



George Municipality

Adjustments Budget 2023/2024

22 May 2024



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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 principal 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. Varmints 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

Mayor’s Report

1.1 Foreword

Municipal Finance Management Act (MMFA)

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Section 28(2)(c) prescribes as follows:

In terms of Section 28(2)(c) of the MFMA - An adjustments budget-

(2)(c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;

Furthermore, the Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Section 29(1) prescribes as follows:

In terms of Section 29(1) of the MFMA the mayor of a municipal may in emergency or exceptional circumstances authorize unforeseen and unavoidable expenditure for which no provision was made in the approved budget.

Unforeseen and unavoidable expenditure

- 1) The mayor of a municipality may in emergency of other exceptional circumstances authorise unforeseen and unavoidable expenditure for which no made in an approved budget.
- 2) Any such expenditure-
 - a) Must be in accordance with any framework that may be prescribed;
 - b) May not exceed a prescribed percentage of the approved annual budget;
 - c) Must be reported by the mayor to the municipal council at its next meeting; and
 - d) Must be appropriated in an adjustments budget.
- 3) If such adjustments budget is not passed within 60 days after the expenditure was incurred, the expenditure is unauthorised and section 32 applies.

Municipal Budget and Reporting Regulations (MBRR)

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations stipulates in:

Regulation 23.:

“(4) An adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred and within the time period set in section 29(3) of the Act.”

1.2 Background

In order for Council to consider possible adjustments to the MTREF, the stipulations of section 28 of the MFMA as well as section 23 of the MBRR need to be highlighted:

1.1. Section 28 of the MFMA - Municipal Adjustments Budgets

"28 (1) A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustments budget—

- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
- (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
- (f) may correct any errors in the annual budget; and
- (g) may provide for any other expenditure within a prescribed framework.

(3) An adjustments budget must be in a prescribed form.

(4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

(5) When an adjustments budget is tabled, it must be accompanied by—

- (a) an explanation how the adjustments budget affects the annual budget;
- (b) a motivation of any material changes to the annual budget;

- (c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
 - (d) any other supporting documentation that may be prescribed.
- (6) Municipal tax and tariffs may not be increased during a financial year.
- (7) Sections 22(b), 23(3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those sections to an annual budget must be read as a reference to an adjustments budget.”

1.2. Section 23 of the MBRR –Timeframes for tabling of adjustments budgets

1.2.1 Regulation 23. (4):

“(4) An adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred and within the time period set in section 29(3) of the Act.”

1.3 Council Resolutions

On 22 May 2024, the Council of George Municipality met to consider the adjustments budget for approval. Council approved the following resolutions:

- (a) that Council grant approval for the Operating Budget to be adjusted as per table A;
- (b) that the Service Delivery and Budget Implementation Plan (SDBIP) be amended;
- (c) that the formal budget tables be updated with the adjustments and submitted to National and Provincial Government.

1.4 Executive Summary

1. MOTIVATION: UNFORESEEABLE AND UNAVOIDABLE EXPENDITURE

The George Municipality was faced with the aftermath of the collapse of the block of flats, adjacent to the municipality on Monday afternoon, 6 May 2024. George Municipality was compelled to incur expenditure for additional and specific specialised services, equipment, and material to deal with rescue and clean-up operation.

See attached as Annexure “A” approval from the Mayor to incur unforeseeable and unavoidable expenditure.

OPERATING BUDGET ADJUSTMENTS

The operation to clean up the site is still in progress as at 13 May 2024, but Table A below lists the estimated adjustments needed to the operating budget:

TABLE A: OPERATING BUDGET AMENDMENTS

Description	April Adjustment Budget 2023/2024	Adjustments	May Adjustment Budget 2023/2024
Human Resources: Contracted Services: Employee Assistance Programme (EAP)	0	100 000	100 000
Fire Services: Overtime: Non-Structured	0	500 000	500 000
Traffic Services: Overtime: Non-Structured	0	500 000	500 000
Law Enforcement: Overtime: Non-Structured	0	500 000	500 000
Fire Services: Operational Cost: Hire Charges	0	6 250 000	6 250 000
Total		7 850 000	

The estimated impact of these adjustments will increase the operating budget expenditure budget by at least R7 850 000 to an overall total of R3 175 345 936.

