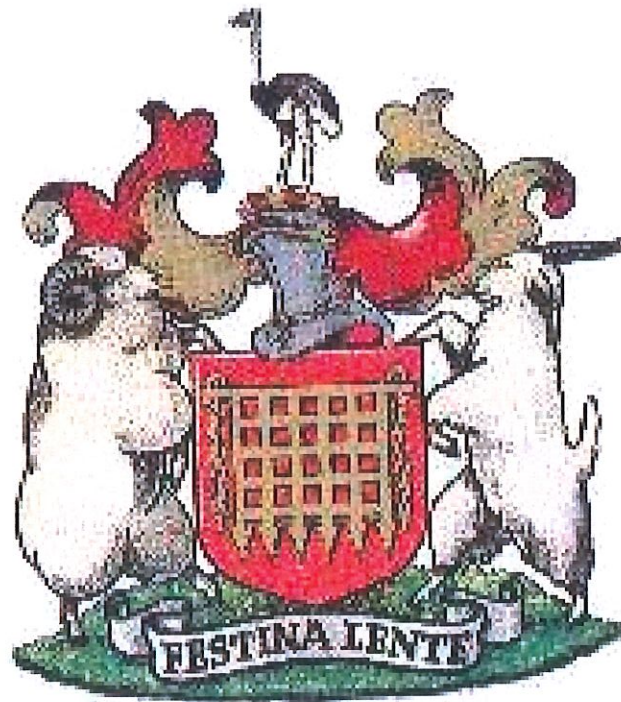




BEAUFORT WEST MUNICIPALITY



ADJUSTMENTS BUDGET 2022 / 2023 February 2023

Table of Contents

Foreword – Adjustments Budget	2 - 3
Executive Summary – Budget 2022/23 to 2024/2025	4 - 7
Recommendations	8
Municipal Manager’s Quality Certification	9

Annexure A – Supporting documentation

- Table B1 - Adjustments Budget Summary
- Table B4 - Adjustments Budget Financial Performance (revenue and expenditure)
- Table B5 - Adjustments Capital Expenditure Budget by vote and by funding
- Table B6 - Adjustments Budget Financial Position
- Table B7 - Adjustments Budget Cash Flows
- Table B8 Cash backed reserves/accumulated surplus reconciliation

Annexure B – Adjustments Capital Budget over the 2022/23 Medium Term Revenue Expenditure Framework (MTREF).

Annexure C – Supporting Table SB7 Adjustments Budget - transfers and grant receipts and Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme.

Foreword – Adjustments Budget

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 also makes provision for the spending of funds that were unspent at the end of the 2021/22 financial year that was approved by National and Provincial Treasury.

EXECUTIVE SUMMARY

Summary of Adjusted Operating Budget

The 2022/23 original approved total revenue budget (excluding capital transfers and contributions) amounted to R 368,904 million. During the adjustments budget process the revenue budget were adjusted upwards from R 368,904 million to R 372,238 million. The total revenue adjustments amounted to R 3,334 million. The projected revenue for the two outer years amounts to R 403,071 million and R 436,072 million respectively.

The total expenditure budget were increased by R 48,609 million, from R 363,631 million to R 412,240 million, resulting in an operating deficit of R 40,001 million and decreasing year on year to R 18,682 million in the 2023/24 budget year and R 12,264 million in the 2024/25 budget year.

Transfers and subsidies capital increased from R 54,024 million to R 55,259 million. When taking into account the transfers and contributions recognised capital, the surplus (deficit) for the year 2022/23 budget year are projected at R 15,258 million, R 3,375 million and R 10,628 million for the two outer budget years.

The following adjustments were made to the 2022/23 operating revenue and expenditure budgets:

Operating Revenue Budget Adjustments:

The originally approved total revenue budget (excluding capital transfers and contributions) were adjusted upwards in total by R 3,334 million.

