

BA-PHALABORWA LOCAL MUNICIPALITY

February 28

**ADJUSTMENT BUDGET
2023/24 MTRF**

2024

'THE HOME OF MARULA AND WILDLIFE TOURISM'

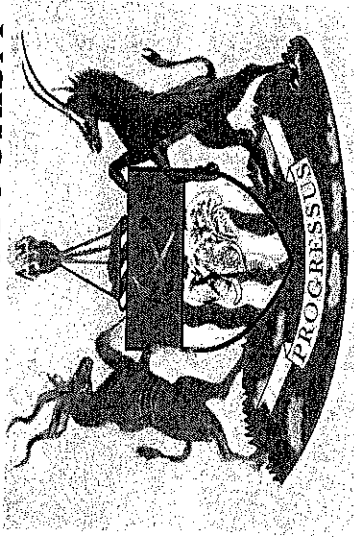


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Abbreviations and Acronyms

CPIX	Consumer Price Index
DORA	Division of Revenue Act
CoGTA	Department of Cooperative Governance and Traditional Affairs
EXCO	Executive Committee
DLGH	Department of Local Government and Housing
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
INEG	Integrated National Electrification Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
NT	National Treasury
PPP	Public-Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
EEDSMG	Electricity Efficiency Demand System Management Grant

PART ONE

Mayor's speech for tabling of the 2023/24 Adjustment Budget

Honourable Speaker, Cllr. Mabunda N O; Chief Whip of Council, Cllr Rapatsa D; Members of the Executive Committee; Chairperson of MPAC, Cllr. Mkhari M P; Honourable Councillors; Traditional Leaders and Representatives of Tribal Authorities; Municipal Manager and the entire Administrative Staff; Ladies and Gentlemen,

Honorable Speaker, an adjustment budget provides for unforeseen and unavoidable expenditure, appropriation of monies already announced during the tabling of the annual budget, as well as the shifting of funds between and within votes.

Honorable Speaker the amendment to the original budget as outlined below is in line with section 28 (e) of the Municipal Finance Management Act no 56 of 2003 read with MFMA circulars and together with the 2023 Division of Revenue Act (DORA).

The Act further prescribes in accordance with Section 72 that during mid-year, the municipality should conduct an assessment of its performance in line with the set performance indicators, targets or milestones and the budget to determine whether the municipality is in the right path to achieve its annual objectives reflected by the performance indicators and targets as depicted on the approved 2023/24 service delivery and budget implementation plan (SDBIP). Hence the tabling of this revised budget here today.

The National government has issued a Gazette which provides information regarding the adjustment of allocations made to municipalities in the 2023-24 financial year during the mid-year adjustments.

There was no reduction on the equitable share allocated to the municipality, however there was a downward adjustments on the capital conditional grants allocated to the municipality.

Honourable speaker, the total Operating revenue budget excluding capital transfers and contributions increased from **R676, 3 million to R678, 9 million** after consideration of the mid-year assessment outcome on revenue and expenditure performance.

Honourable Speaker the revised projections of the Municipal Revenue per service are as follows:

- The Municipal Assessment rates will remain unchanged at R184,5 million
- Service charges electricity will remain unchanged at R175,6 million
- Services charges refuse remained unchanged at R20,8 million
- Rental of facilities and equipment will change from R220 thousand to R270 thousand noting the mid-year performance assessment.
- Interest earned from Current and Non-Current Assets will change from R2, 6 million to R5, 1 million noting the mid-year performance assessment.
- Interest earned on outstanding debtors remained unchanged at R62,6 million
- Fines and penalties remained unchanged at R1, 3 million.
- Licenses and permits remained unchanged at R6, 1 million.
- Agency fees remained unchanged at R6, 5 million.
- Transfers and subsidies remained unchanged at R207, 4 million.
- Other revenue remained unchanged at R8,5 million

Total Operating expenditure budget for 2023/24 remained unchanged at R764, 5 million

The expenditure by type that were affected by the adjustment are as follows:

- The employees cost remained unchanged at R199, 8 million.
- Remuneration of councillors will decrease from R20, 1 million to R18, 4 due to ward committee expenses classified as operational expenses.
- Debt impairment remained unchanged at R100 million
- Depreciation remained unchanged at R79,3 million
- Finance charges remained unchanged at R19,4 million
- Bulk purchases will decrease from R139,4 to R138,3 million
- Inventory consumed remained unchanged at R25 million
- Contracted services will decrease from R83,2 million to R78,9 million
- Other expenditure will increase from R96, 6 million to R99, 5 million to cater service delivery issues such as maintenance of electricity and roads infrastructure.

Honourable Speaker, the total capital budget will decrease from **R64, 8 million to R57, 2 million**. This is based on the Publication of the Adjustment Gazette in terms of Sections 15 & 25 of Division of Revenue Act.

Municipal Infrastructure Grants (MIG) Projects will change as follows:

Project Name	Original Budget 2023/24	Adjustment Budget 2023/24	Final Budget 2023/24	Budget Year 2024/25	Budget Year 2025/26
Upgrading of Benfarm road Phase 2	10 792 000.00	7 000 000.00	17 792 000.00	7 627 800.00	0
Construction of stormwater culverts	10 000 000.00	- 3 750 000.00	6 250 000.00	0	0
Refurbishment of Namakgale Stadium	15 000 000.00	-5 770 000.00	9 230 000.00	10 887 937.00	0
Totals	35 792 000.00	-2 520 000.00	33 272 000.00	18 515 737.00	0

Total MIG projects will decrease by **R2, 5 million** from **R35, 8 million to R33, 2 million**.

- Benfarm upgrading of street increased from R10,8 million to R17,8 million
- Installation of storm water culverts decreased from R10 million to R6, 3 million.
- Refurbishment of Namakgale stadium decreased from R15 million to R9, 2 million.

Integrated Electrification Programme (INEP) has been adjusted as follows:

Project Name	Original Budget 2023/24	Adjustment Budget 2023/24	Final Budget 2023/24	Budget Year 2024/25	Budget Year 2025/26
ELECTRIFICATION OF MAJEJE EXT B PHASE 2 (400 UNITS)	8 000 000.00	- 3 000 000.00	5 000 000.00	12 000 000.00	12 538 000.00
ELECTRIFICATION OF NONDOWENI PRE-ENG (120 UNITS)	114 000.00	0	114 000.00	0	0
ELECTRIFICATION OF MATIKOXIKAYA (250)	5 000 000.00	- 1 000 000.00	4 000 000.00	0	0
ELECTRIFICATION OF MAKHUSHWANE CAMP (180 UNITS)	3 600 000.00	- 1 000 000.00	2 600 000.00	0	0
ELECTRIFICATION OF NYAKELLANG PHASE 2 (120)	2 400 000.00	0	2 400 000.00	0	0
ELECTRIFICATION OF MASHISHIMALE (75 UNITS)	1 500 000.00	0	1 500 000.00	0	0
ELECTRIFICATION OF PRIESKA PRE-ENG (150)	180 000.00	0	180 000.00	0	0
TOTAL	20 794 000.00	- 5 000 000.00	15 794 000.00	12 000 000.00	12 538 000.00

Projects funded internally remains unchanged as follows:

Project Name	Original Budget 2023/24	Adjustment Budget 2023/24	Final Budget 2023/24	Budget Year 2024/25	Budget Year 2025/26
Office Furniture & Equipment	1 500 000.00	0	1 500 000.00	0	0
Upgrading Tambo Street from gravel to tar	5 680 000.00	0	5 680 000.00	5 680 000.00	5 680 000.00
Establishment of new landfill site (Phalaborwa)	1 000 000.00	0	1 000 000.00	0	0
Totals	8 180 000.00	0	8 180 000.00	5 680 000.00	5 680 000.00

Honourable Speaker, the municipality must continue to implement the **cost containment regulation 2019** as previously approved by Council and also continue to implement the revenue enhancement strategy and financial recovery plan in order to improve our financial status and maintain healthy cash flows.

Adjustment Budget Resolutions

1.1 Adjustment Budget for 2023/24

Council resolved that the adjustment and MTREF and its supporting tables of the Ba-Phalaborwa Municipality (LIM334) for the financial year 2023/24; be approved as set out on the following tables:

Table B1	Adjustment budget summary
Table B2	Adjustment budget financial performance – Standard Classification
Table B3	Adjustment budget financial performance – Revenue and Expenditure by Municipal Vote
Table B4	Adjustment budget financial performance – Revenue and Expenditure
Table B5	Adjustment budget Capital Expenditure- Vote
Table B6	Adjustment Budget Financial Position
Table B7	Adjustment Budget Cash Flows
Table B8	Cash backed reserves/accumulated surplus reconciliation.
Table B9	Asset Management

2.2 Adjustment permitted in terms of Section 28 (2) of MFMA

Council resolved that the total budgeted annual Revenue increased from **R676, 3 million** to **R678, 9 million** excluding capital transfers and contributions be approved.

Council resolved that the total budgeted annual operating Expenditure remained unchanged at **R 764, 4 million** be approved.

Council resolved that the total budgeted Capital expenditure reduced from **R64, 8 million** to **R57.2 million** be approved.

2.3 Adjustment budget supporting tables for 2023/24 MTREF.

Council resolved that the adjustment budget of the Ba-Phalaborwa Municipality for the financial year 2023/24, and indicative figures for two outer years 2024/25 and 2025/26 are approved as set out in the following tables.

Table SB1	Budgeted financial position.
Table SB2	Supporting details to financial position.
Table SB3	Adjustment - SDBIP- Performance objectives
Table SB4	Adjustment budget - performance indicators and benchmarks
Table SB5	Adjustment budget – Social, Economic, Demographic statistics and Assumptions
Table SB6	Adjustment budget – Funding Measurement
Table SB7	Adjustment budget – Transfers and Grant Receipts
Table SB8	Adjustment budget – Expenditure on Transfers and Grant Programme
Table SB9	Adjustment budget – Reconciliation of transfers, Grant Receipts and Unspent Funds
Table SB10	Adjustment budget – Transfers and Grant by the Municipality
Table SB11	Adjustment budget – Councillor and Staff benefits
Table SB12	Adjustment budget – Monthly Revenue and Expenditure (Municipal Votes)
Table SB13	Adjustment budget - Monthly Revenue and Expenditure (Functional Classification)
Table SB14	Adjustment budget – Monthly Revenue and Expenditure
Table SB15	Adjustment budget – Monthly Cash flows
Table SB16	Adjustment budget – Monthly Expenditure (Municipal Votes)
Table SB17	Adjustment budget – Monthly Capital expenditure (Functional Classification)
Table SB18a	Adjustment budget – Capital Expenditure on New Assets (Assets Class)
Table SB18b	Adjustment budget – Capital Assets on renewal of existing assets (Assets Class)
Table SB18c	Adjustment budget – Expenditure on Repairs and Maintenance (Assets Class)
Table SB19	Adjustment budget –List of Capital programme or projects affected by Adjustment

2.4 Revised Service Delivery and Budget Implementation Plan (SDBIP)

Council note that the revised SDBIP will be tabled after the adjustment budget has been approved in line with MFMA section 54(1) (c).

2.5 Budget Related Polices

Council resolved that the following budget related policies remain unchanged as approved by council.

