 136	82 227	85 441
Other provisions	17 142	17 142	-	-	17 142	18 170	19 260
Long term investments committed	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>	<b>69 862</b>	<b>69 862</b>	<b>13 865</b>	<b>13 865</b>	<b>83 726</b>	<b>73 494</b>	<b>77 298</b>
<b>Surplus(shortfall)</b>	<b>72 143</b>	<b>72 143</b>	<b>(13 865)</b>	<b>(13 865)</b>	<b>58 278</b>	<b>84 178</b>	<b>104 847</b>

The objective of the medium-term framework is to ensure the budget is funded aligned to section 18 of the MFMA. As part of the Municipal Finance Management Circular 107 that informed the funding position of the budget and adjustment budget and considering the requirements of section 18 of the MFMA, it can be concluded that the Adjustment Budget is funded.

**TABLE B9 ASSET MANAGEMENT**

DC43 Harry Gwala - Table B9 Consolidated Asset Management - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted	+1 2025/26	+2 2026/27
	Budget	7	12	13	Budget	Adjusted	Adjusted
	A	A1	F	G	H	Budget	Budget
<b>R thousands</b>							
<b>CAPITAL EXPENDITURE</b>							
<b>Total New Assets to be adjusted</b>	<b>299 437</b>	<b>299 437</b>	<b>13 107</b>	<b>13 107</b>	<b>312 544</b>	<b>283 428</b>	<b>320 370</b>
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	270 019	270 019	(4 185)	(4 185)	265 834	246 189	252 155
Sanitation Infrastructure	12 204	12 204	14 292	14 292	26 496	25 772	59 310
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	282 223	282 223	10 107	10 107	292 330	271 941	311 464
Investment properties	-	-	-	-	-	-	-
Operational Buildings	4 250	4 250	-	-	4 250	3 262	273
Housing	2 000	2 000	-	-	2 000	-	-
Other Assets	6 250	6 250	-	-	6 250	3 262	273
Biological or Cultivated Assets	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-
Licences and Rights	796	796	-	-	796	833	873
Intangible Assets	796	796	-	-	796	833	873
Computer Equipment	2 000	2 000	-	-	2 000	1 569	1 647
Furniture and Office Equipment	4 980	4 980	-	-	4 980	5 209	5 467
Machinery and Equipment	2 588	2 588	3 000	3 000	5 588	615	645
Transport Assets	600	600	-	-	600	-	-
Land	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets to be adjusted</b>	<b>22 007</b>	<b>22 007</b>	<b>6 245</b>	<b>6 245</b>	<b>28 252</b>	<b>16 565</b>	<b>3 113</b>
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	970	970	6 967	6 967	7 937	912	957
Sanitation Infrastructure	16 075	16 075	(23)	(23)	16 052	13 599	-
Solid Waste Infrastructure	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	17 045	17 045	6 945	6 945	23 989	14 512	967
Community Facilities	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-
Machinery and Equipment	80	80	-	-	80	84	88
Transport Assets	4 883	4 883	(700)	(700)	4 183	1 969	2 068
Land	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets to be adjusted</b>	<b>868</b>	<b>868</b>	<b>1 133</b>	<b>1 133</b>	<b>2 001</b>	<b>910</b>	<b>955</b>
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	868	868	1 133	1 133	2 001	910	955
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	868	868	1 133	1 133	2 001	910	955
<b>Total Capital Expenditure to be adjusted</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	271 856	271 856	3 915	3 915	275 772	247 991	254 066
Sanitation Infrastructure	28 279	28 279	14 269	14 269	42 548	39 372	59 310
Solid Waste Infrastructure	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	300 135	300 135	18 185	18 185	318 320	287 363	313 376
Community Facilities	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-
Operational Buildings	4 250	4 250	-	-	4 250	3 262	273
Housing	2 000	2 000	-	-	2 000	-	-
Other Assets	6 250	6 250	-	-	6 250	3 262	273
Biological or Cultivated Assets	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-
Licences and Rights	796	796	-	-	796	833	873
Intangible Assets	796	796	-	-	796	833	873
Computer Equipment	2 000	2 000	-	-	2 000	1 569	1 647
Furniture and Office Equipment	4 980	4 980	-	-	4 980	5 209	5 467
Machinery and Equipment	2 668	2 668	3 000	3 000	5 668	699	733
Transport Assets	5 483	5 483	(700)	(700)	4 783	1 969	2 068
Land	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	<b>322 312</b>	<b>322 312</b>	<b>20 485</b>	<b>20 485</b>	<b>342 797</b>	<b>300 903</b>	<b>324 437</b>



