

RICHTERSVELD MUNICIPALITY

ADJUSTMENT BUDGET

2021/22 FINANCIAL YEAR



**MUNISIPALITEIT
RICHTERSVELD
MUNICIPALITY**

Die Richtersveld leuse is:

!Ghâi //Khoredi

Dit beteken: "Strewe na sukses" in Nama

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Glossary

Act – means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Own Revenue – Means total revenue as reflected in the municipality's financial performance budget less national and provincial conditional transfers.

Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at directorate / department level

Part 1 – Adjustments Budget

1.1 Foreword

The Local Government: Municipal Finance Management Act (56 of 2003): Municipal budget and reporting regulations stipulates in Regulation 28(2) (c) - A municipal council may approve an adjustments budget dealing with matters referred to in the Act only if the expenditure was recommended by the mayor in accordance with the framework prescribed in Chapter 5 of the Regulations.

1.2 Report of the Mayor

As part of the Mid-year budget and performance assessment process, the Accounting Officer of the Richtersveld Municipality made recommendations to the council as to the amendments to the original budget based on certain considerations that were identified during the first half of the 2021/22 municipal financial year. These considerations included the following:

Revenue

- Rental of facilities should decrease as a result of under collection i.e. Impact of Covid-19 , caravan park was closed 5 months of financial year
- Rental of facilities should be decreased considering rental of land for renewable energy .
- Interest earned on outstanding debtors should be increased as a result of under collection of service charges.
- Licence and permits should be increased as a result of unprecedented activities.

Expenditure

- Increase of contracted services as a result of delapidated infrastructure and aged PPE has led to increase of repairs and maintenance
- Increase in other expenditure which includes operational expenditure such as cleaning materials, license fees, rental charges, printing & stationery etc;

Conditional grants

- Conditional grants will be reduced by R8 320 000 due to non performance on MIG and sport grants

1.3 Resolutions

On 25 January 2022 mid-year assessment was submitted to the Mayor with proposal for adjustment budget, the same report was presented to council on the 11th of February.

- An Adjustments budget for 2021/22 be prepared and be approved no later than 28 February 2022
- All the necessary adjustments identified in the mid-year assessment report must be included in the adjustment budget.

1.4 Framework for Adjustments Budget

Section 28 of the MFMA states that ...”(a) an adjustments budget must adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year...”

The operational budget changes are summarized as follows:-

	OPERATING REVENUE	OPERATING EXPENDITURE	SURPLUS / (DEFICIT)
2021/22 approved budget	R 135 265 000	(R87 931 000)	R 47 334 000
Adjustments	(R 35 847 000)	(R5 293 000)	(R41 139 000)
2021/22 Adjustments Budget	R 99 418 000	(R 93 224 000)	R 6 194 000

The Capital budget changes are summarized as follows:-

	TRANSFERS RECOGNISED
2021/22 approved budget	R 24 480 000
Adjustments	(R 8 320 000)
2021/22 Adjustments Budget	R 16 160 000

Part 2 – Adjustments Budget Schedules

2.1 – Legislative Framework

Section 21 of the Municipal Budget and Reporting Regulations (MBRR) stipulates that,

An adjustments budget and supporting documentation of a municipality must be in the format specified in Schedule B and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168 (1) of the Act.

The objective of the MBRR is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

2.2 – Adjustments budget schedules

Only those schedules that are affected through this adjustments budget are attached in this report.