The following adjustments were made:

- Service charges electricity and sanitation revenue were adjusted downwards by R 1,463 million and R 738 thousand respectively to be in line with the current projected trend. Revenue relating to water had to be adjusted downwards by R 8,396 million from R 33,026 million to R 24,630 million due to revenue lost as a result of faulty pre-paid water meters. As part of a revenue enhancement project, the Western Cape Provincial Government has allocated R 1,993,000 to the Municipality to replace faulty pre-paid water meters with new STS compliant pre-paid water meters. However more funding is

needed to fully address and to improve the situation and thereby increasing water revenue and reducing non-revenue water losses.

- Service charges relating refuse were adjusted upwards by R 1,157 million to be in line with the current billing trend from R 11,146 million to R 12,302 million.
- Interest earned on external investments were adjusted upwards due to the fact that all conditional grants are cash backed by investments as well as the upward trajectory of the interest rate currently.
- Fines, penalties and forfeits were left unchanged at R 49,523 million. Included in this figure is traffic fines projected at R 49,081 million. Below on the expenditure side provision for debt impairment has been made amounting to R 44,173 million, translating into a projected collection rate of 10 percent or R 4,908 million for the 2022/23 budget year.
- Other revenue items were adjusted in line with the current trends into account the performance of the first 7 months of the financial year.
- Revenue to be recognised from transfers and subsidies were adjusted upwards with R 5,927 million. This was done to make provision for Provincial approved and District Municipality grant roll-overs relating to the 2021/22 financial year as well as additional funds gazetted by the Western Cape Provincial Government. Provision was also made for funding received from the Chemical Industries Education & Training Authority towards learnerships and Services SETA towards the Skills Centre. (See **Annexure C** – Supporting Table SB7 Adjustments Budget - transfers and grant receipts and Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme)

Operating Expenditure Budget Adjustments:

The total expenditure budget were adjusted with R 48,609 million, from R 363,631 million to R 412,240 million.

The following adjustments were made:

- Employee related cost and remuneration of councillors were decreased by R 552 and R 251 thousand respectively. Employee related cost remain the biggest cost driver of the municipality and more must be done to further reduce this cost given that this expenditure item will increase to R 129,420 million and R 135,211 million in the two outer budget years which are unsustainable for the municipality.
- Debt impairment were increased by R 37,851 million in the current budget year to R 93,112 million. The major reason for the increase were due to a R 10,668 million bad debt written of provision that was made for indigent households as well as an increase in the provision for debt impairment on service charges and traffic fines to be in line with the projected collection rate.
- Finance charges were increased by R 6,175 million from R 901 thousand to R 7,076 million. The main driver is due to interest on overdue accounts, specifically the Eskom arrear account. The Municipality has entered into a payment arrangement with Eskom at the end of January 2023 to pay-off the outstanding debt and if the payment arrangement is honoured the interest will be capitalised against the debt. In the two outer years it is expected that this expenditure line item will reduce.
- Inventory consumed consist of bulk water purchases as well as materials and supplies for service delivery purposes. The total adjustment to this expenditure item amounts to R 1,006 million.
- The expenditure item contracted services was also reduced by R 3,114 million.
- Transfers and subsidies increased to R 900 thousand due to Western Cape Financial Management Capacity Building Grant earmarked to award bursaries to students studying accounting and finance related disciplines that will be awarded to qualifying and deserving students.

- Other expenditure were projected to increase by R 8,058 million to R 33,101 million for the 2022/23 budget year. Operational cost has increased due to the current price increases experienced in the economy as well as high fuel prices and usage due to effects of load shedding. More cost savings have to be implemented to reduce this expense going forward to ease the burden of price increases.

Capital Budget

The original capital budget were revised downwards by R 117 thousand, from R 50,828 million to R 50,771 million. Given the current financial position of the municipality, the capital budget is primarily funded by national and provincial grants amounting to R 48,052 million or 94,8% of the total budget and from own internally generated funding R 2,660 million or 5,2%.

It should be noted that the current Municipal Infrastructure Grant allocation of R 14,585 million towards capital projects in the 2022/23 budget year will be reduced by R 5, 794 million to R 8,791 million.

The Integrated National Electrification Programme Grant budget will increase by R 5,614 million from R 11 million to R 16,614 million due to the 2021/22 roll-over on the 20MVA 22/11Kv Upgrading of the Main Substation (Phase IV) that was approved by National Treasury.

