



BUDGET & TREASURY OFFICE

2015/16 ADJUSTMENTS BUDGET

**Budget & Reporting
15/16 SCHEDULE B REPORT**

Table of Contents

PART 1 – ADJUSTMENTS BUDGET 3

- 1. Mayor’s Report..... 3
- 2. Resolutions..... 3
- 3. Executive Summary 4
- 4. Adjusted Budget Tables 5
- 5 Adjustments to Budget Assumptions..... 19

1. PART 1 – ADJUSTMENTS BUDGET

1. Mayor's Report

The first half the financial year has come to an end and this means that the municipality has another half to ensure delivery as per mandate. With the term of office of the current council drawing to a close it goes without saying that we are now operating like a well-oiled machine and we push the administrators of the municipality to perform at their peak to ensure we achieve our goals.

Section 72 of the MFMA requires that the municipality's performance during the first half of the financial year be reviewed in order to ascertain if there are adjustments and interventions that need to be made. Once such a review has been conducted, Section 28 of the MFMA requires that an adjustments budget be prepared if the outcomes of the review so dictate. The adjustments budget is therefore a function of the Mid-year review. Honourable Speaker and fellow Councillors, this report therefore serves as a an intervention tool given the municipality's performance during the first 6 months of the financial year.

Honourable Speaker and Councillors, I hereby table the 2015/16 adjustments budget for consideration and approval.

2. Resolutions

It is recommended that Council;

- 2.1 Council approves the 2015/16 adjustments budget as per section 28 of the MFMA,
- 2.2 Council authorises the utilisation of projected savings in one vote towards spending under another vote,
- 2.3 Council authorise the spending of funds that were unspent at the end of the past financial year,
- 2.4 Council authorise the spending of funds that were unspent at the end of the past financial year where the under spending could not be reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by Council,
- 2.5 Council corrects any errors in the annual budget.

3. Executive Summary

Financial Implications of the Adjustments Budget

The main financial implications of this adjustments budget is an increase in the operating surplus from R3.4 million to R17 million. This is despite the increase in the operational budget for bulk purchases amounting to R44.2 million. The capital budget will also see a net increase of R1.2 million which includes roll-overs of R28.1 million by the National Treasury and re allocations as requested by various business units.

Effect of the Adjustments Budget on Service Delivery Provision

Except for the increase in the bulk water purchases budget which will ensure that the municipality is able to pay its bulk suppliers to ensure uninterrupted provision of services, no other adjustments have been made that will affect service delivery provision.

Adjustments budget Highlights

The main highlights of the adjustments budget can be summarised as follows;

REVENUE

- ✓ R10.4 m increase in Property Rates revenue.
- ✓ Operating Grants roll overs amounting to R33.4 million
- ✓ Re-allocation of R35.6 million from Capex to Opex for IRPTN

OPERATIONS BUDGET

- ✓ Increase in Bulk Purchases Budget by R44.2million
- ✓ Reallocation of R30million from the Repairs & Maintenance.
- ✓ Increase in grant funded other expenditure resulting from roll overs approved.

CAPITAL BUDGET

- ✓ Roll Over of 2014/15 unspent conditional grants approved by National Treasury in the capital budget amounted to R28, 1million.
- ✓ A decrease of R35.6 million re-allocated to the operational budget for IRPTN.

4. Adjusted Budget Tables

TABLE B1: Adjustment Budget Summary

Table B1 below provides a summary of the budget adjustment of the municipality and is unpacked in the sections that follow.

KZN225 Msunduzi - Table B1 Adjustments Budget Summary -

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|-----------------|-----------------|------------------|------------------|------------------|
| | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | +1 2016/17 | +2 2017/18 |
| R thousands | A | A1 | B | C | D | E | F | G | H | | |
| Financial Performance | | | | | | | | | | | |
| Property rates | 784,462 | - | - | - | - | - | 404 | 404 | 784,866 | 828,050 | 869,627 |
| Service charges | 2,694,542 | - | - | - | - | - | - | - | 2,694,542 | 2,984,209 | 3,295,959 |
| Investment revenue | 33,988 | - | - | - | - | - | 10,000 | 10,000 | 43,988 | 35,887 | 37,826 |
| Transfers recognised - operational | 440,652 | - | - | - | - | 8,486 | 69,104 | 77,590 | 518,242 | 463,799 | 502,985 |
| Other own revenue | 211,526 | - | - | - | - | - | - | - | 211,526 | 208,508 | 218,606 |
| Total Revenue (excluding capital transfers and contributions) | 4,165,169 | - | - | - | - | 8,486 | 79,508 | 87,994 | 4,253,163 | 4,520,454 | 4,925,002 |
| Employee costs | 956,536 | - | - | - | - | - | - | - | 956,536 | 1,013,939 | 1,078,366 |
| Remuneration of councillors | 42,350 | - | - | - | - | - | - | - | 42,350 | 45,659 | 48,124 |
| Depreciation & asset impairment | 485,746 | - | - | - | - | - | - | - | 485,746 | 537,909 | 595,116 |
| Finance charges | 69,489 | - | - | - | - | - | - | - | 69,489 | 68,323 | 61,730 |
| Materials and bulk purchases | 1,766,584 | - | - | - | - | - | 215,351 | 215,351 | 1,981,935 | 1,941,181 | 2,129,752 |
| Transfers and grants | 134,035 | - | - | - | - | - | - | - | 134,035 | 149,851 | 174,933 |
| Other expenditure | 706,959 | - | - | - | - | 8,486 | (149,386) | (140,900) | 566,059 | 758,049 | 828,248 |
| Total Expenditure | 4,161,699 | - | - | - | - | 8,486 | 65,965 | 74,451 | 4,236,150 | 4,514,911 | 4,916,269 |
| Surplus/(Deficit) | 3,470 | - | - | - | - | - | 13,543 | 13,543 | 17,013 | 5,543 | 8,734 |
| Transfers recognised - capital | 489,060 | - | - | - | - | - | (35,713) | (35,713) | 453,347 | 466,372 | 480,820 |
| Contributions recognised - capital & contributed a | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 492,530 | - | - | - | - | - | (22,170) | (22,170) | 470,360 | 471,915 | 489,554 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 492,530 | - | - | - | - | - | (22,170) | (22,170) | 470,360 | 471,915 | 489,554 |
| Capital expenditure & funds sources | | | | | | | | | | | |
| Capital expenditure | 709,060 | - | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 |
| Transfers recognised - capital | 489,060 | - | - | - | - | - | (7,253) | (7,253) | 481,807 | 466,372 | 480,820 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing | 100,000 | - | - | - | - | - | - | - | 100,000 | 50,000 | - |
| Internally generated funds | 120,000 | - | - | - | - | - | 8,481 | 8,481 | 128,481 | 120,000 | 120,000 |
| Total sources of capital funds | 709,060 | - | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 |
| Financial position | | | | | | | | | | | |
| Total current assets | 3,132,947 | - | - | - | - | - | 36,542 | 36,542 | 3,169,489 | 3,274,384 | 3,404,479 |
| Total non current assets | 7,567,965 | - | - | - | - | - | (20,389) | (20,389) | 7,547,576 | 7,677,387 | 7,692,424 |
| Total current liabilities | 1,378,122 | - | - | - | - | - | - | - | 1,378,122 | 999,627 | 640,836 |
| Total non current liabilities | 1,261,476 | - | - | - | - | - | - | - | 1,261,476 | 1,297,900 | 1,291,234 |
| Community wealth/Equity | 8,061,314 | - | - | - | - | - | 16,153 | 16,153 | 8,077,467 | 8,654,244 | 9,164,833 |
| Cash flows | | | | | | | | | | | |
| Net cash from (used) operating | 706,354 | - | - | - | - | 8,486 | 10,404 | 18,890 | 725,244 | 670,295 | 721,593 |
| Net cash from (used) investing | (589,505) | - | - | - | - | - | - | - | (589,505) | (555,584) | (537,677) |
| Net cash from (used) financing | 55,400 | - | - | - | - | - | - | - | 55,400 | 2,522 | (48,507) |
| Cash/cash equivalents at the year end | 1,014,601 | - | - | - | - | 8,486 | 10,404 | 18,890 | 1,033,491 | 1,240,992 | 1,376,402 |
| Cash backing/surplus reconciliation | | | | | | | | | | | |
| Cash and investments available | 1,131,427 | - | - | - | - | - | 36,542 | 36,542 | 1,167,969 | 1,162,178 | 1,172,307 |
| Application of cash and investments | 1,047,929 | - | - | - | - | - | (3,560) | (3,560) | 1,044,368 | 691,632 | 338,241 |
| Balance - surplus (shortfall) | 83,498 | - | - | - | - | - | 40,102 | 40,102 | 123,600 | 470,547 | 834,066 |
| Asset Management | | | | | | | | | | | |
| Asset register summary (WDV) | 7,379,615 | - | - | - | - | - | - | - | 7,379,615 | 7,485,269 | 7,481,905 |
| Depreciation & asset impairment | 485,746 | - | - | - | - | - | - | - | 485,746 | 537,909 | 595,116 |
| Renewal of Existing Assets | 644,081 | - | - | - | - | - | 1,117 | 1,117 | 645,198 | 501,905 | 482,323 |
| Repairs and Maintenance | 202,126 | - | - | - | - | - | - | - | 202,126 | 280,975 | 361,657 |
| Free services | | | | | | | | | | | |
| Cost of Free Basic Services provided | 128,182 | - | - | - | - | - | - | - | 128,182 | 149,588 | 174,655 |
| Revenue cost of free services provided | 569,008 | - | - | - | - | - | - | - | 569,008 | 616,997 | 670,305 |
| Households below minimum service level | | | | | | | | | | | |
| Water: | 6 | - | - | - | - | - | - | - | 6 | 5 | 3 |
| Sanitation/sewage: | 3 | - | - | - | - | - | - | - | 3 | 1 | 1 |
| Energy: | 11 | - | - | - | - | - | - | - | 11 | 10 | 9 |
| Refuse: | 44 | - | - | - | - | - | - | - | 44 | 38 | 23 |

TABLE B2: Adjustment Budget Financial Performance

Schedule B2 is the Expenditure by standard classification presents the adjustment expenditures by the departments.

