

ADJUSTMENT BUDGET

2023/2024



THEMBISILE HANI LOCAL MUNICIPALITY

MP315



**MEMORANDUM
CORPORATE SERVICES**

TO : FINANCIAL DEPARTMENT
FROM : MUNICIPAL MANAGER
SUBJECT : IMPLEMENTATION OF COUNCIL RESOLUTIONS
DATE : 27/02/2024

At its Special Council meeting held on the 27th of February 2024, Council resolved amongst others, the following:

**TH-NDC 230/02/2024 MUNICIPAL ADJUSTMENT BUDGET FOR 2023/24
FINANCIAL YEAR**

RESOLVED

- 1. THAT** the proposed adjusted figures on the Adjustment Budget for 2023/24 which bring changes on the Adjusted Budget approved by council under resolution no: TH – NDC 159/12/2023 be considered.
- 2. THAT** the Adjustment Budget for the 2023/ 24 FY as per Section 28 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003 be approved.
- 3. THAT** the Adjustment Budget be submitted to National Treasury and Mpumalanga Provincial Treasury pursuant to Section 28(7) of the MFMA.
- 4. THAT** the Procurement Plans for the 2023/24 FY be aligned with the Adjustment Budget.
- 5. THAT** the 2023/24 FY SDBIP be reviewed and aligned to the Adjustment Budget once approved by Council.

We trust that the above will be found to be in order.

DocuSigned by:

BE47CE96789F4F7

**MR. D.J.D. MAHLANGU
MUNICIPAL MANAGER**



THEMBISILE HANI LOCAL MUNICIPALITY

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QUALITY CERTIFICATE

I Dumisani Mahlangu the municipal manager of Thembisile Hani Local Municipality, hereby certify that –

- **THE ADJUSTMENT BUDGET**

For the period 2023/2024- is in accordance with the Municipal Finance Management Act and regulations made under the act.

Print name Jessica Mahlangu

Chief Financial Officer of Thembisile Hani Local Municipality (MP: 315)

Signature 

Date 2024/02/29

Print name Dumisani Mahlangu

Municipal Manager of Thembisile Hani Local Municipality (MP: 315)

Signature 

Date 29/02/2024

TH – TBSC 02 /02/2024: MUNICIPAL ADJUSTMENT BUDGET FOR 2023/24 FY

REPORT OF THE MUNICIPAL MANAGER

1. STRATEGIC GOAL

Sound Financial Management

2. PRIORITY ISSUE

Financial Management

3. LEGISLATIVE CONTEXT

- (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;
- (c) May, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- (d) May authorize the utilization of projected savings in one vote towards spending under another vote;
- (e) May authorise the spending of funds that were unspent at the end of the past financial year were the under – spending could not reasonable have been foreseen at time to include projected roll – overs when the annual budget for the current year was approved by the council
- (f) May correct any errors in the annual budget; and
- (g) May provide for any other expenditure within a prescribed framework.

4. An adjustments budget must be in prescribed form.

5. Only the mayor may table an adjustment budget in the municipal council, but an adjustment budget in terms of subsection (2) (b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

6. When an adjustment budget is tabled; it must be accompanied by –

- (a) An explanation how the adjustment budget affects the annual budget
- (b) A motivation of any of any material changes to the annual budget
- (c) An explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
- (d) Any other supporting documents that may be prescribed.

7. Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan.
8. Section 22 (b), 23 (3) apply in respect of an adjustment budget, and in such application a reference in those section to an annual budget must be read to an adjustment budget.
9. Regulation 34 of the Municipal Budget and Reporting Regulations as contained in the MFMA (56 of 2003) Regulations states as follows about the publication of adjustment budget.

10. PURPOSE OF THE REPORT

At the end of the first half of the 2023/24 financial year, it is recommended that the Council favourably consider the approval of an Adjustment Budget in terms of the MFMA and Municipal Budget and Reporting Regulations as follows:

- a) An adjustments budget referred to in section 28(2) (b), (d), (f) and (g) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year: Further development of mSCOA by National Treasury also necessitated the release of a more table chart, namely version 6.7. As a result of the 2023/24 annual budget which was compiled on mSCOA V 6.7, some segments and strings need to be revised to enable alignment with the mSCOA portal upload files.
- b) Although the approved virement policy assists with moving of budgeted funds, virement are not allowed between operational and capital votes, funds and functions, and may only be addressed in an adjustment budget.
- c) Additional revenues that have become available over and above those anticipated in the annual budget may be allocated to accelerate budgeted spending programmes

It is suggested that an adjustment budget be submitted to Council for approval by no later than 28 February 2024

**BACKGROUND
Revenue**

Source of Revenue	Accrual Basis Budgeting 2023/24	Actual Six Months	Variance	Percentage	Full Year Forecast	Adjustment	Adjusted Budget	Cash Basis Budgeting 2023/24	Actual for Six Months	Percentage	Full Year Forecast	Adjustment	Adjusted Budget	Impairment	Impairment %	Collection Percentage
Own Revenue																
Service Charges																
Total	290,376,267	208,729,548	81,646,719	522	418,723,525	128,347,258	418,723,525	70,579,034	24,431,328	34.62	48,862,656	(21,716,378)	48,862,656	369,860,869	88.33	11.67
Other Revenue	24,911,065	7,180,579	17,730,486	28.82	24,972,328	61,263	24,972,328	24,911,065	7,180,579	28.82	24,972,328	61,263	24,972,328	-	-	-
Total Budget: Own Revenue	315,287,332	215,910,127	99,377,205	551	443,695,853	128,408,521	443,695,853	95,490,099	31,611,907	33.10	73,834,984	(21,655,115)	73,834,984	369,860,869	83.36	11.67
Grand and Subsidies																
Total Grants Allocation	821,773,000	624,015,000	197,758,000	75.94	821,773,000	-	821,773,000	821,773,000	624,015,000	75.94	821,773,076	-	821,773,000	-	-	-
Total Budget	1,137,060,332	839,925,127	297,135,205	626.81	1,265,468,853	128,408,521	1,265,468,853	917,263,099	655,626,907	71.48	895,608,060	(21,655,115)	895,607,984	369,860,869	83	11.67

Under accrual basis the budget will be increased by 10.15% from a budget of R 1.1billion to a budget of R 1.3 billion which show an increase amount to R 128.4 million.

Under cash basis the budget will be increased by -2.40% from a budget of R 917.3 million to a budget of R 895.8 million which show a decrease amount (R 21.7) million.

The mid – year and performance budget assessment indicate that the municipality budget approved by the council on 13 December 2023 under resolution no: TH – NDC 159/12/2023 will be increased by 10.15% from a budget of R 1.0 billion to an adjusted budget of R 1.3 billion under accrual basis and from R 917.3 million to an adjusted budget of R 895.6 million under cash basis

Operational Budget

Function	Adjusted Budget 2023/24	Adjustments	Adjusted Budget 2023/24	%	Non Cash Back Items	Cash Basis Budgeting
Accrual Basis Budgeting	1,004,396,444	80,965,118	1,085,181,562	7.44	277,270,346	807,911,246
Cash Basis Budgeting	729,858,663.00					807,911,246

The operational budget under accrual basis will be increased by an amount of R 81.0 million, which means the budget will be increased from a budget of R 1.0 billion to a budget of R 1.1 billion.