The municipality were also allocated an additional R 1,415 million from the Western Cape Provincial Government towards capital expenditure.

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

Recommendations

It is recommended that:

- The adjusted operating revenue and expenditure projections as set out in table B4 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 2022/23 must be submitted in the format of a mSCOA data strings uploaded to the LG UpLoad Portal 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;
- That overtime and standby be monitored closely; and
- That further savings be identified and that directors promote effectiveness and efficiency within their respective directorates.



RDL. A. Sauls I
EXECUTIVE MAYOR

Municipal Manager's Quality Certification

Quality Certificate

In my capacity as the acting 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. RR Links

Beaufort West Local Municipality (WC053)

28/02/2023

Date

Annexure A – Supporting documentation

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

Description	Ref	Current Year 2022/23									Budget Year #1	Budget Year #2
		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
		3	4	5	6	7	8	9	10			
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	47,808	-	-	-	-	-	-	-	47,808	50,199	52,709
Service charges - electricity revenue	2	103,525	-	-	-	-	-	(1,463)	(1,463)	102,062	119,891	134,257
Service charges - water revenue	2	33,026	-	-	-	-	-	(8,396)	(8,396)	24,630	27,086	29,788
Service charges - sanitation revenue	2	22,082	-	-	-	-	-	(738)	(738)	21,344	23,478	25,826
Service charges - refuse revenue	2	11,146	-	-	-	-	-	1,157	1,157	12,302	13,533	14,886
Rental of facilities and equipment		1,671	-	-	-	-	-	-	-	1,671	1,838	2,022
Interest earned - external investments		385	-	-	-	-	-	1,245	1,245	1,630	750	850
Interest earned - outstanding debtors		7,917	-	-	-	-	-	4,610	4,610	12,527	13,923	15,440
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		49,523	-	-	-	-	-	-	-	49,523	54,475	59,922
Licences and permits		226	-	-	-	-	-	240	240	466	489	515
Agency services		900	-	-	-	-	-	300	300	1,200	1,320	1,452
Transfers and subsidies		89,312	-	-	-	-	1,423	4,504	5,927	95,239	94,139	96,327
Other revenue	2	1,385	-	-	-	-	-	452	452	1,837	1,950	2,078
Gains		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		368,904	-	-	-	-	1,423	1,911	3,334	372,238	403,071	436,072
Expenditure By Type												
Employee related costs		126,374	-	-	-	-	-	(552)	(552)	125,822	129,420	135,211
Remuneration of councillors		6,538	-	-	-	-	-	(251)	(251)	6,286	6,761	7,072
Debt impairment		55,261	-	-	-	-	-	37,851	37,851	93,112	87,539	92,824
Depreciation & asset impairment		24,986	-	-	-	-	-	-	-	24,986	26,342	27,659
Finance charges		901	-	-	-	-	-	6,175	6,175	7,076	2,086	1,739
Bulk purchases - electricity		82,979	-	-	-	-	-	(914)	(914)	82,065	97,370	109,775
Inventory consumed		21,389	-	-	-	-	1,733	(727)	1,006	22,396	21,594	22,883
Contracted services		19,611	-	-	-	-	180	(3,294)	(3,114)	16,497	15,577	13,817
Transfers and subsidies		550	-	-	-	-	350	-	350	900	550	550
Other expenditure		25,043	-	-	-	-	-	8,058	8,058	33,101	34,516	36,808
Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		363,631	-	-	-	-	2,263	46,345	48,609	412,240	421,753	448,337
Surplus/(Deficit)		5,273	-	-	-	-	(840)	(44,434)	(45,274)	(40,001)	(18,682)	(12,265)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		54,024	-	-	-	-	(4,379)	5,614	1,235	55,259	22,057	22,893
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		59,297	-	-	-	-	(5,219)	(38,820)	(44,039)	15,258	3,375	10,628
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		59,297	-	-	-	-	(5,219)	(38,820)	(44,039)	15,258	3,375	10,628
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		59,297	-	-	-	-	(5,219)	(38,820)	(44,039)	15,258	3,375	10,628
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		59,297	-	-	-	-	(5,219)	(38,820)	(44,039)	15,258	3,375	10,628

