



ADJUSTMENT BUDGET 2022/23 – MTREF FEBRUARY 2023

1. PURPOSE OF THIS REPORT

The purpose of this report is to request council to consider and approval of 2022/23 Adjustment budget and the related changes in the Integrated Development Plan in line with section 28 (1) and (2)(b) & (e) of the MFMA, Service Delivery and Budget Implementation Plan and Adjusted procurement plans

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 mid-year assessment in terms of section 72 of the Municipal Finance Management Act (Act 56 of 2003). At midyear, some items were overspent, and others had savings on expenditure. Those expenditure votes that were overspent, were prioritized such as salaries were adjusted up. It is evident from the exercise that there are some votes that will end up being overspent at the end of the financial year, such as, legal fees, repairs and maintenance (contracted services), material and stores, fuel and oil, agency fees security services and overtime.

In relation to revenue items, there were adjustments up and down to ensure that the proposed adjustments are realistic. There were adjustments made in operating and capital grants because of additional funding received.

4. PROPOSED ADJUSTMENTS

TABLE 1 SUMMARY OR SNAPSHOT

B schedule summary

King Sabata Dalindyebo - Summary of Budget Adjustment						
Description	Budget Year 2022/23			Budget Year +1	Budget Year +2	
	Original Budget A	Prior Adjusted A1	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
R thousands						
Financial Performance						
Total Revenue (excluding capital transfers and contributions)	1 424 641	1 424 641	30 255	1 454 897	1 526 408	1 583 632
Total Expenditure	1 413 667	1 413 667	4 042	1 417 609	1 462 776	1 630 167
Surplus/(Deficit)	11 074	11 074	26 213	37 287	43 633	53 464
Transfers and subsidies - capital (ordinary allocation) (National / Provincial/District)	229 801	302 673	11 073	313 746	146 118	138 466
Surplus/(Deficit) after capital transfers & contributions	246 876	313 747	37 286	361 833	189 761	191 919
Surplus/(Deficit) for the year	246 876	313 747	37 286	361 833	189 761	191 919
Capital expenditure & funds sources						
Capital expenditure	238 918	311 735	30 193	341 929	-	-
Transfers recognised - capital	229 801	302 619	11 073	313 746	189 761	191 919
Borrowing	-	-	-	-	-	-
Internally generated funds	9 117	9 117	10 120	28 237	-	-
Total sources of capital funds	238 918	311 736	30 193	341 929	189 761	191 919

- An adjustment upwards of the operating revenue by R30,255 million from R1.424 billion to R1. 454 billion
- Expenditure has been increased by R4.042 million from R1.413 billion to R1.418 billion.
- Capital expenditure has increased by R30.193 million from R311.7 million to R340 million.

5. STAFF IMPLICATIONS

None

6. FINANCIAL IMPLICATIONS

Net increase on operating revenue budget by R30,255 million and operating expenditure Increase by R4,042 million as well as net increase in capital expenditure of R30.193 million.

7. ANNEXURES

Supporting tables

8. RECOMMENDATIONS

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

1. Approval of an adjustment upwards of the operating revenue by R30,255 million from R1.424 billion to R1. 454 billion.

2. Approval of an expenditure upwards by R4.042 million from R1.413 billion to R1.418 billion
3. Approval of an upwards capital expenditure increased by R30.193 million from R311.7 million to R341,929 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.
5. Approve of the revised procurement plan in line with the adjustment of budget

Prepared by

**Cllr GN Nelani
Executive Mayor**



ADJUSTMENT BUDGET 2022/23 – MTREF FEBRUARY 2023

DRAFT

1. PURPOSE OF THIS REPORT

The purpose of this report is to request Council to consider and approve 2022/23 Adjustment budget and the related changes in the Integrated Development Plan in line with section 28 (1) and (2)(b) & (e) of the MFMA, Service Delivery and Budget Implementation Plan and Adjusted procurement plans

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 mid-year assessment in terms of section 72 of the Municipal Finance Management Act (Act 56 of 2003). At midyear, some items were overspent, and others had savings on expenditure. Those expenditure votes that were overspent, were prioritized such as salaries were adjusted up. It is evident from the exercise that there are some votes that will end up being overspent at the end of the financial year, such as, legal fees, repairs and maintenance (contracted services), material and stores, fuel and oil, agency fees security services and overtime.

In relation to revenue items, there were adjustments up and down to ensure that the proposed adjustments are realistic. There were adjustments made in operating and capital grants because of additional funding received.

4. PROPOSED ADJUSTMENTS

TABLE 1 SUMMARY OR SNAPSHOT

B schedule summary

King Sabata Dalindyebo -Summary of Budget Adjustment

Description	Budget Year 2022/23				Budget Year +1	Budget Year +2
	Original Budget A	Prior Adjusted A1	Total Adjusts. G	Adjusted Budget H	Adjusted Budget 2023/24	Adjusted Budget 2024/25
R thousands						
Financial Performance						
Total Revenue (excluding capital transfers and contributions)	1 424 641	1 424 641	30 255	1 454 897	1 506 408	1 583 632
Total Expenditure	1 413 567	1 413 567	4 042	1 417 609	1 462 775	1 530 187
Surplus/(Deficit)	11 074	11 074	26 213	37 287	43 633	53 444
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	229 801	302 673	11 073	313 746	146 118	138 466
Surplus/(Deficit) after capital transfers & contributions	240 875	313 747	37 286	351 033	189 751	191 910
Surplus/ (Deficit) for the year	240 875	313 747	37 286	351 033	189 751	191 910
Capital expenditure & funds sources						
Capital expenditure	238 918	311 735	30 193	341 929	-	-
Transfers recognised - capital	229 801	302 618	11 073	313 746	189 751	191 910
Borrowing	-	-	-	-	-	-
Internally generated funds	9 117	9 117	19 120	28 237	-	-
Total sources of capital funds	238 918	311 735	30 193	341 929	189 751	191 910

- An adjustment upwards of the operating revenue by R30,255 million from R1.424 billion to R1. 454 billion
- Expenditure has been increased by R4.042 million from R1.413 billion to R1.418 billion
- Capital expenditure has increased by R30.193 million from R311.7 million to R340 million

