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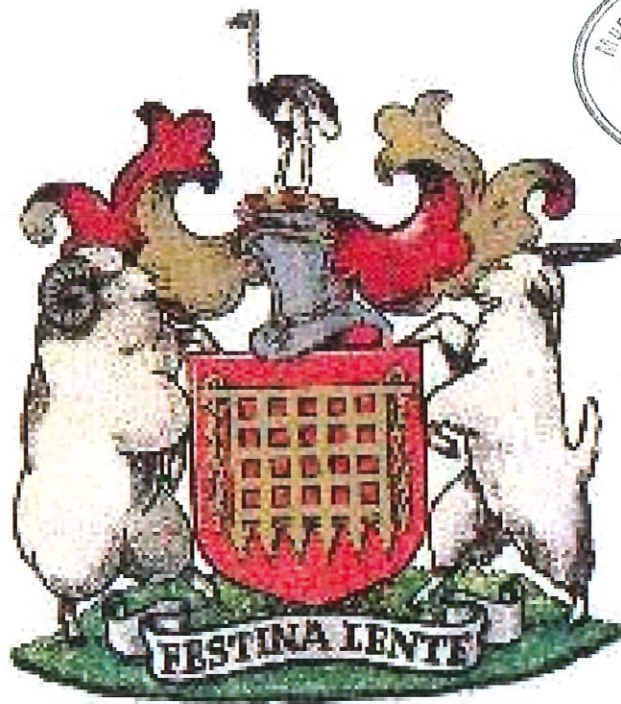


THE ADMINISTRATOR



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BEAUFORT WEST MUNICIPALITY



ADJUSTMENTS BUDGET 2020 / 2021 SEPTEMBER 2020

SIRKULASIE	OPDRAG
	Spes. Rd. 29/09/20 Mr Makedlano

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Foreword – Adjustments Budget

The 2020 National Supplementary Budget was delivered by the Minister of Finance in Parliament on the 24 June 2020. The 2020 Supplementary Budget responds to the COVID-19 pandemic and its impact on the economy. This includes the R20 billion allocation for local government announced by the President to assist in funding COVID-19 expenditure. This allocation consists of R11 billion added to the local government equitable share and just over R9 billion that was repurposed for the provision of water and sanitation and for sanitising public transport facilities within existing grant allocations to local government. In terms of Section 28(2)(b) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and Section 23(3) of the Municipal Budget and Reporting Requirements (MBRR), municipalities must adjust their 2020/21 MTREF budgets to account for the revised funding allocations that were made available.

LEGISLATIVE REQUIREMENT

Section 28 of the Municipal Finance Management Act (No 56 of 2003) states the following:

“28. Municipal Adjustments Budgets

- (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments 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;
 - (c) May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
 - (d) May authorise the utilisation 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 where the under-spending could not reasonably have been foreseen at the 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.
- (3) An adjustments budget must be in a prescribed form.

- (4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within prescribed limitations as to timing and frequency.
- (5) When an adjustments budget is tabled, it must be accompanied by-
 - (a) An explanation how the adjustments budget affects the annual budget;
 - (b) A motivation 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 supporting documentation that may be prescribed.
- (6) Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan.”

The revised budget for 2020/21 was necessitated to adjust expenditure and revenue projections to compensate for the under collection of revenue due to COVID-19.

The revised budget also makes provision for the spending of funds that were unspent at the end of the 2019/20 financial year that was approved by Provincial Treasury relating to Municipal Drought Relief and Local Government Support Grants. Furthermore to make provision for an unspent allocation received from the Central Karoo District Municipality to respond to COVID-19

EXECUTIVE SUMMARY

Summary of Adjusted Operating Budget

The originally approved total revenue (excluding capital transfers and contributions) amounted to R 328,165 million. Total revenue were adjusted by R 6,185 million to R 334,350. The total expenditure budget were increased by R 3,885 million to R 351,060 million, resulting into a deficit of R 16,709 million. The transfers and subsidies capital were increased from R 20,811 million to R 23,923 million. Taking into account the transfers and contributions recognised capital the surplus (deficit) for the year amounts to R 7,213 million.

The following adjustments were made to the operating revenue and expenditure budgets:

Operating Revenue Budget Adjustments:

The originally approved total revenue (excluding capital transfers and contributions) amounted to R 328,185 million and were adjusted by R 6,185 million to R 334,350 million.

