MANGAUNG
METRO MUNICIPALITY
METRO MUNISIPALITEIT
LEKGOTLA LA MOTSE

DIRECTORATE
FINANCE

28 February 2017
Ref 5/2

**The Speaker of Council**
**Mangaung Metropolitan Municipality**

***ERRATUM TO THE ADJUSTMENT BUDGET FOR 2016/17***

Attached hereto is the addendum to the Adjustment Budget 2016/17.

The accompanying documents, serves to correct errors on the Adjustment Budget write-up document..

Replacement of the following pages on the Adjustment Budget pack, 2016/17 is as follows:

- Page 05 Table B1 - Consolidated Adjustment Budget Summary
- Page 15 Table B6 - Consolidated Adjustment Budget Financial Position
- Page 17 Table B8 - Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation
- Page 27 Supporting Table SB2 - Consolidated Supporting Detail to "Financial Position"
- Page 42 Supporting Table SB9 - Consolidated Adjustment Budget - Reconciliation of transfers

I trust that you will find the above in order.

Yours Truly

**E M Mohlahlo**
**Chief Financial Officer**

28/02/2017
**Date**

PO Box 288, Bloemfontein 9300. Room 214, 2nd floor, Bram Fischer Building, Cnr Nelson Mandela & Markgraaff Street
Tel: +27 51 405 8625. Fax: +27 51 405 8787 E-Mail: ernest.mohlahlo@mangaung.co.za Website: www.mangaung.co.za

## Table B1 - Consolidated Adjustment Budget Summary

Table B1 is a budget summary and provides a concise overview of the City's budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow and MFMA funding compliance). It provides a summary of the Adjustment Budget and tracks the changes made by source from the original Budget to the Adjustment Budget (H).