DC43 Harry Gwala - Table B9 Consolidated Asset Management - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
	A	7 A1	12 F	13 G	14 H	Adjusted Budget	Adjusted Budget
<b>R thousands</b>							
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	2 728 314	2 728 314	20 485	20 485	2 748 799	2 919 683	3 143 003
<i>Roads Infrastructure</i>	184	184	-	-	184	179	174
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>	4 213	4 213	-	-	4 213	2 406	1 976
<i>Water Supply Infrastructure</i>	2 387 255	2 387 255	19 968	19 968	2 407 223	2 534 552	2 690 320
<i>Sanitation Infrastructure</i>	260 508	260 508	(1 783)	(1 783)	258 725	304 219	371 239
<i>Solid Waste Infrastructure</i>							
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>	222	222	-	-	222	182	141
Infrastructure	2 652 382	2 652 382	18 185	18 185	2 670 567	2 841 539	3 063 852
Community Assets	1 428	1 428	-	-	1 428	1 253	1 163
Heritage Assets	1 473	1 473	-	-	1 473	1 906	2 363
Other Assets	39 434	39 434	-	-	39 434	34 657	29 793
Biological or Cultivated Assets							
Intangible Assets							
Computer Equipment	1 985	1 985	-	-	1 985	247	(1 048)
Furniture and Office Equipment	10 004	10 004			10 004	14 427	19 075
Machinery and Equipment	11 876	11 876	3 000	3 000	14 876	13 955	14 038
Transport Assets	9 730	9 730	(700)	(700)	9 030	11 700	13 767
Land							
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>2 728 314</b>	<b>2 728 314</b>	<b>20 485</b>	<b>20 485</b>	<b>2 748 799</b>	<b>2 919 683</b>	<b>3 143 003</b>
<b>EXPENDITURE OTHER ITEMS</b>							
<i>Depreciation &amp; asset impairment</i>	101 837	101 837	-	-	101 837	106 824	112 055
<i>Repairs and Maintenance by asset class</i>	48 009	48 009	-	-	48 009	51 542	54 067
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	41 300	41 300	-	-	41 300	44 525	46 707
<i>Sanitation Infrastructure</i>	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-
Infrastructure	41 300	41 300	-	-	41 300	44 525	46 707
Community Facilities	-	-	-	-	-	-	-
Sport and Recreation Facilities	77	77	-	-	77	80	84
Community Assets	77	77	-	-	77	80	84
Heritage Assets	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-
Operational Buildings	6 212	6 212	-	-	6 212	6 498	6 815
Housing	-	-	-	-	-	-	-
Other Assets	6 212	6 212	-	-	6 212	6 498	6 815
Intangible Assets	-	-	-	-	-	-	-
Computer Equipment	70	70	-	-	70	73	77
Furniture and Office Equipment	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-
Transport Assets	350	350	-	-	350	366	384
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>	<b>149 845</b>	<b>149 845</b>	<b>-</b>	<b>-</b>	<b>149 845</b>	<b>158 367</b>	<b>166 122</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	7,1%	7,1%			8,8%	5,8%	1,3%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>	22,5%	22,5%			29,7%	16,4%	3,6%
<i>R&amp;M as a % of PPE</i>	1,8%	1,8%			1,7%	1,8%	1,7%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>	2,6%	2,6%			2,8%	2,4%	1,8%

## TABLE B10 BASIC SERVICE DELIVERY MEASUREMENT

DC43 Harry Gwala - Table B10 Consolidated Basic service delivery measurement - 29/11/2024

Description	Budget Year 2024/25					Budget Year +1	Budget Year +2
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	11	12	13	14		
<b>Household service targets</b>							
<b>Water:</b>							
Piped water inside dwelling	63166	0	0	-	63166	67272	0
Piped water inside yard (but not in dwelling)	25682	0	0	-	25682	27352	0
Using public tap (at least min.service level)	45047	0	0	-	45047	47975	0
Other water supply (at least min.service level)	37369	0	0	-	37369	40	-
<i>Minimum Service Level and Above sub-total</i>	171	-	-	-	171	182	-
Using public tap (< min.service level)				-	0		
Other water supply (< min.service level)	37369	0	0	-	37369	39798	0
No water supply				-	0		
<i>Below Minimum Service Level sub-total</i>	37	-	-	-	37	40	-
<b>Total number of households</b>	<b>209</b>	-	-	-	<b>209</b>	<b>222</b>	-
<b>Sanitation/sewerage:</b>							
Flush toilet (connected to sewerage)	98628	0	0	-	98628	105039	0
Flush toilet (with septic tank)	15901	0	0	-	15901	16935	0
Chemical toilet				-	0		
Pit toilet (ventilated)	56736	0	0	-	56736	60424	0
Other toilet provisions (> min.service level)				-	0		
<i>Minimum Service Level and Above sub-total</i>	171 265	-	-	-	171 265	182 398	-
Bucket toilet				-	0		
Other toilet provisions (< min.service level)				-	0		
No toilet provisions				-	0		
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-
<b>Total number of households</b>	<b>171 265</b>	-	-	-	<b>171 265</b>	<b>182 398</b>	-
<b>Households receiving Free Basic Service</b>							
Water (6 kilolitres per household per month)	-	-	-	-	-	-	-
Sanitation (free minimum level service)	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)	-	-	-	-	-	-	-
Refuse (removed at least once a week)	-	-	-	-	-	-	-
<i>Informal Settlements</i>	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided (R'000)</b>							
Water (6 kilolitres per indigent household per month)	(724)	-	-	-	(724)	(683)	(717)
Sanitation (free sanitation service to indigent households)	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>	-	-	-	-	-	-	-
<b>Total cost of FBS provided</b>	<b>(724)</b>	-	-	-	<b>(724)</b>	<b>(683)</b>	<b>(717)</b>

