



**ADJUSTMENT BUDGET 2021/22 MTREF  
FEBRUARY 2022**

## 1. PURPOSE OF THIS REPORT

The purpose of this report is to request Council to consider and approve 2021/22 Adjustment budget and the related changes in the Integrated Development Plan in line with section 28 (1) and (2)( b) & (e) of the MFMA.

## 2. INTRODUCTION AND LEGAL REQUIREMENTS

### Section 28. Municipal adjustments budgets. —

(1) A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustment budget

a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;

(b) may 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;

## 3. BACKGROUND AND DISCUSSION OF THE ADJUSTMENT BUDGET

The municipality conducted midyear assessment in terms of section 72 of the Municipal Finance Management Act (Act 56 of 2003).

## 4. PROPOSED ADJUSTMENTS

TABLE 1 SUMMARY OR SNAPSHOT

EC 57 King Sabata Dalindyebo Municipality - Budget Summary						
Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands						
Total Revenue (excluding capital transfers and contributions)	1 480 173	(56 389)	(56 389)	1 423 784	1 571 746	1 624 546
Total Expenditure	1 432 066	(42 317)	(42 317)	1 389 749	1 501 983	1 583 260
Surplus/(Deficit)	48 107	(14 072)	(14 072)	34 035	69 763	41 286
Capital Expenditure						
Grant Funded	128 384	5 000	5 000	133 384	131 851	146 118
Internally General Funds	14 900	19 383	19 383	34 283	-	-
Total Capital Expenditure	143 284	24 383	24 383	167 666	131 851	146 118

**4.1 OPERATING REVENUE BUDGET**

An adjustment down of the operating revenue by R56.389 million from R1.480 billion to R1.424 billion

**4.2. OPERATING EXPENDITURE BUDGET**

Approval of an adjustment of the operating expenditure down by R42.31 million from R1.432 billion to R1.389 billion.

**4.3. CAPITAL BUDGET EXPENDITURE BUDGET**

Approval of increase in Capital Expenditure up of R24.38 million from R143.284 million to R166.67 million.

## 5.

## REVENUE SUMMARY

Table 2 : PROPOSED OPERATIONAL REVENUE BUDGET ADJUSTMENTS

EC 157 King Sabata Dalindyebo Municipality - Table B4 Adjustments Budget Financial Performance revenue

Description	Ref	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget A	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H		
<b>R thousands</b>	1						
<b>Revenue By Source</b>							
Property rates	2	268 577	1 029	1 029	269 606	283 081	298 367
Service charges - electricity revenue	2	570 000	(10 100)	(10 100)	559 900	618 335	650 838
Service charges - water revenue	2	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-
Service charges - refuse revenue	2	71 288	(12 008)	(12 008)	59 280	83 570	87 196
Rental of facilities and equipment	2	34 325	(10 865)	(10 865)	23 460	36 176	38 127
Interest earned - external investments		3 335	-	-	3 335	3 515	3 704
Interest earned - outstanding debtors		58 424	-	-	58 424	61 578	64 904
Dividends received		-	-	-	-	-	-
Fines, penalties and forfeits		7 573	(199)	(199)	7 375	7 982	8 413
Licences and permits		4 092	(1 548)	(1 548)	2 545	4 313	4 546
Agency services		19 418	(2 992)	(2 992)	16 426	20 467	21 572
Transfers and subsidies		384 352	304	304	384 656	399 891	391 187
Other revenue	2	48 317	(13 978)	(13 978)	34 338	50 926	53 676
Gains		1 815	-	-	1 815	1 913	2 016
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 480 173</b>	<b>(56 389)</b>	<b>(56 389)</b>	<b>1 423 784</b>	<b>1 571 746</b>	<b>1 624 546</b>

Material changes in the projected revenues at midyear are as follows:

- I. Property rates increased by R1.0 million
- II. Service charges electricity are reduced by R16.1 million on the following items
  - Connection fees on new properties R3.5m
  - Disconnections- Nonpayment of accounts R0.3
  - Electricity Sales by R12.8 million
- III. Refuse removal is reduced by R12 million
- IV. Rentals is adjusted down by R10.9 million
- V. Fines and penalties are adjusted down by R0.20 million
- VI. Licenses and permits is adjusted down by R1.5million
- VII. Revenue on agency services is reduced by R2.99 million
- VIII. Transfers and subsidies adjusted up by R0.304 million
- IX. Other revenue adjusted down R13,99 million.

**The net effect of all the charges is R56.4 million down.**

**TABLE 3: PROPOSED OPERATIONAL EXPENDITURE BUDGET ADJUSTMENTS**

**EC 1587 King Sabata Dalindyebo - Table B4 Adjustments Budget Financial Performance expenditure**

Description	Ref	Budget Year 2021/22										Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>	1	A	A1	B	C	D	E	F	G	H			
<b>Expenditure By Type</b>													
Employee related costs		552 644	-	-	-	-	-	(19 048)	(19 048)	533 595	578 015	609 384	
Remuneration of councillors		34 079	-	-	-	-	-	-	-	34 079	35 920	37 859	
Debt impairment		50 521	-	-	-	-	-	(46 521)	(46 521)	4 000	53 249	56 124	
Depreciation & asset impairment		147 486	-	-	-	-	-	10 786	10 786	158 272	155 450	163 845	
Finance charges		16 300	-	-	-	-	-	(10 048)	(10 048)	6 253	17 181	18 108	
Bulk purchases - electricity		399 187	-	-	-	-	-	13 970	13 970	413 157	420 743	443 463	
Inventory consumed		20 058	-	-	-	-	-	9 711	9 711	29 770	21 136	22 272	
Contracted services		47 239	-	-	-	-	-	9 817	9 817	57 056	46 994	49 417	
Transfers and subsidies		300	-	-	-	-	-	169	169	469	65	68	
Other expenditure		164 252	-	-	-	-	-	(11 155)	(11 155)	153 097	173 230	182 720	
Losses		-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>1 432 066</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(42 317)</b>	<b>(42 317)</b>	<b>1 389 749</b>	<b>1 501 983</b>	<b>1 583 260</b>	
<b>Surplus/(Deficit)</b>		<b>48 107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 072)</b>	<b>(14 072)</b>	<b>34 035</b>	<b>69 763</b>	<b>41 286</b>	