The following adjustments were made:

Service charges revenue

- Service charges revenue (Electricity, water, sanitation and refuse) is expected to decline by R 6,661 million due to a loss of income by households as a result of COVID-19. This loss will be funded by the additional equitable share allocated to the Municipality as the number of indigent applications are expected to increase.

Transfers and subsidies

- An additional R 10,371 million equitable share was allocated by National Treasury to the Municipality to maintain existing services despite a temporary decline in revenue collections.
- Provincial Treasury approved the roll-over applications for two unspent conditional grants as at 30 June 2020, namely Municipal Drought Relief Grant (R 1,972,000) and Local Government Support Grant (R 102,903).
- The R 400,000 unspent allocation as at 30 June 2020 received from the Central Karoo District Municipality was also included in this budget to respond to COVID-19.

Operating Expenditure Budget Adjustments:

In this adjustments budget the total operating expenditure budget originally approved were increased from R 347,175 million to R 351,060 million. The total expenditure adjustments amounted to R 3,885 million.

The increase in expenditure line items were mainly due to an increase in operating grant expenditure (refer to supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme).

The following expenditure adjustments were made:

Finance charges

- Interest expense was reduced by 800 thousand due to the additional loan and leases that will not be taken up any more during the financial year.

Other materials

- The following projects will be implemented with the operating grants:

Operating Grant	Project	Amount
1. Municipal Drought Relief Grant	Installation of Smart Water Meters	1,972,000
2. Central Karoo District Municipality Allocation	Procurement of PPE - COVID-19	272,000
Total		2,244,000

- R 1,710 million towards COVID-19 related expenditure, such as the sanitisation of municipal office buildings and protective clothing / PPE for workers.

Contracted services

- The originally approved COVID-19 social assistance / relief project of R 1,5 million to qualifying households funding approved were re-classified from contracted services to transfers and subsidies as well as to be funded from the additional equitable share allocated by National Treasury.
- R 48 000.00 was allocated to pauper burials to be funded from the Central Karoo District Municipality Allocation.
- Security project for the Traffic Centre, Council Chamber and Administration office.

Transfers and subsidies

- A social assistance of relief package of R 1,683 million will be provided to respond to the current COVID-19 pandemic.
- The relief package will be funded as follows:

Additional COVID19 Equitable Share - NT	1,500,000
Central Karoo District Municipality Grant	80,000
Local Government Support Grant	102,903
Total	1,682,903

The following adjustments were made to the capital budget:

Capital Budget

The originally approved capital budget were revised downwards by R 7,338 million from R 35,897 million to R 28,559 million.

The main adjustments were as follows:

- That the loan to acquire the municipal office building of R 8 million will not be taken up any more due to the current economic climate as well as the lease of the Refuse Removal Truck, Bulldozer and Tipper Truck amounting to R 4,8 million. The situation should be reviewed with the February 2021 adjustments budget.
- R 2 million will be prioritised to acquire a smaller municipal office building, to purchase furniture and office equipment as well as machinery and equipment. This will be financed from Internally generated funds (CRR).
- The following adjustments be made to the following two MIG projects as per the Council resolution of 18th August 2020:

Project	Original Allocation	Adjustment	Adjusted Allocation
Upgrading of Gravel Roads : Merweville - Kamp Street	1,830,764	1,029,414	2,860,178
Construction of Two (2) New Reservoirs : Murraysburg	4,893,187	-1,029,413	3,863,774

- The Integrated National Electrification Programme Grant (INEP) originally allocated to the Municipality was reduced by National Treasury with R 1,186 million as part of the national COVID-19 response.
- Provision was made for the unspent Municipal Drought Relief Grant at 30 June 2020 approved by Provincial Treasury for the Drilling, testing, equipping and connection of boreholes in Merweville amounting to R 4,298,031.

Refer to supporting document Table B5 – Adjustments Capital Expenditure Budget by vote and by funding as well as the detailed capital budget, **Annexure 2**.