## 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 - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1	6	7	8		
		A1	F	G	H		
<b>Financial Performance</b>							
Property rates	–	–	–	–	–	–	–
Service charges	71 195	71 195	–	–	71 195	80 379	84 317
Investment revenue	16 035	16 035	–	–	16 035	15 152	15 894
Transfers recognised - operational	512 493	512 493	–	–	512 493	551 650	588 096
Other own revenue	17 721	17 721	–	–	17 721	18 767	19 686
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>617 445</b>	<b>617 445</b>	<b>–</b>	<b>–</b>	<b>617 445</b>	<b>665 948</b>	<b>707 994</b>
Employee costs	265 764	265 764	–	–	265 764	281 710	298 613
Remuneration of councillors	8 606	8 606	–	–	8 606	9 122	9 670
Depreciation & asset impairment	101 010	101 010	–	–	101 010	105 959	111 151
Finance charges	15	15	–	–	15	16	16
Inventory consumed and bulk purchases	36 543	36 543	–	–	36 543	38 224	40 097
Transfers and subsidies	–	–	–	–	–	–	–
Other expenditure	283 312	283 312	–	–	283 312	309 723	330 707
<b>Total Expenditure</b>	<b>695 250</b>	<b>695 250</b>	<b>–</b>	<b>–</b>	<b>695 250</b>	<b>744 755</b>	<b>790 254</b>
<b>Surplus/(Deficit)</b>	<b>(77 805)</b>	<b>(77 805)</b>	<b>–</b>	<b>–</b>	<b>(77 805)</b>	<b>(78 807)</b>	<b>(82 260)</b>
Transfers and subsidies - capital (monetary allocations)	318 124	318 124	5 733	5 733	323 856	314 221	343 324
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>240 318</b>	<b>240 318</b>	<b>5 733</b>	<b>5 733</b>	<b>246 051</b>	<b>235 413</b>	<b>261 064</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>240 318</b>	<b>240 318</b>	<b>5 733</b>	<b>5 733</b>	<b>246 051</b>	<b>235 413</b>	<b>261 064</b>
<b>Capital expenditure &amp; funds sources</b>							
<b>Capital expenditure</b>	<b>317 272</b>	<b>317 272</b>	<b>20 485</b>	<b>20 485</b>	<b>337 757</b>	<b>299 815</b>	<b>323 301</b>
Transfers recognised - capital	276 629	276 629	4 985	4 985	281 614	273 235	298 542
Borrowing	–	–	–	–	–	–	–
Internally generated funds	40 643	40 643	15 500	15 500	56 143	26 580	24 758
<b>Total sources of capital funds</b>	<b>317 272</b>	<b>317 272</b>	<b>20 485</b>	<b>20 485</b>	<b>337 757</b>	<b>299 815</b>	<b>323 301</b>
<b>Financial position</b>							
Total current assets	193 575	193 575	(14 752)	(14 752)	178 823	208 253	232 608
Total non current assets	3 440 486	3 440 486	20 485	20 485	3 460 971	3 635 808	3 859 079
Total current liabilities	120 580	120 580	–	–	120 580	121 694	124 137
Total non current liabilities	29 399	29 399	–	–	29 399	31 163	33 033
Community wealth/Equity	<b>3 487 234</b>	<b>3 487 234</b>	<b>5 733</b>	<b>5 733</b>	<b>3 492 966</b>	<b>3 691 085</b>	<b>3 934 118</b>

**DC43 Harry Gwala - Table B1 Adjustments Budget Summary - 45485**

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1 A1	6 F	7 G	8 H		
<b>Cash flows</b>							
Net cash from (used) operating	344 742	344 742	7 890	7 890	352 632	331 820	364 780
Net cash from (used) investing	(322 312)	(322 312)	(20 485)	(20 485)	(342 797)	(300 903)	(324 437)
Net cash from (used) financing	(2 969)	(2 969)	–	–	(2 969)	(3 004)	(3 040)
<b>Cash/cash equivalents at the year end</b>	<b>156 316</b>	<b>156 316</b>	<b>(12 595)</b>	<b>(12 595)</b>	<b>143 722</b>	<b>191 384</b>	<b>218 753</b>
<b>Cash backing/surplus reconciliation</b>							
Cash and investments available	127 021	127 021	–	–	127 021	142 689	167 162
Application of cash and investments	66 118	66 118	13 834	13 834	79 952	69 777	73 585
<b>Balance - surplus (shortfall)</b>	<b>60 904</b>	<b>60 904</b>	<b>(13 834)</b>	<b>(13 834)</b>	<b>47 070</b>	<b>72 912</b>	<b>93 577</b>
<b>Asset Management</b>							
Asset register summary (WDV)	2 722 481	2 722 481	20 485	20 485	2 742 966	2 917 803	3 141 074
Depreciation	101 010	101 010	–	–	101 010	105 959	111 151
Renewal and Upgrading of Existing Assets	22 875	22 875	7 378	7 378	30 253	17 475	4 067
Repairs and Maintenance	47 797	47 797	–	–	47 797	51 321	53 835
<b>Free services</b>							
Cost of Free Basic Services provided	(724)	(724)	–	–	(724)	(683)	(717)
Revenue cost of free services provided	–	–	–	–	–	–	–
<b>Households below minimum service level</b>							
Water:	37	–	–	–	37	40	–
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) - 45485

