



MEDIUM TERM REVENUE AND **EXPENDITURE FRAMEWORK**

**Special Adjustment Budget 2021/2022 –
2023/2024 (June 2022)**

Table of Contents:

PART 1

1.1 Mayor’s Report.....4
1.2 Overview of Adjustment Budget Assumptions.....4

PART 2

2.1 Resolutions.....5

PART 3

3.1 Executive Summary.....6

PART 4

Municipal Managers’ quality certification.....16

ABBREVIATIONS AND ACCRONYMS

MFMA - Municipal Finance Management Act, 2003.

MTREF – Medium Term Revenue and Expenditure Framework

MEC – Member of Executive Committee

ADM – Amathole District Municipality

FY – Financial Year

SARS – South African Revenue Services

PAYE – Pay As You Earn

COGTA – Eastern Cape Department Corporate Governance and Traditional Affairs

DEDEAT – Department Economic Development, Environmental, Affairs and Tourism

DOE – Department of Energy

INEP – Integrated National Electrification Programme

MIG – Municipal Infrastructure Grant

MSCOA – Municipal Standard Charts of Accounts

YTD – Year To Date

PART 1 – ADJUSTMENT BUDGET

1.1 MAYOR'S REPORT

The Mayor would like to present the Adjustment budget on this day of the 29th June 2022 and it is presented in terms of Section 28 of the Municipal Finance Management Act of 2003. This special adjustment is as a result of amendment on the following items.

The following project items were taken into consideration when preparing this budget:

- Write Off of outstanding balances on RDP Houses
- Write Off of redundant municipal assets
- Re-allocation of items erroneously processed

It is against this background that the Accounting Officer and his team has prepared this special adjusted budget.

1.2 OVERVIEW OF ADJUSTMENT BUDGET ASSUMPTIONS

Adjustment Budget Considerations

Adjustment budget has been prepared by taking the following provisions into account:

- Provision for Doubtful Debts
- Depreciation.
- Items erroneously processed

Budget Highlights – Write Off on RDP houses and Provision for Depreciation

- The Municipality has written off debt on RDP houses to an amount of R47 million and provisions to Depreciation will be made to an amount of 17 million.

PART 2 – RESOLUTIONS

Adjustment Budget MTREF 2021/2022

2.1 Recommendations:

1. That in terms of section 28(2) of the Municipal Finance Management Act 56 of 2003, the Adjustment Budget of the Great Kei Municipality for the financial year 2021/22, set out in the following tables be approved:
 - Adjustment budget Financial Performance (revenue and expenditure by Standard Classification), **Table B2**
 - Adjustment budget Financial Performance (revenue and expenditure by municipal vote); **Table B3**
 - Adjustment budget Financial Performance (revenue by source and expenditure by type including capital transfers and contributions), **Table B4** and
 - Adjustment budget Capital Expenditure for both multi-year and single-year, standard classification and funding, **Table B5**
2. The adjustment budget was permitted in terms of S28(2) and the following were taken into consideration:
 - Additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for
 - Any errors in the annual budget be corrected
 - Any under estimated line items in the original budget be corrected
 - Provide for any other expenditure within a prescribed framework.

PART 3

3.1 EXECUTIVE SUMMARY

Income and Expenditure

Improvement of collection rate and revenue base by implementing the strides below:

- Implementation of Supplementary Valuation II
- Implementation of Financial Recovery Plan.
- Implementation of COVID 19 discount scheme
- Continuous implementation of credit control policy to recover old debts

- Municipality is continuously implementing the cost cutting measures throughout the 2021/2022 FY.

The overall operating expenditure has increased to R210, 4 million, this is due to increase in the provision for debt write off and write off on redundant assets.