Part 2 – Adjustments Budget Schedules

2.1 – Legislative Framework

The Municipal Budget and Reporting Regulations (MBRR) stipulates that,

21. “An adjustments budget and supporting documentation of a Municipality must be in the format specified in Schedule B ...”

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 by the adjustments budget is included in this document.

Table 1 – B1: Budget Summary

Description	Budget Year 2023/24									Budget Year	Budget Year
	Original Budget	Prior Adjusted	Accum Funds	Multi-year capital	Unbre. Unavoid.	Hab. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R. thousands	A	A1	B	C	D	E	F	G	H	I	J
Financial Performance											
Property rates	441 171	441 171	-	-	-	-	-	-	441 171	402 491	500 030
Service charges	1 404 349	1 404 349	-	-	-	-	-	-	1 404 349	1 419 525	1 404 349
Investment revenue	42 445	51 445	-	-	-	-	-	-	51 445	49 471	44 990
Transfers recognised - operational	435 962	13 124	-	-	-	-	-	-	13 124	100 454	470 095
Other own revenue	5 445 593	552 109	-	-	-	-	-	-	552 109	579 071	6 015 664
Total Revenue (excluding capital transfers and contributions)	8 117 509	8 220 481	-	-	-	-	-	-	8 220 481	8 440 220	8 925 708
Employee costs	100 521	101 540	-	-	-	-	1 112	1 112	102 653	109 305	119 400
Remuneration of councillors	20 500	20 500	-	-	-	-	-	-	20 500	20 700	24 995
Depreciation & asset impairment	161 004	161 004	-	-	-	-	-	-	161 004	200 504	221 200
Interest	40 300	40 300	-	-	-	-	-	-	40 300	40 000	60 000
Inventory consumed and bulk purchases	1 020 104	1 111 050	-	-	-	-	100 000	100 000	1 111 050	1 000 000	1 050 000
Transfers and subsidies	40 000	40 000	-	-	-	-	-	-	40 000	30 000	30 000
Other expenditure	1 020 000	1 240 000	-	-	-	-	4 000	4 000	1 244 000	1 401 400	1 641 600
Total Expenditure	8 006 000	8 167 211	-	-	-	-	5 100	5 100	8 176 300	8 366 000	8 770 100
Surplus/(Deficit)	111 509	105 270	-	-	-	-	(600)	(600)	104 120	107 220	155 608
Transfers and subsidies - capital (monetary alloc)	402 000	13 000 000	-	-	-	-	-	-	13 000 000	330 000	41 251
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	614 270	1 078 270	-	-	-	-	(600)	(600)	1 070 070	402 220	176 772
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	614 270	1 078 270	-	-	-	-	(600)	(600)	1 070 070	402 220	176 772
Capital expenditure & funds sources											
Capital expenditure	1 020 000	1 120 120	-	-	-	-	-	-	1 120 120	1 000 000	1 000 000
Transfers recognised - capital	300 000	12 000 000	-	-	-	-	-	-	12 000 000	200 000	50 000
Borrowing	300 000	2 000 000	-	-	-	-	-	-	2 000 000	3 000 000	2 000 000
Internally generated funds	200 000	200 000	-	-	-	-	-	-	200 000	200 000	200 000
Total sources of capital funds	1 020 000	1 720 120	-	-	-	-	-	-	1 720 120	3 200 000	4 000 000
Financial position											
Total current assets	1 411 500	1 411 500	-	-	-	-	(600)	(600)	1 410 900	1 410 900	1 411 500
Total non current assets	4 335 000	5 000 000	-	-	-	-	-	-	5 000 000	5 000 000	5 000 000
Total current liabilities	521 000	521 000	-	-	-	-	1 000	1 000	522 000	522 000	521 000
Total non current liabilities	500 000	500 000	-	-	-	-	-	-	500 000	500 000	500 000
Community wealth/Equity	8 685 500	4 460 500	-	-	-	-	(600)	(600)	4 459 900	8 200 900	4 000 500
Cash flows											
Net cash from (use of) operating	400 000	1 000 000	-	-	-	-	-	-	1 000 000	1 000 000	1 000 000
Net cash from (use of) investing	(1 000 000)	(1 100 000)	-	-	-	-	-	-	(1 100 000)	(1 000 000)	(1 000 000)
Net cash from (use of) financing	200 000	200 000	-	-	-	-	-	-	200 000	300 000	300 000
Cash/cash equivalents at the year end	470 000	200 000	-	-	-	-	-	-	200 000	100 000	100 000
Cash banking/surplus reconciliation											
Cash and investments available	400 000	200 000	-	-	-	-	-	-	200 000	500 000	1 000 000
Application of cash and investments	(5 100 000)	(5 100 000)	-	-	-	-	200 000	200 000	(5 100 000)	(1 100 000)	(1 100 000)
Balance - surplus (shortfall)	1 000 000	1 000 000	-	-	-	-	(200 000)	(200 000)	1 000 000	1 000 000	1 000 000
Asset management											
Asset register summary (R00)	4 214 451	4 900 000	-	-	-	-	-	-	4 900 000	4 900 000	5 111 052
Depreciation	161 004	161 004	-	-	-	-	-	-	161 004	200 504	221 200
Renewal and Upgrading of Existing Assets	350 000	1 000 000	-	-	-	-	-	-	1 000 000	3 122 000	95 000
Repairs and Maintenance	200 000	200 000	-	-	-	-	-	-	200 000	200 000	2 000 000
Free services											
Cost of Free Basic Services provided	115 400	115 400	-	-	-	-	-	-	115 400	1 121 200	200 000
Revenue cost of free services provided	5 000	40 000	-	-	-	-	-	-	40 000	50 000	1 000 000
Households below mini mu mser vice level	-	-	-	-	-	-	-	-	-	-	-
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