Standard Description	Budget Year 2024/25					Budget Year	Budget Year
	Original	Prior Adjusted	Other Adjus.	Total Adjus.	Adjusted	Adjusted	Adjusted
	Budget	5	10	11	Budget	Budget	Budget
R thousands	A	A1	F	G	H	+1 2025/26	+2 2026/27
<b>Revenue - Functional</b>							
<b>Governance and administration</b>	510 213	510 213	-	-	510 213	537 182	566 449
Executive and council	-	-	-	-	-	-	-
Finance and administration	510 213	510 213	-	-	510 213	537 182	566 449
Internal audit	-	-	-	-	-	-	-
<b>Community and public safety</b>	17	17	-	-	17	17	18
Community and social services	17	17	-	-	17	17	18
Sport and recreation	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	-	-	8 013	8 013	8 013	-	-
Planning and development	-	-	8 013	8 013	8 013	-	-
Road transport	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	425 338	425 338	(2 280)	(2 280)	423 058	442 969	484 851
Energy sources	-	-	-	-	-	-	-
Water management	409 956	409 956	(2 280)	(2 280)	407 676	426 664	467 747
Waste water management	15 382	15 382	-	-	15 382	16 305	17 104
Waste management	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>935 568</b>	<b>935 568</b>	<b>5 733</b>	<b>5 733</b>	<b>941 301</b>	<b>980 168</b>	<b>1 051 318</b>
<b>Expenditure - Functional</b>							
<b>Governance and administration</b>	315 547	315 547	(1 743)	(1 743)	313 804	332 724	350 379
Executive and council	37 277	37 277	-	-	37 277	38 401	40 488
Finance and administration	266 211	266 211	(300)	(300)	265 911	281 574	296 405
Internal audit	12 058	12 058	(1 443)	(1 443)	10 616	12 749	13 486
<b>Community and public safety</b>	24 662	24 662	-	-	24 662	24 291	25 688
Community and social services	24 662	24 662	-	-	24 662	24 291	25 688
Sport and recreation	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	168 636	168 636	1 443	1 443	170 079	191 610	207 297
Planning and development	168 636	168 636	1 443	1 443	170 079	191 610	207 297
Road transport	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	186 601	186 601	300	300	186 901	196 073	206 832
Energy sources	-	-	-	-	-	-	-
Water management	185 665	185 665	300	300	185 965	195 081	205 779
Waste water management	937	937	-	-	937	993	1 052
Waste management	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>695 447</b>	<b>695 447</b>	<b>-</b>	<b>-</b>	<b>695 447</b>	<b>744 699</b>	<b>790 195</b>
<b>Surplus/ (Deficit) for the year</b>	<b>240 121</b>	<b>240 121</b>	<b>5 733</b>	<b>5 733</b>	<b>245 854</b>	<b>235 470</b>	<b>261 123</b>

## 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) - 45485

Vote Description  <i>[Insert departmental structure etc]</i>	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	3 A1	8 F	9 G	10 H		
<b>Revenue by Vote</b>							
Vote 01 - Summary Council	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	509 775	509 775	-	-	509 775	536 725	565 970
Vote 04 - Summary Corporate Services	387	387	-	-	387	403	422
Vote 05 - Summary Social Services & Development Planning	17	17	-	-	17	17	18
Vote 06 - Summary Infrastructure Services	343 279	343 279	5 733	5 733	349 012	349 729	387 042
Vote 07 - Summary Water Services	82 110	82 110	-	-	82 110	93 294	97 865
Vote 15 - Other	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>935 568</b>	<b>935 568</b>	<b>5 733</b>	<b>5 733</b>	<b>941 301</b>	<b>980 168</b>	<b>1 051 318</b>
<b>Expenditure by Vote</b>							
Vote 01 - Summary Council	21 342	21 342	-	-	21 342	22 154	23 359
Vote 02 - Summary Municipal Manager	27 993	27 993	-	-	27 993	28 996	30 615
Vote 03 - Summary Budget And Treasury Office	105 423	105 423	-	-	105 423	110 930	116 833
Vote 04 - Summary Corporate Services	106 417	106 417	-	-	106 417	111 096	116 855
Vote 05 - Summary Social Services & Development Planning	67 882	67 882	-	-	67 882	69 060	72 246
Vote 06 - Summary Infrastructure Services	125 796	125 796	-	-	125 796	147 243	161 164
Vote 07 - Summary Water Services	240 594	240 594	-	-	240 594	255 219	269 123
Vote 15 - Other	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>695 447</b>	<b>695 447</b>	<b>-</b>	<b>-</b>	<b>695 447</b>	<b>744 699</b>	<b>790 195</b>
<b>Surplus/ (Deficit) for the year</b>	<b>240 121</b>	<b>240 121</b>	<b>5 733</b>	<b>5 733</b>	<b>245 854</b>	<b>235 470</b>	<b>261 123</b>

