



ANNUAL BUDGET OF  
**MAKHUDUTHAMAGA LOCAL  
MUNICIPALITY**

2011/12 TO 2013/14  
MEDIUM TERM REVENUE AND  
EXPENDITURE FORECASTS

NB. Copies of this document can be viewed:

- At the reception of our municipal buildings
  - All public libraries of the municipality
  - At [www.makhuduthamaga.gov.za](http://www.makhuduthamaga.gov.za)
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## Abbreviations and Acronyms

BPC	Budget Planning Committee		Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
MM	Municipal Manager	MPRA	Municipal Properties Rates Act
CPI	Consumer Price Index	MSA	Municipal Systems Act
CRRF	Capital Replacement Reserve Fund	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
EE	Employment Equity	NGO	Non-Governmental organisations
FBS	Free basic services	NKPIs	National Key Performance Indicators
GAMAP	Generally Accepted Municipal Accounting Practice	OHS	Occupational Health and Safety
GRAP	General Recognised Accounting Practice	OP	Operational Plan
HR	Human Resources	PMS	Performance Management System
IDP	Integrated Development Strategy	PPE	Property Plant and Equipment
IT	Information Technology	PPP	Public Private Partnership
km	kilometre	RG	Restructuring Grant
DFS	Government Financial Statistics	SALGA	South African Local Government Association
KPA	Key Performance Area	SDBIP	Service Delivery Budget Implementation Plan
KPI	Key Performance Indicator	SMME	Small Micro and Medium Enterprises
LED	Local Economic Development		
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		

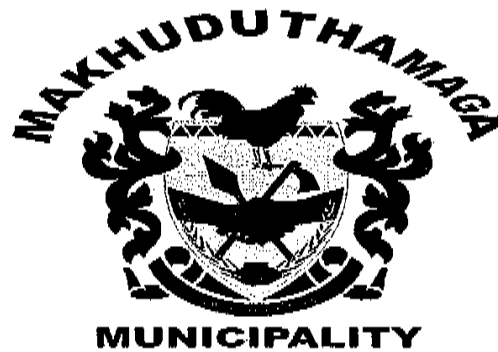
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Quality Certificate

I **Moropa Mogobadi Erick**, the municipal manager of **Makhuduthamaga Municipality** hereby certify that the

- Annual Budget

For 2011/2012 and supporting documents has been prepared in accordance with Municipal Finance Management Act and regulations made under the Act, and that the annual budget for 2011/2012 and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: **Moropa Mogobadi Erick**

Municipal Manager of **Makhuduthamaga Local Municipality (LIM473)**

Signature ..... *Erick* .....

Date ..... *12/05/2011* .....

LIM473  
Makhuduthamaga -  
Contact Information

**A. GENERAL INFORMATION**

<b>Municipality</b>	LIM473 Makhuduthamaga
<b>Grade</b>	
<b>Province</b>	LP LIMPOPO
<b>Web Address</b>	<a href="http://www.makhuduthamaga.gov.za">www.makhuduthamaga.gov.za</a>
<b>e-mail Address</b>	

Set name on 'Instructions' sheet

1 Grade in terms of the Remuneration of Public Office Bearers Act.

**B. CONTACT INFORMATION**

<b>Postal address:</b>	
P.O. Box	PRIVATE BAG X 434
City / Town	JANE FURSE
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City / Town	JANE FURSE
Postal Code	1085
<b>General Contacts</b>	
Telephone number	013 265 1262
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**C. POLITICAL LEADERSHIP**

<b>Speaker:</b>	
Name	BAHULA B.M
Telephone number	013 265 1262
Cell number	082 642 3642
Fax number	013 265 1975
E-mail address	
<b>Mayor/Executive Mayor:</b>	
Name	MOKHABELA Q.E
Telephone number	013 2658600
Cell number	082 493 9285
Fax number	
E-mail address	

**Secretary/PA to the Speaker:**

Name	MAILA REGINAH
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**Secretary/PA to the Mayor/Executive Mayor:**

Name	MASHABELA GRACE
Telephone number	013 2658600
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<b>Deputy Mayor/Executive Mayor:</b>		<b>Secretary/PA to the Deputy Mayor/Executive Mayor:</b>	
Name		Name	
Telephone number		Telephone number	
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Fax number		Fax number	
E-mail address		E-mail address	
<b>D. MANAGEMENT LEADERSHIP</b>			
<b>Municipal Manager:</b>		<b>Secretary/PA to the Municipal Manager:</b>	
Name	MOROPA M.E	Name	MATLALA MOOIKIE
Telephone number	013 265 8600	Telephone number	013 265 8600
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Name	DIALE D.S	Name	LESHABA D.M
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<b>Official responsible for submitting financial information</b>			
Name	MALEKANA M.A		
Telephone number	013 265 1262		
Cell number	082 444 2069		
Fax number	013 265 1975		
E-mail address			
<b>Official responsible for submitting financial information</b>			
Name	MOGANEDI R.M		
Telephone number	013 265 8622		
Cell number	072 207 7581		
Fax number	086 637 3884		
E-mail address			
<b>Official responsible for submitting financial information</b>			
Name			
Telephone number			
Cell number			
Fax number			
E-mail address			



**BUDGET SPEECH 2011/2012**

**MAKHUDUTHAMAGA MUNICIPAL CHAMBER**

**DATE : 29 APRIL 2011**

**TIME : 09:00**

**BY: CLLR. Q.E. MOKHABELA**

**MAYOR OF MAKHUDUTHAMAGA LOCAL MUNICIPALITY**

**MADAM SPEAKER**

**EXECUTIVE COMMITTEE MEMBERS**

**CHIEF WHIP**

**COUNCILORS**

**TRADITIONAL LEADERS**

**CHAIRPERSON OF THE OVERSIGHT COMMITTEE**

**ACTING MUNICIPAL MANAGER AND THE ACCOMPANYING OFFICIALS**

**MANAGERS OF GOVERNMENT DEPARTMENTS**

**LEADERS OF RELIGIOUS DENOMINATIONS**

**MEMBERS OF WARD COMMITTEES**

**BUSINESS LEADERS**

**SPECIAL PROGRAM CLUSTER**

**GUESTS, FRIENDS AND COMRADES**



Madam speaker I am honoured, today to be given an opportunity to present the IDP/Budget 2011/2012 to the council of Makhuduthamaga Local Municipality.

Madam speaker we are sitting here today celebrating 17 years of our freedom, 10 years of our local government and of course 5 years of our term of office. We are proud madam speaker to pronounce that our democracy is maturing and our people are reaping the fruits of freedom earned through sacrifices made by our people.

This sitting comes just under 20 days before local government elections and we would like to take this opportunity to urge all eligible voters to swell in the long queues joining the multitudes in casting their votes for their parties.

Madam speaker the Municipal Finance Management Act 56 of 2003 requires councils of municipalities in terms of section 16(1) to approve an annual budget for the municipality 30 days (section 24(1)) before the start of the financial year.

Madam speaker this section does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years provided the separate appropriation is made for each of those financial years.

Madam speaker the municipal council has engaged in a protracted and robust process of public consultation in terms of section 21 of MFMA read with chapter 4 and 5 of MSA and Intergovernmental Fiscal Relations Act 97 of 1997.

We are presenting a projected total budget of R219.9 million of which R170.2 million accrued from the grants and subsidies and R49.6 million accrued from the implementation of Municipal Property and other income.

Systems which include revenue enhancement strategy, financial management plan and other measures are in place to ensure successful collection and proper use of this revenue. We are further presenting R117.8 million of operating expenditure which amounts to 53.1% of the total revenue and R100.5 million for capital expenditure which amounts to 46.2% of the total revenue and R1 million

reserved for bursary scheme and the remaining is for a small surplus.

Madam speaker we are putting the amount of over R1 million into our Information and Communication Technology to ensure that our municipal ICT infrastructure complies with current trends in the world of technology, this includes the development of system master plan and the disaster recovery programs.

Over R1 million is allocated for skills development within the municipality to ensure that our personnel are up-to-speed with the current organizational changes and that our municipality discharges its constitutional mandate with quality personnel.

We are allocating the amount of over R700.000.00 for advocacy program which includes but not limited to Youth, Children, Disable, Women to ensure that we realize our responsibility as a developmental municipality where our focus is not only based on services delivery but also to address the social state of our people. It is worth noting that the policies for the above special program have been reviewed and are awaiting council approval.

We are also putting about R1 million to better implement our communication strategy which includes among others the issue of branding our municipality, mayoral outreach and general communication with our stakeholders. To further ensure that our programs and projects are community centered and community driven we have allocated the amount of over R1 million for public participation and ward committees.

Madam speaker, in believing that our development should always be guided, we have allocated the amount of over R3 million for the development of roads and storm water management plan, environmental management plan, master systems plan, disaster recovery plan, and the precinct plan.

This plans and frameworks shall place the municipality at the correct position to play a more meaningful role in the roll-out of the infrastructure programs in future.

We have allocated R17.8 million for the provision of energy of which R3 million is allocated for Free Basic Electricity for our indigent. We have to work hard to ensure that we maximize the collection of the electricity tokens because madam speaker spending on FBE depend largely on the collection rate and many times our beneficiaries do not collect.

Madam speaker of the R17 million for energy, over R14 million is set aside for the electrification of

1303 households which includes but not limited to Vierfontein, Mmakoshala, Mashite, Setlaboswane, Mampane/Kantaan etc.

Madam speaker 64.23% of the capital expenditure amounting to R65.2 million is set aside for roads and bridges in the villages of Sekwati, Madihlaba, Manganeng, Mampane, Mogashoa, etc.

Makhuduthamaga municipality as part of the rural district and currently is experiencing a high level of unemployment and high level of dependency rate on government social security net.

In line with the national government performance outcomes, we have allocated the amount of R1.8 million for Local Economic Development of which about R800.00.00 is for funding of the SMME's and about R900.000.00 is for hawker's stalls and we believe madam speaker that the funding of SMME's shall translate into huge employment for youth and women particularly.

Madam speaker we are therefore presenting to these honorable council the following documents for adoption as mandated by section 17(3)(a) of MFMA read with section 74 and 75a of MSA and Municipal Property Rates Act of 2004:

1. DRAFT IDP/BUDGET 2011/2012
2. VIREMENT POLICY
3. BUDGET POLICY
4. QUARTERLY FINANCIAL REPORT

We are confident that the budget and the accompanying policies are mutually consistent, credible and represent the will of our people.

In conclusion madam speaker, this budget is in line with constitutional mandate of bettering the lives of our people for the better, and these honorable council can agree with me that today is better than when we first walk into this council in 2006 and we hope that tomorrow shall be better than today and working together we shall do more.

Let me take this opportunity on behalf of the executive committee, administration and of course on my own behalf, to thank everyone, councilors, executive members, officials, Magoshi and the general community for the unwavering support they shown during our term and wish that they continue working with this municipality for bettering the lives of us all.

Thank you all



# MAKHUDUTHAMAGA MUNICIPALITY

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(AGENDA ITEM: SC/13.2/04/2011 ADOPTION OF THE BUDGET 2011/2012 AND ITS RELATED POLICIES)

## RESOLUTION No. 14 OF 2011

### RESOLUTION ON THE ADOPTION OF BUDGET 2011/2012 AND ITS RELATED POLICIES

NOTING THAT:

- It is a requirement in terms of section 24 of Municipal Finance Management Act, Act No.56 of 2003 that Municipal Council must at least 30 days before the start of the financial year consider the approval of the Annual Budget which must be approved together with the adoption of the resolution as may be described and the approval of changes to the Municipality Budget related Policies.

Makhuduthamaga Municipal Council at its Special Council Meeting of 29 April 2011, held in the Municipal Chamber

RESOLVED THAT:

- The Budget for 2011/2012 and its related policies be adopted as tabled.