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

Description	Ref	Current Year 2022/23									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjus.	Budget	Budget	Budget
A	A1	B	C	D	E	F	G	H				
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - DIRECTORATE: INFRASTRUCTURE SERVICES		32,022	-	-	-	-	-	(13,110)	(13,110)	18,912	12,237	11,280
Vote 3 - DIRECTORATE: ELECTRO-TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - DIRECTORATE: CORPORATE SERVICES		701	-	-	-	-	-	800	800	1,501	-	-
Vote 5 - DIRECTORATE: FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - DIRECTORATE: COMMUNITY SERVICES		3,512	-	-	-	-	-	626	626	4,138	3,314	3,895
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	36,235	-	-	-	-	-	(11,684)	(11,684)	24,551	15,551	15,175
Single-year expenditure to be adjusted	2											
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - DIRECTORATE: INFRASTRUCTURE SERVICES		14,243	-	-	-	-	-	11,717	11,717	25,960	-	-
Vote 3 - DIRECTORATE: ELECTRO-TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - DIRECTORATE: CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - DIRECTORATE: FINANCIAL SERVICES		122	-	-	-	-	-	(72)	(72)	50	-	-
Vote 6 - DIRECTORATE: COMMUNITY SERVICES		228	-	-	-	-	-	(78)	(78)	150	4,174	4,732
		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		14,593	-	-	-	-	-	11,567	11,567	26,160	4,174	4,732
Total Capital Expenditure - Vote		50,828	-	-	-	-	-	(117)	(117)	50,711	19,725	19,907
Capital Expenditure - Functional												
Governance and administration		823	-	-	-	-	-	728	728	1,551	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		823	-	-	-	-	-	728	728	1,551	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		3,740	-	-	-	-	-	548	548	4,288	3,314	3,895
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		3,512	-	-	-	-	-	626	626	4,138	3,314	3,895
Public safety		228	-	-	-	-	-	(78)	(78)	150	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		7,501	-	-	-	-	-	(3,436)	(3,436)	4,065	3,096	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		7,501	-	-	-	-	-	(3,436)	(3,436)	4,065	3,096	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		38,764	-	-	-	-	-	2,043	2,043	40,807	13,315	16,012
Energy sources		10,961	-	-	-	-	-	3,847	3,847	14,808	6,087	6,378
Water management		24,730	-	-	-	-	-	970	970	25,699	-	-
Waste water management		3,073	-	-	-	-	-	(2,773)	(2,773)	300	3,054	4,901
Waste management		-	-	-	-	-	-	-	-	-	4,174	4,732
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	50,828	-	-	-	-	-	(117)	(117)	50,711	19,725	19,907
Funded by:												
National Government		46,978	-	-	-	-	-	(157)	(157)	46,821	19,180	19,907
Provincial Government		-	-	-	-	-	-	1,230	1,230	1,230	-	-
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	46,978	-	-	-	-	-	1,074	1,074	48,052	19,180	19,907
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		3,850	-	-	-	-	-	(1,191)	(1,191)	2,660	545	-
Total Capital Funding		50,828	-	-	-	-	-	(117)	(117)	50,711	19,725	19,907