1. Property Rates Policy
2. Tariff Policy
3. Credit Control Policy
4. Debt Collection Policy
5. Indigent Household Consumer Subsidy policy
6. Virement policy
7. Budget policy
8. Petty Cash policy
9. Asset Management Policy
10. Bad Debts Write Off
11. Deposit Policy
12. Cash management and Investment Policy
13. Fleet management Policy
14. Electricity by-laws
15. Land use by-law

16. Electricity supply by-laws
17. Subsistence and travelling policy
18. Customer care Policy and Service Standards
19. Inventory Management Policy
20. Model SCM Policy for Infrastructure Procurement and Delivery Management
21. Sale and Disposal of Municipal Land/Property Policy
22. Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy

To this end, Honourable Speaker we are therefore proposing the aforesaid adjusted budget to be approved by Council.

I thank you.

EXECUTIVE SUMMARY

In accordance with Section 28 of the Municipal Finance Management Act, 56 of 2003, a municipality may revise an approved annual budget through an adjustment budget. In terms of Section 72 (3) of the MFMA, the Accounting Officer must as part of review, make recommendations as to whether an adjustment budget is necessary and recommends revised projections for revenue and expenditure to the extent that this may be necessary.

The section further provides that an adjustment budget may authorise the following:

- a) Provide for any other expenditure within a prescribed framework.
- b) Correct any errors in the annual budget (Budget overstated and under-stated)
- c) Spending of funds that were unspent at the end of the past financial year where under-spending could not reasonably have been foreseen at the time to include correctly projected roll-over amounts when the annual budget for the current year was approved by Council.
- d) Appropriation of projected savings in one vote towards spending under another vote

The following table reflects the approved and revised budget revenue 2023/24

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year-2023/24										Budget Year-12
		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	B	C	D	E	F	G	H	I	J	K
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	175 582	-	-	-	-	-	-	-	-	-	237 039
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	20 772	-	-	-	-	-	-	-	-	-	22 813
Sale of Goods and Rendering of Services		743	-	-	-	-	-	-	-	-	-	816
Agency services		6 529	-	-	-	-	-	-	-	-	-	7 170
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		17 508	-	-	-	-	-	-	-	-	-	19 229
Interest earned from Current and Non-Current Assets		2 613	-	-	-	-	2 500	-	-	-	-	2 870
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		220	-	-	-	-	50	-	-	-	-	242
Licence and permits		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		7 759	-	-	-	-	-	-	-	-	-	8 525
Non-Exchange Revenue												
Property rates	2	184 556	-	-	-	-	-	-	-	-	-	202 698
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 363	-	-	-	-	-	-	-	-	-	1 497
Licences or permits		6 109	-	-	-	-	-	-	-	-	-	6 710
Transfer and subsidies - Operational		207 443	-	-	-	-	-	-	-	-	-	216 514
Interest		45 149	-	-	-	-	-	-	-	-	-	49 587
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		676 346	-	-	-	-	2 550	-	-	678 896	-	775 710

The above table reflect the total revenue of R676,3 million for adjustment budget 2023/24, which increased by R2,6 million from R676,3 million to R679 million after taking into account the mid-year performance assessment results.

The breakdown of Municipal Revenue per service which was affected by the adjustment budget for 2023/24 is illustrated below as follows:

- The Municipal Assessment rates will remain unchanged at R184,5 million
- Service charges electricity will remain unchanged at R175,6 million
- Services charges refuse remained unchanged at R20,8 million
- Rental of facilities and equipment will change from R220 thousand to R270 thousand after considering the mid-year performance assessment.
- Interest earned from Current and Non-Current Assets will change from R2, 6 million to R5, 1 million after considering the mid-year performance assessment.
- Interest earned on outstanding debtors remained unchanged at R62,6 million
- Fines and penalties remained unchanged at R1, 3 million.
- Licenses and permits remained unchanged at R6, 1 million.
- Agency fees remained unchanged at R6, 5 million.
- Transfers and subsidies remained unchanged at R207, 4 million.
- Other revenue remained unchanged at R8,5 million

The municipality continues to implement the approved revenue enhancement strategy and its credit control policy by issuing a cut-off list on a monthly basis.

The municipality has also employed a debt collector to focus in the township in order to collect the long outstanding debt from those that are owing the municipality.

The following table reflects the approved operating expenditure budget 2023/24, and the adjusted budget.

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2023/24				Budget Year +1 2024/25				Budget Year +2 2025/26			
		Original Budget A	Prior Adjusted 3 AT	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. of Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget	
Expenditure By Type													
Employee related costs		199 891	-	-	-	-	-	-	-	199 891	-	209 714	219 606
Remuneration of councillors		20 101	-	-	-	-	-	(1 700)	(1 700)	18 401	-	21 086	22 077
Bulk purchases - electricity		139 479	-	-	-	-	-	(1 200)	(1 200)	138 279	-	159 983	188 300
Inventory consumed		25 500	-	-	-	-	-	215	215	25 715	-	26 749	28 006
Debt impairment		100 000	-	-	-	-	-	-	-	100 000	-	104 700	109 830
Depreciation and amortisation		79 285	-	-	-	-	-	-	-	79 285	-	83 170	77 079
Interest		19 481	-	-	-	-	-	-	-	19 481	-	20 435	21 395
Contracted services		83 158	-	-	-	-	-	(550)	(550)	82 609	-	71 876	74 909
Transfers and subsidies		1 020	-	-	-	-	-	-	-	1 020	-	1 070	1 120
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-	-
Operational costs		96 611	-	-	-	-	-	3 234	3 234	99 845	-	100 212	97 243
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		764 525	-	-	-	-	-	-	-	764 525	-	798 994	839 566

Total Operating expenditure budget for 2023/24 remained unchanged as R764, 5 million

The following items on expenditure adjustments are as follows:

- The employees cost remained unchanged at R199, 8 million.
- Remuneration of councillors will decrease from at R20, 1 million to R18, 4 due to ward committee expenses classified as operational expenses.
- Debt impairment remained unchanged at R100 million
- Depreciation remained unchanged at R79,3 million
- Finance charges remained unchanged at R19,4 million
- Bulk purchases will decrease from R139,4 to R138,3 million
- Inventory consumed will increase R25,5 million to R25,7 million
- Contracted services will decrease from R83,2 million to R82,6 million
- Other expenditure will increase from R96, 6 million to R99, 8 million to cater service delivery issues on the maintenance of infrastructure such as electricity and roads.

GRANTS AND SUBSIDIES 2023/24

Operational transfers and grants remain unchanged at R207, 4 million and capital transfers and grants decreased from R56,6 million to R49 million as per the Publication of the Adjustment Gazette in terms of Sections 15 & 25 of Division of Revenue Act.

LIM334 Ba-Phalaborwa - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2023/24			Budget Year +1 2024/25			Budget Year +2 2025/26		
		Original Budget A	Prior Adjusted 7 A1	Multi-year capital 8 B	Nat. or Prov. Govt. 9 C	Other Adjusts. 10 D	Total Adjusts. 11 E	Adjusted Budget 12 F	Adjusted Budget	Adjusted Budget
R thousands										
RECEIPTS:										
	1,									
	2									
Operating Transfers and Grants										
National Government:										
Equitable Shares		207 443	-	-	-	-	207 443	207 443	220 568	216 514
Energy Efficiency and Demand Management		196 989	-	-	-	-	196 989	196 989	213 004	211 368
EPWP Incentive		4 000	-	-	-	-	4 000	4 000	2 500	-
Finance Management		1 470	-	-	-	-	1 470	1 470	-	-
Municipal Infrastructure Grant		3 100	-	-	-	-	3 100	3 100	3 100	3 100
		1 884	-	-	-	-	1 884	1 884	1 984	2 046
Total Operating Transfers and Grants	6	207 443	-	-	-	-	207 443	207 443	220 568	216 514
Capital Transfers and Grants										
National Government:										
Municipal Infrastructure Grant (MIG)		56 586	-	-	(7 520)	-	49 066	49 066	49 297	51 404
Integrated National Electrification Programme Grant		35 792	-	-	(2 520)	-	33 272	33 272	37 297	38 866
		20 794	-	-	(5 000)	-	15 794	15 794	12 000	12 538
Total Capital Transfers and Grants	6	56 586	-	-	(7 520)	-	49 066	49 066	49 297	51 404
TOTAL RECEIPTS OF TRANSFERS & GRANTS		264 029	-	-	(7 520)	-	256 509	256 509	269 865	267 918

Municipal Infrastructure Grants (MIG) Projects were revised as follows:

Project Name	Original Budget 2023/24	Adjustment Budget 2023/24	Final Budget 2023/24	Budget Year 2024/25	Budget Year 2025/26
Upgrading of Benfarm road Phase 2	10 792 000.00	7 000 000.00	17 792 000.00	7 627 800.00	0
Construction of storm water culverts	10 000 000.00	- 3 750 000.00	6 250 000.00	0	0
Refurbishment of Namakgale Stadium	15 000 000.00	- 5 770 000.00	9 230 000.00	10 887 937.00	0
Totals	35 792 000.00	- 2 520 000.00	33 272 000.00	18 515 737.00	0

Integrated Electrification Programme (INEP) were revised as follows:

Project Name	Original Budget 2023/24	Adjustment Budget 2023/24	Final Budget 2023/24	Budget Year 2024/25	Budget Year 2025/26
ELECTRIFICATION OF MAJEJE EXT B PHASE 2 (400 UNITS)	8 000 000.00	- 3 000 000.00	5 000 000.00	12 000 000.00	12 538 000.00
ELECTRIFICATION OF NONDOWENI PRE-ENG (120 UNITS)	114 000.00	0	114 000.00	0	0
ELECTRIFICATION OF MATIKOXIKAYA (250)	5 000 000.00	- 1 000 000.00	4 000 000.00	0	0

ELECTRIFICATION OF MAKHUSHWANE CAMP (180 UNITS)	3 600 000.00	- 1 000 000.00	2 600 000.00	0	0
ELECTRIFICATION OF NYAKELLANG PHASE 2 (120)	2 400 000.00	0	2 400 000.00	0	0
ELECTRIFICATION OF MASHISHIMALE (75 UNITS)	1 500 000.00	0	1 500 000.00	0	0
ELECTRIFICATION OF PRIESKA PRE-ENG (150)	180 000.00	0	180 000.00	0	0
TOTAL	20 794 000.00	- 5 000 000.00	15 794 000.00	12 000 000.00	12 538 000.00

Projects funded internally remains unchanged as follows:

Project Name	Original Budget 2023/24	Adjustment Budget 2023/24	Final Budget 2023/24	Budget Year 2024/25	Budget Year 2025/26
Office Furniture & Equipment	1 500 000.00	0	1 500 000.00	0	0
Upgrading Tambo Street from gravel to tar	5 680 000.00	0	5 680 000.00	5 680 000.00	5 680 000.00
Establishment of new landfill site (Phalaborwa)	1 000 000.00	0	1 000 000.00	0	0
Totals	8 180 000.00	0	8 180 000.00	5 680 000.00	5 680 000.00

