



NTINGA O.R. TAMBO DEVELOPMENT AGENCY SOC LTD

**2021/2022
ADJUSTMENT BUDGET**

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1. 2021/2022 BUDGET OVERVIEW

- a) Ntinga O.R. Tambo Development Agency SOC LTD is operating as a wholly owned implementing agent of the parent municipality, O.R. Tambo District Municipality (ORTDM). The amended mandate is mainly derived from the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) and Section 84(1)(a)(b)(d)(k)(m)(n) & (p) of Municipal Structures Act, 1998 (Act 117 of 1998).

It is to facilitate, manage and implement Socio-economic Development initiatives with a special focus on:

- Water and Sanitation;
- Service Centres (e.g. Markets, Abattoirs, Agri-parks, Farms, etc.);
- Rural Development (e.g. Tourism, Forestry, Agriculture, etc.);
- Cooperatives and SMMEs; and
- Any other related function in partnership with either public or private sector.

- b) In implementing the above mandate the Entity has developed a strategy anchored on the following four goals:-

- Goal 1: Sustainable Water Services (water supply and sanitation) Systems
- Goal 2: Enhanced and Enabled Full Value Chains (upstream and downstream) for Agricultural Produce, Markets, Abattoirs and Aquaculture.
- Goal 3: Diversified Partnerships that Promote Inclusive Socio-economic Development and Growth.
- Goal 4: Promoted trade and investment opportunities in the district.
- Goal 5: Dynamic, Capable and Sustainable State Owned Company.

This budget is aligned to the five goals. Goal Four is newly established goal with effect from the 2021/22 financial year.

1.1 Municipal Grant Funding

The Entity's adjustment budget for the fiscal year 2021/2022 is R 45,993,599. This amount excludes VAT. The Parent Municipality will claim input VAT from SARS on the amount transfer and Ntinga will pay output VAT over to SARS on the amount transferred.

The Entity's summarized budgeted statement of financial performance is as follows:-

| Description | 2021/22 Original Budget | 2021/22 Adjustment Budget | 2022/23 | 2023/24 | 2024/25 |
|--|--|--|-------------------|-------------------|--------------------|
| Grant funding (ORTDM) | 45,993,598 | 45,993,598 | 51,425,330 | 51,034,044 | 53,585,746 |
| Enterprises revenue | 28,686,232 | 19,762,392 | 31,151,351 | 36,264,999 | 44,266,645 |
| Water Services | 24,278,600 | 8,038,666 | 8,230,213 | 8,559,421 | 8,987,392 |
| Other revenue | 3,626,981 | 3,318,981 | 3,515,000 | 2,575,000 | 2,709,500 |
| Total revenue | 102,585,411 | 77,113,637 | 94,321,893 | 98,433,464 | 109,549,283 |
| | | | | | |
| Total operational expenditure | 87,405,818 | 75,406,032 | 92,328,482 | 97,527,987 | 108,228,135 |
| | | | | | |
| Surplus/(Deficit) for the year | 15,179,593 | 1,707,604 | 1,993,412 | 905,477 | 1,321,149 |

1.2 Water Services

Under Goal One the entity was given a mandate of refurbishing, repairing and maintaining rural water schemes. Ntinga set about to build capacity in the water function with specific focus on repairs and maintenance. The plan was to develop a robust repairs and maintenance function with particular focus on mechanical pumps, electrical infrastructure, water leak detection and repairs, and water meter calibration and repairs in support of sustaining the parent municipality water delivery and water infrastructure investment. The other plan is to establish a properly equipped workshop to achieve rapid response to water outages.

The parent municipality assigned to the Entity 83 water schemes that are in the KSD Local Municipality.