KZN225 Msunduzi - Table B2 Adjustments Budget Financial Performance (standard classification) -

| Standard Description | Ref | Budget Year 2015/16 | | | | | | | | | 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 | +1 2016/17 | +2 2017/18 |
| | | A | 5 A1 | 6 B | 7 C | 8 D | 9 E | 10 F | 11 G | 12 H | | | |
| R thousands | 1, 4 | | | | | | | | | | | | |
| Revenue - Standard | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 1,240,510 | - | - | - | - | - | 46,300 | 46,300 | 1,286,810 | 1,302,013 | 1,383,957 | |
| Executive and council | | 1,600 | - | - | - | - | - | 35,896 | 35,896 | 37,496 | 1,625 | 1,700 | |
| Budget and treasury office | | 1,228,885 | - | - | - | - | - | 10,404 | 10,404 | 1,239,289 | 1,290,107 | 1,371,691 | |
| Corporate services | | 10,024 | - | - | - | - | - | - | - | 10,024 | 10,281 | 10,566 | |
| <i>Community and public safety</i> | | 68,651 | - | - | - | - | 8,486 | 33,391 | 41,877 | 110,528 | 69,183 | 71,125 | |
| Community and social services | | 31,421 | - | - | - | - | - | 1,269 | 1,269 | 32,690 | 28,799 | 30,225 | |
| Sport and recreation | | 838 | - | - | - | - | - | - | - | 838 | 885 | 933 | |
| Public safety | | 21,248 | - | - | - | - | - | - | - | 21,248 | 20,385 | 21,487 | |
| Housing | | 15,112 | - | - | - | - | 8,486 | 32,122 | 40,608 | 55,720 | 19,080 | 18,445 | |
| Health | | 32 | - | - | - | - | - | - | - | 32 | 34 | 36 | |
| <i>Economic and environmental services</i> | | 472,320 | - | - | - | - | - | - | - | 472,320 | 480,289 | 491,528 | |
| Planning and development | | 70,135 | - | - | - | - | - | - | - | 70,135 | 79,601 | 82,279 | |
| Road transport | | 402,185 | - | - | - | - | - | - | - | 402,185 | 400,688 | 409,249 | |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Trading services</i> | | 2,844,740 | - | - | - | - | - | - | - | 2,844,740 | 3,107,787 | 3,430,170 | |
| Electricity | | 1,908,647 | - | - | - | - | - | - | - | 1,908,647 | 2,129,988 | 2,384,358 | |
| Water | | 689,287 | - | - | - | - | - | - | - | 689,287 | 720,935 | 774,081 | |
| Waste water management | | 148,037 | - | - | - | - | - | - | - | 148,037 | 154,008 | 162,919 | |
| Waste management | | 98,770 | - | - | - | - | - | - | - | 98,770 | 102,856 | 108,813 | |
| <i>Other</i> | | 28,007 | - | - | - | - | - | - | - | 28,007 | 27,554 | 29,042 | |
| Total Revenue - Standard | 2 | 4,654,229 | - | - | - | - | 8,486 | 79,691 | 88,177 | 4,742,406 | 4,986,826 | 5,405,823 | |
| Expenditure - Standard | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 499,300 | - | - | - | - | - | 40,140 | 40,140 | 539,440 | 552,588 | 616,585 | |
| Executive and council | | 107,609 | - | - | - | - | - | 42,543 | 42,543 | 150,152 | 116,432 | 123,036 | |
| Budget and treasury office | | 171,968 | - | - | - | - | - | - | - | 171,968 | 204,190 | 239,724 | |
| Corporate services | | 219,723 | - | - | - | - | - | (2,403) | (2,403) | 217,320 | 231,967 | 253,824 | |
| <i>Community and public safety</i> | | 494,075 | - | - | - | - | 8,486 | 60,091 | 68,577 | 562,652 | 516,131 | 546,313 | |
| Community and social services | | 127,547 | - | - | - | - | - | 16,894 | 16,894 | 144,441 | 130,644 | 138,442 | |
| Sport and recreation | | 107,339 | - | - | - | - | - | - | - | 107,339 | 113,185 | 120,622 | |
| Public safety | | 203,382 | - | - | - | - | - | 2,890 | 2,890 | 206,272 | 213,214 | 224,897 | |
| Housing | | 36,390 | - | - | - | - | 8,486 | 40,726 | 49,212 | 85,602 | 38,740 | 40,818 | |
| Health | | 19,417 | - | - | - | - | - | (419) | (419) | 18,998 | 20,349 | 21,534 | |
| <i>Economic and environmental services</i> | | 564,150 | - | - | - | - | - | 1,651 | 1,651 | 565,802 | 603,466 | 644,862 | |
| Planning and development | | 110,638 | - | - | - | - | - | (20,689) | (20,689) | 89,949 | 117,043 | 124,388 | |
| Road transport | | 453,512 | - | - | - | - | - | 22,340 | 22,340 | 475,852 | 486,423 | 520,474 | |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - | |
| <i>Trading services</i> | | 2,562,425 | - | - | - | - | - | - | - | 2,562,425 | 2,798,185 | 3,060,605 | |
| Electricity | | 1,561,557 | - | - | - | - | - | - | - | 1,561,557 | 1,702,299 | 1,862,191 | |
| Water | | 705,930 | - | - | - | - | - | - | - | 705,930 | 775,582 | 854,973 | |
| Waste water management | | 186,492 | - | - | - | - | - | - | - | 186,492 | 201,457 | 217,622 | |
| Waste management | | 108,446 | - | - | - | - | - | - | - | 108,446 | 118,846 | 125,819 | |
| <i>Other</i> | | 41,749 | - | - | - | - | - | (21) | (21) | 41,728 | 44,541 | 47,904 | |
| Total Expenditure - Standard | 3 | 4,161,699 | - | - | - | - | 8,486 | 101,861 | 110,347 | 4,272,046 | 4,514,910 | 4,916,269 | |
| Surplus/ (Deficit) for the year | | 492,530 | - | - | - | - | - | (22,170) | (22,170) | 470,360 | 471,916 | 489,554 | |

TABLE B3: Adjustment Budget Financial Performance

Table B3 presents the same information as the table above, the difference being that it's by Municipal vote.

KZN225 Msunduzi - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

| Vote Description <i>[Insert departmental structure etc]</i> | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------|--------|------------|----------|--------------|-----------------|-----------------|------------------|------------------|------------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Prov. Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | |
| | | A | A1 | B | C | D | E | F | G | H | | |
| R thousands | | | | | | | | | | | | |
| Revenue by Vote | 1 | | | | | | | | | | | |
| City Manager | | 1,600 | - | - | - | - | - | 35,896 | 35,896 | 37,496 | 4,950 | 5,533 |
| City Finance | | 1,465,407 | - | - | - | - | - | 10,404 | 10,404 | 1,475,811 | 1,505,003 | 1,600,442 |
| Community Services and Social Equity | | 158,786 | - | - | - | - | - | 1,269 | 1,269 | 160,055 | - | - |
| Corporate Services | | 10,026 | - | - | - | - | - | - | - | 10,026 | - | - |
| Infrastructure Services | | 2,930,027 | - | - | - | - | - | - | - | 2,930,027 | 2,243,380 | 2,449,428 |
| Sustainable Development and City Enterprises | | 88,383 | - | - | - | - | 8,486 | 32,122 | 40,608 | 128,991 | 210,445 | 216,949 |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 4,654,229 | - | - | - | - | 8,486 | 79,691 | 88,177 | 4,742,406 | 3,963,778 | 4,272,353 |
| Expenditure by Vote | 1 | | | | | | | | | | | |
| City Manager | | 147,877 | - | - | - | - | - | 28,612 | 28,612 | 176,489 | 570,789 | 601,612 |
| City Finance | | 592,671 | - | - | - | - | - | (1,392) | (1,392) | 591,279 | 640,829 | 707,969 |
| Community Services and Social Equity | | 335,197 | - | - | - | - | - | (1,158) | (1,158) | 334,039 | 640,829 | 707,969 |
| Corporate Services | | 195,577 | - | - | - | - | - | 3,453 | 3,453 | 199,030 | 576,851 | 643,927 |
| Infrastructure Services | | 2,731,553 | - | - | - | - | - | 42,507 | 42,507 | 2,774,060 | 1,956,982 | 2,068,074 |
| Sustainable Development and City Enterprises | | 158,824 | - | - | - | - | 8,486 | 29,839 | 38,325 | 197,149 | 425,020 | 526,472 |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 4,161,699 | - | - | - | - | 8,486 | 101,861 | 110,347 | 4,272,046 | 4,811,300 | 5,256,022 |
| Surplus/ (Deficit) for the year | 2 | 492,530 | - | - | - | - | - | (22,170) | (22,170) | 470,360 | (847,522) | (983,669) |