## 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) - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2025/26	+2 2026/27
	A	3	8	9	10	Adjusted Budget	Adjusted Budget
<b>R thousands</b>	A	A1	F	G	H		
<b>Revenue By Source</b>							
<b>Exchange Revenue</b>							
Service charges - Electricity	-	-	-	-	-	-	-
Service charges - Water	56 944	56 944	-	-	56 944	65 272	68 471
Service charges - Waste Water Management	14 252	14 252	-	-	14 252	15 107	15 847
Service charges - Waste Management	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	663	663	-	-	663	693	727
Interest earned from Receivables	16 655	16 655	-	-	16 655	17 654	18 519
Interest earned from Current and Non Current Assets	16 035	16 035	-	-	16 035	15 152	15 894
Licence and permits	-	-	-	-	-	-	-
Operational Revenue	404	404	-	-	404	420	441
<b>Non-Exchange Revenue</b>							
Property rates	-	-	-	-	-	-	-
Surcharges and Taxes	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-
Licences or permits	-	-	-	-	-	-	-
Transfer and subsidies - Operational	512 493	512 493	-	-	512 493	551 650	588 096
Interest	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>617 445</b>	<b>617 445</b>	<b>-</b>	<b>-</b>	<b>617 445</b>	<b>665 948</b>	<b>707 994</b>
<b>Expenditure By Type</b>							
Employee related costs	265 764	265 764	-	-	265 764	281 710	298 613
Remuneration of councillors	8 606	8 606	-	-	8 606	9 122	9 670
Bulk purchases - electricity	-	-	-	-	-	-	-
Inventory consumed	36 543	36 543	-	-	36 543	38 224	40 097
Debt impairment	-	-	-	-	-	-	-
Depreciation and amortisation	101 010	101 010	-	-	101 010	105 959	111 151
Interest	15	15	-	-	15	16	16
Contracted services	149 165	149 165	(290)	(290)	148 875	171 230	186 056
Transfers and subsidies	-	-	-	-	-	-	-
Irrecoverable debts written off	31 908	31 908	-	-	31 908	33 472	35 112
Operational costs	102 239	102 239	290	290	102 529	105 021	109 538
Losses on disposal of Assets	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>695 250</b>	<b>695 250</b>	<b>-</b>	<b>-</b>	<b>695 250</b>	<b>744 755</b>	<b>790 254</b>
<b>Surplus/(Deficit)</b>	<b>(77 805)</b>	<b>(77 805)</b>	<b>-</b>	<b>-</b>	<b>(77 805)</b>	<b>(78 807)</b>	<b>(82 260)</b>
Transfers and subsidies - capital (monetary allocations)	318 124	318 124	5 733	5 733	323 856	314 221	343 324
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>	<b>240 318</b>	<b>240 318</b>	<b>5 733</b>	<b>5 733</b>	<b>246 051</b>	<b>235 413</b>	<b>261 064</b>
Income Tax	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>240 318</b>	<b>240 318</b>	<b>5 733</b>	<b>5 733</b>	<b>246 051</b>	<b>235 413</b>	<b>261 064</b>
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>240 318</b>	<b>240 318</b>	<b>5 733</b>	<b>5 733</b>	<b>246 051</b>	<b>235 413</b>	<b>261 064</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>240 318</b>	<b>240 318</b>	<b>5 733</b>	<b>5 733</b>	<b>246 051</b>	<b>235 413</b>	<b>261 064</b>

## 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 - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	5 A1	10 F	11 G	12 H		
<b>Capital expenditure - Vote</b>							
<b>Multi-year expenditure to be adjusted</b>							
Vote 01 - Summary Council	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	-	-	-	-	-	-	-
Vote 04 - Summary Corporate Services	9 480	9 480	3 000	3 000	12 480	6 255	6 568
Vote 05 - Summary Social Services & Development Planing	600	600	-	-	600	-	-
Vote 06 - Summary Infrastructure Services	122 732	122 732	(4 656)	(4 656)	118 076	115 635	100 000
Vote 07 - Summary Water Services	184 460	184 460	22 140	22 140	206 600	177 925	216 733
Vote 15 - Other	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>317 272</b>	<b>317 272</b>	<b>20 485</b>	<b>20 485</b>	<b>337 757</b>	<b>299 815</b>	<b>323 301</b>
<b>Total Capital Expenditure - Vote</b>	<b>317 272</b>	<b>317 272</b>	<b>20 485</b>	<b>20 485</b>	<b>337 757</b>	<b>299 815</b>	<b>323 301</b>
<b>Capital Expenditure - Functional</b>							
<b>Governance and administration</b>	<b>9 480</b>	<b>9 480</b>	<b>3 000</b>	<b>3 000</b>	<b>12 480</b>	<b>6 255</b>	<b>6 568</b>
Executive and council	-	-	-	-	-	-	-
Finance and administration	9 480	9 480	3 000	3 000	12 480	6 255	6 568
Internal audit	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>600</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>-</b>	<b>-</b>
Community and social services	600	600	-	-	600	-	-
Sport and recreation	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>120 895</b>	<b>120 895</b>	<b>(5 789)</b>	<b>(5 789)</b>	<b>115 106</b>	<b>113 813</b>	<b>98 088</b>
Planning and development	120 895	120 895	(5 789)	(5 789)	115 106	113 813	98 088
Road transport	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	<b>186 297</b>	<b>186 297</b>	<b>23 273</b>	<b>23 273</b>	<b>209 570</b>	<b>179 747</b>	<b>218 644</b>
Energy sources	-	-	-	-	-	-	-
Water management	176 093	176 093	9 681	9 681	185 775	156 067	161 531
Waste water management	10 204	10 204	13 592	13 592	23 796	23 680	57 113
Waste management	-	-	-	-	-	-	-
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	<b>317 272</b>	<b>317 272</b>	<b>20 485</b>	<b>20 485</b>	<b>337 757</b>	<b>299 815</b>	<b>323 301</b>
<b>Funded by:</b>							
National Government	276 629	276 629	(1 983)	(1 983)	274 647	273 235	298 542
Provincial Government	-	-	6 967	6 967	6 967	-	-
<b>Transfers recognised - capital</b>	<b>276 629</b>	<b>276 629</b>	<b>4 985</b>	<b>4 985</b>	<b>281 614</b>	<b>273 235</b>	<b>298 542</b>
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>40 643</b>	<b>40 643</b>	<b>15 500</b>	<b>15 500</b>	<b>56 143</b>	<b>26 580</b>	<b>24 758</b>
<b>Total Capital Funding</b>	<b>317 272</b>	<b>317 272</b>	<b>20 485</b>	<b>20 485</b>	<b>337 757</b>	<b>299 815</b>	<b>323 301</b>