4.1 REVENUE SUMMARY

Table 2 : PROPOSED OPERATIONAL REVENUE BUDGET ADJUSTMENTS

EC157 King Sabata Dalindyebo - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2022/23									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 2023/24	Adjusted Budget 2024/25
R thousands												
Revenue By Source												
Property rates	2	298,662	298,662	-	-	-	-	-	-	298,662	312,111	325,835
Service charges - electricity revenue	2	554,536	554,536	-	-	-	-	260	260	554,796	587,288	613,716
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	50,824	50,824	-	-	-	-	3,472	3,472	54,296	62,460	65,267
Rental of facilities and equipment		18,575	18,575	-	-	-	-	599	599	19,174	19,393	20,265
Interest earned - external investments		1,302	1,302	-	-	-	-	-	-	1,302	1,359	1,420
Interest earned - outstanding debtors		20,662	20,662	-	-	-	-	16,000	16,000	36,662	21,571	22,542
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		7,778	7,778	-	-	-	-	662	662	8,439	8,120	8,485
Licences and permits		1,272	1,272	-	-	-	-	730	730	2,002	1,333	1,397
Agency services		12,116	12,116	-	-	-	-	2,600	2,600	14,716	10,996	11,481
Transfers and subsidies		425,596	425,596	-	-	-	-	2,147	2,147	427,743	447,019	476,916
Other rev enue	2	32,754	32,754	-	-	-	-	3,223	3,223	35,977	34,195	35,734
Gains		564	564	-	-	-	-	564	564	1,127	564	564
Total Revenue (excluding capital transfers and contributions)		1,424,641	1,424,641	-	-	-	-	30,255	30,255	1,454,897	1,506,408	1,583,632

An adjustment upwards of the operating revenue by R30,255 million from R1.424 billion to R1.454 billion

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

4.1.1 Electricity revenue

Minor adjustment upwards of R0.260 million.

4.1.2 Refuse removal service charges

An adjustment of R3.472 million upwards adjustment has been effected as a result of increase in removal of skips and trolley bins in the past six months.

4.1.3 Rentals of facilities and equipment

An increase of R0.599 million

4.1.4 Interest on outstanding debtors

An upward adjustment of R16 million has been made as a result of actual increase in interest billed.

4.1.5 Fines, penalties and forfeits

An upward adjustment of R0.662 million due to revenue recognized during the first six months.

4.1.6 Licenses and permits.

An upward adjustment of R0.730 million has been effected due to additional revenue received in the first six months.

4.1.7 Agency services

An upward adjustment of R2.6 million has been effected due to additional revenue received in the first six months.

4.1.8 Transfers and subsidies

An upward adjustment of R2.147 million has been effected due to LGSETA amounting to R0.397 million and Library grant amounting to R1.750 million that was not provided for.

4.1.9 Other revenue

An upward adjustment of R3.223 million due to over recovery

OTHER REVENUE	R
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Advertisements	- 5 172.00
Revenue: Exchange Revenue - Operational Revenue - Incidental Cash Surpluses	4 000.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Library Fees - Loan Fees	61 112.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Cemetery and Burial	- 253 250.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Removal of Restrictions	- 130 000.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Building Plan Approval	- 1 664 540.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Application Fees for Land Usage	- 3 351.00
Revenue: Exchange Revenue - Operational Revenue - Inspection Fees - Statutory Services	12 000.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Sale of Goods - Publications - Tender Documents	956 428.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Sale of Goods - Assets < Capitalisation Threshold	- 2 100 000.00
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Sale of Goods - Assets < Capitalisation Threshold	- 100 000.00
	- 3 222 773.00

4.2. EXPENDITURE SUMMARY

TABLE 3: PROPOSED OPERATIONAL EXPENDITURE BUDGET ADJUSTMENTS

Expenditure has been increased by R4.042 million from R1.413 million to R1.418 million

EC157 King Sabata Dalindyebo - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -												Budget Year	Budget Year
Description	Ref	Budget Year 2022/23									+1 2023/24	+2 2024/25	
		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	
		3	4	5	6	7	8	9	10				
R thousands	1	A	A1	B	C	D	E	F	G	H			
Expenditure By Type													
Employee related costs		556,029	556,072	-	-	-	-	(21,321)	(21,321)	534,751	576,801	602,755	
Remuneration of councillors		34,079	34,079	-	-	-	-	784	784	34,863	35,579	37,180	
Debt impairment		15,000	15,000	-	-	-	-	-	-	15,000	10,440	10,910	
Depreciation & asset impairment		158,272	158,272	-	-	-	-	-	-	158,272	165,236	172,672	
Finance charges		6,553	6,553	-	-	-	-	-	-	6,553	6,841	7,149	
Bulk purchases - electricity		452,820	452,820	-	-	-	-	-	-	452,820	472,744	494,018	
Inventory consumed		20,509	20,686	-	-	-	-	7,299	7,299	27,985	21,411	22,374	
Contracted services		44,801	46,576	-	-	-	-	7,354	7,354	53,930	44,932	48,283	
Transfers and subsidies		500	380	-	-	-	-	(120)	(120)	260	522	545	
Other expenditure		125,003	123,128	-	-	-	-	10,047	10,047	133,175	128,268	134,300	
Losses		-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		1,413,567	1,413,567	-	-	-	-	4,042	4,042	1,417,609	1,462,775	1,530,187	
Surplus/(Deficit)		11,074	11,074	-	-	-	-	26,213	26,213	37,287	43,633	53,444	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		229,801	290,973	-	-	-	-	72,245	72,245	363,217	146,118	138,466	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	11,700	-	-	-	-	11,700	11,700	23,400	-	-	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) before taxation		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910	
Taxation		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910	
Atributable to minorities		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910	

Material changes/adjustments in the projected expenditure at midyear are as follows:

4.2.1. Employee related costs

An adjustment downwards of R21,321 million because of delays on appointment.

The following items were adjusted up to close gaps because of overspending in the first six months of the financial year.

- Overtime increase of R7,130 million to close gap as this was not budgeted for.
- Housing allowance reduced by R3,5 million due to savings because of delays in appointment.
- Casual labour increased by R4,553 million because of under provision/
- Cellphone allowance increased by R0,858 million due to discontinuation of giving cellphones to employees and pay cellphone allowances.
- Acting/extra duty increased by R2,1 million this was not provided for.
- Travel allowance has decreased by R1 million

- Basic Salaries net of R18 million due to delays in appointments, these savings were used to close gaps within salaries and allowances as well a provision for electricity transformer and mini substations.

4.2.2 Remuneration of Councillors

An adjustment upwards of R0.784 million to cater for travelling allowance for councillors.

4.2.3 Inventory consumed

Increase of R7,299 million due to underbudgeting on materials and stores. The items are required for repairs and maintenance.

4.2.4 Contracted services

An upwards adjustment of R7,354 million to cater for security services and other contracted services.