Recommendations

It is recommended that:

- The adjusted operating revenue and expenditure projections as set out in table B3 be approved;
- The adjusted capital expenditure and funding sources as set out in table B5 be approved;
- That the service delivery and budget implementation plan be adjusted in accordance with the revised budget and that the revised SDBIP be submitted for approval;
- That the revised budget and SDBIP be submitted to National and Provincial Treasury;
- The adjustments budget data string for 2020/21 must be submitted in the format of a mSCOA data strings uploaded to the LG UpLoad Portal within 10 working days after the adjustments budget has been adopted by Council;
- That no overspending of the revised budget be allowed except in cases where the provisions of section 29(1) of the MFMA can be invoked; and
- That further savings be identified and that directors promote effectiveness and efficiency within their respective directorates.

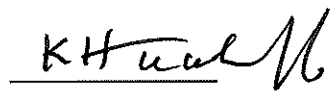


RDL. N Constable
EXECUTIVE MAYOR

Municipal Manager's Quality Certification

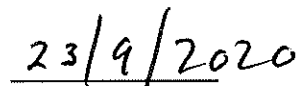
Quality Certificate

In my capacity as the Municipal Manager of the Beaufort West Local Municipality, I hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the municipality.



Dr. Kosie Haarhoff

Beaufort West Local Municipality (WC053)



Date

Annexure 1 – Supporting documentation

Annexure 2
Adjustments Capital Budget over the 2020/21 Medium Term Revenue
Expenditure Framework (MTREF)

Annexure 1 – Supporting documentation

WC053 Beaufort West - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	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												
<i>Governance and administration</i>		67,792	-	-	-	-	3,710	503	4,213	72,005	70,012	73,017
Executive and council		14,034	-	-	-	-	3,710	503	4,213	18,247	14,231	14,883
Finance and administration		53,758	-	-	-	-	-	-	-	53,758	55,780	58,134
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		72,931	-	-	-	-	-	-	-	72,931	77,197	79,108
Community and social services		9,010	-	-	-	-	-	-	-	9,010	13,465	7,434
Sport and recreation		472	-	-	-	-	-	-	-	472	1,732	6,504
Public safety		58,871	-	-	-	-	-	-	-	58,871	61,747	63,906
Housing		4,578	-	-	-	-	-	-	-	4,578	252	1,264
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		6,988	-	-	-	-	-	-	-	6,988	898	4,557
Planning and development		1,916	-	-	-	-	-	-	-	1,916	848	884
Road transport		5,072	-	-	-	-	-	-	-	5,072	50	3,673
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		201,265	-	-	-	-	(1,186)	6,270	5,084	206,349	210,330	228,260
Energy sources		105,190	-	-	-	-	(1,186)	-	(1,186)	104,004	106,920	123,863
Water management		44,578	-	-	-	-	-	6,270	6,270	50,848	47,868	44,549
Waste water management		31,275	-	-	-	-	-	-	-	31,275	33,583	36,079
Waste management		20,222	-	-	-	-	-	-	-	20,222	21,959	23,769
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	348,976	-	-	-	-	2,524	6,773	9,297	358,273	358,437	384,942
Expenditure - Functional												
<i>Governance and administration</i>		71,272	-	-	-	-	3,710	(1,368)	2,342	73,614	70,998	74,588
Executive and council		20,057	-	-	-	-	3,710	(997)	2,713	22,770	19,613	20,729
Finance and administration		49,461	-	-	-	-	-	(371)	(371)	49,090	49,498	51,830
Internal audit		1,755	-	-	-	-	-	-	-	1,755	1,887	2,029
<i>Community and public safety</i>		90,172	-	-	-	-	-	-	-	90,172	90,407	95,047
Community and social services		9,416	-	-	-	-	-	-	-	9,416	10,820	11,494
Sport and recreation		11,048	-	-	-	-	-	-	-	11,048	11,591	12,179
Public safety		63,321	-	-	-	-	-	-	-	63,321	65,842	68,103
Housing		6,385	-	-	-	-	-	-	-	6,385	2,154	3,271
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		30,576	-	-	-	-	-	-	-	30,576	31,120	33,327
Planning and development		7,574	-	-	-	-	-	-	-	7,574	7,976	8,404
Road transport		23,001	-	-	-	-	-	-	-	23,001	23,144	24,923
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		155,155	-	-	-	-	-	1,543	1,543	156,698	160,694	175,998
Energy sources		94,264	-	-	-	-	-	-	-	94,264	99,514	109,708
Water management		33,431	-	-	-	-	-	1,972	1,972	35,403	34,149	36,537
Waste water management		12,687	-	-	-	-	-	-	-	12,687	12,495	13,795
Waste management		14,773	-	-	-	-	-	(429)	(429)	14,344	14,535	15,869
Other		-	-	-	-	-	-	-	-	-	-	-
Expenditure - Functional	3	347,175	-	-	-	-	3,710	175	3,885	351,060	353,218	378,872
Surplus/ (Deficit) for the year		1,801	-	-	-	-	(1,186)	6,598	5,412	7,213	5,218	6,071