ADJUSTMENT BUDGET TABLES

2023/24

1. ADJUSTMENT BUDGET TABLES

1.1. Adjustment Budget Summary

LIM334 Ba-Phababwra - Table B1 Adjustments Budget Summary - Budget Year 2023/24

Description	Budget Year 2023/24										Budget Year +1 2024/25		Budget Year +2 2025/26	
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance														
Property rates	184 556	-	-	-	-	-	-	-	184 556	193 599	202 698			
Service charges	196 353	-	-	-	-	-	-	-	196 353	223 182	259 852			
Investment revenue	2 613	-	-	-	-	-	2 500	2 500	5 113	2 741	2 870			
Transfers recognised - operational	207 443	-	-	-	-	-	-	-	207 443	220 568	216 514			
Other own revenue	85 381	-	-	-	-	-	50	50	85 431	89 567	93 776			
Total Revenue (excluding capital transfers and contributions)	676 346	-	-	-	-	-	2 550	2 550	678 896	728 656	775 710			
Employee costs	199 891	-	-	-	-	-	-	-	199 891	209 714	219 606			
Remuneration of councillors	20 101	-	-	-	-	-	(1 700)	(1 700)	18 401	21 086	22 077			
Depreciation & asset impairment	179 285	-	-	-	-	-	-	-	179 285	187 870	186 910			
Finance charges	19 481	-	-	-	-	-	-	-	19 481	20 435	21 395			
Inventory consumed and bulk purchases	164 979	-	-	-	-	-	(985)	(985)	163 994	186 732	216 305			
Transfers and subsidies	1 020	-	-	-	-	-	-	-	1 020	1 070	1 120			
Other expenditure	179 769	-	-	-	-	-	2 685	2 685	182 454	172 088	172 153			
Total Expenditure	764 525	-	-	-	-	-	-	-	764 525	798 994	839 566			
Surplus/(Deficit)	(88 180)	-	-	-	-	-	2 550	2 550	(85 630)	(69 339)	(63 856)			
Transfers and subsidies - capital (monetary allocations)	56 586	-	-	-	-	-	(7 520)	(7 520)	49 066	49 297	51 404			
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-			
Surplus/(Deficit) after capital transfers & contributions	(31 594)	-	-	-	-	-	(4 970)	(4 970)	(36 564)	(20 042)	(12 452)			
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-			
Surplus/ (Deficit) for the year	(31 594)	-	-	-	-	-	(4 970)	(4 970)	(36 564)	(20 042)	(12 452)			
Capital expenditure & funds sources														
Capital expenditure	64 766	-	-	-	-	-	(7 520)	(7 520)	57 246	54 977	57 064			
Transfers recognised - capital	56 586	-	-	-	-	-	(7 520)	(7 520)	49 066	49 297	51 404			
Borrowing	-	-	-	-	-	-	-	-	-	-	-			
Internally generated funds	8 180	-	-	-	-	-	-	-	8 180	5 680	5 680			
Total sources of capital funds	64 766	-	-	-	-	-	(7 520)	(7 520)	57 246	54 977	57 064			
Financial position														
Total current assets	1 428 766	-	-	-	-	-	(1 302 163)	(1 302 163)	126 603	218 681	233 698			
Total non current assets	1 307 681	-	-	-	-	-	(81 579)	(81 579)	1 226 102	1 287 348	1 367 900			
Total current liabilities	1 459 338	-	-	-	-	-	(973 725)	(973 725)	485 613	516 390	543 498			
Total non current liabilities	164 224	-	-	-	-	-	34 458	34 458	198 683	209 412	220 929			

Community wealth/Equity	1 334 719	-	-	-	-	(358 262)	(358 262)	976 457	1 047 662	1 113 996
Cash flows										
Net cash from: (used) operating	(27 841)	-	-	-	-	6 314	6 314	(21 527)	160 233	164 175
Net cash from: (used) investing	(74 481)	-	-	-	-	8 648	8 648	(65 833)	(63 224)	(65 647)
Net cash from: (used) financing	(20 400)	-	-	-	-	-	-	(20 400)	(20 400)	(20 400)
Cash/cash equivalents at the year end	(64 201)	-	-	-	-	531	531	(63 670)	123 080	127 155
Cash backlogs/surplus reconciliation										
Cash and investments available	(96 713)	-	-	-	-	3 005	3 005	(93 707)	87 761	90 176
Application of cash and investments	104 699	-	-	-	-	197 341	197 341	302 040	302 560	319 475
Balance - surplus (shortfall)	(201 412)	-	-	-	-	(194 335)	(194 335)	(395 747)	(214 799)	(229 299)
Asset Management										
Asset register: summary (WDV)	1 194 527	-	-	-	-	(55 796)	(55 796)	1 138 731	1 195 259	1 270 746
Depreciation	79 285	-	-	-	-	-	-	79 285	83 170	77 079
Renewal and Upgrading of Existing Assets	31 472	-	-	-	-	1 230	1 230	32 702	24 196	5 680
Repairs and Maintenance	23 884	-	-	-	-	(4 335)	(4 335)	19 549	14 669	15 359
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	1 461	-	-	-	-	-	-	16 260	17 182	18 180
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Total revenue of R678,9 million for adjustment budget 2023/24, will increase by R2,5 million from R676,3 million after taking into account the mid-year performance assessment results.

- The Municipal Assessment rates will remain unchanged at R184,5 million
- Service charges electricity will remain unchanged at R175,6 million
- Services charges refuse remained unchanged at R20,8 million
- Rental of facilities and equipment will increase from R220 thousand to R270 thousand. Actuals for the past six months are 95% of the original budget.
- Interest earned from Current and Non-Current Assets will change from R2, 6 million to R5,1 million. Actuals for the past six months are 112% of the original budget.

- Interest earned on outstanding debtors remained unchanged at R62,6 million
- Fines and penalties remained unchanged at R1, 3 million.
- Licenses and permits remained unchanged at R6, 1 million.
- Agency fees remained unchanged at R6, 5 million.
- Transfers and subsidies remained unchanged at R207, 4 million.
- Other revenue remained unchanged at R8,5 million

Total Operating expenditure budget for 2023/24 remains unchanged at R764, 6 million

- The employees cost remained unchanged at R199, 8 million.
- Remuneration of councillors will decrease from R20, 1 million to R18, 4 due to ward committee expenses reclassified as operational costs.
- Debt impairment remained unchanged at R100 million
- Depreciation remained unchanged at R79,3 million
- Finance charges remained unchanged at R19,4 million
- Bulk purchases will decrease from R139, 4 to R138, 3 million noting the mid-year performance.
- Inventory consumed will increase R25,5 million to R25,7 million
- Contracted services will decrease from R83, 2 million to R82, 6 million to be taken to operational costs.
- Other expenditure will increase from R96, 6 million to R99, 8 million to accelerate service delivery issues such as maintenance of roads and electricity infrastructure.

1.3 Adjustment Budget Financial Performance (Revenue and Expenditure by Municipal Vote)

LIM334 Ba-Phalaborwa - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>(Insert departmental structure etc)</i>	R of	Budget Year 2023/24										Budget Year +1 2024/25		Budget Year +2 2025/26							
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat or Prov Govt 7 E	Other Adjusts 8 F	Total Adjusts 9 G	Adjusted Budget 10 H	Adjusted Budget 11 I	Adjusted Budget 12 J	Adjusted Budget 13 K	Adjusted Budget 14 L							
Revenue by Vote	1																				
Vote 1 - Executive and Councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		445 624	-	-	-	-	-	-	-	-	2 480	-	448 104	473 547	483 820						
Vote 3 - Corporate Services		220	-	-	-	-	-	-	-	-	50	-	270	231	242						
Vote 4 - Community and Social Services		7 638	-	-	-	-	-	-	-	-	45	-	7 683	8 012	8 389						
Vote 5 - Planning and Development Services		306	-	-	-	-	-	-	-	-	(45)	-	261	321	336						
Vote 6 - Technical Services		279 144	-	-	-	-	-	-	-	-	(7 500)	-	271 644	296 842	334 328						
Total Revenue by Vote	2	732 932									(4 970)		727 962	778 953	827 114						
Expenditure by Vote	1																				
Vote 1 - Executive and Councillors		80 493	-	-	-	-	-	-	-	-	1 220	-	81 713	84 492	87 118						
Vote 2 - Budget and Treasury Office		188 094	-	-	-	-	-	-	-	-	203	-	188 297	195 375	202 723						
Vote 3 - Corporate Services		96 894	-	-	-	-	-	-	-	-	(15 030)	-	81 864	111 553	104 444						
Vote 4 - Community and Social Services		74 574	-	-	-	-	-	-	-	-	2 703	-	77 277	78 228	81 905						
Vote 5 - Planning and Development Services		29 879	-	-	-	-	-	-	-	-	(1 266)	-	28 613	30 742	32 222						
Vote 6 - Technical Services		294 592	-	-	-	-	-	-	-	-	12 171	-	306 763	298 603	331 154						
Total Expenditure by Vote	2	764 525									-		764 525	798 994	839 566						
Surplus/ (Deficit) for the year	2	(31 594)									(4 970)		(36 564)	(20 042)	(12 452)						

The above table illustrates expenditure adjustment budget per municipal vote.

- The executive and Councillors have no revenue and R81, 2 million expenditure to be funded from other votes
 - Budget and treasury have R448, 1 million revenue and R188, 3 million expenditure.
 - Corporate services have R270 thousand revenue with R81, 9 million expenditure.
 - Community services has R7, 7 million revenue with R77, 2 million expenditure.
 - Planning and development has R261 thousand revenue with R28, 6 million expenditure.
 - Technical Services has R271, 6 million revenue and R306, 8 million expenditure.