The operational budget under cash basis will be increased by an amount of R 78.1 million, which means the budget will be increased from a budget of R 729.9 million to a budget of R 807.9 million, which is 9.67 percent increase.

The mid – year and performance budget assessment indicate that the municipality budget approved by the council on 13 December 2023 under resolution no: TH – NDC 159/12/2023 will be increased by 7.44% from a budget of R 1.0 billion to an adjusted of R 1.1 billion under accrual basis which show an increase of an amount to R 81.0 million, and under cash basis the budget will be increased from a budget of R 729.8 million to an adjusted budget of R 807.9 million which is 9.67 percent.

Capital Budget

Item Description	Adjusted Budget 1&2	YTD Expenditure	Variance	Adjustment	Adjusted Budget 2023/2024
Capital Projects	264 858 048	139 228 741	125 629 307	-28 463 098	236 394 950

The capital budget will be decreased by an amount of (R 28.4) million, which means the budget will be decreased from a budget of R 264.8 million to a budget of R 236.3 million.

11. FINANCIAL IMPLICATIONS

The budget approved by the council on 13 December 2023 under resolution no: TH – NDC 159/12/2023 will be adjusted as follows:

The revenue budget under accrual basis will be increased by 10.15% from a budget of R 1.1 billion to an adjusted budget of R 1.3 billion, increased by R 128.4 million. The reason(s) for the increase is because of the additional consumers added to the system for billing purpose this affected the actual to be more than the projected revenue and also interest charged on accounts on arrears which were not charged during the previous year(s) and those interest were charged backwards

The revenue budget under cash basis will be decreased by -1.32% from a budget of R 917.3 million to an adjusted budget of R 895.8 million, will be decreased by an amount of (R 21.7) million. The reason is because of the less collection of revenue than anticipated

The total operational expenditure under adjustment budget for 2023/24 financial year under accrual basis will amount to R 1.1 billion excluding capital budget of R 235.0 million.

The total operational expenditure under adjustment budget for 2023/24 financial year under cash basis will amount to R 807.9 million excluding capital budget amount to R 235.0 million.

An amount of R 154.4 million was taken from reserves to fund the budget, and the budget of the municipality is funded by R 19.3 million

12 DISCUSSION

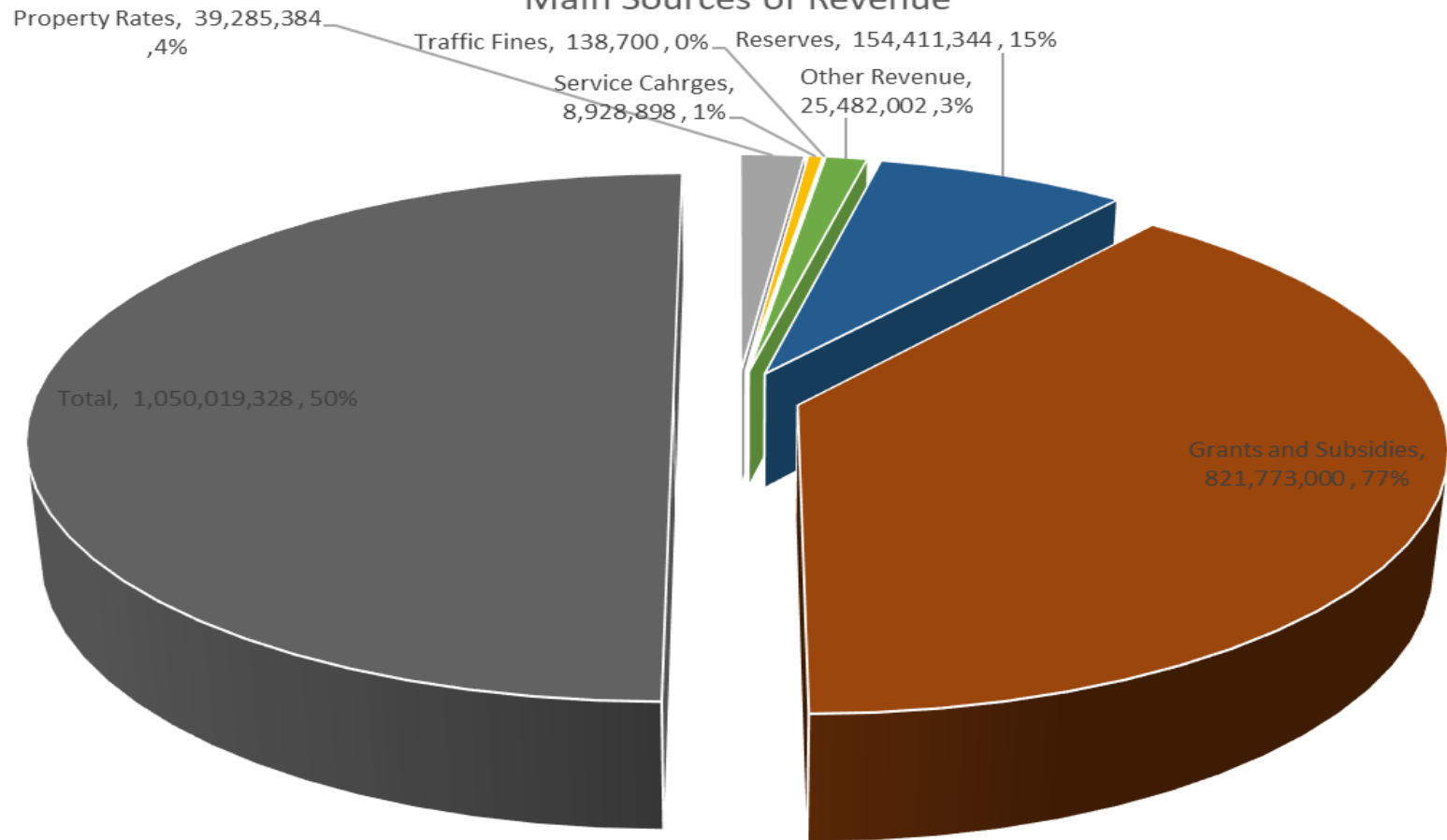
12.1 Municipal Adjustment for 2023/24 financial year and the two outer years 2024/25 and 2025/26 Financial year