**MAN Mangaung - Table B1 Consolidated Adjustments Budget Summary - 28/02/2017**

| Description | Budget Year 2016/17 | | | | | | | | | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Original Budget | Prior Adjusted 1 | Accum. Funds 2 | Multi-year capital 3 | Unfore. Unavoid. 4 | Nat. or Prov. Govt 5 | Other Adjusts. 6 | Total Adjusts. 7 | Adjusted Budget 8 | Adjusted Budget | Adjusted Budget |
| R thousands | A | A1 | B | C | D | E | F | G | H | | |
| **Financial Performance** | | | | | | | | | | | |
| Property rates | 1 009 752 | – | – | – | – | – | 15 720 | 15 720 | 1 025 471 | 1 069 072 | 1 141 101 |
| Service charges | 3 527 933 | – | – | – | – | – | (14 039) | (14 039) | 3 513 895 | 3 693 555 | 3 871 138 |
| Investment revenue | 66 124 | – | – | – | – | – | – | – | 66 124 | 70 643 | 75 549 |
| Transfers recognised - operational | 1 212 507 | – | – | – | – | (8 788) | – | (8 788) | 1 203 719 | 1 151 996 | 1 239 218 |
| Other own revenue | 825 311 | – | – | – | – | – | – | – | 825 311 | 883 746 | 939 966 |
| **Total Revenue (excluding capital transfers and contributions)** | **6 641 627** | **–** | **–** | **–** | **–** | **(8 788)** | **1 681** | **(7 107)** | **6 634 519** | **6 869 012** | **7 266 972** |
| Employee costs | 1 780 160 | – | – | – | – | – | (32 157) | (32 157) | 1 748 003 | 1 895 603 | 2 022 236 |
| Remuneration of councillors | 57 580 | – | – | – | – | – | (2 038) | (2 038) | 55 542 | 60 326 | 63 358 |
| Depreciation & asset impairment | 621 797 | – | – | – | – | – | – | – | 621 797 | 655 791 | 688 011 |
| Finance charges | 169 410 | – | – | – | – | – | – | – | 169 410 | 177 490 | 185 543 |
| Materials and bulk purchases | 1 971 753 | – | – | – | – | – | (7 675) | (7 675) | 1 964 078 | 2 072 974 | 2 179 547 |
| Transfers and grants | 32 446 | – | – | – | – | – | (900) | (900) | 31 546 | 42 299 | 47 740 |
| Other expenditure | 1 965 323 | – | – | – | – | – | 19 390 | 19 390 | 1 984 713 | 1 957 472 | 2 032 859 |
| ***Total Expenditure*** | **6 598 468** | **–** | **–** | **–** | **–** | **–** | **(23 381)** | **(23 381)** | **6 575 087** | **6 861 955** | **7 219 294** |
| **Surplus/(Deficit)** | 43 158 | – | – | – | – | (8 788) | 25 062 | 16 274 | 59 432 | 7 057 | 47 678 |
| Transfers recognised - capital | 919 386 | – | – | – | – | (7 107) | – | (7 107) | 912 279 | 989 628 | 1 024 489 |
| Contributions recognised - capital & contributed assets | 31 142 | – | – | – | – | – | – | – | 31 142 | 24 534 | 26 010 |
| **Surplus/(Deficit) after capital transfers & contributions** | **993 686** | **–** | **–** | **–** | **–** | **(15 895)** | **25 062** | **9 167** | **1 002 853** | **1 021 219** | **1 098 178** |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/ (Deficit) for the year** | **993 686** | **–** | **–** | **–** | **–** | **(15 895)** | **25 062** | **9 167** | **1 002 853** | **1 021 219** | **1 098 178** |
| **Capital expenditure & funds sources** | | | | | | | | | | | |
| **Capital expenditure** | 1 806 094 | – | – | – | – | (160 957) | 450 | (160 508) | 1 645 587 | 1 594 693 | 1 605 043 |
| Transfers recognised - capital | 919 386 | – | – | – | – | (7 107) | – | (7 107) | 912 279 | 989 627 | 1 024 489 |