WC053 Beaufort West - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjus.	Adjus.	Budget	Budget	Budget
R thousands	1	3	4	5	6	7	8	9	10			
		A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	40,903	-	-	-	-	-	-	-	40,903	42,948	45,096
Service charges - electricity revenue	2	85,273	-	-	-	-	(1,434)	-	(1,434)	83,838	89,536	96,699
Service charges - water revenue	2	22,631	-	-	-	-	(2,218)	-	(2,218)	20,413	24,215	25,911
Service charges - sanitation revenue	2	18,087	-	-	-	-	(1,637)	-	(1,637)	16,450	19,353	20,708
Service charges - refuse revenue	2	9,411	-	-	-	-	(1,372)	-	(1,372)	8,040	10,258	11,182
Rental of facilities and equipment		1,358	-	-	-	-	-	-	-	1,358	1,426	1,497
Interest earned - external investments		1,155	-	-	-	-	-	-	-	1,155	1,271	1,398
Interest earned - outstanding debtors		4,798	-	-	-	-	-	-	-	4,798	5,086	5,391
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		57,326	-	-	-	-	-	-	-	57,326	59,142	62,099
Licences and permits		580	-	-	-	-	-	-	-	580	609	639
Agency services		968	-	-	-	-	-	-	-	968	1,065	1,171
Transfers and subsidies		84,105	-	-	-	-	10,371	2,475	12,846	96,951	82,631	91,702
Other revenue	2	1,570	-	-	-	-	-	-	-	1,570	959	1,000
Gains		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		328,165	-	-	-	-	3,710	2,475	6,185	334,350	338,499	364,493
Expenditure By Type												
Employee related costs		119,705	-	-	-	-	-	-	-	119,705	125,190	132,555
Remuneration of councillors		6,515	-	-	-	-	-	-	-	6,515	6,752	6,999
Debt impairment		54,689	-	-	-	-	-	-	-	54,689	55,312	58,720
Depreciation & asset impairment		25,096	-	-	-	-	-	-	-	25,096	24,739	24,693
Finance charges		3,124	-	-	-	-	-	(800)	(800)	2,324	1,464	1,166
Bulk purchases		76,701	-	-	-	-	-	-	-	76,701	81,303	87,627
Other materials		9,141	-	-	-	-	1,710	2,244	3,954	13,095	9,577	11,680
Contracted services		24,931	-	-	-	-	500	(1,452)	(952)	23,979	20,311	24,932
Transfers and subsidies		500	-	-	-	-	1,500	183	1,683	2,183	550	600
Other expenditure		26,772	-	-	-	-	-	-	-	26,772	28,022	29,900
Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		347,175	-	-	-	-	3,710	175	3,885	351,060	353,218	378,872
Surplus/(Deficit)		(19,009)	-	-	-	-	-	2,300	2,300	(16,709)	(14,719)	(14,379)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		20,811	-	-	-	-	(1,186)	4,298	3,112	23,923	19,937	20,450
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)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		1,801	-	-	-	-	(1,186)	6,598	5,412	7,213	5,218	6,071
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		1,801	-	-	-	-	(1,186)	6,598	5,412	7,213	5,218	6,071
Share of surplus/(deficit) attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		1,801	-	-	-	-	(1,186)	6,598	5,412	7,213	5,218	6,071
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		1,801	-	-	-	-	(1,186)	6,598	5,412	7,213	5,218	6,071