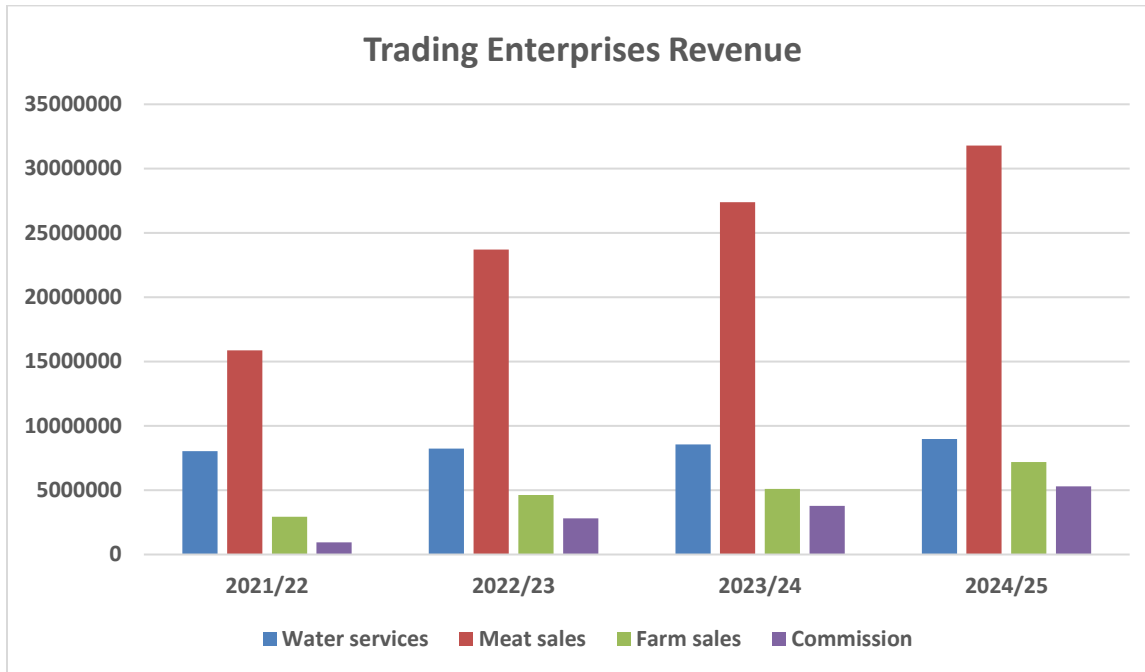
This mandate was, however not funded by the Parent Municipality. The Entity incurred R8m expenditure in the form of salaries for employees working under Water Services. This amount is recoverable from the Parent Municipality.

1.3 Trading Enterprises

Under Goal Two, a strategic goal focusing on enhancing agricultural value chains is being pursued by the entity whereby local production is being facilitated. Furthermore, the entity is operating farms which are used as the production facility for crops that are sold at the fresh produce market as well as livestock that is slaughtered and sold at the abattoir. A budget is set for the purchase and exchange of cows to be fattened at the farms and then slaughter at the abattoir for sale.

In order to maximize the production capacity of the Abattoir, a Meat Market is planned in this financial year. Initial phases are underway. The introduction of the Meat Market will significantly increase the abattoir revenue.

Meat sales make up the biggest component of revenue generated by trading enterprises as graphically presented below.



It must be noted that selling prices fluctuate from time to time during the year depending on open market conditions. Below are average prices/tariffs/rates that will be used by the trading enterprises in buying stock or servicing customers.

| Description | 2021/22 Current year | 2022/23 Budget year | 2023/24 Budget year | 2024/25 Budget year |
|--|-------------------------|------------------------|------------------------|------------------------|
| Average prices for procurement of livestock | | | | |
| Purchase of cattle (price per kg) | R20.21 | R21.22 | R22.28 | R23.40 |
| Purchase of pigs (price per kg) | R24.50 | R25.73 | R27.01 | R28.36 |
| Purchase of sheep (price per kg) | R28.00 | R29.40 | R30.87 | R32.41 |

| Description | 2021/22 Current year | 2022/23 Budget year | 2023/24 Budget year | 2024/25 Budget year |
|--|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Abattoir slaughter and cutting fees | | | | |
| Cattle Slaughter fee | R540.00 | R560.00 | R600.00 | R650.00 |
| Beef Cutting fee | R2.00/kg | R2.50/Kg | R3.00/Kg | 4.00/Kg |
| Sheep Slaughter Fee | R150.00 | R150.00 | R165.00 | R170.00 |
| Mutton Cutting Fee | R50.00 | R65.00 | R75.00 | R90.00 |
| Pigs slaughter Fee | 3.00/kg | 3.50/kg | 4.00/kg | 4.00-4.50/kg |
| Pork Cutting Fee | R75.00 | 2.00/Kg | 2.50/Kg | 2.50/Kg |
| Parking daily rates | | | | |
| Trailers | R 54.00 | R 58.00 | R 62.99 | R 68.02 |
| Kombi, Truck (less than 8tonne) | R 70.20 | R 75.82 | R 81.88 | R 88.43 |
| TLBS | R 54.00 | R 58.32 | R 62.99 | R 68.02 |
| Truck 8tonne | R 86.40 | R 93.31 | R 100.78 | R 108.84 |
| Tractor & Cars | R 64.80 | R 69.98 | R 75.58 | R 81.63 |
| Parking monthly rates | | | | |
| Trailers | R 757.12 | R 817.69 | 883.11 | 953.76 |
| Kombi, Truck (less than 8tonne) | R 1,096.84 | R 1,184.58 | 1,279.35 | 1,381.70 |
| TLBS | R 1,818.16 | R 1,963.61 | 2,120.70 | 2,290.36 |
| Truck 8tonne | R 1,981.80 | R 2,140.35 | 2,311.57 | 2,496.50 |
| Tractor & Cars | R 849.33 | R 917.28 | 990.66 | 1,069.91 |
| Bus | R 905.91 | R 978.39 | 1,056.66 | 1,141.19 |
| Forklift (Monthly Rental) | R 5,910.93 | R 6,383.80 | 6,894.51 | 7,446.07 |
| Forklift (Hourly Rate) | R 251.94 | R 272.10 | 293.87 | 317.37 |
| Horse & Trailer (Monthly) | R 5,248.80 | R 5,668.70 | 6,122.20 | 6,611.98 |
| Office space monthly rental | | | | |
| Rater per square meter | R179.33 | R193.68 | R209.17 | R225.90 |