Mover: Cllr. Mokhabela Q.E.

Seconded: Cllr. Ntobeng M.M.

Municipal Speaker: Cllr. Maitula B.M

Acting Municipal Manager: Mr. Moropa M.E.

Signature: *B.M. Maitula*

Signature: *[Handwritten Signature]*

## 1.1 Executive Summary

- ❖ Makhuduthamaga Local Municipality prepared the Annual budget for 2011/2012 based on the municipal budget and reporting regulations Government Gazette No: 32141 dated 17 April, 2009 and in accordance with section 16 of the municipal Finance Management Act (MFMA). The Annual budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

### ➤ **MUNICIPAL FINANCE MANAGEMENT ACT**

- The preparation and approval of the Annual Budget is regulated by section 16 and 24 of the MFMA, which states as follows:

- 16 (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- (2). In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- (3). Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.
- 24 (1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.
- (2) An annual budget –
- (a) must be approved before the start of the budget year;
  - (b) is approved by the adoption by council of a resolution referred to in section 17 (3) (a) (i) and
  - (c) must be approved together with the adoption of resolutions as may be necessary –
    - (i) imposing any municipal tax for the budget year;
    - (ii) setting any municipal tariffs for the budget year;
    - (iii) approving measurable performance objectives for revenue from each source and for each vote in the budget.
    - (iv) approving any changes to the municipality's integrated development plan and;

(v) approving any changes to the municipality's budget related policies.

(3) the accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.

➤ **National Treasury's MFMA Circular No. 51, 54 and 55 were used to guide the compilation of the 2011/12 MTREF.**

- The main challenges experienced during the compilation of the 2011/12 MTREF can be summarised as follows:
  - The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and cash position of the municipality;
  - The municipality's inability to generate enough own revenue to assist the infrastructure challenges in our communities.
- The following budget principles and guidelines directly informed the compilation of the 2011/12 MTREF:
  - The budget was prepared on a zero base principle and some of the operational expenses such as advertising, some contracted services and fuel expenses were prepared on an incremental base.
  - The 2010/11 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2011/12 annual budget;
  - Intermediate service level standards were used to inform the, targets and backlog eradication goals;
  - Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs. For the next financial year, tariffs and property rates have not been increased.
  - There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

➤ **BUDGET SUMMARY 2011/2012**

• **REVENUE**

- Our total revenue for the 2011/2012 amount to R 219,903 million. For 2012/2013 and 2013/2014 the total revenue amount to R 243,085 Million and R 256,966 Million respectively.

- The total revenue for 2010/2011 was R 193,023 Million compared to the total revenue for 2011/2012 which amount to R 219,903 million; we therefore have an increase of **13.93%** in the 2011/2012 budget and 10.38% and 5.29% in the 2012/2013 and 2013/2014 respectively.
- Our total revenue for 2011/2012 is from the following sources as indicated below:

Source of Revenue	Amount	%
National Grants (E/S, MIG, FMG,MSIG, DOE)	R 170,248,000.00	77.42
Own Income	R 49,655,913.68	22.58
Total	R 219,903,913.68	100

#### • TOTAL EXPENDITURE

- The total expenditure for 2011/2012 amounts to R 219,882 Million. For 2012/2013 and 2013/2014, the total expenditure amounts to R 241,887 Million and R 255,561 Million respectively.
- The total expenditure for 2010/2011 was R 192,787 Million, compared to the total expenditure for 2011/2012 which amounts to R 219,882 Million; we therefore have an increase of **14.05%** in our total expenditure budget for 2011/2012 and 8.88% and 6.76% for 2012/2013 and 2013/2014 respectively.
- The total expenditure for 2011/2012 include a total Operational expenditure of R 117,860 Million and total Capital Expenditure of R 100,582 Million.
- Operational expenditure amounts to **53.60%** of the total budget and Capital expenditure is **45.74%**
- The Provisions and reserves for the councillor upper limits amount to **0.66%** of the total budget.
- **Our total Operational expenditure for 2011/2012 is structured as follows:**

Description	Budget 2011/2012	% on total Budget
Salaries and Wages	R 39,742,167.06	33.72%



Councillors Allowances	R 14,400,000.00	12.22%
General Expenses	R 48,846,900.00	41.45%
Depreciation	R 3,187,985.88	2.70%
Repairs and Maintenance	R 11,682,469.11	9.91%
<b>Total</b>	<b>R 117,859,522.10</b>	<b>100%</b>

- **Our total Capital expenditure is structured as follows:**

<b>Description</b>	<b>Budget 2011/2012</b>	<b>% on total budget</b>
Renewal Of Existing Assets	R 4,200,000.00	4.18%
Infrastructure Assets: Roads and Bridges	R 65,250,100.00	64.87%
Infrastructure Assets: Electricity	R 17,862,500.00	17.76%
Community Assets: Parks and Cemeteries	R 1,000,000.00	0.99%
Capital: Other Assets	R 12,269,600.00	12.20%
<b>Total</b>	<b>R 100,582,200.00</b>	<b>100%</b>

- **N.B** The detailed workings are attached.

## ➤ **FINANCIAL VIABILITY AND MANAGEMENT**

- **GRANTS AND SUBSIDIES FOR 2010/2011 and 2011/2012**

- Makhuduthamaga Local Municipality received the following grants for 2010/2011 and will receive the amount as indicated below for 2011/2012 as per Division of Revenue Act (DORA)

### CONDITIONAL GRANTS

NAME OF GRANT	AMOUNT 2010/2011	Amount 2011/2012	% Increase
Municipal Infrastructure Grant (MIG)	R 28,401, 000.00	R 34,159,000.00	20.27%
DOE	R 5,000,000.00	R 7,500,000.00	50.00%
Financial Management Grant (FMG)	R 1 500 000.00	R 1,500.000.00	0.00%
Municipal Systems Improvement Grant (MSIG)	R 750 000.00	R 750,000.00	0.00%

### OTHER GRANTS

NAME OF GRANT	AMOUNT 2010/2011	Amount 2011/2012	% Increase
Equitable Shares (ES)	R 111,894,000.00	126,339,000.00	12.91%

- **REVENUE ENHANCEMENT STRATEGY**

The MLM has adopted the Revenue Enhancement Strategy .The strategy is intended to enhance the revenue base of MLM. It is in alignment with the General Finance policy. The Municipality has started billing for property rates (only Businesses and sector departments) as from July 2009.

- **BUDGET POLICY**

Makhuduthamaga municipality has a budget policy in place and is intended to set out the budgeting principles which the municipality will follow in preparing each annual budget and adjustment budget, as well as the responsibilities of the chief financial officer in compiling such budget.

- **CREDIT CONTROL AND DEBT MANAGEMENT**

The Credit Control and Debt Management Policy of Makhuduthamaga Local Municipality was adopted in recognition of the constitutional obligations to develop the local economy and to provide acceptable service to the communities. The constitutional obligations cannot and will never be realized unless there are payments of services. The municipality has started billing for property rates as from July 2009.

- **FINANCIAL MANAGEMENT PLAN**

The Municipality has the 3year's Financial Plan that is aligned to the Medium Term Expenditure Framework. The plan caters for the income, revenue and expenditure for the year under review.

- **SUPPLY CHAIN MANAGEMENT POLICY**

The MLM has developed and adopted Supply Chain Management Policy in 2008. It provides policy guidelines as and when the MLM procures goods or services, disposes goods no longer needed, selects contractors to provide assistance in the provision of municipal services otherwise than in Chapter 8 of the MSA applies. There is also a procedure manual that outlines how SCM policy should be implemented.

## **1.2 Annual Budget Tables – Makhuduthamaga Local Municipality**

The following pages present the MBRR tables and explanations of each table as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2011/12 budget and MTREF as approved by the Council on 29 April 2011.

LIM473 Makhuduthamaga - Table A1 Budget Summary

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	6,100	16,100	25,012	25,012	25,012	24,047	24,047	24,047
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	5,817	8,575	3,000	2,000	2,774	2,774	2,774	3,500	3,600	3,650
Transfers recognised - operational	51,666	67,705	90,587	109,588	114,144	114,144	114,144	128,589	141,932	151,062
Other own revenue	18,586	22,980	12,230	18,093	17,692	17,692	17,692	22,109	24,474	26,891
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>76,069</b>	<b>99,259</b>	<b>111,917</b>	<b>145,781</b>	<b>159,622</b>	<b>159,622</b>	<b>159,622</b>	<b>178,245</b>	<b>194,052</b>	<b>205,649</b>
Employee costs	3,684	9,504	24,090	31,252	25,796	25,796	25,796	39,742	42,563	45,612
Remuneration of councillors	9,901	10,695	11,862	14,415	13,624	13,624	13,624	14,400	15,379	16,502
Depreciation & asset impairment	-	5,547	9,193	140	8,003	8,003	8,003	3,188	-	-
Finance charges	-	-	200	300	108	108	108	300	316	333
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	15,941	30,131	41,127	51,165	61,483	61,483	61,483	60,229	56,441	58,315
<b>Total Expenditure</b>	<b>29,526</b>	<b>55,877</b>	<b>86,471</b>	<b>97,272</b>	<b>109,014</b>	<b>109,014</b>	<b>109,014</b>	<b>117,860</b>	<b>114,699</b>	<b>120,762</b>
<b>Surplus/(Deficit)</b>	<b>46,543</b>	<b>43,382</b>	<b>25,446</b>	<b>48,509</b>	<b>50,609</b>	<b>50,609</b>	<b>50,609</b>	<b>60,385</b>	<b>79,353</b>	<b>84,888</b>
Transfers recognised - capital	6,506	13,475	27,924	28,401	33,401	33,401	33,401	41,659	49,033	51,317
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>53,049</b>	<b>56,857</b>	<b>53,370</b>	<b>76,910</b>	<b>84,010</b>	<b>84,010</b>	<b>84,010</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>53,049</b>	<b>56,857</b>	<b>53,370</b>	<b>76,910</b>	<b>84,010</b>	<b>84,010</b>	<b>84,010</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>33,184</b>	<b>43,346</b>	<b>58,482</b>	<b>76,017</b>	<b>83,774</b>	<b>83,774</b>	<b>83,774</b>	<b>100,582</b>	<b>127,188</b>	<b>134,799</b>
Transfers recognised - capital	6,506	13,475	27,924	28,401	33,401	33,401	33,401	41,659	49,033	51,317
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	26,678	29,871	30,558	47,616	50,373	50,373	50,373	58,923	78,155	83,482
<b>Total sources of capital funds</b>	<b>33,184</b>	<b>43,346</b>	<b>58,482</b>	<b>76,017</b>	<b>83,774</b>	<b>83,774</b>	<b>83,774</b>	<b>100,582</b>	<b>127,188</b>	<b>134,799</b>
<b>Financial position</b>										
Total current assets	72,980	76,473	90,464	67,861	50,165	50,165	50,165	49,739	50,937	52,343
Total non current assets	163,966	160,373	158,659	234,675	242,432	242,432	242,432	342,991	470,179	604,978
Total current liabilities	1,100	10,408	18,907	2,535	2,535	2,535	2,535	1,005	1,005	1,005
Total non current liabilities	-	-	-	3,449	-	-	-	1,440	42,563	45,612
Community wealth/Equity	235,846	226,438	230,215	296,552	290,062	290,062	290,062	390,285	477,548	610,704
<b>Cash flows</b>										
Net cash from (used) operating	53,049	62,404	71,303	75,380	70,453	70,453	70,453	104,932	128,386	136,205
Net cash from (used) investing	(33,476)	(33,590)	(58,482)	(76,017)	(83,774)	(83,774)	(83,774)	(100,582)	(127,188)	(134,799)
Net cash from (used) financing	(20,353)	(33,231)	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>56,775</b>	<b>52,358</b>	<b>65,178</b>	<b>60,591</b>	<b>47,907</b>	<b>47,907</b>	<b>47,907</b>	<b>52,257</b>	<b>53,455</b>	<b>54,861</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	120,225	100,773	65,178	66,071	10,769	10,769	10,769	10,792	11,990	13,395
Application of cash and investments	(11,886)	(8,992)	19,189	2,105	(17,368)	(17,368)	(17,368)	(20,469)	(37,942)	(37,942)
<b>Balance - surplus (shortfall)</b>	<b>132,111</b>	<b>109,765</b>	<b>45,989</b>	<b>63,966</b>	<b>28,137</b>	<b>28,137</b>	<b>28,137</b>	<b>31,260</b>	<b>49,932</b>	<b>51,337</b>
<b>Asset management</b>										
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	5,547	9,193	140	8,003	8,003	3,188	3,188	-	-
Renewal of Existing Assets	-	-	-	-	-	-	4,200	4,200	-	-
Repairs and Maintenance	-	-	-	-	-	-	11,682	11,682	15,173	11,210
<b>Free services</b>										
Cost of Free Basic Services provided	1,600	1,800	-	2,500	2,500	2,500	3,000	3,000	4,000	5,000
Revenue cost of free services provided	1,600	1,800	-	2,500	2,500	2,500	3,000	3,000	4,000	5,000
<b>Households below minimum service level</b>										
Water:	38,741	38,741	-	-	-	-	-	-	-	-
Sanitation/sewerage:	8,515	8,515	-	-	-	-	-	-	-	-
Energy:	20,280	20,280	-	-	-	-	-	-	-	-
Refuse:	54,043	53,834	-	-	-	-	-	-	-	-