Adjustment Budget Tables

- B1 Adjustment budget summary
- B2 Adjustment budget financial performance (functional classification)
- B3 Adjustment budget financial performance (revenue and expenditure by municipal vote)
- B4 Adjustment budget financial performance (revenue and expenditure)
- B5 Adjustment budget capital expenditure by vote and funding
- B6 Adjustment budget financial position
- B7 Adjustment budget cash flows
- B8 Cash backed reserves/ accumulated surplus reconciliation

B1 - Adjustment budget summary –

EC123 Great Kei - Table B1 Adjustments Budget Summary -

Description	Budget Year 2021/22									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	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	27,000	30,821	-	-	-	-	-	-	30,821	29,222	30,438
Service charges	20,679	20,679	-	-	-	-	-	-	20,679	21,547	23,995
Investment revenue	500	500	-	-	-	-	-	-	500	521	544
Transfers recognised - operational	51,166	51,206	-	-	-	-	-	-	51,206	50,914	49,748
Other own revenue	12,031	13,681	-	-	-	-	-	-	13,681	13,987	16,083
Total Revenue (excluding capital transfers and contributions)	111,365	116,886							116,886	116,191	120,818
Employee costs	40,337	-40,383	-	-	-	-	2,456	2,456	42,840	44,018	45,847
Remuneration of councillors	5,051	5,051	-	-	-	-	-	-	5,051	5,263	5,494
Depreciation & asset impairment	15,000	15,000	-	-	-	-	17,000	17,000	32,000	15,630	16,318
Finance charges	500	500	-	-	-	-	-	-	500	521	544
Inventory consumed and bulk purchases	9,909	-13,550	-	-	-	-	(108)	(108)	13,442	13,627	13,820
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	39,347	39,311	-	-	-	-	47,282	47,282	86,593	40,433	42,315
Total Expenditure	110,143	113,795					66,630	66,630	180,425	119,492	124,338
Surplus/(Deficit)	1,222	-3,091					(66,630)	(66,630)	(63,539)	(3,301)	(3,520)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	11,055	26,823	-	-	-	-	-	-	26,823	20,715	21,562
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	12,276	29,914					(66,630)	(66,630)	(36,716)	17,414	18,042
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	12,276	29,914					(66,630)	(66,630)	(36,716)	17,414	18,042
Capital expenditure & funds sources											
Capital expenditure	10,664	29,971							29,971	20,859	21,705
Transfers recognised - capital	9,652	26,923	-	-	-	-	-	-	26,923	19,025	19,790
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1,012	3,048	-	-	-	-	-	-	3,048	1,834	1,915
Total sources of capital funds	10,664	29,971							29,971	20,859	21,705
Financial position											
Total current assets	59,518	1,815	-	-	-	-	-	-	1,815	46,754	48,949
Total non current assets	383,365	398,429	-	-	-	-	20,390	20,390	418,819	423,859	425,359
Total current liabilities	26,221	15,401	-	-	-	-	-	-	15,401	32,935	27,556
Total non current liabilities	23,530	28,853	-	-	-	-	-	-	28,853	30,584	32,419
Community wealth/Equity	347,990	385,857	-	-	-	-	(66,630)	(66,630)	319,227	372,860	373,489
Cash flows											
Net cash from (used) operating	28,426	(11,300)	-	-	-	-	-	-	(11,300)	1,990	789
Net cash from (used) investing	(10,664)	(63,615)	-	-	-	-	-	-	(63,615)	(18,203)	(18,859)
Net cash from (used) financing	(0)	100	-	-	-	-	-	-	100	4	5
Cash/cash equivalents at the year end	24,762	(67,927)							(67,927)	(73,082)	(91,148)
Cash backing/surplus reconciliation											
Cash and investments available	13,378	(48,147)	-	-	-	-	-	-	(48,147)	(5,306)	(5,401)
Application of cash and investments	(6,060)	(19,686)	-	-	-	-	-	-	(19,686)	(7,681)	(54,721)
Balance - surplus (shortfall)	19,438	(28,461)							(28,461)	2,385	49,320
Asset Management											
Asset register summary (WDV)	373,713	370,256	-	-	-	-	20,435	20,435	390,691	408,597	409,705
Depreciation	15,000	15,000	-	-	-	-	17,000	17,000	32,000	15,630	16,318
Renewal and Upgrading of Existing Assets	2,970	4,137	-	-	-	-	-	-	4,137	11,679	12,121
Repairs and Maintenance	2,130	1,730	-	-	-	-	(108)	(108)	1,622	1,690	1,764
Free services											
Cost of Free Basic Services provided	2,451	2,451	-	-	-	-	-	-	2,451	2,682	2,682
Revenue cost of free services provided	833	2,988	-	-	-	-	-	-	2,988	4,684	4,783
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