12.1.1 Revenue Part

12.1.2 Various Sources of Revenue: Accrual and Cash Basis Budgeting

Source of Revenue	Accrual Basis Budgeting 2023/24	Actual Six Months	Variance	Percentage	Full Year Forecast	Adjustment	Adjusted Budget	Cash Basis Budgeting 2023/24	Actual for Six Months	Percentage	Full Year Forecast	Adjustment	Adjusted Budget	Impairment	Impairment %	Collection Percentage
Own Revenue																
Service Charges																
Property Rates	61,554,847	30,209,580	31,345,267	49.08	61,554,847	-	61,554,847	12,914,000	19,642,692	152.10	39,285,384	26,371,384	39,285,384	22,269,463	36.18	63.82
Service Charges - Water	96,134,835	51,484,548	44,650,287	53.55	102,969,096	6,834,261	102,969,096	45,890,760	3,816,038.00	8.32	7,632,076.00	(38,258,684)	7,632,076	95,337,020	92.59	7.41
Service Charges - Sanitation	1,648,563	737,777	910,786	44.75	1,475,554	(173,009)	1,475,554	287,946	155,134.00	53.88	310,268.00	22,322	310,268	1,165,286	78.97	21.03
Service Charges - Refuse	39,812,030	19,841,644	19,970,386	49.84	39,812,030	-	39,812,030	10,992,967	493,277.00	4.49	986,554.00	(10,006,413)	986,554	38,825,476	97.52	2.48
Traffic Fines	2,586,747	1,592,850	993,897	61.58	3,185,700	598,953	3,185,700	184,327	69,350	37.62	138,700	(45,627)	138,700	3,047,000	95.65	4.35
Interest - Water	58,273,678	86,211,587	(27,937,909)	147.94	172,423,174	114,149,496	172,423,174	206,662	189,650	91.77	379,300	172,638	379,300	172,043,874	99.78	0.22
Interest - Sanitation	1,531,761	818,959	712,802	53.47	1,637,918	106,157	1,637,918	14,908	10,545	70.73	21,090	6,182	21,090	1,616,828	98.71	1.29
Interest - Refuse	28,833,806	17,832,603	11,001,203	61.85	35,665,206	6,831,400	35,665,206	87,464	54,642	62.47	109,284	21,820	109,284	35,555,922	99.69	0.31
	290,376,267	208,729,548	81,646,719	522	418,723,525	128,347,258	418,723,525	70,579,034	24,431,328	34.62	48,862,656	(21,716,378)	48,862,656	369,860,869	88.33	11.67
Other Revenue	24,911,065	7,180,579	17,730,486	28.82	24,972,328	61,263	24,972,328	24,911,065	7,180,579	28.82	24,972,328	61,263	24,972,328	-	-	-
Total Budget: Own Revenue	315,287,332	215,910,127	99,377,205	551	443,695,853	128,408,521	443,695,853	95,490,099	31,611,907	33.10	73,834,984	(21,655,115)	73,834,984	369,860,869	83.36	11.67
Grand and Subsidies																
Total Grants Allocation	821,773,000	624,015,000	197,758,000	75.94	821,773,000	-	821,773,000	821,773,000	624,015,000	75.94	821,773,076	-	821,773,000	-	-	-
Total Budget	1,137,060,332	839,925,127	297,135,205	626.81	1,265,468,853	128,408,521	1,265,468,853	917,263,099	655,626,907	71.48	895,608,060	(21,655,115)	895,607,984	369,860,869	83	11.67

Main Sources of Revenue



■ Main Sources Of Revenue ■ Property Rates ■ Service Charges ■ Traffic Fines ■ Other Revenue ■ Reserves ■ Grants and Subsidies ■ Total

- Property Rates

The actual year-to-date revenue received under property rates amount to R 30.2 million against the mid-year budget amount to R 30.8 million which is 98.05 percent, and against year-to-date budget is 49.43 percent.

The mid-year performance indicates the projection under property rates will not be adjusted will remain at R 61.1 million.

- Service Charges

The Actual year-to-date received under service charges amount to R 72.4 million against the mid-year budget amount to R 69.3 million which is 104.47 percent which is more than the anticipated collection, and against the year-to-date budget is 52.24 percent. The reason for higher billing under services charges is because of additional consumers added to the system for the billing purpose also to increase revenue.

The mid-year performance indicates the projection under service charges will be increased by 4.48 percent which amounts to R 6.8 million

- Other Revenue

The actual year to-date revenue received under other revenue amount R 119.8 million against the mid-year budget amount to R 58.4 million which is 205.14 percent, and against year-to-date budget is 103.19 percent. The reason for higher billing is because of the interest charged backwards on consumer accounts which were not charged in the previous years.

The mid-year performance indicates the projection under other revenue will be increased by 19.14 percent which amounts to R 123.5 million

- Grant and Subsidies

The actual year-to-date revenue received under transfers and subsidies amount to R 431.1 against the mid-year budget amount to R 289.2 million which is 149.06 percent, and against year to-date budget is 74.60 percent.

The transfers and subsidies capital will decrease by an amount of R 25.4 million funded from INEP and also R 200 thousand funded from MDRG, this means that operational expenditure will be increased by an amount of R 25.4 million. An amount of R 1.0 million funded from WSIG will be moved from operational to capital

This means that capital budget will decreased from a budget amount to R 264.9 million to an adjusted budget amount to R 236.3 million

Conditional Grants allocated to the municipality as per DoRB of 2023: WSIG, MIG, INEP, EEDSMG, FMG & EPWP.

The total allocation of conditional Grants allocated to the municipality as per the DoRB of 2023 amount to R 264.3 million and the year to date actual received amount to R 205.9 million. The amount spent amount to R 167.6 against the allocation received which is 81.40 percent.

Non – Conditional Grant: Equitable Share Grant

The total allocation of non - conditional grant allocated to the municipality as per the DoRB of 2023 amount to R 557.5 million and the year to date actual received amount to R

Conditional Grants allocated to the municipality as per DoRB of 2023: WSIG, MIG, INEP, EEDSMG, FMG & EPWP.

The total allocation of conditional Grants allocated to the municipality as per the DoRB of 2023 amount to R 264.3 million and the year to date actual received amount to R 205.9 million. The amount spent amount to R 167.6 against the allocation received which is 81.40 percent.

Non – Conditional Grant: Equitable Share Grant

The total allocation of non - conditional grant allocated to the municipality as per the DoRB of 2023 amount to R 557.5 million and the year to date actual received amount to R 418.1 million and the outstanding amount to R 139.4 million.