ADJUSTMENT BUDGET SUMMARY

Richtersveld municipality- Table B1 Adjustments Budget Summary -												
Description	Budget Year 2021/22									Budget Year	Budget Year	
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands	A	A1	B	C	D	E	F	G	H			
Financial Performance												
Property rates	19 962	19 962	-	-	-	-	-	-	19 962	21 000	22 134	
Service charges	29 222	29 222	-	-	-	-	-	29 222	34 794	38 266		
Investment revenue	210	210	-	-	-	-	-	210	221	210		
Transfers recognised - operational	23 287	23 287	-	-	-	-	-	23 287	24 567	24 798		
Other own revenue	62 584	62 584	-	-	-	-	(35 847)	26 737	65 668	68 896		
Total Revenue (excluding capital transfers and contributions)	135 265	135 265	-	-	-	-	(35 847)	(35 847)	99 418	146 251	154 304	
Employee costs	29 978	29 978	-	-	-	-	-	29 978	30 707	32 130		
Remuneration of councillors	4 200	4 200	-	-	-	-	-	4 200	3 582	3 582		
Depreciation & asset impairment	9 500	9 500	-	-	-	-	-	9 500	9 899	10 335		
Finance charges	1 500	1 500	-	-	-	-	1 300	2 800	1 563	1 632		
Inventory consumed and bulk purchases	18 807	18 807	-	-	-	-	900	19 707	20 403	22 140		
Transfers and grants	-	-	-	-	-	-	-	-	-	-		
Other expenditure	23 946	23 946	-	-	-	-	3 093	27 039	24 840	25 526		
Total Expenditure	87 931	87 931	-	-	-	-	5 293	5 293	93 224	90 995	95 345	
Surplus/(Deficit)	47 334	47 334	-	-	-	-	(41 139)	(41 139)	6 194	55 256	58 959	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	24 480	24 480	-	-	-	-	(8 320)	16 160	23 697	23 727		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-		
Surplus/(Deficit) after capital transfers & contributions	71 814	71 814	-	-	-	-	(49 459)	(49 459)	22 354	78 953	82 686	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-		
Surplus/ (Deficit) for the year	71 814	71 814	-	-	-	-	(49 459)	(49 459)	22 354	78 953	82 686	
Capital expenditure & funds sources												
Capital expenditure	7 000	7 000	-	-	-	-	(7 000)	-	-	-		
Transfers recognised - capital	24 480	24 480	-	-	-	-	(8 320)	16 160	23 697	23 727		
Borrowing	-	-	-	-	-	-	-	-	-	-		
Internally generated funds	-	-	-	-	-	-	-	-	-	-		
Total sources of capital funds	24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160	23 697	23 727	

ADJUSTMENTS BUDGET – FINANCIAL PERFORMANCE- STANDARD CLASSIFICATION

Richtersveld Municipality - Table B2 Adjustments Budget Financial Performance (functional classification) -												
Standard Description	Ref	Budget Year 2021/22									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	6	7	8	9	10	11	12			
R thousands	1,4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		103 426	103 426	-	-	-	-	(35 853)	(35 853)	67 573	108 729	113 210
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		103 426	103 426	-	-	-	-	(35 853)	(35 853)	67 573	108 729	113 210
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		2 799	2 799	-	-	-	-	-	-	2 799	2 936	3 065
Community and social services		1 372	1 372	-	-	-	-	-	-	1 372	1 439	1 510
Sport and recreation		1 431	1 431	-	-	-	-	-	-	1 431	1 501	1 560
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		(4)	(4)	-	-	-	-	-	-	(4)	(5)	(5)
Economic and environmental services		14 608	14 608	-	-	-	-	(8 314)	(8 314)	6 294	7 831	7 968
Planning and development		90	90	-	-	-	-	-	-	90	95	99
Road transport		14 518	14 518	-	-	-	-	(8 314)	(8 314)	6 204	7 737	7 869
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		38 912	38 912	-	-	-	-	-	-	38 912	46 958	50 116
Energy sources		16 463	16 463	-	-	-	-	-	-	16 463	17 862	20 413
Water management		15 418	15 418	-	-	-	-	-	-	15 418	21 699	21 907
Waste water management		3 831	3 831	-	-	-	-	-	-	3 831	4 030	4 248
Waste management		3 200	3 200	-	-	-	-	-	-	3 200	3 366	3 548
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	159 745	159 745	-	-	-	-	(44 167)	(44 167)	115 578	166 453	174 359
Expenditure - Functional												
Governance and administration		36 623	36 623	-	-	-	-	2 440	2 440	39 063	36 813	37 849
Executive and council		7 403	7 403	-	-	-	-	279	279	7 682	6 920	7 067
Finance and administration		29 003	29 003	-	-	-	-	1 952	1 952	30 956	29 667	30 547
Internal audit		216	216	-	-	-	-	209	209	426	226	236
Community and public safety		5 912	5 912	-	-	-	-	1 552	1 552	7 464	6 073	6 431
Community and social services		1 526	1 526	-	-	-	-	1 017	1 017	2 543	1 591	1 661
Sport and recreation		2 248	2 248	-	-	-	-	532	532	2 780	2 255	2 445
Public safety		143	143	-	-	-	-	-	-	143	149	156
Housing		1 920	1 920	-	-	-	-	-	-	1 920	2 000	2 088
Health		75	75	-	-	-	-	4	4	79	78	82
Economic and environmental services		6 980	6 980	-	-	-	-	-	-	6 980	7 274	7 594
Planning and development		1 684	1 684	-	-	-	-	-	-	1 684	1 755	1 832
Road transport		5 296	5 296	-	-	-	-	-	-	5 296	5 518	5 761
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		37 944	37 944	-	-	-	-	-	-	37 944	40 343	42 958
Energy sources		25 115	25 115	-	-	-	-	-	-	25 115	26 975	29 002
Water management		5 116	5 116	-	-	-	-	-	-	5 116	5 331	5 565
Waste water management		3 277	3 277	-	-	-	-	-	-	3 277	3 414	3 564
Waste management		4 437	4 437	-	-	-	-	-	-	4 437	4 624	4 827
Other		472	472	-	-	-	-	-	-	472	492	513
Total Expenditure - Functional	3	87 931	87 931	-	-	-	-	3 993	3 993	91 924	90 995	95 345
Surplus/ (Deficit) for the year		71 814	71 814	-	-	-	-	(48 159)	(48 159)	23 654	75 459	79 013