The following adjustments are proposed in relation to operating expenditure:

- I. Decrease in employee related costs of R19.05 million.
  - Unbudgeted for overtime was covered in the adjustment budget
  - Savings and projected savings were also utilised to fund other key activities or prioritised service delivery expenditure.
- II. Decrease in debt impairment by R46.52 million to equate it to the prior year actual results
- III. Increase in depreciation by R10.78 million to equate the provision to prior year actual and capital expenditure for the year.
- IV. Decrease in finance costs by R10.08 million due to decreasing in short term portion of liability.
- V. Bulk purchases – electricity is increase by R13.98 million
- VI. Inventory consumed increased by R9.7million due to plastic bags amounting to R2.5m, DOT SLA amounting to R6.8m and repairs amounting to R2m.
- VII. Increase in contracted services by R9.8 million to cater for overspending from Energy Sources, Finance and Administration.
- VIII. Transfer and subsidies increase of R0.17 million
- IX. Other expenditure down by R11.2 million.

**The net decrease in expenditure is R42.31 million**

## TABLE 4: PROPOSED CAPITAL EXPENDITURE BUDGET ADJUSTMENTS

EC 157 King Sabata Dalindyebo Municipality - Table B5 Adjustment: Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2021/22									Budget Year	Budget Year
		Original Budget	ior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
											Adjusted Budget	Adjusted Budget
R thousands	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	+1 2022/23	+2 2023/24	
<b>Single-year expenditure to be adjusted</b>	2											
Vote 9 - Executive AND Council (32: CS)		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Fin AND Asset Management (33: CS)		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Planning, Social AND Development (34: CS)		5 000	-	-	-	-	-	1 500	1 500	1 500	-	-
Vote 12 - Human Settlement (35: CS)		37 230	-	-	-	-	-	-	-	5 000	20 000	30 000
Vote 13 - Community Services (36: CS)		3 000	-	-	-	-	-	-	-	37 230	-	-
Vote 14 - Public Safety (37: CS)		-	-	-	-	-	-	-	-	3 000	3 162	3 333
Vote 15 - Infrastructure (38: CS)		5 000	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>50 230</b>	-	-	-	-	-	<b>22 883</b>	<b>22 883</b>	<b>27 883</b>	<b>5 000</b>	<b>5 000</b>
<b>Total Capital Expenditure - Vote</b>		<b>50 230</b>	-	-	-	-	-	<b>24 383</b>	<b>24 383</b>	<b>74 613</b>	<b>28 162</b>	<b>38 333</b>
<b>Capital Expenditure - Functional</b>								<b>24 383</b>	<b>24 383</b>	<b>74 613</b>	<b>28 162</b>	<b>38 333</b>
<b>Governance and administration</b>		<b>150</b>	-	-	-	-	-	<b>1 500</b>	<b>1 500</b>	<b>1 650</b>	<b>150</b>	<b>150</b>
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		150	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	1 500	1 500	1 650	150	150
<b>Community and public safety</b>		<b>48 609</b>	-	-	-	-	-	-	-	<b>48 609</b>	<b>9 162</b>	<b>9 333</b>
Community and social services		5 379	-	-	-	-	-	-	-	5 379	3 162	3 333
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		6 000	-	-	-	-	-	-	-	6 000	6 000	6 000
Housing		37 230	-	-	-	-	-	-	-	37 230	-	-
<b>Economic and environmental services</b>		<b>93 824</b>	-	-	-	-	-	<b>22 883</b>	<b>22 883</b>	<b>116 707</b>	<b>118 901</b>	<b>133 168</b>
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		93 824	-	-	-	-	-	22 883	22 883	116 707	118 901	133 168
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>700</b>	-	-	-	-	-	-	-	<b>700</b>	<b>18 738</b>	<b>18 778</b>
Energy sources		-	-	-	-	-	-	-	-	-	18 000	18 000
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		700	-	-	-	-	-	-	-	700	738	778
<b>Other</b>		<b>-</b>	-	-	-	-	-	-	-	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>143 284</b>	-	-	-	-	-	<b>24 383</b>	<b>24 383</b>	<b>167 666</b>	<b>146 951</b>	<b>161 428</b>
<b>Funded by:</b>												
National Government		86 154	-	-	-	-	-	-	-	86 154	111 851	116 118
Provincial Government		42 230	-	-	-	-	-	5 000	5 000	47 230	20 000	30 000
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>128 384</b>	-	-	-	-	-	<b>5 000</b>	<b>5 000</b>	<b>133 384</b>	<b>131 851</b>	<b>146 118</b>
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		14 900	-	-	-	-	-	19 383	19 383	34 283	15 100	15 310
<b>Total Capital Funding</b>		<b>143 284</b>	-	-	-	-	-	<b>24 383</b>	<b>24 383</b>	<b>167 666</b>	<b>146 951</b>	<b>161 428</b>

The budget increased by R24.38 million due the following:

- Increase by R5 million on small town revitalisation
- Increase in provision for the Roads Equipment amounting R19.33 million that was underbudgeted



**TABLE 5: B1 EC 157 KING SABATA DALINDYEBO - TABLE B1 ADJUSTMENTS BUDGET SUMMARY**  
**EC 157 King Sabata Dalindyebo - Table 1**  
**adjustments Budget Summary -**