4.2.5 Transfers and subsidies

Downward adjustment of R0,120 million

4.2.6 Other expenditure

An adjustment upward of R10,047 million detailed as follows:-

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

OTHER EXPENDITURE	R
Expenditure: Operating Leases - Furniture and Office Equipment	1 725 424.00
Expenditure: Operating Leases - Infrastructure - Electrical	728 050.00
Expenditure: Operating Leases - Other Assets	- 25 000.00
Expenditure: Operational Cost - Advertising, Publicity and Marketing - Corporate and Municipal Activities	2 420 088.00
Expenditure: Operational Cost - Advertising, Publicity and Marketing - Signs	- 170 000.00
Expenditure: Operational Cost - Advertising, Publicity and Marketing - Staff Recruitment	- 322 100.00
Expenditure: Operational Cost - Advertising, Publicity and Marketing - Tenders	48 000.00
Expenditure: Operational Cost - Assets less than the Capitalisation Threshold	- 3 535 261.00
Expenditure: Operational Cost - Bank Charges, Facility and Card Fees - Bank Accounts	782 383.00
Expenditure: Operational Cost - Cash Discount	312 037.00
Expenditure: Operational Cost - Commission - Prepaid Electricity	300 000.00
Expenditure: Operational Cost - Contribution to Provisions - Decommissioning, Restoration and Similar Liabilities - Landfill Sites	- 31 000.00
Expenditure: Operational Cost - Cost relating to the Sale of Houses	- 373 913.00
Expenditure: Operational Cost - Deeds	61 975.00
Expenditure: Operational Cost - Entertainment - Executive Mayor	- 133 000.00
Expenditure: Operational Cost - Entertainment - Senior Management	120 468.00
Expenditure: Operational Cost - Entertainment - Total for All Other Councillors	- 251 800.00
Expenditure: Operational Cost - External Audit Fees	550 000.00
Expenditure: Operational Cost - External Computer Service - Software Licences	25 914.00
Expenditure: Operational Cost - External Computer Service - Specialised Computer Service	- 200 000.00
Expenditure: Operational Cost - Hire Charges	- 9 688 185.00
Expenditure: Operational Cost - Insurance Underwriting - Excess Payments	- 21 295.00
Expenditure: Operational Cost - Insurance Underwriting - Insurance Claims	4 454 163.00
Expenditure: Operational Cost - Learnerships and Internships	- 54 423.00
Expenditure: Operational Cost - Licences - Motor Vehicle Licence and Registrations	3 000.00
Expenditure: Operational Cost - Permits	55 000.00
Expenditure: Operational Cost - Printing, Publications and Books	35 447.00
Expenditure: Operational Cost - Professional Bodies, Membership and Subscription	5 995 421.00
Expenditure: Operational Cost - Registration Fees - Seminars, Conferences, Workshops and Events - National	910 272.00
Expenditure: Operational Cost - Resettlement Cost	33 000.00
Expenditure: Operational Cost - Rewards Incentives	100 000.00
Expenditure: Operational Cost - Signage	- 350 000.00
Expenditure: Operational Cost - Skills Development Fund Levy	- 4 790 383.00
Expenditure: Operational Cost - Transport Provided as Part of Departmental Activities - Events	- 22 000.00
Expenditure: Operational Cost - Travel and Subsistence - Domestic - Accommodation	1 093 919.00
Expenditure: Operational Cost - Travel and Subsistence - Domestic - Daily Allowance	- 12 972.00
Expenditure: Operational Cost - Travel and Subsistence - Domestic - Transport with Operator - Public Transport - Air Transport	160 748.00
Expenditure: Operational Cost - Travel and Subsistence - Domestic - Transport without Operator - Car Rental	- 49 108.00
Expenditure: Operational Cost - Travel and Subsistence - Domestic - Transport without Operator - Own Transport	132 694.00
Expenditure: Operational Cost - Uniform and Protective Clothing	- 129 433.00
Expenditure: Operational Cost - Vehicle Tracking	385 422.00
Expenditure: Operational Cost - Warrantees and Guarantees	- 500.00
Expenditure: Operational Cost - Wet Fuel	5 573 551.00
Expenditure: Operational Cost - Workmen's Compensation Fund	4 200 000.00
Grand Total	10 046 603.00

4.3. CAPITAL EXPENDITURE SUMMARY

EC157 King Sabata Dalindyebo - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2023

Description	Ref	Budget Year 2022/23									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
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands												
Capital Expenditure - Functional												
<i>Governance and administration</i>		2 597	2 542	-	-	-	-	1 719	1 719	4 261	-	-
Finance and administration		2 597	2 542	-	-	-	-	1 719	1 719	4 261	-	-
<i>Community and public safety</i>		116 904	178 287	-	-	-	-	(1 640)	(1 640)	176 647	-	-
Community and social services		150	361	-	-	-	-	111	111	473	-	-
Sport and recreation		-	-	-	-	-	-	769	769	769	-	-
Public safety		3 000	3 000	-	-	-	-	(2 930)	(2 930)	70	-	-
Housing		113 754	174 926	-	-	-	-	410	410	175 336	-	-
<i>Economic and environmental services</i>		114 471	125 960	-	-	-	-	11 373	11 373	137 333	128 118	119 658
Planning and development		45 826	14 644	-	-	-	-	11 223	11 223	25 867	-	-
Road transport		68 645	111 316	-	-	-	-	150	150	111 466	128 118	119 658
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		4 945	4 945	-	-	-	-	18 741	18 741	23 686	18 000	18 808
Energy sources		3 195	3 195	-	-	-	-	18 741	18 741	21 936	18 000	18 808
Waste management		1 750	1 750	-	-	-	-	-	-	1 750	-	-
Total Capital Expenditure - Functional	3	238 918	311 735	-	-	-	-	30 193	30 193	341 928	146 118	138 466
Funded by:												
National Government		97 046	97 046	-	-	-	-	-	-	97 046	116 118	121 466
Provincial Government		132 754	193 926	-	-	-	-	11 073	11 073	204 999	30 000	17 000
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	11 700	-	-	-	-	-	-	11 700	-	-
Transfers recognised - capital	4	229 801	302 673	-	-	-	-	11 073	11 073	313 746	146 118	138 466
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		9 117	9 062	-	-	-	-	19 120	19 120	28 182	-	-
Total Capital Funding		238 918	311 735	-	-	-	-	30 193	30 193	341 928	146 118	138 466

4.3.1 Capital budget has increased by R30.193 million for capital projects as follows

- Mini substation and Transformer R15 million
- FMG computers and accessories R0,150 million
- ISDG computers and accessories R0,150 million
- Provision of laptops and insurance R0. 350 million
- Computers and Accessories R0.098 million
- Amatola Water R3.372 million