1.4 Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year: 2023/24										Budget Year: +1-2024/25		Budget Year: +2-2025/26			
		Original Budget A	Prior Adjusted 3 A1	Accum Funds 4 B	Multi-year capital 5 C	Unfore Unavoid. 6 D	Nat or Govt 7 E	Other Adjusts 8 F	Total Adjusts 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget					
Revenue By Source																	
Exchange Revenue	2	175 582	-	-	-	-	-	-	-	-	-	-	175 582	201 392	237 039		
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	20 772	-	-	-	-	-	-	-	-	-	-	20 772	21 789	22 813		
Service charges - Waste Management	2	743	-	-	-	-	-	-	-	-	-	-	743	780	816		
Sale of Goods and Rendering of Services		6 529	-	-	-	-	-	-	-	-	-	-	6 529	6 849	7 170		
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		17 508	-	-	-	-	-	-	-	-	-	-	17 508	18 365	19 229		
Interest earned from Current and Non Current Assets		2 613	-	-	-	-	2 500	-	-	-	-	-	5 113	2 741	2 870		
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		220	-	-	-	-	50	-	-	-	-	-	270	231	242		
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		7 759	-	-	-	-	-	-	-	-	-	-	7 759	8 142	8 525		
Non-Exchange Revenue																	
Property rates	2	184 556	-	-	-	-	-	-	-	-	-	-	184 556	193 599	202 698		
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 363	-	-	-	-	-	-	-	-	-	-	1 363	1 430	1 497		
Licences or permits		6 109	-	-	-	-	-	-	-	-	-	-	6 109	6 409	6 710		
Transfer and subsidies - Operational		207 443	-	-	-	-	-	-	-	-	-	-	207 443	220 568	216 514		
Interest		45 149	-	-	-	-	-	-	-	-	-	-	45 149	47 362	49 587		
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		676 346	-	-	-	-	2 550	-	-	-	-	-	678 896	729 656	775 710		
Expenditure By Type																	
Employee related costs		199 891	-	-	-	-	-	-	-	-	-	-	199 891	209 714	219 606		
Remuneration of councillors		20 101	-	-	-	-	-	-	-	-	-	-	18 401	21 086	22 077		
Bulk purchases - electricity		139 479	-	-	-	-	-	-	-	-	-	-	138 279	159 983	188 300		
Inventory consumed		25 500	-	-	-	-	215	-	-	-	-	-	25 715	26 749	28 006		
Debt impairment		100 000	-	-	-	-	-	-	-	-	-	-	100 000	104 700	109 830		
Depreciation and amortisation		79 285	-	-	-	-	-	-	-	-	-	-	79 285	83 170	77 079		
Interest		19 481	-	-	-	-	-	-	-	-	-	-	19 481	20 435	21 395		
Contracted services		83 158	-	-	-	-	(550)	-	-	-	-	-	82 609	71 876	74 909		

	1 020								1 070	1 120
Transfers and subsidies										
Irrecoverable debts written off	1 020								1 070	1 120
Operational costs	96 611								100 212	97 243
Losses on disposal of Assets							3 234			
Other Losses										
Total Expenditure	764 525								798 994	839 566
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)	(88 180)						2 550		(69 339)	(63 856)
Transfers and subsidies - capital (in-kind - all)	56 586						(7 520)		49 297	51 404
Surplus/(Deficit) before taxation	(31 594)						(4 970)		(20 042)	(12 452)
Income Tax										
Surplus/(Deficit) after taxation	(31 594)						(4 970)		(20 042)	(12 452)
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality	(31 594)						(4 970)		(20 042)	(12 452)
Share of Surplus/Deficit attributable to Associate Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year	1						(4 970)		(20 042)	(12 452)

- The Municipal Assessment rates will remain unchanged at R184,5 million
- Service charges electricity will remain unchanged at R175,6 million
- Services charges refuse remained unchanged at R20,8 million
- Rental of facilities and equipment will increase from R220 thousand to R270 thousand. Actuals for the past six months are 95% of the original budget.
- Interest earned from Current and Non-Current Assets will change from R2, 6 million to R5, 1 million.
- Interest earned on outstanding debtors remained unchanged at R62,6 million
- Fines and penalties remained unchanged at R1, 3 million.
- Licenses and permits remained unchanged at R6, 1 million.
- Agency fees remained unchanged at R6, 5 million.
- Transfers and subsidies remained unchanged at R207, 4 million.
- Other revenue remained unchanged at R8,5 million

The following items on expenditure adjustments are as follows:

- The employees cost remained unchanged at R199, 8 million.
- Remuneration of councillors will decrease from R20, 1 million to R18, 4 due to ward committee expenses reclassified as operational costs.
- Debt impairment remained unchanged at R100 million
- Depreciation remained unchanged at R79,3 million
- Finance charges remained unchanged at R19,4 million
- Bulk purchases will decrease from R139, 4 to R138, 3 million noting the mid-year performance.
- Inventory consumed will increase R25,5 million to R25,7 million
- Contracted services will decrease from R83, 2 million to R82, 6 million to be taken to operational costs.
- Other expenditure will increase from R96, 6 million to R99, 8 million to accelerate service delivery issues.

1.5 Adjustment Capital Expenditure Budget by Vote and Funding

LIM334 Ba-Phalaborwa - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Re 7	Budget Year 2023/24												Budget Year +1 2024/25 Adjusted Budget	Budget Year +2 2025/26 Adjusted Budget	
		Original Budget A	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				
Capital expenditure - Vote																
Single-year expenditure to be adjusted	2															
Vote 1 - Executive and Councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 500	-	-	-	-	-	-	-	-	-	-	1 500	-	-	-
Vote 4 - Community and Social Services		1 000	-	-	-	-	-	-	-	-	-	-	1 000	-	-	-
Vote 5 - Planning and Development Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services		62 266	-	-	-	-	-	-	-	-	-	(7 520)	54 746	54 977	57 084	-
Capital single-year expenditure sub-total		64 766	-	-	-	-	-	-	-	-	-	(7 520)	57 246	54 977	57 084	-
Total Capital Expenditure - Vote		64 766	-	-	-	-	-	-	-	-	-	(7 520)	57 246	54 977	57 084	-
Capital Expenditure - Functional																
Governance and administration																
Executive and council		1 500	-	-	-	-	-	-	-	-	-	-	1 500	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit		1 500	-	-	-	-	-	-	-	-	-	-	1 500	-	-	-
Community and public safety																
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		16 000	-	-	-	-	-	-	-	-	-	(5 770)	10 230	10 888	-	-
Public safety		1 000	-	-	-	-	-	-	-	-	-	-	1 000	-	-	-
Housing		15 000	-	-	-	-	-	-	-	-	-	(5 770)	9 230	10 888	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services																
Planning and development		26 472	-	-	-	-	-	-	-	-	-	3 250	29 722	27 108	39 559	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		26 472	-	-	-	-	-	-	-	-	-	3 250	29 722	27 108	39 559	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		20 794	-	-	-	-	-	-	-	-	-	(5 000)	15 794	16 981	17 525	-

1.6 Adjustment Budget Financial Position

LIM334 Ba-Phalaborwa - Table B6 Adjustments Budget

Financial Position -

Description	Ref	Budget Year 2023/24					Budget Year 2024/25					Budget Year 2025/26			
		Original Budget A	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget			
R thousands															
ASSETS															
Current assets															
Cash and cash equivalents		(97 897)	-	-	-	-	4 163	4 163	(93 734)	87 733	90 146				
Trade and other receivables from exchange transactions	1	1 446 701	-	-	-	-	(1 293 275)	(1 293 275)	153 426	118 576	125 082				
Receivables from non-exchange transactions	1	1 184	-	-	-	-	(1 158)	(1 158)	27	28	30				
Current portion of non-current receivables	2	-	-	-	-	-	28	28	28	29	31				
Inventory		42 245	-	-	-	-	(41 435)	(41 435)	810	4 067	9 707				
VAT		36 533	-	-	-	-	21 688	21 688	58 221	-	-				
Other current assets		-	-	-	-	-	7 826	7 826	7 826	8 249	8 702				
Total current assets		1 428 766	-	-	-	-	(1 302 163)	(1 302 163)	126 603	218 681	233 698				
Non current assets															
Investments		-	-	-	-	-	-	-	-	-	-				
Investment property		414 579	-	-	-	-	27 458	27 458	442 037	465 907	491 532				
Property, plant and equipment	3	771 402	-	-	-	-	12 351	12 351	783 753	821 112	876 021				
Biological assets		-	-	-	-	-	-	-	-	-	-				
Living and non-living resources		-	-	-	-	-	-	-	-	-	-				
Heritage assets		121 522	-	-	-	-	(121 205)	(121 205)	317	334	352				
Intangible assets		178	-	-	-	-	(183)	(183)	(6)	(6)	(6)				
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-				
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-				
Other non-current assets		-	-	-	-	-	-	-	-	-	-				
Total non current assets		1 307 681	-	-	-	-	(81 579)	(81 579)	1 226 102	1 287 348	1 367 900				
TOTAL ASSETS		2 736 447	-	-	-	-	(1 383 742)	(1 383 742)	1 352 705	1 506 029	1 601 598				
LIABILITIES															
Current liabilities															
Bank overdraft		-	-	-	-	-	-	-	-	-	-				
Financial liabilities		(20 400)	-	-	-	-	17 668	17 668	(2 732)	1 778	754				
Consumer deposits		-	-	-	-	-	4 822	4 822	4 822	5 083	5 362				
Trade and other payables from exchange transactions		1 428 705	-	-	-	-	(1 004 622)	(1 004 622)	424 082	446 897	471 332				
Trade and other payables from non-exchange transactions		-	-	-	-	-	0	0	0	0	0				
Provisions		18 557	-	-	-	-	(12 571)	(12 571)	5 987	6 310	6 657				
VAT		32 475	-	-	-	-	20 978	20 978	53 453	56 322	59 393				
Other current liabilities		-	-	-	-	-	-	-	-	-	-				

1.7 Adjustment Budget Cash Flows

LIM334 Ba-Phalaborwa - Table B7 Adjustments Budget

Cash Flows -

Description	Ref	Budget Year 2023/24				Budget Year +1 2024/25				Budget Year +2 2025/26			
		Original Budget A	Prior Adjusted 3 AI	Accum Funds 4 E	Multi-year capital 5 C	Unavoid 6 D	Mat on Prov Govt 7 E	Other Adjusts 8 F	Total Adjusts 9 G	Adjusted Budget 10 H	Adjusted Budget 11 I		
CASH FLOW FROM OPERATING ACTIVITIES													
Receipts		127 344	-							127 344		193 589	202 688
Property rates		155 806	-							155 806		222 933	259 563
Service charges		85 748	-							22 774		84 557	90 710
Other revenue		207 443	-							207 443		220 588	216 514
Transfers and Subsidies - Operational	1												
Transfers and Subsidies - Capital	1	56 586	-							49 066		49 297	51 404
Interest		2 613	-							5 113		2 741	2 870
Dividends		-	-							-		-	-
Payments		(659 880)	-							(584 819)		(609 790)	(635 740)
Suppliers and employees		(2 481)	-							(2 481)		(2 602)	(2 724)
Finance charges		(1 020)	-							(1 020)		(1 070)	(1 120)
Transfers and Subsidies	1												
NET CASH FROM/(USED) OPERATING ACTIVITIES		(27 841)	-							(21 527)		160 233	164 175
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		(74 481)	-							(65 833)		(63 224)	(65 647)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(74 481)	-							(65 833)		(63 224)	(65 647)
CASH FLOWS FROM FINANCING ACTIVITIES													
Receipts													
Short term loans		-	-							-		-	-
Borrowing long term/refinancing		-	-							-		-	-
Increase (decrease) in consumer deposits		-	-							-		-	-
Payments													
Repayment of borrowing		(20 400)	-							(20 400)		(20 400)	(20 400)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(20 400)	-							(20 400)		(20 400)	(20 400)

NET INCREASE/ (DECREASE) IN	(122 722)	-	-	-	-	14 962	(107 760)	76 609	78 128
CASH HELD									
Cash/cash equivalents at the year begin:	58 521	-	-	-	-	(14 431)	44 090	46 471	49 027
Cash/cash equivalents at the year end:	(64 201)	-	-	-	-	531	(63 670)	123 080	127 155