Description	Budget Year 2021/22			Budget Year +1 2022/23		Budget Year +2 2023/24	
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>							
<b>Financial Performance</b>							
Property rates	268 577	1 029	1 029	269 606	283 081	298 367	
Service charges	649 944	(28 139)	(28 139)	621 805	701 905	738 034	
Investment revenue	3 335	-	-	3 335	3 515	3 704	
Transfers recognised – operational	384 352	304	304	384 656	399 891	391 187	
Other own revenue	173 964	(29 582)	(29 582)	144 382	183 355	193 254	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 480 173</b>	<b>(56 389)</b>	<b>(56 389)</b>	<b>1 423 784</b>	<b>1 571 746</b>	<b>1 624 546</b>	
Employee costs	552 644	(19 048)	(19 048)	533 595	578 015	609 384	
Remuneration of councillors	34 079	(3 486)	(3 486)	30 593	35 920	37 859	
Depreciation & asset impairment	147 486	10 786	10 786	158 272	158 450	163 845	
Finance charges	16 300	(10 048)	(10 048)	6 253	17 181	18 108	
Inventory consumed and bulk purchases	419 245	23 681	23 681	442 926	441 879	465 735	
Transfers and grants	300	169	169	469	65	68	
Other expenditure	262 011	(44 951)	(44 951)	217 060	273 474	288 261	
<b>Total Expenditure</b>	<b>1 432 066</b>	<b>(42 896)</b>	<b>(42 896)</b>	<b>1 389 170</b>	<b>1 501 983</b>	<b>1 583 260</b>	
<b>Surplus/(Deficit)</b>	<b>48 107</b>	<b>(13 493)</b>	<b>(13 493)</b>	<b>34 614</b>	<b>69 763</b>	<b>41 286</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	128 384	5 000	5 000	133 384	131 851	146 118	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>176 490</b>	<b>(8 493)</b>	<b>(8 493)</b>	<b>167 998</b>	<b>201 615</b>	<b>187 404</b>	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>	<b>176 490</b>	<b>(8 493)</b>	<b>(8 493)</b>	<b>167 998</b>	<b>201 615</b>	<b>187 404</b>	
<b>Capital expenditure &amp; funds sources</b>							
<b>Capital expenditure</b>	50 230	17 883	17 883	68 113	28 162	38 333	
Transfers recognised – capital	128 384	(2 618)	(2 618)	125 765	131 851	146 118	
Borrowing	-	-	-	-	-	-	
Internally generated funds	14 900	17 883	17 883	32 783	15 100	15 310	

EC 157 King Sabata Dalindyebo - Table 1  
adjustments Budget Summary -

Description	Budget Year 2021/22			Adjusted Budget	Budget Year +1 2022/23 Adjusted Budget	Budget Year +2 2023/24 Adjusted Budget
	Original Budget	Other Adjusts.	Total Adjusts.			
<b>R thousands</b>						
<b>Total sources of capital funds</b>	143 284	15 265	15 265	158 548	146 951	161 428
<b>Financial position</b>						
Total current assets	707 512	669 939	669 939	1 377 452	900 762	1 072 582
Total non current assets	2 531 527	170 027	170 027	2 701 554	7 330 767	7 656 040
Total current liabilities	418 461	952 934	952 934	1 371 395	418 461	416 461
Total non current liabilities	90 936	1 768	1 768	92 704	90 936	90 936
Community wealth/Equity	<b>2 729 642</b>	<b>(249 844)</b>	<b>(249 844)</b>	<b>2 479 798</b>	<b>2 931 256</b>	<b>3 101 796</b>
<b>Cash flows</b>						
Net cash from (used) operating	431 329	(550 039)	(550 039)	(118 710)	319 256	314 024
Net cash from (used) investing	(141 469)	28 055	28 055	(113 414)	(145 039)	(161 412)
Net cash from (used) financing	(24 000)	24 000	24 000	-	(24 000)	(2 000)
<b>Cash/cash equivalents at the year end</b>	<b>239 678</b>	<b>(521 547)</b>	<b>(521 547)</b>	<b>(281 870)</b>	<b>(84 374)</b>	<b>(193 149)</b>
<b>Cash backing/surplus reconciliation</b>						
Cash and investments available	242 165	(214 447)	(214 447)	27 718	359 317	450 929
Application of cash and investments	(6 985)	125 428	125 428	118 443	(51 274)	(121 575)
<b>Balance - surplus (shortfall)</b>	<b>249 150</b>	<b>(339 875)</b>	<b>(339 875)</b>	<b>(90 725)</b>	<b>410 591</b>	<b>572 504</b>
<b>Asset Management</b>						
Asset register summary (WDV)	2 421 385	42 839	42 839	2 464 224	2 409 177	2 245 542
Depreciation	147 486	10 786	10 786	158 272	155 450	163 845
Renewal and Upgrading of Existing Assets	81 571	(1 729)	(1 729)	79 842	114 362	119 451
Repairs and Maintenance	50 957	(5 370)	(5 370)	45 587	53 698	56 587
<b>Free services</b>						
Cost of Free Basic Services provided	16 000	-	-	16 000	-	-
Revenue cost of free services provided	8 000	-	-	8 000	8 432	8 000
<b>Households below minimum service level</b>						
Water:	-	-	-	-	-	-
Energy:	-	-	-	-	-	-