4.3.2 Provision for internal roads in Mqanduli R11.073 million

TABLE 5: B1 EC 157 KING SABATA DALINDYEBO - TABLE B1 ADJUSTMENTS BUDGET SUMMARY
 EC157 King Sabata Dalindyebo - Table B1 Adjustments Budget Summary - 28
 February 2023

Description	Budget Year 2022/23										Budget Year +1 2023/24	Budget Year +2 2024/25
	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
Financial Performance												
Property rates	298 662	298 662	-	-	-	-	-	-	298 662	-	312 111	325 835
Service charges	605 361	605 361	-	-	-	-	3 732	3 732	609 093	649 748	678 983	
Investment revenue	1 302	1 302	-	-	-	-	-	-	1 302	1 359	1 420	
Transfers recognised - operational	425 596	425 596	-	-	-	-	2 147	2 147	427 743	447 019	476 916	
Other own revenue	93 721	93 721	-	-	-	-	24 376	24 376	118 098	96 172	100 478	
Total Revenue (excluding capital transfers and contributions)	1 424 641	1 424 641	-	-	-	-	30 255	30 255	1 454 897	1 506 408	1 583 632	
Employee costs	556 029	556 072	-	-	-	-	(21 321)	(21 321)	534 751	576 801	602 755	
Remuneration of councillors	34 079	34 079	-	-	-	-	784	784	34 863	35 579	37 180	
Depreciation & asset impairment	158 272	158 272	-	-	-	-	-	-	158 272	165 236	172 672	
Finance charges	6 553	6 553	-	-	-	-	-	-	6 553	6 841	7 149	
Inventory consumed and bulk purchases	473 329	473 506	-	-	-	-	7 299	7 299	480 805	494 155	516 392	
Transfers and grants	500	380	-	-	-	-	(120)	(120)	260	522	545	
Other expenditure	184 804	184 704	-	-	-	-	17 400	17 400	202 104	183 640	193 493	
Total Expenditure	1 413 567	1 413 567	-	-	-	-	4 042	4 042	1 417 609	1 462 775	1 530 187	
Surplus/(Deficit)	11 074	11 074	-	-	-	-	26 213	26 213	37 287	43 633	53 444	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	229 801	290 973	-	-	-	-	72 245	72 245	363 217	146 118	138 466	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	11 700	-	-	-	-	11 700	11 700	23 400	-	-	
Surplus/(Deficit) after capital transfers & contributions	240 875	313 747	-	-	-	-	110 158	110 158	423 905	189 751	191 910	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	240 875	313 747	-	-	-	-	110 158	110 158	423 905	189 751	191 910	
Capital expenditure & funds sources												

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

EC/157 King Sabata Dalindyebo - Table B1 Adjustments Budget Summary - 28
February 2023

Description	Budget Year 2022/23							Budget Year +1 2023/24		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
Capital expenditure	238 918	311 790	-	-	-	-	30 193	30 193	341 983	146 118	138 466
Transfers recognised - capital	229 801	302 673	-	-	-	-	11 073	11 073	313 746	146 118	138 466
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	9 117	9 062	-	-	-	19 120	19 120	28 182	-	-	-
Total sources of capital funds	238 918	311 735	-	-	-	30 193	30 193	341 928	146 118	138 466	138 466
Financial position											
Total current assets	870 157	870 212	-	-	-	-	1 977	1 977	872 189	1 067 932	1 276 043
Total non current assets	2 463 792	2 536 608	-	-	-	-	108 181	108 181	2 644 789	7 970 208	8 281 367
Total current liabilities	855 884	855 884	-	-	-	-	-	-	855 884	862 726	863 034
Total non current liabilities	92 704	92 704	-	-	-	-	-	-	92 704	92 704	92 704
Community wealth/Equity	2 385 360	2 458 232	-	-	-	-	110 158	110 158	2 568 390	2 692 714	2 866 709
Cash flows											
Net cash from (used) operating	377 585	416 116	-	-	-	-	37 469	37 469	453 585	316 754	325 074
Net cash from (used) investing	(239 038)	-	-	-	-	-	(339 155)	(339 155)	(578 193)	(146 139)	(138 488)
Net cash from (used) financing	1 527	1 527	-	-	-	-	-	-	1 527	(2 983)	(2 983)
Cash/cash equivalents at the year end	24 396	1 708 554	-	-	-	-	(1 708 276)	(1 708 276)	279	190 482	370 207
Cash backing/surplus reconciliation											
Cash and investments available	188 071	170 470	-	-	-	-	(31 869)	(31 869)	138 601	358 667	538 392
Application of cash and investments	(119 207)	(537 700)	-	-	-	-	(124 168)	(124 168)	(661 868)	(129 082)	(155 262)
Balance - surplus (shortfall)	307 278	708 170	-	-	-	-	92 300	92 300	800 470	487 748	693 654
Asset Management											
Asset register summary (WDV)	2 146 164	2 235 016	-	-	-	-	102 418	102 418	2 337 434	2 099 115	1 926 465
Depreciation	158 272	158 272	-	-	-	-	-	-	158 272	165 236	172 672
Renewal and Upgrading of Existing Assets	58 082	100 616	-	-	-	-	38 871	38 871	139 488	98 118	102 658
Repairs and Maintenance	53 370	53 330	-	-	-	-	(3 657)	(3 657)	49 673	55 719	58 226
Free services											
Cost of Free Basic Services provided	17 000	17 000	-	-	-	-	-	-	17 000	-	-

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

EC157 King Sabata Dalindyebo - Table B1 Adjustments Budget Summary - 28
February 2023

Description	Budget Year 2022/23							Budget Year +1 2023/24		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	
Revenue cost of free services provided	9 000	9 000	-	-	-	-	-	-	9 000	9 396	9 819