Table 2 – B2: Financial Performance (Functional classification)

George Local Municipality - Table B2 Adjustments Budget Financial Performance (functional classification) - 22/05/2024

Standard Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accu. m.	Multi-year	Unfore.	Net or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Rev. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
Thousands	1, 4	A	5	6	7	8	9	10	11	12		
		A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		519 325	510 455	-	-	-	-	-	-	510 455	550 491	582 407
Executive and council	4	4	4	-	-	-	-	-	-	4	4	5
Finance and administration		519 321	510 452	-	-	-	-	-	-	510 452	550 486	582 402
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		50 505	50 457	-	-	-	-	-	-	50 457	218 499	68 394
Community and social services		22 922	22 687	-	-	-	-	-	-	22 687	22 688	23 658
Sport and recreation		17 427	12 735	-	-	-	-	-	-	12 735	8 979	16 14
Public safety		86 582	87 439	-	-	-	-	-	-	87 439	9 1777	97 284
Housing		23 399	27 420	-	-	-	-	-	-	27 420	94 869	35 646
Health		175	175	-	-	-	-	-	-	175	185	197
Economic and environmental services		521 454	1 092 309	-	-	-	-	-	-	1 092 309	524 188	516 297
Planning and development		23 488	24 292	-	-	-	-	-	-	24 292	23 470	24 417
Road transport		487 932	1 067 877	-	-	-	-	-	-	1 067 877	500 694	52 185
Environmental protection		24	140	-	-	-	-	-	-	140	24	25
Trading services		2 388 040	2 761 811	-	-	-	-	-	-	2 761 811	2 465 388	2 465 700
Energy sources		979 286	964 420	-	-	-	-	-	-	964 420	1 100 141	129 198
Water management		884 915	1 014 865	-	-	-	-	-	-	1 014 865	762 882	629 240
Waste water management		303 074	540 312	-	-	-	-	-	-	540 312	377 248	305 876
Waste management		220 765	222 216	-	-	-	-	-	-	222 216	225 138	238 646
Other		806	388	-	-	-	-	-	-	388	458	168
Total Revenue - Functional	2	3 579 981	4 545 427	-	-	-	-	-	-	4 545 427	3 758 725	3 752 985
Expenditure - Functional												
Governance and administration		483 297	482 471	-	-	-	-	765	765	483 296	508 643	51 288
Executive and council		75 277	70 264	-	-	-	-	-	-	70 264	80 392	86 095
Finance and administration		389 071	391 582	-	-	-	-	765	765	392 348	408 077	435 107
Internal audit		18 949	20 624	-	-	-	-	-	-	20 624	20 175	2 162
Community and public safety		301 521	293 588	-	-	-	-	7 380	7 380	300 948	339 749	350 095
Community and social services		63 315	59 777	-	-	-	-	-	-	59 777	66 555	70 248
Sport and recreation		38 615	41 138	-	-	-	-	-	-	41 138	4 1735	44 798
Public safety		88 811	83 448	-	-	-	-	7 250	7 250	80 693	146 983	157 151
Housing		54 256	61 331	-	-	-	-	-	-	61 331	25 947	69 850
Health		7 143	7 878	-	-	-	-	130	130	8 008	7 558	8 054
Economic and environmental services		954 953	687 588	-	-	-	-	-	-	687 588	951 354	587 157
Planning and development		46 504	45 033	-	-	-	-	-	-	45 033	46 718	49 169
Road transport		513 920	586 043	-	-	-	-	-	-	586 043	510 581	533 671
Environmental protection		4 530	6 512	-	-	-	-	-	-	6 512	4 086	4 318
Trading services		1 686 530	1 735 577	-	-	-	-	-	-	1 735 577	1 875 523	2 072 390
Energy sources		882 821	867 464	-	-	-	-	-	-	867 464	999 712	1 128 376
Water management		425 689	469 916	-	-	-	-	-	-	469 916	459 197	485 205
Waste water management		257 703	268 411	-	-	-	-	-	-	268 411	284 483	306 185
Waste management		119 506	129 786	-	-	-	-	-	-	129 786	133 152	142 605
Other		19 758	17 997	-	-	-	-	-	-	17 997	19 589	20 727
Total Expenditure - Functional	3	3 065 058	3 457 201	-	-	-	-	8 145	8 145	3 175 316	3 355 858	3 573 191
Surplus/(Deficit) for the year		514 923	1 088 226	-	-	-	-	(8 145)	(8 145)	1 370 081	40 287	(79 772)

