

MAGARENG



MUNICIPALITY

**ADJUSTMENT BUDGET
2023/2024**

Table of Contents

Executive Summary	3-4
Table B1: Adjustment Budget Summary.....	5-6
Table B2: Standard Classification.....	7
Table B3: Adjustment Budget–Municipal Vote.....	8
Table B4: Adjustment Budget–Revenue & Expenditure.....	9-12
Table B5: Capital Budget by Vote and Fundin.....	13
Table B5B: Capital Budget by Vote.....	14-15
Table B6: Financial Position.....	16-17
Table B7: Cashflow.....	18-19
Table B8: Cash Backed Reserves.....	20
Table 10: Service Delivery.....	21
Supporting Documentation	
Table SB1: Supporting Detail to Budget Financial Performance.....	22-23
Table SB2: Supporting Detail to Financial Position.....	24-25
Table SB4: Performance Indicators and Benchmarks.....	26
Table SB6: Funding Measurement.....	27
Table SB7: Transfer and Receipts.....	27
Table SB8: Transfers and Expenditure.....	28-29
Table SB11: Councilors and Staff Members.....	30
Table SB12: Monthly Revenue and Expenditure by Municipal Vote.....	31
Table SB13: Monthly Revenue and Expenditure by Function.....	32
Table SB14: Monthly Revenue and Expenditure.....	33
Table SB15: Monthly Cashflow.....	34
Quality Certificate	35

SPECIAL ADJUSTMENT BUDGET

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 financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

Section 28 of Municipal Finance Management Act requires Municipality to revise its approved annual budget through an adjustment budget. The format and contents of the adjustment budget and supporting documentation must in terms of MFMA, be in the format as specified in Schedule B of the Municipal Budget and Reporting Regulations. The adjustment budget as submitted herewith contains the applicable adjustment budget tables.

BUDGET 2023/24				
	Original Budget	Adjustment	Special Adjustment	Adjustment Budget
Total Revenue (excluding capital transfers and contributions)	R 162 061 667,00	-R 9 049 010,03	R -	R 153 012 656,97
Total Expenditure	R 177 673 719,00	R 13 351 107,17	R -	R 191 024 826,17
Transfers recognised - capital	R 55 257 000,00	R 5 767 000,00	R 6 000 000,00	R 67 024 000,00
Surplus/(Deficit) after capital transfers & contributions	R 394 992 386,00	-R 371 980 555,20	R 6 000 000,00	R 29 011 830,80

	ORG BUDGET	ADJUSTMENT BUDGET	SPECIAL ADJUSTMENT	TOTAL BUDGET
Total Capital Expenditure	55 257 000,00	61 024 000,00	6 000 000,00	67 024 000,00

The impact of the adjustments on the special adjustment budget is as follows:

- Total operating revenue budget decreased as a result of the underperformance of service charges (electricity & water) in relation to what the municipality billed for the services. The adjustments made are in line with the actuals as at end December 2023, which remains the same in the special adjustment.
- The operational expenditure budget increased due to an increase in the remuneration of councillors which was as a result of an approval of councillors upper limits which was backdated from 2022/2023 to date, which remains the same through this special adjustment.
- There was also an increase in contracted services due to a variation in the security contract as well the actual expenditure incurred for the first half of the financial year.
- The increase in Other Expenditure is as a result of an increase in the cost of audit fees, accountant and auditors as well as asset consultants.

- Irrecoverable debt written off amounting to R5.2 million also had an impact on the increase in Operating Expenditure as this had to be provided for.
- The additional R 6 million received increased the transfer recognized from R 61 million to 67 million, which increased surplus from R 23 million to R 31,9 million.

Table B1 Sum: Adjustment Budget Summary:

NC093 Magareng - Table B1 Adjustments Budget Summary - 45508

Description	Budget Year 2023/24									Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	13 926	13 926	-	-	-	-	-	-	13 926	14 226	14 880
Service charges	60 384	37 233	-	-	-	-	-	37 233	37 233	37 713	39 448
Investment revenue	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	68 488	69 743	-	-	-	-	-	69 743	71 043	70 804	
Other own revenue	19 264	32 112	-	-	-	-	-	32 112	31 761	33 222	
Total Revenue (excluding capital transfers and contributions)	162 062	153 013	-	-	-	-	-	153 013	154 743	158 354	
Employee costs	53 709	53 709	-	-	-	-	-	53 709	53 582	56 019	
Remuneration of councillors	4 807	5 612	-	-	-	-	-	5 612	5 587	5 844	
Depreciation & asset impairment	61 345	61 344	-	-	-	-	-	61 344	40 596	42 800	
Finance charges	-	-	-	-	-	-	-	-	-	1 887	1 980
Inventory consumed and bulk purchases	37 920	37 820	-	-	-	-	(1 150)	(1 150)	36 670	37 283	18 323
Transfers and subsidies	-	-	-	-	-	-	-	-	-	370	387
Other expenditure	19 893	32 540	-	-	-	-	1 150	1 150	33 690	25 802	25 626
Total Expenditure	177 674	191 025	-	-	-	-	-	191 025	165 108	150 979	
Surplus/(Deficit)	(15 612)	(38 012)	-	-	-	-	-	(38 012)	(10 365)	7 376	
Transfers and subsidies - capital (monetary allocations)	51 967	56 279	-	-	-	-	6 000	6 000	62 279	42 258	23 628
Transfers and subsidies - capital (in-kind - all)	3 000	4 745	-	-	-	-	-	-	4 745	-	-
Surplus/(Deficit) after capital transfers & contributions	39 355	23 012	-	-	-	-	6 000	6 000	29 012	31 893	31 004
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	39 355	23 012	-	-	-	-	6 000	6 000	29 012	31 893	31 004
Capital expenditure & funds sources											
Capital expenditure	55 257	61 024	-	-	-	-	6 000	6 000	67 024	42 258	23 628
Transfers recognised - capital	54 967	61 024	-	-	-	-	6 000	6 000	67 024	42 258	23 628
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	290	0	-	-	-	-	-	0	0	-	-
Total sources of capital funds	55 257	61 024	-	-	-	-	6 000	6 000	67 024	42 258	23 628
Financial position											
Total current assets	20 216	4 494	-	-	-	-	-	-	4 494	207 347	353 040
Total non current assets	306 151	336 374	-	-	-	-	6 000	6 000	342 374	403 294	367 167
Total current liabilities	356 086	383 878	-	-	-	-	-	-	383 878	448 851	475 580
Total non current liabilities	11 911	17 859	-	-	-	-	-	-	17 859	8 079	8 450
Community wealth/Equity	(41 630)	(57 973)	-	-	-	-	6 000	6 000	(51 973)	154 763	257 823
Cash flows											
Net cash from (used) operating	267 539	354 063	-	-	-	-	6 000	6 000	360 063	286 570	471 666
Net cash from (used) investing	(52 257)	(56 279)	-	-	-	-	(6 000)	(6 000)	(62 279)	(42 258)	(23 628)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	325	340
Cash/cash equivalents at the year end	215 524	298 518	-	-	-	-	-	-	298 518	244 706	448 450
Cash backing/surplus reconciliation											
Cash and investments available	(122 868)	(152 899)	-	-	-	-	-	-	(152 899)	125 131	298 316
Application of cash and investments	282 951	291 520	-	-	-	-	4 797	4 797	296 317	318 168	325 042
Balance - surplus (shortfall)	(405 820)	(444 420)	-	-	-	-	(4 797)	(4 797)	(449 217)	(193 037)	(26 726)
Asset Management											
Asset register summary (WDV)	303 949	334 172	-	-	-	-	6 000	6 000	340 172	401 092	364 863
Depreciation	25 954	25 953	-	-	-	-	-	-	25 953	23 541	24 624
Renewal and Upgrading of Existing Assets	55 257	61 024	-	-	-	-	6 000	6 000	67 024	42 258	22 638
Repairs and Maintenance	4 500	7 105	-	-	-	-	-	-	7 105	5 912	6 101
Free services											
Cost of Free Basic Services provided	11 284	11 284	-	-	-	-	-	-	11 284	4 553	4 762
Revenue cost of free services provided	1 102	1 102	-	-	-	-	-	-	1 102	1 492	1 561
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

The above B1 Sum table summarizes the impact of adjustment budget on special adjustment budget and the approved annual:

Operating revenue

Property rates – there was no adjustment due to actual performance. Furthermore, the municipality undertook the process of preparing a detailed reconciliation between valuation roll and the core financial system which the exceptions of will be kept track of and resolved on a monthly basis.

Service charges – the adjustment is due to actual performance from the previous mid-term.

Interest on outstanding debtors – the adjustment on interest on outstanding debtors is due to the performance from the previous mid-term.

Other own revenue - the adjustment is informed by actual performance and non-payment of accounts by customers. Additionally, the adjustment on sale on tender documents and cleaning and removal for businesses. The municipality is still experiencing challenges regarding the fines due to the traffic station which needs repairs for driving licenses and learner driving certificate.