TABLE 6: B2 FINANCIAL PERFORMANCE BY STANDARD CLASSIFICATION
 EC157 King Sabata Dalindyebo - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2022/23												Budget Year +1 2023/24		Budget Year +2 2024/25	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H							
R thousands	1.4																
Revenue - Functional																	
Governance and administration																	
Executive and council		757,921	757,921	-	-	-	-	16,300	16,300	774,221	774,221	794,494	794,494	839,421	839,421	-	
Finance and administration		757,921	757,921	-	-	-	-	16,300	16,300	774,221	774,221	794,494	794,494	839,421	839,421	-	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and public safety																	
Community and social services		133,360	194,532	772	-	-	-	60,066	60,066	254,598	254,598	20,469	20,469	21,390	21,390	343	
Sport and recreation		772	772	-	-	-	-	1,653	1,653	2,426	2,426	606	606	-	-	-	
Public safety		18,834	18,834	-	-	-	-	233	233	233	233	-	-	-	-	-	
Housing		113,754	174,926	-	-	-	-	(2,992)	(2,992)	15,842	15,842	19,662	19,662	20,547	20,547	-	
Health		-	-	-	-	-	-	61,172	61,172	236,098	236,098	-	-	-	-	-	
Economic and environmental services																	
Planning and development		152,111	163,811	-	-	-	-	26,930	26,930	190,740	190,740	187,207	187,207	160,765	160,765	-	
Road transport		104,671	116,371	-	-	-	-	13,307	13,307	129,678	129,678	109,179	109,179	114,476	114,476	-	
Environmental protection		47,439	47,439	-	-	-	-	13,623	13,623	61,062	61,062	58,028	58,028	46,269	46,269	-	
Trading services																	
Energy sources		609,731	609,731	-	-	-	-	10,892	10,892	620,623	620,623	651,623	651,623	681,345	681,345	-	
Water management		557,725	557,725	-	-	-	-	6,786	6,786	564,511	564,511	596,930	596,930	623,790	623,790	-	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other																	
Other		52,006	52,006	-	-	-	-	4,107	4,107	56,112	56,112	54,693	54,693	57,556	57,556	-	
		1,319	4,319	-	-	-	-	12	12	1,331	1,331	1,382	1,382	1,448	1,448	-	
Total Revenue - Functional	2	1,654,442	1,727,314	-	-	-	-	114,200	114,200	1,841,514	1,841,514	1,635,174	1,635,174	1,704,370	1,704,370	-	
Expenditure - Functional																	
Governance and administration																	
Executive and council		449,911	449,557	-	-	-	-	4,473	4,473	454,029	454,029	456,392	456,392	480,607	480,607	-	
Finance and administration		88,450	88,450	-	-	-	-	(2,942)	(2,942)	85,508	85,508	92,342	92,342	96,497	96,497	-	
Internal audit		353,433	353,079	-	-	-	-	8,217	8,217	361,295	361,295	357,669	357,669	375,351	375,351	-	
Community and public safety		8,028	8,028	-	-	-	-	(802)	(802)	7,226	7,226	8,381	8,381	8,759	8,759	-	
Sport and recreation		151,438	151,364	-	-	-	-	1,356	1,356	152,720	152,720	158,102	158,102	165,216	165,216	-	
Public safety		13,211	13,182	-	-	-	-	3,977	3,977	17,159	17,159	13,793	13,793	14,413	14,413	-	
Housing		19,803	19,847	-	-	-	-	(11)	(11)	19,836	19,836	20,675	20,675	21,605	21,605	-	
Health		112,505	112,416	-	-	-	-	(1,499)	(1,499)	110,917	110,917	117,455	117,455	122,740	122,740	-	
Economic and environmental services																	
Planning and development		207,462	207,848	-	-	-	-	(8,203)	(8,203)	199,645	199,645	214,917	214,917	224,589	224,589	-	
Road transport		43,513	43,679	-	-	-	-	(2,665)	(2,665)	40,994	40,994	45,417	45,417	47,460	47,460	-	
Environmental protection		160,575	160,410	-	-	-	-	(7,969)	(7,969)	152,441	152,441	165,769	165,769	173,228	173,228	-	
Trading services		3,575	3,759	-	-	-	-	2,451	2,451	6,210	6,210	3,732	3,732	3,900	3,900	-	
Energy sources		604,755	604,788	-	-	-	-	6,416	6,416	611,215	611,215	631,364	631,364	659,776	659,776	-	
Water management		506,923	506,923	-	-	-	-	3,077	3,077	510,000	510,000	529,227	529,227	553,042	553,042	-	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other																	
Other		12,852	12,891	-	-	-	-	409	409	13,300	13,300	13,418	13,418	14,021	14,021	-	
Waste management		84,981	84,985	-	-	-	-	2,930	2,930	87,915	87,915	88,720	88,720	92,712	92,712	-	
Total Expenditure - Functional	3	1,413,567	1,413,567	-	-	-	-	4,042	4,042	1,417,609	1,417,609	1,462,775	1,462,775	1,530,187	1,530,187	-	
Surplus/ (Deficit) for the year		240,875	313,747	-	-	-	-	110,158	110,158	423,905	423,905	172,399	172,399	174,182	174,182	-	

TABLE 7: B3 FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

Vote Description		Budget Year 2022/23											Budget Year +1 2023/24		Budget Year +2 2024/25			
		Ref	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				
<i>[Insert departmental structure etc]</i>																		
R thousands																		
Revenue by Vote		1																
Vote 1 - Executive AND Council (11: IE)			1,911	1,911	-	-	-	9,052	9,052	10,964	342	357						
Vote 2 - Corporate Services (12: IE)			691	691	-	-	108	108	108	800	722	754						
Vote 3 - Finance AND Asset Management (13: IE)			747,825	748,389	-	-	16,560	16,560	16,560	764,948	788,521	831,870						
Vote 4 - Planning, Social AND Ec Dev (14: IE)			1,466	13,166	-	-	13,534	13,534	13,534	26,700	1,536	1,609						
Vote 5 - Human Settlement (15: IE)			113,966	175,128	-	-	63,211	63,211	63,211	238,339	211	220						
Vote 6 - Community Services (16: IE)			57,909	57,909	-	-	4,207	4,207	4,207	62,116	58,755	63,136						
Vote 7 - Public Safety (17: IE)			30,120	30,120	-	-	(9,195)	(9,195)	(9,195)	20,926	30,658	32,038						
Vote 8 - Infrastructure (18: IE)			699,999	699,999	-	-	16,724	16,724	16,724	716,723	753,867	773,823						
Total Revenue by Vote		2	1,653,878	1,727,314	-	-	114,200	114,200	114,200	1,841,514	1,634,611	1,703,806						
Expenditure by Vote		1																
Vote 1 - Executive AND Council (11: IE)			109,933	109,933	-	-	(7,593)	(7,593)	(7,593)	102,340	114,816	119,982						
2.2 - Human Resources - ADMIN (210)			56,334	56,334	-	-	9,125	9,125	9,125	65,459	58,777	61,422						
3.2 - Accounting AND Finance (310)			193,655	193,655	-	-	1,677	1,677	1,677	195,332	193,980	202,709						
4.2 - Inter Governmental Relations (116)			53,369	53,369	-	-	(2,438)	(2,438)	(2,438)	50,931	55,717	58,224						
5.2 - Human Settlement - Land ADMIN (510)			47,023	47,034	-	-	(810)	(810)	(810)	46,224	49,082	51,291						
6.2 - Health - ADMIN (600)			111,644	111,644	-	-	3,942	3,942	3,942	115,586	114,455	120,941						
7.2 - Civil Protection - Disaster Management (702)			147,424	147,424	-	-	(4,314)	(4,314)	(4,314)	143,110	153,123	160,013						
8.2 - Civil Engineering - Building Maintenance (802)			694,185	694,175	-	-	4,452	4,452	4,452	698,627	722,825	755,604						
Total Expenditure by Vote		2	1,413,567	1,413,567	-	-	4,042	4,042	4,042	1,417,609	1,462,775	1,530,187						
Surplus/ (Deficit) for the year		2	240,312	313,747	-	-	110,158	110,158	110,158	423,905	171,836	173,619						