WC053 Beaufort West - Table B6 Adjustments Budget Financial Position -

Description	Ref	Current Year 2022/23									Budget Year +1 2023/24	Budget Year +2 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
ASSETS												
Current assets												
Cash		3,090					(8,432)	(8,057)	(16,489)	(13,398)	(19,995)	(22,608)
Call investment deposits	1	530						12,277	12,277	12,807	12,807	12,807
Consumer debtors	1	21,597						(7,373)	(7,373)	14,224	16,711	19,730
Other debtors		61,039						52,625	52,625	113,664	111,611	108,964
Current portion of long-term receivables		1,830						575	575	2,405	2,405	2,405
Inventory		3,389						35	35	3,424	3,424	3,424
Total current assets		91,475					(8,432)	50,082	41,650	133,125	126,962	124,721
Non current assets												
Long-term receivables		2,460						(1,348)	(1,348)	1,112	1,112	1,112
Investments								630	630	630	630	630
Investment property		6,213						(36)	(36)	6,177	5,963	5,739
Investment in Associate												
Property, plant and equipment	1	563,555					1,074	(115,404)	(114,330)	449,225	442,925	435,507
Biological												
Intangible		199						(171)	(171)	29	(75)	(183)
Other non-current assets		5,225								5,225	5,225	5,225
Total non current assets		577,652					1,074	(116,328)	(115,254)	462,398	455,781	448,030
TOTAL ASSETS		669,127					(7,358)	(66,246)	(73,604)	595,523	582,743	572,751
LIABILITIES												
Current liabilities												
Bank overdraft		40,455						(40,455)	(40,455)			
Borrowing		515						219	219	734	658	600
Consumer deposits		3,850						(8)	(8)	3,842	3,842	3,842
Trade and other payables		79,389					(2,139)	105,428	103,290	182,678	166,918	145,951
Provisions		16,586						(1,852)	(1,852)	14,734	15,216	15,389
Total current liabilities		140,794					(2,139)	63,332	61,194	201,988	186,633	165,782
Non current liabilities												
Borrowing	1	1,818						1,972	1,972	3,790	3,132	2,532
Provisions	1	41,948						3,516	3,516	45,464	45,323	46,153
Total non current liabilities		43,766						5,488	5,488	49,254	48,454	48,685
TOTAL LIABILITIES		184,560					(2,139)	68,820	66,681	251,241	235,088	214,467
NET ASSETS	2	484,567					(5,219)	(135,066)	(140,285)	344,281	347,656	358,284
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		480,462					(5,219)	(135,066)	(140,285)	340,177	343,552	354,180
Reserves		4,104								4,104	4,104	4,104
TOTAL COMMUNITY WEALTH/EQUITY		484,567					(5,219)	(135,066)	(140,285)	344,281	347,656	358,284

WC053 Beaufort West - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Current Year 2022/23									Budget Year +1 2023/24	Budget Year +2 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	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		40,379	-	-	-	-	-	537	537	40,916	42,962	45,110
Service charges		149,742	-	-	-	-	-	(10,365)	(10,365)	139,378	160,937	179,402
Other revenue		27,328	-	-	-	-	-	(16,714)	(16,714)	10,614	14,257	18,541
Transfers and Subsidies - Operational	1	89,312	-	-	-	-	1,423	1,454	2,877	92,189	94,139	96,327
Transfers and Subsidies - Capital	1	54,024	-	-	-	-	(4,379)	-	(4,379)	49,645	22,057	22,893
Interest		6,882	-	-	-	-	-	(5,252)	(5,252)	1,630	750	850
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(299,134)	-	-	-	-	-	7,860	7,860	(291,274)	(318,604)	(342,881)
Finance charges		(901)	-	-	-	-	-	(6,175)	(6,175)	(7,076)	(2,086)	(1,739)
Transfers and Grants	1	(550)	-	-	-	-	-	(350)	(350)	(900)	(550)	(550)
NET CASH FROM/(USED) OPERATING ACTIVITIES		67,083	-	-	-	-	(2,956)	(29,004)	(31,960)	35,123	13,862	17,952
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		0	-	-	-	-	-	(0)	(0)	-	-	-
Decrease (increase) in non-current investments		(0)	-	-	-	-	-	-	0	-	-	-
Payments												
Capital assets		(58,452)	-	-	-	-	-	7,741	7,741	(50,711)	(19,725)	(19,907)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(58,452)	-	-	-	-	-	7,741	7,741	(50,711)	(19,725)	(19,907)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		218	-	-	-	-	-	(218)	(218)	-	-	-
Payments												
Repayment of borrowing		(758)	-	-	-	-	-	-	-	(758)	(734)	(658)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(540)	-	-	-	-	-	(218)	(218)	(758)	(734)	(658)
NET INCREASE/ (DECREASE) IN CASH HELD		8,090	-	-	-	-	(2,956)	(21,481)	(24,437)	(16,347)	(6,597)	(2,613)
Cash/cash equivalents at the year begin:	2	5,000	-	-	-	-	-	11,386	11,386	16,386	39	(6,558)
Cash/cash equivalents at the year end:	2	13,090	-	-	-	-	(2,956)	(10,095)	(13,051)	39	(6,558)	(9,170)