1.8 Cash Backed Reserves / Accumulated Surplus Reconciliation

LIM334 Ba-Phalaborwa - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2023/24			Multi-year capital	Unfore- Unavaild	Nat. or Prov Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Budget Year +1		Budget Year +2	
		Original Budget	Prior Adjusted	Accum. Funds							A	B	C	D
		A	AT	B	C	D	E	F	G	H	I	J	K	L
R: thousands														
Cash and investments available	1	(64 201)	-	-	-	-	-	531	531	(63 670)	123 080	127 155		
Cash/cash equivalents at the year end		(32 512)	-	-	-	-	-	2 474	2 474	(30 038)	(35 319)	(36 979)		
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-	-		
Non current assets - investments	1	-	-	-	-	-	-	3 005	3 005	(93 707)	87 761	90 176		
Cash and investments available:		(96 713)	-	-	-	-	-	3 005	3 005	(93 707)	87 761	90 176		
Applications of cash and investments														
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-		
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-		
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-		
Other working capital requirements	2	104 699	-	-	-	-	-	197 341	197 341	302 040	302 560	319 475		
Other provisions		-	-	-	-	-	-	-	-	-	-	-		
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-		
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-		
Total Application of cash and investments:		104 699	-	-	-	-	-	197 341	197 341	302 040	302 560	319 475		
Surplus/(shortfall)		(201 412)	-	-	-	-	-	(194 335)	(194 335)	(395 747)	(214 799)	(229 299)		

1.9 Asset Management

LIM334 Ba-Phalaborwa - Table B9 Asset Management -

Description	Re	Budget Year 2023/24											Budget Year -1	Budget Year -2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7	8	9	10	11	12	13	14	15	16	17	18
CAPITAL EXPENDITURE	1	33 294	-	-	-	-	-	(8 750)	(8 750)	24 544	30 781	51 404		
<u>Total New Assets to be adjusted</u>		-	-	-	-	-	-	-	-	-	13 800	33 879		
Roads Infrastructure		10 000	-	-	-	-	-	(3 750)	(3 750)	6 250	-	-		
Storm water Infrastructure		20 794	-	-	-	-	-	(5 000)	(5 000)	15 794	16 981	17 525		
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-		
Infrastructure		30 794	-	-	-	-	-	(8 750)	(8 750)	22 044	30 781	51 404		
Community Facilities		1 000	-	-	-	-	-	-	-	1 000	-	-		
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-		
Community Assets		1 000	-	-	-	-	-	-	-	1 000	-	-		
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-		
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-		
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-		
Investment properties		-	-	-	-	-	-	-	-	-	-	-		
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-		
Housing		-	-	-	-	-	-	-	-	-	-	-		
Other Assets		-	-	-	-	-	-	-	-	-	-	-		
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-		
Services		-	-	-	-	-	-	-	-	-	-	-		
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-		
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-		
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-		
Furniture and Office Equipment		1 500	-	-	-	-	-	-	-	1 500	-	-		
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-		
Transport Assets		-	-	-	-	-	-	-	-	-	-	-		

PART TWO
ADJUSTMENT BUDGET
SUPPORTING TABLES

2.1. Supporting details to budgeted financial performance

LIM334 Ba-Phalaborwa - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year: 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 Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
R thousands		A	6	7	8	9	10	11	12	13	14
			A1	B	C	D	E	F	G	H	
REVENUE ITEMS											
Non-exchange revenue by source											
Property rates											
Total Property Rates		199 354	-	-	-	-	-	-	-	199 354	218 951
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		14 798	-	-	-	-	-	-	-	14 798	16 253
Net Property Rates		184 556	-	-	-	-	-	-	-	184 556	202 698
Exchange revenue service charges											
Service charges - Electricity											
Total Service charges - Electricity		176 860	-	-	-	-	-	-	-	176 860	238 765
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		1 279	-	-	-	-	-	-	-	1 279	1 726
Less Cost of Free Basis Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Electricity		175 582	-	-	-	-	-	-	-	175 582	237 039
Service charges - Water											
Total Service charges - water		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Water		-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basis Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management											
Total refuse removal revenue		20 954	-	-	-	-	-	-	-	20 954	23 014
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of one removal a week to indigent households)		182	-	-	-	-	-	-	-	182	200
Less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management		20 772	-	-	-	-	-	-	-	20 772	22 813

2.2. Supporting details to financial position budget

LIM334 Ba-Phalaborwa - Supporting Table SB2 Supporting detail to 'Financial Position Budget' -

Description	Ref	Budget Year 2023/24				Budget Year +1 2024/25				Budget Year +2 2025/26		
		Original Budget A	Prior Adjusted 4 AI	Accum. Funds 5 BI	Multi-year capital 6 C	Unfore- Unavoid 7 DI	Nat. or Prov. Govt 8 E	Other Adjusts. 9 F	Total Adjusts. 10 G	Adjusted Budget 11 H	Adjusted Budget	Adjusted Budget
R. thousands												
ASSETS												
Trade and other receivables from exchange transactions												
Electricity		255 630	-	-	-	-	(126 113)	(126 113)	129 517	97 663	102 988	
Water		1 028 286	-	-	-	-	(1 028 286)	(1 028 286)	-	-	-	
Waste		188 535	-	-	-	-	7 962	7 962	196 497	207 004	218 215	
Waste Water		181 188	-	-	-	-	(169 145)	(169 145)	12 043	12 633	13 227	
Other trade receivables from exchange transactions		(16 319)	-	-	-	-	9 121	9 121	(7 199)	(11 857)	(12 335)	
Gross: Trade and other receivables from exchange transactions		1 637 319	-	-	-	-	(1 306 462)	(1 306 462)	330 858	305 443	322 095	
Less: Impairment for debt	1	(190 619)	-	-	-	-	13 187	13 187	(177 432)	(186 867)	(197 014)	
Impairment for Electricity		(67 359)	-	-	-	-	1 471	1 471	(65 888)	(69 334)	(73 048)	
Impairment for Water		-	-	-	-	-	-	-	-	-	-	
Impairment for Waste		(123 238)	-	-	-	-	17 094	17 094	(106 144)	(111 841)	(117 961)	
Impairment for Waste Water		-	-	-	-	-	-	-	-	-	-	
Impairment for other trade receivables from exchange transactions		(22)	-	-	-	-	(5 378)	(5 378)	(5 400)	(5 692)	(6 005)	
Total net Trade and other receivables from Exchange Transactions		1 446 701	-	-	-	-	(1 293 275)	(1 293 275)	153 426	118 576	125 082	
Receivables from non-exchange transactions												
Property rates		330 448	-	-	-	-	89 694	89 694	420 143	382 303	402 950	
Less: Impairment of Property rates		(108 615)	-	-	-	-	(202)	(202)	(108 817)	(114 140)	(119 921)	
Net Property rates		221 833	-	-	-	-	89 492	89 492	311 325	268 163	283 030	
Other receivables from non-exchange transactions		31 924	-	-	-	-	-	-	31 324	33 016	34 832	
Impairment for other receivables from non-exchange transactions		(30 140)	-	-	-	-	(1 158)	(1 158)	(31 298)	(32 988)	(34 802)	
Net other receivables from non-exchange transactions		1 184	-	-	-	-	(1 158)	(1 158)	27	28	30	
Total net Receivables from non-exchange transactions		223 018	-	-	-	-	88 334	88 334	311 352	268 191	283 060	
Inventory												
Water		-	-	-	-	-	-	-	-	-	-	
Opening Balance		-	-	-	-	-	-	-	-	-	-	
System Input Volume		-	-	-	-	-	-	-	-	-	-	
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	
Bulk Purchases		-	-	-	-	-	-	-	-	-	-	
Natural Sources		-	-	-	-	-	-	-	-	-	-	
Authorised Consumption		-	-	-	-	-	-	-	-	-	-	
Billed Authorised Consumption	12	-	-	-	-	-	-	-	-	-	-	

Trade and other payables from exchange transactions	1 428 705	-	-	-	-	(1 004 622)	(1 004 622)	424 082	446 897	471 332
Other trade payables from exchange transactions	-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions:	-	-	-	-	-	0	0	0	0	0
Unspent conditional Grants	-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions:	-	-	-	-	-	-	-	-	-	-
Other	32 475	-	-	-	-	20 978	20 978	53 453	56 322	59 393
VAT	1 461 180	-	-	-	-	(983 644)	(983 644)	477 536	503 219	530 725
Total Trade and other payables										
Non current liabilities - Financial liabilities										
Borrowing	61 031	-	-	-	-	(18 470)	(18 470)	42 561	44 859	47 326
Other financial liabilities	-	-	-	-	-	3 278	3 278	3 278	3 455	3 645
Total Non current liabilities - Financial liabilities	61 031	-	-	-	-	(15 192)	(15 192)	45 839	48 314	50 971
Provisions - non current										
Retirement benefits	-	-	-	-	-	42 021	42 021	42 021	44 291	46 727
Refuse landfill site rehabilitation	103 193	-	-	-	-	3 853	3 853	107 046	112 827	- 119 032
Other	-	-	-	-	-	7 054	7 054	7 054	7 435	7 844
Total Provisions - non current	103 193	-	-	-	-	52 929	52 929	156 122	164 553	173 603
CHANGES IN NET ASSETS										
Accumulated surplus/(Deficit) - opening balance	1 366 312	-	-	-	-	(365 485)	(365 485)	1 000 828	1 054 872	1 112 890
GRAP adjustments	-	-	-	-	-	-	-	-	-	-
Restated balance	1 366 312	-	-	-	-	(365 485)	(365 485)	1 000 828	1 054 872	1 112 890
Surplus/(Deficit)	(31 594)	-	-	-	-	(4 970)	(4 970)	(36 564)	(20 042)	(12 452)
Transfers to/from Reserves	-	-	-	-	-	-	-	-	-	-
Depreciation of/sets	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	1 334 719	-	-	-	-	(370 455)	(370 455)	964 264	1 034 831	1 100 438
Reserves										
Housing Development Fund	-	-	-	-	-	-	-	-	-	-
Capital replacement	-	-	-	-	-	-	-	-	-	-
Self-insurance	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	12 193	12 193	12 193	12 851	13 568
Total Reserves	-	-	-	-	-	12 193	12 193	12 193	12 851	13 568
TOTAL COMMUNITY WEALTH/EQUITY	2 1 334 719	-	-	-	-	(358 262)	(358 262)	976 457	1 047 682	1 113 996

2.3 Supporting information to budgeted performance indicators and benchmarks

LIM334 Ba-Phalaborwa - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks

Description of financial indicator	Basis of calculation		2020/21		2021/22		2022/23		Budget Year 2023/24		Budget Year+1		Budget Year+2	
			Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management														
Credit Rating	Short term/long term rating													
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure													
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue													
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants													
Safety of Capital														
Gearing	Long Term Borrowing/ Funds & Reserves													
Liquidity														
Current Ratio	Current assets/current liabilities													
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities													
Liquidity Ratio	Monetary Assets/Current Liabilities													
Revenue Management														
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing													
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)														
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue													
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old													
Creditors Management														
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))													
Creditors to Cash and Investments														
Other Indicators														
Electricity Distribution Losses (2)	Total Volume Losses (kW)													
	Total Cost of Losses (Rand '000)													
	% Volume (units purchased and generated less units sold)/units purchased and generated													
Water Distribution Losses (2)	Total Volume Losses (kℓ)													
	Total Cost of Losses (Rand '000)													
	% Volume (units purchased and generated less units sold)/units purchased and generated													