| Public contributions & donations | 30 744 | – | – | – | – | – | – | – | 30 744 | 24 109 | 25 556 |
| Borrowing | 579 849 | – | – | – | – | (114 781) | – | (114 781) | 465 068 | 300 000 | 263 750 |
| Internally generated funds | 276 115 | – | – | – | – | – | (2 303) | (2 303) | 273 811 | 280 957 | 291 249 |
| **Total sources of capital funds** | **1 806 094** | **–** | **–** | **–** | **–** | **(121 888)** | **(2 303)** | **(124 191)** | **1 681 903** | **1 594 693** | **1 605 043** |
| **Financial position** | | | | | | | | | | | |
| Total current assets | 2 803 441 | – | – | – | – | – | 1 124 905 | 1 124 905 | 3 928 346 | 3 118 073 | 3 099 904 |
| Total non current assets | 16 621 522 | – | – | – | – | – | 1 576 302 | 1 576 302 | 18 197 824 | 18 227 428 | 19 846 035 |
| Total current liabilities | 2 519 078 | – | – | – | – | – | 1 115 415 | 1 115 415 | 3 634 494 | 2 566 991 | 2 650 024 |
| Total non current liabilities | 2 265 421 | – | – | – | – | – | 646 130 | 646 130 | 2 911 550 | 2 496 415 | 2 690 312 |
| **Community wealth/Equity** | **14 640 464** | **–** | **–** | **–** | **–** | **–** | **939 662** | **939 662** | **15 580 126** | **16 282 095** | **17 605 604** |
| **Cash flows** | | | | | | | | | | | |
| Net cash from (used) operating | 1 496 071 | – | – | – | – | – | (454 546) | (454 546) | 1 041 525 | 1 186 801 | 1 387 184 |
| Net cash from (used) investing | (1 626 974) | – | – | – | – | – | 356 993 | 356 993 | (1 269 981) | (1 415 472) | (1 420 072) |
| Net cash from (used) financing | 433 507 | – | – | – | – | – | (39 286) | (39 286) | 394 221 | 181 668 | 192 735 |
| **Cash/cash equivalents at the year end** | **780 214** | **–** | **–** | **–** | **–** | **–** | **(288 770)** | **(288 770)** | **491 445** | **733 211** | **893 058** |
| **Cash backing/surplus reconciliation** | | | | | | | | | | | |
| Cash and investments available | 780 238 | – | – | – | – | – | (288 793) | (288 793) | 491 445 | 733 236 | 893 084 |
| Application of cash and investments | 728 763 | – | – | – | – | – | (290 757) | (290 757) | 438 006 | 717 344 | 806 248 |
| **Balance - surplus (shortfall)** | **51 475** | **–** | **–** | **–** | **–** | **–** | **1 964** | **1 964** | **53 439** | **15 892** | **86 837** |
| **Asset Management** | | | | | | | | | | | |
| Asset register summary (WDV) | 16 276 217 | – | – | – | – | – | 1 177 572 | 1 177 572 | 17 453 789 | 17 873 383 | 19 483 624 |
| Depreciation & asset impairment | 621 797 | – | – | – | – | – | – | – | 621 797 | 655 791 | 688 011 |
| Renewal of Existing Assets | 476 317 | – | – | – | – | – | (33 009) | (33 009) | 443 307 | 353 752 | 433 179 |
| Repairs and Maintenance | 373 983 | – | – | – | – | – | – | – | 373 983 | 390 970 | 411 783 |
| **Free services** | | | | | | | | | | | |
| Cost of Free Basic Services provided | 247 020 | – | – | – | – | – | – | – | 247 020 | 265 157 | 285 368 |
| Revenue cost of free services provided | 163 228 | – | – | – | – | – | – | – | 163 228 | 172 769 | 184 401 |
| **Households below minimum service level** | | | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | 7 | – | – | – | – | – | – | – | 7 | 7 | 7 |
| Energy: | 0 | – | – | – | – | – | – | – | 0 | 0 | 0 |
| Refuse: | – | – | – | – | – | – | – | – | – | – | – |