12.2 Operational Expenditure

Function	Adjusted Budget 1 & 2	TotalActuals	Adjustment	Proposed Adjusted Budget	Non Cash Back Items	Cash Basis Budgeting
Council General (Dept 100)	41,706,155	20,650,922	1,371,934	43,078,089	-	43,078,089
Municipal Manager (Dept 102)	15,896,458	9,608,962	1,550,000	17,446,458	-	17,446,458
PMS and Youth Development	16,320,301	6,549,597	(5,886)	16,314,415	-	16,314,415
Planning and Economic Development Services	7,771,562	3,715,758	-	7,771,562	-	7,771,562
PEDS- Town Planning	9,000,000	70,820	(800,000)	8,200,000	-	8,200,000
PEDS - IDP	605,064	15,346	-	605,064	-	605,064
Internal Audit (MM - 102)	4,144,288	2,745,702	5,887	4,150,175	-	4,150,175
ICT MMS Office	25,829,331	17,017,829	2,849,323	28,678,654	-	28,678,654
Risk Management (MM 102)	32,075,718	16,890,354	5,281,924	37,357,642	-	37,357,642
	153,348,877	77,265,292	10,253,182	163,602,059	-	163,602,059

Function	Adjusted Budget 1 & 2	TotalActuals	Adjustment	Proposed Adjusted Budget	Non Cash Back Items	Cash Basis Budgeting
Financial Services (104)						
Financial Services	279,470,071	13,835,901	2,821,521.00	282,291,592.00	245,760,262.00	36,531,330.00
Supply Chain Services	4,027,443	1,862,676	194,566.00	4,222,009.00	-	4,222,009.00
Asset Management Services	103,601,460	43,406,437	17,155.00	103,618,615.00	-	103,618,615.00
Fleet Management Services	41,648,163	19,617,912	4,113,155.00	45,761,318.00	-	45,761,318.00
						-
	428,747,137	78,722,926	7,146,397.00	435,893,534.00	245,760,262.00	190,133,272.00

Function	Adjusted Budget 1 & 2	TotalActuals	Adjustment	Proposed Adjusted Budget	Non Cash Back Items	Cash Basis Budgeting
Corporate Services (106)	24,944,934	7,312,507	1,321,416.00	26,266,350.00	5,250,000.00	21,016,350.00
Legal Services	6,009,831	2,357,916	556,456.00	6,566,287.00	-	6,566,287.00
	30,954,765	9,670,422	1,877,872.00	32,832,637.00	5,250,000.00	27,582,637.00

Function	Adjusted Budget 1 & 2	TotalActuals	Adjustment	Proposed Adjusted Budget	Non Cash Back Items	Cash Basis Budgeting
Social Services						
Social Services	3,179,515	1,941,621	967,278.00	4,146,793.00	-	4,146,793.00
Cemetery (Dept 505)	362,996	29,400	300,000.00	662,996.00	-	662,996.00
Halls and Offices (Dept 300)	13,725,429	7,370,122	2,700,000.00	16,425,429.00	-	16,425,429.00
Disaster Management (107)	160,000	-	-	160,000.00	-	160,000.00
Libraries and Archives	2,124,133	936,077	-	2,124,133.00	-	2,124,133.00
Community Traffic Services (Dept 108)	24,224,216	9,203,676	(1,752,210.00)	22,472,006.00	-	22,472,006.00
Sports Facilities Management (Dept 300)	8,778,806	4,341,869	810,034.00	9,588,840.00	-	9,588,840.00
Refuse Removal (Dept 520)	38,925,423	7,951,555	4,344,703.00	43,270,126.00	24,254,938.00	19,015,188.00
	91,480,518	31,774,320	7,369,805.00	98,850,323.00	24,254,938.00	74,595,385.00

Function	Adjusted Budget 1 & Total Actuals	Adjustment	Proposed Budget	Adjusted Non Cash Back Items	Cash Basis Budgeting	
Social Services						
Technical Services (105)						
Technical Services	2,817,406	(906,998)	54,808.00	2,872,214.00	-	2,872,214.00
Electricity (Dept 530)	29,766,753	16,690,071	31,400,000.00	61,166,753.00	-	61,166,753.00
Water (Dept 540)	211,923,193	85,173,745	3,588,929.00	215,692,122.00	1,991,862.00	213,700,260.00
Roads and Stormwater (Dept 550)	36,705,661	24,791,369	17,200,000.00	53,905,661.00	-	53,905,661.00
Sanitation Services (Dept 560)	10,876,182	4,055,706	2,314,125.00	13,190,307.00	13,254.00	13,177,053.00
Project Management Unit (500)	7,415,952	2,861,906	(739, 999.00)	6, 675, 953.00	-	6, 675, 953.00
						-
	299,505,147	132,665,799	53 817 863.00	353,503,010.00	2,005,116.00	351,497,894.00
	1,004,036,444	330,098,759	80,465,119	1,084,681,563	277,270,316	807,411,247

The narration on various Functions/ Votes of expenditure

Municipal Manager

The budget allocated to Municipal Manager the budget was amount to R 153.3 million and will be adjusted by an amount of R 10.3 million and the adjusted budget will amount to R 163.6 million which show an increase amount to 6.30 percent. The Municipal Managers Function/ Vote is allocated a budget amount to 20.25 percent from the total operation budget of the municipality

Financial Services

The budget allocated to Financial Services amount to R 182.9 million and will be adjusted by an amount of R 7.1 million and the adjusted budget will amount to R 190.1 million which show an increase amount to 5.38 percent. The Financial Services Function/ Vote is allocated a budget amount to 3.79 percent from the total operation budget of the municipality

Corporate Services

The budget allocated to Corporate Services amount to R 25.7 million and will be adjusted by an amount of R 1.9 million and the adjusted budget will amount to R 27.6 million which show an increase amount to 6.88 percent. The Corporate Services Function/ Vote is allocated a budget amount to 3.42 percent from the total operation budget of the municipality

Social Services

The budget allocated to Social Services amount to R 67.2 million and will be adjusted by an amount of R 7.4 million and the adjusted budget will amount to R 74.6 million which show an increase amount to 7.52 percent. The Social Services Function/ Vote is allocated a budget amount to 9.23 percent from the total operation budget of the municipality

Technical Services

The budget allocated to Technical Services amount to R 297.5 million and will be adjusted by an amount of R 54.1 million and the adjusted budget will amount to R 352.0 million which show an increase amount to 15.48 percent. The Technical Services Function/ Vote is allocated a budget amount to 43.57 percent from the total operation budget of the municipality

12.3 Capital Budget

Expenditure

Function	Adjusted Budget 1 & 2	Adjustment	Adjusted Budget 3
Halls and Offices (Dept 300)	2,050,000	(1,450,000)	600,000
Sports Facilities Management (Dept 300)	8,720,135	(233)	8,719,902
Corporate Services (106)	650,000	-	650,000
ITC	1,000,000	200,000	1,200,000
Property Services	100,000	-	100,000
Community Traffic Services (Dept 108)	550,000	-	550,000
Risk Management	-	700,000	700,000
Refuse Removal (Dept 520)	6,541,775	-	6,541,775
Project Management Unit (500)	-	240,000	240,000
Electricity (Dept 530)	30,700,000	(25,539,176)	5,160,824
Water Services (Dept 540)	133,486,889	619,979	134,106,868
Roads and Stormwater (Dept 550)	39,414,182	1 710 411	41,124 593
Sanitation Services (Dept 560)	41,645,067	(4 944 079)	36 700 988
Total	264,858,048	(28 463 098)	236 394 950

The budget for capital expenditure of R 264.9 million will be adjusted to R 236.3 million, the reason for the decrease of the budget by (R 28.4) million is because of the two projects budget as capital and according to the assessment made on work performed their fall under operational expenditure, and also two project are moved from operational expenditure to capital (WSIG and MIG) and three projects were decreased and the budget is transferred to operational expenditure

12.4 Segment/ Line Items that will be adjusted during the adjusted Budget

The various sources of revenue, operational and capital expenditure from various function/ votes which will be adjusted during adjusted budget are attached hereto as **ANNEXURE "A"** also refer as Adjusted Budget for 2023/ 24 Financial Year.