WC053 Beaufort West - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	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>		8,972	-	-	-	-	-	(6,000)	(6,000)	2,972	700	350
Executive and council		120	-	-	-	-	-	-	-	120	-	-
Finance and administration		8,852	-	-	-	-	-	(6,000)	(6,000)	2,852	700	350
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3,118	-	-	-	-	-	0	0	3,118	8,682	6,822
Community and social services		2,341	-	-	-	-	-	0	0	2,342	4,404	982
Sport and recreation		777	-	-	-	-	-	-	-	777	3,343	5,841
Public safety		-	-	-	-	-	-	-	-	-	935	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1,831	-	-	-	-	-	1,029	1,029	2,860	5,102	7,961
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		1,831	-	-	-	-	-	1,029	1,029	2,860	5,102	7,961
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		21,976	-	-	-	-	(1,186)	(1,182)	(2,368)	19,608	7,516	6,648
Energy sources		7,320	-	-	-	-	(1,186)	-	(1,186)	6,134	5,000	5,871
Water management		9,856	-	-	-	-	-	3,268	3,268	13,124	1,158	-
Waste water management		-	-	-	-	-	-	350	350	350	1,358	777
Waste management		4,800	-	-	-	-	-	(4,800)	(4,800)	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	35,897	-	-	-	-	(1,186)	(6,152)	(7,338)	28,559	22,000	21,781
Funded by:												
National Government		19,611	-	-	-	-	(1,186)	-	(1,186)	18,425	19,002	20,450
Provincial Government		1,200	-	-	-	-	-	4,298	4,298	5,498	935	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	20,811	-	-	-	-	(1,186)	4,298	3,112	23,923	19,937	20,450
Borrowing		12,800	-	-	-	-	-	(12,800)	(12,800)	-	-	-
Internally generated funds		2,286	-	-	-	-	-	2,350	2,350	4,636	2,063	1,332
Total Capital Funding		35,897	-	-	-	-	(1,186)	(6,152)	(7,338)	28,559	22,000	21,781

WC053 Beaufort West - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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												
ASSETS												
Current assets												
Cash		458	-	-	-	-	-	681	681	1,140	3,272	5,899
Call investment deposits	1	-	-	-	-	-	-	-	-	-	1,500	2,500
Consumer debtors	1	19,680	-	-	-	-	-	-	-	19,680	15,385	10,875
Other debtors		51,954	-	-	-	-	-	-	-	51,954	43,093	48,213
Current portion of long-term receivables		848	-	-	-	-	-	-	-	848	891	935
Inventory		2,256	-	-	-	-	-	-	-	2,256	2,368	2,487
Total current assets		75,196	-	-	-	-	-	681	681	75,877	66,509	70,910
Non current assets												
Long-term receivables		2,648	-	-	-	-	-	-	-	2,648	2,780	2,919
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		6,804	-	-	-	-	-	-	-	6,804	6,559	6,319
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	541,561	-	-	-	-	(1,186)	(6,152)	(7,338)	534,223	538,822	535,910
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		158	-	-	-	-	-	-	-	158	265	125
Other non-current assets		5,225	-	-	-	-	-	-	-	5,225	5,225	5,225
Total non current assets		556,396	-	-	-	-	(1,186)	(6,152)	(7,338)	549,058	553,652	550,499
TOTAL ASSETS		631,592	-	-	-	-	(1,186)	(5,471)	(6,657)	624,935	620,160	621,409
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		5,323	-	-	-	-	-	(998)	(998)	4,325	3,855	734
Consumer deposits		2,018	-	-	-	-	-	-	-	2,018	2,119	2,225
Trade and other payables		46,798	-	-	-	-	-	(2,384)	(2,384)	44,413	43,111	44,979
Provisions		19,056	-	-	-	-	-	-	-	19,056	20,009	21,010
Total current liabilities		73,196	-	-	-	-	-	(3,382)	(3,382)	69,813	69,095	68,948
Non current liabilities												
Borrowing	1	17,064	-	-	-	-	-	(8,686)	(8,686)	8,378	4,523	3,789
Provisions	1	49,002	-	-	-	-	-	-	-	49,002	47,879	41,055
Total non current liabilities		66,066	-	-	-	-	-	(8,686)	(8,686)	57,380	52,402	44,844
TOTAL LIABILITIES		139,262	-	-	-	-	-	(12,069)	(12,069)	127,193	121,497	113,792
NET ASSETS	2	492,330	-	-	-	-	(1,186)	6,598	5,412	497,742	498,664	507,617
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		488,029	-	-	-	-	(1,186)	6,598	5,412	493,441	494,263	503,116
Reserves		4,301	-	-	-	-	-	-	-	4,301	4,401	4,501
TOTAL COMMUNITY WEALTH/EQUITY		492,330	-	-	-	-	(1,186)	6,598	5,412	497,742	498,664	507,617