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

Description	Ref	Current Year 2022/23											Budget Year +1 2023/24	Budget Year +2 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget		
R thousands		A	3	4	5	6	7	8	9	10	H			
Cash and investments available														
Cash/cash equivalents at the year end	1	13,090	-	-	-	-	-	(13,051)	(13,051)	39		(5,733)	(14,651)	
Other current investments > 90 days		(49,925)	-	-	-	-	-	49,925	49,925	-		17,064	25,983	
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-		-	-	
Cash and investments available:		(36,834)	-	-	-	-	-	36,873	36,873	39		11,332	11,332	
Applications of cash and investments														
Unspent conditional transfers		-	-	-	-	-	-	-	-	-		-	-	
Unspent borrowing		-	-	-	-	-	-	-	-	-		-	-	
Statutory requirements		-	-	-	-	-	-	-	-	-		-	-	
Other working capital requirements	2	(349,770)	-	-	-	-	-	325,398	325,398	(24,373)		(27,220)	(30,167)	
Other provisions		-	-	-	-	-	-	-	-	-		-	-	
Long term investments committed		-	-	-	-	-	-	-	-	-		-	-	
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-		-	-	
Total Application of cash and investments:		(349,770)	-	-	-	-	-	325,398	325,398	(24,373)		(27,220)	(30,167)	
Surplus(shortfall)		312,936	-	-	-	-	-	(288,524)	(288,524)	24,412		38,552	41,498	

Annexure B
Adjustments Capital Budget over the 2021/22 Medium Term Revenue
Expenditure Framework (MTREF)

**Annexure C –
Supporting Table SB7 Adjustments Budget - transfers and grant
receipts and Supporting Table SB8 Adjustments Budget - expenditure
on transfers and grant programme.**

WC053 Beaufort West - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2022/23						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	A1	B	C	D	E	F		
R thousands										
RECEIPTS:	1.2									
Operating Transfers and Grants										
National Government:		81,254	--	--	--	--	--	81,254	85,677	91,610
Local Government Equitable Share		77,265	--	--	--	--	--	77,265	82,700	88,606
Municipal Infrastructure Grant	3	768	--	--	--	--	--	768	792	819
Local Government Financial Management Grant		2,085	--	--	--	--	--	2,085	2,185	2,185
Expanded Public Works Programme Integrated Grant		1,136	--	--	--	--	--	1,136	--	--
Other transfers and grants [insert description]		--	--	--	--	--	--	--	--	--
Provincial Government:		8,058	--	--	1,423	--	1,423	9,481	7,625	4,717
Human Settlements Development Grant (Beneficiaries)		850	--	--	(850)	--	(850)	--	2,932	--
Municipal Accreditation and Capacity Building Grant		256	--	--	--	--	--	256	--	--
Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure	4	50	--	--	--	--	--	50	50	50
Library Service - Replacement Funding for most vulnerable B3 Municipalities		6,679	--	--	--	--	--	6,679	4,274	4,444
Community Development Workers (CDW) Operational Support Grant		223	--	--	--	--	--	223	223	223
Western Cape Financial Management Capacity Building Grant		--	--	--	2,093	--	2,093	2,093	--	--
Western Cape Municipal Interventions Grant		--	--	--	180	--	180	180	--	--
Thusong Service Centres Grant (Sustainability: Operational Support Grant)		--	--	--	--	--	--	--	146	--
Other transfers and grants [insert description]	5	--	--	--	--	--	--	--	--	--
District Municipality:		--	--	--	--	200	200	200	--	--
Central Karoo District Municipality		--	--	--	--	200	200	200	--	--
Other grant providers:		--	--	--	--	1,254	1,254	1,254	836	--
Chemical Industries Education & Training Authority		--	--	--	--	1,254	1,254	1,254	836	--
Total Operating Transfers and Grants	6	89,312	--	--	1,423	1,454	2,877	92,189	94,139	96,327
Capital Transfers and Grants										
National Government:		54,024	--	--	(5,794)	--	(5,794)	48,230	22,057	22,893
Municipal Infrastructure Grant		14,585	--	--	(5,794)	--	(5,794)	8,791	15,057	15,558
Integrated National Electrification Programme Grant		11,000	--	--	--	--	--	11,000	7,000	7,335
Water Services Infrastructure Grant		28,439	--	--	--	--	--	28,439	--	--
Other capital transfers [insert description]		--	--	--	--	--	--	--	--	--
Provincial Government:		--	--	--	1,415	--	1,415	1,415	--	--
Western Cape Municipal Interventions Grant		--	--	--	300	--	300	300	--	--
Emergency Municipal Load Shedding Relief Grant		--	--	--	1,115	--	1,115	1,115	--	--
District Municipality:		--	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
Other grant providers:		--	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
Total Capital Transfers and Grants	6	54,024	--	--	(4,379)	--	(4,379)	49,645	22,057	22,893
TOTAL RECEIPTS OF TRANSFERS & GRANTS		143,336	--	--	(2,956)	1,454	(1,502)	141,834	116,195	119,220