Table 3 – B3: Financial Performance (revenue and expenditure by municipal vote)

George Local Municipality - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 22/05/2024

Vote Description <i>(In respect of departments/ structures etc)</i>	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Net or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
Revenue by Vote	1											
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		17 995	17 760	-	-	-	-	-	-	17 760	17 474	18 184
Vote 3 - Corporate Services		4 165	3 245	-	-	-	-	-	-	3 243	2 708	2 815
Vote 4 - Corporate Services		3 454	3 732	-	-	-	-	-	-	3 732	3 606	3 787
Vote 5 - Community Services		21 270	17 070	-	-	-	-	-	-	17 070	15 052	5 931
Vote 6 - Community Services		332 248	334 556	-	-	-	-	-	-	334 556	343 305	363 899
Vote 7 - Community Services		1 100	1 100	-	-	-	-	-	-	1 100	1 166	1 236
Vote 8 - Civil Engineering Services		1 199 452	2 071 188	-	-	-	-	-	-	2 071 188	1 151 408	947 355
Vote 9 - Civil Engineering Services		464 790	529 478	-	-	-	-	-	-	529 478	466 432	485 518
Vote 10 - Electrotechnical Services		981 561	986 526	-	-	-	-	-	-	986 526	1 102 301	1 294 218
Vote 11 - Financial Services		458 308	462 756	-	-	-	-	-	-	462 756	489 145	518 477
Vote 12 - Financial Services		44 288	59 289	-	-	-	-	-	-	59 289	45 566	47 022
Vote 13 - Human Settlements, Planning and Development		51 340	58 728	-	-	-	-	-	-	58 728	122 561	64 533
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	3 579 951	4 545 427	-	-	-	-	-	-	4 545 427	3 758 725	3 752 995
Expenditure by Vote	1											
Vote 1 - Office of the Municipal Manager		28 709	28 884	-	-	-	-	-	-	28 884	30 537	32 720
Vote 2 - Corporate Services		73 920	68 131	-	-	-	-	-	-	68 131	77 518	81 749
Vote 3 - Corporate Services		46 805	50 054	-	-	-	-	100	100	50 154	48 168	51 361
Vote 4 - Corporate Services		96 483	92 777	-	-	-	-	-	-	92 777	102 735	109 789
Vote 5 - Community Services		72 559	75 562	-	-	-	-	-	-	75 562	77 566	82 777
Vote 6 - Community Services		297 362	301 973	-	-	-	-	7 773	7 773	309 747	322 019	344 214
Vote 7 - Community Services		980	1 568	-	-	-	-	-	-	1 568	1 031	1 091
Vote 8 - Civil Engineering Services		722 310	778 626	-	-	-	-	130	130	778 756	783 539	843 739
Vote 9 - Civil Engineering Services		489 692	570 016	-	-	-	-	-	-	570 016	496 596	518 863
Vote 10 - Electrotechnical Services		926 511	896 935	-	-	-	-	-	-	896 935	1 035 153	1 165 767
Vote 11 - Financial Services		123 198	127 201	-	-	-	-	142	142	127 343	131 206	140 665
Vote 12 - Financial Services		56 965	56 651	-	-	-	-	-	-	56 651	60 533	64 929
Vote 13 - Human Settlements, Planning and Development		119 565	118 821	-	-	-	-	-	-	118 821	189 258	155 529
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	3 065 058	3 167 201	-	-	-	-	8 145	8 145	3 175 346	3 355 893	3 573 191
Surplus/ (Deficit) for the year	2	514 893	1 378 226	-	-	-	-	(8 145)	(8 145)	1 370 081	402 857	(79 772)