| Description | 2021/22 Current year | 2022/23 Budget year | 2023/24 Budget year | 2024/25 Budget year |
|--|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | | | |
| Market stalls monthly rental | | | | |
| Flat rate | R 653.18 | R 705.44 | R 761.87 | R 822.82 |
| | | | | |
| Storage monthly rental | | | | |
| Rate per square meter for fully ventilated storage | R100.19 | R107.71 | R115.79 | R125.05 |
| Rate per square meter for other storage facilities | R122.18 | R131.95 | R142.51 | R153.91 |
| Open space (flat rate) | R 5,686.23 | R 6,254.85 | R 6,880.34 | R 7,568.37 |
| | | | | |
| Potato washing and packaging | | | | |
| Price per bag | R 4.21 | R 4.55 | R 4.91 | R 5.30 |
| | | | | |
| Fresh Produce Market buyers' cards | R 30.00 | R 32.50 | 35.00 | 37.80 |

1.4 Strategic Partnerships

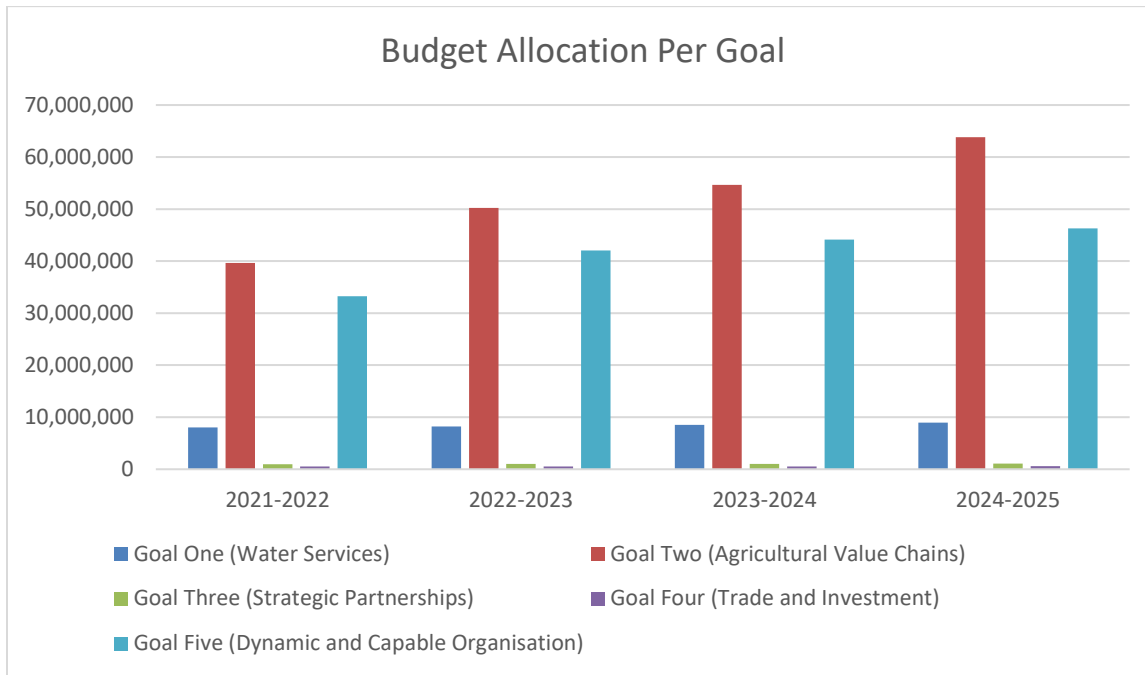
Under Goal Three,

The entity is playing a pivotal role in key local economic development initiatives such as oceans economy, special economic zone, industrial parks etc. It is working in collaboration with the rural economic development and planning department of the parent municipality as well as local municipalities.