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

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

EC157 King Sabata Dalindyebo - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2022/23									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	1	A	A1	B	C	D	E	F	G	H	+1 2023/24	+2 2024/25
Revenue By Source												
Property rates	2	298,662	298,662	-	-	-	-	-	-	298,662	312,111	325,835
Service charges - electricity revenue	2	554,536	554,536	-	-	-	-	260	260	554,796	587,288	613,716
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	50,824	50,824	-	-	-	-	3,472	3,472	54,296	62,460	65,267
Rental of facilities and equipment		18,575	18,575	-	-	-	-	599	599	19,174	19,393	20,265
Interest earned - external investments		1,302	1,302	-	-	-	-	-	-	1,302	1,359	1,420
Interest earned - outstanding debtors		20,662	20,662	-	-	-	-	16,000	16,000	36,662	21,571	22,542
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		7,778	7,778	-	-	-	-	662	662	8,439	8,120	8,485
Licences and permits		1,272	1,272	-	-	-	-	730	730	2,002	1,333	1,397
Agency services		12,116	12,116	-	-	-	-	2,600	2,600	14,716	10,996	11,491
Transfers and subsidies		425,596	425,596	-	-	-	-	2,147	2,147	427,743	447,019	476,916
Other revenue	2	32,754	32,754	-	-	-	-	3,223	3,223	35,977	34,195	35,734
Gains		564	564	-	-	-	-	564	564	1,427	564	564
Total Revenue (excluding capital transfers and contributions)		1,424,641	1,424,641	-	-	-	-	30,255	30,255	1,454,897	1,506,408	1,583,632
Expenditure By Type												
Employee related costs		556,029	556,072	-	-	-	-	(21,321)	(21,321)	534,751	576,801	602,755
Remuneration of councillors		34,079	34,079	-	-	-	-	784	784	34,863	35,579	37,180
Debt impairment		15,000	15,000	-	-	-	-	-	-	15,000	10,440	10,910
Depreciation & asset impairment		158,272	158,272	-	-	-	-	-	-	158,272	165,236	172,672
Finance charges		6,553	6,553	-	-	-	-	-	-	6,553	6,841	7,149
Bulk purchases - electricity		452,820	452,820	-	-	-	-	-	-	452,820	472,744	494,018
Inventory consumed		20,509	20,686	-	-	-	-	7,299	7,299	27,985	21,411	22,374
Contracted services		44,801	46,576	-	-	-	-	7,354	7,354	53,930	44,932	48,283
Transfers and subsidies		500	380	-	-	-	-	(120)	(120)	260	522	545
Other expenditure		125,003	123,128	-	-	-	-	10,047	10,047	133,175	128,288	134,300
Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		1,413,567	1,413,567	-	-	-	-	4,042	4,042	1,417,609	1,462,775	1,530,187
Surplus/(Deficit)		11,074	11,074	-	-	-	-	26,213	26,213	37,287	43,633	53,444
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		229,801	290,973	-	-	-	-	72,245	72,245	363,217	146,118	138,466
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	11,700	-	-	-	-	11,700	11,700	23,400	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		240,875	313,747	-	-	-	-	110,158	110,158	423,905	189,751	191,910

TABLE 9 B5 CAPITAL EXPENDITURE BY VOTE

EC157 King Sabata Dalindyebo - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2023

Description	Ref	Budget Year 2022/23									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 2023/24	+2 2024/25
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands												
Capital expenditure - Vote												
Vote 9 - (31: CS)		1 630	1 630	-	-	-	-	480	480	2 110	-	-
Vote 10 - Executive AND Council (32: CS)		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Fin AND Asset Management (33: CS)		787	787	-	-	-	-	719	719	1 506	-	-
Vote 12 - Planning, Social AND Development (34: CS)		19 000	19 000	-	-	-	-	11 223	11 223	30 223	30 000	17 000
Vote 13 - Human Settlement (35: CS)		-	-	-	-	-	-	410	410	410	-	-
Vote 14 - Community Services (36: CS)		2 000	2 000	-	-	-	-	619	619	2 619	-	-
Vote 15 - Public Safety (37: CS)		4 700	4 700	-	-	-	-	(2 930)	(2 930)	1 770	-	-
Vote 16 - Infrastructure (38: CS)		210 801	283 673	-	-	-	-	19 672	19 672	303 345	116 118	121 466
Capital single-year expenditure sub-total		238 918	311 790	-	-	-	-	30 193	30 193	341 983	146 118	138 466
Total Capital Expenditure - Vote		238 918	311 790	-	-	-	-	30 193	30 193	341 983	146 118	138 466

EC157 King Sabata Dalindyebo - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2023

Description	Ref	Budget Year 2022/23									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 2023/24	+2 2024/25
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands												
Capital Expenditure - Functional												
Governance and administration		2 597	2 542	-	-	-	-	1 719	1 719	4 261	-	-
Finance and administration		2 597	2 542	-	-	-	-	1 719	1 719	4 261	-	-
Community and public safety		116 904	178 287	-	-	-	-	(1 640)	(1 640)	176 647	-	-
Community and social services		150	361	-	-	-	-	111	111	473	-	-
Sport and recreation		-	-	-	-	-	-	769	769	769	-	-
Public safety		3 000	3 000	-	-	-	-	(2 930)	(2 930)	70	-	-
Housing		113 754	174 926	-	-	-	-	410	410	175 336	-	-
Economic and environmental services		114 471	125 960	-	-	-	-	11 373	11 373	137 333	128 118	119 658
Planning and development		45 826	14 644	-	-	-	-	11 223	11 223	25 867	-	-
Road transport		68 645	111 316	-	-	-	-	150	150	111 466	128 118	119 658
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		4 945	4 945	-	-	-	-	18 741	18 741	23 686	18 000	18 808
Energy sources		3 195	3 195	-	-	-	-	18 741	18 741	21 936	18 000	18 808
Waste management		1 750	1 750	-	-	-	-	-	-	1 750	-	-
Total Capital Expenditure - Functional	3	238 918	311 735	-	-	-	-	30 193	30 193	341 928	146 118	138 466
Funded by:												
National Government		97 046	97 046	-	-	-	-	-	-	97 046	116 118	121 466
Provincial Government		132 754	193 926	-	-	-	-	11 073	11 073	204 999	30 000	17 000
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	11 700	-	-	-	-	-	-	11 700	-	-
Transfers recognised - capital	4	229 801	302 673	-	-	-	-	11 073	11 073	313 746	146 118	138 466
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		9 117	9 062	-	-	-	-	19 120	19 120	28 182	-	-
Total Capital Funding		238 918	311 735	-	-	-	-	30 193	30 193	341 928	146 118	138 466