ADJUSTMENTS BUDGET – FINANCIAL PERFORMANCE- REVENUE AND EXPENDITURE BY MUNICIPAL VOTE

Richtersveld Municipality- Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -														
Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24		
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget		
			3	4	5	6	7	8	9	10				
	A	A1	B	C	D	E	F	G	H					
R thousands														
Revenue by Vote	1													
Vote 1 - EXECUTIVE AND COUNCIL (11: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 2 - ADMIN: CORPORATE (12: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 3 - ADMIN: SPORT AND RECRTN (14: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 4 - EPWP (15: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 5 - EXECUTIVE AND COUNCIL (21: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 6 - ADMIN: CORPORATE (22: IE)		57 554	57 554	-	-	-	-	(42 000)	(42 000)	15 554	60 369	63 321		
Vote 7 - ADMIN: COMMUNITY (23: IE)		23 561	23 561	-	-	-	-	6 147	6 147	29 708	24 995	25 395		
Vote 8 - ADMIN: SPORT AND RECRTN (24: IE)		1 427	1 427	-	-	-	-	-	-	1 427	1 496	1 554		
Vote 9 - FINANCIAL SERVICES (26: IE)		22 940	22 940	-	-	-	-	-	-	22 940	23 995	25 123		
Vote 10 - INFRASTRUCTURE (28: IE)		54 263	54 263	-	-	-	-	(8 314)	(8 314)	45 949	55 598	58 965		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
Total Revenue by Vote	2	159 745	159 745	-	-	-	-	(44 167)	(44 167)	115 578	166 453	174 359		
Expenditure by Vote	1													
Vote 1 - EXECUTIVE AND COUNCIL (11: IE)		306	306	-	-	-	-	-	-	306	319	333		
Vote 2 - ADMIN: CORPORATE (12: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 3 - ADMIN: SPORT AND RECRTN (14: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 4 - EPWP (15: IE)		-	-	-	-	-	-	-	-	-	-	-		
Vote 5 - EXECUTIVE AND COUNCIL (21: IE)		2 271	2 271	-	-	-	-	376	376	2 647	2 367	2 471		
Vote 6 - ADMIN: CORPORATE (22: IE)		3 000	3 000	-	-	-	-	1 379	1 379	4 378	3 125	3 263		
Vote 7 - ADMIN: COMMUNITY (23: IE)		12 159	12 159	-	-	-	-	1 462	1 462	13 621	12 670	13 227		
Vote 8 - ADMIN: SPORT AND RECRTN (24: IE)		7 840	7 840	-	-	-	-	776	776	8 616	7 288	7 542		
Vote 9 - FINANCIAL SERVICES (26: IE)		17 466	17 466	-	-	-	-	-	-	17 466	17 646	17 996		
Vote 10 - INFRASTRUCTURE (28: IE)		44 890	44 890	-	-	-	-	-	-	44 890	47 580	50 513		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-	-	-		
Total Expenditure by Vote	2	87 931	87 931	-	-	-	-	3 993	3 993	91 924	90 995	95 345		
Surplus/ (Deficit) for the year	2	71 814	71 814	-	-	-	-	(48 159)	(48 159)	23 654	75 459	79 013		