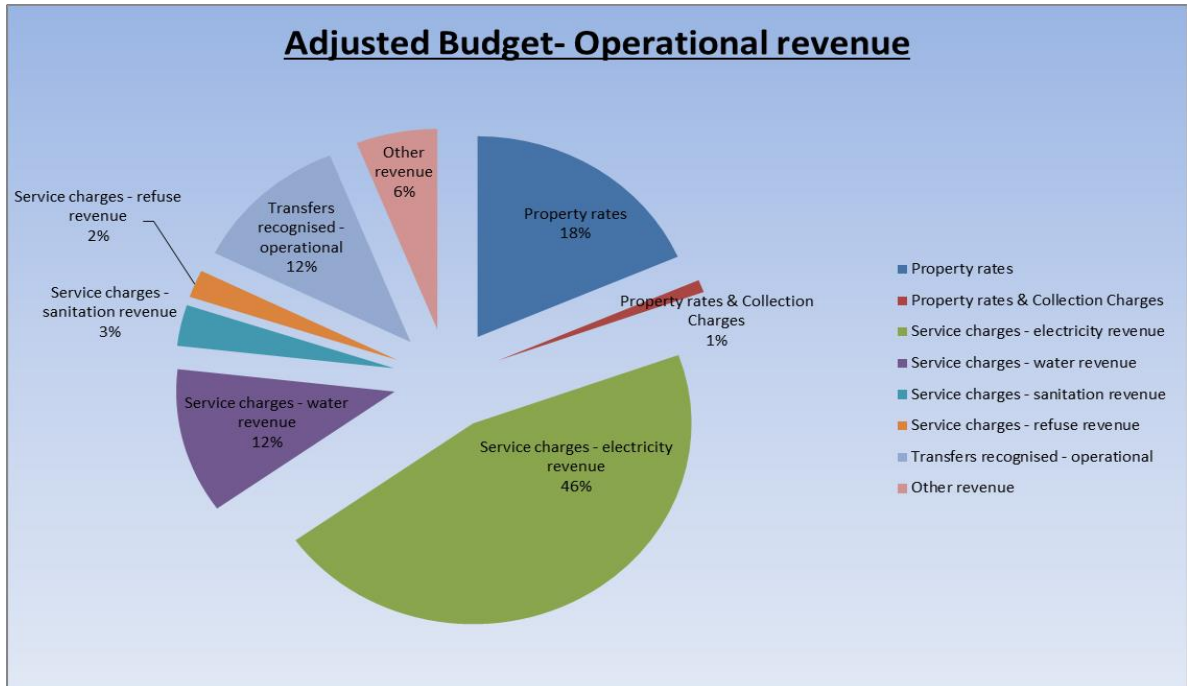
TABLE B4: Adjustment Budget Financial Performance

This schedule provides information on the adjustment revenue by source and adjustment operational expenditures by type.

KZN225 Msunduzi - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

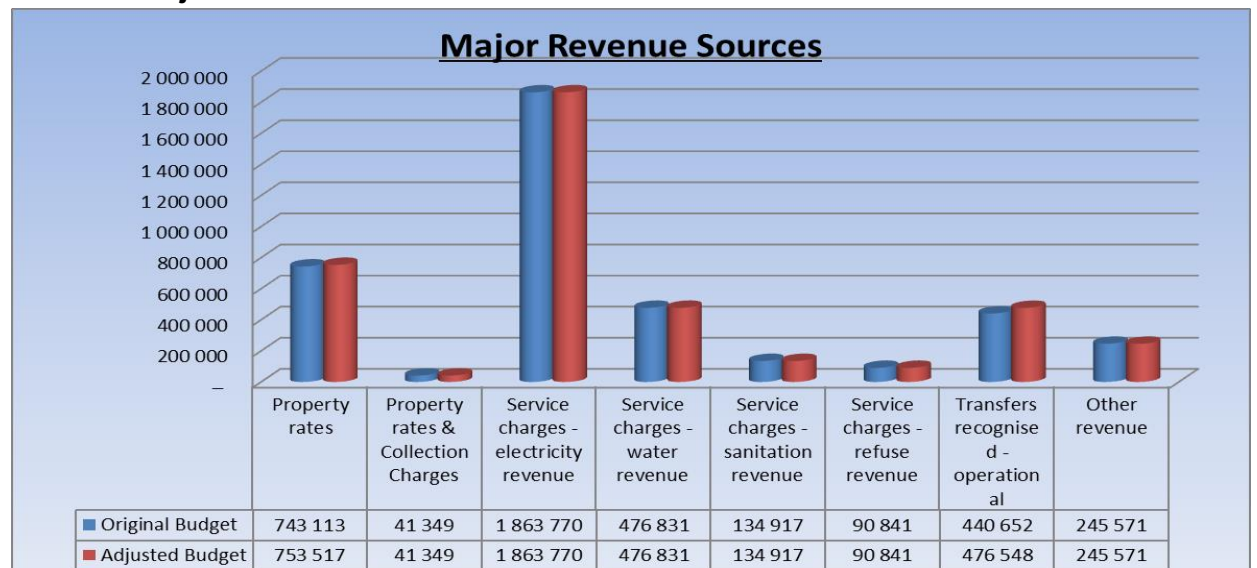
| Description | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|-----------------|-----------------|------------------|------------------|------------------|
| | | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjus. | Adjusted Budget | +1 2016/17 | +2 2017/18 |
| R thousands | 1 | A | A1 | B | C | D | E | F | G | H | | |
| Revenue By Source | | | | | | | | | | | | |
| Property rates | 2 | 743,113 | - | - | - | - | - | 10,404 | 10,404 | 753,517 | 784,468 | 823,692 |
| Property rates - penalties & collection charges | | 41,349 | | | | | | (10,000) | (10,000) | 31,349 | 43,582 | 45,935 |
| Service charges - electricity revenue | 2 | 1,865,706 | - | - | - | - | - | - | - | 1,865,706 | 2,087,542 | 2,335,687 |
| Service charges - water revenue | 2 | 595,443 | - | - | - | - | - | - | - | 595,443 | 651,217 | 700,571 |
| Service charges - sanitation revenue | 2 | 139,471 | - | - | - | - | - | - | - | 139,471 | 146,726 | 155,244 |
| Service charges - refuse revenue | 2 | 93,922 | - | - | - | - | - | - | - | 93,922 | 98,724 | 104,457 |
| Service charges - other | | - | | | | | | | | - | - | - |
| Rental of facilities and equipment | | 41,329 | | | | | | | | 41,329 | 43,292 | 44,468 |
| Interest earned - external investments | | 33,988 | | | | | | 10,000 | 10,000 | 43,988 | 35,887 | 37,826 |
| Interest earned - outstanding debtors | | 62,593 | | | | | | - | - | 62,593 | 66,366 | 69,950 |
| Dividends received | | - | | | | | | - | - | - | - | - |
| Fines | | 17,488 | | | | | | - | - | 17,488 | 16,356 | 17,239 |
| Licences and permits | | 87 | | | | | | - | - | 87 | 92 | 97 |
| Agency services | | 632 | | | | | | - | - | 632 | 668 | 704 |
| Transfers recognised - operating | | 440,652 | | | | | 8,486 | 69,104 | 77,590 | 518,242 | 463,799 | 502,985 |
| Other revenue | 2 | 79,695 | - | - | - | - | - | - | - | 79,695 | 81,735 | 86,149 |
| Gains on disposal of PPE | | 9,700 | | | | | | - | - | 9,700 | | |
| Total Revenue (excluding capital transfers and contributions) | | 4,165,169 | | | | | 8,486 | 79,508 | 87,994 | 4,253,163 | 4,520,454 | 4,925,002 |
| Expenditure By Type | | | | | | | | | | | | |
| Employee related costs | | 956,536 | - | - | - | - | - | - | - | 956,536 | 1,013,939 | 1,078,366 |
| Remuneration of councillors | | 42,350 | | | | | | | | 42,350 | 45,659 | 48,124 |
| Debt impairment | | 124,586 | | | | | | (17,331) | (17,331) | 107,255 | 134,979 | 143,888 |
| Depreciation & asset impairment | | 485,746 | | | | | | - | - | 485,746 | 537,909 | 595,116 |
| Finance charges | | 69,489 | | | | | | - | - | 69,489 | 68,323 | 61,730 |
| Bulk purchases | | 1,736,811 | | | | | | 44,282 | 44,282 | 1,781,093 | 1,907,233 | 2,093,955 |
| Other materials | | 29,773 | | | | | | 171,069 | 171,069 | 200,842 | 33,948 | 35,797 |
| Contracted services | | 18,556 | | | | | | 7,000 | 7,000 | 25,556 | 19,795 | 20,864 |
| Transfers and grants | | 134,035 | | | | | | - | - | 134,035 | 149,851 | 174,933 |
| Other expenditure | | 563,817 | | | | | 8,486 | (139,055) | (130,569) | 433,248 | 603,275 | 663,496 |
| Loss on disposal of PPE | | - | | | | | | - | - | - | - | - |
| Total Expenditure | | 4,161,699 | | | | | 8,486 | 65,965 | 74,451 | 4,236,150 | 4,514,911 | 4,916,269 |
| Surplus/(Deficit) | | 3,470 | | | | | | 13,543 | 13,543 | 17,013 | 5,543 | 8,734 |
| Transfers recognised - capital | | 489,060 | | | | | | (35,713) | (35,713) | 453,347 | 466,372 | 480,820 |
| Contributions recognised - capital | | | | | | | | | | | | |
| Contributed assets | | | | | | | | | | | | |
| Surplus/(Deficit) before taxation | | 492,530 | | | | | | (22,170) | (22,170) | 470,360 | 471,915 | 489,554 |
| Taxation | | | | | | | | | | | | |
| Surplus/(Deficit) after taxation | | 492,530 | | | | | | (22,170) | (22,170) | 470,360 | 471,915 | 489,554 |
| Attributable to minorities | | | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | 492,530 | | | | | | (22,170) | (22,170) | 470,360 | 471,915 | 489,554 |
| Share of surplus/ (deficit) of associate | | | | | | | | | | | | |
| Surplus/ (Deficit) for the year | | 492,530 | | | | | | (22,170) | (22,170) | 470,360 | 471,915 | 489,554 |

Chart 1: Adjusted Budget Revenue Sources



The above pie chart presents the adjustment budget by major revenue sources. Electricity Service charges and property rates constitutes 46% and 18% respectively. These two revenue sources contribute 64% of the total revenue sources.

