

# MASILONYANA LOCAL MUNICIPALITY

## *FINAL BUDGET (MTREF) 2023/2024*



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## **PART A - ANNUAL BUDGET**

### **1. Mayors Report and Executive Summary**

Masilonyana Local Municipality takes cue from the 2023 SONA and SOPA respectively, that the people of South Africa and those of Masilonyana want purposed action, they want solutions, and they want local government that works or will work for them.

We must be focused on actions that will make a meaningful difference now, that will enable real progress and that will lay a foundation for a sustained recovery into the future. This is what the Municipality should commit to make a difference now. As Council continues to implement its revenue enhancement strategy will oversee the municipality steer towards being self-sufficient and financially resilient.

The approach of our Integrated Development Plan and Budget have clear understanding from our consultations with communities and various stakeholders that, Council still needs to do more to ensure proper financial management and good governance, build better roads, provide clean and reliable water supply, provide proper sanitation and housing, provide reliable weekly waste collection, create opportunities for jobs and grow the Municipality's economy and to continue to provide electricity.

These input from communities remain our priorities until the end of this term of council. As the Mayor, I am confident that these strategies will steer the municipality to recover from the current dire financial strains and still remain committed to improve the audit outcomes.

The Municipality will continue to redefine participatory democracy through a massive stakeholder mobilization and engagements to deal with rapid response on the provision of services.

Sound financial management principles were applied for the compilation of Masilonyana's financial plan which is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

Masilonyana has committed itself to respond to the people's legitimate demand for a better life as reflected in our budget. In a continued effort to create jobs for the inhabitants of MLM and to encourage private sector investment, the capital budget is being focused on addressing the backlog of the aging infrastructure of the municipality and also to address the capacity in terms distribution of water in Winburg through Regional Bulk Infrastructure Grant (RBIG) from Department of Water and Sanitation (DWS).

Masilonyana has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by

consumers, continued levying of electricity & water by prepaid meters, frequent updating of indigent register, optimization of property rates levy including concluding settlements with the mining houses on valuation roll disputes.

The intervention of the Mayor and Council was requested to communicate this message to the community for the campaigns of indigents to be a success.

National Treasury's MFMA Circular No. 122 & 123 were used to guide the compilation of the 2023/24 MTREF

The main challenges experienced during the compilation of the 2023/24 MTREF can be summarised as follows:

1. The on-going difficulties in the national and local economy;
2. Aging and poor water, electricity and roads infrastructure;
3. Poor water supply in two towns of the Municipality.
4. The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
5. The increased cost of bulk water and electricity, also high outstanding debts which the Municipality is unable to meet due to tariff
6. Wage increases for municipal staff
7. Load shedding has had a major impact on multiple sectors of South Africa for many years, including the economy's of South Africa for many years, including the economy. This has affected many local businesses, which then has a negative impact on our local economic development and revenue base as a whole. And also puts pressure on our water pumps, which breaks due to load shedding.

Despite these challenges, the municipality aims to improve and provide services with conditional grants available to the municipality. The municipality is also working on filling critical positions to bring stability to the municipality.

Below is the summary of the budget:

<b>2023/24 MTREF BUDGET SUMMARY</b>			
Description	BUDGET 2023/2024 '000	BUDGET 2024/2025 '000	BUDGET 2025/2026 '000
Total Operating Revenue	423 880	446 443	465 322
Total Operating Expenditure	448 003	478 101	510 678
Surplus/(Deficit) of the year	<b>(24 123)</b>	<b>(31 657)</b>	<b>(45 355)</b>
Total Capital Expenditure	<b>70 000</b>	<b>48 576</b>	<b>52 698</b>

**The total capital budget is exclusive of the in-kind capital budget and PMU expenditure that is funded from the MIG.**

Total operating revenue stands at **R423 880** million for the 2023/24 financial year, R446 443 million for 2024/2025 and R465 322 million, while total operating expenditure has been appropriated at **R448 003 million** for 2023/2024, R478 101 million in 2024/2025 and R510 678 in 2025/2026. The operating expenditure budget is inclusive of non-cash item amounting to .

MFMA Circular no. 58-79 stated that, in preparation for 2012/2013 budget, municipalities that have chosen the 'revaluation model' when implementing GRAP 17 must exclude the depreciation resulting from the revaluation of PPE when preparing their budgets and calculating any tariff increases. When implementing GRAP 17 in 2008/09 financial year.

However, there continues to be a focus to reduce the deficit for the municipality in line with National Treasury circular 72 requirements, to produce a funded surplus budget which is now not the case due to the high non-cash items and low revenue collection estimates, however the outer years reflects a surplus as an indication of improvement in the year to come.

Masilonyana Local Municipality has had to take a more conservative approach in the manner in which it approaches the budgeting. This approach includes giving consideration in the budget to the cost containment measures suggested by National Treasury in Circular 80 and 82 in line with the Municipality's revenue enhancement strategy.

These measures will be implemented in an attempt to ensure the future viability of the institution and to focus on reducing the impact on the residents within our community.

Despite these challenges, the municipality aims to improve and provide services with conditional grants available to the municipality. The municipality is also working on filling critical positions to bring stability to the municipality.

### **Conclusion**

Success is a breeding ground of rising expectations; we will continue to face challenges but life will also continue to change for the better.

*“Leave no one behind”*

## **2. Council resolution**

Masilonyana Local Municipality hereby presents the Annual budget for approval in terms of section 24 of the MFMA, no. 56 of 2003. The council to approve the following for the 2023/2024 financial year:

- a) Budgeted Financial Performance (revenue and expenditure by functional classification) - Table A2,
- b) Budgeted Financial Performance (revenue and expenditure by municipal vote) - Table A3,
- c) Budgeted Financial Performance (revenue and expenditure) - Table A4,
- d) Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source - Table A5.
- e) All the budget related policies as presented.
- f) Tariff list for every service charge.
- g) Funding plan and revenue enhancement strategy
- h) mSCOA roadmap and implementation