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

TABLE 10: B6 FINANCIAL POSITION

EC157 King Sabata Dalindyebo - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2022/23									Budget Year +1 2023/24	Budget Year +2 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
ASSETS												
Current assets												
Cash		163,325	145,725	-	-	-	-	(31,869)	(31,869)	113,856	333,921	513,647
Call investment deposits	1	24,745	24,745	-	-	-	-	-	-	24,745	24,745	24,745
Consumer debtors	1	131,157	148,757	-	-	-	-	33,781	33,781	182,538	168,335	186,721
Other debtors		412,995	412,995	-	-	-	-	-	-	412,995	412,995	412,995
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Inventory		137,935	137,990	-	-	-	-	65	65	138,055	137,935	137,935
Total current assets		870,157	870,212	-	-	-	-	1,977	1,977	872,189	1,067,932	1,276,043
Non current assets												
Long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		215,163	215,163	-	-	-	-	-	-	215,163	333,329	333,329
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	2,243,662	2,316,479	-	-	-	-	108,181	108,181	2,424,660	7,631,912	7,943,072
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		1,766	1,766	-	-	-	-	-	-	1,766	1,766	1,766
Other non-current assets		3,201	3,201	-	-	-	-	-	-	3,201	3,201	3,201
Total non current assets		2,463,792	2,536,808	-	-	-	-	108,181	108,181	2,644,789	7,970,208	8,281,367
TOTAL ASSETS		3,333,949	3,406,820	-	-	-	-	110,158	110,158	3,516,978	9,038,139	9,557,410
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		26,419	26,419	-	-	-	-	-	-	26,419	26,419	26,419
Consumer deposits		24,324	24,324	-	-	-	-	-	-	24,324	24,324	24,324
Trade and other payables		805,139	805,139	-	-	-	-	-	-	805,139	811,961	812,288
Provisions		3	3	-	-	-	-	-	-	3	3	3
Total current liabilities		855,884	855,884	-	-	-	-	-	-	855,884	862,726	863,034
Non current liabilities												
Borrowing	1	41,004	41,004	-	-	-	-	-	-	41,004	41,004	41,004
Provisions	1	51,700	51,700	-	-	-	-	-	-	51,700	51,700	51,700
Total non current liabilities		92,704	92,704	-	-	-	-	-	-	92,704	92,704	92,704
TOTAL LIABILITIES		948,588	948,588	-	-	-	-	-	-	948,588	955,430	955,738
NET ASSETS	2	2,385,360	2,458,232	-	-	-	-	110,158	110,158	2,568,390	8,082,709	8,601,672
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		2,115,704	2,188,576	-	-	-	-	110,158	110,158	2,298,734	2,304,892	2,478,886
Reserves		269,656	269,656	-	-	-	-	-	-	269,656	387,822	387,822
TOTAL COMMUNITY WEALTH/EQUITY		2,385,360	2,458,232	-	-	-	-	110,158	110,158	2,568,390	2,692,714	2,866,709

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

TABLE 11: B7 CASH FLOW STATEMENT

EC157 King Sabata Dalindyebo - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		283,783	-	-	-	-	-	283,779	283,779	567,562	296,562	309,602
Service charges		583,543	-	-	-	-	-	591,252	591,252	1,174,795	609,618	637,453
Other revenue		71,094	1,651,896	-	-	-	-	(1,579,363)	(1,579,363)	72,532	72,573	75,842
Transfers and Subsidies - Operational	1	428,969	-	-	-	-	-	427,743	427,743	856,712	465,206	495,919
Transfers and Subsidies - Capital	1	226,606	-	-	-	-	-	313,746	313,746	540,351	128,118	119,658
Interest		20,930	1,562	-	-	-	-	1,768	1,768	3,330	21,851	22,835
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(1,230,788)	(1,230,788)	-	-	-	-	(1,455)	(1,455)	(1,232,243)	(1,277,174)	(1,336,234)
Finance charges		(6,553)	(6,553)	-	-	-	-	-	-	(6,553)	-	-
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		377,585	416,116					37,469	37,469	1,976,487	316,754	325,074
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	564	564	564	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(239,038)	-	-	-	-	-	(339,719)	(339,719)	(578,756)	(146,139)	(138,488)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(239,038)						(339,155)	(339,155)	(578,193)	(146,139)	(138,488)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		1,527	1,527	-	-	-	-	-	-	1,527	(2,983)	(2,983)
Payments												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		1,527	1,527							1,527	(2,983)	(2,983)
NET INCREASE/ (DECREASE) IN CASH HELD		140,074	417,644					(301,686)	(301,686)	1,399,821	167,633	183,604
Cash/cash equivalents at the year begin:	2	(115,679)	1,230,911	-	-	-	-	(1,406,589)	(1,406,589)	(115,679)	22,849	186,604
Cash/cash equivalents at the year end:	2	24,396	1,708,554	-	-	-	-	(1,708,276)	(1,708,276)	1,284,142	190,482	370,207

TABLE 12: B8 CASH BACKED RESERVES

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

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
Cash and investments available												
Cash/cash equivalents at the year end	1	24,396	1,708,554	-	-	-	-	(1,708,276)	(1,708,276)	279	190,482	370,207
Other current investments > 90 days		163,675	(1,538,084)	-	-	-	-	1,676,407	1,676,407	138,322	168,185	168,185
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		188,071	170,470	-	-	-	-	(31,869)	(31,869)	138,601	358,667	538,392
Applications of cash and investments												
Unspent conditional transfers		17,686	17,686	-	-	-	-	-	-	17,686	17,686	17,686
Unspent borrowing												
Statutory requirements												
Other working capital requirements	2	(140,728)	(559,221)	-	-	-	-	(124,168)	(124,168)	(683,389)	(150,602)	(176,782)
Other provisions												
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		3,834	3,834	-	-	-	-	-	-	3,834	3,834	3,834
Total Application of cash and investments:		(119,207)	(537,700)	-	-	-	-	(124,168)	(124,168)	(661,868)	(129,082)	(155,262)
Surplus(shortfall)		307,278	708,170	-	-	-	-	92,300	92,300	800,470	487,748	693,654