Chart 2: Major Revenue Sources

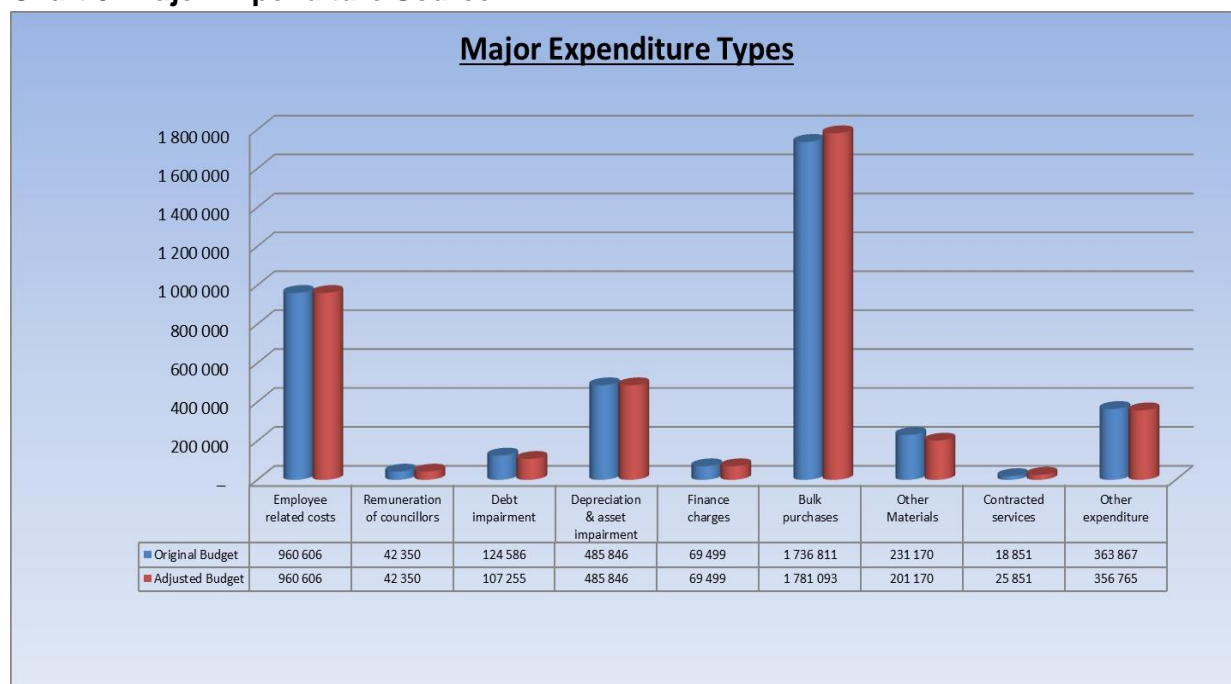


Transfers Recognised – Operating increased mainly due to the R 77.6 million Transfer of capital grant to operating and approved roll overs.

Rates Revenue: The total for rates revenue was adjusted slightly upwards by R 10.4 million from R 743.1 million to R 753.5 million.

The chart below presents the adjustment budget expenditure by major type.

Chart 3: Major Expenditure Source



Employee Related Cost: There is no change in the budget.

Debt Impairment: The budget was revised slightly downwards after consideration of the total provision being carried in the balance sheet.

Bulk Purchases: The expenditure on Bulk Water purchases has been increased by R 8.8 million to cater for the under budgeting in the original budget and Electricity has been increased by R 35.4 million bring the total upward adjustment for this line item to R 44.2 million.

Other Expenditure: Other expenditure adjustment budget had a total increase of R 8.5 million when comparing it with the original budget.

Other Materials: Other materials adjustment budget had a total decrease of R 30.0 million when comparing it with the original budget. This is primarily due to the reduction in repairs and maintenance.

Contracted Services: Contracted services expenditure adjustment budget had a total increase of R 7.0 million when comparing it with the original budget. This is primarily due to the increased estimates in security costs.

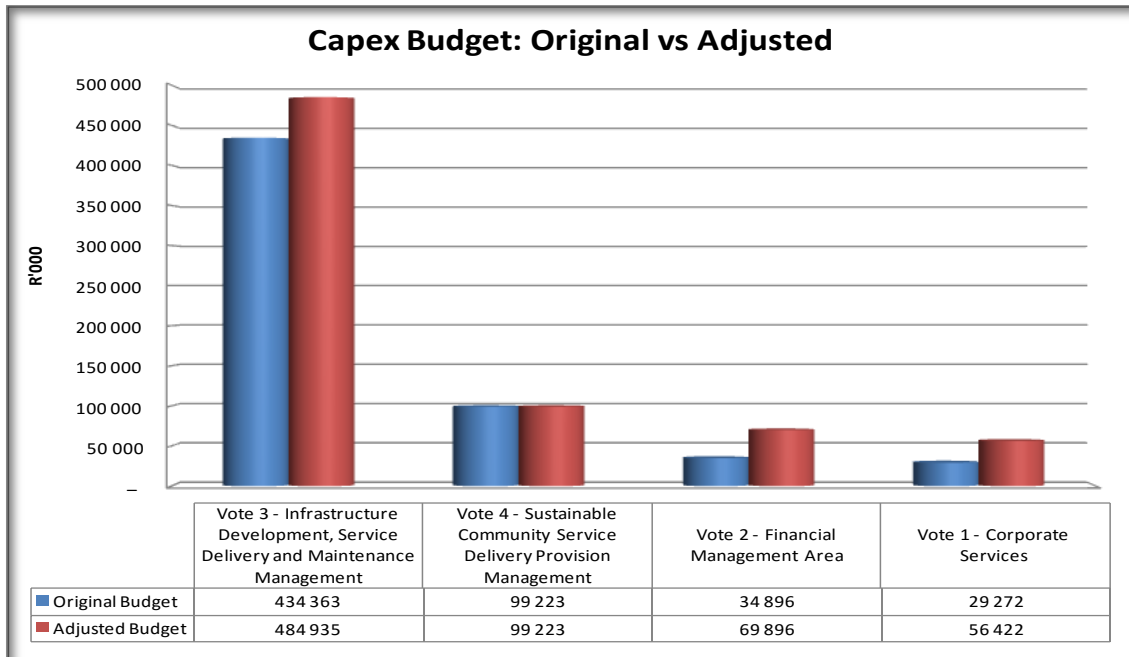
TABLE B5: Adjustment Capital Expenditure Budget by Vote And Funding

Schedule B5 below reports on the adjusted capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