Operating expenditure

The year to date actual operational expenditure as at end of December amounts to R82.2 million and the budget is R177.7 million. This reflects an underspending variance of R6.6 million that translates to -8% variance. The variance is attributed to underspending on employee-related cost as a result of vacancies not filled, bulk purchases electricity and inventory consumed.

Other materials – there is adjustment due to the actual performance R 2,4 million and R 1,8 million from Frances Baard District Municipality. There was an additional allocation for O & M from the district municipality of R 1, 2 million

Bulk purchases - there is underspending on bulk purchases as per creditors as at end of December 2023 the municipality owed R 113,4 million and budgeted R 25 million.

Table B2: Adjustment Budget – Standard Classification

NC093 Magareng - Table B2 Adjustments Budget Financial Performance (functional classification) - 45

Standard Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	10	12		
R thousands	A	A1	F	H		
Revenue - Functional						
Governance and administration	84 422	88 039	–	88 039	91 119	91 886
Executive and council	62 541	62 541	–	62 541	66 243	66 004
Finance and administration	21 881	25 498	–	25 498	24 876	25 882
Internal audit	–	–	–	–	–	–
Community and public safety	1 393	1 470	–	1 470	974	1 019
Community and social services	1 264	1 264	–	1 264	89	94
Sport and recreation	–	–	–	–	–	–
Public safety	130	206	–	206	884	925
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
Economic and environmental services	450	450	–	450	450	450
Planning and development	–	–	–	–	–	–
Road transport	450	450	–	450	450	450
Environmental protection	–	–	–	–	–	–
Trading services	130 764	124 077	6 000	130 077	104 459	88 628
Energy sources	35 848	19 180	–	19 180	20 349	22 255
Water management	50 145	55 032	6 000	61 032	34 206	25 114
Waste water management	35 402	38 610	–	38 610	37 211	27 982
Waste management	9 368	11 256	–	11 256	12 693	13 277
Other	–	–	–	–	–	–
Total Revenue - Functional	217 029	214 037	6 000	220 037	197 001	181 982
Expenditure - Functional						
Governance and administration	57 910	72 545	150	72 695	67 317	68 980
Executive and council	13 006	13 845	(50)	13 795	14 036	13 383
Finance and administration	44 904	58 700	200	58 900	53 280	55 598
Internal audit	–	–	–	–	–	–
Community and public safety	12 754	15 709	–	15 709	14 017	14 998
Community and social services	2 571	2 546	–	2 546	2 376	2 485
Sport and recreation	5 218	4 641	–	4 641	4 799	5 019
Public safety	3 747	3 842	–	3 842	3 581	4 082
Housing	1 219	4 680	–	4 680	3 261	3 411
Health	–	–	–	–	–	–
Economic and environmental services	24 739	7 746	–	7 746	8 307	8 669
Planning and development	6 164	6 260	–	6 260	6 398	6 692
Road transport	18 575	1 486	–	1 486	1 909	1 976
Environmental protection	–	–	–	–	–	–
Trading services	82 271	97 920	(150)	97 770	77 867	81 388
Energy sources	35 688	40 222	(1 150)	39 072	38 893	40 661
Water management	24 970	30 300	1 000	31 300	18 559	19 392
Waste water management	17 115	23 443	–	23 443	16 267	16 996
Waste management	4 498	3 955	–	3 955	4 148	4 339
Other	–	–	–	–	–	–
Total Expenditure - Functional	177 674	193 920	–	193 920	167 508	174 035
Surplus/ (Deficit) for the year	39 355	20 117	6 000	26 117	29 493	7 947

Table B3: Adjustment Budget – Municipal Vote

NC093 Magareng - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal v

Vote Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
<i>[Insert departmental structure etc]</i>		3	8	10		
R thousands	A	A1	F	H		
Revenue by Vote						
Vote 01 - Executive & Council	62 541	62 541	-	62 541	66 243	66 004
Vote 02 - Office OfThe Municipal Manager	-	-	-	-	-	-
Vote 03 - Corporate Services	-	-	-	-	-	-
Vote 04 - Financial Services	21 881	25 498	-	25 498	24 876	25 882
Vote 05 - Municipal Infrastructure	131 214	124 527	6 000	130 527	104 909	89 078
Vote 06 - Community Services	-	-	-	-	-	-
Vote 07 - Public Safety & Transport	1 393	1 470	-	1 470	974	1 019
Total Revenue by Vote	217 029	214 037	6 000	220 037	197 001	181 982
Expenditure by Vote						
Vote 01 - Executive & Council	10 836	11 216	(50)	11 166	11 597	10 831
Vote 02 - Office OfThe Municipal Manager	2 169	2 217	-	2 217	2 141	2 240
Vote 03 - Corporate Services	15 806	18 600	50	18 650	17 541	18 348
Vote 04 - Financial Services	29 098	40 159	150	40 309	35 783	37 296
Vote 05 - Municipal Infrastructure	104 180	102 763	(150)	102 613	83 149	86 892
Vote 06 - Community Services	-	-	-	-	-	-
Vote 07 - Public Safety & Transport	11 535	11 029	-	11 029	10 628	11 453
Vote 08 - Sports, Arts, Parks, Culture	-	-	-	-	-	-
Vote 09 - Planning & Development	4 048	7 936	-	7 936	6 669	6 976
Total Expenditure by Vote	177 674	193 920	-	193 920	167 508	174 035
Surplus/ (Deficit) for the year	39 355	20 117	6 000	26 117	29 493	7 947

The above two tables (Table B2 and B3) summarize the present comparison of original budget and adjusted budget for both revenue and operating expenditure. As explained under Table B1. The special adjustment is the R 6 million as per the MIG funder, the R 50 and R 150 thousand are virements. They are ins and outs as they do not affect the total adjustment.

Table B4: Adjustment Budget–Revenue & Expenditure

NC093 Magareng - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 45508

Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	8	10		
R thousands	A	A1	F	H		
Revenue By Source						
Exchange Revenue						
Service charges - Electricity	33 713	16 192	–	16 192	17 936	18 761
Service charges - Water	9 156	3 492	–	3 492	3 131	3 275
Service charges - Waste Water Management	10 832	10 832	–	10 832	9 136	9 556
Service charges - Waste Management	6 683	6 716	–	6 716	7 511	7 856
Sale of Goods and Rendering of Services	624	737	–	737	431	450
Agency services	–	–	–	–	–	–
Interest	–	–	–	–	–	–
Interest earned from Receivables	13 632	23 250	–	23 250	23 296	24 368
Interest earned from Current and Non Current Assets	–	–	–	–	–	–
Dividends	–	–	–	–	–	–
Rent on Land	3	2	–	2	1	1
Rental from Fixed Assets	3	3	–	3	3	3
Licence and permits	–	–	–	–	–	–
Operational Revenue	71	147	–	147	298	312
Non-Exchange Revenue						
Property rates	13 926	13 926	–	13 926	14 226	14 880
Surcharges and Taxes	–	–	–	–	–	–
Fines, penalties and forfeits	135	124	–	124	586	613
Licences or permits	–	–	–	–	–	–
Transfer and subsidies - Operational	68 488	69 743	–	69 743	71 043	70 804
Interest	4 798	7 849	–	7 849	7 146	7 475
Fuel Levy	–	–	–	–	–	–
Operational Revenue	–	–	–	–	–	–
Gains on disposal of Assets	–	–	–	–	–	–
Other Gains	–	–	–	–	–	–
Discontinued Operations	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	162 062	153 013	–	153 013	154 743	158 354
Expenditure By Type						
Employee related costs	53 709	53 709	–	53 709	53 582	56 019
Remuneration of councillors	4 807	5 612	–	5 612	5 587	5 844
Bulk purchases - electricity	25 000	25 000	(1 150)	23 850	25 000	26 150
Inventory consumed	12 920	12 820	–	12 820	12 283	(7 827)
Debt impairment	35 391	35 391	–	35 391	17 056	18 176
Depreciation and amortisation	25 954	25 953	–	25 953	23 541	24 624
Interest	–	–	–	–	1 887	1 980
Contracted services	9 594	9 979	950	10 929	7 800	8 136
Transfers and subsidies	–	–	–	–	370	387
Irrecoverable debts written off	–	5 172	–	5 172	–	–
Operational costs	10 299	17 389	200	17 589	17 423	16 884
Losses on disposal of Assets	–	–	–	–	–	–
Other Losses	–	–	–	–	579	605
Total Expenditure	177 674	191 025	–	191 025	165 108	150 979
Surplus/(Deficit)	(15 612)	(38 012)	–	(38 012)	(10 365)	7 376
Transfers and subsidies - capital (monetary allocations)	51 967	56 279	6 000	62 279	42 258	23 628
Transfers and subsidies - capital (in-kind - all)	3 000	4 745	–	4 745	–	–
Surplus/(Deficit) before taxation	39 355	23 012	6 000	29 012	31 893	31 004
Income Tax	–	–	–	–	–	–
Surplus/(Deficit) after taxation	39 355	23 012	6 000	29 012	31 893	31 004
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	39 355	23 012	6 000	29 012	31 893	31 004
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–
Surplus/ (Deficit) for the year	39 355	23 012	6 000	29 012	31 893	31 004

Operating revenue

Fines – the adjustment is informed by actual performance.