ADJUSTMENTS BUDGET – FINANCIAL PERFORMANCE- REVENUE AND EXPENDITURE

Richtersveld Municipality- Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2021/22									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3	4	5	6	7	8	9	10		
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	19 962	19 962	-	-	-	-	-	-	19 962	21 000	22 134
Service charges - electricity revenue	2	17 066	17 066	-	-	-	-	-	-	17 066	18 213	20 789
Service charges - water revenue	2	5 383	5 383	-	-	-	-	-	-	5 383	6 777	7 143
Service charges - sanitation revenue	2	3 668	3 668	-	-	-	-	-	-	3 668	5 280	5 565
Service charges - refuse revenue	2	3 105	3 105	-	-	-	-	-	-	3 105	4 524	4 768
Rental of facilities and equipment		56 695	56 695	-	-	-	-	(42 000)	(42 000)	14 695	59 473	62 387
Interest earned - external investments		210	210	-	-	-	-	-	-	210	221	210
Interest earned - outstanding debtors		3 792	3 792	-	-	-	-	6 147	6 147	9 939	3 989	4 205
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23	23	-	-	-	-	-	-	23	24	26
Licences and permits		2	2	-	-	-	-	6	6	9	3	3
Agency services		91	91	-	-	-	-	-	-	91	95	100
Transfers and subsidies		23 287	23 287	-	-	-	-	-	-	23 287	24 567	24 798
Other revenue	2	1 981	1 981	-	-	-	-	-	-	1 981	2 084	2 176
Gains		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		135 265	135 265	-	-	-	-	(35 847)	(35 847)	99 418	146 251	154 304
Expenditure By Type												
Employee related costs		29 978	29 978	-	-	-	-	-	-	29 978	30 707	32 130
Remuneration of councillors		4 200	4 200	-	-	-	-	-	-	4 200	3 582	3 582
Debt impairment		12 007	12 007	-	-	-	-	-	-	12 007	12 512	13 062
Depreciation & asset impairment		9 500	9 500	-	-	-	-	-	-	9 500	9 899	10 335
Finance charges		1 500	1 500	-	-	-	-	1 300	1 300	2 800	1 563	1 632
Bulk purchases - electricity		17 134	17 134	-	-	-	-	-	-	17 134	18 659	20 320
Inventory consumed		1 673	1 673	-	-	-	-	900	900	2 573	1 743	1 820
Contracted services		3 500	3 500	-	-	-	-	709	709	4 209	3 536	3 284
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Other expenditure		8 438	8 438	-	-	-	-	2 384	2 384	10 823	8 793	9 180
Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		87 931	87 931	-	-	-	-	5 293	5 293	93 224	90 995	95 345
Surplus/(Deficit)		47 334	47 334	-	-	-	-	(41 139)	(41 139)	6 194	55 256	58 959
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160	23 697	23 727
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		71 814	71 814	-	-	-	-	(49 459)	(49 459)	22 354	78 953	82 686
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		71 814	71 814	-	-	-	-	(49 459)	(49 459)	22 354	78 953	82 686
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		71 814	71 814	-	-	-	-	(49 459)	(49 459)	22 354	78 953	82 686
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		71 814	71 814	-	-	-	-	(49 459)	(49 459)	22 354	78 953	82 686

ADJUSTMENTS BUDGET - CAPITAL EXPENDITURE

Richtersveld Municipality - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital Expenditure - Functional												
Governance and administration		-	-	-	-	-	-	-	-	-	(7 930)	(8 358)
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	(7 930)	(8 358)
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		7 000	7 000	-	-	-	-	(7 000)	(7 000)	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		7 000	7 000	-	-	-	-	(7 000)	(7 000)	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		17 480	17 480	-	-	-	-	(1 320)	(1 320)	16 160	23 697	23 727
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		10 000	10 000	-	-	-	-	-	-	10 000	16 000	15 900
Waste water management		7 480	7 480	-	-	-	-	(1 320)	(1 320)	6 160	7 697	7 827
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160	15 767	15 369
Funded by:												
National Government		24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160	23 697	23 727
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160	23 697	23 727
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-
Total Capital Funding		24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160	23 697	23 727