WC053 Beaufort West - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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		36,813	-	-	-	-	-	-	-	36,813	38,653	40,586
Service charges		126,126	-	-	-	-	-	(6,661)	(6,661)	119,465	134,985	143,884
Other revenue		20,479	-	-	-	-	-	-	-	20,479	20,562	21,311
Transfers and Subsidies - Operational	1	84,105	-	-	-	-	10,371	-	10,371	94,476	82,631	91,702
Transfers and Subsidies - Capital	1	20,811	-	-	-	-	(1,186)	-	(1,186)	19,625	19,937	20,450
Interest		5,953	-	-	-	-	-	-	-	5,953	6,356	6,788
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(263,765)	-	-	-	-	(2,210)	(792)	(3,002)	(266,767)	(271,153)	(293,692)
Finance charges		(3,124)	-	-	-	-	-	800	800	(2,324)	(1,464)	(1,166)
Transfers and Grants	1	(500)	-	-	-	-	(1,500)	(183)	(1,683)	(2,183)	(550)	(600)
NET CASH FROM/(USED) OPERATING ACTIVITIES		26,898	-	-	-	-	5,475	(6,836)	(1,361)	25,537	29,957	29,264
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(35,897)	-	-	-	-	1,186	6,152	7,338	(28,559)	(22,000)	(21,781)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(35,897)	-	-	-	-	1,186	6,152	7,338	(28,559)	(22,000)	(21,781)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		12,800	-	-	-	-	-	(12,800)	(12,800)	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing		(4,984)	-	-	-	-	-	731	731	(4,252)	(4,325)	(3,855)
NET CASH FROM/(USED) FINANCING ACTIVITIES		7,816	-	-	-	-	-	(12,069)	(12,069)	(4,252)	(4,325)	(3,855)
NET INCREASE/ (DECREASE) IN CASH HELD												
Cash/cash equivalents at the year begin:	2	1,641	-	-	-	-	6,661	(12,752)	(6,091)	(7,274)	3,632	3,627
Cash/cash equivalents at the year end:	2	458	-	-	-	-	6,661	(5,980)	681	1,140	4,772	8,399

WC053 Beaufort West - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	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	458	-	-	-	-	6,661	(5,980)	681	1,140	4,772	8,399
Other current investments > 90 days		-	-	-	-	-	(6,661)	6,661	-	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and Investments available:		458	-	-	-	-	-	681	681	1,140	4,772	8,399
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(9,292)	-	-	-	-	-	(1,871)	(1,871)	(11,163)	(3,615)	(2,038)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		4,301	-	-	-	-	-	-	-	4,301	4,401	4,501
Total Application of cash and investments:		(4,991)	-	-	-	-	-	(1,871)	(1,871)	(6,862)	786	2,463
Surplus(shortfall)		5,449	-	-	-	-	-	2,553	2,553	8,002	3,986	5,936

TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	-	-	-	-	-	-	-	-	-	-	-
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		25,096	-	-	-	-	-	-	-	25,096	24,739	24,693
Repairs and Maintenance by asset class	3	5,319	-	-	-	-	-	-	-	5,319	5,441	5,863
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Community Facilities</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Community Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Heritage Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Investment properties</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		591	-	-	-	-	-	-	-	591	455	567
<i>Housing</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Other Assets</i>		591	-	-	-	-	-	-	-	591	455	567
<i>Biological or Cultivated Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Intangible Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Furniture and Office Equipment</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>		2,903	-	-	-	-	-	-	-	2,903	3,061	3,274
<i>Transport Assets</i>		1,825	-	-	-	-	-	-	-	1,825	1,925	2,023
<i>Land</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>	6	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		30,415	-	-	-	-	-	-	-	30,415	30,180	30,557
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		57.4%	0.0%							81.5%	86.2%	79.6%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>		82.1%	0.0%							78.8%	76.7%	70.2%
<i>R&M as a % of PPE</i>		0.0%	0.0%							0.0%	0.0%	0.0%
<i>Renewal and upgrading and R&M as a % of PPE</i>		0.0%	0.0%							0.0%	0.0%	0.0%