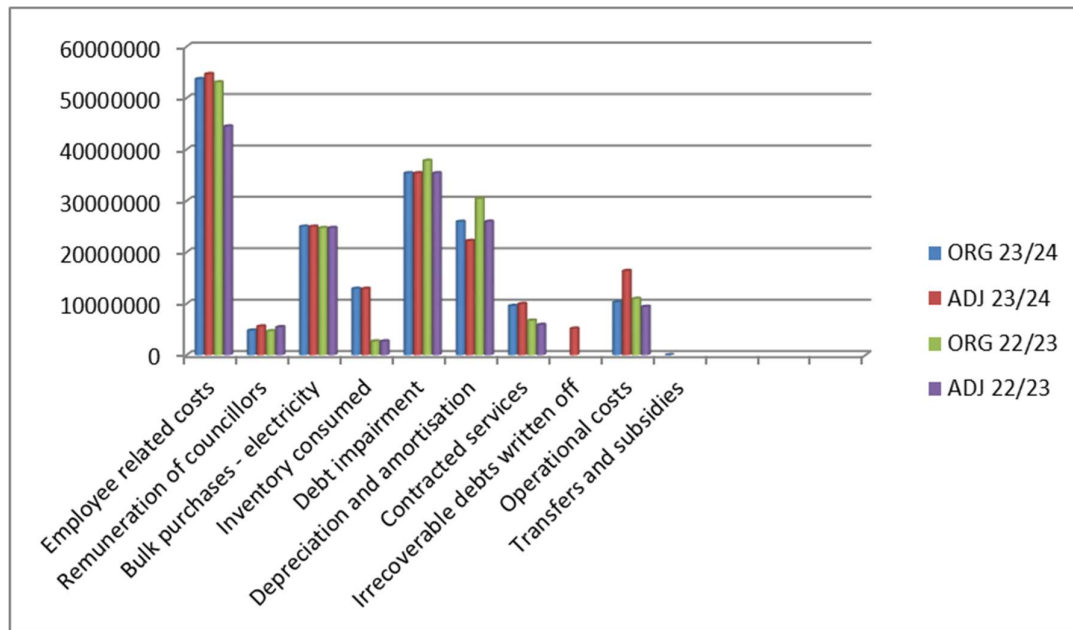
Service charges water – the adjustment is due to actual performance as at December 2023.

Interest outstanding debtors - the adjustment is informed by actual performance and the result of an increase in property rates.

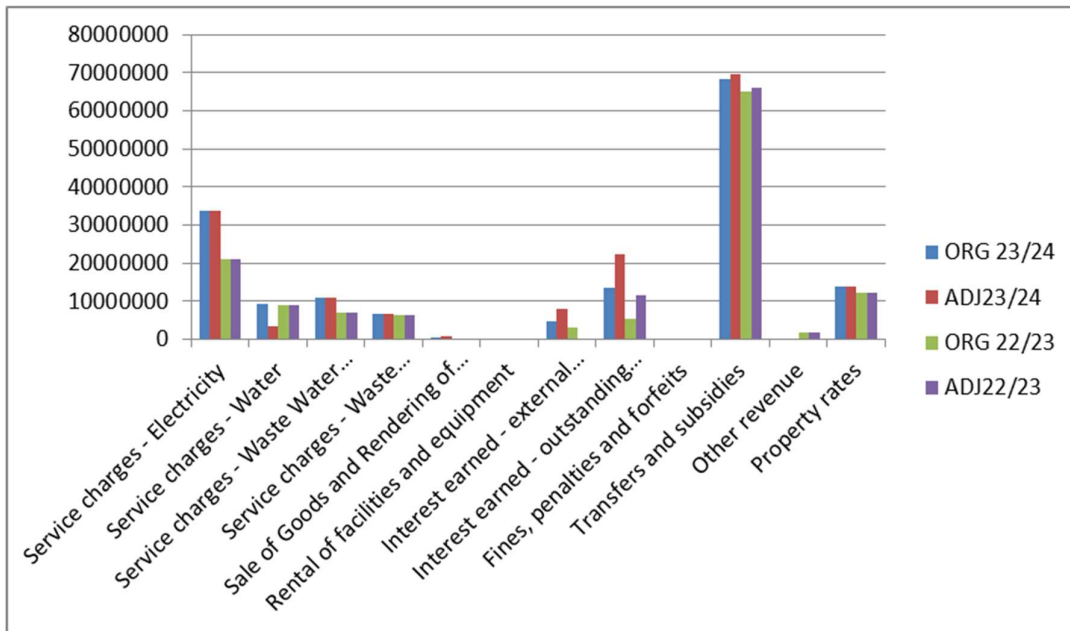
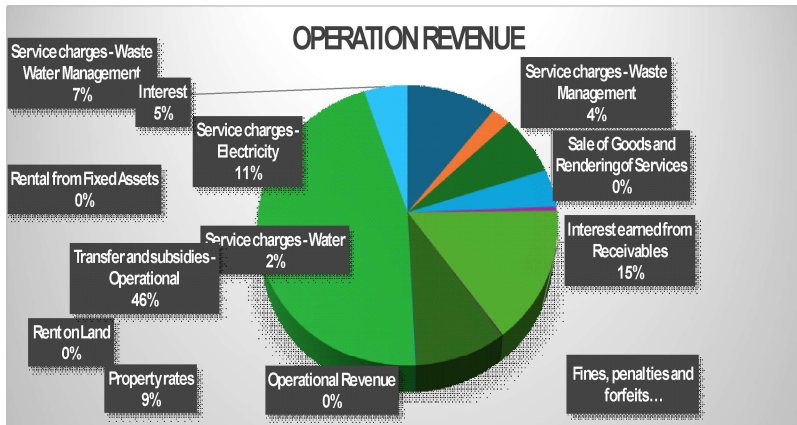
Transfers and subsidies – the adjustment is informed by an additional allocation from Frances Baard District Municipality.

The following expenditure item adjustments are due to actual performance:

- Remuneration of councillors,
- Other expenditure,
- Contracted service
- Transfer and subsidies.



The above graphs present a comparison of original and adjusted budget for revenue (by source) and expenditure (by type) and there are major changes from the main annual budget.



Revenue

Fines; services charges; property rates and transfer are the major components or revenue types under operating budget.

Below are resultant changes per line item:

- Transfer operational – 2%
- Transfer capital – Increased by 10%
- Service charges electricity – Decreased -108%
- Fines: penalties and forfeits – Decreased -9%
- Interest earned outstanding debtors – Increased by 41%
- Other revenue – Increased by 52%

Expenditure

Employee related cost, contracted services; depreciation; debt impairment and bulk purchases are the major components or expenditure types under operating budget.

The operational expenditure proportions changed from those of the special adjustment budget, the change is a result of actual performance, and reason already alluded in table B1.

Below are resultant changes per line item:

Remuneration of councilors – Increased with 14%

Contracted services – Decreased to 4%

Other expenditure – Decreased to 41%

Table B5: Adjustment Capital Budget – vote and funding

NC093 Magareng - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 45508						
Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
R thousands	A	A1	F	G		
Capital expenditure - Vote						
Capital multi-year expenditure sub-total	-	-	-	-	-	-
Single-year expenditure to be adjusted						
Vote 03 - Corporate Services	290	0	-	-	-	-
Vote 04 - Financial Services	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure	54 967	61 024	6 000	6 000	42 258	23 628
Capital single-year expenditure sub-total	55 257	61 024	6 000	6 000	42 258	23 628
Total Capital Expenditure - Vote	55 257	61 024	6 000	6 000	42 258	23 628
Capital Expenditure - Functional						
<i>Governance and administration</i>	290	0	-	-	-	-
<i>Community and public safety</i>	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	-	-	-	-	-
<i>Trading services</i>	54 967	61 024	6 000	6 000	42 258	23 628
<i>Other</i>				-		
Total Capital Expenditure - Functional	55 257	61 024	6 000	6 000	42 258	23 628
Funded by:						
National Government	31 967	36 279	6 000	6 000	42 258	23 628
Provincial Government				-		
District Municipality	3 000	4 745	-	-	-	-
Transfers and subsidies - capital (in-kind)	20 000	20 000	-	-	-	-
Transfers recognised - capital	54 967	61 024	6 000	6 000	42 258	23 628
Borrowing				-		
Internally generated funds	290	0	-	-	-	-
Total Capital Funding	55 257	61 024	6 000	6 000	42 258	23 628