**TABLE 6: B2 FINANCIAL PERFORMANCE BY STANDARD CLASSIFICATION**

Choose name from list - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Original Budget	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
		Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		10 F	11 G	12 H		
<b>R thousands</b>	<b>A</b>					
<b>Revenue - Functional</b>						
<i>Governance and administration</i>	740 639	(10 165)	(10 165)	730 474	777 088	788 659
Executive and council	579	(579)	(579)	-	610	643
Finance and administration	740 060	(9 586)	(9 586)	730 474	776 477	788 016
Internal audit	-	-	-	-	-	-
<i>Community and public safety</i>	57 462	(4 709)	(4 709)	52 753	21 385	22 520
Community and social services	2 493	24	24	2 516	2 691	2 819
Sport and recreation	146	(39)	(39)	108	152	157
Public safety	17 592	(4 694)	(4 694)	12 899	18 542	19 544
Housing	37 230	-	-	37 230	-	-
Health	-	-	-	-	-	-
<i>Economic and environmental servi</i>	155 176	(11 792)	(11 792)	143 384	179 596	197 524
Planning and development	99 190	721	721	99 911	107 841	112 974
Road transport	55 986	(12 513)	(12 513)	43 473	71 755	84 550
Environmental protection	-	-	-	-	-	-
<i>Trading services</i>	654 733	(24 674)	(24 674)	630 060	708 089	745 354
Energy sources	580 860	(11 839)	(11 839)	569 021	630 227	663 287
Water management	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-
Waste management	73 873	(12 835)	(12 835)	61 038	77 862	82 067
<i>Other</i>	546	(49)	(49)	497	576	607
<b>Total Revenue - Functional</b>	<b>1 608 556</b>	<b>(51 389)</b>	<b>(51 389)</b>	<b>1 557 167</b>	<b>1 686 734</b>	<b>1 754 664</b>
<b>Expenditure - Functional</b>						
<i>Governance and administration</i>	520 847	(85 070)	(85 070)	435 777	545 239	574 865
Executive and council	97 409	(17 654)	(17 654)	79 755	102 645	108 214
Finance and administration	415 650	(65 116)	(65 116)	350 534	434 385	458 000
Internal audit	7 788	(2 300)	(2 300)	5 488	8 208	8 652
<i>Community and public safety</i>	152 120	25 943	25 943	178 064	160 967	169 659
Community and social services	13 384	8 756	8 756	22 140	14 212	14 979
Sport and recreation	20 886	(1 280)	(1 280)	19 606	22 119	23 314
Public safety	112 443	20 519	20 519	132 962	118 936	125 359
Housing	5 408	(2 052)	(2 052)	3 356	5 700	6 007
Health	-	-	-	-	-	-
<i>Economic and environmental servi</i>	216 570	(17 615)	(17 615)	198 955	223 742	235 810
Planning and development	37 426	(9 665)	(9 665)	27 761	36 810	38 792
Road transport	175 569	(9 335)	(9 335)	166 235	183 164	193 047
Environmental protection	3 575	1 385	1 385	4 959	3 768	3 971
<i>Trading services</i>	542 517	33 857	33 857	576 374	572 024	602 913
Energy sources	445 797	22 284	22 284	468 081	469 870	495 243
Water management	-	-	-	-	-	-
Waste water management	11 740	(245)	(245)	11 495	12 374	13 042
Waste management	84 981	11 817	11 817	96 798	89 780	94 628
<i>Other</i>	11	(11)	(11)	-	11	12
<b>Total Expenditure - Functional</b>	<b>1 432 066</b>	<b>(42 896)</b>	<b>(42 896)</b>	<b>1 389 170</b>	<b>1 501 983</b>	<b>1 583 260</b>
<b>Surplus/ (Deficit) for the year</b>	<b>176 490</b>	<b>(8 493)</b>	<b>(8 493)</b>	<b>167 998</b>	<b>184 751</b>	<b>171 403</b>

**TABLE 7: B3 FINANCIAL PERFORMANCE BY MUNICIPAL VOTE**

Choose name from list - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2021/22										Budget Year +1	Budget Year +2		
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget			
<b>Revenue by Vote</b>	1														
Vote 1 - Executive AND Council (11: IE)		583 827	-	-	-	-	(12 557)	(12 557)	571 271	633 354	666 583				
Vote 2 - Corporate Services (12: IE)		441	-	-	-	-	189	189	630	465	490				
Vote 3 - Finance AND Asset Management (13: IE)		734 820	-	-	-	-	(8 781)	(8 781)	726 039	772 938	784 285				
Vote 4 - Planning, Social AND Ec Dev (14: IE)		2 670	-	-	-	-	(179)	(179)	2 491	2 875	3 011				
Vote 5 - Human Settlement (15: IE)		39 872	-	-	-	-	-	-	40 303	2 785	2 936				
Vote 6 - Community Services (16: IE)		75 755	-	-	-	-	(12 835)	(12 835)	62 920	77 862	82 067				
Vote 7 - Public Safety (17: IE)		37 922	-	-	-	-	(8 836)	(8 836)	29 086	39 970	42 128				
Vote 8 - Infrastructure (18: IE)		133 249	-	-	-	-	(9 083)	(9 083)	124 165	156 485	173 165				
<b>Total Revenue by Vote</b>	2	<b>1 608 556</b>	-	-	-	-	<b>(51 389)</b>	<b>(51 389)</b>	<b>1 557 167</b>	<b>1 686 734</b>	<b>1 754 664</b>				
<b>Expenditure by Vote</b>	1														
Vote 1 - Executive AND Council (11: IE)		568 840	-	-	-	-	(3 363)	(3 363)	565 477	596 129	628 346				
Vote 2 - Corporate Services (12: IE)		61 810	-	-	-	-	6 160	6 160	67 970	65 096	68 661				
Vote 3 - Finance AND Asset Management (13: IE)		251 882	-	-	-	-	(61 682)	(61 682)	190 201	264 473	278 727				
Vote 4 - Planning, Social AND Ec Dev (14: IE)		35 259	-	-	-	-	(4 120)	(4 120)	31 139	37 269	39 281				
Vote 5 - Human Settlement (15: IE)		40 207	-	-	-	-	(5 470)	(5 470)	34 737	42 468	44 745				
Vote 6 - Community Services (16: IE)		105 635	-	-	-	-	8 432	8 432	114 067	109 567	115 483				
Vote 7 - Public Safety (17: IE)		146 607	-	-	-	-	15 856	15 856	162 463	155 040	163 402				
Vote 8 - Infrastructure (18: IE)		221 824	-	-	-	-	1 291	1 291	223 115	231 942	244 616				
<b>Total Expenditure by Vote</b>	2	<b>1 432 066</b>	-	-	-	-	<b>(42 896)</b>	<b>(42 896)</b>	<b>1 389 170</b>	<b>1 501 983</b>	<b>1 583 260</b>				
<b>Surplus/ (Deficit) for the year</b>	2	<b>176 490</b>	-	-	-	-	<b>(8 493)</b>	<b>(8 493)</b>	<b>167 998</b>	<b>184 751</b>	<b>171 403</b>				