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

TABLE 13: B9 ASSET MANAGEMENT

EC157 King Sabata Dalindyebo - Table B9 Asset Management -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	180,836	211,118	-	-	-	-	69,409	69,409	280,528	48,000	35,808
Roads Infrastructure		39,420	21,944	-	-	-	-	4,221	4,221	26,165	30,000	17,000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5,878	3,195	-	-	-	-	14,333	14,333	17,528	18,000	18,808
Information and Communication Infrastructure		1,000	1,000	-	-	-	-	-	-	1,000	-	-
Infrastructure		46,298	26,139	-	-	-	-	18,555	18,555	44,693	48,000	35,808
Community Facilities		3,750	3,961	-	-	-	-	718	718	4,679	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		3,750	3,961	-	-	-	-	718	718	4,679	-	-
Housing		113,754	174,926	-	-	-	-	61,172	61,172	236,098	-	-
Other Assets	6	113,754	174,926	-	-	-	-	61,172	61,172	236,098	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		580	580	-	-	-	-	1,369	1,369	1,949	-	-
Furniture and Office Equipment		4,280	751	-	-	-	-	(3,150)	(3,150)	(2,399)	-	-
Machinery and Equipment		9,173	1,762	-	-	-	-	(6,304)	(6,304)	(4,542)	-	-
Transport Assets		3,000	3,000	-	-	-	-	(2,950)	(2,950)	50	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	56,362	98,896	-	-	-	-	37,615	37,615	136,511	98,118	102,658
Roads Infrastructure		56,362	87,196	-	-	-	-	25,915	25,915	113,111	98,118	102,658
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		56,362	87,196	-	-	-	-	25,915	25,915	113,111	98,118	102,658
Community Facilities		-	11,700	-	-	-	-	11,700	11,700	23,400	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	11,700	-	-	-	-	11,700	11,700	23,400	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	1,720	1,720	-	-	-	-	1,256	1,256	2,976	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	1,356	1,356	1,356	-	-
Infrastructure		-	-	-	-	-	-	1,356	1,356	1,356	-	-
Community Facilities		1,720	1,720	-	-	-	-	(100)	(100)	1,620	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		1,720	1,720	-	-	-	-	(100)	(100)	1,620	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	238,918	311,735	-	-	-	-	108,281	108,281	420,015	146,118	138,466

EC157 King Sabata Dalindyebo - Table B9 Asset Management -

Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
Roads Infrastructure		95,782	109,140	-	-	-	-	30,137	30,137	139,277	128,118	119,658
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5,878	3,195	-	-	-	-	15,689	15,689	18,884	18,000	18,808
Information and Communication Infrastructure		1,000	1,000	-	-	-	-	-	-	1,000	-	-
Infrastructure		102,660	113,335	-	-	-	-	45,826	45,826	159,161	146,118	138,466
Community Facilities		5,470	17,381	-	-	-	-	12,318	12,318	29,699	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		5,470	17,381	-	-	-	-	12,318	12,318	29,699	-	-
Housing		113,754	174,926	-	-	-	-	61,172	61,172	236,098	-	-
Other Assets		113,754	174,926	-	-	-	-	61,172	61,172	236,098	-	-
Computer Equipment		580	580	-	-	-	-	1,369	1,369	1,949	-	-
Furniture and Office Equipment		4,280	751	-	-	-	-	(3,150)	(3,150)	(2,399)	-	-
Machinery and Equipment		9,173	1,762	-	-	-	-	(6,304)	(6,304)	(4,542)	-	-
Transport Assets		3,000	3,000	-	-	-	-	(2,950)	(2,950)	50	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	238,918	311,735	-	-	-	-	108,281	108,281	420,015	146,118	138,466

King Sabata Dalindyebo Local Municipality – Adjustment Budget 27 February 2023

EC157 King Sabata Dalindyebo - Table B9 Asset Management -												
Description	Ref	Budget Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		7	8	9	10	11	12	13	14			
R thousands		A	A1	B	C	D	E	F	G	H		
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		158,272	158,272	-	-	-	-	-	-	158,272	165,236	172,672
Repairs and Maintenance by asset class	3	53,370	53,330	-	-	-	-	(3,657)	(3,657)	49,673	55,719	58,226
Roads Infrastructure		26,023	26,023	-	-	-	-	(6,006)	(6,006)	20,017	27,168	28,391
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		7,433	7,433	-	-	-	-	3,028	3,028	10,461	7,760	8,109
Infrastructure		33,456	33,456	-	-	-	-	(2,978)	(2,978)	30,478	34,928	36,500
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1,029	1,029	-	-	-	-	-	-	1,029	1,074	1,123
Community Assets		1,029	1,029	-	-	-	-	-	-	1,029	1,074	1,123
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		3,664	3,624	-	-	-	-	(1,422)	(1,422)	2,202	3,826	3,998
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		3,664	3,624	-	-	-	-	(1,422)	(1,422)	2,202	3,826	3,998
Furniture and Office Equipment		52	52	-	-	-	-	(52)	(52)	-	54	57
Machinery and Equipment		3,343	3,343	-	-	-	-	(720)	(720)	2,623	3,491	3,648
Transport Assets		11,825	11,825	-	-	-	-	1,516	1,516	13,341	12,345	12,901
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		211,643	211,603	-	-	-	-	(3,657)	(3,657)	207,946	220,955	230,898

4 STAFF IMPLICATIONS

None

5 FINANCIAL IMPLICATIONS

Net increase on operating revenue budget by R30,255 million and operating expenditure Increase by R4,042 million as well as net increase in capital expenditure of R100,7 million.

6 ANNEXURES

Supporting tables

7 RECOMMENDATIONS

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


1. Approval of an adjustment upwards of the operating revenue by R30,255 million from R1.424 billion to R1. 454 billion.
2. Approval of an expenditure upwards by R4.042 million from R1.413 billion to R1.418 billion

3. Approval of an upwards capital expenditure increased by R30.193 million from R311.7 million to R341.929 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.
5. Approve the revised procurement plan in line with the adjustment of budget.

Prepared by :


E F Jiholo
Chief Financial Officer

Recommended by


N Pakade
Municipal Manager

DRAFT