

**SEDIBENG DISTRICT MUNICIPALITY
BUDGET FUNDING RECONCILIATION**

Part 1 - Budgeting for Financial Performance

DESCRIPTION	REF	ACTUAL 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET AMOUNT 17/18	BUDGET AMOUNT 18/19
OPERATING REVENUE						
Service Charges	A	8,358,625	8,724,920	9,016,000	9,196,320	9,380,246
Rental of facilities and equipment	A	568,971	583,279	603,800	615,876	628,194
Interest earned - external investments	D	2,700,346	2,040,000	2,040,000	2,080,800	2,122,416
Licences and permits	B	56,875,639	63,573,413	73,801,268	75,277,293	76,782,839
Revenue from agency services	B	6,613,396	6,428,340	6,831,418	6,968,046	7,107,407
Government grants and subsidies - Operating	E	260,478,021	262,738,452	262,898,000	268,155,960	273,519,079
Government grants and subsidies - Capital	F	0	0	0	0	0
Other revenue	B	29,556,589	17,804,747	6,109,149	6,231,332	6,355,958
Total operating Revenue		365,151,588	361,893,151	361,299,635	368,525,627	375,896,140
OPERATING EXPENDITURE						
Employee/Councillor related cost		214,522,403	229,271,314	235,264,051	239,969,332	244,768,719
Bad or doubtful debts		94,454	0	0	0	0
Depreciation		28,583,637	23,848,600	25,168,452	25,671,821	26,185,257
Repair and maintenance		4,108,494	5,054,494	3,610,224	3,682,429	3,756,077
Finance charges		16,580	0	0	0	0
Contracted services		19,241,146	25,618,681	18,152,071	18,515,112	18,885,415
Grants and subsidies		9,907,635	5,708,246	0	0	0
Special projects		0	0	0	0	0
General expenses		94,692,603	85,870,506	79,026,313	80,606,839	82,218,976
Total operating Expenditure		371,166,953	375,371,841	361,221,112	368,445,534	375,814,444
Operating Surplus / (Deficit)		-6,015,365	-13,478,690	78,523	80,094	81,695
Special projects funded from reserves						
Government grants and subsidies - Capital expenditure		0	0	0	0	0
NETT Operating Surplus / (Deficit)		-6,015,365	-13,478,690	78,523	80,094	81,695

Part 2 - Budgeting for Cash Flow

DESCRIPTION	REF	ACTUAL 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET AMOUNT 17/18	BUDGET AMOUNT 18/19
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Cash received from operating revenue	A,B	101,973,221	97,114,699	96,361,635	98,288,867	100,254,645
Cash received from Government grants- Operating	E	260,478,021	262,738,452	262,898,000	268,155,960	273,519,079
Cash received from Government grants- Capital	F	0	0	0	0	0
Interest received	D	2,700,346	2,040,000	2,040,000	2,080,800	2,122,416
Payments						
Cash Paid to Suppliers and Employees		-342,583,315	-351,523,241	-336,052,660	-342,773,713	-349,629,187
Finance charges paid		-16,580	0	0	0	0
NET CASH FROM/USED OPERATING ACTIVITIES		22,551,692	10,369,910	25,246,975	25,751,915	26,266,953
CASH FLOW FROM INVESTING ACTIVITIES						
Receipts						
Decrease in current/non-current debtors		-11,173,591	0	0	0	0
Payments						
Purchase of property, plant and equipment	C	-15,675,567	-9,950,741	-20,819,592	-8,230,000	-2,529,600
NET CASH FROM/USED INVESTING ACTIVITIES		-26,849,158	-9,950,741	-20,819,592	-8,230,000	-2,529,600
CASH FLOW FROM FINANCING ACTIVITIES						
Receipts						
Borrowing long term / refinancing						
Payments						
Repayment of borrowings	H	-263,779	0	0	0	0
NET CASH FROM/USED FINANCING ACTIVITIES		-263,779	0	0	0	0
NET INCREASE / (DECREASE) IN CASH HELD		-4,561,245	419,169	4,427,383	17,521,915	23,737,353
Cash / cash equivalents at the begin:		14,975,752	10,414,507	10,833,676	15,261,059	32,782,974
Cash / cash equivalents at the end:		10,414,507	10,833,676	15,261,059	32,782,974	56,520,327

Part 3 - Reconciliation of reserves and commitments backed by cash/investments

DESCRIPTION	REF	ACTUAL 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET AMOUNT 17/18	BUDGET AMOUNT 18/19
Reserves to be backed by cash		-23,406,195	5,703,115	10,130,498	28,782,974	53,020,327
Capital budget creditors unpaid at year end	G	33,820,702	5,130,561	5,130,561	4,000,000	3,500,000
Total commitments:		10,414,507	10,833,676	15,261,059	32,782,974	56,520,327

Total cash and investments available

cash / cash equivalent at the year end		10,414,507	10,833,676	15,261,059	32,782,974	56,520,327
Long term Investments held						
cash and investments available		10,414,507	10,833,676	15,261,059	32,782,974	56,520,327

Explanation notes/references

- (A) Represents the Fresh Produce Market income, Ambulance debtors as well as the rental of the facilities namely the Town Hall and Theatres
- (B) Represents license and permit income, income receivable from the Local Municipalities regarding Information Technology services rendered on their
- (C) Represents envisage expenditure on assets, taken into consideration the carry over projects from the previous years.
- (D) Represents interest earned on cash available invested with a financial institution
- (E) Represents money receivable from both Provincial and National Government regarding subsidies and the equitable share.
- (F) Represents Grant money receivable for Capital projects to be done for the District as well as on behalf of the Locals
- (G) Represents Carry over projects to the following financial year.
- (H) Represents the settlement of the Financial leases on vehicles.