WC053 Beaufort West - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2020/21						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	2 A1	3 B	4 C	5 D	6 E	7 F	+1 2021/22	+2 2022/23
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:										
Operating expenditure of Transfers and Grants										
National Government:		71,663	-	-	10,371	-	10,371	82,034	75,575	83,274
Local Government Equitable Share		67,109	-	-	10,371	-	10,371	77,480	72,374	77,322
Municipal Infrastructure Grant (MIG)		695	-	-	-	-	-	695	737	767
EPWP Incentive		1,859	-	-	-	-	-	1,859	-	-
Finance Management		1,700	-	-	-	-	-	1,700	1,964	2,185
Municipal Systems Improvement		300	-	-	-	-	-	300	500	-
Energy Efficiency and Demand Management		-	-	-	-	-	-	-	-	3,000
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		12,442	-	-	1,972	-	1,972	14,414	7,056	8,428
Financial Management Capacity Building Grant		401	-	-	-	-	-	401	-	-
Human Settlements Development Grant		4,340	-	-	-	-	-	4,340	-	1,000
Municipal Accreditation & Capacity Building Grant		238	-	-	-	-	-	238	252	264
Maintenance and Construction of Transport Infrastructure		50	-	-	-	-	-	50	50	50
Library services replacement funding		6,207	-	-	-	-	-	6,207	6,548	6,908
Community Development Worker Operational Support Grant		206	-	-	-	-	-	206	206	206
Municipal Drought Relief Grant		850	-	-	-	-	-	850	-	-
Thusong Services Centres Grant		150	-	-	-	-	-	150	-	-
Municipal Drought Relief Grant		-	-	-	1,972	-	1,972	1,972	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	400	400	400	-	-
Central Karoo District Municipality		-	-	-	-	400	400	400	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		84,105	-	-	12,343	400	12,743	96,848	82,631	91,702
Capital expenditure of Transfers and Grants										
National Government:		19,611	-	-	(1,186)	-	(1,186)	18,425	19,002	20,450
Municipal Infrastructure Grant (MIG)		13,211	-	-	-	-	-	13,211	14,002	14,579
Integrated National Electrification Programme		6,400	-	-	(1,186)	-	(1,186)	5,214	5,000	5,871
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1,200	-	-	4,298	-	4,298	5,498	935	-
Department of Local Government : Fire Service Capacity Building Grant		-	-	-	-	-	-	-	935	-
Municipal Drought Relief Grant		1,200	-	-	4,298	-	4,298	5,498	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
capital expenditure of Transfers and Grants		20,811	-	-	3,112	-	3,112	23,923	19,937	20,450
Total capital expenditure of Transfers and Grants		104,916	-	-	15,455	400	15,855	120,771	102,568	112,152

Annexure 2
Adjustments Capital Budget over the 2020/21 Medium Term Revenue
Expenditure Framework (MTREF)

Annexure 2 – Adjustments Capital Budget over the 2020/21 Medium Term Revenue Expenditure Framework (MTREF)