**TABLE 8: B4 FINANCIAL PERFORMANCE (REVENUE BY SOURCE & EXPENDITURE BY TYPE)**

EC 1587 King Sabata Dalindyebo - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2021/22									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Revenue By Source</b>												
Property rates	2	268 577	-	-	-	-	-	1 029	1 029	269 606	283 081	298 367
Service charges - electricity revenue	2	578 656	-	-	-	-	-	(16 130)	(16 130)	562 525	618 335	650 838
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	71 288	-	-	-	-	-	(12 008)	(12 008)	59 280	83 570	87 196
Rental of facilities and equipment		34 325	-	-	-	-	-	(10 865)	(10 865)	23 460	36 176	38 127
Interest earned - external investments		3 335	-	-	-	-	-	-	-	3 335	3 515	3 704
Interest earned - outstanding debtors		58 424	-	-	-	-	-	-	-	58 424	61 578	64 904
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		7 573	-	-	-	-	-	(199)	(199)	7 375	7 982	8 413
Licences and permits		4 092	-	-	-	-	-	(1 548)	(1 548)	2 545	4 313	4 546
Agency services		19 418	-	-	-	-	-	(2 992)	(2 992)	16 426	20 467	21 572
Transfers and subsidies		384 352	-	-	-	-	-	-	-	384 352	399 891	391 187
Other revenue	2	48 317	-	-	-	-	-	304	304	384 656	399 891	391 187
Gains		1 815	-	-	-	-	-	(13 978)	(13 978)	34 338	50 926	53 676
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 480 173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(56 389)</b>	<b>(56 389)</b>	<b>1 423 784</b>	<b>1 571 746</b>	<b>1 624 546</b>
<b>Expenditure By Type</b>												
Employee related costs		552 644	-	-	-	-	-	(19 048)	(19 048)	533 595	578 015	609 384
Remuneration of councillors		34 079	-	-	-	-	-	-	-	34 079	35 920	37 859
Debt impairment		50 521	-	-	-	-	-	(46 521)	(46 521)	4 000	53 249	56 124
Depreciation & asset impairment		147 486	-	-	-	-	-	10 786	10 786	158 272	155 450	163 845
Finance charges		16 300	-	-	-	-	-	(10 048)	(10 048)	6 253	17 181	18 108
Bulk purchases - electricity		399 187	-	-	-	-	-	13 970	13 970	413 157	420 743	443 463
Inventory consumed		20 058	-	-	-	-	-	9 711	9 711	29 770	21 136	22 272
Contracted services		47 239	-	-	-	-	-	9 817	9 817	57 056	46 994	49 417
Transfers and subsidies		300	-	-	-	-	-	169	169	469	65	68
Other expenditure		164 252	-	-	-	-	-	(11 155)	(11 155)	153 097	173 230	182 720
Losses		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 432 066</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(42 317)</b>	<b>(42 317)</b>	<b>1 389 749</b>	<b>1 501 983</b>	<b>1 583 260</b>
<b>Surplus/(Deficit)</b>												
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		48 107	-	-	-	-	-	(14 072)	(14 072)	34 035	69 763	41 286
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		128 384	-	-	-	-	-	5 000	5 000	133 384	131 851	146 118
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>176 490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9 072)</b>	<b>(9 072)</b>	<b>167 419</b>	<b>201 615</b>	<b>187 404</b>