Employee costs	Employee costs/(Total Revenue - capital revenue)	29.6%	0.0%	29.4%	28.7%	28.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)					
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.5%	0.0%	2.9%	2.0%	2.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18.6%	0.0%	18.5%	18.0%	17.8%
<u>IFP regulation financial viability</u>						
<u>Indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants/Debt service payments due within financial year)	540.6%	0.0%	542.7%	560.3%	595.6%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	213.9%	0.0%	22.6%	16.3%	16.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.0	0.0	0.0	0.0	0.0

2.4 Adjustment budget – funding measurement

LIM334 Ba-Phalaborwa - Supporting Table SB6 Adjustments Budget - funding measurement -

R thousands	Description	Ref	MFMA section	2020/21		2021/22		2022/23		Medium Term Revenue and Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Prior Adjusted	Adjusted Budget	Budget Year +1 2024/25	Budget Year +2 2025/26		
	Funding measures												
1	Cash/cash equivalents at the year end - R'000		18(1)b										127 155
2	Cash + investments at the yr end less applications - R'000		18(1)b										(229 299)
3	Cash year end/monthly employee/supplier payments		18(1)b										-
4	Surplus/(Deficit) excluding depreciation offsets: R'000		18(1)										-
5	Service charge rev % change - macro CPIX target exclusive		18(1)a,(2)					0.0%	0.0%		0.0%	2.4%	4.5%
6	Cash receipts % of Ratepayer & Other revenue		18(1)a,(2)					0.0%	0.0%		75.7%	113.8%	113.5%
7	Debt impairment expense as a % of total billable revenue		18(1)a,(2)	0.0%	0.0%			0.0%	0.0%		32.9%	35.1%	37.4%
8	Capital payments % of capital expenditure		18(1)c;19					0.0%	0.0%		0.0%	0.0%	0.0%
9	Borrowing receipts % of capital expenditure (excl. transfers)		18(1)c					0.0%	0.0%		0.0%	0.0%	0.0%
10	Grants % of Govt. legislated/gazetted allocations		18(1)a					0.0%	0.0%		0.0%	-22.7%	0.0%
11	Current consumer debtors % change - incr(decr)		18(1)a									5.4%	9.9%
12	Long term receivables % change - incr(decr)		18(1)a									1.2%	5.5%
13	R&M % of Property Plant & Equipment		20(1)(vi)									1.7%	1.2%
14	Asset renewal % of capital budget		20(1)(vi)									0.0%	0.0%

2.5 Transfers and Grants received.

LIM334 Ba-Phalaborwa - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2023/24					Budget Year +1 2024/25		Budget Year +2 2025/26	
		Original Budget A	Prior Adjusted 7 A1	Multi-year capital 8 B	Nat. or Prov. Govt 9 C	Other Adjusts 10 D	Total Adjusts 11 E	Adjusted Budget 12 F	Adjusted Budget	Adjusted Budget
R thousands										
RECEIPTS:										
Operating Transfers and Grants	1, 2									
National Government:		207 443	-	-	-	-	207 443	220 568	216 514	
Equitable Shares		196 989	-	-	-	-	196 989	213 004	211 368	
Energy Efficiency and Demand Management		4 000	-	-	-	-	4 000	2 500	-	
EPWP Incentive		1 470	-	-	-	-	1 470	-	-	
Finance Management		3 100	-	-	-	-	3 100	3 100	3 100	
Municipal Infrastructure Grant		1 884	-	-	-	-	1 884	1 964	2 046	
Total Operating Transfers and Grants	6	207 443	-	-	-	-	207 443	220 568	216 514	
Capital Transfers and Grants										
National Government:		56 586	-	-	(7 520)	-	49 066	49 297	51 404	
Municipal Infrastructure Grant (MIG)		35 792	-	-	(2 520)	-	33 272	37 297	38 886	
Integrated National Electrification Programme Grant		20 794	-	-	(5 000)	-	15 794	12 000	12 538	
Total Capital Transfers and Grants	6	56 586	-	-	(7 520)	-	49 066	49 297	51 404	
TOTAL RECEIPTS OF TRANSFERS & GRANTS		264 029	-	-	(7 520)	-	256 509	269 865	267 918	

2.6 Expenditure on transfers and Grants programme

LIM334 Ba-Phalaborwa - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2023/24				Budget Year 2024/25			Budget Year 2025/26		
		Original Budget A	Prior Adjusted 2 A1	Multi-year capital 3 B	Nat. or Prov. Govt 4 C	Other Adjusts. 5 D	Total Adjusts. 6 E	Adjusted Budget F	Adjusted Budget	Adjusted Budget	
R:thousands											
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1										
Operating expenditure of Transfers and Grants											
National Government:		207 443	-	-	-	-	-	207 443		216 514	
Equitable Shares		196 989	-	-	-	-	-	196 989		211 368	
Energy Efficiency and Demand Side Management Grant		4 000	-	-	-	-	-	4 000		-	
Expanded Public Works Programme Integrated Grant		1 470	-	-	-	-	-	1 470		-	
Local Government Financial Management Grant		3 100	-	-	-	-	-	3 100		3 100	
Municipal Infrastructure Grant		1 884	-	-	-	-	-	1 884		2 046	
Total operating expenditure of Transfers and Grants:		207 443	-	-	-	-	-	207 443	220 568	216 514	
Capital expenditure of Transfers and Grants											
National Government:		56 586	-	-	(7 520)	-	(7 520)	49 066	49 297	51 404	
Integrated National Electrification Programme Grant		20 794	-	-	(5 000)	-	(5 000)	15 794	12 000	12 538	
Municipal Infrastructure Grant		35 792	-	-	(2 520)	-	(2 520)	33 272	37 297	38 866	
Total capital expenditure of Transfers and Grants		56 586	-	-	(7 520)	-	(7 520)	49 066	49 297	51 404	
Total capital expenditure of Transfers and Grants		264 029	-	-	(7 520)	-	(7 520)	256 509	269 565	267 918	

2.7 Reconciliations of transfers, Grants receipts and unspent funds

LIM334 Ba-Phalaborwa - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds -

Description	Ref	Budget Year 2023/24				Budget Year +1 2024/25				Budget Year +2 2025/26	
		Original Budget A	Prior Adjusted 2 A1	Multi-year capital 3 B	Nat. or Prov. Govt 4 C	Other Adjusts. 5 D	Total Adjusts 6 E	Adjusted Budget 7 F	Adjusted Budget	Adjusted Budget	
R. thousands											
Operating transfers and grants:											
National Government:											
Balance unspent at beginning of the year											
Current year receipts		(207 443)									(216 514)
Conditions met - transferred to revenue		(414 886)						(207 443)		(220 568)	(433 028)
Conditions still to be met - transferred to liabilities		207 443								220 568	216 514
Total operating transfers and grants revenue		(414 886)						(414 886)		(441 135)	(433 028)
Total operating transfers and grants - CTBM	2	207 443						207 443		220 568	216 514
Capital transfers and grants:											
National Government:											
Balance unspent at beginning of the year											
Current year receipts		(56 586)			7 520			(49 066)		(49 297)	(51 404)
Conditions met - transferred to revenue		(113 172)			15 040			(98 132)		(98 594)	(102 808)
Conditions still to be met - transferred to liabilities		56 586			(7 520)			49 066		49 297	51 404
Total capital transfers and grants revenue		(113 172)			15 040			(98 132)		(98 594)	(102 808)
Total capital transfers and grants - CTBM		56 586			(7 520)			49 066		49 297	51 404
TOTAL TRANSFERS AND GRANTS REVENUE		(528 056)			15 040			(513 018)		(539 729)	(535 836)
TOTAL TRANSFERS AND GRANTS - CTBM		264 029			(7 520)			256 509		269 865	267 918

2.8 Transfers and Grants made by the municipality.

LIM334 Ba-Phalaborwa - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality -

Description	Ref	Budget Year 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	Adjusted Budget
R thousands		A	B	7	8	9	10	11	12	13	14	15	16
Cash transfers to other Organisations													
Bursaries (Non-Employee)	4	1 020	-	-	-	-	-	-	-	1 020	-	1 070	1 120
TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:		1 020	-	-	-	-	-	-	-	1 020	-	1 070	1 120
TOTAL CASH TRANSFERS	5	1 020	-	-	-	-	-	-	-	1 020	-	1 070	1 120
TOTAL TRANSFERS		1 020	-	-	-	-	-	-	-	1 020	-	1 070	1 120

2.9 Councillors and staff benefits

LIM334 Ba-Phalaborwa - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Summary of remuneration	Budget Year: 2023/24											% change
	Original Budget	Prior Adjusted	Account Funds	Multi-year capital	Unfore Unavoid	Nat. or Prov Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	R thousands		
	A	5	6	7	8	9	10	11	12	G	H	
Councillors (Political Office Bearers plus Other)												
Basic Salaries and Wages	11 853	-	-	-	-	-	(400)	(400)	11 453			-3,4%
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-			
Medical Aid Contributions	-	-	-	-	-	-	-	-	-			
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-			
Cellphone Allowance	1 762	-	-	-	-	-	-	-	1 762			0,0%
Housing Allowances	-	-	-	-	-	-	-	-	-			
Other benefits and allowances	6 486	-	-	-	-	-	(1 300)	(1 300)	5 186			-20,0%
Sub Total - Councillors	20 101	(0)					(1 700)	(1 700)	18 401			-8,5%
% increase												
Senior Managers of the Municipality												
Basic Salaries and Wages	3 618	-	-	-	-	-	85	85	3 703			2,3%
Pension and UIF Contributions	1	-	-	-	-	-	11	11	12			716,2%
Medical Aid Contributions	-	-	-	-	-	-	-	-	-			
Overtime	-	-	-	-	-	-	-	-	-			
Performance Bonus	-	-	-	-	-	-	3	3	3			#DIV/0!
Motor Vehicle Allowance	2 330	-	-	-	-	-	-	-	2 330			0,0%
Cellphone Allowance	126	-	-	-	-	-	79	79	205			62,5%
Housing Allowances	-	-	-	-	-	-	-	-	-			
Other benefits and allowances	32	-	-	-	-	-	(32)	(32)	-			
Payments in lieu of leave	-	-	-	-	-	-	-	-	-			
Long service awards	-	-	-	-	-	-	-	-	-			
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-			
Entertainment	-	-	-	-	-	-	-	-	-			
Scaroty	-	-	-	-	-	-	-	-	-			
Acting and post related allowance	-	-	-	-	-	-	-	-	-			