Table B5B: Adjustment Capital Budget – by Vote

NC093 Magareng - Table B5 Adjustments Capital Expenditure Budget by vote and funding - B

Vote Description	Budget Year 2023/24			Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		8	10		
R thousands	A	F	H		
Capital expenditure - Municipal Vote					
Multi-year expenditure appropriation					
Vote 01 - Executive & Council	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager	-	-	-	-	-
Vote 03 - Corporate Services	-	-	-	-	-
Vote 04 - Financial Services	-	-	-	-	-
Vote 05 - Municipal Infrastructure	-	-	-	-	-
Vote 06 - Community Services	-	-	-	-	-
Vote 07 - Public Safety & Transport	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture	-	-	-	-	-
Vote 09 - Planning & Development	-	-	-	-	-
Vote 10 - Hunan Settlements	-	-	-	-	-
Vote 11 - Idp, Pms Department	-	-	-	-	-
Vote 12 - Spatial Development, Planning & T	-	-	-	-	-
Vote 13 - Electricity Department	-	-	-	-	-
Vote 14 - Maluti Water	-	-	-	-	-
Vote 15 - Other	-	-	-	-	-
Capital multi-year expenditure sub-total	-	-	-	-	-
Capital expenditure - Municipal Vote					
Single-year expenditure appropriation					
Vote 01 - Executive & Council	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager	-	-	-	-	-
02.1 - Office Of The Municipal Manager	-	-	-	-	-
Vote 03 - Corporate Services	290	-	0	-	-
03.2 - Corporate Admin	290	-	0	-	-
03.3 - Human Resources	-	-	-	-	-
Vote 04 - Financial Services	-	-	-	-	-
04.1 - Finance Admin	-	-	-	-	-
Vote 05 - Municipal Infrastructure	54 967	6 000	67 024	42 258	23 628
05.1 - Technical Admin	-	-	-	-	-
05.2 - Roads And Stormwater	-	-	-	-	-
05.3 - Solid Waste Management	-	-	-	-	-
05.4 - Sanitation	19 515	-	19 515	20 000	10 000
05.5 - Water	35 452	6 000	47 509	22 258	12 638
05.6 - Electricity	-	-	-	-	990
Vote 06 - Community Services	-	-	-	-	-
Vote 07 - Public Safety & Transport	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture	-	-	-	-	-
Vote 09 - Planning & Development	-	-	-	-	-
Vote 10 - Hunan Settlements	-	-	-	-	-
Vote 11 - Idp, Pms Department	-	-	-	-	-
Vote 12 - Spatial Development, Planning & T	-	-	-	-	-
Vote 13 - Electricity Department	-	-	-	-	-
Vote 14 - Maluti Water	-	-	-	-	-
Vote 15 - Other	-	-	-	-	-
Capital single-year expenditure sub-total	55 257	6 000	67 024	42 258	23 628
Total Capital Expenditure	55 257	6 000	67 024	42 258	23 628

Capital Expenditure

The upward adjustment is due to appropriation of the Municipal Disaster Relief Grant amounting to R 5.1million and R 1,7 million Frances Baard District Municipality capital allocation.

There was a downward adjustment in the Municipal Infrastructure Grant of R833 thousand as per the Adjusted Dora.

Special Adjustment:

The adjustment budget approved by council on 29 February 2024 remains the same in all other aspects except for the inclusion of the Municipal Infrastructure Grant which has an impact on revenue, capital expenditure and cashflow detailed therefore the remainder of this document is as presented to Council on 29 February 2024 for the 2023/24 financial year. An amount of R6 million was received on 24 March 2024.

The above graph reflects the funding proportion for capital expenditure budget after adjustment budget. The sources of funding for capital budget.

Table B6: Adjustment Budget - Financial Position

NC093 Magareng - Table B6 Adjustments Budget Financial Position - 45508						
Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	3	8	10		
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents	(138 558)	(164 734)	–	(164 734)	108 651	285 600
Trade and other receivables from exchange transactions	90 110	104 223	–	104 223	35 611	41 270
Receivables from non-exchange transactions	15 690	11 835	–	11 835	16 480	12 716
Current portion of non-current receivables				–		
Inventory	(136)	(84)	–	(84)	(994)	19 514
VAT	54 920	54 016	–	54 016	49 413	(5 761)
Other current assets	(1 810)	(762)	–	(762)	(1 814)	(299)
Total current assets	20 216	4 494	–	4 494	207 347	353 040
Non current assets						
Investments				–		
Investment property	23 831	23 468	–	23 468	23 831	–
Property, plant and equipment	281 929	312 515	6 000	318 515	379 082	366 826
Biological assets				–		
Living and non-living resources				–		
Heritage assets	371	371	–	371	371	371
Intangible assets	20	20	–	20	10	(30)
Trade and other receivables from exchange transactions	–	0	–	0	0	–
Non-current receivables from non-exchange transactions				–		
Other non-current assets				–		
Total non current assets	306 151	336 374	6 000	342 374	403 294	367 167
TOTAL ASSETS	326 367	340 869	6 000	346 869	610 642	720 207
LIABILITIES						
Current liabilities						
Bank overdraft				–		
Financial liabilities	165	165	–	165	0	0
Consumer deposits	611	611	–	611	1 309	1 369
Trade and other payables from exchange transactions	320 290	348 718	–	348 718	412 541	433 536
Trade and other payables from non-exchange transaction	(264)	(1 164)	–	(1 164)	3 236	3 384
Provisions	11 275	11 275	–	11 275	7 404	7 745
VAT	24 009	24 273	–	24 273	24 362	29 546
Other current liabilities				–		
Total current liabilities	356 086	383 878	–	383 878	448 851	475 580
Non current liabilities						
Borrowing	–	–	–	–	794	831
Provisions	11 911	17 859	–	17 859	7 285	7 620
Long term portion of trade payables				–		
Other non-current liabilities				–		
Total non current liabilities	11 911	17 859	–	17 859	8 079	8 450
TOTAL LIABILITIES	367 997	401 737	–	401 737	456 929	484 030
NET ASSETS	(41 630)	(60 868)	6 000	(54 868)	153 712	236 177
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)	(41 630)	(57 973)	6 000	(51 973)	154 763	257 823
Funds and Reserves	–	–	–	–	–	–
Other				–		
TOTAL COMMUNITY WEALTH/EQUITY	(41 630)	(57 973)	6 000	(51 973)	154 763	257 823

Table B6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (previously known as balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version, which presents Assets less Liabilities as “Accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

Table B6 is supported by an extensive table of notes (supporting table SB2) that provide detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves.

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would have an impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position. The collection rate is calculated based on actual and anticipated rate on prior six months billing and payments received.

Table B7: Adjustment Budget – Cash Flows

NC093 Magareng - Table B7 Adjustments Budget Cash Flows - 45508						
Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	3	8	10		
R thousands		A1	F	H		
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	4 874	7 855	–	7 855	7 540	7 886
Service charges	20 261	19 374	–	19 374	19 988	20 717
Other revenue	786	18 564	(6 000)	12 564	199 039	404 390
Transfers and Subsidies - Operational	68 488	69 743	–	69 743	71 043	70 804
Transfers and Subsidies - Capital	54 967	61 024	6 000	67 024	42 258	23 628
Interest	–	11	–	11	–	–
Dividends				–		
Payments						
Suppliers and employees	118 163	177 493	6 000	183 493	(51 410)	(53 780)
Finance charges	–	–	–	–	(1 887)	(1 980)
Transfers and Subsidies				–		
NET CASH FROM/(USED) OPERATING ACTIVITIES	267 539	354 063	6 000	360 063	286 570	471 666
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	(52 257)	(56 279)	(6 000)	(62 279)	(42 258)	(23 628)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(52 257)	(56 279)	(6 000)	(62 279)	(42 258)	(23 628)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans				–		
Borrowing long term/refinancing				–		
Increase (decrease) in consumer deposits	–	–	–	–	5	6
Payments						
Repayment of borrowing	–	–	–	–	319	334
NET CASH FROM/(USED) FINANCING ACTIVITIES	–	–	–	–	325	340
NET INCREASE/ (DECREASE) IN CASH HELD	215 282	297 784	–	297 784	244 637	448 377
Cash/cash equivalents at the year begin:	242	734	–	734	69	72
Cash/cash equivalents at the year end:	215 524	298 518	–	298 518	244 706	448 450

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. The cash and cash equivalents decrease because of a healthy increase in operational activities due to implementations of various interventions, i.e. extensive debt collection drive, cost containment measures etc. The 2023/24 MTREF has been informed by the planning principle of ensuring adequate cash generation over the medium-term. Cash and cash equivalents at year end totals to R 20,3 million and at the beginning of the 2023/24 financial year the municipality had a positive opening balance of R 242 thousand the cash and cash equivalents is not a true reflection due to incorrect mapping on the financial system. The cash and cash equivalents is R1,8 million as end of December.