## Table B6 - Consolidated Adjustment Budget Financial Position.

Table B6 is consistent with international standards of good financial management practice and improves understanding of the councillors and management of the impact of the budget on the statement of financial position (balance sheet). This format of presenting the statement of financial position is aligned to GRAP 1, which is generally aligned to the international version which presents Assets fewer liabilities as 'accounting' Community Wealth. The order of items which each group illustrates items is order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

**MAN Mangaung - Table B6 Consolidated Adjustments Budget Financial Position - 28/02/2017**

| Description | Ref | Budget Year 2016/17 | | | | | | | | | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Original Budget | Prior Adjusted 3 | Accum. Funds 4 | Multi-year capital 5 | Unfore. Unavoid. 6 | Nat. or Prov. Govt 7 | Other Adjusts. 8 | Total Adjusts. 9 | Adjusted Budget 10 | Adjusted Budget | Adjusted Budget |
| R thousands | | A | A1 | B | C | D | E | F | G | H | | |
| **ASSETS** | | | | | | | | | | | | |
| **Current assets** | | | | | | | | | | | | |
| Cash | | 62 226 | | | | | | 108 997 | 108 997 | 171 224 | 50 228 | 49 418 |
| Call investment deposits | 1 | 717 988 | – | – | – | – | – | (397 767) | (397 767) | 320 221 | 682 983 | 843 640 |
| Consumer debtors | 1 | 1 535 229 | – | – | – | – | – | 865 580 | 865 580 | 2 400 810 | 1 646 648 | 1 614 054 |
| Other debtors | | 148 803 | | | | | | 21 122 | 21 122 | 169 925 | 155 081 | 159 745 |
| Current portion of long-term receivables | | 15 396 | | | | | | 69 216 | 69 216 | 84 612 | 16 077 | 16 630 |
| Inventory | | 323 798 | | | | | | 457 756 | 457 756 | 781 554 | 567 056 | 416 416 |
| **Total current assets** | | **2 803 441** | **–** | **–** | **–** | **–** | **–** | **1 124 905** | **1 124 905** | **3 928 346** | **3 118 073** | **3 099 904** |
| **Non current assets** | | | | | | | | | | | | |
| Long-term receivables | | 5 497 | | | | | | 149 555 | 149 555 | 155 051 | 5 744 | 5 928 |
| Investments | | 24 | | | | | | (24) | (24) | – | 25 | 26 |
| Investment property | | 304 868 | | | | | | 1 192 639 | 1 192 639 | 1 497 507 | 381 968 | 398 968 |
| Investment in Associate | | – | | | | | | – | – | – | – | – |
| Property, plant and equipment | 1 | 15 841 564 | – | – | – | – | – | (570 812) | (570 812) | 15 270 751 | 17 358 156 | 18 945 199 |
| Agricultural | | – | | | | | | | – | – | – | – |
| Biological | | – | | | | | | | – | – | – | – |
| Intangible | | 129 785 | | | | | | (15 067) | (15 067) | 114 719 | 133 259 | 139 456 |
| Other non-current assets | | 339 784 | | | | | | 820 011 | 820 011 | 1 159 795 | 348 276 | 356 458 |
| **Total non current assets** | | **16 621 522** | **–** | **–** | **–** | **–** | **–** | **1 576 302** | **1 576 302** | **18 197 824** | **18 227 428** | **19 846 035** |
| **TOTAL ASSETS** | | **19 424 963** | **–** | **–** | **–** | **–** | **–** | **2 701 207** | **2 701 207** | **22 126 169** | **21 345 501** | **22 945 940** |
| **LIABILITIES** | | | | | | | | | | | | |
| **Current liabilities** | | | | | | | | | | | | |
| Bank overdraft | | | | | | | | – | – | – | | |
| Borrowing | | 110 530 | – | – | – | – | – | 65 619 | 65 619 | 176 149 | 101 354 | 109 634 |
| Consumer deposits | | 111 751 | | | | | | 57 112 | 57 112 | 168 863 | 117 833 | 124 165 |
| Trade and other payables | | 2 050 099 | – | – | – | – | – | 896 338 | 896 338 | 2 946 437 | 2 133 622 | 2 198 296 |
| Provisions | | 246 699 | | | | | | 96 346 | 96 346 | 343 045 | 214 182 | 217 930 |
| **Total current liabilities** | | **2 519 078** | **–** | **–** | **–** | **–** | **–** | **1 115 415** | **1 115 415** | **3 634 494** | **2 566 991** | **2 650 024** |
| **Non current liabilities** | | | | | | | | | | | | |
| Borrowing | 1 | 1 086 620 | – | – | – | – | – | 522 539 | 522 539 | 1 609 158 | 1 271 114 | 1 407 010 |
| Provisions | 1 | 1 178 801 | – | – | – | – | – | 123 591 | 123 591 | 1 302 392 | 1 225 301 | 1 283 302 |
| **Total non current liabilities** | | **2 265 421** | **–** | **–** | **–** | **–** | **–** | **646 130** | **646 130** | **2 911 550** | **2 496 415** | **2 690 312** |
| **TOTAL LIABILITIES** | | **4 784 499** | **–** | **–** | **–** | **–** | **–** | **1 761 545** | **1 761 545** | **6 546 044** | **5 063 406** | **5 340 336** |
| **NET ASSETS** | 2 | **14 640 464** | **–** | **–** | **–** | **–** | **–** | **939 661 839** | **939 662** | **15 580 126** | **16 282 095** | **17 605 604** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 13 638 141 | – | – | – | – | – | (960 454) | (960 454) | 12 677 687 | 15 244 033 | 16 690 978 |
| Reserves | | 1 002 323 | – | – | – | – | – | 1 900 116 | 1 900 116 | 2 902 438 | 1 038 063 | 914 626 |
| Minorities' interests | | | | | | | | | – | – | | |
| **TOTAL COMMUNITY WEALTH/EQUITY** | | **14 640 464** | **–** | **–** | **–** | **–** | **–** | **939 661 839** | **939 662** | **15 580 126** | **16 282 095** | **17 605 604** |

## Table B8 - Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation.

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of the MFMA Circular 42 - Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at the year end and secondly reconciling the available funding to the liabilities/commitments that exist. 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.