B2 - Adjustment budget financial performance (functional classification)

EC123 Great Kei - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2021/22									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	1, 4	A	5	6	7	8	9	10	11	12		
		A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		84,475	89,946	-	-	-	-	-	-	89,946	90,371	91,862
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		84,475	89,946	-	-	-	-	-	-	89,946	90,371	91,862
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3,630	3,680	-	-	-	-	-	-	3,680	3,314	3,959
Community and social services		2,160	2,210	-	-	-	-	-	-	2,210	1,782	1,860
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		1,470	1,470	-	-	-	-	-	-	1,470	1,532	2,099
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13,315	29,084	-	-	-	-	-	-	29,084	12,840	13,215
Planning and development		600	600	-	-	-	-	-	-	600	625	653
Road transport		12,715	28,484	-	-	-	-	-	-	28,484	12,215	12,562
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		21,000	21,000	-	-	-	-	-	-	21,000	30,382	33,344
Energy sources		10,666	10,666	-	-	-	-	-	-	10,666	19,614	21,603
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		10,333	10,333	-	-	-	-	-	-	10,333	10,767	11,741
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	122,420	143,710	-	-	-	-	-	-	143,710	136,906	142,380
Expenditure - Functional												
<i>Governance and administration</i>		54,063	55,690	-	-	-	-	66,334	66,334	122,023	60,228	62,723
Executive and council		5,051	5,051	-	-	-	-	-	-	5,051	5,263	5,494
Finance and administration		49,012	50,639	-	-	-	-	66,334	66,334	116,973	54,965	57,229
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2,317	2,302	-	-	-	-	-	-	2,302	2,394	2,499
Community and social services		450	400	-	-	-	-	-	-	400	417	435
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		1,867	1,902	-	-	-	-	-	-	1,902	1,977	2,064
Housing		-	-	-	-	-	-	-	-	-	0	0
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		21,074	21,375	-	-	-	-	(86)	(86)	21,289	21,307	22,400
Planning and development		13,628	14,482	-	-	-	-	-	-	14,482	14,345	15,132
Road transport		7,446	6,893	-	-	-	-	(86)	(86)	6,808	6,962	7,269
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		32,689	34,429	-	-	-	-	382	382	34,810	35,564	36,716
Energy sources		14,690	17,340	-	-	-	-	-	-	17,340	17,593	17,961
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		17,998	17,088	-	-	-	-	382	382	17,470	17,970	18,755
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	110,143	113,795	-	-	-	-	66,630	66,630	180,425	119,492	124,338
Surplus/ (Deficit) for the year		12,276	29,914	-	-	-	-	(66,630)	(66,630)	(36,716)	17,414	18,042

B3 - Adjustment budget financial performance (revenue and expenditure by municipal vote)