Project Name	Budget 2020/2021	Adjusted Budget 2020/2021 Sept	Budget 2021/2022	Budget 2022/2023
Roads & Storm Water Management Programme_Roads Upgrade Project_Upgrade Streets : Kwa-Mandlenkosi: Dliso Ave	-	-	1,354,192.00	-
Roads & Storm Water Management Programme_Storm Water Drainage Project_New Stormwater Drainage : Murraysburg	-	-	1,399,716.00	-
Community Services Programme_Sport and Recreation Project_Upgrade Existing Regional Sport Stadium Ph2 : Rustdene	776,689.00	776,689.00	3,342,965.00	-
Community Services Programme_Cemetries Project_Extention of Goue Akker Cemetery : Beaufort West	2,341,355.00	2,341,761.00	3,422,695.00	-
Community Services Programme_Cemetries Project_Extention of Goue Akker Cemetery : Beaufort West	-	-	981,666.00	981,666.00
Roads & Storm Water Management Programme_Roads Upgrade Project_Upgrading of Gravel Roads : Merweville - Kamp Street	1,830,764.00	2,860,178.00	-	-
Water Services Programme_Water Distribution Project_Construction of New Reservoir : Merweville	3,368,705.00	3,368,298.00	-	-
Water Services Programme_Water Distribution Project_Construction of New Reservoir : Merweville	394,300.00	394,300.00	-	-
Water Services Programme_Water Distribution Project_Construction of Two (2) New Reservoirs : Murraysburg	4,893,187.00	3,863,774.00	776,689.00	-
Water Services Programme_Water Distribution Project_Construction of Two (2) New Reservoirs : Murraysburg	-	-	381,055.00	-
Roads & Storm Water Management Programme_Roads Upgrade Project_Upgrade Gravel Roads : Rustdene: Pieter Street	-	-	1,073,542.00	-
Roads & Storm Water Management Programme_Roads Upgrade Project_Rehabilitate Gravel Roads : Rustdene, Kwa-Mandlenkosi & Hillside	-	-	1,274,292.00	-
Sanitation Programme_Oxidation Ponds Project_Rehabilitation Sanitation: Oxidation Ponds : Nelspoort	-	-	1,357,959.00	776,688.00
Sanitation Programme_Renewal of Sewerage Pump	-	350,000.00	-	-
Roads & Storm Water Management Programme_Murraysburg: Rehabilitate Roads and Storm Water Project_Upgrade Streets : Murraysburg: Setlaars, Paarden & Perl Rds	-	-	-	2,549,448.00
Roads & Storm Water Management Programme_Rehabilitate Roads and Storm Water Project_Murraysburg	-	-	-	1,317,674.00
Community Services Programme_Sport and Recreation Project_Nelspoort Sportsgrounds: Upgrade Sportsgrounds	-	-	-	5,840,782.00
Storm Water Programme_Storm Water Retention Ph2 Project_New Stormwater Retention Pond Phase 2 : Hillside	-	-	-	4,094,108.00
Electricity Programme_Main Substation Project_Upgrading of Main Substation - Phase 3	3,600,000.00	1,614,000.00	-	-
Electricity Programme_Low Smit Substation Project_Upgrading of Low Smit Substation - Phase 2	2,800,000.00	3,600,000.00	-	-
Electricity Programme_Main Substation Project_Upgrading of Main Substation - Phase 4	-	-	5,000,000.00	-
Electricity Programme_Main Substation Project_Upgrading of Main Substation - Phase 5	-	-	-	5,871,000.00
Community Services Programme_Fire Services Project_Fire Truck	-	-	935,000.00	-
Water Services Programme_Water Distribution Project_Enhancement of Borehole Monitoring and Security Upgrades	600,000.00	600,000.00	-	-
Water Services Programme_Water Treatment Project_Supply and Install Generator at WTW	600,000.00	600,000.00	-	-
Water Services Programme_Drilling, testing, equipping and connection of boreholes in Merweville	-	4,298,031.00	-	-
Municipal Governance and Administration Programme_Building Maintenance Project_Acquisition of Municipal Office	8,000,000.00	2,000,000.00	-	-
Refuse Removal Truck	1,800,000.00	-	-	-
Bulldozer	1,800,000.00	-	-	-
Tipper Truck	1,200,000.00	-	-	-
Electricity Programme_Service Connections Project_Electrical Service Connection - Skills Centre	920,000.00	920,000.00	-	-
Participative Structures Programme_Office furniture and machinery equipment project_Video Conferencing Equipment	120,000.00	120,000.00	-	-
Information Communication Technology (ICT) Programme_Computer equipment Project_New Production Server	400,000.00	400,000.00	400,000.00	-
Information Communication Technology (ICT) Programme_Computer equipment Project_Centralized UPS: Finance Server Room	120,000.00	120,000.00	-	-
Information Communication Technology (ICT) Programme_Computer equipment Project_10 X New Laptops & Desktop Computers	250,000.00	250,000.00	300,000.00	350,000.00
Information Communication Technology (ICT) Programme_Computer equipment Project_10 X 1000VA UPS's	12,000.00	12,000.00	-	-
Information Communication Technology (ICT) Programme_Computer equipment Project_65 X 4GB DDR 3 RAM Modules	35,000.00	35,000.00	-	-
Information Communication Technology (ICT) Programme_Computer equipment Project_100 X 120GB SATA SSD drives	35,000.00	35,000.00	-	-
	35,897,000.00	28,559,031.00	21,999,771.00	21,781,366.00