Cash flow from operating activities.

Receipts and payments adjustments are in line with adjustments made under table B4. Payments to suppliers and employees exclude non-cash items.

Cash flow from investing activities.

Proceeds from disposal of property plant and equipment adjustment is as a result of capital grants (the allocation of the MDRG Grant) which increased the capital assets.

Cash flow from financing activities.

No adjustment made.

Table B8: Adjustment Budget – Cash Backed Reserves

NC093 Magareng - Table B8 Cash backed reserves/accumulated surplus reconciliation - 45508

Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H	+1 2024/25	+2 2025/26
Cash and investments available												
Cash/cash equivalents at the year end	1	215 524	298 518	-	-	-	-	-	-	298 518	244 706	448 450
Other current investments > 90 days		(338 392)	(451 417)	-	-	-	-	-	-	(451 417)	(119 575)	(150 134)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		(122 868)	(152 899)	-	-	-	-	-	-	(152 899)	125 131	298 316
Applications of cash and investments												
Unspent conditional transfers		(264)	(1 164)	-	-	-	-	-	-	(1 164)	3 236	3 384
Unspent borrowing										-		
Statutory requirements		(30 911)	(30 697)	-	-	-	-	-	-	(30 697)	(25 051)	35 307
Other working capital requirements	2	302 851	312 107					4 797	4 797	316 904	332 580	278 606
Other provisions		11 275	11 275	-	-	-	-	-	-	11 275	7 404	7 745
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		282 951	291 520	-	-	-	-	4 797	4 797	296 317	318 168	325 042
Surplus(shortfall)		(405 820)	(444 420)	-	-	-	-	(4 797)	(4 797)	(449 217)	(193 037)	(26 726)

Table B10: Adjustment Budget – Service Delivery

NC093 Magareng - Table B10 Basic service delivery measurement - 45508						
Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	7 A1	12 F	14 H		
Household service targets						
<u>Water:</u>						
Total number of households	-	-	-	-	-	-
<u>Sanitation/sewerage:</u>						
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-
<u>Energy:</u>						
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-
<u>Refuse:</u>						
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-
Households receiving Free Basic Service						
Water (6 kilolitres per household per month)	-	-	-	-	-	-
Sanitation (free minimum level service)	-	-	-	-	-	-
Electricity/other energy (50kwh per household)	-	-	-	-	-	-
Refuse (removed at least once a week)	-	-	-	-	-	-
Informal Settlements	-	-	-	-	-	-
<u>Cost of Free Basic Services provided (R'000)</u>						
Water (6 kilolitres per indigent household per month)	2 442	2 442	-	2 442	144	151
Sanitation (free sanitation service to indigent households)	3 235	3 235	-	3 235	2 790	2 918
Electricity/other energy (50kwh per indigent household per month)	3 666	3 666	-	3 666	24	25
Refuse (removed once a week for indigent households)	1 941	1 941	-	1 941	1 596	1 669
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>	-	-	-	-	-	-
Total cost of FBS provided	11 284	11 284	-	11 284	4 553	4 762
<u>Highest level of free service provided</u>						
Property rates (R'000 value threshold)				-		
Water (kilolitres per household per month)				-		
Sanitation (kilolitres per household per month)				-		
Sanitation (Rand per household per month)				-		
Electricity (kw per household per month)				-		
Refuse (average litres per week)				-		
<u>Revenue cost of free services provided (R'000)</u>						
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)				-		
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	1 102	1 102	-	1 102	1 492	1 561
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-
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	1 102	1 102	-	1 102	1 492	1 561

PART 2 – SUPPORTING DOCUMENTATION

Table SB 1: Adjustment Budget – Supporting detail to Budgeted Financial Performance

NC093 Magareng - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	6 A1	11 F	13 H		
R thousands						
REVENUE ITEMS						
Non-exchange revenue by source						
Property rates						
Total Property Rates	15 027	15 027	–	15 027	15 718	16 441
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	1 102	1 102	–	1 102	1 492	1 561
Net Property Rates	13 926	13 926	–	13 926	14 226	14 880
Exchange revenue service charges						
Service charges - Electricity						
Total Service charges - Electricity	37 379	19 859	–	19 859	17 960	18 786
<i>Less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	3 666	3 666	–	3 666	24	25
Net Service charges - Electricity	33 713	16 192	–	16 192	17 936	18 761
Service charges - Water						
Total Service charges - water	11 597	5 934	–	5 934	3 275	3 425
<i>Less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	2 442	2 442	–	2 442	144	151
Net Service charges - Water	9 156	3 492	–	3 492	3 131	3 275
Service charges - Waste Water Management						
Total Service charges - Waste Water	14 067	14 067	–	14 067	11 925	12 474
<i>Less Cost of Free Basis Services (free sanitation service to indigent households)</i>	3 235	3 235	–	3 235	2 790	2 918
Net Service charges - Waste Water	10 832	10 832	–	10 832	9 136	9 556
Service charges - Waste Management						
Total refuse removal revenue	8 624	8 657	–	8 657	9 106	9 525
Total landfill revenue				–		
<i>Less Cost of Free Basis Services (removed once a week to indigent households)</i>	1 941	1 941	–	1 941	1 596	1 669
Service charges - Waste Management	6 683	6 716	–	6 716	7 511	7 856

EXPENDITURE ITEMS						
Employee related costs						
Basic Salaries and Wages	37 499	36 860	–	36 860	37 849	39 562
Pension and UIF Contributions	6 742	7 762	–	7 762	7 126	7 454
Medical Aid Contributions	2 691	3 006	–	3 006	2 752	2 879
Overtime	1 000	644	–	644	321	336
Performance Bonus	3 059	2 929	–	2 929	3 090	3 232
Motor Vehicle Allowance	1 553	1 446	–	1 446	1 646	1 721
Cellphone Allowance	66	68	–	68	63	65
Housing Allowances	231	321	–	321	232	242
Other benefits and allowances	491	393	–	393	209	218
Payments in lieu of leave				–		
Long service awards	110	14	–	14	–	–
Post-retirement benefit obligations	–	–	–	–	–	–
Entertainment				–		
Scarcity	166	166	–	166	195	204
Acting and post related allowance	100	100	–	100	100	105
In kind benefits	–	–	–	–	–	–
sub-total	53 709	53 709	–	53 709	53 582	56 019
Less: Employees costs capitalised to PPE				–		
Total Employee related costs	53 709	53 709	–	53 709	53 582	56 019
Depreciation and amortisation						
Depreciation of Property, Plant & Equip	25 954	25 953	–	25 953	23 541	24 624
Total Depreciation and amortisation	25 954	25 953	–	25 953	23 541	24 624
Bulk purchases						
Electricity Bulk Purchases	25 000	25 000	(1 150)	23 850	25 000	26 150
Water Bulk Purchases				–		
Total bulk purchases	25 000	25 000	(1 150)	23 850	25 000	26 150
Transfers and grants						
Cash transfers and grants	–	–	–	–	–	–
Non-cash transfers and grants	–	–	–	–	370	387
Total transfers and grants	–	–	–	–	370	387
Contracted services						
Outsourced Services	4 239	4 807	1 000	5 807	3 253	3 380
Consultants and Professional Services	1 650	750	–	750	660	690
Contractors	3 705	4 422	(50)	4 372	3 887	4 066
Total contracted services	9 594	9 979	950	10 929	7 800	8 136
Operational Costs						
Collection costs				–		
Contributions to 'other' provisions				–		
Audit fees	1 000	4 000	–	4 000	3 000	3 138
Other Operational Costs	9 299	13 389	200	13 589	14 423	13 746
Total Other Operational Costs	10 299	17 389	200	17 589	17 423	16 884
Repairs and Maintenance by Expenditure Item						
Employee related costs				–		
Inventory Consumed (Project Maintenance)				–		
Contracted Services	200	100	–	100	70	73
Other Expenditure	4 300	7 005	–	7 005	5 842	6 028
Total Repairs and Maintenance Expe	4 500	7 105	–	7 105	5 912	6 101
Inventory Consumed						
Inventory Consumed - Water	2 500	2 400	–	2 400	2 400	2 510
Inventory Consumed - Other	10 420	10 420	–	10 420	9 883	(10 337)
Total Inventory Consumed & Other M	12 920	12 820	–	12 820	12 283	(7 827)