**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 - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	3 A1	8 F	9 G	10 H		
<b>ASSETS</b>							
<b>Current assets</b>							
Cash and cash equivalents	124 710	124 710	-	-	124 710	140 385	164 865
Trade and other receivables from exchange transactions	29 605	29 605	-	-	29 605	28 970	28 303
Receivables from non-exchange transactions	2 311	2 311	-	-	2 311	2 304	2 297
Current portion of non-current receivables	-	-	-	-	-	-	-
Inventory	759	759	-	-	759	804	853
VAT	36 188	36 188	(14 752)	(14 752)	21 436	35 788	36 268
Other current assets	2	2	-	-	2	2	2
<b>Total current assets</b>	<b>193 575</b>	<b>193 575</b>	<b>(14 752)</b>	<b>(14 752)</b>	<b>178 823</b>	<b>208 253</b>	<b>232 608</b>
<b>Non current assets</b>							
Investments	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-
Property, plant and equipment	3 439 263	3 439 263	20 485	20 485	3 459 748	3 634 164	3 856 989
Biological assets	-	-	-	-	-	-	-
Living and non-living resources	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-
Intangible assets	1 223	1 223	-	-	1 223	1 644	2 090
Trade and other receivables from exchange transactions	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-	-	-
Other non-current assets	0	0	-	-	0	0	0
<b>Total non current assets</b>	<b>3 440 486</b>	<b>3 440 486</b>	<b>20 485</b>	<b>20 485</b>	<b>3 460 971</b>	<b>3 635 808</b>	<b>3 859 079</b>
<b>TOTAL ASSETS</b>	<b>3 634 061</b>	<b>3 634 061</b>	<b>5 733</b>	<b>5 733</b>	<b>3 639 794</b>	<b>3 844 061</b>	<b>4 091 687</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft	-	-	-	-	-	-	-
Financial liabilities	8 006	8 006	-	-	8 006	5 606	3 206
Consumer deposits	3 522	3 522	-	-	3 522	4 126	4 765
Trade and other payables from exchange transactions	84 509	84 509	-	-	84 509	86 391	89 503
Trade and other payables from non-exchange transactions	-	-	-	-	-	-	-
Provisions	17 142	17 142	-	-	17 142	18 170	19 260
VAT	7 402	7 402	-	-	7 402	7 402	7 402
Other current liabilities	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>120 580</b>	<b>120 580</b>	<b>-</b>	<b>-</b>	<b>120 580</b>	<b>121 694</b>	<b>124 137</b>
<b>Non current liabilities</b>							
Borrowing	-	-	-	-	-	-	-
Provisions	29 399	29 399	-	-	29 399	31 163	33 033
Long term portion of trade payables	-	-	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-	-	-
<b>Total non current liabilities</b>	<b>29 399</b>	<b>29 399</b>	<b>-</b>	<b>-</b>	<b>29 399</b>	<b>31 163</b>	<b>33 033</b>
<b>TOTAL LIABILITIES</b>	<b>149 979</b>	<b>149 979</b>	<b>-</b>	<b>-</b>	<b>149 979</b>	<b>152 857</b>	<b>157 169</b>
<b>NET ASSETS</b>	<b>3 484 082</b>	<b>3 484 082</b>	<b>5 733</b>	<b>5 733</b>	<b>3 489 815</b>	<b>3 691 204</b>	<b>3 934 517</b>
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)	3 487 234	3 487 234	5 733	5 733	3 492 966	3 691 085	3 934 118
Funds and Reserves	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>3 487 234</b>	<b>3 487 234</b>	<b>5 733</b>	<b>5 733</b>	<b>3 492 966</b>	<b>3 691 085</b>	<b>3 934 118</b>

## TABLE B7 ADJUSTMENTS BUDGET CASH FLOWS

DC43 Harry Gwala - Table B7 Adjustments Budget Cash Flows - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	3 A1	8 F	9 G	10 H		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Property rates	-	-	-	-	-	-	-
Service charges	62 194	62 194	-	-	62 194	70 708	74 173
Other revenue	68 324	68 324	17 767	17 767	86 092	65 516	71 406
Transfers and Subsidies - Operational	512 493	512 493	-	-	512 493	551 650	588 096
Transfers and Subsidies - Capital	318 124	318 124	5 733	5 733	323 856	314 221	343 324
Interest	17 435	17 435	-	-	17 435	16 552	17 378
Dividends	-	-	-	-	-	-	-
<b>Payments</b>							
Suppliers and employees	(633 686)	(633 686)	(15 610)	(15 610)	(649 296)	(686 676)	(729 439)
Finance charges	(142)	(142)	-	-	(142)	(150)	(158)
Transfers and Subsidies	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>344 742</b>	<b>344 742</b>	<b>7 890</b>	<b>7 890</b>	<b>352 632</b>	<b>331 820</b>	<b>364 780</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds on disposal of PPE	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-
<b>Payments</b>							
Capital assets	(322 312)	(322 312)	(20 485)	(20 485)	(342 797)	(300 903)	(324 437)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(322 312)</b>	<b>(322 312)</b>	<b>(20 485)</b>	<b>(20 485)</b>	<b>(342 797)</b>	<b>(300 903)</b>	<b>(324 437)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Short term loans	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	(569)	(569)	-	-	(569)	(604)	(640)
<b>Payments</b>							
Repayment of borrowing	(2 400)	(2 400)	-	-	(2 400)	(2 400)	(2 400)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(2 969)</b>	<b>(2 969)</b>	<b>-</b>	<b>-</b>	<b>(2 969)</b>	<b>(3 004)</b>	<b>(3 040)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>19 461</b>	<b>19 461</b>	<b>(12 595)</b>	<b>(12 595)</b>	<b>6 866</b>	<b>27 914</b>	<b>37 303</b>
Cash/cash equivalents at the year begin:	136 856	136 856	-	-	136 856	163 470	181 451
Cash/cash equivalents at the year end:	156 316	156 316	(12 595)	(12 595)	143 722	191 384	218 753