### 1.6.1. Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the next three years (MTREF)
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognised is reflected on the Financial Performance Budget;
    - ii. Internally generated funds is financed from a combination of the current operating surplus.

LIM473 Makhuduthamaga - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>	1									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		82,574	112,734	139,841	174,182	193,023	193,023	219,904	243,085	256,966
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		82,574	112,734	139,841	174,182	193,023	193,023	219,904	243,085	256,966
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	82,574	112,734	139,841	174,182	193,023	193,023	219,904	243,085	256,966
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		24,699	58,024	63,715	75,360	69,330	69,330	75,370	61,712	66,186
Executive and council		11,701	8,248	29,845	35,575	27,419	27,419	29,643	28,081	30,009
Budget and treasury office		10,406	29,578	15,452	18,250	20,307	20,307	20,897	18,220	19,368
Corporate services		2,592	20,199	18,418	21,535	21,604	21,604	24,830	15,412	16,809
<i>Community and public safety</i>		5,932	686	15,136	17,446	18,025	18,025	21,363	15,908	16,440
Community and social services		-	-	535	3,580	3,304	3,304	2,791	4,423	5,419
Sport and recreation		-	-	1,040	1,200	1,200	1,200	1,000	1,524	549
Public safety		5,920	338	11,770	9,617	11,766	11,766	8,472	8,460	10,471
Housing		12	347	1,791	3,050	1,756	1,756	9,100	1,500	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		27,301	24,226	33,531	58,296	71,970	71,970	94,863	140,965	154,910
Planning and development		-	-	4,231	5,164	4,588	4,588	9,299	12,398	13,640
Road transport		27,301	24,226	29,300	53,132	67,382	67,382	85,564	128,567	141,270
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5,090	1,029	17,986	22,187	33,463	33,463	28,286	23,301	18,025
Electricity		3,931	1,029	16,815	21,468	31,339	31,339	21,187	13,688	11,591
Water		1,160	-	285	318	323	323	324	347	370
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	885	400	1,800	1,800	6,774	9,267	6,064
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	63,023	83,964	130,368	173,289	192,788	192,788	219,882	241,887	255,561
<b>Surplus/(Deficit) for the year</b>		19,552	28,769	9,473	893	236	236	22	1,198	1,405

### **1.6.2 Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures.
4. The total expenditure of R219 million includes an amount of R100 million for Capital expenditure for 2011/2012 financial year and the same principle applies for the two outer years.



LIM473 Makhuduthamaga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue by Vote</b>	1									
Vote1 - Political Offices		-	-	-	-	-	-	-	-	-
Vote2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote4 - Budget & Treasury		82,574	112,734	139,841	174,182	193,023	193,023	219,904	243,085	256,966
Vote5 - Community Services		-	-	-	-	-	-	-	-	-
Vote6 - Infrastructure		-	-	-	-	-	-	-	-	-
Vote7 - Planning		-	-	-	-	-	-	-	-	-
Vote8 - Example 8		-	-	-	-	-	-	-	-	-
Vote9 - Example 9		-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-
Vote11 - Example 11		-	-	-	-	-	-	-	-	-
Vote12 - Example 12		-	-	-	-	-	-	-	-	-
Vote13 - Example 13		-	-	-	-	-	-	-	-	-
Vote14 - Example 14		-	-	-	-	-	-	-	-	-
Vote15 - Example 15		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	82,574	112,734	139,841	174,182	193,023	193,023	219,904	243,085	256,966
<b>Expenditure by Vote to be appropriated</b>	1									
Vote1 - Political Offices		10,008	5,743	20,985	28,377	23,363	23,363	23,180	21,254	22,751
Vote2 - Municipal Manager		1,692	2,505	8,859	7,198	4,056	4,056	6,464	6,827	7,259
Vote3 - Corporate Services		2,592	20,199	18,418	21,535	21,604	21,604	24,830	15,412	16,809
Vote4 - Budget & Treasury		10,406	29,578	15,452	18,250	20,307	20,307	20,897	18,220	19,368
Vote5 - Community Services		5,920	338	14,230	14,797	18,070	18,070	19,038	23,675	22,504
Vote6 - Infrastructure		32,404	25,602	48,192	77,969	100,800	100,800	116,176	144,102	153,231
Vote7 - Planning		-	-	4,231	5,164	4,588	4,588	9,299	12,398	13,640
Vote8 - Example 8		-	-	-	-	-	-	-	-	-
Vote9 - Example 9		-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-
Vote11 - Example 11		-	-	-	-	-	-	-	-	-
Vote12 - Example 12		-	-	-	-	-	-	-	-	-
Vote13 - Example 13		-	-	-	-	-	-	-	-	-
Vote14 - Example 14		-	-	-	-	-	-	-	-	-
Vote15 - Example 15		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	63,023	83,964	130,368	173,289	192,788	192,788	219,882	241,887	255,561
<b>Surplus/(Deficit) for the year</b>	2	19,552	28,769	9,473	893	236	236	22	1,198	1,405

### 1.6.3. Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the total budgeted operating and capital expenditure performance in relation to the organisational structure of the municipality. This table also present the overall surplus of the municipality for each budget year. The operating expenditure is separately presented on table A4 and the capital expenditure presented on table A5

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue By Source</b>											
Property rates	2	-	-	6,100	16,100	25,012	25,012	25,012	24,047	24,047	24,047
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	40	40	40
Interest earned - external investments		5,817	8,575	3,000	2,000	2,774	2,774	2,774	3,500	3,600	3,650
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		-	-	2,200	1,000	-	-	-	-	-	-
Licences and permits		3,739	7,024	3,000	4,000	4,000	4,000	4,000	4,000	5,000	6,000
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		51,666	67,705	90,587	109,588	114,144	114,144	114,144	128,589	141,932	151,062
Other revenue	2	14,847	15,956	7,030	13,093	13,692	13,692	13,692	18,069	19,434	20,851
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>76,069</b>	<b>99,259</b>	<b>111,917</b>	<b>145,781</b>	<b>159,622</b>	<b>159,622</b>	<b>159,622</b>	<b>178,245</b>	<b>194,052</b>	<b>205,649</b>
<b>Expenditure By Type</b>											
Employee related costs	2	3,684	9,504	24,090	31,252	25,796	25,796	25,796	39,742	42,563	45,612
Remuneration of councillors		9,901	10,695	11,862	14,415	13,624	13,624	13,624	14,400	15,379	16,502
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	2	-	5,547	9,193	140	8,003	8,003	8,003	3,188	-	-
Finance charges		-	-	200	300	108	108	108	300	316	333
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		176	4,186	5,600	7,950	6,333	6,333	6,333	11,682	15,173	11,210
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	15,765	25,945	35,527	43,215	55,150	55,150	55,150	48,547	41,268	47,105
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>29,526</b>	<b>55,877</b>	<b>86,471</b>	<b>97,272</b>	<b>109,014</b>	<b>109,014</b>	<b>109,014</b>	<b>117,860</b>	<b>114,699</b>	<b>120,762</b>
<b>Surplus/(Deficit)</b>		<b>46,543</b>	<b>43,382</b>	<b>25,446</b>	<b>48,509</b>	<b>50,609</b>	<b>50,609</b>	<b>50,609</b>	<b>60,385</b>	<b>79,353</b>	<b>84,888</b>
Transfers recognised - capital		6,506	13,475	27,924	28,401	33,401	33,401	33,401	41,659	49,033	51,317
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>53,049</b>	<b>56,857</b>	<b>53,370</b>	<b>76,910</b>	<b>84,010</b>	<b>84,010</b>	<b>84,010</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>53,049</b>	<b>56,857</b>	<b>53,370</b>	<b>76,910</b>	<b>84,010</b>	<b>84,010</b>	<b>84,010</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>53,049</b>	<b>56,857</b>	<b>53,370</b>	<b>76,910</b>	<b>84,010</b>	<b>84,010</b>	<b>84,010</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>53,049</b>	<b>56,857</b>	<b>53,370</b>	<b>76,910</b>	<b>84,010</b>	<b>84,010</b>	<b>84,010</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>

**1.6.4 Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)**

1. Total operating revenue is R178 Million for 2011/12 and increase to R205 Million by 2013/14. This represents a year-on-year increase of 9.59 per cent for the 2012/13 financial year and 7.08 per cent for the 2013/14 financial year.
2. Revenue to be generated from property rates is R25 Million in the 2011/12 financial year which amounts to 14.32 per cent of the total operational revenue.
3. Transfers recognised – operating income includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF by 11.23 per cent and 10.38 per cent for the two outer years.
4. The total operational expenditure amounts to R 117 million for 2011/2012 and escalate to R 120 million by 2013/2014.