12.5. Repairs and Maintenance Budget

The total budget of Repairs and Maintenance amount to R 81 250 000 against the total value of Property Plant and Equipment amount to R 2 468 012 564 which is 4.32 % which is less than the norm of 8 percent by 3.68 percent, for the municipality to be within the norm of 8 percent it need amount of R 197 441 005. This means that there should be no capitalisation of assets which will increase the fixed assets register

12.6. Contracted Services Budget

The total budget of contracted services amount to R 213 855 623 against the total operational budget amount to R 807 911 246 which is 26.47% which is more than the norm of 2 to 5 percent

12.7 Key Norms

12.7.1 Current Ratio

The current ratio of the Municipality amount to 2.2 percent which is above the norm of 1.0 percent, this means that the Municipality will be able to pay its monthly creditors or commitments. Also the Municipality will be able to operate within the Budget approved by the council.

12.7.2 Acid Test Ratio

The ratio of 1:8 indicates that the Municipality is able to pay their current liabilities, meaning that the municipality is able to operate within its budget.

12.7.3 Solvency Ratio

One of many ratios used to measure a company's or institutions ability to meet long term obligations; currently the ratio is sitting at 1:0.

12.7.4 Comment

The Municipality has a positive ratio on Current and Acid Test ratio even if it is still depending on the Grants and Subsidies from National Treasury. The Adjusted budget of the municipality will be funded by an amount R 19.3 million

13. RECOMMENDATIONS BY THE MUNICIPAL MANAGER

- 13.1 THAT** the proposed adjusted figures on the Adjustment Budget for 2023/24 which bring changes on the Adjusted Budget approved by council under resolution no: TH – NDC 159/12/2023 be considered.
- 13.2 THAT** the Adjustment Budget for the 2023/ 24 FY as per Section 28 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003 be approved.
- 13.3 THAT** the Adjustment Budget be submitted to National Treasury and Mpumalanga Provincial Treasury pursuant to Section 28(7) of the MFMA.
- 13.4 THAT** the Procurement Plans for the 2023/24 FY be aligned with the Adjustment Budget.
- 13.5 THAT** the 2023/24 FY SDBIP be reviewed and aligned to the Adjustment Budget Once approved by Council.

SUPPORTING SCHEDULES

Municipal adjustments budgets & supporting tables

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Data submission enquiries:
Electronic documents: lgdocuments@treasury.gov.za
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Preparation Instructions

Municipality Name:

CFO Name:

Tel:

Fax:

E-Mail:

Date of Adjustments Budget

MTREF:

Budget Year:

Does this municipality have Entities?

If YES: Identify type of report:

Name Votes & Sub-Votes

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MP315 Thembisile Hani - Table B1 Adjustments Budget Summary - 27/02/2024

Description	2023/24									Budget Year 2024/25	Budget Year 2025/26
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
	A	A1	B	C	D	E	F	G	H		
R thousands											
Financial Performance											
Property rates	61,555	-	-	-	-	-	-	-	61,555	64,571	67,606
Service charges	138,580	-	-	-	-	-	6,674	6,674	145,253	147,110	152,202
Investment revenue	8,625	-	-	-	-	-	3,343	3,343	11,968	9,047	9,493
Transfers recognised - operational	578,504	-	-	-	-	-	23,375	23,375	601,879	611,520	628,562
Other own revenue	107,515	-	-	-	-	-	118,292	118,292	225,806	112,783	118,084
Total Revenue (excluding capital transfers and contributions)	894,778	-	-	-	-	-	151,683	151,683	1,046,461	945,032	975,946
Employee costs	195,660	-	-	-	-	-	1,331	1,331	196,991	204,652	213,270
Remuneration of councillors	29,258	-	-	-	-	-	0	0	29,258	78,143	79,219
Depreciation & asset impairment	331,701	-	-	-	-	-	0	0	331,701	331,701	331,701
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	176,089	-	-	-	-	-	3,860	3,860	179,949	183,348	190,702
Transfers and subsidies	200	-	-	-	-	-	-	-	200	200	200
Other expenditure	271,778	-	-	-	-	-	74,760	74,760	346,538	269,223	255,754
Total Expenditure	1,004,685	-	-	-	-	-	79,951	79,951	1,084,637	1,067,267	1,070,846
Surplus/(Deficit)	(109,908)	-	-	-	-	-	71,732	71,732	(38,176)	(122,235)	(94,900)
Transfers and subsidies - capital (monetary allocations)	253,469	-	-	-	-	-	(33,575)	(33,575)	219,894	218,721	216,933
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	143,562	-	-	-	-	-	38,157	38,157	181,719	96,485	122,033
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	143,562	-	-	-	-	-	38,157	38,157	181,719	96,485	122,033
Capital expenditure & funds sources											
Capital expenditure	274,769	-	-	-	-	-	(38,374)	(38,374)	236,395	239,171	237,383
Transfers recognised - capital	253,469	-	-	-	-	-	(33,571)	(33,571)	219,898	218,721	216,933
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	21,300	-	-	-	-	-	(4,803)	(4,803)	16,497	20,450	20,450
Total sources of capital funds	274,769	-	-	-	-	-	(38,374)	(38,374)	236,395	239,171	237,383
Financial position											
Total current assets	351,033	-	-	-	-	-	194,103	194,103	545,136	408,011	492,975
Total non current assets	2,566,464	-	-	-	-	-	(38,374)	(38,374)	2,528,090	2,716,314	2,864,876
Total current liabilities	207,130	-	-	-	-	-	(4,588)	(4,588)	202,541	317,972	429,464
Total non current liabilities	98,053	-	-	-	-	-	-	-	98,053	98,053	98,053
Community wealth/Equity	2,612,315	-	-	-	-	-	160,317	160,317	2,772,632	2,708,300	2,830,334
Cash flows											
Net cash from (used) operating	277,702	-	-	-	-	-	(110,329)	(110,329)	167,373	217,796	234,178
Net cash from (used) investing	(274,769)	-	-	-	-	-	38,374	38,374	(236,395)	(239,171)	(237,383)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	135,190	-	-	-	-	-	50,205	50,205	185,396	113,166	109,560
Cash backing/surplus reconciliation											
Cash and investments available	135,190	-	-	-	-	-	50,205	50,205	185,396	112,766	109,160
Application of cash and investments	88,894	-	-	-	-	-	(46,707)	(46,707)	42,187	125,624	157,858
Balance - surplus (shortfall)	46,296	-	-	-	-	-	96,912	96,912	143,209	(12,858)	(48,697)
Asset Management											
Asset register summary (WDV)	2,310,976	-	-	-	-	-	(5,954)	(5,954)	2,305,022	2,238,067	2,162,196
Depreciation	88,821	-	-	-	-	-	0	0	88,821	88,821	88,821
Renewal and Upgrading of Existing Assets	182,554	-	-	-	-	-	(17,149)	(17,149)	165,405	165,335	168,384
Repairs and Maintenance	58,018	-	-	-	-	-	23,232	23,232	81,250	52,890	52,946