EC123 Great Kei - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[insert departmental structure etc]</i>	Ref	Budget Year 2021/22									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			
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Directorate: Budget and Treasury		81,824	87,295	-	-	-	-	-	-	87,295	87,489	88,980
Vote 3 - Directorate: Corporate Services		200	200	-	-	-	-	-	-	200	200	200
Vote 4 - Directorate: Strategic Services		600	600	-	-	-	-	-	-	600	625	653
Vote 5 - Directorate: Technical Service & Community Services		39,796	55,614	-	-	-	-	-	-	55,614	48,592	52,547
Vote 6 - Municipal Manager- Acting		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	122,420	143,710	-	-	-	-	-	-	143,710	136,906	142,380
Expenditure by Vote	1											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	0	0
Vote 2 - Directorate: Budget and Treasury		40,299	41,595	-	-	-	-	65,774	65,774	107,370	44,932	46,801
Vote 3 - Directorate: Corporate Services		8,714	9,044	-	-	-	-	560	560	9,603	10,033	10,428
Vote 4 - Directorate: Strategic Services		18,664	19,517	-	-	-	-	15	15	19,532	19,607	20,626
Vote 5 - Directorate: Technical Service & Community Services		42,467	43,639	-	-	-	-	281	281	43,920	44,920	46,483
Vote 6 - Municipal Manager- Acting		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	110,143	113,795	-	-	-	-	66,630	66,630	180,425	119,492	124,338
Surplus/ (Deficit) for the year	2	12,276	29,914	-	-	-	-	(66,630)	(66,630)	(36,716)	17,414	18,042

B4 - Adjustment budget financial performance (revenue and expenditure)

EC123 Great Kei - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2021/22									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	1	A	A1	B	C	D	E	F	G	H			
Revenue By Source													
Property rates	2	27,000	30,821	-	-	-	-	-	-	30,821	29,222	30,438	
Service charges - electricity revenue	2	10,345	10,345	-	-	-	-	-	-	10,345	10,780	12,254	
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	2	10,333	10,333	-	-	-	-	-	-	10,333	10,767	11,741	
Rental of facilities and equipment		1,700	1,700	-	-	-	-	-	-	1,700	1,771	1,849	
Interest earned - external investments		500	500	-	-	-	-	-	-	500	521	544	
Interest earned - outstanding debtors		5,321	5,321	-	-	-	-	-	-	5,321	5,544	5,788	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		20	20	-	-	-	-	-	-	20	21	22	
Licences and permits		1,230	1,230	-	-	-	-	-	-	1,230	1,282	1,838	
Agency services		250	250	-	-	-	-	-	-	250	261	272	
Transfers and subsidies		51,156	51,206	-	-	-	-	-	-	51,206	50,914	49,748	
Other revenue	2	3,510	5,160	-	-	-	-	-	-	5,160	5,108	6,324	
Gains		-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		111,365	116,886	-	-	-	-	-	-	116,886	116,191	120,818	
Expenditure By Type													
Employee related costs		40,337	40,383	-	-	-	-	2,456	2,456	42,840	44,018	45,847	
Remuneration of councillors		5,051	5,051	-	-	-	-	-	-	5,051	5,263	5,494	
Debt impairment		13,000	11,000	-	-	-	-	47,000	47,000	58,000	11,488	11,993	
Depreciation & asset impairment		15,000	15,000	-	-	-	-	17,000	17,000	32,000	15,630	16,318	
Finance charges		500	500	-	-	-	-	-	-	500	521	544	
Bulk purchases - electricity		8,500	12,000	-	-	-	-	-	-	12,000	12,116	12,242	
Inventory consumed		1,409	1,550	-	-	-	-	(108)	(108)	1,442	1,512	1,578	
Contracted services		11,220	10,463	-	-	-	-	(741)	(741)	9,722	9,972	10,566	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	
Other expenditure		15,127	17,848	-	-	-	-	1,023	1,023	18,871	18,973	19,755	
Losses		-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		110,143	113,795	-	-	-	-	66,630	66,630	180,425	119,492	124,338	
Surplus/(Deficit)		1,222	3,091	-	-	-	-	(66,630)	(66,630)	(63,539)	(3,301)	(3,520)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		11,055	26,823	-	-	-	-	-	-	26,823	20,715	21,562	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) before taxation		12,276	29,914	-	-	-	-	(66,630)	(66,630)	(36,716)	17,414	18,042	
Taxation		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation		12,276	29,914	-	-	-	-	(66,630)	(66,630)	(36,716)	17,414	18,042	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		12,276	29,914	-	-	-	-	(66,630)	(66,630)	(36,716)	17,414	18,042	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year		12,276	29,914	-	-	-	-	(66,630)	(66,630)	(36,716)	17,414	18,042	