**TABLE 9 B5 CAPITAL EXPENDITURE BY VOTE**

EC 157 King Sabata Dalindyebo Municipality - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2021/22									Budget Year	Budget Year
		Original Budget	Prorated Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	+1 2022/23	+2 2023/24
R thousands												
<b>Single-year expenditure to be adjusted</b>	2											
Vote 9 - Executive AND Council (32: CS)		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Fin AND Asset Management (33: CS)		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Planning, Social AND Development (34: CS)		5 000	-	-	-	-	-	1 500	1 500	1 500	-	-
Vote 12 - Human Settlement (35: CS)		37 230	-	-	-	-	-	-	-	5 000	20 000	30 000
Vote 13 - Community Services (36: CS)		3 000	-	-	-	-	-	-	-	37 230	-	-
Vote 14 - Public Safety (37: CS)		-	-	-	-	-	-	-	-	3 000	3 162	3 333
Vote 15 - Infrastructure (38: CS)		5 000	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>50 230</b>	-	-	-	-	-	<b>22 883</b>	<b>22 883</b>	<b>27 883</b>	<b>5 000</b>	<b>5 000</b>
<b>Total Capital Expenditure - Vote</b>		<b>50 230</b>	-	-	-	-	-	<b>24 383</b>	<b>24 383</b>	<b>74 613</b>	<b>28 162</b>	<b>38 333</b>
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		150	-	-	-	-	-	1 500	1 500	1 650	150	150
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		150	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	1 500	1 500	1 650	150	150
<b>Community and public safety</b>		48 609	-	-	-	-	-	-	-	-	-	-
Community and social services		5 379	-	-	-	-	-	-	-	48 609	9 162	9 333
Sport and recreation		-	-	-	-	-	-	-	-	5 379	3 162	3 333
Public safety		6 000	-	-	-	-	-	-	-	-	-	-
Housing		37 230	-	-	-	-	-	-	-	6 000	6 000	6 000
<b>Economic and environmental services</b>		93 824	-	-	-	-	-	-	-	37 230	-	-
Planning and development		-	-	-	-	-	-	22 883	22 883	116 707	118 901	133 168
Road transport		93 824	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	22 883	22 883	116 707	118 901	133 168
<b>Trading services</b>		700	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	700	18 738	18 778
Water management		-	-	-	-	-	-	-	-	-	18 000	18 000
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		700	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	700	738	778
<b>Total Capital Expenditure - Functional</b>	3	<b>143 284</b>	-	-	-	-	-	<b>24 383</b>	<b>24 383</b>	<b>167 666</b>	<b>146 951</b>	<b>161 428</b>
<b>Funded by:</b>												
National Government		86 154	-	-	-	-	-	-	-	86 154	111 851	116 118
Provincial Government		42 230	-	-	-	-	-	-	-	47 230	20 000	30 000
District Municipality		-	-	-	-	-	-	5 000	5 000	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>128 384</b>	-	-	-	-	-	<b>5 000</b>	<b>5 000</b>	<b>133 384</b>	<b>131 851</b>	<b>146 118</b>
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		14 900	-	-	-	-	-	19 383	19 383	34 283	15 100	15 310
<b>Total Capital Funding</b>		<b>143 284</b>	-	-	-	-	-	<b>24 383</b>	<b>24 383</b>	<b>167 666</b>	<b>146 951</b>	<b>161 428</b>

**TABLE 10: B6 FINANCIAL POSITION**

Choose name from list - Table B6 Adjustments Budget Financial Position -

Description	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Prior Adjusted	Accu. Fund	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>ASSETS</b>											
<b>Current assets</b>											
Cash	217 409	-	-	-	-	-	(214 768)	(214 768)	2 641	318 367	392 972
Call investment deposits	24 756	-	-	-	-	-	321	321	25 077	40 950	57 958
Consumer debtors	392 257	-	-	-	-	-	393 302	393 302	785 559	468 355	548 562
Other debtors	6 770	-	-	-	-	-	412 465	412 465	419 235	6 770	6 770
Inventory	66 320	-	-	-	-	-	78 619	78 619	144 939	66 320	66 320
<b>Total current assets</b>	<b>707 512</b>	-	-	-	-	-	<b>669 939</b>	<b>669 939</b>	<b>1 377 452</b>	<b>900 762</b>	<b>1 072 582</b>
<b>Non current assets</b>											
Investment property	322 840	-	-	-	-	-	(105 813)	(105 813)	217 027	322 840	322 840
Property, plant and equipment	2 201 857	-	-	-	-	-	277 496	277 496	2 479 354	6 857 813	7 183 086
Intangible	3 629	-	-	-	-	-	(1 656)	(1 656)	1 973	3 629	3 629
Other non-current assets	3 201	-	-	-	-	-	-	-	3 201	146 485	146 485
<b>Total non current assets</b>	<b>2 531 527</b>	-	-	-	-	-	<b>170 027</b>	<b>170 027</b>	<b>2 701 554</b>	<b>7 330 767</b>	<b>7 656 040</b>
<b>TOTAL ASSETS</b>	<b>3 239 039</b>	-	-	-	-	-	<b>839 966</b>	<b>839 966</b>	<b>4 079 005</b>	<b>8 231 529</b>	<b>8 728 622</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Borrowing	24 561	-	-	-	-	-	1 858	1 858	26 419	24 561	22 561
Consumer deposits	36 254	-	-	-	-	-	(11 931)	(11 931)	24 324	36 254	36 254
Trade and other payables	357 646	-	-	-	-	-	963 004	963 004	1 320 650	357 646	357 646
Provisions	-	-	-	-	-	-	3	3	3	-	-
<b>Total current liabilities</b>	<b>418 461</b>	-	-	-	-	-	<b>952 934</b>	<b>952 934</b>	<b>1 371 395</b>	<b>418 461</b>	<b>416 461</b>
<b>Non current liabilities</b>											
Borrowing	40 361	-	-	-	-	-	643	643	41 004	40 361	40 361
Provisions	50 575	-	-	-	-	-	1 125	1 125	51 700	50 575	50 575
<b>Total non current liabilities</b>	<b>90 936</b>	-	-	-	-	-	<b>1 768</b>	<b>1 768</b>	<b>92 704</b>	<b>90 936</b>	<b>90 936</b>
<b>TOTAL LIABILITIES</b>	<b>509 398</b>	-	-	-	-	-	<b>954 702</b>	<b>954 702</b>	<b>1 464 099</b>	<b>509 398</b>	<b>507 398</b>
<b>NET ASSETS</b>	<b>2 729 642</b>	-	-	-	-	-	<b>(114 735)</b>	<b>(114 735)</b>	<b>2 614 906</b>	<b>7 722 131</b>	<b>8 221 224</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)	2 341 853	-	-	-	-	-	(131 711)	(131 711)	2 210 142	2 543 467	2 714 007
Reserves	387 789	-	-	-	-	-	(118 133)	(118 133)	269 656	387 789	387 789
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 729 642</b>	-	-	-	-	-	<b>(249 844)</b>	<b>(249 844)</b>	<b>2 479 798</b>	<b>2 931 256</b>	<b>3 101 796</b>