The strategy is to forge strategic partnerships with relevant national and provincial departments that has funding for these initiatives. In the current financial year the Entity has secured a tender with DALRRD to support them in their vegetable value chain development interventions.

1.5 Budget Breakdown per Goal

The 2021/2022 adjustment budget is summarized as follows:-



The total adjustment budget for the 2021/2022 financial year amounts to R75,4 million and the bulk of it relates to Goal Two followed by Goal Five.

2. RESOLUTIONS

In compliance with Local Government: Municipal Finance Management Act Section, the Board of Directors approved the 2021/2022 adjusted budget and 2022/2023 proposed budget of the Entity. The Board of Directors submits the final budget for the entity to its parent municipality not later than 30 days before the start of the entity's financial year. The parent municipality considers the final budget of the entity and assessed the entity's priorities and objectives. This will then be formalised in a service delivery agreement to be entered into by the two parties.

3. EXECUTIVE SUMMARY

The 2021/2022 operational adjustment budget amounts to R 75,4 Million and capital budget amounts to R 1,7 Million. This gives a total 2021/2022 budget of R 77,1 Million compared to the previous 2020/2021 financial year budget of R116,7 Million.

Grant funding from the parent municipality for 2021/2022 financial year is R45,9 Million. For the 2022/2023 financial year is R 51,4 Million, R51,3 Million for the 2023/2024 financial year and R 53,5 Million for the 2024/25 financial year.

South Africa's GDP increased at an annualised rate of 3,5% in the first quarter (January to March) of 2022 when compared to the previous quarter (October to December) of 2021. Year to year budget increase is estimated to be approximately 4%. There is a 4% estimated increase in salaries and wages budget.

The introduction of the Meat Market at Kei Fresh Produce Market will increase the Abattoir revenue dramatically during the 2022/23 financial year, the meat will be supplied by the Abattoir. Abattoir revenue is expected to grow at an average rate of 16% on a year to year basis.

Funds that are not readily required for operational requirements are invested in call deposits in line with the investment policy. The entity does have long term borrowings emanating from leased

laptop computers. Net assets position is expected to be sound into the foreseeable future with assets exceeding liabilities.

4. SUPPORTING DOCUMENTATION

4.1 Overview of annual budget process

There is an agreement in place between the entity and the parent municipality. This agreement is based on the mandate given to the Entity. As part of the integrated development plan of the parent municipality activities to be carried out by the entity are outlined. In addition to this, the Board of Directors develops and adopts a strategy of implementing the mandate. All of these are then used to inform budget proposals. Heads of departments prepare departmental budgets for submission to Chief Financial Officer for checking alignment with the strategy as well as consolidation.

The consolidated budget is then considered by the Board Committee before it is discussed and approved by the Board of Directors.

4.2 Overview of alignment of annual budget with service delivery agreement

Ntinga is a wholly owned municipal entity of O.R. Tambo District Municipality. The parent municipality appoints the Board of Directors. As a means of oversight the parent municipality is represented in meetings of Board of Directors. Financial reports of the entity are submitted to the parent municipality monthly. Furthermore, quarterly performance reports and financial reports are subject of discussions by Council of the parent municipality. The entity is also subjected to Municipal Public Accounts Committee processes.

4.3 Overview of budget related policies

Listed below are Ntinga's budgeted related policies.

- Asset management policy
- Credit control policy
- Fleet management policy
- Banking and Investment policy
- Leave policy

- Performance management policy
- Budget policy

4.4 Overview of budget assumptions

The budget proposals are based on the following assumptions:-

- a) Medium Term Expenditure Framework (MTEF) Guide was used to inform some of the budget proposals.
- b) Improved returns on investments made on projects such as the abattoir and the fresh produce market are expected in the 2021/2022 financial year.
- c) Year to year price increase is estimated to be approximately 3,5%. This is informed by the struggling economic outlook.
- d) The Entity is attending to operational challenges in service centers such as the farms, fresh produce market and the abattoir. There is a strategy that links operations of the three trading enterprises being Adam Kok Farms, Abattoir and the Fresh Produce Market thereby maximizing return on investment.
- e) The Entity has budgeted for depreciation in value of assets.

4.5 Overview of budget funding

The budget is partly funded from grant funding from the Parent Municipality.

Own revenue in the form of the fresh produce market commission, crop and livestock sales and the abattoir operations is expected to improve.