## TABLE B8 CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION

DC43 Harry Gwala - Table B8 Cash backed reserves/accumulated surplus reconciliation - 45485

Description	Budget Year 2024/25					Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	3	8	9	10		
<b>R thousands</b>		A1	F	G	H		
<b>Cash and investments available</b>							
Cash/cash equivalents at the year end	156 316	156 316	(12 595)	(12 595)	143 722	191 384	218 753
Other current investments > 90 days	(29 295)	(29 295)	12 595	12 595	(16 701)	(48 695)	(51 592)
Non current assets - Investments	-	-	-	-	-	-	-
<b>Cash and investments available:</b>	<b>127 021</b>	<b>127 021</b>	<b>-</b>	<b>-</b>	<b>127 021</b>	<b>142 689</b>	<b>167 162</b>
<b>Applications of cash and investments</b>							
Unspent conditional transfers	-	-	-	-	-	-	-
Unspent borrowing	-	-	-	-	-	-	-
Statutory requirements	(28 787)	(28 787)	14 752	14 752	(14 034)	(28 387)	(28 887)
Other working capital requirements	77 763	77 763	(918)	(918)	76 844	79 993	83 211
Other provisions	17 142	17 142	-	-	17 142	18 170	19 260
Long term investments committed	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>	<b>66 118</b>	<b>66 118</b>	<b>13 834</b>	<b>13 834</b>	<b>79 952</b>	<b>69 777</b>	<b>73 585</b>
<b>Surplus(shortfall)</b>	<b>60 904</b>	<b>60 904</b>	<b>(13 834)</b>	<b>(13 834)</b>	<b>47 070</b>	<b>72 912</b>	<b>93 577</b>

## TABLE B9 ASSET MANAGEMENT

DC43 Harry Gwala - Table B9 Asset Management - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted	+1 2025/26	+2 2026/27
	Budget	7	12	13	Budget	Adjusted	Adjusted
R thousands	A	A1	F	G	H		
<b>CAPITAL EXPENDITURE</b>							
<b>Total New Assets to be adjusted</b>	294 397	294 397	13 107	13 107	307 504	282 340	319 233
Water Supply Infrastructure	266 019	266 019	(4 185)	(4 185)	261 834	246 169	252 155
Sanitation Infrastructure	12 204	12 204	14 292	14 292	26 496	25 772	59 310
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	278 223	278 223	10 107	10 107	288 330	271 941	311 464
Investment properties	-	-	-	-	-	-	-
Operational Buildings	4 000	4 000	-	-	4 000	3 000	-
Housing	2 000	2 000	-	-	2 000	-	-
Other Assets	6 000	6 000	-	-	6 000	3 000	-
Biological or Cultivated Assets	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-
Licences and Rights	546	546	-	-	546	571	600
Intangible Assets	546	546	-	-	546	571	600
Computer Equipment	2 000	2 000	-	-	2 000	1 569	1 647
Furniture and Office Equipment	4 505	4 505	-	-	4 505	4 712	4 947
Machinery and Equipment	2 523	2 523	3 000	3 000	5 523	547	574
Transport Assets	600	600	-	-	600	-	-
Land	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets to be adjusted</b>	22 007	22 007	6 245	6 245	28 252	16 565	3 113
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	970	970	6 967	6 967	7 937	912	957
Sanitation Infrastructure	16 075	16 075	(23)	(23)	16 052	13 599	-
Infrastructure	17 045	17 045	6 945	6 945	23 989	14 512	957
Machinery and Equipment	80	80	-	-	80	84	88
Transport Assets	4 883	4 883	(700)	(700)	4 183	1 969	2 068
Land	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets to be adjusted</b>	868	868	1 133	1 133	2 001	910	955
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	868	868	1 133	1 133	2 001	910	955
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	868	868	1 133	1 133	2 001	910	955
<b>Total Capital Expenditure to be adjusted</b>	317 272	317 272	20 485	20 485	337 757	299 815	323 301
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-
Water Supply Infrastructure	267 856	267 856	3 915	3 915	271 772	247 991	254 068
Sanitation Infrastructure	28 279	28 279	14 269	14 269	42 548	39 372	59 310
Solid Waste Infrastructure	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-
Infrastructure	296 135	296 135	18 185	18 185	314 320	287 363	313 376
Investment properties	-	-	-	-	-	-	-
Operational Buildings	4 000	4 000	-	-	4 000	3 000	-
Housing	2 000	2 000	-	-	2 000	-	-
Other Assets	6 000	6 000	-	-	6 000	3 000	-
Biological or Cultivated Assets	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-
Licences and Rights	546	546	-	-	546	571	600
Intangible Assets	546	546	-	-	546	571	600
Computer Equipment	2 000	2 000	-	-	2 000	1 569	1 647
Furniture and Office Equipment	4 505	4 505	-	-	4 505	4 712	4 947
Machinery and Equipment	2 603	2 603	3 000	3 000	5 603	631	662
Transport Assets	5 483	5 483	(700)	(700)	4 783	1 969	2 068
Land	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	317 272	317 272	20 485	20 485	337 757	299 815	323 301