MP315 Thembisile Hani - Table B2 Adjustments Budget Financial Performance (functional classification) - 27/02/2024

Standard Description	Ref	2023/24									Budget Year 2024/25	Budget Year 2025/26
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		631,699	-	-	-	-	-	2,438	2,438	634,137	679,738	699,999
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		631,699	-	-	-	-	-	2,438	2,438	634,137	679,738	699,999
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		172	-	-	-	-	-	36	36	208	180	189
Community and social services		119	-	-	-	-	-	36	36	155	125	131
Sport and recreation		53	-	-	-	-	-	-	-	53	55	58
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		165,708	-	-	-	-	-	(11,787)	(11,787)	153,921	172,304	180,349
Planning and development		149,441	-	-	-	-	-	(10,470)	(10,470)	138,971	156,446	163,745
Road transport		16,267	-	-	-	-	-	(1,317)	(1,317)	14,950	15,858	16,603
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		350,668	-	-	-	-	-	127,422	127,422	478,090	311,530	312,343
Energy sources		30,200	-	-	-	-	-	-	-	30,200	-	-
Water management		242,502	-	-	-	-	-	120,915	120,915	363,417	233,422	232,387
Waste water management		3,887	-	-	-	-	-	106	106	3,993	4,077	4,269
Waste management		74,079	-	-	-	-	-	6,400	6,400	80,480	74,030	75,688
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1,148,247	-	-	-	-	-	118,108	118,108	1,266,355	1,163,752	1,192,879
Expenditure - Functional												
Governance and administration		595,674	-	-	-	-	-	19,762	19,762	615,437	656,211	647,267
Executive and council		57,603	-	-	-	-	-	2,922	2,922	60,525	106,820	108,230
Finance and administration		533,927	-	-	-	-	-	16,835	16,835	550,762	545,127	534,653
Internal audit		4,144	-	-	-	-	-	6	6	4,150	4,264	4,384
Community and public safety		25,151	-	-	-	-	-	4,511	4,511	29,662	25,876	26,677
Community and social services		16,373	-	-	-	-	-	3,000	3,000	19,373	16,685	17,070
Sport and recreation		8,779	-	-	-	-	-	1,511	1,511	10,289	9,191	9,607
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		91,719	-	-	-	-	-	14,930	14,930	106,649	94,761	96,925
Planning and development		30,789	-	-	-	-	-	(518)	(518)	30,272	31,750	32,747
Road transport		60,930	-	-	-	-	-	15,448	15,448	76,378	63,011	64,178
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		292,141	-	-	-	-	-	40,748	40,748	332,889	290,419	299,977
Energy sources		29,767	-	-	-	-	-	31,400	31,400	61,167	24,871	24,771
Water management		211,923	-	-	-	-	-	2,888	2,888	214,812	220,200	228,563
Waste water management		11,236	-	-	-	-	-	2,314	2,314	13,550	11,618	12,523
Waste management		39,214	-	-	-	-	-	4,146	4,146	43,360	33,731	34,120
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1,004,685	-	-	-	-	-	79,951	79,951	1,084,637	1,067,267	1,070,846
Surplus/ (Deficit) for the year		143,562	-	-	-	-	-	38,157	38,157	181,719	96,485	122,033

MP315 Thembelele Hani - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 27/02/2024

Description	Ref	2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	2024/25
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	96,228	-	-	-	-	-	6,766	6,766	102,994	100,943	105,687
Service charges - Waste Water Management	2	2,355	-	-	-	-	-	-	-	2,355	2,471	2,587
Service charges - Waste Management	2	39,997	-	-	-	-	-	(92)	(92)	39,904	43,696	43,928
Sale of Goods and Rendering of Services		980	-	-	-	-	-	(589)	(589)	391	1,028	1,077
Agency services		12,526	-	-	-	-	-	(1,915)	(1,915)	10,611	13,140	13,757
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		88,763	-	-	-	-	-	120,998	120,998	209,761	93,113	97,489
Interest earned from Current and Non Current Assets		8,625	-	-	-	-	-	3,343	3,343	11,968	9,047	9,493
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1,056	-	-	-	-	-	(343)	(343)	714	1,108	1,160
Licence and permits		4	-	-	-	-	-	(1)	(1)	3	5	5
Operational Revenue		1,400	-	-	-	-	-	(570)	(570)	830	1,468	1,537
Non-Exchange Revenue												
Property rates	2	61,555	-	-	-	-	-	-	-	61,555	64,571	67,606
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,588	-	-	-	-	-	599	599	3,187	2,715	2,843
Licences or permits		196	-	-	-	-	-	113	113	309	206	215
Transfer and subsidies - Operational		578,504	-	-	-	-	-	23,375	23,375	601,879	611,520	628,562
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		894,778						151,683	151,683	1,046,461	945,032	975,946
Expenditure By Type												
Employee related costs		196,660	-	-	-	-	-	1,331	1,331	196,991	204,652	213,270
Remuneration of councillors		29,258	-	-	-	-	-	0	0	29,258	78,143	79,219
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		176,089	-	-	-	-	-	3,860	3,860	179,949	183,348	190,702
Debt impairment		242,880	-	-	-	-	-	-	-	242,880	242,880	242,880
Depreciation and amortisation		88,821	-	-	-	-	-	0	0	88,821	88,821	88,821
Interest		-	-	-	-	-	-	-	-	-	-	-
Contracted services		154,993	-	-	-	-	-	58,863	58,863	213,856	137,769	139,129
Transfers and subsidies		200	-	-	-	-	-	-	-	200	200	200
Irrecoverable debts written off		3,005	-	-	-	-	-	2,318	2,318	5,324	3,005	3,005
Operational costs		113,779	-	-	-	-	-	13,579	13,579	127,359	128,449	113,620
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		1,004,685						79,951	79,951	1,084,637	1,067,267	1,070,846
Surplus/(Deficit)		(109,908)						71,732	71,732	(38,176)	(122,235)	(94,900)
Transfers and subsidies - capital (monetary allocations)		253,469	-	-	-	-	-	(33,575)	(33,575)	219,894	218,721	216,933
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		143,562						38,157	38,157	181,719	96,485	122,033
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		143,562						38,157	38,157	181,719	96,485	122,033
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		143,562						38,157	38,157	181,719	96,485	122,033
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	143,562						38,157	38,157	181,719	96,485	122,033

MP315 Thembisile Hani - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27/02/2024