### 3. Annual budget tables (Table A1 - Table A10)

FS181 Masilonyana - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Financial Performance</b>										
Property rates	77 723 343	77 918 793	61 326 977	69 592 176	76 767 623	76 767 623	58 481 282	87 125 413	91 743 061	96 605 443
Service charges	109 939 597	130 948 955	115 870 798	126 361 005	149 267 768	149 267 768	32 970 520	164 581 358	171 151 025	179 936 383
Investment revenue	22 752	1 387 940	–	4 136 000	721 000	721 000	57	850 083	1 009 049	1 197 741
Transfer and subsidies - Operational	117 962 603	139 842 427	–	151 040 000	176 470 000	176 470 000	42 541 000	162 325 000	172 943 000	177 319 000
Other own revenue	(111 582 693)	4 382 454	839 637	15 058 873	8 857 587	8 857 587	760 155	8 998 180	9 597 817	10 263 634
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>194 065 602</b>	<b>354 480 569</b>	<b>178 037 412</b>	<b>366 188 054</b>	<b>412 083 978</b>	<b>412 083 978</b>	<b>134 753 014</b>	<b>423 880 034</b>	<b>446 443 952</b>	<b>465 322 201</b>
Employee costs	92 088 293	112 257 718	119 637	124 336 427	119 753 053	119 753 053	–	142 588 578	150 143 217	158 426 844
Remuneration of councillors	1 002 670	488 483	–	7 921 835	7 959 998	7 959 998	–	8 007 155	8 173 255	8 356 768
Depreciation and amortisation	90 017 185	–	6 300	19 276 000	97 652 295	97 652 295	–	95 719 350	95 719 350	95 719 350
Interest	6 471 244	2 832 375	2 003	1 000 000	1 691 000	1 691 000	–	3 500 000	4 500 000	5 000 000
Inventory consumed and bulk purchases	43 116 617	46 949 914	6 625 369	90 631 147	63 433 623	63 433 623	3 297 012	74 786 935	88 772 092	105 372 473
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	146 867 849	61 560 157	23 551 195	187 503 589	44 864 501	44 864 501	5 543 887	123 401 477	130 793 418	137 802 649
<b>Total Expenditure</b>	<b>379 563 858</b>	<b>224 088 647</b>	<b>30 304 504</b>	<b>430 668 998</b>	<b>335 354 470</b>	<b>335 354 470</b>	<b>8 840 899</b>	<b>448 003 495</b>	<b>478 101 332</b>	<b>510 678 084</b>
<b>Surplus/(Deficit)</b>	<b>(185 498 256)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(64 480 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>(24 123 461)</b>	<b>(31 657 380)</b>	<b>(45 355 883)</b>
Transfers and subsidies - capital (monetary allocations)	9 097 455	–	–	52 491 000	–	–	–	70 000 000	48 576 000	52 698 000
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(176 400 801)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(11 989 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>45 876 539</b>	<b>16 918 620</b>	<b>7 342 117</b>
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(176 400 801)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(11 989 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>45 876 539</b>	<b>16 918 620</b>	<b>7 342 117</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>(206 464 988)</b>	<b>82 914 403</b>	<b>34 948 360</b>	<b>51 228 151</b>	<b>23 873 212</b>	<b>23 873 212</b>	<b>1 333 924 849</b>	<b>74 067 765</b>	<b>78 067 425</b>	<b>82 913 551</b>
Transfers recognised - capital	156 199 107	33 329 790	10 035 108	51 228 151	23 873 212	23 873 212	1 192 108 924	74 067 765	78 067 425	82 913 551
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	(362 664 095)	49 584 613	24 913 251	–	–	–	141 815 925	–	–	–
<b>Total sources of capital funds</b>	<b>(206 464 988)</b>	<b>82 914 403</b>	<b>34 948 360</b>	<b>51 228 151</b>	<b>23 873 212</b>	<b>23 873 212</b>	<b>1 333 924 849</b>	<b>74 067 765</b>	<b>78 067 425</b>	<b>82 913 551</b>

<b>Financial position</b>											
Total current assets	528 034 890	711 872 051	793 934 601	61 724 966	159 137 037	159 137 037	891 059 739	1 937 536 861	1 939 297 253	2 015 875 001	
Total non current assets	575 444 838	658 123 934	693 072 295	688 407 126	736 353 917	736 353 917	693 108 054	865 867 635	810 869 104	846 017 620	
Total current liabilities	535 229 263	660 672 225	627 371 274	320 212 777	25 974 078	25 974 078	602 321 857	272 951 429	227 818 594	238 653 979	
Total non current liabilities	-	-	-	-	-	-	-	23 930 182	-	-	
Community wealth/Equity	570 823 628	712 264 854	862 576 937	421 419 319	886 862 508	886 862 508	985 003 191	3 645 124 425	3 737 362 343	3 904 854 533	
<b>Cash flows</b>											
Net cash from (used) operating	(36 011 599)	-	-	65 155 136	(87 551 753)	(87 551 753)	-	13 004 990	(11 663 321)	(29 688 171)	
Net cash from (used) investing	-	-	-	52 491 000	-	-	-	(85 263 737)	(89 782 602)	(95 354 851)	
Net cash from (used) financing	-	-	-	-	-	-	-	3 166 503	174 074	155 232	
<b>Cash/cash equivalents at the year end</b>	(36 011 599)	-	-	117 646 136	(87 551 753)	(87 551 753)	-	(67 521 511)	(168 793 359)	(293 681 150)	
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	6 235 285	18 637 730	(44 992 056)	(48 025 266)	(786 740 001)	(786 740 001)	(8 855 127)	(67 802 135)	(96 748 755)	(120 014 038)	
Application of cash and investments	152 916 441	174 998 497	125 499 667	271 787 442	(286 475 000)	(286 475 000)	69 509 426	(105 957 770)	(100 675 688)	(106 071 269)	
<b>Balance - surplus (shortfall)</b>	(146 681 156)	(156 360 767)	(170 491 723)	(319 812 708)	(500 265 001)	(500 265 001)	(78 364 553)	38 155 635	3 926 933	(13 942 769)	
<b>Asset management</b>											
Asset register summary (WDV)	575 359 032	658 038 128	692 986 489	688 407 126	736 353 917	736 353 917	2 000 927 069	2 000 927 069	2 022 180 979	2 123 735 117	
Depreciation	90 013 316	-	6 300	19 276 000	97 652 295	97 652 295	95 719 350	95 719 350	95 719 350	95 719 350	
Renewal and Upgrading of Existing Assets	695 762 784	697 806 339	697 806 339	24 944 151	3 098 063	3 098 063	-	-	-	-	
Repairs and Maintenance	333 100	646 896	5 665 454	1 294 812	591 845	591 845	-	-	-	-	
<b>Free services</b>											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	#N/A	-									
<b>Households below minimum service level</b>											
Water:	#N/A	-									
Sanitation/sewerage:	#N/A	-									
Energy:	#N/A	-									
Refuse:	#N/A	-									