DC43 Harry Gwala - Table B9 Asset Management - 45485

Description	Budget Year 2024/25					Budget Year	Budget Year
	Original	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted	+1 2025/26	+2 2026/27
	Budget	7	12	13	Budget	Adjusted	Adjusted
R thousands	A	A1	F	G	H	Budget	Budget
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	2 722 481	2 722 481	20 485	20 485	2 742 966	2 917 803	3 141 074
<i>Roads Infrastructure</i>	184	184	-	-	184	179	174
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>	4 213	4 213	-	-	4 213	2 406	1 976
<i>Water Supply Infrastructure</i>	2 383 255	2 383 255	19 968	19 968	2 403 223	2 534 552	2 690 320
<i>Sanitation Infrastructure</i>	260 508	260 508	(1 783)	(1 783)	258 725	304 219	371 239
<i>Information and Communication Infrastructure</i>	222	222	-	-	222	182	141
<b>Infrastructure</b>	2 648 382	2 648 382	18 185	18 185	2 666 567	2 841 539	3 063 852
Community Assets	1 428	1 428	-	-	1 428	1 253	1 163
Heritage Assets	1 223	1 223	-	-	1 223	1 644	2 090
Other Assets	39 184	39 184	-	-	39 184	34 396	29 520
Biological or Cultivated Assets							
Intangible Assets							
Computer Equipment	1 985	1 985	-	-	1 985	247	(1 048)
Furniture and Office Equipment	8 737	8 737	-	-	8 737	13 137	17 763
Machinery and Equipment	11 811	11 811	3 000	3 000	14 811	13 887	13 967
Transport Assets	9 730	9 730	(700)	(700)	9 030	11 700	13 767
Land							
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>2 722 481</b>	<b>2 722 481</b>	<b>20 485</b>	<b>20 485</b>	<b>2 742 966</b>	<b>2 917 803</b>	<b>3 141 074</b>
<b>EXPENDITURE OTHER ITEMS</b>							
<u>Depreciation &amp; asset impairment</u>	101 010	101 010	-	-	101 010	105 959	111 151
<u>Repairs and Maintenance by asset class</u>	47 797	47 797	-	-	47 797	51 321	53 835
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>	41 300	41 300	-	-	41 300	44 525	46 707
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-
<b>Infrastructure</b>	41 300	41 300	-	-	41 300	44 525	46 707
Community Facilities	-	-	-	-	-	-	-
Sport and Recreation Facilities	77	77	-	-	77	80	84
<b>Community Assets</b>	77	77	-	-	77	80	84
<b>Heritage Assets</b>	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-
Operational Buildings	6 000	6 000	-	-	6 000	6 276	6 584
Housing	-	-	-	-	-	-	-
<b>Other Assets</b>	6 000	6 000	-	-	6 000	6 276	6 584
Computer Equipment	70	70	-	-	70	73	77
Transport Assets	350	350	-	-	350	366	384
Land	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>	<b>148 806</b>	<b>148 806</b>	<b>-</b>	<b>-</b>	<b>148 806</b>	<b>157 280</b>	<b>164 987</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	7,2%	7,2%			9,0%	5,8%	1,3%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>	22,6%	22,6%			30,0%	16,5%	3,7%
<i>R&amp;M as a % of PPE</i>	1,8%	1,8%			1,7%	1,8%	1,7%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>	2,6%	2,6%			2,8%	2,4%	1,8%

## **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, the high unemployment levels and financial resources are limited due to reduced payment levels by consumers as a result of the coronavirus pandemic. 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.

**Collection rate for revenue services:** A collection rate of 87 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 93%) 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 87 per cent.

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

DC43 Harry Gwala - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 29/11/2024

Description	Budget Year 2024/25							Budget Year	Budget Year
	Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	7	8	9	10	11	12	+1 2025/26	+2 2026/27
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	512 493	512 493	-	-	-	-	512 493	551 650	588 096
Local Government Equitable Share	491 837	491 837	-	-	-	-	491 837	519 538	547 904
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant	4 460	4 460	-	-	-	-	4 460	-	-
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 200	-	-	-	-	1 200	1 300	1 400
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	12 498	12 498	-	-	-	-	12 498	28 202	36 062
Rural Road Asset Management Systems Grant	2 498	2 498	-	-	-	-	2 498	2 610	2 730
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>512 493</b>	<b>512 493</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>512 493</b>	<b>551 650</b>	<b>588 096</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	318 124	318 124	-	-	(2 280)	(2 280)	315 844	314 221	343 324
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	218 124	218 124	-	-	(2 280)	(2 280)	215 844	214 221	228 324
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	100 000	100 000	-	-	-	-	100 000	100 000	115 000
<b>Provincial Government:</b>	-	-	-	-	8 013	8 013	8 013	-	-
Infrastructure Grant	-	-	-	-	8 013	8 013	8 013	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme	-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>318 124</b>	<b>318 124</b>	<b>-</b>	<b>-</b>	<b>5 733</b>	<b>5 733</b>	<b>323 856</b>	<b>314 221</b>	<b>343 324</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>830 617</b>	<b>830 617</b>	<b>-</b>	<b>-</b>	<b>5 733</b>	<b>5 733</b>	<b>836 350</b>	<b>865 871</b>	<b>931 420</b>



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

- National Government                      R 532, 6million

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

- National Government                      R 323, 8million

## **2.3 Adjustments to Expenditure on Allocations and Grant Programmes**

2.3.1 An allocation of capital grants for water and sanitation projects which is made up of the following grant allocation:

- Municipal Infrastructure Grant-        R 2, 2m
- Department of Water and Sanitation- R 8m

## 2.4 Municipal Manager's Quality Certificates

I, Gamakulu Ma'art Sineke, 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: Gamakulu Ma'art Sineke

Municipal Manager of Harry Gwala District Municipality (DC43)

Signature: \_\_\_\_\_  


Date 12 December 2024