LIM473 Makhuduthamaga - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote1 - Political Offices		-	-	-	-	-	-	-	-	-	-
Vote2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote4 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote6 - Infrastructure		-	-	-	-	-	-	-	-	-	-
Vote7 - Planning		-	-	-	-	-	-	-	-	-	-
Vote8 - Example 8		-	-	-	-	-	-	-	-	-	-
Vote9 - Example 9		-	-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-
Vote11 - Example 11		-	-	-	-	-	-	-	-	-	-
Vote12 - Example 12		-	-	-	-	-	-	-	-	-	-
Vote13 - Example 13		-	-	-	-	-	-	-	-	-	-
Vote14 - Example 14		-	-	-	-	-	-	-	-	-	-
Vote15 - Example 15		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote1 - Political Offices		-	-	-	-	-	-	-	-	-	-
Vote2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate Services		-	-	500	500	1,300	1,300	1,300	1,250	1,000	1,450
Vote4 - Budget & Treasury		861	11,025	1,000	1,450	1,450	1,450	1,450	900	316	333
Vote5 - Community Services		19	-	2,912	800	3,200	3,200	3,200	-	-	-
Vote6 - Infrastructure		32,304	32,321	54,070	71,267	76,224	76,224	76,224	96,932	124,272	131,316
Vote7 - Planning		-	-	-	2,000	1,600	1,600	1,600	1,500	1,600	1,700
Vote8 - Example 8		-	-	-	-	-	-	-	-	-	-
Vote9 - Example 9		-	-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-
Vote11 - Example 11		-	-	-	-	-	-	-	-	-	-
Vote12 - Example 12		-	-	-	-	-	-	-	-	-	-
Vote13 - Example 13		-	-	-	-	-	-	-	-	-	-
Vote14 - Example 14		-	-	-	-	-	-	-	-	-	-
Vote15 - Example 15		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		33,184	43,346	58,482	76,017	83,774	83,774	83,774	100,582	127,188	134,799
<b>Total Capital Expenditure - Vote</b>		33,184	43,346	58,482	76,017	83,774	83,774	83,774	100,582	127,188	134,799
<b>Capital Expenditure - Standard</b>											
<b>Governance and administration</b>		861	11,025	1,500	1,950	2,750	2,750	2,750	2,150	1,316	1,783
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		861	11,025	1,000	1,450	1,450	1,450	1,450	900	316	333
Corporate services		-	-	500	500	1,300	1,300	1,300	1,250	1,000	1,450
<b>Community and public safety</b>		19	-	2,912	3,850	4,200	4,200	4,200	8,100	1,500	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	300	-	-	-	-	-	-
Public safety		19	-	2,912	500	3,200	3,200	3,200	-	-	-
Housing		-	-	-	3,050	1,000	1,000	1,000	8,100	1,500	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		25,511	27,230	53,041	51,549	48,772	48,772	48,772	72,470	115,033	126,800
Planning and development		-	-	-	2,000	1,600	1,600	1,600	1,500	1,600	1,700
Road transport		25,511	27,230	53,041	49,549	47,172	47,172	47,172	70,970	113,433	125,100
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		6,793	5,090	1,029	18,668	28,052	28,052	28,052	17,863	9,339	6,216
Electricity		2,721	3,931	1,029	18,668	28,052	28,052	28,052	17,863	9,339	6,216
Water		4,072	1,160	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	3	33,184	43,346	58,482	76,017	83,774	83,774	83,774	100,582	127,188	134,799
<b>Funded by:</b>											
National Government		6,506	13,475	27,924	28,401	33,401	33,401	33,401	41,659	49,033	51,317
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	6,506	13,475	27,924	28,401	33,401	33,401	33,401	41,659	49,033	51,317
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		26,678	29,871	30,558	47,616	50,373	50,373	50,373	58,923	78,155	83,482
<b>Total Capital Funding</b>	7	33,184	43,346	58,482	76,017	83,774	83,774	83,774	100,582	127,188	134,799

### **1.6.5 Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Single-year capital expenditure has been appropriated at R100 million for the 2011/12 financial year and remains relatively constant over the MTREF at levels of R127 million and R134 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, all of our capital projects are expected to be completed with a single year 2011/2012. Included in our single-year appropriations is an expenditure that will be incurred in the 2011/2012 budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme is funded from National Treasury capital transfers and, equitable share and internally generated funds from current year surpluses. For 2011/12, capital transfers totals R41million and increases to R51million by 2013/14.

LIM473 Makhuduthamaga - Table A6 Budgeted Financial Position

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		56,953	52,358	65,178	66,071	10,769	10,769	10,769	10,792	11,990	13,395
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	14,638	17,626	14,133	1,342	38,947	38,947	38,947	38,947	38,947	38,947
Other debtors		1,303	6,275	11,018	-	-	-	-	-	-	-
Current portion of long-term receivables		21	21	21	23	23	23	23	-	-	-
Inventory	2	66	195	114	425	425	425	425	-	-	-
<b>Total current assets</b>		<b>72,980</b>	<b>76,473</b>	<b>90,464</b>	<b>67,861</b>	<b>50,165</b>	<b>50,165</b>	<b>50,165</b>	<b>49,739</b>	<b>50,937</b>	<b>52,343</b>
<b>Non current assets</b>											
Long-term receivables		65	44	23	23	23	23	23	-	-	-
Investments		63,273	48,415	-	-	-	-	-	-	-	-
Investment property		-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	100,629	111,914	158,635	234,652	242,409	242,409	242,409	342,991	470,179	604,978
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>163,966</b>	<b>160,373</b>	<b>158,659</b>	<b>234,675</b>	<b>242,432</b>	<b>242,432</b>	<b>242,432</b>	<b>342,991</b>	<b>470,179</b>	<b>604,978</b>
<b>TOTAL ASSETS</b>		<b>236,946</b>	<b>236,847</b>	<b>249,123</b>	<b>302,537</b>	<b>292,598</b>	<b>292,598</b>	<b>292,598</b>	<b>392,730</b>	<b>521,117</b>	<b>657,321</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	1,100	10,408	18,907	2,535	2,535	2,535	2,535	1,005	1,005	1,005
Provisions		-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>1,100</b>	<b>10,408</b>	<b>18,907</b>	<b>2,535</b>	<b>2,535</b>	<b>2,535</b>	<b>2,535</b>	<b>1,005</b>	<b>1,005</b>	<b>1,005</b>
<b>Non current liabilities</b>											
Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions		-	-	-	3,449	-	-	-	1,440	42,563	45,612
<b>Total non current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>3,449</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,440</b>	<b>42,563</b>	<b>45,612</b>
<b>TOTAL LIABILITIES</b>		<b>1,100</b>	<b>10,408</b>	<b>18,907</b>	<b>5,985</b>	<b>2,535</b>	<b>2,535</b>	<b>2,535</b>	<b>2,445</b>	<b>43,568</b>	<b>46,617</b>
<b>NET ASSETS</b>	5	<b>235,846</b>	<b>226,438</b>	<b>230,215</b>	<b>296,552</b>	<b>290,062</b>	<b>290,062</b>	<b>290,062</b>	<b>390,285</b>	<b>477,548</b>	<b>610,704</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		235,305	225,897	230,215	296,552	290,062	290,062	290,062	390,285	477,548	610,704
Reserves	4	541	541	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>235,846</b>	<b>226,438</b>	<b>230,215</b>	<b>296,552</b>	<b>290,062</b>	<b>290,062</b>	<b>290,062</b>	<b>390,285</b>	<b>477,548</b>	<b>610,704</b>

### 1.6.6 Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ratepayers and other		18,586	22,980		36,193	28,956	28,956	28,956	46,156	48,520	50,937
Government - operating	1	51,666	67,705	137,889	109,588	114,144	114,144	114,144	128,589	141,932	151,062
Government - capital	1	6,506	13,475		28,401	33,401	33,401	33,401	41,659	49,033	51,317
Interest		5,817	8,575	2,194	-	2,774	2,774	2,774	3,500	3,600	3,650
Dividends		-	-		-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(29,526)	(50,330)	(68,780)	(98,502)	(108,714)	(108,714)	(108,714)	(114,672)	(114,383)	(120,428)
Finance charges		-	-		(300)	(108)	(108)	(108)	(300)	(316)	(333)
Transfers and Grants	1	-	-		-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>53,049</b>	<b>62,404</b>	<b>71,303</b>	<b>75,380</b>	<b>70,453</b>	<b>70,453</b>	<b>70,453</b>	<b>104,932</b>	<b>128,386</b>	<b>136,205</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors		21	44	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(33,497)	(33,634)	(58,482)	(76,017)	(83,774)	(83,774)	(83,774)	(100,582)	(127,188)	(134,799)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(33,476)</b>	<b>(33,590)</b>	<b>(58,482)</b>	<b>(76,017)</b>	<b>(83,774)</b>	<b>(83,774)</b>	<b>(83,774)</b>	<b>(100,582)</b>	<b>(127,188)</b>	<b>(134,799)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		(10,957)	14,857	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(9,396)	(48,088)	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(20,353)</b>	<b>(33,231)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(781)</b>	<b>(4,417)</b>	<b>12,821</b>	<b>(637)</b>	<b>(13,321)</b>	<b>(13,321)</b>	<b>(13,321)</b>	<b>4,350</b>	<b>1,198</b>	<b>1,405</b>
Cash/cash equivalents at the year begin:	2	57,555	56,775	52,358	61,228	61,228	61,228	61,228	47,907	52,257	53,455
Cash/cash equivalents at the year end:	2	56,775	52,358	65,178	60,591	47,907	47,907	47,907	52,257	53,455	54,861

### 1.6.7 Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The approved 2011/12 MTREF provide for a net increase of R4million and a net increase in cash of R 1,1million and R1,4million for the 2012/13 and 2013/14 financial year respectively resulting in an overall projected positive cash status.



LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	56,775	52,358	65,178	60,591	47,907	47,907	47,907	52,257	53,455	54,861
Other current investments > 90 days		178	(0)	(0)	5,481	(37,137)	(37,137)	(37,137)	(41,465)	(41,465)	(41,465)
Non current assets - Investments	1	63,273	48,415	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>120,225</b>	<b>100,773</b>	<b>65,178</b>	<b>66,071</b>	<b>10,769</b>	<b>10,769</b>	<b>10,769</b>	<b>10,792</b>	<b>11,990</b>	<b>13,395</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	11,300	56	56	56	56	-	-	-
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	(11,886)	(8,992)	7,889	2,049	(17,424)	(17,424)	(17,424)	(20,469)	(37,942)	(37,942)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>(11,886)</b>	<b>(8,992)</b>	<b>19,189</b>	<b>2,105</b>	<b>(17,368)</b>	<b>(17,368)</b>	<b>(17,368)</b>	<b>(20,469)</b>	<b>(37,942)</b>	<b>(37,942)</b>
<b>Surplus(shortfall)</b>		<b>132,111</b>	<b>109,765</b>	<b>45,989</b>	<b>63,966</b>	<b>28,137</b>	<b>28,137</b>	<b>28,137</b>	<b>31,260</b>	<b>49,932</b>	<b>51,337</b>

### 1.6.8 Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

LIM473 Makhuduthamaga - Table A9 Asset Management

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	28,406	33,634	58,482	76,017	83,774	83,774	96,382	123,188	133,799
Infrastructure - Road transport		27,230	21,581	53,041	49,549	47,172	47,172	65,250	107,433	124,100
Infrastructure - Electricity		-	1,029	1,029	18,668	28,052	28,052	17,863	9,339	6,216
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		27,230	22,610	54,070	68,217	75,224	75,224	83,113	116,772	130,316
Community		19	-	2,912	7,800	8,550	8,550	1,000	1,000	1,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	1,157	11,025	1,500	-	-	-	12,270	5,416	2,483
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	-	-	-	-	-	-	4,200	-	-
Infrastructure - Road transport		-	-	-	-	-	-	3,000	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	3,000	-	-
Community		-	-	-	-	-	-	1,200	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4									
Infrastructure - Road transport		27,230	21,581	53,041	49,549	47,172	47,172	68,250	107,433	124,100
Infrastructure - Electricity		-	1,029	1,029	18,668	28,052	28,052	17,863	9,339	6,216
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		27,230	22,610	54,070	68,217	75,224	75,224	86,113	116,772	130,316
Community		19	-	2,912	7,800	8,550	8,550	2,200	1,000	1,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		1,157	11,025	1,500	-	-	-	12,270	5,416	2,483
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	28,406	33,634	58,482	76,017	83,774	83,774	100,582	123,188	133,799

**1.6.9 Explanatory notes to Table A9 - Asset Management**

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality meets both these recommendations.