KZN225 Msunduzi - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

| Description | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------|--------|------------|----------|----------------|----------------|----------------|----------------|----------------|-------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Prov. Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| | A | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | | | |
| | | A1 | B | C | D | E | F | G | H | | | |
| R thousands | | | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | | |
| Multi-year expenditure to be adjusted | 2 | | | | | | | | | | | |
| City Manager | | 5,000 | - | - | - | - | 1,180 | 1,180 | 6,180 | 3,700 | 13,007 | |
| City Finance | | 26,500 | - | - | - | - | 14,778 | 14,778 | 41,278 | 30,000 | 5,000 | |
| Community Services and Social Equity | | 25,706 | - | - | - | - | 22,018 | 22,018 | 47,724 | 9,420 | 9,966 | |
| Corporate Services | | 3,250 | - | - | - | - | 387 | 387 | 3,637 | - | - | |
| Infrastructure Services | | 569,454 | - | - | - | - | (14,067) | (14,067) | 555,387 | 514,365 | 526,504 | |
| Sustainable Development and City Enterprises | | 45,000 | - | - | - | - | (23,068) | (23,068) | 21,932 | 78,887 | 46,343 | |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | |
| Capital multi-year expenditure sub-total | 3 | 674,910 | - | - | - | - | 1,228 | 1,228 | 676,138 | 636,372 | 600,820 | |
| Single-year expenditure to be adjusted | 2 | | | | | | | | | | | |
| City Manager | | 750 | - | - | - | - | - | - | 750 | - | - | |
| City Finance | | 710 | - | - | - | - | - | - | 710 | - | - | |
| Community Services and Social Equity | | 24,763 | - | - | - | - | - | - | 24,763 | - | - | |
| Corporate Services | | 3,150 | - | - | - | - | - | - | 3,150 | - | - | |
| Infrastructure Services | | 2,980 | - | - | - | - | - | - | 2,980 | - | - | |
| Sustainable Development and City Enterprises | | 1,798 | - | - | - | - | - | - | 1,798 | - | - | |
| Vote 7 - [NAME OF VOTE 7] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 8 - [NAME OF VOTE 8] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 9 - [NAME OF VOTE 9] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 10 - [NAME OF VOTE 10] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 11 - [NAME OF VOTE 11] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 12 - [NAME OF VOTE 12] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 13 - [NAME OF VOTE 13] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - | |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - | |
| Capital single-year expenditure sub-total | | 34,150 | - | - | - | - | - | - | 34,150 | - | - | |
| Total Capital Expenditure - Vote | | 709,060 | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 | |
| Capital Expenditure - Standard | | | | | | | | | | | | |
| Governance and administration | | 59,385 | - | - | - | - | (21,332) | (21,332) | 38,052 | 60,000 | 41,007 | |
| Executive and council | | 5,800 | - | - | - | - | 110 | 110 | 5,910 | - | 6,007 | |
| Budget and treasury office | | 53,585 | - | - | - | - | (27,871) | (27,871) | 25,714 | 60,000 | 35,000 | |
| Corporate services | | - | - | - | - | - | 6,429 | 6,429 | 6,429 | - | - | |
| Community and public safety | | 54,598 | - | - | - | - | 1,119 | 1,119 | 55,717 | 48,307 | 15,613 | |
| Community and social services | | 2,500 | - | - | - | - | 23,639 | 23,639 | 26,139 | 3,500 | - | |
| Sport and recreation | | 34,400 | - | - | - | - | (31,394) | (31,394) | 3,006 | 39,300 | 12,000 | |
| Public safety | | 8,353 | - | - | - | - | (20) | (20) | 8,333 | 3,950 | 1,930 | |
| Housing | | 7,725 | - | - | - | - | 8,316 | 8,316 | 16,041 | 200 | - | |
| Health | | 1,620 | - | - | - | - | 578 | 578 | 2,198 | 1,357 | 1,683 | |
| Economic and environmental services | | 339,647 | - | - | - | - | 22,910 | 22,910 | 362,557 | 340,368 | 365,858 | |
| Planning and development | | 9,590 | - | - | - | - | (2,145) | (2,145) | 7,445 | 4,800 | 7,050 | |
| Road transport | | 330,057 | - | - | - | - | 25,055 | 25,055 | 355,112 | 335,568 | 358,808 | |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | |
| Trading services | | 254,033 | - | - | - | - | (633) | (633) | 253,400 | 186,967 | 177,612 | |
| Electricity | | 133,000 | - | - | - | - | (2,209) | (2,209) | 130,791 | 85,500 | 39,405 | |
| Water | | 83,133 | - | - | - | - | (7,424) | (7,424) | 75,709 | 59,721 | 75,241 | |
| Waste water management | | 36,900 | - | - | - | - | 5,300 | 5,300 | 42,200 | 32,826 | 53,600 | |
| Waste management | | 1,000 | - | - | - | - | 3,700 | 3,700 | 4,700 | 8,920 | 9,366 | |
| Other | | 1,398 | - | - | - | - | (836) | (836) | 562 | 730 | 730 | |
| Total Capital Expenditure - Standard | 3 | 709,060 | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 | |
| Funded by: | | | | | | | | | | | | |
| National Government | | 489,060 | - | - | - | - | (22,022) | (22,022) | 467,038 | 466,372 | 480,820 | |
| Provincial Government | | - | - | - | - | - | 14,769 | 14,769 | 14,769 | - | - | |
| District Municipality | | - | - | - | - | - | - | - | - | - | - | |
| Other transfers and grants | | - | - | - | - | - | - | - | - | - | - | |
| Total Capital transfers recognised | 4 | 489,060 | - | - | - | - | (7,253) | (7,253) | 481,807 | 466,372 | 480,820 | |
| Public contributions & donations | | - | - | - | - | - | - | - | - | - | - | |
| Borrowing | | 100,000 | - | - | - | - | - | - | 100,000 | 50,000 | - | |
| Internally generated funds | | 120,000 | - | - | - | - | 8,481 | 8,481 | 128,481 | 120,000 | 120,000 | |
| Total Capital Funding | | 709,060 | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 | |

Chart 4: Adjusted Capital Budget by Vote



The total approved budget was R 709 million and adjusted budget is R 710.2 million. The major increases related to;

- ✓ The roll over of capital projects approved by National Treasury increasing the Capital budget,
- ✓ A transfer of R35.6 million from the capital budget to the operating budget

TABLE B6: Adjustments Budget Financial Position

Table B6 displays the adjustment budget financial position of the municipality

KZN225 Msunduzi - Table B6 Adjustments Budget Financial Position -

| Description | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|------------------------|----------------------|----------------------------|--------------------------|----------------------------|----------------------|----------------------|--------------------------|--------------------|--------------------|
| | | Original Budget | Prior Adjusted 3 | Accum. Funds 4 | Multi-year capital 5 | Unfore. Unavoid. 6 | Nat. or Prov. Govt 7 | Other Adjus. 8 | Total Adjus. 9 | Adjusted Budget 10 | Adjusted Budget | Adjusted Budget |
| R thousands | | A | A1 | B | C | D | E | F | G | H | | |
| ASSETS | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | |
| Cash | | 45,433 | | | | | | 36,542 | 36,542 | 81,975 | 52,241 | 54,086 |
| Call investment deposits | 1 | 1,085,994 | - | - | - | - | - | (255,260) | (255,260) | 830,734 | 1,109,937 | 1,118,221 |
| Consumer debtors | 1 | 883,147 | - | - | - | - | - | - | - | 883,147 | 971,462 | 1,068,608 |
| Other debtors | | 376,438 | | | | | | | | 376,438 | 383,966 | 391,646 |
| Current portion of long-term receivables | | 43 | | | | | | | | 43 | 47 | 53 |
| Inventory | | 741,893 | | | | | | | | 741,893 | 756,731 | 771,865 |
| Total current assets | | 3,132,947 | - | - | - | - | - | (218,718) | (218,718) | 2,914,229 | 3,274,384 | 3,404,479 |
| Non current assets | | | | | | | | | | | | |
| Long-term receivables | | 9,455 | | | | | | | - | 9,455 | 9,644 | 9,837 |
| Investments | | - | | | | | | | - | - | - | - |
| Investment property | | 356,914 | | | | | | | - | 356,914 | 364,052 | 371,333 |
| Investment in Associate | | - | | | | | | | - | - | - | - |
| Property, plant and equipment | 1 | 6,948,785 | - | - | - | - | - | (20,389) | (20,389) | 6,928,396 | 7,017,300 | 7,018,060 |
| Agricultural | | - | | | | | | | - | - | - | - |
| Biological | | 46,520 | | | | | | | - | 46,520 | 46,520 | 46,520 |
| Intangible | | 27,283 | | | | | | | - | 27,283 | 57,283 | 45,827 |
| Other non-current assets | | 179,008 | | | | | | | - | 179,008 | 182,588 | 200,847 |
| Total non current assets | | 7,567,965 | - | - | - | - | - | (20,389) | (20,389) | 7,547,576 | 7,677,387 | 7,692,424 |
| TOTAL ASSETS | | 10,700,912 | - | - | - | - | - | (239,107) | (239,107) | 10,461,805 | 10,951,771 | 11,096,903 |
| LIABILITIES | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | |
| Bank overdraft | | | | | | | | | - | - | - | - |
| Borrowing | | 61,751 | - | - | - | - | - | - | - | 61,751 | 73,149 | 77,414 |
| Consumer deposits | | 92,798 | | | | | | | - | 92,798 | 98,948 | 104,198 |
| Trade and other payables | | 1,217,489 | - | - | - | - | - | - | - | 1,217,489 | 821,324 | 452,894 |
| Provisions | | 6,084 | | | | | | | - | 6,084 | 6,206 | 6,330 |
| Total current liabilities | | 1,378,122 | - | - | - | - | - | - | - | 1,378,122 | 999,627 | 640,836 |
| Non current liabilities | | | | | | | | | | | | |
| Borrowing | 1 | 579,761 | - | - | - | - | - | - | - | 579,761 | 548,013 | 467,808 |
| Provisions | 1 | 681,715 | - | - | - | - | - | - | - | 681,715 | 749,887 | 823,426 |
| Total non current liabilities | | 1,261,476 | - | - | - | - | - | - | - | 1,261,476 | 1,297,900 | 1,291,234 |
| TOTAL LIABILITIES | | 2,639,598 | - | - | - | - | - | - | - | 2,639,598 | 2,297,527 | 1,932,071 |
| NET ASSETS | 2 | 8,061,314 | - | - | - | - | - | (239,107) | (239,107) | 7,822,207 | 8,654,244 | 9,164,833 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 7,888,400 | - | - | - | - | - | (239,107) | (239,107) | 7,649,293 | 8,460,272 | 8,949,781 |
| Reserves | | 172,914 | - | - | - | - | - | - | - | 172,914 | 193,972 | 215,052 |
| Minorities' interests | | | | | | | | | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | | 8,061,314 | - | - | - | - | - | (239,107) | (239,107) | 7,822,207 | 8,654,244 | 9,164,833 |