Description	Ref	2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	2024/25	2025/26
R thousands												
Capital Expenditure - Functional												
Governance and administration		1,750	-	-	-	-	-	900	900	2,650	1,750	1,750
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		1,750	-	-	-	-	-	900	900	2,650	1,750	1,750
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		9,500	-	-	-	-	-	(180)	(180)	9,320	16,923	24,049
Community and social services		5,500	-	-	-	-	-	(4,900)	(4,900)	600	10,923	18,049
Sport and recreation		4,000	-	-	-	-	-	4,720	4,720	8,720	6,000	6,000
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		43,521	-	-	-	-	-	(1,607)	(1,607)	41,915	44,845	37,609
Planning and development		-	-	-	-	-	-	240	240	240	-	-
Road transport		43,521	-	-	-	-	-	(1,847)	(1,847)	41,675	44,845	37,609
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		219,998	-	-	-	-	-	(37,487)	(37,487)	182,510	175,653	173,975
Energy sources		30,700	-	-	-	-	-	(25,539)	(25,539)	5,161	10,000	10,000
Water management		140,041	-	-	-	-	-	(5,934)	(5,934)	134,107	94,341	104,975
Waste water management		43,776	-	-	-	-	-	(7,075)	(7,075)	36,701	68,350	59,000
Waste management		5,481	-	-	-	-	-	1,061	1,061	6,542	2,962	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	274,769	-	-	-	-	-	(38,374)	(38,374)	236,395	239,171	237,383
Funded by:												
National Government		253,469	-	-	-	-	-	(33,571)	(33,571)	219,898	218,721	216,933
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	253,469	-	-	-	-	-	(33,571)	(33,571)	219,898	218,721	216,933
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		21,300	-	-	-	-	-	(4,803)	(4,803)	16,497	20,450	20,450
Total Capital Funding		274,769	-	-	-	-	-	(38,374)	(38,374)	236,395	239,171	237,383

MP315 Thembisile Hani - Table B6 Adjustments Budget Financial Position - 27/02/2024

Description	Ref	2023/24									Budget Year 2024/25	Budget Year 2025/26
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3	4	5	6	7	8	9	10		
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		135,190	-	-	-	-	-	50,205	50,205	185,396	112,766	109,160
Trade and other receivables from exchange transactions	1	43,320	-	-	-	-	-	175,916	175,916	219,237	27,262	17,853
Receivables from non-exchange transactions	1	53,957	-	-	-	-	-	(28,084)	(28,084)	25,873	78,713	105,986
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		47,860	-	-	-	-	-	(3,935)	(3,935)	43,926	47,860	47,860
VAT		70,705	-	-	-	-	-	-	-	70,705	141,410	212,116
Other current assets		-	-	-	-	-	-	-	-	-	-	-
Total current assets		351,033	-	-	-	-	-	194,103	194,103	545,136	408,011	492,975
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	2,565,051	-	-	-	-	-	(37,874)	(37,874)	2,527,177	2,714,900	2,863,462
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Intangible assets		1,413	-	-	-	-	-	(500)	(500)	913	1,413	1,413
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		2,566,464	-	-	-	-	-	(38,374)	(38,374)	2,528,090	2,716,314	2,864,876
TOTAL ASSETS		2,917,498	-	-	-	-	-	155,729	155,729	3,073,226	3,124,325	3,357,851
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions		140,518	-	-	-	-	-	(3,938)	(3,938)	136,580	231,223	321,928
Trade and other payables from non-exchange transactions		650	-	-	-	-	-	(650)	(650)	(0)	(0)	-
Provisions		10,208	-	-	-	-	-	-	-	10,208	10,208	10,208
VAT		55,754	-	-	-	-	-	-	-	55,754	76,541	97,327
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		207,130	-	-	-	-	-	(4,588)	(4,588)	202,541	317,972	429,464
Non current liabilities												
Borrowing	1	42,516	-	-	-	-	-	-	-	42,516	42,516	42,516
Provisions	1	55,536	-	-	-	-	-	-	-	55,536	55,536	55,536
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total non current liabilities		98,053	-	-	-	-	-	-	-	98,053	98,053	98,053
TOTAL LIABILITIES		305,183	-	-	-	-	-	(4,588)	(4,588)	300,594	416,025	527,517
NET ASSETS	2	2,612,315	-	-	-	-	-	160,317	160,317	2,772,632	2,708,300	2,830,334
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		2,612,315	-	-	-	-	-	160,317	160,317	2,772,632	2,708,300	2,830,334
Funds and Reserves		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		2,612,315	-	-	-	-	-	160,317	160,317	2,772,632	2,708,300	2,830,334

MP315 Thembisile Hani - Table B7 Adjustments Budget Cash Flows - 27/02/2024

Description	Ref	2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		12,914	-	-	-	-	-	26,371	26,371	39,285	13,547	14,183
Service charges		57,172	-	-	-	-	(48,243)	(48,243)	8,929	59,973	62,792	
Other revenue		36,347	-	-	-	-	(3,314)	(3,314)	33,034	37,148	37,954	
Transfers and Subsidies - Operational	1	579,154	-	-	-	-	22,725	22,725	601,879	611,520	628,562	
Transfers and Subsidies - Capital	1	253,469	-	-	-	-	(33,575)	(33,575)	219,894	218,721	216,933	
Interest		8,625	-	-	-	-	3,343	3,343	11,968	9,047	9,493	
Dividends		-	-	-	-	-	-	-	-	-	-	
Payments												
Suppliers and employees		(669,779)	-	-	-	-	(77,637)	(77,637)	(747,416)	(732,361)	(735,940)	
Finance charges		-	-	-	-	-	-	-	-	-	-	
Transfers and Subsidies	1	(200)	-	-	-	-	-	-	(200)	200	200	
NET CASH FROM/(USED) OPERATING ACTIVITIES		277,702	-	-	-	-	(110,329)	(110,329)	167,373	217,796	234,178	
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	
Payments												
Capital assets		(274,769)	-	-	-	-	38,374	38,374	(236,395)	(239,171)	(237,383)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(274,769)	-	-	-	-	38,374	38,374	(236,395)	(239,171)	(237,383)	
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	
Payments												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	
NET INCREASE/ (DECREASE) IN CASH HELD		2,933	-	-	-	-	(71,955)	(71,955)	(69,022)	(21,375)	(3,205)	
Cash/cash equivalents at the year begin:	2	132,258	-	-	-	-	122,160	122,160	254,418	134,540	112,766	
Cash/cash equivalents at the year end:	2	135,190	-	-	-	-	50,205	50,205	185,396	113,166	109,560	

MP315 Thembisile Hani - Table B8 Cash backed reserves/accumulated surplus reconciliation - 27/02/2024

Description	Ref	2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	135,190	-	-	-	-	50,205	50,205	185,396	113,166	109,560	
Other current investments > 90 days		0	-	-	-	-	(0)	(0)	-	(400)	(400)	
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	
Cash and investments available:		135,190	-	-	-	-	50,205	50,205	185,396	112,766	109,160	
Applications of cash and investments												
Unspent conditional transfers		650	-	-	-	-	(650)	(650)	(0)	(0)	-	
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	
Statutory requirements		(14,952)	-	-	-	-	0	0	(14,952)	(64,870)	(114,788)	
Other working capital requirements	2	92,988	-	-	-	-	(46,057)	(46,057)	46,930	180,286	262,438	
Other provisions		10,208	-	-	-	-	-	-	10,208	10,208	10,208	
Long term investments committed		-	-	-	-	-	-	-	-	-	-	
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	
Total Application of cash and investments:		88,894	-	-	-	-	(46,707)	(46,707)	42,187	125,624	157,858	
Surplus(shortfall)		46,296	-	-	-	-	96,912	96,912	143,209	(12,858)	(48,697)	