LIM473 Makhuduthamaga - Table A10 Basic service delivery measurement

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Household service targets (000)</b>	1									
<b>Water:</b>										
Piped water inside dwelling		0	0	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		5	5	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	9	9	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		14	14	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	10	10	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	29	29	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		39	39	-	-	-	-	-	-	-
<b>Total number of households</b>	5	53	53	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		10	10	-	-	-	-	-	-	-
Flush toilet (with septic tank)		29	29	-	-	-	-	-	-	-
Chemical toilet		1	1	-	-	-	-	-	-	-
Pit toilet (ventilated)		5	5	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		37	37	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		82	82	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		9	9	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		9	9	-	-	-	-	-	-	-
<b>Total number of households</b>	5	90	90	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	1,851	1,851	1,851	1	1	0
Electricity - prepaid (min.service level)		34	34	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		34	34	-	1,851	1,851	1,851	1	1	0
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		20	20	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		20	20	-	-	-	-	-	-	-
<b>Total number of households</b>	5	54	54	-	1,851	1,851	1,851	1	1	0
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		0	0	-	-	-	-	-	-	-
Using communal refuse dump		0	0	-	-	-	-	-	-	-
Using own refuse dump		48	48	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		6	6	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		54	54	-	-	-	-	-	-	-
<b>Total number of households</b>	5	54	54	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		19	19	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		9	9	-	-	-	10	10	10	
Refuse (removed at least once a week)		-	0	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided (R'000)</b>	8									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		1,600	1,800	-	2,500	2,500	2,500	3,000	4,000	5,000
Refuse (removed once a week)		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided (minimum social package)</b>		1,600	1,800	-	2,500	2,500	2,500	3,000	4,000	5,000
<b>Highest level of free service provided</b>										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of free services provided (R'000)</b>	9									
Property rates (R15 000 threshold rebate)		-	-	-	-	-	-	-	-	-
Property rates (other exemptions, reductions and rebates)		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Electricity/other energy		1,600	1,800	-	2,500	2,500	2,500	3,000	4,000	5,000
Refuse		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of free services provided (total social package)</b>	6	1,600	1,800	-	2,500	2,500	2,500	3,000	4,000	5,000

**1.6.10 Explanatory notes to Table A10 - Basic Service Delivery Measurement**

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The municipality continues to make good progress with the eradication of backlogs:
3. It is anticipated that the Free Basic Services will cost the municipality R3 million in 2011/12, increasing to R5 million in 2013/14. This is covered by the municipality's equitable share allocation from national government.

## 2.1 MBRR Supporting Tables (Table SA1 to SA37)

**NB.** The following are the supporting tables to the main ten tables. We have included in this document only the significant supporting tables that remain visible after being shrunk to fit to the page. The tables which are very big and cannot fit to the page can only be viewed on the soft copy which is available on the municipality's website. You can visit the following link to view the document [www.makhuduthamaga.gov.za](http://www.makhuduthamaga.gov.za). The supporting tables starts on the following page.

LIM473 Makhuduthamaga - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>											
<b>REVENUE ITEMS:</b>											
<b>Property rates</b>											
Total Property Rates	6			6,100	23,000	27,438	27,438	27,438	24,047	24,047	24,047
less Revenue Foregone					6,900	2,426	2,426	2,426			
<b>Net Property Rates</b>				<b>6,100</b>	<b>16,100</b>	<b>25,012</b>	<b>25,012</b>	<b>25,012</b>	<b>24,047</b>	<b>24,047</b>	<b>24,047</b>
<b>Service charges - electricity revenue</b>											
Total Service charges - electricity revenue	6										
less Revenue Foregone											
<b>Net Service charges - electricity revenue</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - water revenue</b>											
Total Service charges - water revenue	6										
less Revenue Foregone											
<b>Net Service charges - water revenue</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - sanitation revenue</b>											
Total Service charges - sanitation revenue											
less Revenue Foregone											
<b>Net Service charges - sanitation revenue</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - refuse revenue</b>											
Total refuse removal revenue	6										
Total landfill revenue											
less Revenue Foregone											
<b>Net Service charges - refuse revenue</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Revenue by source</b>											
Fuel levy											
Other revenue	3	14,847	15,956	7,030	13,093	13,692	13,692	13,692	18,069	19,434	20,851
<b>Total 'Other' Revenue</b>	1	<b>14,847</b>	<b>15,956</b>	<b>7,030</b>	<b>13,093</b>	<b>13,692</b>	<b>13,692</b>	<b>13,692</b>	<b>18,069</b>	<b>19,434</b>	<b>20,851</b>
<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Salaries and Wages	2	3,684	9,504	12,202	16,886	16,630	16,630	16,630	20,558	22,017	23,594
Contributions to UIF, pensions, medical aid				5,496	6,575	4,142	4,142	4,142	8,799	9,424	10,099
Travel, motor car, accom: & other allowances				4,289	4,932	3,849	3,849	3,849	6,721	7,198	7,714
Housing benefits and allowances				1,220	1,555	705	705	705	1,999	2,141	2,294
Overtime				-	190	95	95	95	175	187	201
Performance bonus				-	-	-	-	-	-	-	-
Long service awards				-	-	-	-	-	-	-	-
Payments in lieu of leave				882	1,114	374	374	374	1,490	1,595	1,710
Post-retirement benefit obligations	4			-	-	-	-	-	-	-	-
<i>sub-total</i>	5	3,684	9,504	24,090	31,252	25,796	25,796	25,796	39,742	42,563	45,612
Less: Employees costs capitalised to PPE											
<b>Total Employee related costs</b>	1	<b>3,684</b>	<b>9,504</b>	<b>24,090</b>	<b>31,252</b>	<b>25,796</b>	<b>25,796</b>	<b>25,796</b>	<b>39,742</b>	<b>42,563</b>	<b>45,612</b>
<b>Contributions recognised - capital</b>											
<i>List contributions by contract</i>											
<b>Total Contributions recognised - capital</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation &amp; asset impairment</b>											
Depreciation of Property, Plant & Equipment			5,547	9,193	140	8,003	8,003	8,003	3,188	-	-
Lease amortisation											
Capital asset impairment											
<b>Total Depreciation &amp; asset impairment</b>	1	<b>-</b>	<b>5,547</b>	<b>9,193</b>	<b>140</b>	<b>8,003</b>	<b>8,003</b>	<b>8,003</b>	<b>3,188</b>	<b>-</b>	<b>-</b>
<b>Bulk purchases</b>											
Electricity Bulk Purchases											
Water Bulk Purchases											
<b>Total bulk purchases</b>	1	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contracted services</b>											
Repairs & Maintenance		176	4,186	5,600							
Other Contracted services					7,950	6,333	6,333	6,333	11,682	15,173	11,210

LIM473 Makhuduthamaga - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote1 - Political Offices	Vote2 - Municipal Manager	Vote3 - Corporate Services	Vote4 - Budget & Treasury	Vote5 - Community Services	Vote6 - Infrastructure	Vote7 - Planning	Vote8 - Example 8	Vote9 - Example 9	Vote10 - Example 10	Vote11 - Example 11	Vote12 - Example 12	Vote13 - Example 13	Vote14 - Example 14	Vote15 - Example 15	Total	
<b>R thousand</b>	1																	
<b>Revenue By Source</b>																		
Property rates		-	-	-	24,047	-	-	-	-	-	-	-	-	-	-	-	-	24,047
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		-	-	-	3,500	-	-	-	-	-	-	-	-	-	-	-	-	3,500
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	4,000	-	-	-	-	-	-	-	-	-	-	-	-	4,000
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue		-	-	-	18,109	-	-	-	-	-	-	-	-	-	-	-	-	18,109
Transfers recognised - operational		21,740	6,464	23,580	30,226	18,038	21,183	6,599	-	-	-	-	-	-	-	-	-	127,828
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>21,740</b>	<b>6,464</b>	<b>23,580</b>	<b>79,882</b>	<b>18,038</b>	<b>21,183</b>	<b>6,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177,484</b>
<b>Expenditure By Type</b>																		
Employee related costs		3,230	2,644	7,760	8,215	9,543	4,292	4,499	-	-	-	-	-	-	-	-	-	40,181
Remuneration of councillors		14,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,400
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		-	-	-	3,188	-	-	-	-	-	-	-	-	-	-	-	-	3,188
Finance charges		-	-	-	300	-	-	-	-	-	-	-	-	-	-	-	-	300
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	11,682	-	-	-	-	-	-	-	-	-	-	11,682
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		4,110	3,820	15,820	7,794	8,495	5,208	2,100	-	-	-	-	-	-	-	-	-	47,347
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>21,740</b>	<b>6,464</b>	<b>23,580</b>	<b>19,497</b>	<b>18,038</b>	<b>21,183</b>	<b>6,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117,099</b>
<b>Surplus/(Deficit)</b>																		
Transfers recognised - capital		-	-	-	60,385	-	-	-	-	-	-	-	-	-	-	-	-	60,385
Contributions recognised - capital		-	-	-	-	-	41,659	-	-	-	-	-	-	-	-	-	-	41,659
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>60,385</b>	<b>-</b>	<b>41,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102,044</b>



LIM473 Makhuduthamaga - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>											
<b>ASSETS</b>											
<u>Call investment deposits</u>											
Call deposits < 90 days		-	-	-	-	-	-	-	-	-	-
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
<b>Total Call investment deposits</b>	2	-	-	-	-	-	-	-	-	-	-
<u>Consumer debtors</u>											
Consumer debtors		14,638	17,626	14,133	1,342	38,947	38,947	38,947	38,947	38,947	38,947
<u>Less: Provision for debt impairment</u>											
<b>Total Consumer debtors</b>	2	14,638	17,626	14,133	1,342	38,947	38,947	38,947	38,947	38,947	38,947
<u>Debt impairment provision</u>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
<b>Balance at end of year</b>		-	-	-	-	-	-	-	-	-	-
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		100,629	111,914	158,635	234,652	242,409	242,409	242,409	342,991	470,179	604,978
<u>Leases recognised as PPE</u>											
<u>Less: Accumulated depreciation</u>											
<b>Total Property, plant and equipment (PPE)</b>	2	100,629	111,914	158,635	234,652	242,409	242,409	242,409	342,991	470,179	604,978
<b>LIABILITIES</b>											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities											
<b>Total Current liabilities - Borrowing</b>		-	-	-	-	-	-	-	-	-	-
<u>Trade and other payables</u>											
Trade and other creditors		1,100	10,408	7,608	2,480	2,480	2,480	2,480	(11,730)	(11,730)	(11,730)
Unspent conditional transfers		-	-	11,300	56	56	56	56	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	2	1,100	10,408	18,907	2,535	2,535	2,535	2,535	(11,730)	(11,730)	(11,730)
<u>Non current liabilities - Borrowing</u>											
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
<b>Total Non current liabilities - Borrowing</b>		-	-	-	-	-	-	-	-	-	-
<u>Provisions - non-current</u>											
Retirement benefits											
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other					3,449	-	-	-	1,440	42,563	45,612
<b>Total Provisions - non-current</b>		-	-	-	3,449	-	-	-	1,440	42,563	45,612
<b>CHANGES IN NET ASSETS</b>											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance			53,049	109,905	334,931	335,588	335,588	335,588	419,598	521,642	650,028
GRAP adjustments											
Restated balance		-	53,049	109,905	334,931	335,588	335,588	335,588	419,598	521,642	650,028
Surplus/(Deficit)		53,049	56,857	53,370	76,910	84,010	84,010	84,010	102,044	128,386	136,205
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	1	53,049	109,905	163,275	411,841	419,598	419,598	419,598	521,642	650,028	786,233
<u>Reserves</u>											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Capitalisation		-	-	-	-	-	-	-	-	-	-
Government grant		-	-	-	-	-	-	-	-	-	-
Donations and public contributions		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
<u>Other reserves (list)</u>		541	541	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	2	541	541	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	53,590	110,446	163,275	411,841	419,598	419,598	419,598	521,642	650,028	786,233