**MAN Mangaung - Table B8 Consolidated Cash backed reserves/accumulated surplus reconciliation - 28/02/2017**

| Description | Ref | Budget Year 2016/17 | | | | | | | | | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Original Budget | Prior Adjusted 3 | Accum. Funds 4 | Multi-year capital 5 | Unfore. Unavoid. 6 | Nat. or Prov. Govt 7 | Other Adjusts. 8 | Total Adjusts. 9 | Adjusted Budget 10 | Adjusted Budget | Adjusted Budget |
| **R thousands** | | A | A1 | B | C | D | E | F | G | H | | |
| **Cash and investments available** | | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 780 214 | – | – | – | – | – | (288 770) | (288 770) | 491 445 | 733 211 | 893 058 |
| Other current investments > 90 days | | 0 | – | – | – | – | – | (0) | (0) | (0) | (0) | 0 |
| Non current assets - Investments | 1 | 24 | – | – | – | – | – | (24) | (24) | – | 25 | 26 |
| **Cash and investments available:** | | **780 238** | **–** | **–** | **–** | **–** | **–** | **(288 793)** | **(288 793)** | **491 445** | **733 236** | **893 084** |
| **Applications of cash and investments** | | | | | | | | | | | | |
| Unspent conditional transfers | | 182 000 | – | – | – | – | – | (43 000) | (43 000) | 139 000 | 155 000 | 123 000 |
| Unspent borrowing | | | | | | | | | – | – | | |
| Statutory requirements | | | | | | | | | – | – | | |
| Other working capital requirements | 2 | 470 563 | – | | | | | (247 757) | (247 757) | 222 806 | 485 744 | 606 148 |
| Other provisions | | | | | | | | | – | – | | |
| Long term investments commited | | – | – | | | | | – | – | – | – | – |
| Reserves to be backed by cash/investments | | 76 200 | – | | | | | – | – | 76 200 | 76 600 | 77 100 |
| **Total Application of cash and investments:** | | **728 763** | **–** | **–** | **–** | **–** | **–** | **(290 757)** | **(290 757)** | **438 006** | **717 344** | **806 248** |
| **Surplus(shortfall)** | | **51 475** | **–** | **–** | **–** | **–** | **–** | **1 964** | **1 964** | **53 439** | **15 892** | **86 837** |

## Supporting Table SB2 - Consolidated Supporting detail to “Financial Position Budget”

The table below provides to the reader of Table B6 more information as to the composition of the major categories of the items disclosed on the Budgeted Financial Position of the municipality, for ease of comparison.