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

Description	Ref	Budget Year 2022/23						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F	+1 2023/24 Adjusted Budget	+2 2024/25 Adjusted Budget
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:										
Operating expenditure of Transfers and Grants										
National Government:										
		81,254	-	-	-	-	-	81,254	85,677	91,610
Local Government Equitable Share		77,265	-	-	-	-	-	77,265	82,700	88,606
Municipal Infrastructure Grant		768	-	-	-	-	-	768	792	819
Local Government Financial Management Grant		2,085	-	-	-	-	-	2,085	2,185	2,185
Expanded Public Works Programme Integrated Grant		1,136	-	-	-	-	-	1,136	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:										
		8,058	-	-	1,423	1,360	2,783	10,841	7,625	4,717
Human Settlements Development Grant (Beneficiaries)		850	-	-	(850)	-	(850)	-	2,932	-
Municipal Accreditation and Capacity Building Grant		256	-	-	-	(91)	(91)	165	-	-
Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure		50	-	-	-	-	-	50	50	50
Library Service - Replacement Funding for most vulnerable B3 Municipalities		6,679	-	-	-	-	-	6,679	4,274	4,444
Community Development Workers (CDW) Operational Support Grant		223	-	-	-	165	165	388	223	223
Western Cape Financial Management Capacity Building Grant		-	-	-	2,093	250	2,343	2,343	-	-
Western Cape Municipal Interventions Grant		-	-	-	180	-	180	180	-	-
Thusong Service Centres Grant (Sustainability: Operational Support Grant)		-	-	-	-	-	-	-	146	-
Local Government Public Employment Support Grant		-	-	-	-	1,036	1,036	1,036	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:										
Central Karoo District Municipality		-	-	-	-	491	491	491	-	-
Other grant providers:										
Chemical Industries Education & Training Authority		-	-	-	-	2,654	2,654	2,654	836	-
Services SETA		-	-	-	-	1,400	1,400	1,400	-	-
		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		89,312	-	-	1,423	4,504	5,927	95,239	94,139	96,327
Capital expenditure of Transfers and Grants										
National Government:										
		54,024	-	-	(5,794)	5,614	(180)	53,844	22,057	22,893
Municipal Infrastructure Grant		14,585	-	-	(5,794)	-	(5,794)	8,791	15,057	15,558
Integrated National Electrification Programme Grant		11,000	-	-	-	5,614	5,614	16,614	7,000	7,335
Water Services Infrastructure Grant		28,439	-	-	-	-	-	28,439	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:										
		-	-	-	1,415	-	1,415	1,415	-	-
Western Cape Municipal Interventions Grant		-	-	-	300	-	300	300	-	-
Emergency Municipal Load Shedding Relief Grant		-	-	-	1,115	-	1,115	1,115	-	-
District Municipality:										
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:										
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		54,024	-	-	(4,379)	5,614	1,235	55,259	22,057	22,893
Total capital expenditure of Transfers and Grants		143,336	-	-	(2,956)	10,119	7,162	150,498	116,195	119,220