TABLE B7: Adjustments Budget Cash Flows

KZN225 Msunduzi - Table B7 Adjustments Budget Cash Flows -

| Description | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------|----------|------------|--------------|------------------|------------------|------------------|------------------|------------------|-------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Prov. Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| R thousands | A | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | |
| | | A1 | B | C | D | E | F | G | H | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Property rates, penalties & collection charges | | 701,467 | | | | | 10,404 | 10,404 | 711,871 | 740,451 | 777,612 | |
| Service charges | | 2,349,116 | | | | | | | 2,349,116 | 2,539,498 | 2,801,937 | |
| Other revenue | | 84,320 | | | | | | | 84,320 | 84,002 | 88,538 | |
| Government - operating | 1 | 440,652 | | | | 8,486 | 35,713 | 44,199 | 484,851 | 463,799 | 502,985 | |
| Government - capital | 1 | 489,060 | | | | | (35,713) | (35,713) | 453,347 | 466,372 | 480,820 | |
| Interest | | 64,894 | | | | | | | 64,894 | 68,606 | 72,312 | |
| Dividends | | | | | | | | | | | | |
| Payments | | | | | | | | | | | | |
| Suppliers and employees | | (3,353,475) | | | | | | | (3,353,475) | (3,623,849) | (3,940,602) | |
| Finance charges | | (69,499) | | | | | | | (69,499) | (68,323) | (61,730) | |
| Transfers and Grants | 1 | (181) | | | | | | | (181) | (263) | (277) | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 706,354 | - | - | - | 8,486 | 10,404 | 18,890 | 725,244 | 670,295 | 721,593 | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | | | | | |
| Decrease (Increase) in non-current debtors | | | | | | | | | | | | |
| Decrease (increase) other non-current receivables | | | | | | | | | | | | |
| Decrease (increase) in non-current investments | | | | | | | | | | | | |
| Payments | | | | | | | | | | | | |
| Capital assets | | (589,505) | | | | | (120,782) | (120,782) | (710,288) | (555,584) | (537,677) | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (589,505) | - | - | - | - | (120,782) | (120,782) | (710,288) | (555,584) | (537,677) | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Short term loans | | | | | | | | | | | | |
| Borrowing long term/refinancing | | 100,000 | | | | | | | 100,000 | 50,000 | - | |
| Increase (decrease) in consumer deposits | | 5,250 | | | | | | | 5,250 | 6,150 | 5,250 | |
| Payments | | | | | | | | | | | | |
| Repayment of borrowing | | (49,850) | | | | | | | (49,850) | (53,628) | (53,757) | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 55,400 | - | - | - | - | - | - | 55,400 | 2,522 | (48,507) | |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 172,249 | - | - | - | 8,486 | (110,378) | (101,892) | 70,357 | 117,233 | 135,409 | |
| Cash/cash equivalents at the year begin: | 2 | 842,352 | | | | | | | 842,352 | 1,123,760 | 1,240,992 | |
| Cash/cash equivalents at the year end: | 2 | 1,014,601 | | | | | | | 912,709 | 1,240,992 | 1,376,402 | |

TABLE B8 Cash Backed Reserves / Accumulated Surplus Reconciliation

KZN225 Msunduzi - Table B8 Cash backed reserves/accumulated surplus reconciliation -

| Description | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|---|-----|---------------------|----------|----------|------------|----------|------------------|------------------|------------------|------------------|------------------|-------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Prov. Govt | Adjusts. | Adjusts. | Budget | Budget | Budget |
| R thousands | A | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | |
| | | A1 | B | C | D | E | F | G | H | | | |
| Cash and investments available | | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 1,014,601 | - | - | - | 8,486 | (110,378) | (101,892) | 912,709 | 1,240,992 | 1,376,402 | |
| Other current investments > 90 days | | 116,825 | - | - | - | (8,486) | (108,340) | (116,826) | (1) | (78,814) | (204,094) | |
| Non current assets - Investments | 1 | - | - | - | - | - | - | - | - | - | - | |
| Cash and investments available: | | 1,131,427 | - | - | - | - | (218,718) | (218,718) | 912,709 | 1,162,178 | 1,172,307 | |
| Applications of cash and investments | | | | | | | | | | | | |
| Unspent conditional transfers | | 174,788 | - | - | - | - | - | - | 174,788 | 104,873 | 41,949 | |
| Unspent borrowing | | | | | | | | | | | | |
| Statutory requirements | | | | | | | | | | | | |
| Other working capital requirements | 2 | 700,226 | - | - | - | - | (2,895) | (2,895) | 697,331 | 392,786 | 81,240 | |
| Other provisions | | | | | | | | | | | | |
| Long term investments committed | | - | - | - | - | - | - | - | - | - | - | |
| Reserves to be backed by cash/investments | | 172,914 | - | - | - | - | - | - | 172,914 | 193,972 | 215,052 | |
| Total Application of cash and investments: | | 1,047,929 | - | - | - | - | (2,895) | (2,895) | 1,045,033 | 691,632 | 338,241 | |
| Surplus(shortfall) | | 83,498 | - | - | - | - | (215,823) | (215,823) | (132,325) | 470,547 | 834,066 | |

TABLE B9: Asset Management

KZN225 Msunduzi - Table B9 Asset Management -

| Description | Ref | Budget Year 2015/16 | | | | | | | | | Budget Year | Budget Year |
|--|-----|---------------------|----------|--------|------------|----------|------------|----------|----------|-----------|-------------|-------------|
| | | Original | Prior | Accum. | Multi-year | Unfore. | Nat. or | Other | Total | Adjusted | Adjusted | Adjusted |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Prov. Govt | Adjus. | Adjus. | Budget | Budget | Budget |
| R thousands | A | A1 | B | C | D | E | F | G | H | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | | | |
| Total New Assets to be adjusted | 1 | 64,980 | - | - | - | - | - | 21,231 | 21,231 | 86,210 | 134,467 | 118,497 |
| Infrastructure - Road transport | | 2,230 | - | - | - | - | - | 14,062 | 14,062 | 16,292 | 4,500 | 1,300 |
| Infrastructure - Electricity | | 18,000 | - | - | - | - | - | 4,491 | 4,491 | 22,491 | 20,500 | 24,405 |
| Infrastructure - Water | | 18,000 | - | - | - | - | - | - | - | 18,000 | 63,200 | 70,398 |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | 400 | - | - | - | - | - | - | - | 400 | 500 | 600 |
| Infrastructure | | 38,630 | - | - | - | - | - | 18,554 | 18,554 | 57,184 | 88,700 | 96,704 |
| Community | | 10,288 | - | - | - | - | - | - | - | 10,288 | 23,470 | 12,845 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 6 | 16,062 | - | - | - | - | - | 2,677 | 2,677 | 18,739 | 22,297 | 8,948 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | - | - | - | - | - |
| Total Renewal of Existing Assets to be adjusted | 2 | 644,081 | - | - | - | - | - | (20,003) | (20,003) | 624,078 | 501,905 | 482,323 |
| Infrastructure - Road transport | | 350,722 | - | - | - | - | - | (25,102) | (25,102) | 325,620 | 317,389 | 345,151 |
| Infrastructure - Electricity | | 115,000 | - | - | - | - | - | - | - | 115,000 | 65,000 | 15,000 |
| Infrastructure - Water | | 64,689 | - | - | - | - | - | (1,200) | (1,200) | 63,489 | 41,400 | 52,200 |
| Infrastructure - Sanitation | | 29,500 | - | - | - | - | - | - | - | 29,500 | 22,326 | 38,000 |
| Infrastructure - Other | | 1,000 | - | - | - | - | - | - | - | 1,000 | 8,920 | 9,366 |
| Infrastructure | | 560,911 | - | - | - | - | - | (26,302) | (26,302) | 534,609 | 455,035 | 459,716 |
| Community | | 31,250 | - | - | - | - | - | 1,172 | 1,172 | 32,422 | 16,600 | 11,100 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 6 | 26,920 | - | - | - | - | - | 5,127 | 5,127 | 32,047 | 270 | 6,507 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | | 25,000 | - | - | - | - | - | - | - | 25,000 | 30,000 | 5,000 |
| Total Capital Expenditure to be adjusted | 4 | 352,952 | - | - | - | - | - | (11,039) | (11,039) | 341,912 | 321,889 | 346,451 |
| Infrastructure - Road transport | | 133,000 | - | - | - | - | - | 4,491 | 4,491 | 137,491 | 85,500 | 39,405 |
| Infrastructure - Electricity | | 82,689 | - | - | - | - | - | (1,200) | (1,200) | 81,489 | 104,600 | 122,598 |
| Infrastructure - Water | | 29,500 | - | - | - | - | - | - | - | 29,500 | 22,326 | 38,000 |
| Infrastructure - Sanitation | | 1,400 | - | - | - | - | - | - | - | 1,400 | 9,420 | 9,966 |
| Infrastructure - Other | | 599,541 | - | - | - | - | - | (7,748) | (7,748) | 591,792 | 543,735 | 556,420 |
| Infrastructure | | 41,538 | - | - | - | - | - | 1,172 | 1,172 | 42,709 | 40,070 | 23,945 |
| Community | | - | - | - | - | - | - | - | - | - | - | - |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 6 | 42,982 | - | - | - | - | - | 7,804 | 7,804 | 50,786 | 22,567 | 15,455 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | | 25,000 | - | - | - | - | - | - | - | 25,000 | 30,000 | 5,000 |
| TOTAL CAPITAL EXPENDITURE to be adjusted | 2 | 709,060 | - | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 |
| ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 1,868,350 | - | - | - | - | - | - | - | 1,868,350 | 2,015,324 | 2,142,325 |
| Infrastructure - Road transport | | 1,546,767 | - | - | - | - | - | - | - | 1,546,767 | 1,583,638 | 1,653,320 |
| Infrastructure - Electricity | | 878,146 | - | - | - | - | - | - | - | 878,146 | 846,649 | 787,186 |
| Infrastructure - Water | | 612,431 | - | - | - | - | - | - | - | 612,431 | 595,560 | 558,876 |
| Infrastructure - Sanitation | | 485,490 | - | - | - | - | - | - | - | 485,490 | 467,834 | 450,627 |
| Infrastructure - Other | | 5,391,184 | - | - | - | - | - | - | - | 5,391,184 | 5,509,006 | 5,592,335 |
| Infrastructure | | 361,370 | - | - | - | - | - | - | - | 361,370 | 343,557 | 307,584 |
| Community | | 177,572 | - | - | - | - | - | - | - | 177,572 | 177,572 | 177,572 |
| Heritage assets | | 356,914 | - | - | - | - | - | - | - | 356,914 | 364,052 | 371,333 |
| Investment properties | | 1,018,771 | - | - | - | - | - | - | - | 1,018,771 | 987,278 | 940,735 |
| Other assets | | - | - | - | - | - | - | - | - | - | - | - |
| Agricultural Assets | | 46,520 | - | - | - | - | - | - | - | 46,520 | 46,520 | 46,520 |
| Biological assets | | 27,283 | - | - | - | - | - | - | - | 27,283 | 57,283 | 45,827 |
| Intangibles | | 7,379,615 | - | - | - | - | - | - | - | 7,379,615 | 7,485,269 | 7,481,905 |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 7,379,615 | - | - | - | - | - | - | - | 7,379,615 | 7,485,269 | 7,481,905 |
| EXPENDITURE OTHER ITEMS | | | | | | | | | | | | |
| Depreciation & asset impairment | | 485,746 | - | - | - | - | - | - | - | 485,746 | 537,909 | 595,116 |
| Repairs and Maintenance by asset class | 3 | 202,126 | - | - | - | - | - | (30,000) | (30,000) | 172,126 | 280,975 | 361,657 |
| Infrastructure - Road transport | | 29,658 | - | - | - | - | - | (10,000) | (10,000) | 19,658 | 51,811 | 85,115 |
| Infrastructure - Electricity | | 48,071 | - | - | - | - | - | (5,000) | (5,000) | 43,071 | 48,774 | 11,408 |
| Infrastructure - Water | | 15,714 | - | - | - | - | - | - | - | 15,714 | 16,499 | 17,390 |
| Infrastructure - Sanitation | | 4,807 | - | - | - | - | - | - | - | 4,807 | 5,047 | 5,320 |
| Infrastructure - Other | | 8,814 | - | - | - | - | - | - | - | 8,814 | 9,255 | 9,754 |
| Infrastructure | | 107,064 | - | - | - | - | - | (15,000) | (15,000) | 92,064 | 131,387 | 128,988 |
| Community | | 4,582 | - | - | - | - | - | - | - | 4,582 | 4,811 | 5,071 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 6 | 90,481 | - | - | - | - | - | (15,000) | (15,000) | 75,481 | 144,778 | 227,599 |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | | 687,872 | - | - | - | - | - | (30,000) | (30,000) | 657,872 | 818,884 | 956,773 |
| Renewal of Existing Assets as % of total capex | | 90.8% | 0.0% | - | - | - | - | - | - | 87.9% | 78.9% | 80.3% |
| Renewal of Existing Assets as % of deprecn" | | 132.6% | 0.0% | - | - | - | - | - | - | 128.5% | 93.3% | 81.0% |
| R&M as a % of PPE | | 2.7% | 0.0% | - | - | - | - | - | - | 2.3% | 3.8% | 4.8% |
| Renewal and R&M as a % of PPE | | 11.5% | 0.0% | - | - | - | - | - | - | 10.8% | 10.5% | 11.3% |