Table 4 – B4: Financial Performance (revenue and expenditure)

George Local Municipality - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 22/05/2024

Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Net. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue												
Exchange Revenue												
Service charges - Biodiversity	2	916 429	903 644	-	-	-	-	-	-	903 644	1032 615	1215 624
Service charges - Water	2	216 058	227 636	-	-	-	-	-	-	227 636	239 864	263 850
Service charges - Water User Management	2	163 183	161 680	-	-	-	-	-	-	161 680	176 349	188 775
Service charges - Water Management	2	156 470	153 180	-	-	-	-	-	-	153 180	167 497	177 603
Sale of Goods and Rendering of Services		119 028	94 142	-	-	-	-	-	-	94 142	129 680	145 325
Agency services		19 734	19 734	-	-	-	-	-	-	19 734	20 918	22 173
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		11 734	20 998	-	-	-	-	-	-	20 998	12 428	13 173
Interest earned from Current and Non Current Assets		42 415	57 415	-	-	-	-	-	-	57 415	43 687	44 998
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		5 231	5 071	-	-	-	-	-	-	5 071	5 545	5 878
Licence and permits		677	743	-	-	-	-	-	-	743	717	760
Operational Revenue		44 874	57 319	-	-	-	-	-	-	57 319	47 567	50 421
Non-Exchange Revenue												
Property rates		441 578	441 877	-	-	-	-	-	-	441 877	472 488	500 038
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		89 083	90 083	-	-	-	-	-	-	90 083	94 427	100 079
Licences or permits		4 161	4 161	-	-	-	-	-	-	4 161	4 411	4 677
Transfers and subsidies - Operational		635 102	731 260	-	-	-	-	-	-	731 260	706 654	678 085
Interest		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		17 670	22 725	-	-	-	-	-	-	22 725	19 293	21 146
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		237 810	237 810	-	-	-	-	-	-	237 810	244 945	252 293
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		3 117 837	3 229 481							3 229 481	3 419 226	3 635 709
Expenditure By Type												
Employee related costs		706 327	701 543	-	-	-	-	1772	1772	703 315	739 385	779 486
Remuneration of councillors		30 588	29 923	-	-	-	-	-	-	29 923	32 709	34 985
Bulk purchases - electricity		707 250	696 200	-	-	-	-	-	-	696 200	796 990	910 337
Inventory consumed		321 454	333 463	-	-	-	-	19	19	333 476	343 862	371 320
Debt impairment		95 146	55 514	-	-	-	-	-	-	55 514	99 903	104 886
Depreciation and amortisation		187 804	187 494	-	-	-	-	-	-	187 494	206 584	227 242
Interest		40 388	40 388	-	-	-	-	-	-	40 388	63 409	68 482
Contracted services		694 978	794 532	-	-	-	-	100	100	794 632	771 656	750 599
Transfers and subsidies		40 658	83 066	-	-	-	-	-	-	83 066	35 329	35 356
Irrecoverable debts written off		8772	48 404	-	-	-	-	-	-	48 404	11 290	15 190
Operational costs		181 933	148 843	-	-	-	-	6 250	6 250	155 093	203 616	219 464
Losses on disposal of Assets		750	750	-	-	-	-	-	-	750	803	867
Other losses		47 030	47 030	-	-	-	-	-	-	47 030	50 322	54 348
Total Expenditure		3 065 053	3 167 211					8 135	8 135	3 175 346	3 355 553	3 575 194
Surplus/(Deficit)		52 779	62 270					(8135)	(8135)	54 135	63 353	112 515
Transfers and subsidies - capital (money allocations)												
		462 094	1 315 946	-	-	-	-	-	-	1 315 946	339 488	67 257
Transfers and subsidies - capital (in-kind)												
Surplus/(Deficit) after capital transfers B		54 673	1 378 216	-	-	-	-	(8135)	(8135)	1 370 811	402 857	179 772
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		54 673	1 378 216	-	-	-	-	(8135)	(8135)	1 370 811	402 857	179 772
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		54 673	1 378 216	-	-	-	-	(8135)	(8135)	1 370 811	402 857	179 772
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Inter-company/Parent/subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		54 673	1 378 216					(8135)	(8135)	1 370 811	402 857	179 772