MP315 Thembisile Hani - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 27/02/2024

Summary of remuneration	Ref	2023/24								
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget
R thousands		A	5	6	7	8	9	10	11	12
		A	A1	B	C	D	E	F	G	H
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		16,005	-			-		3,816	3,816	19,821
Pension and UIF Contributions		3,091	-			-		(179)	(179)	2,912
Medical Aid Contributions		747	-			-		(432)	(432)	315
Motor Vehicle Allowance		1,073	-			-		(220)	(220)	853
Cellphone Allowance		2,492	-			-		577	577	3,069
Housing Allowances		-	-			-		-	-	-
Other benefits and allowances		5,849	-			-		(3,560)	(3,560)	2,288
Sub Total - Councillors		29,258	-			-		0	0	29,258
% increase			(0)							29,258
Senior Managers of the Municipality										
Basic Salaries and Wages		6,033	-			-		(209)	(209)	5,825
Pension and UIF Contributions		348	-			-		69	69	417
Medical Aid Contributions		297	-			-		-	-	297
Overtime		-	-			-		-	-	-
Performance Bonus		-	-			-		-	-	-
Motor Vehicle Allowance		836	-			-		89	89	925
Cellphone Allowance		107	-			-		-	-	107
Housing Allowances		-	-			-		-	-	-
Other benefits and allowances		-	-			-		-	-	-
Payments in lieu of leave		-	-			-		-	-	-
Long service awards		-	-			-		-	-	-
Post-retirement benefit obligations	5	-	-			-		-	-	-
Entertainment		-	-			-		-	-	-
Scarcity		-	-			-		-	-	-
Acting and post related allowance		112	-			-		50	50	162
In kind benefits		-	-			-		-	-	-
Sub Total - Senior Managers of Municipality		7,733	-			-		0	(50)	7,733
% increase			(0)							(0)
Other Municipal Staff										
Basic Salaries and Wages		123,248	-			-		(2,698)	(2,698)	120,551
Pension and UIF Contributions		25,654	-			-		1,073	1,073	26,727
Medical Aid Contributions		10,454	-			-		504	504	10,957
Overtime		4,003	-			-		1,505	1,505	5,509
Performance Bonus		11,420	-			-		195	195	11,615
Motor Vehicle Allowance		5,118	-			-		56	56	5,174
Cellphone Allowance		682	-			-		46	46	728
Housing Allowances		196	-			-		2	2	198
Other benefits and allowances		2,729	-			-		203	203	2,932
Payments in lieu of leave		795	-			-		-	-	795
Long service awards		1,886	-			-		-	-	1,886
Post-retirement benefit obligations	5	-	-			-		-	-	-
Entertainment		-	-			-		-	-	-
Scarcity		-	-			-		-	-	-
Acting and post related allowance		1,740	-			-		446	446	2,185
In kind benefits		-	-			-		-	-	-
Sub Total - Other Municipal Staff		187,927	-			-		1,331	1,331	189,258
% increase										
Total Parent Municipality		224,917	-			-		1,331	1,281	226,249

MP315 Thembisile Hani - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 27/02/2024

Description	Ref	2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	2024/25
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		35,891	-	-	-	-	-	19,956	19,956	55,847	30,641	30,641
Roads Infrastructure		15,127	-	-	-	-	-	15,000	15,000	30,127	14,877	14,877
Roads		14,477	-	-	-	-	-	15,000	15,000	29,477	14,877	14,877
Road Structures		650	-	-	-	-	-	-	-	650	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5,000	-	-	-	-	-	-	-	5,000	-	-
Power Plants		-	-	-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-	-	-
LV Networks		5,000	-	-	-	-	-	-	-	5,000	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		13,500	-	-	-	-	-	2,956	2,956	16,456	13,500	13,500
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-	-	-
Distribution		13,500	-	-	-	-	-	2,956	2,956	16,456	13,500	13,500
Distribution Points		-	-	-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		1,605	-	-	-	-	-	2,000	2,000	3,605	1,605	1,605
Pump Station		-	-	-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		1,605	-	-	-	-	-	2,000	2,000	3,605	1,605	1,605
Outfall Sewers		-	-	-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		659	-	-	-	-	-	-	-	659	659	659
Landfill Sites		659	-	-	-	-	-	-	-	659	659	659
Community Assets		777	-	-	-	-	-	701	701	1,478	803	829
Community Facilities		251	-	-	-	-	-	-	-	251	251	251
Halls		190	-	-	-	-	-	-	-	190	190	190
Centres		-	-	-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-	-	-
Stalls		61	-	-	-	-	-	-	-	61	61	61
Abattoirs		-	-	-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		527	-	-	-	-	-	701	701	1,227	552	578
Indoor Facilities		-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities		527	-	-	-	-	-	701	701	1,227	552	578
Capital Spares		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-	-	-
Other assets		7,302	-	-	-	-	-	2,415	2,415	9,717	7,302	7,302
Operational Buildings		7,302	-	-	-	-	-	2,415	2,415	9,717	7,302	7,302
Municipal Offices		7,302	-	-	-	-	-	2,415	2,415	9,717	7,302	7,302

MP315 Thembisile Hani - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 27/02/2024

Description	Ref	2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
R thousands												
Computer Equipment		2,530	-	-	-	-	-	-	-	2,530	2,530	2,530
Computer Equipment		2,530	-	-	-	-	-	-	-	2,530	2,530	2,530
Furniture and Office Equipment		600	-	-	-	-	100	100	700	629	659	
Furniture and Office Equipment		600	-	-	-	-	100	100	700	629	659	
Machinery and Equipment		7,357	-	-	-	-	60	60	7,417	7,424	7,424	
Machinery and Equipment		7,357	-	-	-	-	60	60	7,417	7,424	7,424	
Transport Assets		3,560	-	-	-	-	-	-	3,560	3,560	3,560	
Transport Assets		3,560	-	-	-	-	-	-	3,560	3,560	3,560	
Land		-	-	-	-	-	-	-	-	-	-	
Land		-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	
Living resources		-	-	-	-	-	-	-	-	-	-	
Mature		-	-	-	-	-	-	-	-	-	-	
Policing and Protection		-	-	-	-	-	-	-	-	-	-	
Zoological plants and animals		-	-	-	-	-	-	-	-	-	-	
Immature		-	-	-	-	-	-	-	-	-	-	
Policing and Protection		-	-	-	-	-	-	-	-	-	-	
Zoological plants and animals		-	-	-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure to be adjusted	1	58,018	-	-	-	-	-	23,232	23,232	81,250	52,890	52,946