Table SB 2: Adjustment Budget – Supporting detail to Financial Position

NC093 Magareng - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 45508						
Description	Budget Year 2023/24				Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	4	9	11		
R thousands		A1	F	H		
ASSETS						
Trade and other receivables from exchange transactions						
Electricity	40 338	35 754	-	-	66 488	71 682
Water	170 077	176 707	-	-	96 951	101 673
Waste	64 025	64 917	-	-	63 872	69 956
Waste Water	70 996	85 633	-	-	89 684	90 593
Other trade receivables from exchange transactions	2 567	2 682	-	-	1 968	1 609
Gross: Trade and other receivables from exchange transactions	348 002	365 694	-	-	318 965	335 513
Less: Impairment for debt	(257 892)	(261 471)	-	-	(283 354)	(294 243)
Impairment for Electricity	(8 848)	(8 848)	-	-	(43 342)	(45 336)
Impairment for Water	(98 829)	(98 829)	-	-	(96 878)	(101 334)
Impairment for Waste	(66 534)	(66 534)	-	-	(57 686)	(60 340)
Impairment for Waste Water	(81 630)	(85 256)	-	-	(79 353)	(83 003)
Impairment for other trade receivables from exchange transactions	(2 051)	(2 004)	-	-	(6 095)	(4 230)
Total net Trade and other receivables from Exchange Transactions	90 110	104 223	-	-	35 611	41 270
Receivables from non-exchange transactions						
Property rates	81 786	83 767	-	-	82 576	81 853
Less: Impairment of Property rates	(66 097)	(71 932)	-	-	(66 097)	(69 137)
Net Property rates	15 690	11 835	-	-	16 480	12 716
Other receivables from non-exchange transactions	-	-	-	-	-	-
Impairment for other receivables from non-exchange transactions	-	-	-	-	-	-
Net other receivables from non-exchange transactions	-	-	-	-	-	-
Total net Receivables from non-exchange transactions	15 690	11 835	-	-	16 480	12 716
Inventory						
Water						
Opening Balance	48	48	-	48	48	50
System Input Volume	2 800	2 752	-	2 752	2 400	2 510
Water Treatment Works	-	(48)	-	(48)	-	-
Bulk Purchases	2 800	2 800	-	2 800	2 400	2 510
Natural Sources	-	-	-	-	-	-
Authorised Consumption	(2 500)	(2 400)	-	(2 400)	(2 400)	(2 510)
Billed Authorised Consumption	(2 500)	(2 400)	-	(2 400)	(2 400)	(2 510)
Billed Metered Consumption	(2 500)	(2 400)	-	(2 400)	(2 400)	(2 510)
Free Basic Water	-	-	-	-	-	-
Subsidised Water	-	-	-	-	-	-
Revenue Water	(2 500)	(2 400)	-	(2 400)	(2 400)	(2 510)
Billed Unmetered Consumption	-	-	-	-	-	-
UnBilled Authorised Consumption	-	-	-	-	-	-
Water Losses	(600)	(600)	-	(600)	(1 157)	(1 211)
Apparent losses	(300)	(300)	-	(300)	(579)	(605)
Unauthorised Consumption	(300)	(300)	-	(300)	(579)	(605)
Customer Meter Inaccuracies	-	-	-	-	-	-
Real losses	(300)	(300)	-	(300)	(579)	(605)
Unavoidable Annual Real Losses	(300)	(300)	-	(300)	(579)	(605)
Non-revenue Water	(600)	(600)	-	(600)	(1 157)	(1 211)
Closing Balance Water	(252)	(200)	-	(200)	(1 109)	(1 160)
Agricultural						
Opening Balance	-	-	-	-	-	-
Closing balance - Agricultural	-	-	-	-	-	-
Consumables						
Standard Rated						
Opening Balance	116	116	-	116	116	-
Acquisitions	10 420	10 420	-	10 420	9 883	10 337
Issues	(10 420)	(10 420)	-	(10 420)	(9 883)	10 337
Adjustments	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-
Closing balance - Consumables Standard Rated	116	116	-	116	116	20 675
Zero Rated						
Opening Balance	-	-	-	-	-	-
Closing balance - Consumables Zero Rated	-	-	-	-	-	-
Finished Goods						
Opening Balance	-	-	-	-	-	-
Closing balance - Finished Goods	-	-	-	-	-	-
Materials and Supplies						
Opening Balance	-	-	-	-	-	-
Closing balance - Materials and Supplies	-	-	-	-	-	-
Work-in-progress						
Opening Balance	-	-	-	-	-	-
Closing balance - Work-in-progress	-	-	-	-	-	-
Housing Stock						
Opening Balance	-	-	-	-	-	-
Closing Balance - Housing Stock	-	-	-	-	-	-
Land						
Closing Balance - Land	-	-	-	-	-	-
Closing Balance - Inventory & Consumables	(136)	(84)	-	(84)	(994)	19 514
Property, plant & equipment						
PPE at cost/valuation (excl. finance leases)	309 410	365 421	6 000	371 421	616 454	615 137
Leases recognised as PPE	-	-	-	-	-	-
Less: Accumulated depreciation	27 481	52 906	-	52 906	237 372	248 310
Total Property, plant & equipment	281 929	312 515	6 000	318 515	379 082	366 826

LIABILITIES						
Current liabilities - Financial liabilities						
Short term loans (other than bank overdraft)				-		
Current portion of long-term liabilities	165	165	-	165	0	0
Total Current liabilities - Financial liabilities	165	165	-	165	0	0
Trade and other payables						
Trade and other payables from exchange transactions	320 290	348 718	-	348 718	412 541	433 536
Other trade payables from exchange transactions	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Gra	(264)	(1 164)	-	(1 164)	3 236	3 384
Trade payables from Non-exchange transactions: Other				-		
VAT	24 009	24 273	-	24 273	24 362	29 546
Total Trade and other payables	344 035	371 827	-	371 827	440 138	466 466
Non current liabilities - Financial liabilities						
Borrowing	-	-	-	-	794	831
Other financial liabilities	-	-	-	-	-	-
Total Non current liabilities - Financial liabilities	-	-	-	-	794	831
Provisions - non current						
Retirement benefits	2 691	8 639	-	8 639	2 576	2 694
Refuse landfill site rehabilitation	9 220	9 220	-	9 220	4 709	4 925
Other	-	-	-	-	-	-
Total Provisions - non current	11 911	17 859	-	17 859	7 285	7 620
CHANGES IN NET ASSETS						
Accumulated surplus/(Deficit)						
Accumulated surplus/(Deficit) - opening balance	(80 985)	(80 985)	-	(80 985)	122 870	226 819
GRAP adjustments	-	-	-	-	-	-
Restated balance	(80 985)	(80 985)	-	(80 985)	122 870	226 819
Surplus/(Deficit)	39 355	23 012	6 000	29 012	31 893	31 004
Accumulated Surplus/(Deficit)	(41 630)	(57 973)	6 000	(51 973)	154 763	257 823
Reserves						
Total Reserves	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	(41 630)	(57 973)	6 000	(51 973)	154 763	257 823

Table SB 4: Adjustment Budget – Performance indicators and benchmarks

NC093 Magareng - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 45508

Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Budget Year 2023/24			Budget Year +1 2024/25	Budget Year +2 2025/26
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				19,9%	18,5%	18,5%	10,1%	11,8%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0,0%	0,0%	0,0%	0,0%	0,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital									
Gearing	Long Term Borrowing/ Funds & Reserves				0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity									
Current Ratio	Current assets/current liabilities				5,7%	1,2%	1,2%	46,2%	74,2%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				5,6%	1,2%	0,0%	0,0%	0,0%
Liquidity Ratio	Monetary Assets/Current Liabilities				-0,3	-0,4	-0,4	0,3	0,6
Revenue Management									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)									
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				113,8%	126,4%	126,4%	80,4%	42,8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				1,2%	0,0%	0,0%	0,0%	0,0%
Creditors Management									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					159,6%	124,6%	124,6%	179,9%	104,0%
Other Indicators									
Total Volume Losses (kW)		0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	0,0%
Electricity Distribution Losses (2)	Total Volume Losses (kW) non technical	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	0,0%
	Total Cost of Losses (Rand '000)	-	-	-	-		-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated								
	Bulk Purchase								
	Water treatment works								
	Natural sources								
Water Volumes :System input	Total Volume Losses (kℓ)								
	Total Cost of Losses (Rand '000)								
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)				33,1%	35,1%	35,1%	34,6%	35,4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				2,8%	4,6%	4,6%	3,8%	3,9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				29,8%	31,5%	31,5%	19,0%	6,5%
IDP regulation financial viability indicators									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				968,3%	914,3%	914,3%	867,3%	887,5%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				55,6%	68,1%	68,1%	23,0%	26,1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0,0	0,0	0,0	0,0	0,0

References

1. Consumer debtors > 12 months old are excluded from current assets

Table SB 6: Adjustment Budget – Funding Measurements

NC093 Magareng - Supporting Table SB6 Adjustments Budget - funding measurement - 45508