KZN225 Msunduzi - Table B9 Asset Management -

| Description | Ref | Budget Year 2015/16 | | | | | | | | Budget Year | Budget Year | |
|--|-----|---------------------|----------|--------|------------|----------|------------|---------|---------|-------------|-------------|-----------|
| | | Original | Prior | Accum. | Multi-year | Unavoid. | Nat. or | Other | Total | Adjusted | Adjusted | |
| | | Budget | Adjusted | Funds | capital | Unavoid. | Prov. Govt | Adjsts. | Adjsts. | Budget | Budget | |
| | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | | |
| | A | A1 | B | C | D | E | F | G | H | I | J | |
| R thousands | | | | | | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | | | |
| Total New Assets to be adjusted | 1 | 64,980 | - | - | - | - | - | 111 | 111 | 65,091 | 134,467 | 118,497 |
| Infrastructure - Road transport | | 2,230 | - | - | - | - | - | 111 | 111 | 2,341 | 4,500 | 1,300 |
| Infrastructure - Electricity | | 18,000 | - | - | - | - | - | - | - | 18,000 | 20,500 | 24,405 |
| Infrastructure - Water | | 18,000 | - | - | - | - | - | - | - | 18,000 | 63,200 | 70,398 |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | 400 | - | - | - | - | - | - | - | 400 | 500 | 600 |
| Infrastructure | | 38,630 | - | - | - | - | - | 111 | 111 | 38,741 | 88,700 | 96,704 |
| Community | | 10,288 | - | - | - | - | - | - | - | 10,288 | 23,470 | 12,845 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | | 16,062 | - | - | - | - | - | - | - | 16,062 | 22,297 | 8,948 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | - | - | - | - | - |
| Total Renewal of Existing Assets to be adjusted | 2 | 644,081 | - | - | - | - | - | 1,117 | 1,117 | 645,198 | 501,905 | 482,323 |
| Infrastructure - Road transport | | 350,722 | - | - | - | - | - | 1,117 | 1,117 | 351,839 | 317,389 | 345,151 |
| Infrastructure - Electricity | | 115,000 | - | - | - | - | - | - | - | 115,000 | 65,000 | 15,000 |
| Infrastructure - Water | | 64,689 | - | - | - | - | - | - | - | 64,689 | 41,400 | 52,200 |
| Infrastructure - Sanitation | | 29,500 | - | - | - | - | - | - | - | 29,500 | 22,326 | 38,000 |
| Infrastructure - Other | | 1,000 | - | - | - | - | - | - | - | 1,000 | 8,920 | 9,366 |
| Infrastructure | | 560,911 | - | - | - | - | - | 1,117 | 1,117 | 562,028 | 455,035 | 459,716 |
| Community | | 31,250 | - | - | - | - | - | - | - | 31,250 | 16,600 | 11,100 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | | 26,920 | - | - | - | - | - | - | - | 26,920 | 270 | 6,507 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | | 25,000 | - | - | - | - | - | - | - | 25,000 | 30,000 | 5,000 |
| Total Capital Expenditure to be adjusted | 4 | 709,060 | - | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 |
| Infrastructure - Road transport | | 352,952 | - | - | - | - | - | 1,228 | 1,228 | 354,180 | 321,889 | 346,451 |
| Infrastructure - Electricity | | 133,000 | - | - | - | - | - | - | - | 133,000 | 85,500 | 39,405 |
| Infrastructure - Water | | 82,689 | - | - | - | - | - | - | - | 82,689 | 104,600 | 122,598 |
| Infrastructure - Sanitation | | 29,500 | - | - | - | - | - | - | - | 29,500 | 22,326 | 38,000 |
| Infrastructure - Other | | 1,400 | - | - | - | - | - | - | - | 1,400 | 9,420 | 9,966 |
| Infrastructure | | 599,541 | - | - | - | - | - | 1,228 | 1,228 | 600,769 | 543,735 | 556,420 |
| Community | | 41,538 | - | - | - | - | - | - | - | 41,538 | 40,070 | 23,945 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | | 42,982 | - | - | - | - | - | - | - | 42,982 | 22,567 | 15,455 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | | 25,000 | - | - | - | - | - | - | - | 25,000 | 30,000 | 5,000 |
| TOTAL CAPITAL EXPENDITURE to be adjusted | 2 | 709,060 | - | - | - | - | - | 1,228 | 1,228 | 710,288 | 636,372 | 600,820 |
| ASSET REGISTER SUMMARY - PPE (WDV) | | | | | | | | | | | | |
| Infrastructure - Road transport | 5 | 1,868,350 | - | - | - | - | - | - | - | 1,868,350 | 2,015,324 | 2,142,325 |
| Infrastructure - Electricity | | 1,546,767 | - | - | - | - | - | - | - | 1,546,767 | 1,583,638 | 1,653,320 |
| Infrastructure - Water | | 878,146 | - | - | - | - | - | - | - | 878,146 | 846,649 | 787,186 |
| Infrastructure - Sanitation | | 612,431 | - | - | - | - | - | - | - | 612,431 | 595,560 | 558,876 |
| Infrastructure - Other | | 485,490 | - | - | - | - | - | - | - | 485,490 | 467,834 | 450,627 |
| Infrastructure | | 5,391,184 | - | - | - | - | - | - | - | 5,391,184 | 5,509,006 | 5,592,335 |
| Community | | 361,370 | - | - | - | - | - | - | - | 361,370 | 343,557 | 307,584 |
| Heritage assets | | 177,572 | - | - | - | - | - | - | - | 177,572 | 177,572 | 177,572 |
| Investment properties | | 356,914 | - | - | - | - | - | - | - | 356,914 | 364,052 | 371,333 |
| Other assets | | 1,018,771 | - | - | - | - | - | - | - | 1,018,771 | 987,278 | 940,735 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | | 46,520 | - | - | - | - | - | - | - | 46,520 | 46,520 | 46,520 |
| Intangibles | | 27,283 | - | - | - | - | - | - | - | 27,283 | 57,283 | 45,827 |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 7,379,615 | - | - | - | - | - | - | - | 7,379,615 | 7,485,269 | 7,481,905 |
| EXPENDITURE OTHER ITEMS | | | | | | | | | | | | |
| Depreciation & asset impairment | | 485,746 | - | - | - | - | - | - | - | 485,746 | 537,909 | 595,116 |
| Repairs and Maintenance by asset class | 3 | 202,126 | - | - | - | - | - | - | - | 202,126 | 280,975 | 361,657 |
| Infrastructure - Road transport | | 29,658 | - | - | - | - | - | - | - | 29,658 | 51,811 | 85,115 |
| Infrastructure - Electricity | | 48,071 | - | - | - | - | - | - | - | 48,071 | 48,774 | 11,408 |
| Infrastructure - Water | | 15,714 | - | - | - | - | - | - | - | 15,714 | 16,499 | 17,390 |
| Infrastructure - Sanitation | | 4,807 | - | - | - | - | - | - | - | 4,807 | 5,047 | 5,320 |
| Infrastructure - Other | | 8,814 | - | - | - | - | - | - | - | 8,814 | 9,255 | 9,754 |
| Infrastructure | | 107,064 | - | - | - | - | - | - | - | 107,064 | 131,387 | 128,988 |
| Community | | 4,582 | - | - | - | - | - | - | - | 4,582 | 4,811 | 5,071 |
| Heritage assets | | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | | 90,481 | - | - | - | - | - | - | - | 90,481 | 144,778 | 227,599 |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | 6 | 687,872 | - | - | - | - | - | - | - | 687,872 | 818,884 | 956,773 |
| Renewal of Existing Assets as % of total capex | | 90.8% | 0.0% | - | - | - | - | - | - | 90.8% | 78.9% | 80.3% |
| Renewal of Existing Assets as % of deprecn" | | 132.6% | 0.0% | - | - | - | - | - | - | 132.6% | 93.3% | 81.0% |
| R&M as a % of PPE | | 2.7% | 0.0% | - | - | - | - | - | - | 2.7% | 3.8% | 4.8% |
| Renewal and R&M as a % of PPE | | 11.5% | 0.0% | - | - | - | - | - | - | 11.5% | 10.5% | 11.3% |