**TABLE 11: B7 CASH FLOW STATEMENT**

EC 157 King Sabata Dalindyebo - Table B7 Adjustments Budget Cash Flows -

Ref	Description	Budget Year 2021/22						Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget A	Nat. or Prov. Govt 7 E	Other Adjus. 8 F	Total Adjus. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget	
R thousands									
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
	<b>Receipts</b>								
	Property rates	295 508	-	-	-	280 732	263 265	277 481	
	Service charges	604 448	-	5 920	5 920	610 368	637 088	671 491	
	Other revenue	106 152	-	(43 928)	(43 928)	62 224	111 882	117 921	
1	Transfers and Subsidies - Operational	384 352	-	(16 724)	(16 724)	367 629	399 891	391 187	
1	Transfers and Subsidies - Capital	128 384	-	(65 093)	(65 093)	128 384	113 851	128 118	
	Interest	65 093	-	-	-	-	3 515	3 704	
	Dividends	-	-	-	-	-	-	-	
	<b>Payments</b>								
	Suppliers and employees	(1 136 246)	-	(22 685)	(22 685)	(1 158 931)	(1 175 874)	(1 239 661)	
	Finance charges	(16 300)	-	16 300	16 300	-	(34 361)	(36 217)	
	Transfers and Grants	(61)	-	61	61	-	-	-	
1		431 329	-	(126 148)	(126 148)	290 406	319 256	314 024	
	<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>								
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
	<b>Receipts</b>								
	Proceeds on disposal of PPE	1 815	-	(1 815)	(1 815)	-	1 913	2 016	
	Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	
	Decrease (increase) in non-current investments	-	-	-	-	-	-	-	
	<b>Payments</b>								
	Capital assets	(143 284)	-	29 870	29 870	(113 414)	(146 951)	(163 428)	
		(141 469)	-	28 055	28 055	(113 414)	(145 039)	(161 412)	
	<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>								
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
	<b>Receipts</b>								
	Short term loans	-	-	-	-	-	-	-	
	Borrowing long term/refinancing	-	-	-	-	-	-	-	
	Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	
	<b>Payments</b>								
	Repayment of borrowing	(24 000)	-	24 000	24 000	-	(24 000)	(2 000)	
		(24 000)	-	24 000	24 000	-	(24 000)	(2 000)	
	<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>								
	<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	265 860	-	(74 093)	(74 093)	176 992	150 218	150 612	
2	Cash/cash equivalents at the year begin:	(26 182)	-	(23 563)	(23 563)	(49 746)	(234 592)	(343 761)	
2	Cash/cash equivalents at the year end:	239 678	-	(97 656)	(97 656)	127 246	(84 374)	(193 149)	



**TABLE 12: B8 CASH BACKED RESERVES**

EC157 King Sabata Dalindyebo - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28/02/2021

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
		Original Budget	Prior adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22	+2 2022/23
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	158 738	417 661	-	-	-	-	-	-	417 661	240 635	498 283
Other current investments > 90 days		(321)	(257 593)	-	-	-	-	-	-	(257 593)	100 974	(132 080)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>158 416</b>	<b>160 068</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160 068</b>	<b>341 609</b>	<b>366 203</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(112 938)	(111 322)	-	-	-	-	-	-	-	(75 874)	7 018
Other provisions		-	-	-	-	-	-	(14)	(14)	(111 336)	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		3 046	3 046	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(109 892)</b>	<b>108 276</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14)</b>	<b>(14)</b>	<b>3 046</b>	<b>3 046</b>	<b>3 046</b>
<b>Surplus(shortfall)</b>		<b>268 308</b>	<b>268 344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>	<b>268 359</b>	<b>414 436</b>	<b>356 139</b>

**TABLE 13: B9 ASSET MANAGEMENT**

Choose name from list - Table B9 Asset Management -

Description	Ref	Budget Year 2021/22				Budget Year	Budget Year
		Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2022/23	+2 2023/24
R thousands		A	F	G	H	Adjusted Budget	Adjusted Budget
<b>CAPITAL EXPENDITURE</b>							
<b>Total New Assets to be adjusted</b>	1	61 712	17 226	17 226	78 938	32 589	41 978
<i>Roads Infrastructure</i>		5 300	-	-	5 300	20 000	30 000
<i>Electrical Infrastructure</i>		-	660	660	660	-	-
<i>Information and Communication Infrastructure</i>		-	13	13	13	-	-
<b>Infrastructure</b>		5 300	673	673	5 973	20 000	30 000
Community Facilities		7 482	(1 549)	(1 549)	5 934	862	222
Sport and Recreation Facilities		-	-	-	-	-	-
Community Assets		7 482	(1 549)	(1 549)	5 934	862	222
Housing		37 230	-	-	37 230	-	-
Other Assets	6	37 230	-	-	37 230	-	-
Computer Equipment		-	219	219	219	-	-
Furniture and Office Equipment		150	-	-	150	150	150
Machinery and Equipment		5 550	17 883	17 883	23 433	5 577	5 605
Transport Assets		6 000	-	-	6 000	6 000	6 000
<b>Total Renewal of Existing Assets to be adjusted</b>	2	77 065	(1 724)	(1 724)	75 341	111 200	116 118
<i>Roads Infrastructure</i>		77 065	(1 724)	(1 724)	75 341	93 200	98 118
<i>Electrical Infrastructure</i>		-	-	-	-	18 000	18 000
<b>Infrastructure</b>		77 065	(1 724)	(1 724)	75 341	111 200	116 118
<b>Total Upgrading of Existing Assets to be adjusted</b>	2a	4 506	(5)	(5)	4 501	3 162	3 333
<b>Infrastructure</b>		-	-	-	-	-	-
Community Facilities		3 000	-	-	3 000	3 162	3 333
Sport and Recreation Facilities		1 506	(5)	(5)	1 501	-	-
Community Assets		4 506	(5)	(5)	4 501	3 162	3 333
<b>Total Capital Expenditure to be adjusted</b>	4	143 284	15 497	15 497	158 780	146 951	161 428