2.1.1 Monthly revenue and expenditure by standard classifications

LIM334 Ba-Phalaborwa - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) -

Description - Standard classification	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year 2024/25	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Budget	Budget	
Revenue - Functional															
<i>Governance and administration</i>	100 491	14 574	19 766	21 745	19 641	88 880	37 364	37 364	37 364	37 364	37 364	(3 544)	448 374	473 778	484 062
Executive and council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration	100 491	14 574	19 766	21 745	19 641	88 880	37 364	37 364	37 364	37 364	37 364	(3 544)	448 374	473 778	484 062
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	21	23	28	16	20	21	527	527	527	527	527	3 560	6 324	6 608	6 919
Community and social services	21	23	28	16	20	21	18	18	18	18	18	(4)	215	199	209
Sport and recreation	-	-	-	-	-	(0)	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	509	509	509	509	509	3 564	6 109	6 409	6 710
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	3 816	514	3 779	1 235	6 678	6 316	3 196	3 196	3 196	3 196	3 196	35	38 353	41 077	42 814
Planning and development	37	19	43	12	15	12	22	22	22	22	22	15	261	321	336
Road transport	3 779	496	3 737	1 223	6 663	6 304	3 174	3 174	3 174	3 174	3 174	20	38 092	40 756	42 478
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	8 347	10 489	15 435	9 543	16 984	18 099	19 576	19 576	19 576	19 576	19 576	58 135	234 911	257 490	293 320
Energy sources	6 554	8 204	12 989	7 077	14 805	10 644	16 841	16 841	16 841	16 841	16 841	57 817	202 096	223 067	257 280
Water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management	1 794	2 285	2 446	2 465	2 379	7 454	2 735	2 735	2 735	2 735	2 735	318	32 815	34 423	36 041
Waste management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	112 675	25 600	39 007	32 538	43 323	113 315	60 663	60 663	60 663	60 663	60 663	58 186	727 962	778 953	827 114
Expenditure - Functional															
<i>Governance and administration</i>	13 684	12 797	22 168	18 237	17 557	20 242	29 040	29 040	29 040	29 040	29 040	98 598	348 484	388 947	394 635
Executive and council	2 713	3 847	3 311	3 392	4 041	3 526	4 091	4 091	4 091	4 091	4 091	7 806	49 092	51 323	53 735
Finance and administration	9 088	6 716	16 759	12 870	11 548	14 824	22 522	22 522	22 522	22 522	22 522	85 648	270 261	307 480	307 745
Internal audit	1 883	2 234	2 098	1 974	1 968	1 892	2 428	2 428	2 428	2 428	2 428	4 944	29 132	30 144	30 215
<i>Community and public safety</i>	2 863	3 765	5 379	4 513	4 418	5 270	5 163	5 163	5 163	5 163	5 163	9 937	61 961	60 575	63 422
Community and social services	415	473	2 202	1 501	1 506	1 666	1 833	1 833	1 833	1 833	1 833	5 066	21 994	19 159	20 059
Sport and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	1 450	1 439	1 499	1 623	1 443	1 683	1 825	1 825	1 825	1 825	1 825	(1 228)	2 984	3 255	3 408
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	998	1 011	1 117	942	988	1 222	1 257	1 257	1 257	1 257	1 257	2 520	15 081	15 753	16 493
<i>Economic and environmental services</i>	4 434	5 526	14 809	8 972	8 443	9 049	10 803	10 803	10 803	10 803	10 803	24 384	129 630	114 077	119 649
Planning and development	1 110	1 362	1 288	1 298	1 154	1 724	2 645	2 645	2 645	2 645	2 645	10 581	31 744	33 636	35 252
Road transport	3 325	4 165	13 521	7 673	7 289	7 325	8 157	8 157	8 157	8 157	8 157	13 803	97 887	80 441	84 397
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	15 211	15 082	15 149	12 022	12 951	12 945	18 704	18 704	18 704	18 704	18 704	47 568	224 450	235 396	264 801

Energy sources	14 881	14 782	14 851	12 020	12 839	12 046	17 802	17 802	17 802	17 802	17 802	17 802	43 196	213 626	225 156	254 069
Water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management	330	301	298	1	113	900	902	902	902	902	902	902	4 372	10 824	10 240	10 731
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	36 191	37 171	57 506	43 742	43 369	47 507	63 710	63 710	63 710	63 710	63 710	63 710	180 487	764 525	798 994	839 566
Surplus/(Deficit) 1.	76 483	(11 571)	(18 499)	(11 204)	(46)	65 808	(3 047)	(3 047)	(3 047)	(3 047)	(3 047)	(3 047)	(122 301)	(36 564)	(20 042)	(12 452)

2.12 Monthly Revenue and Expenditure

LIM334 Ba-Phalaborwa - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
	July	August	Sept	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands																
Revenue By Source																
Exchange Revenue	6 258	8 104	12 927	7 015	11 349	10 198	14 632	14 632	14 632	14 632	14 632	46 572	175 582	201 392	237 039	
Service charges - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	1 665	1 617	1 659	1 672	1 581	6 648	1 731	1 731	1 731	1 731	1 731	(2 725)	20 772	21 789	22 813	
Service charges - Waste Management	108	85	85	66	47	37	62	62	62	62	62	3 808	743	780	816	
Sale of Goods and Rendering of Services	-	-	-	-	-	-	544	544	544	544	544	-	6 529	6 849	7 170	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	318	668	787	793	803	826	1 459	1 459	1 459	1 459	1 459	6 018	17 508	18 365	19 229	
Interest earned from Current and Non Current Assets	532	625	527	443	329	-	426	426	426	426	426	525	5 113	2 741	2 870	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	39	11	27	55	17	81	23	23	23	23	23	(72)	270	231	242	
Licence and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	204	2	2	1 204	7	(5)	647	647	647	647	647	3 112	7 759	8 142	8 525	
Non-Exchange Revenue																
Property rates	10 533	11 234	16 335	16 397	16 367	17 555	15 380	15 380	15 380	15 380	15 380	19 237	184 556	193 599	202 698	
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences or permits	-	-	-	-	-	(0)	114	114	114	114	114	795	1 363	1 430	1 497	
Transfer and subsidies - Operational	85 805	315	621	1 247	662	68 949	17 287	17 287	17 287	17 287	17 287	3 564	6 109	6 409	6 710	
Interest	3 708	2 682	2 879	2 647	2 921	2 914	3 762	3 762	3 762	3 762	3 762	8 576	45 149	47 362	49 587	
Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	9 016	25 333	35 849	31 539	34 104	107 202	56 575	56 575	56 575	56 575	56 575	52 802	678 896	729 656	775 710	
Expenditure By Type																
Employee related costs	13 326	13 606	13 698	13 735	13 286	14 635	16 658	16 658	16 658	16 658	16 658	34 316	199 891	209 714	219 606	
Remuneration of councillors	1 169	1 487	1 403	1 612	1 613	1 340	1 533	1 533	1 533	1 533	1 533	2 110	18 401	21 086	22 077	
Bulk purchases - electricity	10 941	12 048	10 759	8 595	8 628	8 830	11 523	11 523	11 523	11 523	11 523	20 861	138 279	159 983	188 300	
Inventory consumed	4 076	1 105	2 029	1 857	1 516	823	2 143	2 143	2 143	2 143	2 143	3 594	25 715	26 749	28 006	
Debt impairment	-	-	-	-	-	-	8 333	8 333	8 333	8 333	8 333	58 333	100 000	104 700	109 830	
Depreciation and amortisation	-	60	19 715	6 541	6 329	6 696	6 607	6 607	6 607	6 607	6 607	6 909	79 285	83 170	77 079	
Interest	-	-	-	-	-	-	1 623	1 623	1 623	1 623	1 623	11 364	19 481	20 455	21 385	

3	Acquisitions - water & other inventory	-	-	-	-	-	-	-	2,542	2,542	17,794	30,503	34,507	38,693
	Contracted services	-	-	-	-	-	-	-	-	-	52,458	89,929	76,714	79,923
	Transfers and grants - other municipalities	-	-	-	-	-	-	-	7,494	7,494	-	-	-	-
	Transfers and grants - other	-	-	-	-	-	-	-	-	-	595	1,020	1,070	1,120
	Other expenditure	18,439	19,607	23,766	23,424	23,963	24,585	24,585	85	85	(83,860)	85,583	82,154	77,186
	Cash Payments by Type	42,371	39,243	56,876	52,928	41,731	48,269	48,269	49,035	49,035	61,826	588,419	613,462	659,585
	Other Cash Flows/Payments by Type	4,077	4,302	2,908	2,637	5,078	4,451	4,451	4,771	4,771	9,941	57,246	54,977	57,084
	Capital assets	-	(1,700)	1,700	-	-	-	-	1,700	1,700	11,900	20,400	20,400	20,400
	Repayment of borrowing	-	1,357	204	1,950	408	-	-	-	-	(3,917)	-	-	-
	Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Payments by Type	46,448	43,201	61,687	57,515	47,217	52,721	52,721	55,505	55,505	79,749	666,065	688,839	737,069
	NET INCREASE/(DECREASE) IN CASH HELD	74,622	(116)	(39,373)	(23,563)	(28,602)	57,400	(8,264)	(8,264)	(8,264)	(98,219)	(99,173)	84,856	86,691
	Cash/cash equivalents at the month/year beginning:	58,521	133,143	133,027	93,654	70,091	41,489	41,489	98,888	90,624	57,566	58,521	(40,652)	44,203
	Cash/cash equivalents at the month/year end:	133,143	133,027	93,654	70,091	41,489	98,888	90,624	82,360	74,095	(40,652)	(40,652)	44,203	130,894

2.1.4 Monthly Capital Expenditure by Municipal Vote

LIM334 Ba-Phalaborwa - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) -

Description - Municipal Vote R thousands	Budget Year 2023/24												Budget Year +1 2024/25	Budget Year +2 2025/26		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Adjusted Budget	Adjusted Budget	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Budget	Budget	Budget	
Single-year expenditure appropriation																
Vote 1 - Executive and Councilors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services	160	-	159	28	281	-	125	125	125	125	248	1 500	-	-	-	-
Vote 4 - Community and Social Services	-	-	-	-	-	-	83	83	83	83	583	1 000	-	-	-	-
Vote 5 - Planning and Development Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services	3 917	4 302	2 749	2 609	4 798	4 451	4 562	4 562	4 562	4 562	9 110	54 746	-	-	-	-
Capital single-year expenditure sub-total	4 077	4 302	2 908	2 637	5 078	4 451	4 771	4 771	4 771	4 771	9 941	57 246	54 977	54 977	57 084	57 084
Total Capital Expenditure	2 8 154	8 603	5 815	5 274	10 156	8 902	4 771	4 771	4 771	4 771	(13 511)	57 246	54 977	54 977	57 084	57 084

2.1.5 Monthly Capital Expenditure by Standard Classification

LIM334 Ba-Phalabonwa - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) -

Description	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
	July	August	Sept	October	November	December	January	February	March	April	May	June	Budget Year +1 2024/25	Budget Year +2 2025/26		
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		
Capital Expenditure - Functional	160	-	159	28	281	-	125	125	125	125	125	248	1 500	-		
Governance and administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Executive and council	160	-	159	28	281	-	125	125	125	125	248	1 500	-	-		
Finance and administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Community and public safety	1 128	-	697	867	1 214	994	853	853	853	853	1 067	10 230	10 888	-		
Community and social services	-	-	-	-	-	-	83	83	83	83	583	1 000	-	-		
Sport and recreation	1 128	-	697	867	1 214	994	769	769	769	769	484	9 230	10 888	-		
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Economic and environmental services	2 790	4 302	2 051	1 742	810	3 302	2 477	2 477	2 477	2 477	2 342	29 722	27 108	39 559		
Planning and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Road transport	2 790	4 302	2 051	1 742	810	3 302	2 477	2 477	2 477	2 477	2 342	29 722	27 108	39 559		
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Trading services	-	-	-	-	2 774	155	1 316	1 316	1 316	1 316	6 284	15 794	16 981	17 525		
Energy sources	-	-	-	-	2 774	155	1 316	1 316	1 316	1 316	6 284	15 794	16 981	17 525		
Water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Waste management	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Capital Expenditure - Functional	4 077	4 302	2 908	2 637	5 078	4 451	4 771	4 771	4 771	4 771	9 941	57 246	54 977	57 084		