Description	Ref	MFMA section	2020/21	2021/22	2022/23	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b				215 524	298 518	298 518	244 706	448 450
Cash + investments at the yr end less applications - R'000	2	18(1)b				(405 820)	(444 420)	(449 217)	(193 037)	(26 726)
Cash year end/monthly employees/supplier payments	3	18(1)b				-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)				39 355	23 012	-	-	-
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0,0%	0,0%	0,0%	-5,1%	-1,4%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0,0%	0,0%	0,0%	16,5%	31,5%	27,4%	153,5%	287,0%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				28,2%	33,1%	31,6%	32,7%	32,7%
Capital payments % of capital expenditure	8	18(1)c;19				94,6%	92,2%	0,0%	0,0%	0,0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c				0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0,0%	0,0%	0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	11	18(1)a							-55,1%	-32,6%
Long term receivables % change - incr(decr)	12	18(1)a							18,3%	5,1%
R&M % of Property Plant & Equipment	13	20(1)(vi)				1,5%	2,1%	2,1%	1,5%	1,7%
Asset renewal % of capital budget	14	20(1)(vi)				35,3%	32,0%	29,1%	47,3%	42,3%

Table SB 7: Adjustment Budget – Transfers and Grants Receipts

NC093 Magareng - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 45508

Description	Ref	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F		
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		65 541	65 541	-	-	-	-	65 541	69 243	69 004
Local Government Equitable Share		61 591	61 591	-	-	-	-	61 591	65 001	66 004
Expanded Public Works Programme Integrated Grant		950	950	-	-	-	-	950	1 242	-
Local Government Financial Management Grant		3 000	3 000	-	-	-	-	3 000	3 000	3 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		1 800	3 055	-	-	-	-	3 055	1 800	1 800
Specify (Add grant description)		1 800	3 055	-	-	-	-	3 055	1 800	1 800
Other grant providers:		1 147	1 147	-	-	-	-	1 147	-	-
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		1 147	1 147	-	-	-	-	1 147	-	-
Northern Cape Arts and Cultural		-	-	-	-	-	-	-	-	-
Post Retirement Benefit		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	6	68 488	69 743	-	-	-	-	69 743	71 043	70 804
Capital Transfers and Grants										
National Government:		51 967	56 279	-	-	6 000	6 000	62 279	42 258	23 628
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	990
Municipal Disaster Relief Grant		-	5 145	-	-	-	-	5 145	-	-
Municipal Infrastructure Grant		12 452	11 619	-	-	6 000	6 000	17 619	22 258	12 638
Regional Bulk Infrastructure Grant		20 000	20 000	-	-	-	-	20 000	-	-
Water Services Infrastructure Grant		19 515	19 515	-	-	-	-	19 515	20 000	10 000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		3 000	4 745	-	-	-	-	4 745	-	-
Specify (Add grant description)		3 000	4 745	-	-	-	-	4 745	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	6	54 967	61 024	-	-	6 000	6 000	67 024	42 258	23 628
TOTAL RECEIPTS OF TRANSFERS & GRANTS		123 455	130 767	-	-	6 000	6 000	136 767	113 301	94 432

Table SB 8: Adjustment Budget – Transfers and Grants Expenditure

NC093 Magareng - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 45508

Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		31 527	39 208	-	-	-	-	39 208	36 309	36 545
Equitable Share		27 577	35 258	-	-	-	-	35 258	32 067	33 545
Expanded Public Works Programme Integrated Grant		950	950	-	-	-	-	950	1 242	-
Local Government Financial Management Grant		3 000	3 000	-	-	-	-	3 000	3 000	3 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
District Municipality:		1 800	3 055	-	-	-	-	3 055	1 800	1 800
Specify (Add grant description)		1 800	3 055	-	-	-	-	3 055	1 800	1 800
		-	-	-	-	-	-	-	-	-
Other grant providers:		1 147	1 147	-	-	-	-	1 147	1 233	1 289
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		1 147	1 147	-	-	-	-	1 147	1	1
Northern Cape Arts and Cultural		-	-	-	-	-	-	-	1 232	1 288
Total operating expenditure of Transfers and Grants:		34 474	43 410	-	-	-	-	43 410	39 342	39 635
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		31 967	36 279	-	-	6 000	6 000	42 279	42 258	23 628
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	990
Municipal Disaster Relief Grant		-	5 145	-	-	-	-	5 145	-	-
Municipal Infrastructure Grant		12 452	11 619	-	-	6 000	6 000	17 619	22 258	12 638
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		19 515	19 515	-	-	-	-	19 515	20 000	10 000
Provincial Government:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
District Municipality:		3 000	4 745	-	-	-	-	4 745	-	-
Specify (Add grant description)		3 000	4 745	-	-	-	-	4 745	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		20 000	20 000	-	-	-	-	20 000	-	-
Pocket Money Households (Cash)		20 000	20 000	-	-	-	-	20 000	-	-
		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		54 967	61 024	-	-	6 000	6 000	67 024	42 258	23 628
Total capital expenditure of Transfers and Grants		89 441	104 434	-	-	6 000	6 000	110 434	81 600	63 263

The upward adjustment is due to appropriation of Department of COGHSTA Disaster Grant amounting to R 5 ,1 million and R 1, 7million from FBDM capital grant. There is an downward adjustment on Municipal Infrastructure Grant of R 833 thousand from National Treasury.

Special Adjustment

The adjustment budget approved by council on 29 February 2024 remains the same in all other aspects except for the inclusion of the Municipal Infrastructure Grant which has an impact on revenue, capital expenditure and cashflow detailed therefore the remainder of this document is as presented to Council on 29 February 2024 for the 2023/24 financial year. An amount of R6 million was received on 24 March 2024.

Table SB 11: Adjustment Budget – Councilors and Staff Members

NC093 Magareng - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -					
Summary of remuneration	Budget Year 2023/24				% change
	Original Budget	Prior Adjusted	Other Adjusts.	Adjusted Budget	
R thousands	A	5 A1	10 F	12 H	
Councillors (Political Office Bearers plus Other)					
Basic Salaries and Wages	3 222	3 868	–	3 868	20,1%
Pension and UIF Contributions	452	555	–	555	22,7%
Medical Aid Contributions	123	128	–	128	4,2%
Motor Vehicle Allowance	–	–	–	–	–
Cellphone Allowance	481	509	–	509	–
Housing Allowances	–	–	–	–	–
Other benefits and allowances	529	551	–	551	–
Sub Total - Councillors	4 807	5 612	–	5 612	16,8%
% increase		0		–	
Senior Managers of the Municipality					
Basic Salaries and Wages	2 829	2 985	–	2 985	5,5%
Pension and UIF Contributions	314	227	–	227	-27,7%
Medical Aid Contributions	122	122	–	122	0,0%
Overtime	–	–	–	–	–
Performance Bonus	231	153	–	153	–
Motor Vehicle Allowance	1 500	1 392	–	1 392	-7,2%
Cellphone Allowance	–	–	–	–	–
Housing Allowances	154	232	–	232	–
Other benefits and allowances	1	1	–	1	–
Scarcity	166	166	–	166	–
Sub Total - Senior Managers of Municipality	5 317	5 278	–	5 278	-0,7%
% increase		(0)		–	
Other Municipal Staff					
Basic Salaries and Wages	34 670	33 875	–	33 875	-2,3%
Pension and UIF Contributions	6 428	7 535	–	7 535	17,2%
Medical Aid Contributions	2 569	2 883	–	2 883	12,3%
Overtime	1 000	644	–	644	-35,6%
Performance Bonus	2 829	2 776	–	2 776	–
Motor Vehicle Allowance	53	54	–	54	2,8%
Cellphone Allowance	66	68	–	68	3,0%
Housing Allowances	77	90	–	90	–
Other benefits and allowances	491	392	–	392	–
Payments in lieu of leave	–	–	–	–	–
Long service awards	110	14	–	14	-87,6%
Post-retirement benefit obligations	–	–	–	–	–
Entertainment	–	–	–	–	–
Scarcity	–	–	–	–	–
Acting and post related allowance	100	100	–	100	–
In kind benefits	–	–	–	–	–
Sub Total - Other Municipal Staff	48 392	48 431	–	48 431	0,1%
% increase					
Total Parent Municipality	58 516	59 321	–	59 321	1,4%
Board Members of Entities					
Sub Total - Board Members of Entities	–	–	–	–	–
% increase					
Senior Managers of Entities					
Sub Total - Senior Managers of Entities	–	–	–	–	–
% increase					
Other Staff of Entities					
Sub Total - Other Staff of Entities	–	–	–	–	–
% increase					
Total Municipal Entities	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS	58 516	59 321	–	59 321	1,4%
% increase					
TOTAL MANAGERS AND STAFF	53 709	53 709	–	53 709	0,0%

Table SB 12: Adjustment Budget – Monthly Revenue and Expenditure (Municipal Vote)