Description	Ref	Budget Year 2021/22				Budget Year	Budget Year
		Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2022/23	+2 2023/24
R thousands		A	F	G	H	Adjusted Budget	Adjusted Budget
<i>Roads Infrastructure</i>		82 365	(1 724)	(1 724)	80 641	113 200	128 118
<i>Electrical Infrastructure</i>		-	660	660	660	18 000	18 000
<i>Information and Communication Infrastructure</i>		-	13	13	13	-	-
<b>Infrastructure</b>		82 365	(1 051)	(1 051)	81 314	131 200	146 118
Community Facilities		10 482	(1 549)	(1 549)	8 934	4 024	3 555
Sport and Recreation Facilities		1 506	(5)	(5)	1 501	-	-
Community Assets		11 988	(1 554)	(1 554)	10 435	4 024	3 555
Housing		37 230	-	-	37 230	-	-
Other Assets		37 230	-	-	37 230	-	-
Computer Equipment		-	219	219	219	-	-
Furniture and Office Equipment		150	-	-	150	150	150
Machinery and Equipment		5 550	17 883	17 883	23 433	5 577	5 605
Transport Assets		6 000	-	-	6 000	6 000	6 000
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	4	143 284	15 497	15 497	158 780	146 951	161 428

Description	Ref	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget A	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
<b>R thousands</b>							
<b>EXPENDITURE OTHER ITEMS</b>							
<u>Depreciation &amp; asset impairment</u>		147 486	10 786	10 786	158 272	155 450	163 845
<u>Repairs and Maintenance by asset class</u>	3	50 957	(5 370)	(5 370)	45 587	53 698	56 587
<i>Roads Infrastructure</i>		26 623	(1 828)	(1 828)	24 796	28 061	29 576
<i>Storm water Infrastructure</i>		-	-	-	-	-	-
<i>Electrical Infrastructure</i>		7 433	2 814	2 814	10 247	7 834	8 258
<b>Infrastructure</b>		34 056	986	986	35 043	35 895	37 834
Community Facilities		28	(28)	(28)	-	30	31
Sport and Recreation Facilities		1 099	96	96	1 195	1 158	1 221
<b>Community Assets</b>		1 127	68	68	1 195	1 188	1 252
Operational Buildings		3 992	(3 141)	(3 141)	851	4 204	4 429
<b>Other Assets</b>		3 992	(3 141)	(3 141)	851	4 204	4 429
Furniture and Office Equipment		159	(158)	(158)	1	159	160
Machinery and Equipment		3 457	(2 128)	(2 128)	1 329	3 644	3 841
Transport Assets		8 166	(997)	(997)	7 169	8 607	9 072
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		<b>198 443</b>	<b>5 416</b>	<b>5 416</b>	<b>203 859</b>	<b>209 149</b>	<b>220 432</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		56.9%			50.3%	77.8%	74.0%
<i>Renewal and upgrading of Existing Assets as % of depreciation</i>		55.3%			50.4%	73.6%	72.9%
<i>R&amp;M as a % of PPE</i>		2.1%			1.8%	2.2%	2.5%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>		5.5%			5.1%	7.0%	7.8%

## 6. STAFF IMPLICATIONS

*None*

## 7. FINANCIAL IMPLICATIONS

Net decrease on operating revenue budget by R56.4 million and operating expenditure decrease of R42.31 million as well as net increase in capital expenditure of R24.38 million.

## 8. ANNEXURES

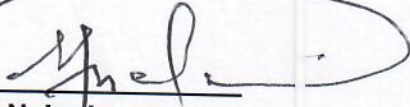
Supporting tables

## 9. RECOMMENDATIONS

It is recommended that the council considers and approves the adjustment of budget as follows:

1. Approval of an adjustment down of the operating revenue by R56.4 million from R1.480 billion to R1.423 billion
2. Approval of an adjustment down of the operating expenditure by R42.31 million from R1.432 billion to R1.389 billion.

3. Approval of increase in Capital Expenditure up of R24.38 million from R143.284 million to R166.67. million.
4. Approval of an amendment of the IDP and the adjustment of the SDBIP in line with the changes in the operating and capital budgets.



**G.N Nelani**  
**Executive Mayor**



**EXTRACT FROM THE MINUTES OF THE SPECIAL COUNCIL MEETING OF THE KING SABATA DALINDYEBO MUNICIPAL COUNCIL HELD AT ENKULULEKWENI COUNCIL CHAMBERS, MTHATHA ON MONDAY 28 FEBRUARY 2022 AT 10H00**

I hereby certify that the following is a true copy extracted from the minutes of the Special Council meeting of the King Sabata Dalindyebo Municipal Council held on the date quoted above.

SCM 78/02/22 **MID YEAR ADJUSTMENT ON IDP, BUDGET AND SDBIP RESOLVED**

- (a) That Council hereby **APPROVES** the adjustment of the IDP, SDBIP and Budget as indicated below:-
1. Approval of an adjustment down of the operating revenue by R56.4 million from R1.480 billion to R1.423 billion;
  2. Approval of an adjustment down of the operating expenditure by R42.31 million from R1.432 billion to R1.389 billion;
  3. Approval of increase in Capital Expenditure up of R24.38 million from R143.284 million to R166.67 million;

4. Approval of an amendment of the IDP and the adjustment of the SDBIP in line with the changes in the operating and capital budgets; and
- (b) That all 53 Councillors unanimously voted for the approval of Mid Year Adjustment on IDP, BUDGET and SDBIP, 0 Councillors abstained and 0 Councillors voted against.



.....  
**N. PAKADE**  
**MUNICIPAL MANAGER**

01 March 2022  
.....  
**DATE**