**MAN Mangaung - Supporting Table SB2 Consolidated Supporting detail to 'Financial Position Budget' - 28/02/2017**

| Description | Ref | Budget Year 2016/17 | | | | | | | | | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Original Budget<br>A | Prior Adjusted<br>4<br>A1 | Accum. Funds<br>5<br>B | Multi-year capital<br>6<br>C | Unfore. Unavoid.<br>7<br>D | Nat. or Prov. Govt<br>8<br>E | Other Adjusts.<br>9<br>F | Total Adjusts.<br>10<br>G | Adjusted Budget<br>11<br>H | Adjusted Budget | Adjusted Budget |
| **ASSETS** | | | | | | | | | | | | |
| **Call investment deposits** | | | | | | | | | | | | |
| Call deposits < 90 days | | 717 988 | | | | | | (397 767) | (397 767) | 320 221 | 682 983 | 843 640 |
| Other current investments > 90 days | | | | | | | | | – | – | | |
| **Total Call investment deposits** | 1 | **717 988** | – | – | – | – | – | **(397 767)** | **(397 767)** | **320 221** | **682 983** | **843 640** |
| **Consumer debtors** | | | | | | | | | | | | |
| Consumer debtors | | 4 453 418 | | | | | | 1 347 116 | 1 347 116 | 5 800 534 | 4 917 307 | 5 253 086 |
| Less: provision for debt impairment | | 2 918 188 | – | – | – | – | – | 481 536 | 481 536 | 3 399 724 | 3 270 659 | 3 639 031 |
| **Total Consumer debtors** | 1 | **1 535 229** | – | – | – | – | – | **865 580** | **865 580** | **2 400 810** | **1 646 648** | **1 614 054** |
| **Debt impairment provision** | | | | | | | | | | | | |
| Balance at the beginning of the year | | 2 382 281 | | | | | | | – | 2 382 281 | 2 718 188 | 3 070 659 |
| Contributions to the provision | | 335 907 | | | | | | 35 600 | 35 600 | 371 507 | 352 470 | 368 373 |
| Bad debts written off | | | | | | | | | – | – | – | – |
| **Balance at end of year** | | **2 718 188** | – | – | – | – | – | **35 600** | **481 536** | **3 399 724** | **3 070 659** | **3 439 031** |
| **Property, plant & equipment** | | | | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | | 15 841 564 | | | | | | (570 812) | (570 812) | 15 270 751 | 17 358 156 | 18 945 199 |
| Leases recognised as PPE | 2 | | | | | | | | – | – | | |
| Less: Accumulated depreciation | | | | | | | | | – | – | | |
| **Total Property, plant & equipment** | 1 | **15 841 564** | – | – | – | – | – | **(570 812)** | **(570 812)** | **15 270 751** | **17 358 156** | **18 945 199** |
| **LIABILITIES** | | | | | | | | | | | | |
| **Current liabilities - Borrowing** | | | | | | | | | | | | |
| Short term loans (other than bank overdraft) | | | | | | | | | – | – | | |
| Current portion of long-term liabilities | | 110 530 | | | | | | 65 619 | 65 619 | 176 149 | 101 354 | 109 634 |
| **Total Current liabilities - Borrowing** | | **110 530** | – | – | – | – | – | **65 619** | **65 619** | **176 149** | **101 354** | **109 634** |
| **Trade and other payables** | | | | | | | | | | | | |
| Creditors | | 1 868 099 | | | | | | 939 338 | 939 338 | 2 807 437 | 1 978 622 | 2 075 296 |
| Unspent conditional grants and receipts | | 182 000 | | | | | | (43 000) | (43 000) | 139 000 | 155 000 | 123 000 |
| VAT | | | | | | | | | – | – | | |
| **Total Trade and other payables** | 1 | **2 050 099** | – | – | – | – | – | **896 338** | **896 338** | **2 946 437** | **2 133 622** | **2 198 296** |
| **Non current liabilities - Borrowing** | | | | | | | | | | | | |
| Borrowing | 3 | 1 086 620 | | | | | | 522 539 | 522 539 | 1 609 158 | 1 271 114 | 1 407 010 |
| Finance leases (including PPP asset element) | | | | | | | | | – | – | | |
| **Total Non current liabilities - Borrowing** | | **1 086 620** | – | – | – | – | – | **522 539** | **522 539** | **1 609 158** | **1 271 114** | **1 407 010** |
| **Provisions - non current** | | | | | | | | | | | | |
| Retirement benefits | | 677 768 | | | | | | 123 591 | 123 591 | 801 359 | 711 656 | 747 239 |
| *List other major items* | | | | | | | | | – | – | | |
| Refuse landfill site rehabilitation | | 249 576 | | | | | | | – | 249 576 | 262 055 | 275 158 |
| Other | | 251 457 | | | | | | | – | 251 457 | 251 590 | 260 905 |
| **Total Provisions - non current** | | **1 178 801** | – | – | – | – | – | **123 591** | **123 591** | **1 302 392** | **1 225 301** | **1 283 302** |
| **CHANGES IN NET ASSETS** | | | | | | | | | | | | |
| **Accumulated surplus/(Deficit)** | | | | | | | | | | | | |
| Accumulated surplus/(Deficit) - opening balance | | 12 644 455 | | | | | | (960 454) | (960 454) | 11 684 001 | 14 222 814 | 15 592 800 |
| Appropriations to Reserves | | | | | | | | | – | – | | |
| Transfers from Reserves | | | | | | | | | – | – | | |
| Depreciation offsets | | | | | | | | | – | – | | |
| Other adjustments | | 993 686 | | | | | | | – | 993 686 | 1 021 219 | 1 098 178 |
| **Accumulated Surplus/(Deficit)** | 1 | **13 638 141** | – | – | – | – | – | **(960 454)** | **(960 454)** | **12 677 687** | **15 244 033** | **16 690 978** |
| **Reserves** | | | | | | | | | | | | |
| Housing Development Fund | | | | | | | | | – | – | | |
| Capital replacement | | | | | | | | | – | – | | |
| Self-insurance | | 5 000 | | | | | | | – | 5 000 | 10 000 | 15 000 |
| Other reserves *(list)* | | 74 160 | | | | | | | – | 74 160 | 77 868 | 81 762 |
| Revaluation | | 923 162 | | | | | | 1 900 116 | 1 900 116 | 2 823 278 | 950 194 | 817 864 |
| **Total Reserves** | 2 | **1 002 323** | – | – | – | – | – | **1 900 116** | **1 900 116** | **2 902 438** | **1 038 063** | **914 626** |
| **TOTAL COMMUNITY WEALTH/EQUITY** | 2 | **14 640 464** | – | – | – | – | – | **939 662** | **939 662** | **15 580 126** | **16 282 095** | **17 605 604** |

**Total capital expenditure includes expenditure on nationally significant priorities:**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Provision of basic services | | | | | | | | | – | – | | |
| 2010 World Cup | | | | | | | | | – | – | | |
| | | | | | | | | | – | – | | |

Supporting Table SB9 - Consolidated Adjustments Budget – Reconciliation of transfers, Grants receipt and Unspent Funds.