Table 5 – B5: Capital Expenditure Budget by vote and funding

George Local Municipality - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2023/2024

Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Rel. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	void.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
	A	A1	B	C	D	E	F	G	H	I	J	
R thousands												
Capital expenditure -Vote												
Multi-year expenditure to be adjusted												
Vote 1 - Office of the Municipal Manager	2	6	53	-	-	-	-	-	-	53	25	78
Vote 2 - Corporate Services		4 500	4 111	-	-	-	-	-	-	4 111	3 230	1 881
Vote 3 - Corporate Services		25	210	-	-	-	-	-	-	210	500	500
Vote 4 - Corporate Services		510	240	-	-	-	-	-	-	240	70	-
Vote 5 - Community Services		4 300	11 000	-	-	-	-	-	-	11 000	16 300	4 000
Vote 6 - Community Services		30 000	11 000	-	-	-	-	-	-	11 000	11 000	13 000
Vote 7 - Community Services		-	-	-	-	-	-	-	-	-	1 000	200
Vote 8 - Civil Engineering Services		211 515	13 000	-	-	-	-	-	-	13 000	10 100	23 400
Vote 9 - Civil Engineering Services		40	40	-	-	-	-	-	-	40	-	-
Vote 10 - Electrotechnical Services		141 500	100 500	-	-	-	-	-	-	100 500	2 000 000	100 000
Vote 11 - Financial Services		110	100	-	-	-	-	-	-	100	50	200
Vote 12 - Financial Services		125	100	-	-	-	-	-	-	100	2 000	2 000
Vote 13 - Human Settlements, Planning and Development and Property Management		24 000	25 555	-	-	-	-	-	-	25 555	30 500	4 100
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	481 885	1 628 900							1 628 900	778 780	378 318
Single-year expenditure to be adjusted												
Vote 1 - Office of the Municipal Manager	2	5	41	-	-	-	-	-	-	41	5	5
Vote 2 - Corporate Services		1 000	4 315	-	-	-	-	-	-	4 315	1 000	1 000
Vote 3 - Corporate Services		400	500	-	-	-	-	-	-	500	300	-
Vote 4 - Corporate Services		900	500	-	-	-	-	-	-	500	400	-
Vote 5 - Community Services		20 000	10 000	-	-	-	-	-	-	10 000	2 111	3 000
Vote 6 - Community Services		2 150	33 000	-	-	-	-	-	-	33 000	20 000	11 100
Vote 7 - Community Services		600	600	-	-	-	-	-	-	600	500	500
Vote 8 - Civil Engineering Services		350 000	135 500	-	-	-	-	-	-	135 500	51 000	46 115
Vote 9 - Civil Engineering Services		5 000	300	-	-	-	-	-	-	300	20	-
Vote 10 - Electrotechnical Services		10 000	3 000	-	-	-	-	-	-	3 000	2 000	4 000
Vote 11 - Financial Services		10	315	-	-	-	-	-	-	315	100	115
Vote 12 - Financial Services		0	0	-	-	-	-	-	-	0	0	0
Vote 13 - Human Settlements, Planning and Development and Property Management		3 000	150	-	-	-	-	-	-	150	100	0
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	641 007	1 882 570							1 882 570	1 043 818	708 800
Total Capital Expenditure - Vote		1 023 043	1 728 728							1 728 728	334 698	463 288
Capital Expenditure - Functional												
Bovenance and administration		10 310	2 128	-	-	-	-	-	-	2 128	4 300	6 250
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		10 250	4 82	-	-	-	-	-	-	4 82	4 200	5 200
Internal audit		60	53	-	-	-	-	-	-	53	60	70
Community and public safety		70 885	76 000	-	-	-	-	-	-	76 000	63 880	41 200
Community and social services		15 000	14 000	-	-	-	-	-	-	14 000	6 000	3 500
Sport and recreation		20 000	10 000	-	-	-	-	-	-	10 000	11 000	5 500
Public safety		34 000	35 000	-	-	-	-	-	-	35 000	10 000	23 250
Housing		1 000	4 355	-	-	-	-	-	-	4 355	1 100	4 510
Health		1215	1310	-	-	-	-	-	-	1 310	2 100	300
Economic and environmental services		120 000	7 30 878	-	-	-	-	-	-	7 30 878	1 04 200	61 100
Planning and development		20 000	22 000	-	-	-	-	-	-	22 000	30 000	1 000
Road transport		30 000	1 11 000	-	-	-	-	-	-	1 11 000	14 000	6 000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Travelling services		212 417	808 284	-	-	-	-	-	-	808 284	720 882	301 444
Energy services		250 000	100 100	-	-	-	-	-	-	100 100	224 000	113 000
Waste management		300 000	400 000	-	-	-	-	-	-	400 000	240 000	0 000
Waste water management		15 000	220 500	-	-	-	-	-	-	220 500	20 000	0 1 510
Waste management		10 000	10 000	-	-	-	-	-	-	10 000	10 000	0 000
Other		0	235	-	-	-	-	-	-	235	1 000	235
Total Capital Expenditure - Functional	3	1 023 043	1 728 728							1 728 728	334 698	463 288
Funded by:												
National Government		301 510	1 101 550	-	-	-	-	-	-	1 101 550	201 500	50 000
Provincial Government		-	10 000	-	-	-	-	-	-	10 000	-	-
District/municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial/Departmental Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		300 000	1 210 000	-	-	-	-	-	-	1 210 000	200 000	60 000
Borrowing		310 000	2 500 000	-	-	-	-	-	-	2 500 000	310 000	2 140 000
Internally generated funds		200 000	220 500	-	-	-	-	-	-	220 500	220 500	100 000
Total Capital Funding		1 023 043	1 728 728							1 728 728	334 698	463 288