**FS181 Masilonyana - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)**

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		<b>213 390 184</b>	<b>228 659 490</b>	<b>68 115 065</b>	<b>142 453 240</b>	<b>263 216 401</b>	<b>263 216 401</b>	<b>84 586 802</b>	<b>87 976 284</b>	<b>92 901 786</b>
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		213 390 184	228 659 490	68 115 065	142 453 240	263 216 401	263 216 401	84 586 802	87 976 284	92 901 786
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>			<b>214 427</b>							
Community and social services		-	214 427	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>										
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>101 216 430</b>	<b>122 121 015</b>	<b>106 436 485</b>	<b>272 915 182</b>	<b>145 556 945</b>	<b>145 556 945</b>	<b>405 836 932</b>	<b>403 431 835</b>	<b>421 315 155</b>
Energy sources		19 421 570	37 559 004	19 607 061	47 195 440	39 996 772	39 996 772	53 019 399	53 912 768	54 909 841
Water management		43 697 663	44 715 748	44 992 370	39 223 893	59 805 358	59 805 358	49 608 953	53 720 118	58 496 854
Waste water management		24 464 052	25 343 318	26 648 142	21 102 968	34 487 019	34 487 019	25 704 324	27 067 944	28 507 986
Waste management		13 633 145	14 502 945	15 188 912	165 392 881	11 267 796	11 267 796	277 504 256	268 731 005	279 400 474
<b>Other</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>314 606 614</b>	<b>350 994 932</b>	<b>174 551 550</b>	<b>415 368 422</b>	<b>408 773 346</b>	<b>408 773 346</b>	<b>490 423 734</b>	<b>491 408 119</b>	<b>514 216 941</b>
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		<b>219 588 828</b>	<b>92 477 034</b>	<b>5 792 907</b>	<b>228 972 139</b>	<b>218 805 949</b>	<b>218 805 949</b>	<b>223 176 685</b>	<b>230 337 732</b>	<b>237 539 808</b>
Executive and council		20 727 046	21 526 682	527 033	24 599 373	31 034 707	31 034 707	16 984 321	17 628 662	18 331 665
Finance and administration		197 864 144	70 841 822	5 260 924	203 026 461	187 771 242	187 771 242	205 992 364	212 498 470	218 986 382
Internal audit		997 638	108 530	4 950	1 346 305	-	-	200 000	210 600	221 761
<b>Community and public safety</b>		<b>6 727 240</b>	<b>9 467 202</b>	<b>1 431 473</b>	<b>19 900 516</b>	<b>8 741 255</b>	<b>8 741 255</b>	<b>18 434 258</b>	<b>19 345 589</b>	<b>20 493 381</b>
Community and social services		4 446 252	5 477 920	1 094 858	12 882 470	4 523 840	4 523 840	11 851 964	12 487 746	13 171 845
Sport and recreation		624 918	2 172 736	96 074	3 451 578	2 545 479	2 545 479	1 669 816	1 677 986	1 856 784
Public safety		1 656 070	1 617 246	240 541	1 891 209	1 671 936	1 671 936	4 090 217	4 313 196	4 550 423
Housing		-	-	-	1 675 259	-	-	457 261	481 951	508 460
Health		-	199 300	-	-	-	-	365 000	384 710	405 869
<b>Economic and environmental services</b>		<b>16 738 936</b>	<b>17 854 289</b>	<b>1 566 160</b>	<b>24 015 872</b>	<b>23 848 152</b>	<b>23 848 152</b>	<b>25 604 816</b>	<b>26 974 779</b>	<b>28 440 579</b>

Planning and development		7 930 749	7 387 572	36 744	16 457 540	262 588	262 588	622 509	655 854	691 358
Road transport		8 808 187	10 466 717	1 529 416	7 558 332	23 585 564	23 585 564	24 982 307	26 318 925	27 749 221
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>136 504 985</b>	<b>104 290 122</b>	<b>21 513 964</b>	<b>145 969 843</b>	<b>97 994 114</b>	<b>97 994 114</b>	<b>94 306 443</b>	<b>110 111 951</b>	<b>128 130 865</b>
Energy sources		37 591 988	45 222 853	6 421 946	85 119 772	60 362 401	60 362 401	82 314 127	97 513 157	114 839 223
Water management		28 127 133	39 405 594	9 365 536	36 170 095	28 135 443	28 135 443	1 856 312	1 956 552	2 064 163
Waste water management		65 615 270	13 926 078	157 768	18 332 604	7 211 759	7 211 759	1 670 331	1 719 424	1 813 992
Waste management		5 170 594	5 735 597	5 568 714	6 347 372	2 284 511	2 284 511	8 465 673	8 922 818	9 413 487
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	<b>379 559 989</b>	<b>224 088 647</b>	<b>30 304 504</b>	<b>418 858 370</b>	<b>349 389 470</b>	<b>349 389 470</b>	<b>361 522 202</b>	<b>386 770 051</b>	<b>414 604 633</b>
<b>Surplus/(Deficit) for the year</b>		<b>(64 953 375)</b>	<b>126 906 285</b>	<b>144 247 046</b>	<b>(3 489 948)</b>	<b>59 383 876</b>	<b>59 383 876</b>	<b>128 901 532</b>	<b>104 638 068</b>	<b>99 612 308</b>

**FS181 Masilonyana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		213 390 184	228 659 490	68 115 065	142 453 240	263 216 401	263 216 401	84 586 802	87 976 284	92 901 786
Vote 3 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 4 - Technical Services		87 583 285	107 618 070	91 247 573	107 522 301	134 289 149	134 289 149	128 332 676	134 700 830	141 914 681
Vote 5 - Community & Social Services		-	214 427	-	-	-	-	-	-	-
Vote 6 - Community & Social Services1		13 633 145	14 502 945	15 188 912	165 392 881	11 267 796	11 267 796	277 504 256	268 731 005	279 400 474
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 111]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 1210]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>314 606 614</b>	<b>350 994 932</b>	<b>174 551 550</b>	<b>415 368 422</b>	<b>408 773 346</b>	<b>408 773 346</b>	<b>490 423 734</b>	<b>491 408 119</b>	<b>514 216 941</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive & Council		21 724 684	21 635 212	531 983	26 660 224	31 034 707	31 034 707	17 889 032	18 582 028	19 337 044
Vote 2 - Finance & Administration		198 093 540	71 104 820	5 260 924	202 311 915	187 771 242	187 771 242	205 437 653	211 913 804	218 369 560
Vote 3 - Planning & Development		2 044 211	3 719 575	36 744	16 457 540	262 588	262 588	472 509	497 754	524 562
Vote 4 - Technical Services		146 365 720	112 426 241	17 474 666	147 180 803	119 295 167	119 295 167	110 823 077	127 508 058	146 466 599
Vote 5 - Community & Social Services		6 102 322	7 294 466	1 335 399	16 448 938	6 195 776	6 195 776	18 134 258	19 029 389	20 159 790
Vote 6 - Community & Social Services1		5 795 512	7 908 333	5 664 788	9 798 950	4 829 990	4 829 990	8 465 673	8 922 818	9 413 487
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 111]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 1210]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>380 125 989</b>	<b>224 088 647</b>	<b>30 304 504</b>	<b>418 858 370</b>	<b>349 389 470</b>	<b>349 389 470</b>	<b>361 222 202</b>	<b>386 453 851</b>	<b>414 271 042</b>