LIM473 Makhuduthamaga - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
	INTEREST:ON INVESTMENT		5,817	8,575	3,000	2,000	2,774	2,774	3,500,000.00	3,600,000.00	3,650,000.00
	TRAFFIC FINES		-	-	2,200	1,000	-	-	-	-	-
	PROPERTY RATES		-	-	6,100	16,100	25,012	25,012	24,046,860.00	24,046,860.00	24,046,860.00
	VAT RECOVERY		-	-	7,000	13,000	13,000	13,000	17,369,053.68	18,733,557.87	20,150,554.65
	TRAFFIC LICENCES		3,739	7,024	3,000	4,000	4,000	4,000	4,000,000.00	5,000,000.00	6,000,000.00
	GRANTS-EQUITABLE SHARES		50,469	64,881	88,352	107,338	111,894	111,894	126,339,000.00	139,682,000.00	148,812,000.00
	GRANTS-FINANCE MANAGEMENT GRAN		500	1,740	1,500	1,500	1,500	1,500	1,500,000.00	1,500,000.00	1,500,000.00
	GRANTS-MUNICIPAL SYSTEM IMPROV		698	735	735	750	750	750	750,000.00	750,000.00	750,000.00
	GRANTS-MUNICIPAL INFRASTRUCTUR		6,506	13,475	27,924	28,401	28,401	28,401	34,159,000.00	41,533,000.00	43,817,000.00
	TENDER DOCUMENTS		-	-	30	93	455	455	500,000.00	500,000.00	500,000.00
	SITE RENTAL		-	-	-	-	60	60	40,000.00	40,000.00	40,000.00
	OTHER INCOME		14,847	15,956	-	-	177	177	200,000.00	200,000.00	200,000.00
	DOE GRANT		-	-	-	-	5,000	5,000	7,500,000.00	7,500,000.00	7,500,000.00
	SEKHUKHUNE DISTRICT MUNICIPALITY			349							
	Total Revenue (excluding capital transfers and contributions)	1	82,574	112,734	139,841	174,182	193,023	193,023	219,904	243,085	256,966

## LIM473 Makhuduthamaga - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b><u>Borrowing Management</u></b>											
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.2%	0.3%	0.1%	0.1%	0.1%	0.3%	0.3%	0.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	168.4%	-110.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Safety of Capital</u></b>											
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	0.5%	4.6%	8.2%	2.0%	0.9%	0.9%	0.9%	-2.0%	5.0%	4.6%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>											
Current Ratio	Current assets/current liabilities	66.3	7.3	4.8	26.8	19.8	19.8	19.8	(14.4)	(14.6)	(14.7)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	66.3	7.3	4.8	26.8	19.8	19.8	19.8	(14.4)	(14.6)	(14.7)
Liquidity Ratio	Monetary Assets/Current Liabilities	51.8	5.0	3.4	26.1	4.2	4.2	4.2	(11.1)	(11.3)	(11.4)
<b><u>Revenue Management</u></b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		100.1%	100.2%	0.0%	0.0%	0.0%	0.0%	67.8%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	21.1%	24.1%	22.5%	1.0%	24.4%	24.4%	24.4%	21.9%	20.1%	18.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b><u>Creditors Management</u></b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
<b><u>Funding of Provisions</u></b>											
Provisions not funded - %	Unfunded Provs./Total Provisions										
<b><u>Other Indicators</u></b>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	4.8%	9.6%	21.5%	21.4%	16.2%	16.2%	16.2%	22.3%	21.9%	22.2%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30.9%	31.1%	0.0%	30.5%	24.0%	24.0%	24.0%	33.0%	32.5%	32.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	5.6%	8.4%	0.3%	5.1%	5.1%	5.1%	2.0%	0.2%	0.2%
<b><u>IDP regulation financial viability indicators</u></b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	2.8	14.4	-	13.0	13.0	13.0	13.0	13.8	14.3	15.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	412.6%	8.5%	155.8%	155.8%	155.8%	161.7%	161.7%	161.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	49.5	25.8	18.7	13.5	12.5	12.5	12.5	11.3	10.4	10.6

LIM473 Makhuduthamaga - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	1996 Census	2001 Census	2007 Survey	2007/8	2008/9	2009/10	Current Year 2010/11	2011/12 Medium Term Revenue & Expenditure Framework		
<b>Demographics</b>											
Population			263	263	263	263	263	263	263	263	263
Females aged 5 - 14			149	147	147	147	147	147	147	147	147
Males aged 5 - 14			114	115	115	115	115	115	115	115	115
Females aged 15 - 34											
Males aged 15 - 34											
Unemployment											
<b>Household income (households) (1.)</b>											
None				144,105	144,105	144,105	144,105	144,105	144,105	144,105	144,105
R1 - R4800				60,966	60,966	60,966	60,966	60,966	60,966	60,966	60,966
R4800 - R9600				8,279	8,279	8,279	8,279	8,279	8,279	8,279	8,279
<b>Poverty profiles (2.)</b>											
Insert description											
<b>Household/demographics (000)</b>											
Number of people in municipal area			262,885	262,728	262,728	262,728	262,728	262,728	262,728	262,728	262,728
Number of poor people in municipal area											
Number of households in municipal area			53,654	53,654	53,654	53,654	53,654	53,654	53,654	53,654	53,654
Number of poor households in municipal area											
Definition of poor household (R per month)											
<b>Housing statistics (3.)</b>											
Formal				53,645	53,645	53,645	53,645	53,645	53,645	53,645	53,645
Informal											
<b>Total number of households</b>			-	53,645	53,645	53,645	53,645	53,645	53,645	53,645	53,645
Dwellings provided by municipality (4.)				-	-	-	-	-	-	-	-
Dwellings provided by province/s											
Dwellings provided by private sector (5.)											
<b>Total new housing dwellings</b>			-	-	-	-	-	-	-	-	-
<b>Economic (6.)</b>											
Inflation/inflation outlook (CPIX)											
Interest rate - borrowing											
Interest rate - investment											
Remuneration increases											
Consumption growth (electricity)											
Consumption growth (water)											
<b>Collection rates (7.)</b>											
Property tax/service charges											
Rental of facilities & equipment											
Interest - external investments											
Interest - debtors											
Revenue from agency services											

## LIM473 Makhuduthamaga Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	56,775	52,358	65,178	60,591	47,907	47,907	47,907	62,257	63,455	64,861
Cash + investments at the yr end less applications - R'000	18(1)b	2	132,111	109,765	45,989	63,966	28,137	28,137	28,137	163,099	183,295	184,700
Cash year end/monthly employee/supplier payments	18(1)b	3	49.5	25.8	18.7	13.5	12.5	12.5	12.5	11.3	10.4	10.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	53,049	56,857	53,370	76,910	84,010	84,010	84,010	102,044	128,386	136,205
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	157.9%	49.4%	(6.0%)	(6.0%)	(9.9%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	79.8%	74.5%	0.0%	36.2%	51.2%	51.2%	51%	55.1%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.9%	77.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	(41.1%)	49.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	49.9%	5.2%	(94.6%)	2754.7%	0.0%	0.0%	(0.1%)	0.0%	0.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(31.8%)	(46.6%)	0.0%	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.8%	4.4%	2.4%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## LIM473 Makhuduthamaga - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		51,666	67,356	90,587	109,588	114,144	114,144	128,589	141,932	151,062
Local Government Equitable Share		50,469	64,881	88,352	107,338	111,894	111,894	126,339,000.00	139,682,000.00	148,812,000.00
Finance Management		500	1,740	1,500	1,500	1,500	1,500	1,500,000.00	1,500,000.00	1,500,000.00
Municipal Systems Improvement		698	735	735	750	750	750	750,000.00	750,000.00	750,000.00
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	51,666	67,356	90,587	109,588	114,144	114,144	128,589	141,932	151,062
<b>Capital Transfers and Grants</b>										
National Government:		6,506	13,475	27,924	28,401	33,401	33,401	41,659	49,033	51,317
Municipal Infrastructure Grant (MIG)		6,506	13,475	27,924	28,401	28,401	28,401	34,159,000.00	41,533,000.00	43,817,000.00
DOE Grant		-	-	-	-	5,000	5,000	7,500,000.00	7,500,000.00	7,500,000.00
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	6,506	13,475	27,924	28,401	33,401	33,401	41,659	49,033	51,317
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		58,172	80,831	118,511	137,989	147,545	147,545	170,248	190,965	202,379

## LIM473 Makhuduthamaga - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	69,666	63,777	67,580
Local Government Equitable Share								67,416	61,527	65,330
Finance Management								1,500	1,500	1,500
Municipal Systems Improvement								750	750	750
								-	-	-
								-	-	-
Other transfers/grants [insert description]								-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
								-	-	-
								-	-	-
								-	-	-
Other transfers/grants [insert description]								-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]								-	-	-
								-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]								-	-	-
								-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		-	-	-	-	-	-	69,666	63,777	67,580
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	108,082	134,688	142,299
Municipal Infrastructure Grant (MIG)								41,659	49,033	51,317
								-	-	-
								-	-	-
								-	-	-
DEO Grant & Equitable share								66,423	85,655	90,982
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
								-	-	-
Other capital transfers/grants [insert description]								-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]								-	-	-
								-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]								-	-	-
								-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	-	-	-	108,082	134,688	142,299
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	-	-	-	-	-	177,748	198,465	209,879

## LIM473 Makhuduthamaga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year					56	56	56	-	-	-
Current year receipts					109,588	114,144	114,144	128,589	141,932	151,062
<b>Conditions met - transferred to revenue</b>		-	-	-	107,338	111,894	111,894	126,339	139,682	148,812
Conditions still to be met - transferred to liabilities					2,306	2,306	2,306	2,250	2,250	2,250
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>		-	-	-	107,338	111,894	111,894	126,339	139,682	148,812
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	2,306	2,306	2,306	2,250	2,250	2,250
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year					-	-	-	-	-	-
Current year receipts					28,401	33,401	33,401	41,659	49,033	51,317
<b>Conditions met - transferred to revenue</b>		-	-	-	-	33,401	33,401	-	-	-
Conditions still to be met - transferred to liabilities					28,401			41,659	49,033	51,317
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		-	-	-	-	33,401	33,401	-	-	-
<b>Total capital transfers and grants - CTBM</b>	2	-	-	-	28,401	-	-	41,659	49,033	51,317
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		-	-	-	107,338	145,295	145,295	126,339	139,682	148,812
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		-	-	-	30,707	2,306	2,306	43,909	51,283	53,567