The table below provides a summary reconciliation of transfers, grants receipts and unspent funds at the respective year ends.

**MAN Mangaung - Supporting Table SB9 Consolidated Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 28/02/2017**

| Description | Ref | Budget Year 2016/17 | | | | | | | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | | 2 | 3 | 4 | 5 | 6 | 7 | | |
| R thousands | | A | A1 | B | C | D | E | F | | |
| **Operating transfers and grants:** | | | | | | | | | | |
| **National Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | 22 000 | | | | (22 000) | (22 000) | – | – | – |
| Current year receipts | | 1 053 972 | | | | | – | 1 053 972 | 1 014 698 | 1 093 859 |
| **Conditions met - transferred to revenue** | | 1 075 972 | – | – | – | (22 000) | (22 000) | 1 053 972 | 1 014 698 | 1 093 859 |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **Provincial Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | – | – | | |
| Current year receipts | | 2 000 | | | | (1 500) | (1 500) | 500 | 2 000 | 2 000 |
| **Conditions met - transferred to revenue** | | 2 000 | – | – | – | (1 500) | (1 500) | 500 | 2 000 | 2 000 |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **District Municipality:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | – | – | | |
| Current year receipts | | | | | | | – | – | | |
| **Conditions met - transferred to revenue** | | – | – | – | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **Other grant providers:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | – | – | | |
| Current year receipts | | 4 696 | | | | (4 696) | (4 696) | – | 3 299 | 3 438 |
| **Conditions met - transferred to revenue** | | 4 696 | – | – | – | (4 696) | (4 696) | – | 3 299 | 3 438 |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **Total operating transfers and grants revenue** | | 1 082 668 | – | – | – | (28 196) | (28 196) | 1 054 472 | 1 019 997 | 1 099 297 |
| **Total operating transfers and grants - CTBM** | 2 | – | – | – | – | – | – | – | – | – |
| **Capital transfers and grants:** | | | | | | | | | | |
| **National Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | 38 036 | | | | 38 036 | 38 036 | 76 072 | 182 000 | 155 000 |
| Current year receipts | | 877 600 | | | | | – | 877 600 | 989 628 | 1 024 489 |
| **Conditions met - transferred to revenue** | | 733 636 | – | – | – | 81 036 | 81 036 | 814 672 | 1 016 628 | 1 056 489 |
| Conditions still to be met - transferred to liabilities | | 182 000 | | | | (43 000) | (43 000) | 139 000 | 155 000 | 123 000 |
| **Provincial Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | – | – | | |
| Current year receipts | | | | | | | – | – | | |
| **Conditions met - transferred to revenue** | | – | – | – | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **District Municipality:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | – | – | | |
| Current year receipts | | | | | | | – | – | | |
| **Conditions met - transferred to revenue** | | – | – | – | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **Other grant providers:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | 3 750 | | | (3 750) | | (3 750) | – | | |
| Current year receipts | | – | | | | | – | – | 500 | 500 |
| **Conditions met - transferred to revenue** | | 3 750 | – | – | (3 750) | – | (3 750) | – | 500 | 500 |
| Conditions still to be met - transferred to liabilities | | | | | | | – | – | | |
| **Total capital transfers and grants revenue** | | 737 386 | – | – | (3 750) | 81 036 | 77 286 | 814 672 | 1 017 128 | 1 056 989 |
| **Total capital transfers and grants - CTBM** | | 182 000 | – | – | – | (43 000) | (43 000) | 139 000 | 155 000 | 123 000 |
| **TOTAL TRANSFERS AND GRANTS REVENUE** | | 1 820 054 | – | – | (3 750) | 52 840 | 49 090 | 1 869 144 | 2 037 124 | 2 156 286 |
| **TOTAL TRANSFERS AND GRANTS - CTBM** | | 182 000 | – | – | – | (43 000) | (43 000) | 139 000 | 155 000 | 123 000 |