Table 6 – B6: Statement of Financial Position

George Local Municipality - Table B6 Adjustments Budget Financial Position - 2023/2024

Description	Ref	Budget Year 2023/24									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Sub-year capital	Unfore. Unavoid.	Rel. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	B	C	D	E	F	G	H	I	J	
R. thousands												
ASSETS												
Current assets												
Cash and cash equivalents		483 532	23 199	-	-	-	-	-	-	23 199	5 16 464	4 16 161
Trade and other receivables from exchange trans	1	46 966	42 482	-	-	-	-	-	-	42 482	(23 26)	(8 192)
Receivables from non-exchange transactions	1	54 451	39 482	-	-	-	-	-	-	39 482	14 161	36 966
Current portion of non-current receivables		1 131	1 131	-	-	-	-	-	-	1 131	1 628	19 8
Inventory		22 451	19 642	-	-	-	-	(8)	(8)	19 629	1 1 465	33 464
VAT		34 644	34 644	-	-	-	-	-	-	34 644	34 644	34 644
Other current assets		(1 134)	(6 242)	-	-	-	-	-	-	(6 242)	(6 561)	(7 484)
Total current assets		741 260	484 742	-	-	-	-	(8)	(8)	484 722	718 477	860 411
Non-current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		149 348	149 348	-	-	-	-	-	-	149 348	149 578	149 131
Property, plant and equipment		4 244 666	4 244 666	-	-	-	-	-	-	4 244 666	4 244 666	5 244 312
Biological assets		(0)	(0)	-	-	-	-	-	-	(0)	(0)	(0)
Living and non-living resources	1	-	-	-	-	-	-	-	-	-	-	-
Heritage assets		4 234	4 234	-	-	-	-	-	-	4 234	4 234	4 234
Intangible assets		1 669	1 669	-	-	-	-	-	-	1 669	4 4 34	4 1 34
Trade and other receivables from exchange trans		58 261	58 261	-	-	-	-	-	-	58 261	58 261	58 261
Non-current receivables from non-exchange trans		65	65	-	-	-	-	-	-	65	65	65
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non-current assets		4 328 127	4 328 124	-	-	-	-	-	-	4 328 124	4 328 328	4 328 128
TOTAL ASSETS		1 069 387	912 866	-	-	-	-	(8)	(8)	912 846	1 046 805	1 188 539
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		41 164	41 164	-	-	-	-	-	-	41 164	1 1 8	12 446
Consumer deposits		4 144	4 144	-	-	-	-	-	-	4 144	4 144	4 144
Trade and other payables from exchange trans		2 6 434	2 6 329	-	-	-	1 666	1 666	22 6 699	22 1 678	22 3 322	
Trade and other payables from non-exchange trans		45 344	(3 8 662)	-	-	-	-	-	(3 8 662)	41 328	14 261	
Provisions		83 342	83 342	-	-	-	-	-	-	83 342	83 342	83 342
VAT		(28 476)	(28 476)	-	-	-	-	-	-	(28 476)	(28 476)	(28 476)
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		127 000	126 428	-	-	-	1 666	1 666	181 222	182 287	144 497	
Non-current liabilities												
Financial liabilities	1	149 666	149 666	-	-	-	-	-	-	149 666	1 49 575	1 335 346
Provisions	1	242 648	242 648	-	-	-	-	-	-	242 648	2 4 548	23 1 553
Long-term non-current payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities		392 314	392 314	-	-	-	-	-	-	392 314	1 200 113	1 366 899
TOTAL LIABILITIES		519 314	518 742	-	-	-	1 666	1 666	1 81 222	574 601	324 610	511 396
NET ASSETS		550 073	394 124	-	-	-	(7 874)	(7 874)	4 448 322	472 244	724 149	
COMMITMENT/WEALTH EQUITY												
Accumulated Surplus/(Deficit)		3 482 661	4 335 466	-	-	-	-	(6 85)	(6 85)	4 321 395	3 144 264	3 144 264
Fund and Reserves		2 1 551	2 1 551	-	-	-	-	-	-	2 1 551	2 1 551	2 1 551
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMITMENT/WEALTH EQUITY		5 664 212	6 466 917	-	-	-	(6 138)	(6 138)	4 448 322	5 328 341	5 288 815	