NC093 Magareng - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 45508																		
Description	Budget Year 2023/24												Full year budget	Medium Term Revenue and Expenditure Framework				
	July	August	Sept.	October	November	December	January	February	March	April	May	June		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26		
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget			
Revenue by Vote																		
Vote 01 - Executive & Council	-	-	-	-	-	-	-	-	-	-	-	-	62 541	62 541	62 541	66 243	66 004	
Vote 02 - Office Of The Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 03 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 04 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	25 498	25 498	25 498	24 876	25 882	
Vote 05 - Municipal Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	130 527	130 527	130 527	104 909	89 078	
Vote 06 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 07 - Public Safety & Transport	-	-	-	-	-	-	-	-	-	-	-	-	1 470	1 470	1 470	974	1 019	
Total Revenue by Vote	-	-	-	-	-	-	-	-	-	-	-	-	220 037	220 037	220 037	197 001	181 982	
Expenditure by Vote																		
Vote 01 - Executive & Council	-	-	-	-	-	-	-	-	-	-	-	-	11 166	11 166	11 166	11 597	10 831	
Vote 02 - Office Of The Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	2 217	2 217	2 217	2 141	2 240	
Vote 03 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	18 650	18 650	18 650	17 541	18 348	
Vote 04 - Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	40 309	40 309	40 309	35 783	37 296	
Vote 05 - Municipal Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	102 613	102 613	102 613	83 149	86 892	
Vote 06 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 07 - Public Safety & Transport	-	-	-	-	-	-	-	-	-	-	-	-	11 029	11 029	11 029	10 628	11 453	
Vote 08 - Sports, Arts, Parks, Culture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 09 - Planning & Development	-	-	-	-	-	-	-	-	-	-	-	-	7 936	7 936	7 936	6 669	6 976	
Total Expenditure by Vote	-	-	-	-	-	-	-	-	-	-	-	-	193 920	193 920	193 920	167 508	174 035	
Surplus/ (Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	26 117	26 117	26 117	29 493	7 947	

Table SB 13: Adjustment Budget – Monthly Revenue and Expenditure (Functional Classification)

NC093 Magareng - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 45508

Description - Standard classification	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands																	
Revenue - Functional																	
Governance and administration		-	-	-	-	-	-	-	-	-	-	-	-	88 039	88 039	91 119	91 886
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	62 541	62 541	66 243	66 004
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	25 498	25 498	24 876	25 882
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	1 470	1 470	974	1 019
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	1 264	1 264	89	94
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	206	206	884	925
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	450	450	450	450
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	450	450	450	450
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	130 077	130 077	104 459	88 628
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	19 180	19 180	20 349	22 255
Water management		-	-	-	-	-	-	-	-	-	-	-	-	61 032	61 032	34 206	25 114
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	38 610	38 610	37 211	27 982
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	11 256	11 256	12 693	13 277
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		-	-	-	-	-	-	-	-	-	-	-	-	220 037	220 037	197 001	181 982
Expenditure - Functional																	
Governance and administration		-	-	-	-	-	-	-	-	-	-	-	-	72 695	72 695	67 317	68 980
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	13 795	13 795	14 036	13 383
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	58 900	58 900	53 280	55 598
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	15 709	15 709	14 017	14 998
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	2 546	2 546	2 376	2 485
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	4 641	4 641	4 799	5 019
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	3 842	3 842	3 581	4 082
Housing		-	-	-	-	-	-	-	-	-	-	-	-	4 680	4 680	3 261	3 411
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	7 746	7 746	8 307	8 669
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	6 260	6 260	6 398	6 692
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	1 486	1 486	1 909	1 976
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	97 770	97 770	77 867	81 388
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	39 072	39 072	38 893	40 661
Water management		-	-	-	-	-	-	-	-	-	-	-	-	31 300	31 300	18 559	19 392
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	23 443	23 443	16 267	16 996
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	3 955	3 955	4 148	4 339
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional		-	-	-	-	-	-	-	-	-	-	-	-	193 920	193 920	167 508	174 035
Surplus/ (Deficit) 1.		-	-	-	-	-	-	-	-	-	-	-	-	26 117	26 117	29 493	7 947

Table SB 14: Adjustment Budget – Monthly Revenue and Expenditure

NC093 Magareng - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 45508

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue By Source																
Exchange Revenue																
Service charges - Electricity		-	-	-	-	-	-	-	-	-	-	-	16 192	16 192	17 936	18 761
Service charges - Water		-	-	-	-	-	-	-	-	-	-	-	3 492	3 492	3 131	3 275
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	10 832	10 832	9 136	9 556
Service charges - Waste Management		-	-	-	-	-	-	-	-	-	-	-	6 716	6 716	7 511	7 856
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-	23 250	23 250	23 296	24 368
Interest earned from Current and Non Current Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	2	2	1	1
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-	-	-	3	3	3	3
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	147	147	298	312
Non-Exchange Revenue																
Property rates		-	-	-	-	-	-	-	-	-	-	-	13 926	13 926	14 226	14 880
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	124	124	586	613
Licences or permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		-	-	-	-	-	-	-	-	-	-	-	69 743	69 743	71 043	70 804
Interest		-	-	-	-	-	-	-	-	-	-	-	7 849	7 849	7 146	7 475
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue		-	-	-	-	-	-	-	-	-	-	-	152 276	153 013	154 743	158 354
Expenditure By Type																
Employee related costs		-	-	-	-	-	-	-	-	-	-	-	53 709	53 709	53 582	56 019
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	5 612	5 612	5 587	5 844
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	23 850	23 850	25 000	26 150
Inventory consumed		-	-	-	-	-	-	-	-	-	-	-	12 820	12 820	12 283	(7 827)
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	35 391	35 391	17 056	18 176
Depreciation and amortisation		-	-	-	-	-	-	-	-	-	-	-	25 953	25 953	23 541	24 624
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	1 887	1 980
Contracted services		-	-	-	-	-	-	-	-	-	-	-	10 929	10 929	7 800	8 136
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	370	387
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-	5 172	5 172	-	-
Operational costs		-	-	-	-	-	-	-	-	-	-	-	17 589	17 589	17 423	16 884
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	579	605
Total Expenditure		-	-	-	-	-	-	-	-	-	-	-	191 025	191 025	165 108	150 979
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-	-	-	(38 749)	(38 012)	(10 365)	7 376
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-	-	-	62 279	62 279	42 258	23 628
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	4 745	4 745	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-	-	-	-	-	28 275	29 012	31 893	31 004

Table SB 15: Adjustment Budget – Monthly Cash flow

NC093 Magareng - Supporting Table SB15 Adjustments Budget - monthly cash flow - 45508

Monthly cash flows	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Cash Receipts By Source																
Property rates	1	-	-	-	-	-	-	-	-	-	-	-	7 855	7 855	7 540	7 886
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	13 231	13 231	9 506	9 943
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	2 826	2 826	1 659	1 474
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	967	967	3 981	7 380
Service charges - refuse		-	-	-	-	-	-	-	-	-	-	-	2 351	2 351	4 842	1 919
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	27	27	-	-
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	11	11	-	-
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	65	65	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		-	-	-	-	-	-	-	-	-	-	-	69 743	69 743	71 043	70 804
Other revenue		-	-	-	-	-	-	-	-	-	-	-	12 472	12 472	199 039	404 390
Cash Receipts by Source		-	-	-	-	-	-	-	-	-	-	-	109 547	109 547	297 610	503 797
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	-	67 024	67 024	42 258	23 628
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	5	6
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		-	-	-	-	-	-	-	-	-	-	-	176 571	176 571	339 873	527 431
Cash Payments by Type																
Employee related costs		-	-	-	-	-	-	-	-	-	-	-	(53 709)	(53 709)	(53 582)	(56 019)
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	(5 612)	(5 612)	5 587	5 844
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	1 887	1 980
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	23 850	23 850	25 000	26 150
Acquisitions - water & other inventory	2	-	-	-	-	-	-	-	-	-	-	-	13 172	13 172	12 283	12 848
Contracted services	3	-	-	-	-	-	-	-	-	-	-	-	(72 258)	(72 258)	7 800	8 136
Transfers and grants - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		-	-	-	-	-	-	-	-	-	-	-	(15 155)	(15 155)	53 028	55 467
Cash Payments by Type		-	-	-	-	-	-	-	-	-	-	-	(109 712)	(109 712)	52 003	54 406
Other Cash Flows/Payments by Type																
Capital assets		-	-	-	-	-	-	-	-	-	-	-	62 279	62 279	42 258	23 628
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	(319)	(334)
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	5 391	5 391	1 294	1 354
Total Cash Payments by Type		-	-	-	-	-	-	-	-	-	-	-	(42 042)	(42 042)	95 236	79 054
NET INCREASE/(DECREASE) IN CASH HELD																
Cash/cash equivalents at the month/year beginning:		734	734	734	734	734	734	734	734	734	734	734	734	734	219 346	463 983
Cash/cash equivalents at the month/year end:		734	734	734	734	734	734	734	734	734	734	734	219 346	219 346	463 983	912 361

MAGARENG



MUNICIPALITY

Quality certificate

Acting Municipal manager's quality certificate

I **Tumelo Thage**, Acting Municipal Manager of Magareng Local Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Mr Tumelo Thage

Acting Municipal Manager of Magareng Local Municipality

Signature:

Date:

24 MAY 2024