ADJUSTMENTS BUDGET – FINANCIAL POSITION

Richtersveld Municipality - Table B6 Adjustments Budget Financial Position -												
Description	Ref	Budget Year 2021/22									Budget Year +1 2022/23	Budget Year +2 2023/24
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		5 475	5 475	-	-	-	-	-	-	5 475	5 644	5 893
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	4 015	4 015	-	-	-	-	-	-	4 015	4 015	4 191
Other debtors		-	-	-	-	-	-	-	-	-	-	-
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Inventory		638	638	-	-	-	-	-	-	638	668	697
Total current assets		10 128	10 128	-	-	-	-	-	-	10 128	10 327	10 781
Non current assets												
Long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		32 866	32 866	-	-	-	-	-	-	32 866	32 775	34 217
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	200 190	200 190	-	-	-	-	-	-	200 190	218 157	227 756
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		31	31	-	-	-	-	-	-	31	16	16
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		233 087	233 087	-	-	-	-	-	-	233 087	250 948	261 989
TOTAL ASSETS		243 215	243 215	-	-	-	-	-	-	243 215	261 274	272 771
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		1 644	1 644	-	-	-	-	-	-	1 644	1 674	1 747
Trade and other payables		15 962	15 962	-	-	-	-	-	-	15 962	17 090	17 842
Provisions		2 943	2 943	-	-	-	-	-	-	2 943	3 017	3 150
Total current liabilities		20 548	20 549	-	-	-	-	-	-	20 549	21 780	22 739
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	51 786	51 786	-	-	-	-	-	-	51 786	54 483	56 880
Total non current liabilities		51 786	51 786	-	-	-	-	-	-	51 786	54 483	56 880
TOTAL LIABILITIES		72 334	72 334	-	-	-	-	-	-	72 334	76 263	79 619
NET ASSETS	2	170 881	170 881	-	-	-	-	-	-	170 881	185 011	193 152
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		170 881	170 881	-	-	-	-	-	-	170 881	185 011	193 152
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		170 881	170 881	-	-	-	-	-	-	170 881	185 011	193 152

ADJUSTMENT BUDGET – CASH FLOWS

Richtersveld Municipality - Table B7 Adjustments Budget Cash Flows -										
Description	Ref	Budget Year 2021/22								
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget
		A	A1	B	C	D	E	F	G	H
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		15 969	15 969	-	-	-	-	-	-	15 969
Service charges		23 378	23 378	-	-	-	-	-	-	23 378
Other revenue		47 034	47 034	-	-	-	-	(33 600)	(33 600)	13 434
Transfers and Subsidies - Operational	1	23 287	23 287	-	-	-	-	-	-	23 287
Transfers and Subsidies - Capital	1	24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160
Interest		3 034	3 034	-	-	-	-	6 147	6 147	9 181
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(56 949)	(56 949)	-	-	-	-	3 993	3 993	(52 956)
Finance charges		(1 500)	(1 500)	-	-	-	-	1 300	1 300	(200)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		78 732	78 733	-	-	-	-	(30 480)	(30 480)	48 253
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160
NET CASH FROM/(USED) INVESTING ACTIVITIES		24 480	24 480	-	-	-	-	(8 320)	(8 320)	16 160
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		33	33	-	-	-	-	-	-	33
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		33	33	-	-	-	-	-	-	33
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at the year begin:	2	288	288	-	-	-	-	-	-	288
Cash/cash equivalents at the year end:	2	46 598	46 598	-	-	-	-	(38 800)	(38 800)	64 734

Part 3 – MUNICIPAL MANAGER’S QUALITY CERTIFICATE

I, **Sydney Adams**, Municipal Manager of Richtersveld Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Sydney Adams
Municipal Manager of Richtersveld Local Municipality (NC061)

Signature _____

Date _____