B5 - Adjustment budget capital expenditure by vote and funding

EC123 Great Kei - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2021/22									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	A1	B	C	D	E	F	G	H			
Capital Expenditure - Functional												
<i>Governance and administration</i>		203	509	-	-	-	-	-	-	509	0	0
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		203	509	-	-	-	-	-	-	509	0	0
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	100	-	-	-	-	-	-	100	0	0
Community and social services		-	100	-	-	-	-	-	-	100	0	0
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		10,301	28,952	-	-	-	-	-	-	28,952	13,040	13,432
Planning and development		649	779	-	-	-	-	-	-	779	0	0
Road transport		9,652	28,173	-	-	-	-	-	-	28,173	13,040	13,432
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		160	410	-	-	-	-	-	-	410	7,819	8,272
Energy sources		0	0	-	-	-	-	-	-	0	7,391	7,826
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		160	410	-	-	-	-	-	-	410	427	446
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	10,664	29,971	-	-	-	-	-	-	29,971	20,859	21,705
Funded by:												
National Government		9,652	11,055	-	-	-	-	-	-	11,055	19,025	19,790
Provincial Government		-	15,769	-	-	-	-	-	-	15,769	0	0
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	100	-	-	-	-	-	-	100	0	0
Transfers recognised - capital	4	9,652	26,923	-	-	-	-	-	-	26,923	19,025	19,790
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1,012	3,048	-	-	-	-	-	-	3,048	1,834	1,915
Total Capital Funding		10,664	29,971	-	-	-	-	-	-	29,971	20,859	21,705

B6 - Adjustment budget financial position

EC123 Great Kei - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2021/22									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	A1	B	C	D	E	F	G	H			
ASSETS												
Current assets												
Cash		9,378	(52,147)	-	-	-	-	-	-	(52,147)	(9,474)	(9,752)
Call investment deposits	1	4,000	4,000	-	-	-	-	-	-	4,000	4,168	4,351
Consumer debtors	1	46,000	49,821	-	-	-	-	-	-	49,821	51,914	54,198
Other debtors		140	140	-	-	-	-	-	-	140	146	152
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Inventory		0	0	-	-	-	-	-	-	0	0	0
Total current assets		59,518	1,815	-	-	-	-	-	-	1,815	46,754	48,949
Non current assets												
Long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		82,044	77,801	-	-	-	-	-	-	77,801	82,044	82,044
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	301,285	320,592	-	-	-	-	20,390	20,390	340,982	340,666	342,167
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		1	1	-	-	-	-	-	-	1	1,113	1,113
Other non-current assets		36	36	-	-	-	-	-	-	36	36	36
Total non current assets		383,365	398,429	-	-	-	-	20,390	20,390	418,619	423,859	425,369
TOTAL ASSETS		442,883	400,244	-	-	-	-	20,390	20,390	420,634	470,613	474,309
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		0	0	-	-	-	-	-	-	0	0	0
Consumer deposits		50	100	-	-	-	-	-	-	100	104	109
Trade and other payables		25,000	13,073	-	-	-	-	-	-	13,073	27,671	22,287
Provisions		1,171	2,229	-	-	-	-	-	-	2,229	5,159	5,160
Total current liabilities		26,221	15,401	-	-	-	-	-	-	15,401	32,935	27,556
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	23,530	28,853	-	-	-	-	-	-	28,853	30,584	32,419
Total non current liabilities		23,530	28,853	-	-	-	-	-	-	28,853	30,584	32,419
TOTAL LIABILITIES		49,751	44,254	-	-	-	-	-	-	44,254	63,519	59,975
NET ASSETS	2	393,132	355,990	-	-	-	-	20,390	20,390	376,380	407,094	414,334
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		347,990	385,857	-	-	-	-	(66,630)	(66,630)	319,227	372,860	373,489
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		347,990	385,857	-	-	-	-	(66,630)	(66,630)	319,227	372,860	373,489