## LIM473 Makhuduthamaga - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Salary		9,901	10,695	11,862	8,967	8,475	8,475	8,958	9,567	10,266
Pension Contributions					-	-	-			
Medical Aid Contributions					-	-	-			
Motor vehicle allowance					3,049	2,882	2,882	3,046	3,253	3,490
Cell phone allowance					585	553	553	585	624	670
Housing allowance					-	-	-	-	-	-
Other benefits or allowances					1,813	1,714	1,714	1,812	1,935	2,076
In-kind benefits					-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>9,901</b>	<b>10,695</b>	<b>11,862</b>	<b>14,415</b>	<b>13,624</b>	<b>13,624</b>	<b>14,400</b>	<b>15,379</b>	<b>16,502</b>
% increase	4		8.0%	10.9%	21.5%	(5.5%)	-	5.7%	6.8%	7.3%
<b>Senior Managers of the Municipality</b>	2									
Salary					2,369	2,369	2,369	2,554	2,727	2,913
Pension Contributions					421	421	421	427	457	488
Medical Aid Contributions					153	153	153	153	163	174
Motor vehicle allowance					1,124	1,124	1,124	1,124	1,201	1,283
Cell phone allowance					106	106	106	106	113	120
Housing allowance					305	305	305	305	326	348
Performance Bonus					-	-	-	-	-	-
Other benefits or allowances					51	51	51	51	54	58
In-kind benefits					-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>4,529</b>	<b>4,529</b>	<b>4,529</b>	<b>4,720</b>	<b>5,041</b>	<b>5,384</b>
% increase	4		-	-	-	-	-	4.2%	6.8%	6.8%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		13,585	20,199	24,090	13,217	10,415	10,415	20,558	22,017	23,594
Pension Contributions					2,769	2,182	2,182	4,308	4,614	4,944
Medical Aid Contributions					2,668	2,103	2,103	4,150	4,445	4,763
Motor vehicle allowance					3,467	2,732	2,732	5,393	5,776	6,190
Cell phone allowance					545	429	429	848	908	973
Housing allowance					1,330	1,048	1,048	2,069	2,216	2,375
Overtime					-	-	-	-	-	-
Performance Bonus					-	-	-	-	-	-
Other benefits or allowances					1,553	1,224	1,224	2,416	2,588	2,773
In-kind benefits					-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>13,585</b>	<b>20,199</b>	<b>24,090</b>	<b>25,550</b>	<b>20,134</b>	<b>20,134</b>	<b>39,742</b>	<b>42,563</b>	<b>45,612</b>
% increase	4		48.7%	19.3%	6.1%	(21.2%)	-	97.4%	7.1%	7.2%
<b>Total Parent Municipality</b>		<b>23,486</b>	<b>30,893</b>	<b>35,951</b>	<b>44,494</b>	<b>38,287</b>	<b>38,287</b>	<b>58,862</b>	<b>62,983</b>	<b>67,497</b>
			31.5%	16.4%	23.8%	(14.0%)	-	53.7%	7.0%	7.2%



LIM473 Makhuduthamaga - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2009/10			Current Year 2010/11			Budget Year 2011/12		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		61	-	61	61	-	61	61		61
Board Members of municipal entities	4									
<b>Municipal employees</b>	5									
Municipal Manager and Senior Managers	3	5	-	5	2	-	2	6		6
Other Managers	7									
Professionals		57	51	6	67	62	5	67	62	5
<i>Finance</i>		17	11	6	20	15	5	20	15	5
<i>Spatial/town planning</i>		3	3	-	6	6	-	6	6	-
<i>Information Technology</i>		1	1	-	2	2	-	2	2	-
<i>Roads</i>		2	2	-	1	1	-	1	1	-
<i>Electricity</i>		1	1	-	1	1	-	1	1	-
<i>Water</i>		1	1	-	-	-	-	-	-	-
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		32	32	-	37	37	-	37	37	-
Technicians		-	-	-	-	-	-	-	-	-
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>										
Clerks (Clerical and administrative)		2	2	-	8	8	-	8	8	-
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		4	4	-	5	5	-	5	5	-
Elementary Occupations										
<b>TOTAL PERSONNEL NUMBERS</b>		<b>129</b>	<b>57</b>	<b>72</b>	<b>143</b>	<b>75</b>	<b>68</b>	<b>147</b>	<b>75</b>	<b>72</b>
% increase					10.9%	31.6%	(5.6%)	2.8%	-	5.9%
<b>Total municipal employees headcount</b>	6									
Finance personnel headcount	8									
Human Resources personnel headcount	8									

## LIM473 Makhuduthamaga - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue By Source</b>																
Property rates		2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	24,047	24,047	24,047
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	2	-	-	18	-	-	3	-	-	17	40	40	40	40
Interest earned - external investments		206	233	244	347	391	331	361	361	309	309	309	99	3,500	3,600	3,650
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		317	257	299	271	331	263	277	202	207	588	588	401	4,000	5,000	6,000
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		44,363	-	-	-	-	42,113	-	-	42,113	-	-	-	128,589	141,932	151,062
Other revenue		5	118	4,405	3	-	4,374	31	78	4,366	2,171	2,171	348	18,069	19,434	20,851
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>46,895</b>	<b>2,614</b>	<b>6,952</b>	<b>2,624</b>	<b>2,744</b>	<b>49,084</b>	<b>2,673</b>	<b>2,648</b>	<b>48,999</b>	<b>5,072</b>	<b>5,072</b>	<b>2,868</b>	<b>178,245</b>	<b>194,052</b>	<b>205,649</b>
<b>Expenditure By Type</b>																
Employee related costs		3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	39,742	42,563	45,612
Remuneration of councillors		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	15,379	16,502
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		266	266	266	266	266	266	266	266	266	266	266	266	3,188	-	-
Finance charges		31	34	26	25	22	25	29	25	17	29	21	15	300	316	333
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		2,265	1,676	2,096	1,627	1,027	620	320	220	340	520	220	750	11,682	15,173	11,210
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		4,070	3,517	7,973	4,005	4,293	4,638	4,307	2,364	5,063	2,442	2,139	3,737	48,547	41,268	47,105
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>11,144</b>	<b>10,004</b>	<b>14,873</b>	<b>10,435</b>	<b>10,120</b>	<b>10,061</b>	<b>9,433</b>	<b>7,387</b>	<b>10,197</b>	<b>7,768</b>	<b>7,157</b>	<b>9,280</b>	<b>117,860</b>	<b>114,699</b>	<b>120,762</b>
<b>Surplus/(Deficit)</b>		<b>35,752</b>	<b>(7,390)</b>	<b>(7,921)</b>	<b>(7,811)</b>	<b>(7,377)</b>	<b>39,023</b>	<b>(6,760)</b>	<b>(4,739)</b>	<b>38,801</b>	<b>(2,695)</b>	<b>(2,085)</b>	<b>(6,412)</b>	<b>60,385</b>	<b>79,353</b>	<b>84,888</b>
Transfers recognised - capital		20,022	21,637	-	-	-	-	-	-	-	-	-	-	41,659	49,033	51,317
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>55,774</b>	<b>14,247</b>	<b>(7,921)</b>	<b>(7,811)</b>	<b>(7,377)</b>	<b>39,023</b>	<b>(6,760)</b>	<b>(4,739)</b>	<b>38,801</b>	<b>(2,695)</b>	<b>(2,085)</b>	<b>(6,412)</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>55,774</b>	<b>14,247</b>	<b>(7,921)</b>	<b>(7,811)</b>	<b>(7,377)</b>	<b>39,023</b>	<b>(6,760)</b>	<b>(4,739)</b>	<b>38,801</b>	<b>(2,695)</b>	<b>(2,085)</b>	<b>(6,412)</b>	<b>102,044</b>	<b>128,386</b>	<b>136,205</b>

LIM473 Makhuduthamaga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue by Vote</b>																
Vote1 - Political Offices		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote4 - Budget & Treasury		66,917	24,251	6,952	2,624	2,744	49,084	2,673	2,648	48,999	5,072	5,072	2,868	219,904	243,085	256,966
Vote5 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote6 - Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote7 - Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote8 - Example 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote9 - Example 9		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote11 - Example 11		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote12 - Example 12		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote13 - Example 13		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote14 - Example 14		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote15 - Example 15		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		<b>66,917</b>	<b>24,251</b>	<b>6,952</b>	<b>2,624</b>	<b>2,744</b>	<b>49,084</b>	<b>2,673</b>	<b>2,648</b>	<b>48,999</b>	<b>5,072</b>	<b>5,072</b>	<b>2,868</b>	<b>219,904</b>	<b>243,085</b>	<b>256,966</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote1 - Political Offices		2,598	1,553	1,983	1,653	1,453	2,935	1,693	1,643	2,173	1,693	1,738	2,068	23,180	21,254	22,751
Vote2 - Municipal Manager		265	640	365	515	440	240	1,490	470	400	465	265	905	6,464	6,827	7,259
Vote3 - Corporate Services		1,701	1,566	3,956	1,697	2,191	2,385	1,820	1,582	2,280	1,629	1,846	2,175	24,830	15,412	16,809
Vote4 - Budget & Treasury		2,973	1,557	2,291	1,776	1,693	1,786	2,108	1,370	1,393	1,409	1,211	1,330	20,897	18,220	19,368
Vote5 - Community Services		1,087	1,907	2,537	1,887	3,012	1,537	1,087	1,287	1,287	1,137	1,187	1,087	19,038	23,675	22,504
Vote6 - Infrastructure		9,650	13,476	12,111	13,097	16,962	10,921	14,777	12,521	7,351	2,649	1,598	1,063	116,176	144,102	153,231
Vote7 - Planning		375	375	1,165	375	375	1,325	375	375	2,385	375	375	1,425	9,299	12,398	13,640
Vote8 - Example 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote9 - Example 9		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote11 - Example 11		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote12 - Example 12		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote13 - Example 13		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote14 - Example 14		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote15 - Example 15		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		<b>18,649</b>	<b>21,075</b>	<b>24,407</b>	<b>21,000</b>	<b>26,125</b>	<b>21,129</b>	<b>23,350</b>	<b>19,248</b>	<b>17,269</b>	<b>9,357</b>	<b>8,221</b>	<b>10,054</b>	<b>219,882</b>	<b>241,887</b>	<b>255,561</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>48,269</b>	<b>3,177</b>	<b>(17,456)</b>	<b>(18,375)</b>	<b>(23,381)</b>	<b>27,955</b>	<b>(20,677)</b>	<b>(16,600)</b>	<b>31,730</b>	<b>(4,285)</b>	<b>(3,149)</b>	<b>(7,186)</b>	<b>22</b>	<b>1,198</b>	<b>1,405</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>48,269</b>	<b>3,177</b>	<b>(17,456)</b>	<b>(18,375)</b>	<b>(23,381)</b>	<b>27,955</b>	<b>(20,677)</b>	<b>(16,600)</b>	<b>31,730</b>	<b>(4,285)</b>	<b>(3,149)</b>	<b>(7,186)</b>	<b>22</b>	<b>1,198</b>	<b>1,405</b>

LIM473 Makhuduthamaga - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue - Standard</b>																
<i>Governance and administration</i>		66,917	24,251	6,952	2,624	2,744	49,084	2,673	2,648	48,999	5,072	5,072	2,868	219,904	243,085	256,966
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		66,917	24,251	6,952	2,624	2,744	49,084	2,673	2,648	48,999	5,072	5,072	2,868	219,904	243,085	256,966
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>		66,917	24,251	6,952	2,624	2,744	49,084	2,673	2,648	48,999	5,072	5,072	2,868	219,904	243,085	256,966
<b>Expenditure - Standard</b>																
<i>Governance and administration</i>		7,537	5,316	8,595	5,641	5,776	7,346	7,111	5,065	6,246	5,196	5,061	6,478	75,370	61,712	66,186
Executive and council		2,863	2,193	2,348	2,168	1,893	3,175	3,183	2,113	2,573	2,158	2,003	2,973	29,643	28,081	30,009
Budget and treasury office		2,973	1,557	2,291	1,776	1,693	1,786	2,108	1,370	1,393	1,409	1,211	1,330	20,897	18,220	19,368
Corporate services		1,701	1,566	3,956	1,697	2,191	2,385	1,820	1,582	2,280	1,629	1,846	2,175	24,830	15,412	16,809
<i>Community and public safety</i>		1,368	2,890	3,468	2,611	2,483	2,233	1,668	1,243	918	818	793	868	21,363	15,908	16,440
Community and social services		200	270	350	200	225	200	200	250	200	200	200	300	2,791	4,423	5,419
Sport and recreation		-	225	200	-	325	-	-	125	100	-	25	-	1,000	1,524	549
Public safety		568	1,068	1,118	668	818	718	568	568	618	618	568	568	8,472	8,460	10,471
Housing		600	1,327	1,800	1,743	1,115	1,315	900	300	-	-	-	-	9,100	1,500	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8,370	11,095	9,764	9,314	14,229	8,920	8,964	8,201	9,432	2,720	1,669	2,184	94,863	140,965	154,910
Planning and development		375	375	1,165	375	375	1,325	375	375	2,385	375	375	1,425	9,299	12,398	13,640
Road transport		7,995	10,720	8,599	8,939	13,854	7,595	8,589	7,827	7,047	2,345	1,294	759	85,564	128,567	141,270
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,373	1,773	2,580	3,434	3,586	2,629	5,606	4,711	646	623	648	677	28,286	23,301	18,025
Electricity		1,027	1,402	1,684	2,388	1,966	1,983	5,261	4,368	277	277	277	277	21,187	13,688	11,591
Water		27	27	27	27	27	27	27	27	27	27	27	27	324	347	370
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		319	344	869	1,019	1,594	619	319	317	342	319	344	373	6,774	9,267	6,064
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>		18,649	21,075	24,407	21,000	26,075	21,129	23,350	19,221	17,242	9,357	8,171	10,208	219,882	241,887	255,561
Surplus/(Deficit) before assoc.		48,269	3,177	(17,456)	(18,375)	(23,331)	27,955	(20,677)	(16,573)	31,757	(4,285)	(3,099)	(7,340)	22	1,198	1,405
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	48,269	3,177	(17,456)	(18,375)	(23,331)	27,955	(20,677)	(16,573)	31,757	(4,285)	(3,099)	(7,340)	22	1,198	1,405