Surplus/(Deficit) for the year	2	(65 519 375)	126 906 285	144 247 046	(3 489 948)	59 383 876	59 383 876	129 201 532	104 954 268	99 945 899
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**FS181 Masilonyana - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	25 001 302	42 900 719	25 756 583	47 595 631	40 396 963	40 396 963	8 464 911	62 403 599	63 785 403	65 295 698
Service charges - Water	2	43 697 663	44 715 748	44 992 370	39 223 893	59 805 358	59 805 358	42 042 667	52 533 831	55 318 124	58 249 984
Service charges - Waste Water Management	2	27 581 854	28 830 006	30 134 004	24 413 600	37 797 651	37 797 651	28 913 842	27 869 900	29 319 354	30 873 279
Service charges - Waste Management	2	13 658 778	14 502 482	14 987 841	15 127 881	11 267 796	11 267 796	(46 450 900)	21 774 028	22 728 144	25 517 422
Sale of Goods and Rendering of Services		173 699	507 212	295 869	1 997 000	1 957 000	1 957 000	179 065	1 997 000	2 102 841	2 214 291
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		788 052	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1 722 299	3 554 949	108 649	12 130 000	6 094 071	6 094 071	142 539	6 453 620	6 845 032	7 277 850
Interest earned from Current and Non Current Assets		22 752	1 387 940	-	4 136 000	721 000	721 000	57	850 083	1 009 049	1 197 741
Dividends		3 021	-	-	9 873	10 000	10 000	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		285 581	320 293	335 119	520 000	190 376	190 376	428 451	547 560	649 944	771 493
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	100 000	-	-	-	-	-	-	-
<b>Non-Exchange Revenue</b>											
Property rates	2	77 723 343	77 918 793	61 326 977	69 592 176	76 767 623	76 767 623	58 481 282	87 125 413	91 743 061	96 605 443
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		5 913	-	-	402 000	606 140	606 140	10 100	-	-	-
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		117 962 603	139 842 427	-	151 040 000	176 470 000	176 470 000	42 541 000	162 325 000	172 943 000	177 319 000
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		(114 802 258)	-	-	-	-	-	-	-	-	-
Other Gains		241 000	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>194 065 602</b>	<b>354 480 569</b>	<b>178 037 412</b>	<b>366 188 054</b>	<b>412 083 978</b>	<b>412 083 978</b>	<b>134 753 014</b>	<b>423 880 034</b>	<b>446 443 952</b>	<b>465 322 201</b>
<b>Expenditure</b>											
Employee related costs	2	92 088 293	112 257 718	119 637	124 336 427	119 753 053	119 753 053	-	142 588 578	150 143 217	158 426 844
Remuneration of councillors		1 002 670	488 483	-	7 921 835	7 959 998	7 959 998	-	8 007 155	8 173 255	8 356 768

Bulk purchases - electricity	2	31 536 983	33 926 009	1 197 106	63 005 000	58 000 000	58 000 000	-	74 786 935	88 772 092	105 372 473
Inventory consumed	8	11 579 634	13 023 905	5 428 263	27 626 147	5 433 623	5 433 623	3 297 012	-	-	-
Debt impairment	3	-	-	-	-	-	-	-	86 481 293	91 331 281	96 073 451
Depreciation and amortisation		90 017 185	-	6 300	19 276 000	97 652 295	97 652 295	-	95 719 350	95 719 350	95 719 350
<b>Interest</b>		<b>6 471 244</b>	<b>2 832 375</b>	<b>2 003</b>	<b>1 000 000</b>	<b>1 691 000</b>	<b>1 691 000</b>	-	<b>3 500 000</b>	<b>4 500 000</b>	<b>5 000 000</b>
Contracted services		12 211 880	43 518 761	13 522 158	39 399 567	23 886 646	23 886 646	3 635 401	17 170 956	18 257 520	19 215 868
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		128 274 269	-	-	121 014 000	-	-	-	-	-	-
Operational costs		6 381 700	18 041 396	10 029 037	27 090 022	20 977 855	20 977 855	1 908 486	19 749 228	21 204 617	22 513 330
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>379 563 858</b>	<b>224 088 647</b>	<b>30 304 504</b>	<b>430 668 998</b>	<b>335 354 470</b>	<b>335 354 470</b>	<b>8 840 899</b>	<b>448 003 495</b>	<b>478 101 332</b>	<b>510 678 084</b>
<b>Surplus/(Deficit)</b>		<b>(185 498 256)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(64 480 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>(24 123 461)</b>	<b>(31 657 380)</b>	<b>(45 355 883)</b>
Transfers and subsidies - capital (monetary allocations)	6	9 097 455	-	-	52 491 000	-	-	-	70 000 000	48 576 000	52 698 000
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(176 400 801)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(11 989 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>45 876 539</b>	<b>16 918 620</b>	<b>7 342 117</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(176 400 801)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(11 989 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>45 876 539</b>	<b>16 918 620</b>	<b>7 342 117</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(176 400 801)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(11 989 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>45 876 539</b>	<b>16 918 620</b>	<b>7 342 117</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>(176 400 801)</b>	<b>130 391 922</b>	<b>147 732 908</b>	<b>(11 989 944)</b>	<b>76 729 508</b>	<b>76 729 508</b>	<b>125 912 115</b>	<b>45 876 539</b>	<b>16 918 620</b>	<b>7 342 117</b>

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 3 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 4 - Technical Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Community & Social Services1		-	-	-	-	-	-	-	-	-	-
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 111]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 1210]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive & Council		-	-	74 040	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		(362 647 804)	49 349 307	24 817 396	-	-	-	-	-	-	-
Vote 3 - Planning & Development		-	235 306	-	-	-	-	-	-	-	-
Vote 4 - Technical Services		(23 695 429)	27 447 624	10 035 108	47 151 278	20 775 149	20 775 149	20 775 149	72 840 345	76 773 724	81 549 990
Vote 5 - Community & Social Services		15 350 511	-	-	805 308	3 098 063	3 098 063	3 098 063	-	-	-
Vote 6 - Community & Social Services1		164 527 733	5 882 166	21 816	3 271 565	-	-	-	1 227 420	1 293 701	1 363 561
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 111]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 1210]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-

<b>Capital single-year expenditure sub-total</b>		(206 464 988)	82 914 403	34 948 360	51 228 151	23 873 212	23 873 212	23 873 212	74 067 765	78 067 425	82 913 551
<b>Total Capital Expenditure - Vote</b>		(206 464 988)	82 914 403	34 948 360	51 228 151	23 873 212	23 873 212	23 873 212	74 067 765	78 067 425	82 913 551
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		(362 647 804)	49 349 307	24 891 436	-	-	-	135 558 161	-	-	-
Executive and council		-	-	74 040	-	-	-	3 811 801	-	-	-
Finance and administration		(362 647 804)	49 349 307	24 817 396	-	-	-	131 746 360	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		164 511 442	5 882 166	-	4 076 873	3 098 063	3 098 063	200 283 944	1 227 420	1 293 701	1 363 561
Community and social services		(16 291)	-	-	-	-	-	(135 898)	-	-	-
Sport and recreation		164 527 733	5 882 166	-	3 271 565	-	-	170 409 900	1 227 420	1 293 701	1 363 561
Public safety		-	-	-	805 308	3 098 063	3 098 063	26 662 779	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	3 347 163	-	-	-
<b>Economic and environmental services</b>		-	235 306	-	-	5 004 484	5 004 484	434 047 667	-	-	-
Planning and development		-	235 306	-	-	-	-	462 019	-	-	-
Road transport		-	-	-	-	5 004 484	5 004 484	433 585 648	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		(8 328 626)	27 447 624	10 056 924	47 151 278	15 770 665	15 770 665	564 035 077	72 840 345	76 773 724	81 549 990
Energy sources		(2 980 515)	151 100	-	950 000	-	-	792 409	3 825 811	4 032 405	4 250 155
Water management		(20 714 914)	21 256 586	8 576 023	34 336 223	12 576 000	12 576 000	10 390 750	34 808 741	36 688 413	39 300 072
Waste water management		15 366 802	6 039 937	1 459 085	11 865 055	3 194 665	3 194 665	552 830 102	34 205 793	36 052 906	37 999 763
Waste management		-	-	21 816	-	-	-	21 816	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	(206 464 988)	82 914 403	34 948 360	51 228 151	23 873 212	23 873 212	1 333 924 849	74 067 765	78 067 425	82 913 551
<b>Funded by:</b>											
National Government		156 199 107	20 579 758	10 035 108	51 228 151	23 873 212	23 873 212	1 179 358 892	74 067 765	78 067 425	82 913 551
Provincial Government		-	12 750 032	-	-	-	-	12 750 032	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	156 199 107	33 329 790	10 035 108	51 228 151	23 873 212	23 873 212	1 192 108 924	74 067 765	78 067 425	82 913 551
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-