TABLE B10: Basic Service Delivery Measurement

KZN225 Msunduzi - Table B10 Basic service delivery measurement -

| Description | Ref | Budget Year 2015/16 | | | | | | | | | 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. | Adjusts. | Budget | Budget | Budget |
| | A | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | | | |
| | | A1 | B | C | D | E | F | G | H | | | |
| Household service targets | 1 | | | | | | | | | | | |
| Water: | | | | | | | | | | | | |
| Piped water inside dwelling | | 100,771 | | | | | | | 101 | | 104,071 | 109,209 |
| Piped water inside yard (but not in dwelling) | | 65,855 | | | | | | | 66 | | 67,465 | 67,465 |
| Using public tap (at least min.service level) | 2 | 7,463 | | | | | | | 7 | | 7,463 | 7,624 |
| Other water supply (at least min.service level) | | - | | | | | | | - | | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | 174 | - | - | - | - | - | - | 174 | | 179 | 184 |
| Using public tap (< min.service level) | 3 | 3,395 | | | | | | | 3 | | 2,785 | 1,536 |
| Other water supply (< min.service level) | 3,4 | 3,009 | | | | | | | 3 | | 2,009 | 1,259 |
| No water supply | | - | | | | | | | - | | - | - |
| <i>Below Minimum Service Level sub-total</i> | | 6 | - | - | - | - | - | - | 6 | | 5 | 3 |
| Total number of households | 5 | 180 | - | - | - | - | - | - | 180 | | 184 | 187 |
| Sanitation/sewerage: | | | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | 99,501 | | | | | | | 99,501 | | 103,301 | 104,401 |
| Flush toilet (with septic tank) | | 8,515 | | | | | | | 8,515 | | 8,515 | 8,515 |
| Chemical toilet | | 5,485 | | | | | | | 5,485 | | 4,985 | 4,885 |
| Pit toilet (ventilated) | | 63,615 | | | | | | | 63,615 | | 65,715 | 68,715 |
| Other toilet provisions (> min.service level) | | - | | | | | | | - | | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | 177,116 | - | - | - | - | - | - | 177,116 | | 182,516 | 186,516 |
| Bucket toilet | | - | | | | | | | - | | - | - |
| Other toilet provisions (< min.service level) | | 3,377 | | | | | | | 3,377 | | 1,277 | 577 |
| No toilet provisions | | - | | | | | | | - | | - | - |
| <i>Below Minimum Service Level sub-total</i> | | 3,377 | - | - | - | - | - | - | 3,377 | | 1,277 | 577 |
| Total number of households | 5 | 180,493 | - | - | - | - | - | - | 180,493 | | 183,793 | 187,093 |
| Energy: | | | | | | | | | | | | |
| Electricity (at least min. service level) | | 109,326 | | | | | | | 109,326 | | 109,326 | 109,326 |
| Electricity - prepaid (> min.service level) | | 59,766 | | | | | | | 59,766 | | 64,206 | 68,532 |
| <i>Minimum Service Level and Above sub-total</i> | | 169,093 | - | - | - | - | - | - | 169,093 | | 173,533 | 177,859 |
| Electricity (< min.service level) | | - | | | | | | | - | | - | - |
| Electricity - prepaid (< min. service level) | | - | | | | | | | - | | - | - |
| Other energy sources | | 11,400 | | | | | | | 11,400 | | 10,260 | 9,234 |
| <i>Below Minimum Service Level sub-total</i> | | 11,400 | - | - | - | - | - | - | 11,400 | | 10,260 | 9,234 |
| Total number of households | 5 | 180,493 | - | - | - | - | - | - | 180,493 | | 183,793 | 187,093 |
| Refuse: | | | | | | | | | | | | |
| Removed at least once a week (min.service) | | 136,100 | | | | | | | 136,100 | | 145,400 | 164,537 |
| <i>Minimum Service Level and Above sub-total</i> | | 136,100 | - | - | - | - | - | - | 136,100 | | 145,400 | 164,537 |
| Removed less frequently than once a week | | 28,556 | | | | | | | 28,556 | | 24,556 | 22,556 |
| Using communal refuse dump | | - | | | | | | | - | | - | - |
| Using own refuse dump | | 15,837 | | | | | | | 15,837 | | 13,837 | - |
| Other rubbish disposal | | - | | | | | | | - | | - | - |
| No rubbish disposal | | - | | | | | | | - | | - | - |
| <i>Below Minimum Service Level sub-total</i> | | 44,393 | - | - | - | - | - | - | 44,393 | | 38,393 | 22,556 |
| Total number of households | 5 | 180,493 | - | - | - | - | - | - | 180,493 | | 183,793 | 187,093 |
| Households receiving Free Basic Service | 15 | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | | 21,125 | | | | | | | 21,125 | | 23,238 | 25,561 |
| Sanitation (free minimum level service) | | 2,950 | | | | | | | 2,950 | | 3,245 | 3,570 |
| Electricity/other energy (50kwh per household per month) | | 3,076 | | | | | | | 3,076 | | 3,384 | 3,722 |
| Refuse (removed at least once a week) | | 3,225 | | | | | | | 3,225 | | 3,548 | 3,902 |
| Cost of Free Basic Services provided (R'000) | 16 | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | | 118,611 | | | | | | | 118,611 | | 138,301 | 161,259 |
| Sanitation (free sanitation service) | | 4,554 | | | | | | | 4,554 | | 5,309 | 6,191 |
| Electricity/other energy (50kwh per household per month) | | 1,936 | | | | | | | 1,936 | | 2,386 | 3,018 |
| Refuse (removed once a week) | | 3,080 | | | | | | | 3,080 | | 3,592 | 4,188 |
| Total cost of FBS provided (minimum social package) | | 128,182 | - | - | - | - | - | - | 128,182 | | 149,588 | 174,655 |
| Highest level of free service provided | | | | | | | | | | | | |
| Property rates (R'000 value threshold) | | 100,000 | | | | | | | 100,000 | | 100,000 | 100,000 |
| Water (kilolitres per household per month) | | 6 | | | | | | | 6 | | 6 | 6 |
| Sanitation (kilolitres per household per month) | | - | | | | | | | - | | - | - |
| Sanitation (Rand per household per month) | | 129 | | | | | | | 129 | | 136 | 143 |
| Electricity (kw per household per month) | | 70 | | | | | | | 70 | | 70 | 70 |
| Refuse (average litres per week) | | 200 | | | | | | | 200 | | 200 | 200 |
| Revenue cost of free services provided (R'000) | 17 | | | | | | | | | | | |
| Property rates (R15 000 threshold rebate) | | 428,580 | | | | | | | 428,580 | | 454,295 | 481,552 |
| Property rates (other exemptions, reductions and rebates) | | 11,472 | | | | | | | 11,472 | | 12,160 | 12,890 |
| Water | | 118,611 | | | | | | | 118,611 | | 138,301 | 161,259 |
| Sanitation | | 4,554 | | | | | | | 4,554 | | 5,309 | 6,191 |
| Electricity/other energy | | 2,711 | | | | | | | 2,711 | | 3,340 | 4,225 |
| Refuse | | 3,080 | | | | | | | 3,080 | | 3,592 | 4,188 |
| Municipal Housing - rental rebates | | - | | | | | | | - | | - | - |
| Housing - top structure subsidies | | - | | | | | | | - | | - | - |
| Other | | - | | | | | | | - | | - | - |
| Total revenue cost of free services provided (total services) | 6 | 569,008 | - | - | - | - | - | - | 569,008 | | 616,997 | 670,305 |

2.1 Adjustments to Budget Assumptions

Except for the minor changes noted below, there have not been vast changes in the original budget assumptions.

External factors: The effects of high unemployment rates and slow economic growth continues to negatively affect the municipality's plans to reduce rising consumer debt levels.

Collection rate for revenue services: While the average YTD collection rate at mid year for major revenue sources was 94%, a projected collection rate of 85% of billed services was initially planned during the annual budget preparation and has been conservatively left unadjusted.

Due to the historical trends of Capital Expenditure performance peaking in the 3rd and 4th quarters of the financial year, the current year's projections are assumed to reflect this trend. This year has seen extensive measures being implemented to ensure an accelerated capital budget implementation. The results of these interventions are expected to be realised in the next financial years.