LIM473 Makhuduthamaga - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<i>Multi-year expenditure to be appropriated</i>	1															
Vote1 - Political Offices														-	-	-
Vote2 - Municipal Manager														-	-	-
Vote3 - Corporate Services														-	-	-
Vote4 - Budget & Treasury														-	-	-
Vote5 - Community Services														-	-	-
Vote6 - Infrastructure														-	-	-
Vote7 - Planning														-	-	-
Vote8 - Example 8														-	-	-
Vote9 - Example 9														-	-	-
Vote10 - Example 10														-	-	-
Vote11 - Example 11														-	-	-
Vote12 - Example 12														-	-	-
Vote13 - Example 13														-	-	-
Vote14 - Example 14														-	-	-
Vote15 - Example 15														-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Single-year expenditure to be appropriated</i>																
Vote1 - Political Offices														-	-	-
Vote2 - Municipal Manager														-	-	-
Vote3 - Corporate Services				275	525	75	-	-	75	-	225	75	1,250	1,000	1,450	
Vote4 - Budget & Treasury		900	-	-	-	-	-	-	-	-	-	-	900	316	333	
Vote5 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote6 - Infrastructure		6,872	10,937	9,201	10,831	15,096	9,887	13,843	11,588	6,298	1,716	665	96,932	124,272	131,316	
Vote7 - Planning		-	-	-	-	-	300	-	400	-	-	800	1,500	1,600	1,700	
Vote8 - Example 8		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote9 - Example 9		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote10 - Example 10		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote11 - Example 11		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote12 - Example 12		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote13 - Example 13		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote14 - Example 14		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote15 - Example 15		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital single-year expenditure sub-total</b>	2	7,772	10,937	9,476	11,356	15,171	10,187	13,843	11,588	6,773	1,716	890	875	100,582	127,188	134,799
<b>Total Capital Expenditure</b>	2	7,772	10,937	9,476	11,356	15,171	10,187	13,843	11,588	6,773	1,716	890	875	100,582	127,188	134,799

LIM473 Makhuduthamaga - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Capital Expenditure - Standard</b>	1															
<i>Governance and administration</i>		900	-	275	525	75	-	-	-	75	-	225	75	2,150	1,316	1,783
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		900	-	-	-	-	-	-	-	-	-	-	-	900	316	333
Corporate services		-	-	275	525	75	-	-	-	75	-	225	75	1,250	1,000	1,450
<i>Community and public safety</i>		600	1,127	1,800	1,243	915	1,315	900	200	-	-	-	-	8,100	1,500	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		600	1,127	1,800	1,243	915	1,315	900	200	-	-	-	-	8,100	1,500	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		5,521	8,684	6,394	7,377	12,292	7,166	7,959	7,197	6,698	1,716	665	800	72,470	115,033	126,800
Planning and development		-	-	-	-	-	300	-	-	400	-	-	800	1,500	1,600	1,700
Road transport		5,521	8,684	6,394	7,377	12,292	6,866	7,959	7,197	6,298	1,716	665	-	70,970	113,433	125,100
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		750	1,125	1,407	2,111	1,689	1,706	4,984	4,091	-	-	-	-	17,863	9,339	6,216
Electricity		750	1,125	1,407	2,111	1,689	1,706	4,984	4,091	-	-	-	-	17,863	9,339	6,216
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	2	7,772	10,937	9,876	11,256	14,971	10,187	13,843	11,488	6,773	1,716	890	875	100,582	127,188	134,799



LIM473 Makhuduthamaga - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Cash Receipts By Source</b>													1		
Property rates	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	24,047	24,047	24,047
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	2	-	-	18	-	-	3	-	-	-	17	40	40	40
Interest earned - external investments	206	233	244	347	391	331	361	361	309	309	309	99	3,500	3,600	3,650
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	317	257	299	271	331	263	277	202	207	588	588	401	4,000	5,000	6,000
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	44,363	-	-	-	-	42,113	-	-	42,113	-	-	-	128,589	141,932	151,062
Other revenue	5	118	4,405	3	-	4,374	31	78	4,366	2,171	2,171	348	18,069	19,434	20,851
<b>Cash Receipts by Source</b>	<b>46,895</b>	<b>2,614</b>	<b>6,952</b>	<b>2,624</b>	<b>2,744</b>	<b>49,084</b>	<b>2,673</b>	<b>2,648</b>	<b>48,999</b>	<b>5,072</b>	<b>5,072</b>	<b>2,868</b>	<b>178,245</b>	<b>194,052</b>	<b>205,649</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	20,022	21,637	-	-	-	-	-	-	-	-	-	-	41,659	49,033	51,317
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>66,917</b>	<b>24,251</b>	<b>6,952</b>	<b>2,624</b>	<b>2,744</b>	<b>49,084</b>	<b>2,673</b>	<b>2,648</b>	<b>48,999</b>	<b>5,072</b>	<b>5,072</b>	<b>2,868</b>	<b>219,904</b>	<b>243,085</b>	<b>256,966</b>
<b>Cash Payments by Type</b>															
Employee related costs	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	3,312	39,742	42,563	45,612
Remuneration of councillors	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	15,379	16,502
Collection costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	31	34	26	25	22	25	29	25	17	29	21	15	300	316	333
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	2,265	1,676	2,096	1,627	1,027	620	320	220	340	520	220	750	11,682	15,173	11,210
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses	4,070	3,517	7,973	4,005	4,293	4,638	4,307	2,364	5,063	2,442	2,139	3,737	48,547	41,268	47,105
<b>Cash Payments by Type</b>	<b>10,878</b>	<b>9,739</b>	<b>14,607</b>	<b>10,170</b>	<b>9,854</b>	<b>9,795</b>	<b>9,167</b>	<b>7,121</b>	<b>9,932</b>	<b>7,502</b>	<b>6,892</b>	<b>9,014</b>	<b>114,672</b>	<b>114,699</b>	<b>120,762</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	7,772	10,937	9,476	11,356	15,171	10,187	13,843	11,588	6,773	1,716	890	875	100,582	127,188	134,799
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>18,650</b>	<b>20,675</b>	<b>24,083</b>	<b>21,525</b>	<b>25,025</b>	<b>19,982</b>	<b>23,010</b>	<b>18,709</b>	<b>16,704</b>	<b>9,218</b>	<b>7,782</b>	<b>9,889</b>	<b>215,254</b>	<b>241,887</b>	<b>255,561</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>48,268</b>	<b>3,576</b>	<b>(17,131)</b>	<b>(18,901)</b>	<b>(22,282)</b>	<b>29,101</b>	<b>(20,338)</b>	<b>(16,061)</b>	<b>32,294</b>	<b>(4,145)</b>	<b>(2,709)</b>	<b>(7,021)</b>	<b>4,650</b>	<b>1,198</b>	<b>1,405</b>
Cash/cash equivalents at the month/year begin:	47,907	96,175	99,751	82,619	63,718	41,436	70,538	50,200	34,139	66,433	62,288	59,578	47,907	52,557	53,755
Cash/cash equivalents at the month/year end:	96,175	99,751	82,619	63,718	41,436	70,538	50,200	34,139	66,433	62,288	59,578	52,557	52,557	53,755	55,161

## **2.1 Overview of the annual budget process**

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

### **2.1.1 Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2010) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 27 August 2010.

### **2.1.2 IDP and Service Delivery and Budget Implementation Plan**

This is the fourth review of the IDP as adopted by Council in May 2006. It started in September 2010 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2011/12 MTREF in August.

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2011/12 MTREF, based on the approved 2010/11 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2011/12 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2010/11 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

### **2.1.3 Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2011/12 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2011/12 MTREF:

- Municipal growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2010/11 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

### **2.1.4 Community Consultation**

The draft 2011/12 MTREF as tabled before Council on 17 March 2011 for community consultation was published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and community libraries.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees will be utilised to facilitate the community consultation process from 18 to 19 April 2011, and will include four public briefing sessions. The applicable dates and venues were published in the municipal notice boards municipal libraries and circulated to all municipal wards through the councillors.

## **2.2 Overview of alignment of annual budget with IDP**

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipal strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance.

One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2011/12 MTREF and further planning refinements that have directly informed the compilation of the budget:

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - Provide electricity;
  - Provide housing;
  - Provide roads and storm water;
  - Provide municipal planning services; and
  - Maintaining the infrastructure of the municipality.
2. Economic growth and development that leads to sustainable job creation by:
  - Ensuring there is a clear structural plan for the municipality;
  - Ensuring planning processes function in accordance with set timeframes;
  - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.

### 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:

- Effective implementation of the Indigent Policy;
- Working with the provincial department of health to provide primary health care services;
- Extending waste removal services and ensuring effective city cleansing;
- Working with strategic partners such as SAPS to address crime;
- Ensuring safe working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

### 3.2 Integrated Social Services for empowered and sustainable communities

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

### 4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Batho Pele in the revenue management strategy.

### 5.1 Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

### 5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

### 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

## 2.3 Overview of Budget Related Policies

### 1. REVENUE ENHANCEMENT STRATEGY

The MLM has adopted the Revenue Enhancement Strategy .The strategy is intended to enhance the revenue base of MLM. It is in alignment with the General Finance policy. The Municipality has started billing for property rates (only Businesses and sector departments) as from July 2009.

### 2. BUDGET POLICY

Makhuduthamaga municipality has a budget policy in place and is intended to set out the budgeting principles which the municipality will follow in preparing each annual budget and adjustment budget, as well as the responsibilities of the chief financial officer in compiling such budget.

### **3. CREDIT CONTROL AND DEBT MANAGEMENT**

The Credit Control and Debt Management Policy of Makhuduthamaga Local Municipality was adopted in recognition of the constitutional obligations to develop the local economy and to provide acceptable service to the communities. The constitutional obligations cannot and will never be realized unless there are payments of services. The municipality has started billing for property rates as from July 2009.

### **4. FINANCIAL MANAGEMENT PLAN**

The Municipality has the 3year's Financial Plan that is aligned to the Medium Term Expenditure Framework. The plan caters for the income, revenue and expenditure for the year under review.

### **5. SUPPLY CHAIN MANAGEMENT POLICY**

The MLM has developed and adopted Supply Chain Management Policy in 2008. It provides policy guidelines as and when the MLM procures goods or services, disposes goods no longer needed, selects contractors to provide assistance in the provision of municipal services otherwise than in Chapter 8 of the MSA applies. There is also a procedure manual that outlines how SCM policy should be implemented.