B7 - Adjustment budget cash flows

EC123 Great Kei - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2021/22									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	A1	B	C	D	E	F	G	H			
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		18,900	21,193	-	-	-	-	-	-	21,193	19,694	20,560
Service charges		14,475	14,475	-	-	-	-	-	-	14,475	15,083	16,797
Other revenue		6,819	7,069	-	-	-	-	-	-	7,069	9,150	10,602
Transfers and Subsidies - Operational	1	50,706	50,756	-	-	-	-	-	-	50,756	50,914	49,748
Transfers and Subsidies - Capital	1	11,055	-	-	-	-	-	-	-	11,055	-	-
Interest		5,000	5,000	-	-	-	-	-	-	5,000	5,210	5,439
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(78,028)	(93,524)	-	-	-	-	-	-	(93,524)	(97,514)	(101,811)
Finance charges		(500)	(500)	-	-	-	-	-	-	(500)	(547)	(547)
Transfers and Grants	1	-	(15,769)	-	-	-	-	-	-	(15,769)	(0)	(0)
NET CASH FROM/(USED) OPERATING ACTIVITIES		28,426	(11,300)	-	-	-	-	-	-	(246)	1,990	789
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	1,400	-	-	-	-	-	-	1,400	0	0
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(10,664)	(65,015)	-	-	-	-	-	-	(65,015)	(18,203)	(18,859)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(10,664)	(63,615)	-	-	-	-	-	-	(63,615)	(18,203)	(18,859)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(0)	100	-	-	-	-	-	-	100	4	5
Payments												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(0)	100	-	-	-	-	-	-	100	4	5
NET INCREASE/ (DECREASE) IN CASH HELD												
Cash/cash equivalents at the year begin:	2	7,000	6,887	-	-	-	-	-	-	6,887	(56,873)	(73,082)
Cash/cash equivalents at the year end:	2	24,762	(67,927)	-	-	-	-	-	-	(56,873)	(73,082)	(91,148)

B8 - Cash backed reserves/ accumulated surplus reconciliation

EC123 Great Kei - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2021/22									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
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Cash and investments available												
Cash/cash equivalents at the year end	1	24,762	(67,927)	-	-	-	-	-	-	(67,927)	(73,082)	(91,148)
Other current investments > 90 days		(11,384)	19,781	-	-	-	-	-	-	19,781	67,776	85,747
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		13,378	(48,147)	-	-	-	-	-	-	(48,147)	(5,306)	(5,401)
Applications of cash and investments												
Unspent conditional transfers		(0)	(0)	-	-	-	-	-	-	(0)	(0)	(0)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(6,060)	(19,686)	-	-	-	-	-	-	(19,686)	(7,691)	(54,721)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(6,060)	(19,686)	-	-	-	-	-	-	(19,686)	(7,691)	(54,721)
Surplus(shortfall)		19,438	(28,461)	-	-	-	-	-	-	(28,461)	2,385	49,320

QUALITY CERTIFICATE

I, Mr. L.N Mambila, Municipal Manager of Great Kei Municipality, hereby certify that the Special Adjustment Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Special Adjustment Budget and supporting documentation are consistent with the Final Integrated Development Plan of the municipality and the service delivery agreement of the municipality.



L.N. Mambila

MUNICIPAL MANAGER of Great Kei Municipality EC 123

29 June 2022