2.16 Adjustments on Capital Expenditure (New Assets)

LIM334 Ba-Phalaborwa - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class -

Description	Ref	Budget Year 2023/24										Budget Year	Budget Year				
		Original Budget A	Pror. Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unexpd. 10	Net or Pror. Govt 11	Other Adjusts 12	Total Adjusts 13	Adjusted Budget 14	Adjusted Budget 15	Adjusted Budget 16	Adjusted Budget 17				
Capital expenditure on new assets by Asset Class/Sub-class																	
Infrastructure		30 794	-	-	-	-	-	(8 750)	22 044	(8 750)	-	30 781	51 404				
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	13 800	33 879				
Roads		-	-	-	-	-	-	-	-	-	-	-	20 079				
Road Structures		-	-	-	-	-	-	-	-	-	-	13 800	13 800				
Road Furniture		-	-	-	-	-	-	-	-	-	-	-	-				
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-				
Storm water Infrastructure		10 000	-	-	-	-	-	(3 750)	6 250	(3 750)	-	-	-				
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-	-				
Storm water Conveyance		10 000	-	-	-	-	-	(3 750)	6 250	(3 750)	-	-	-				
Attenuation		-	-	-	-	-	-	-	-	-	-	-	-				
Electrical Infrastructure		20 794	-	-	-	-	-	(5 000)	15 794	(5 000)	-	16 981	17 525				
Power Plants		-	-	-	-	-	-	-	-	-	-	-	-				
HV Substations		-	-	-	-	-	-	-	-	-	-	-	-				
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-	-				
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-	-				
MV Substations		-	-	-	-	-	-	-	-	-	-	-	-				
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-	-				
MV Networks		20 794	-	-	-	-	-	(5 000)	15 794	(5 000)	-	12 000	12 538				
LV Networks		-	-	-	-	-	-	-	-	-	-	-	-				
Capital Spares		-	-	-	-	-	-	-	-	-	-	4 981	4 987				
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-				
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-	-				
Boreholes		-	-	-	-	-	-	-	-	-	-	-	-				
Reservoirs		-	-	-	-	-	-	-	-	-	-	-	-				
Pump Stations		-	-	-	-	-	-	-	-	-	-	-	-				
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-	-				

2.17 Expenditure on repairs and maintenance by asset class

LIM334 Ba-Phalaborwa - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class -

Description	Ref	Budget Year 2023/24										Budget Year +1 2024/25	Budget Year +2 2025/26	
		Original Budget A	Prior Adjusted 7	Accum. Funds 8	Multi- year capital 9	Unfore- Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts 12	Total Adjusts 13	Adjusted Budget 14	Adjusted Budget 14			
Repairs and maintenance expenditure by Asset Class/Sub-class														
Infrastructure		19 819	-	-	-	-	-	(1 900)	(1 900)	-	-	17 919	12 923	13 530
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		15 012	-	-	-	-	-	(1 200)	(1 200)	-	-	13 812	7 881	8 251
Power Plants		-	-	-	-	-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-	-	-
MV Substations		10 012	-	-	-	-	-	3 800	3 800	-	-	13 812	7 881	8 251
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-	-	-
MV Networks		5 000	-	-	-	-	-	(5 000)	(5 000)	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-	-	-	-	-

2.18 Adjustment on Budget- Depreciation by asset class

LIM334 Ba-Phalaborwa - Supporting Table SB18d Adjustments Budget - depreciation by asset class -

Description	Ref	Budget Year: 2023/24										Budget Year: +1/2024/25	Budget Year: +2/2025/26
		Original Budget A	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 6	Unfore. Unavoid. 10	Nat. or Prov. Govt. 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget	
Infrastructure		50 101	-	-	-	-	(4 010)	(4 010)	46 091	52 556	46 026		
Roads Infrastructure		36 254	-	-	-	-	(2 830)	(2 830)	33 424	38 030	30 818		
Roads		17 053	-	-	-	-	(8 500)	(8 500)	8 553	17 889	15 730		
Road Structures		-	-	-	-	-	370	370	370	-	-		
Road Furniture		19 200	-	-	-	-	5 300	5 300	24 500	20 141	15 088		
Capital Spares		-	-	-	-	-	-	-	-	-	-		
Storm water Infrastructure		1 021	-	-	-	-	1 820	1 820	2 841	1 071	1 121		
Drainage Collection		-	-	-	-	-	20	20	20	-	-		
Storm water Conveyance		1 021	-	-	-	-	1 800	1 800	2 821	1 071	1 121		
Attenuation		-	-	-	-	-	-	-	-	-	-		
Electrical Infrastructure		12 826	-	-	-	-	(3 000)	(3 000)	9 826	13 454	14 087		
Power Plants		-	-	-	-	-	-	-	-	-	-		
HV Substations		-	-	-	-	-	-	-	-	-	-		
HV Switching Station		-	-	-	-	-	-	-	-	-	-		
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-		
MV Substations		6 202	-	-	-	-	(1 500)	(1 500)	4 702	6 506	6 811		
MV Switching Stations		266	-	-	-	-	-	-	266	279	292		
MV Networks		5 223	-	-	-	-	(1 000)	(1 000)	4 223	5 479	5 737		
LV Networks		1 134	-	-	-	-	(500)	(500)	634	1 190	1 246		
Capital Spares		-	-	-	-	-	-	-	-	-	-		
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-		
Dams and Weirs		-	-	-	-	-	-	-	-	-	-		
Boreholes		-	-	-	-	-	-	-	-	-	-		
Reservoirs		-	-	-	-	-	-	-	-	-	-		
Pump Stations		-	-	-	-	-	-	-	-	-	-		
Water Treatment Works		-	-	-	-	-	-	-	-	-	-		
Bulk Mains		-	-	-	-	-	-	-	-	-	-		
Distribution		-	-	-	-	-	-	-	-	-	-		

Machinery and Equipment	6 483	-	-	-	-	-	-	-	-	-	-	1 873	6 801	7 121
<u>Transport Assets</u>	2 572	-	-	-	-	-	-	-	-	-	-	2 872	2 698	2 825
Transport Assets	2 572	-	-	-	-	-	-	-	-	-	-	2 872	2 698	2 825
<u>Land</u>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Living resources</u>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Depreciation to be adjusted	1	79 285	-	-	-	-	-	-	-	-	-	79 285	83 170	77 079

2.19 Adjustments Budget - capital expenditure on upgrading of existing assets by asset class

LIM334 Ba-Phalaborwa - Supporting Table SB18e Adjustments Budget - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	Budget Year 2023/24										Budget Year+1	Budget Year+2
		Original Budget	Prior Adjusted	Accum Funds	Multi-Year capital	Unfore Unavoid	Nat of Prov Govt	Other Adjusts	Total Adjusts	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7	8	9	10	11	12	13	14			
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class													
Infrastructure		16 472	-	-	-	-	-	7 000	7 000	23 472	13 308	5 680	
Roads Infrastructure		16 472	-	-	-	-	-	7 000	7 000	23 472	13 308	5 680	
Roads		10 792	-	-	-	-	-	7 000	7 000	17 792	7 628	-	
Road Structures		5 680	-	-	-	-	-	-	-	5 680	5 680	5 680	
Road Furniture		-	-	-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Drainage Collection		-	-	-	-	-	-	-	-	-	-	-	
Storm water Conveyance		-	-	-	-	-	-	-	-	-	-	-	
Attenuation		-	-	-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Power Plants		-	-	-	-	-	-	-	-	-	-	-	
HV Substations		-	-	-	-	-	-	-	-	-	-	-	
HV Switching Station		-	-	-	-	-	-	-	-	-	-	-	
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	-	-	
MV Substations		-	-	-	-	-	-	-	-	-	-	-	
MV Switching Stations		-	-	-	-	-	-	-	-	-	-	-	
MV Networks		-	-	-	-	-	-	-	-	-	-	-	
LV Networks		-	-	-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	-	-	
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Dams and Weirs		-	-	-	-	-	-	-	-	-	-	-	
Boreholes		-	-	-	-	-	-	-	-	-	-	-	
Reservoirs		-	-	-	-	-	-	-	-	-	-	-	
Pump Stations		-	-	-	-	-	-	-	-	-	-	-	
Water Treatment Works		-	-	-	-	-	-	-	-	-	-	-	

Bulk Mains
 Distribution
 Distribution Points
 PRV Stations
 Capital Spares
 Sanitation Infrastructure
 Pump Station
 Reticulation
 Waste Water Treatment Works
 Outfall Sewers
 Toilet Facilities
 Capital Spares
 Solid Waste Infrastructure
 Landfill Sites
 Waste Transfer Stations
 Waste Processing Facilities
 Waste Drop-off Points
 Waste Separation Facilities
 Electricity Generation Facilities
 Capital Spares
 Rail Infrastructure
 Rail Lines
 Rail Structures
 Rail Furniture
 Drainage Collection
 Storm water Conveyance
 Attenuation
 MV Substations
 LV Networks
 Capital Spares
 Coastal Infrastructure
 Sand Pumps
 Piers
 Revetments
 Promenades
 Capital Spares
 Information and Communication Infrastructure
 Data Centres
 Core Layers

OVERVIEW OF ADJUSTMENT BUDGET ASSUMPTIONS

The adjustment budget always focuses on service delivery programmes in line with current challenges faced by the municipality such as electricity infrastructure and dilapidated roads infrastructure.

The following decisions remains unchanged taking into account service delivery issues:

- Collection of electricity revenue must be prioritised in Phalaborwa town.
- Continuous implementation of policies such as credit control and debt collection policy in order to reach the acceptable collection norm.
- Continuous Implementation of approved funding plan, financial recovery plan and cost containment regulations as approved by Council.

4. OVERVIEW OF ADJUSTMENT BUDGET FUNDING

4.1.1 Tariff schedule

The tariff schedule for 2023/24 on all services remains unchanged.

4.1.2 Government Grant and Subsidies allocation

Government grants reduced from R264 million from R257 million due to Publication of the Adjustment Gazette in terms of Sections 15 & 25 of Division of Revenue Act.

5. REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

- The revised SDBIP will be attached once finalised and approved.

6. LEGISLATION COMPLIANCE STATUS

6.1 Compliance to Municipal Finance Management Act (MFMA, 56 of 2003)

The MFMA came into effect on 01 July 2004. This legislation provides for significant changes in the way municipalities in South Africa manage their financial affairs. The legislation not only deals with Financial Management issues but also with general management issues.


7. MUNICIPAL MANAGER'S QUALITY

QUALITY CERTIFICATE

I Dr Pilusa KKL, Municipal Manager of BA-PHALABORWA LOCAL MUNICIPALITY (LIM334) hereby certify that the adjustment budget and its 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 documentation are consistent with the Integrated Development Plan of the Municipality.

Print Name Kgechi Kgashane hweas Pilusa

Municipal Manager of Ba-Phalaborwa Municipality LIM334

Signature 

Date 28/02/2024