Table 76 – B7: Cashflow Statement

George Local Municipality - Table B7 Adjustments Budget Cash Flows - 22/05/2024

Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Net. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		422 503	424 233	-	-	-	-	-	-	424 233	453 760	480 955
Service charges		1 465 211	1 465 400	-	-	-	-	-	-	1 465 400	1 693 967	1 964 514
Other revenue		187 078	194 473	-	-	-	-	-	-	184 473	230 025	251 747
Transfers and Subsidies - Operational	1	630 119	703 657	-	-	-	-	-	-	703 657	703 993	675 028
Transfers and Subsidies - Capital	1	489 142	936 623	-	-	-	-	-	-	936 623	332 626	60 145
Interest		42 740	57 740	-	-	-	-	-	-	57 740	44 032	45 364
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(2 483 403)	(2 601 607)	-	-	-	-	-	-	(2 601 607)	(2 707 531)	(2 867 971)
Finance charges		(36 627)	(36 627)	-	-	-	-	-	-	(36 627)	(63 409)	(68 882)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM(USED) OPERATING ACTIVITIES		655 953	1 143 653	-	-	-	-	-	-	1 143 653	687 403	541 300
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	4 800	-	-	-	-	-	-	4 800	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(1 023 043)	(1 728 729)	-	-	-	-	-	-	(1 728 729)	(884 599)	(453 299)
NET CASH FROM(USED) INVESTING ACTIVITIES		(1 023 043)	(1 723 929)	-	-	-	-	-	-	(1 723 929)	(884 599)	(453 299)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short-term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long-term financing		266 204	266 204	-	-	-	-	-	-	266 204	392 635	344 645
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing		(46 598)	(46 598)	-	-	-	-	-	-	(46 598)	-	-
NET CASH FROM(USED) FINANCING ACTIVITIES		219 606	219 606	-	-	-	-	-	-	219 606	392 635	344 645
NET INC REASE/ (DECREASE) IN CASH HELD		(116 873)	(360 680)	-	-	-	-	-	-	(360 680)	194 999	432 647
Cash/cash equivalents at the year begin:	2	592 533	592 533	-	-	-	-	-	-	592 533	372 319	517 767
Cash/cash equivalents at the year end:	2	475 659	231 903	-	-	-	-	-	-	231 903	567 258	950 414

Municipal Manager's Quality Certificate

I, **DR MICHELE GRATZ**, the Municipal Manager of George Municipality hereby certify that the adjustments budget and supporting documentation for the 2023/24 Financial Year have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print Name **DR MICHELE GRATZ**

Municipal Manager of **GEORGE WC044**

Signature 

Date 22/05/2024