Internally generated funds		(362 664 095)	49 584 613	24 913 251	-	-	-	141 815 925	-	-	-
<b>Total Capital Funding</b>	7	<b>(206 464 988)</b>	<b>82 914 403</b>	<b>34 948 360</b>	<b>51 228 151</b>	<b>23 873 212</b>	<b>23 873 212</b>	<b>1 333 924 849</b>	<b>74 067 765</b>	<b>78 067 425</b>	<b>82 913 551</b>

### FS181 Masilonyana - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit out	
<b>R thousand</b>									
<b>ASSETS</b>									
<b>Current assets</b>									
Cash and cash equivalents		6 149 479	18 551 924	(45 077 862)	(48 025 266)	(786 740 001)	(786 740 001)		
Trade and other receivables from exchange transactions	1	196 961 118	266 656 659	383 516 180	1 998 961	-	-		
Receivables from non-exchange transactions	1	236 313 511	319 974 527	342 012 991	107 751 271	-	-		
Current portion of non-current receivables		-	-	-	-	-	-		
Inventory	2	(8 968 708)	(8 968 708)	(9 613 674)	-	804 699 377	804 699 377		
VAT		98 256 659	116 343 082	123 832 485	-	141 177 661	141 177 661		
Other current assets		(677 169)	(685 433)	(735 519)	-	-	-		
<b>Total current assets</b>		<b>528 034 890</b>	<b>711 872 051</b>	<b>793 934 601</b>	<b>61 724 966</b>	<b>159 137 037</b>	<b>159 137 037</b>		
<b>Non current assets</b>									
Investments		85 806	85 806	85 806,00	-	-	-		
Investment property		17 387 611	17 387 611	17 387 611,00	17 387 611	-	-		
Property, plant and equipment	3	557 971 421	640 650 517	675 598 878	670 818 279	736 353 917	736 353 917		
Biological assets		-	-	-	-	-	-		
Living and non-living resources		-	-	-	-	-	-		
Heritage assets		-	-	-	201 236	-	-		
Intangible assets		-	-	-	-	-	-		
Trade and other receivables from exchange transactions		-	-	-	-	-	-		
Non-current receivables from non-exchange transactions		-	-	-	-	-	-		
Other non-current assets		-	-	-	-	-	-		
<b>Total non current assets</b>		<b>575 444 838</b>	<b>658 123 934</b>	<b>693 072 295</b>	<b>688 407 126</b>	<b>736 353 917</b>	<b>736 353 917</b>		
<b>TOTAL ASSETS</b>		<b>1 103 479 728</b>	<b>1 369 995 985</b>	<b>1 487 006 896</b>	<b>750 132 092</b>	<b>895 490 954</b>	<b>895 490 954</b>		1
<b>LIABILITIES</b>									
<b>Current liabilities</b>									
Bank overdraft		-	-	-	-	-	-		
Financial liabilities		-	-	-	-	-	-		
Consumer deposits		360 343	502 913	672 907	355 153	-	-		
Trade and other payables from exchange transactions	4	152 916 441	174 998 497	125 499 667	295 927 442	4 830 000	4 830 000		

Trade and other payables from non-exchange transactions	5	21 908 943	106 455 013	106 455 013	–	–	–	–	–
Provision		40 990 165	40 990 165	40 990 165	23 930 182	–	–	–	–
VAT		319 053 371	337 725 637	353 753 522	–	–	21 144 078	21 144 078	–
Other current liabilities		–	–	–	–	–	–	–	–
<b>Total current liabilities</b>		<b>535 229 263</b>	<b>660 672 225</b>	<b>627 371 274</b>	<b>320 212 777</b>	<b>25 974 078</b>	<b>25 974 078</b>	<b>25 974 078</b>	<b>–</b>
<b>Non current liabilities</b>									
Financial liabilities	6	–	–	–	–	–	–	–	–
Provision	7	–	–	–	–	–	–	–	–
Long term portion of trade payables		–	–	–	–	–	–	–	–
Other non-current liabilities		–	–	–	–	–	–	–	–
<b>Total non current liabilities</b>		<b>–</b>	<b>–</b>						
<b>TOTAL LIABILITIES</b>		<b>535 229 263</b>	<b>660 672 225</b>	<b>627 371 274</b>	<b>320 212 777</b>	<b>25 974 078</b>	<b>25 974 078</b>	<b>25 974 078</b>	<b>–</b>
<b>NET ASSETS</b>		<b>568 250 465</b>	<b>709 323 760</b>	<b>859 635 622</b>	<b>429 919 315</b>	<b>869 516 876</b>	<b>869 516 876</b>	<b>869 516 876</b>	<b>–</b>
<b>COMMUNITY WEALTH/EQUITY</b>									
Accumulated surplus/(deficit)	8	570 823 628	712 264 854	862 576 937	421 419 319	886 862 508	886 862 508	886 862 508	–
Reserves and funds	9	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>570 823 628</b>	<b>712 264 854</b>	<b>862 576 937</b>	<b>421 419 319</b>	<b>886 862 508</b>	<b>886 862 508</b>	<b>886 862 508</b>	<b>–</b>

### FS181 Masilonyana - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		–	–	–	34 796 090	63 711 127	63 711 127	–	21 826 185	24 346 635	25 636 271
Service charges		–	–	–	68 663 953	157 254 239	157 254 239	–	43 621 127	48 667 844	51 186 098
Other revenue		–	–	–	2 916 200	2 250 550	2 250 550	–	273 780	324 972	385 747
Transfers and Subsidies - Operational	1	–	–	–	151 040 000	–	–	–	162 325 000	172 943 000	177 319 000
Transfers and Subsidies - Capital	1	–	–	–	52 491 000	(27 454 194)	(27 454 194)	–	70 000 000	48 576 000	52 698 000
Interest		–	–	–	–	–	–	–	425 042	504 524	598 871
Dividends		–	–	–	10 000	–	–	–	–	–	–
<b>Payments</b>											
Suppliers and employees		(36 011 599)	–	–	(243 762 107)	(283 313 475)	(283 313 475)	–	(281 966 144)	(302 526 296)	(332 512 158)
Interest		–	–	–	(1 000 000)	–	–	–	(3 500 000)	(4 500 000)	(5 000 000)

Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(36 011 599)</b>	-	-	<b>65 155 136</b>	<b>(87 551 753)</b>	<b>(87 551 753)</b>	-	<b>13 004 990</b>	<b>(11 663 321)</b>	<b>(29 688 171)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	(85 806)	(5 063)	(4 270)
<b>Payments</b>											
Capital assets		-	-	-	52 491 000	-	-	-	(85 177 931)	(89 777 539)	(95 350 581)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>52 491 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(85 263 737)</b>	<b>(89 782 602)</b>	<b>(95 354 851)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	3 166 503	174 074	155 232
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 166 503</b>	<b>174 074</b>	<b>155 232</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(36 011 599)</b>	-	-	<b>117 646 136</b>	<b>(87 551 753)</b>	<b>(87 551 753)</b>	-	<b>(69 092 245)</b>	<b>(101 271 849)</b>	<b>(124 887 790)</b>
Cash/cash equivalents at the year begin:	2	-	-	-	-	-	-	-	1 570 734	(67 521 511)	(168 793 359)
Cash/cash equivalents at the year end:	2	<b>(36 011 599)</b>	-	-	<b>117 646 136</b>	<b>(87 551 753)</b>	<b>(87 551 753)</b>	-	<b>(67 521 511)</b>	<b>(168 793 359)</b>	<b>(293 681 150)</b>

**FS181 Masilonyana - Table A8 Cash backed reserves/accumulated surplus reconciliation**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	(36 011 599)	–	–	117 646 136	(87 551 753)	(87 551 753)	–	(67 521 511)	(168 793 359)	(293 681 150)
Other current investments > 90 days		42 161 078	18 551 924	(45 077 862)	(165 671 402)	(699 188 248)	(699 188 248)	(8 940 933)	(366 431)	71 953 735	173 571 973
Non current Investments	1	85 806	85 806	85 806	–	–	–	85 806	85 806	90 869	95 139
<b>Cash and investments available:</b>		<b>6 235 285</b>	<b>18 637 730</b>	<b>(44 992 056)</b>	<b>(48 025 266)</b>	<b>(786 740 001)</b>	<b>(786 740 001)</b>	<b>(8 855 127)</b>	<b>(67 802 135)</b>	<b>(96 748 755)</b>	<b>(120 014 038)</b>
<b>Application of cash and investments</b>											
Trade payables from Non-exchange transactions: Other		–	–	–	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	152 916 441	174 998 497	125 499 667	271 787 442	(286 475 000)	(286 475 000)	69 509 426	(105 957 770)	(100 675 688)	(106 071 269)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>152 916 441</b>	<b>174 998 497</b>	<b>125 499 667</b>	<b>271 787 442</b>	<b>(286 475 000)</b>	<b>(286 475 000)</b>	<b>69 509 426</b>	<b>(105 957 770)</b>	<b>(100 675 688)</b>	<b>(106 071 269)</b>
<b>Surplus(shortfall)</b>		<b>(146 681 156)</b>	<b>(156 360 767)</b>	<b>(170 491 723)</b>	<b>(319 812 708)</b>	<b>(500 265 001)</b>	<b>(500 265 001)</b>	<b>(78 364 553)</b>	<b>38 155 635</b>	<b>3 926 933</b>	<b>(13 942 769)</b>

**FS181 Masilonyana - Table A9 Asset Management**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	520 263 542	601 134 390	636 082 751	26 284 000	20 775 149	20 775 149	74 067 765	78 067 425	82 913 551
<i>Roads Infrastructure</i>		341 902 520	391 251 827	415 980 223	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		(209 296 563)	(207 122 689)	(206 358 066)	-	8 199 149	8 199 149	3 746 132	3 948 423	4 161 638
<i>Electrical Infrastructure</i>		118 701 792	118 852 892	118 852 892	950 000	-	-	3 825 811	4 032 405	4 250 155
<i>Water Supply Infrastructure</i>		(19 619 900)	(406 869)	8 169 154	23 334 000	12 576 000	12 576 000	31 022 415	32 697 625	35 093 782
<i>Sanitation Infrastructure</i>		-	3 866 064	3 866 064	-	-	-	34 245 987	36 095 271	38 044 415
<i>Solid Waste Infrastructure</i>		4 342 441	4 342 441	4 342 441	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>236 030 290</b>	<b>310 783 666</b>	<b>344 852 708</b>	<b>24 284 000</b>	<b>20 775 149</b>	<b>20 775 149</b>	<b>72 840 345</b>	<b>76 773 724</b>	<b>81 549 990</b>
Community Facilities		-	-	694 463	-	-	-	-	-	-
Sport and Recreation Facilities		164 527 734	170 409 900	170 409 900	2 000 000	-	-	1 227 420	1 293 701	1 363 561
<b>Community Assets</b>		<b>164 527 734</b>	<b>170 409 900</b>	<b>171 104 363</b>	<b>2 000 000</b>	-	-	<b>1 227 420</b>	<b>1 293 701</b>	<b>1 363 561</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>3 737 761</b>	<b>3 737 761</b>	<b>3 737 761</b>	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		<b>3 411 978</b>	<b>3 647 284</b>	<b>3 832 140</b>	-	-	-	-	-	-
<b>Machinery and Equipment</b>		<b>1 258 687</b>	<b>1 258 687</b>	<b>1 258 687</b>	-	-	-	-	-	-
<b>Transport Assets</b>		<b>15 032 940</b>	<b>15 032 940</b>	<b>15 032 940</b>	-	-	-	-	-	-
<b>Land</b>		<b>96 264 152</b>	<b>96 264 152</b>	<b>96 264 152</b>	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-

<b>Living Resources</b>		-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	-	2 043 555	2 043 555	13 136 620	-	-	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	2 043 555	2 043 555	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	11 865 055	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	2 043 555	2 043 555	11 865 055	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	1 271 565	-	-	-	-
<b>Community Assets</b>		-	-	-	1 271 565	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	695 762 784	695 762 784	695 762 784	11 807 531	3 098 063	3 098 063	-	-
<i>Roads Infrastructure</i>		433 544 218	433 544 218	433 544 218	-	-	-	-	-
<i>Storm water Infrastructure</i>		4 495 327	4 495 327	4 495 327	-	-	-	-	-

Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	(1 631 161)	(1 631 161)	(1 631 161)	11 002 223	-	-	-	-	-	-
Sanitation Infrastructure	230 868 489	230 868 489	230 868 489	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	<b>667 276 873</b>	<b>667 276 873</b>	<b>667 276 873</b>	<b>11 002 223</b>	-	-	-	-	-	-
Community Facilities	28 485 911	28 485 911	28 485 911	805 308	3 098 063	3 098 063	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	<b>28 485 911</b>	<b>28 485 911</b>	<b>28 485 911</b>	<b>805 308</b>	<b>3 098 063</b>	<b>3 098 063</b>	-	-	-	-
<b>Heritage Assets</b>	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Land</b>	-	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>4 1 216 026 326</b>	<b>1 298 940 729</b>	<b>1 333 889 090</b>	<b>51 228 151</b>	<b>23 873 212</b>	<b>23 873 212</b>	<b>74 067 765</b>	<b>78 067 425</b>	<b>82 913 551</b>	
Roads Infrastructure	775 446 738	824 796 045	849 524 441	-	-	-	-	-	-	-
Storm water Infrastructure	(204 801 236)	(202 627 362)	(201 862 739)	-	8 199 149	8 199 149	3 746 132	3 948 423	4 161 638	
Electrical Infrastructure	118 701 792	118 852 892	118 852 892	950 000	-	-	3 825 811	4 032 405	4 250 155	
Water Supply Infrastructure	(21 251 061)	5 525	8 581 548	34 336 223	12 576 000	12 576 000	31 022 415	32 697 625	35 093 782	
Sanitation Infrastructure	230 868 489	234 734 553	234 734 553	11 865 055	-	-	34 245 987	36 095 271	38 044 415	
Solid Waste Infrastructure	4 342 441	4 342 441	4 342 441	-	-	-	-	-	-	
Rail Infrastructure	-	-	-	-	-	-	-	-	-	

Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>903 307 163</b>	<b>980 104 094</b>	<b>1 014 173 136</b>	<b>47 151 278</b>	<b>20 775 149</b>	<b>20 775 149</b>	<b>72 840 345</b>	<b>76 773 724</b>	<b>81 549 990</b>
Community Facilities		28 485 911	28 485 911	29 180 374	805 308	3 098 063	3 098 063	-	-	-
Sport and Recreation Facilities		164 527 734	170 409 900	170 409 900	3 271 565	-	-	1 227 420	1 293 701	1 363 561
<b>Community Assets</b>		<b>193 013 645</b>	<b>198 895 811</b>	<b>199 590 274</b>	<b>4 076 873</b>	<b>3 098 063</b>	<b>3 098 063</b>	<b>1 227 420</b>	<b>1 293 701</b>	<b>1 363 561</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>3 737 761</b>	<b>3 737 761</b>	<b>3 737 761</b>	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		<b>3 411 978</b>	<b>3 647 284</b>	<b>3 832 140</b>	-	-	-	-	-	-
<b>Machinery and Equipment</b>		<b>1 258 687</b>	<b>1 258 687</b>	<b>1 258 687</b>	-	-	-	-	-	-
<b>Transport Assets</b>		<b>15 032 940</b>	<b>15 032 940</b>	<b>15 032 940</b>	-	-	-	-	-	-
<b>Land</b>		<b>96 264 152</b>	<b>96 264 152</b>	<b>96 264 152</b>	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		<b>1 216 026 326</b>	<b>1 298 940 729</b>	<b>1 333 889 090</b>	<b>51 228 151</b>	<b>23 873 212</b>	<b>23 873 212</b>	<b>74 067 765</b>	<b>78 067 425</b>	<b>82 913 551</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	575 359 032	658 038 128	692 986 489	688 407 126	736 353 917	736 353 917	2 000 927 069	2 022 180 979	2 123 735 117
Roads Infrastructure		467 334 340	516 683 647	541 412 043	-	-	-	(15 953 225)	(15 953 225)	(15 953 225)
Storm water Infrastructure		87 312 482	89 486 356	90 250 979	-	8 199 149	8 199 149	3 746 132	3 948 423	4 161 638
Electrical Infrastructure		11 931 775	12 102 862	12 102 862	639 815 992	810 133 000	810 133 000	8 792 884	5 568 841	5 855 330
Water Supply Infrastructure		(22 688 967)	(1 432 381)	7 143 642	34 336 223	12 576 000	12 576 000	1 484 811 705	1 571 557 209	1 646 305 072
Sanitation Infrastructure		(58 695 543)	(54 829 479)	(54 829 479)	11 865 055	-	-	31 172 248	32 574 283	34 328 616
Solid Waste Infrastructure		(120 307 254)	(120 307 254)	(120 307 254)	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>364 886 833</b>	<b>441 703 751</b>	<b>475 772 793</b>	<b>686 017 270</b>	<b>830 908 149</b>	<b>830 908 149</b>	<b>1 512 569 744</b>	<b>1 597 695 531</b>	<b>1 674 697 431</b>

Community Assets		117 423 449	123 305 615	124 000 078	4 076 873	3 098 063	3 098 063	33 323 511	35 247 902	36 981 314
Heritage Assets		-	-	-	201 236	-	-	15 430	16 340	17 108
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Investment properties		17 387 611	17 387 611	17 387 611	17 387 611	-	-	28 059 029	29 714 512	31 111 094
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other Assets		(38 894 076)	(38 894 076)	(38 894 076)	(9 737 391)	-	-	354 582 596	376 444 210	395 671 684
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	3 581 996	3 739 603	3 907 886
Computer Equipment		1 298 089	1 292 329	1 292 329	(1 430 193)	-	-	(9 775 792)	(9 411 323)	(9 103 855)
Furniture and Office Equipment		872 096	1 272 819	1 457 675	(210 789)	(97 061 216)	(97 061 216)	80 688 915	(9 307 735)	(8 995 397)
Machinery and Equipment		1 087 938	672 987	672 987	(7 897 491)	(366 716)	(366 716)	(13 733 834)	(13 601 990)	(13 487 027)
Transport Assets		15 032 940	15 032 940	15 032 940	-	(224 363)	(224 363)	8 492 310	9 934 596	11 151 324
Land		96 264 152	96 264 152	96 264 152	-	-	-	3 123 164	1 709 333	1 783 555
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>575 359 032</b>	<b>658 038 128</b>	<b>692 986 489</b>	<b>688 407 126</b>	<b>736 353 917</b>	<b>736 353 917</b>	<b>2 000 927 069</b>	<b>2 022 180 979</b>	<b>2 123 735 117</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>90 346 416</b>	<b>646 896</b>	<b>5 671 754</b>	<b>20 570 812</b>	<b>98 244 140</b>	<b>98 244 140</b>	<b>95 719 350</b>	<b>95 719 350</b>	<b>95 719 350</b>
Depreciation	7	90 013 316	-	6 300	19 276 000	97 652 295	97 652 295	95 719 350	95 719 350	95 719 350
Repairs and Maintenance by Asset Class	3	333 100	646 896	5 665 454	1 294 812	591 845	591 845	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		148 000	332 220	5 512 374	500 000	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>148 000</b>	<b>332 220</b>	<b>5 512 374</b>	<b>500 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Community Facilities		185 100	28 500	85 960	544 812	285 493	285 493	-	-	-
Sport and Recreation Facilities		-	286 176	67 120	250 000	306 352	306 352	-	-	-
<b>Community Assets</b>		<b>185 100</b>	<b>314 676</b>	<b>153 080</b>	<b>794 812</b>	<b>591 845</b>	<b>591 845</b>	<b>-</b>	<b>-</b>	<b>-</b>
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-

Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	-
Mature	-	-	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>90 346 416</b>	<b>646 896</b>	<b>5 671 754</b>	<b>20 570 812</b>	<b>98 244 140</b>	<b>98 244 140</b>	<b>95 719 350</b>	<b>95 719 350</b>	<b>95 719 350</b>	<b>95 719 350</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	57,2%	53,7%	52,3%	48,7%	13,0%	13,0%	0,0%	0,0%	0,0%	0,0%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	773,0%	0,0%	11076291,1%	129,4%	3,2%	3,2%	0,0%	0,0%	0,0%	0,0%
<i>R&amp;M as a % of PPE &amp; Investment Property</i>	0,1%	0,1%	0,8%	0,2%	0,1%	0,1%	0,0%	0,0%	0,0%	0,0%
<i>Renewal and upgrading and R&amp;M as a % of PPE and Investment Property</i>	121,0%	106,1%	101,5%	3,8%	0,5%	0,5%	0,0%	0,0%	0,0%	0,0%

#### 4. Expenditure on allocations and grant programmes and capital expenditure details

PROJECT NAME	PROJECT COST	GRANT ALLOCATION	GRANT	PROJECT CONDITION
Winburg construction of outfall sewer and rectification of existing network and relocation of sewer pumpstation 3	19 948 237,25	13 350 825,39	WSIG	New
Brandfort: Water conservation and water Demand Management	29 745 962,20	11 658 090,85	WSIG	Running
Winburg: Water conservation and water Demand Management	7 345 000,00	2 156 861,97	WSIG	New
Refurbishment of Theunissen Water Treatment Works Pump Station	5 000 000,00	243 189,67	WSIG	Running
Masilo: Refurbishment of sport facility (MIS:233721)	12 196 388,00	1 227 420,00	MIG	Running
Winburg/Makeleketa: Construction of 1km back pave road and storm water drainage (MIS:374898)	9 942 680,34	3 746 132,09	MIG	New

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<b>Project Name</b>	<b>Project Description</b>	<b>RBIG 6B Allocation for 2023/2024</b>
<b>Upgrading of the Winburg Water Treatment Works</b>	<b>Upgrading of the Winburg Water Treatment Works</b>	<b>3 786 326,20</b>
<b>Refurbishment of Theunissen Water Treatment Plant - Civil Works</b>	<b>Refurbishment of Theunissen Water Treatment Plant - Civil Works</b>	<b>10 000 000,00</b>
<b>Potable Water from Sedibeng Water</b>	<b>Potable Water from Sedibeng Water</b>	<b>11 213 673,80</b>
<b>Upgrading of the 15km AC pipe to uPVC Pipe, from Theunissen Water Treatment Plant to Theunissen Reservoirs</b>	<b>Upgrading of the 15km AC pipe to uPVC Pipe, from Theunissen Water Treatment Plant to Theunissen Reservoirs</b>	<b>-</b>
<b>Total</b>		<b>25 000 000,00</b>

PROJECT NAME	PROJECT COST	GRANT ALLOCATION	GRANT	PROJECT CONDITION
Brandfort/Majwemas weu: Construction of 6 High Mast Lights (MIS:413534)	3 205 940,08	3 825 811,14	MIG	New
Brandfort/Majwemas weu: Refurbishment of sewer house connections for 220 units in Mountain View (MIS:413345)	4 517 461,63	2 093 212,65	MIG	Running
Theunissen/Masilo: Refurbishment of Waste Water Treatment Works and pump stations (MIS:404030)	16 567 705,24	15 015 624,12	MIG	Running

## **PART B : SUPPORTING DOCUMENTATION**

### **5. Overview of annual budget process**

- The following was taken into account in providing guidance for the compilation of the budget:
  - The MFMA, which provides political guidance from the Mayor.
  - National Treasury regulations and MTREF budget circular 122 and 123 which gives guidance on the key focus areas and national priorities.
  - Provincial priorities
  - IDP which then gives guidance of the community needs and alignment of the national and provincial priorities.
  - Municipal budget related policies such as tariff policies.
  - The municipal recent valuation roll.
  - The SALGBC for the salary increase of the employees
  - SALGA upperlimits circular for councillors allowances
  
- The municipality had consultations on IDP and the budget, below is some of the comments received by the municipality:
  - Building plans not reported to the municipality should be investigated.
  - Valuation roll objections
  - AFS - still outstanding
  - The municipality to seek funding for investment property to increase their revenue base.
  - Household profiling
  - Renovation of some municipal halls
  - Street lights on day and night
  - By laws - enforce and monitor.
  - Scarce skills bursary (Pumblers and electricians)
  - New sports ground
  - Fencing of cemeteries

## **6. Overview of budget related policies**

Masilonyana Local Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The municipality has the following budget related policies:

- Municipal property rates policy
- Budget policy
- Tariff policy
- Indigent policy
- Fixed asset management policy
- Cash management & investment policy
- Credit control & debt collection policy
- Supply Chain Management policy
- Bad debt write-off policy
- Policy governing payments of creditors, councilors and officials
- Subsistence and travel allowance policy
- Events after reporting date policy and procedure manual
- Virement policy
- Borrowing policy

Policies with amendments:

S&T policy - The incidental costs were aligned to the SARS guidelines.

All other policies remained unchanged as they are still relevant with the current laws and regulations.

## **8. Overview of budget assumptions**

The following is the basis or methodology that was used to compile:

1. The valuation roll, which provided recent tariffs for property rates.
2. The CPI of 5.3%, as per the national treasury circular 123 for all other revenue items except service charges: electricity, which is 18.7%.
3. The division of revenue bill for all operational and capital grants.
4. Prior year revenue and expenditure trends.
5. The IDP for all community needs.
6. Public participation comments.
7. Social, economic and demographic statistics and assumptions for provision of free basic services.
8. Cash flow collection is estimated at 25% for property rates, service charges and interest from outstanding debtors. And 50% for sales of goods, interest on investment and rental of fixed assets.
9. After benchmarking with other small municipalities, Grave tariffs were increased by 10%, however, they are significantly still low when compared to other municipalities.

## **9. Overview of the budget funding**

Masilonyana local municipality's budget is funded by the equitable share and other revenue for operational budget and for capital projects, it funded by capital grants.

The municipality's budget is not funded due to:

1. High Eskom debt and other creditors.
2. Ongoing challenges of low collection rate, which is between 5 and 9%.
3. Indigent community which is not able to afford municipal services.

However, the municipality has attached a plan of strategies (Funding plan together with revenue enhancement strategy) that will enable the municipality to get to the budget funded.