5. Legislation compliance status

Ntinga is fully implementing all legislation that is applicable to it. There are no delays in implementation and there is no application for such.

6. Other supporting information on expenditure

- a) Estimates of year to year budgets are based on the costing of projects and programmes.
- b) Accommodation and travel budget will be utilized for all employees within the institution. This is mainly based on travelling to be done by staff when performing their duties as well as training requirements and workshops that will be attended to skill and capacitate employees.
- c) Board and committees' fees budget have been made available for board and committee meetings. It is expected that the Board and its Committees will hold a minimum of four meetings each during the year. The budget includes all board related expenses such as travelling and accommodation.

7. QUALITY CERTIFICATION BY CHIEF EXECUTIVE OFFICER

I, Loyiso Mbiko, Chief Executive Officer of Ntinga O.R. Tambo Development Agency SOC LTD hereby certify that the 2021/2022 adjustment budget has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustment budget is consistent with the integrated development plan of the parent municipality and the Entity's strategy.



L. Mbiko

Chief Executive Officer

8. BUDGET TABLES

8.1 Statement of Financial Performance

| Description | 2018/2019 | 2019/2020 | 2020/2021 | 2019/20 Medium Term Revenue & Expenditure Framework | | | | |
|---|------------------------|------------------------|------------------------|---|---------------------------|-----------------------|-----------------------|-----------------------|
| | | | | 2021/2022 Original Budget | 2021/2022 Adjusted Budget | Budget year 2022/2023 | Budget year 2023/2024 | Budget year 2024/2025 |
| Rands | Audited Outcome | Audited Outcome | Audited Outcome | | | | | |
| Revenue by Source | | | | | | | | |
| Abattoir Revenue | 7,848,902 | 10,873,350 | 10,775,676 | 20,558,034 | 15,872,319 | 23,713,445 | 27,399,404 | 31,783,308 |
| Dairy Farm Revenue | - | - | - | - | - | - | - | - |
| Kei Fresh Produce Market revenue | 963,069 | 1,571,310 | 729,411 | 3,779,474 | 956,633 | 2,805,338 | 3,769,771 | 5,304,348 |
| Interest earned - external investments | 1,155,693 | 385,520 | 194,956 | 300,000 | 70,000 | 250,000 | 300,000 | 315,000 |
| Special Projects and other conditional grants | 6,786,506 | 0 | | 957,735 | 837,735 | 1,000,000 | - | - |
| Transfers and Subsidies (ORTDM) | 27,053,508 | 46,514,585 | 46,443,139 | 45,993,598 | 45,993,598 | 51,425,330 | 51,034,044 | 53,585,746 |
| Donations received | 665,596 | - | | - | 42,000 | - | - | - |
| Other revenue | 1,101,749 | 1,152,419 | 238,304 | 179,246 | 179,246 | 75,000 | 85,000 | 95,000 |
| Farms revenue | 4,759,027 | 1,334,445 | 476,914 | 4,348,724 | 2,933,440 | 4,632,568 | 5,095,825 | 7,178,990 |
| Water Services (Operational, Refurbishment Grants and Peri-urban billing) | 10,479,300 | 9,467,045 | 5,343,027 | 16,288,600 | 8,038,666 | 8,230,213 | 8,559,421 | 8,987,392 |
| Water Services - Establishment Grant | - | - | | 7,990,000 | - | - | - | - |
| Adjustments to biological assets | 4,013,157 | 6,604,567 | 2,956,707 | 2,150,000 | 2,150,000 | 2,150,000 | 2,150,000 | 2,257,500 |
| Gains on disposal of PPE | 213,286 | 4,731 | 299,169 | 40,000 | 40,000 | 40,000 | 40,000 | 42,000 |
| Decrease in provision for doubtful debts | 55,684 | - | | - | - | - | - | - |
| Donation of Assets by parent municipality | 10,781,346 | 2,463,783 | | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 75,876,823 | 80,371,755 | 67,457,303 | 102,585,411 | 77,113,637 | 94,321,893 | 98,433,464 | 109,549,284 |
| Expenditure By Type | | | | | | | | |
| Employee related costs | 41,536,267 | 45,031,065 | 44,944,690 | 49,567,551 | 47,287,507 | 50,768,924 | 52,995,144 | 55,591,593 |
| Board of Directors Allowances | 1,135,302 | 800,069 | 827,482 | 765,305 | 765,305.07 | 850,000 | 892,500 | 850,000 |

| Description | 2018/2019 | 2019/2020 | 2020/2021 | 2019/20 Medium Term Revenue & Expenditure Framework | | | | |
|--|--------------------|-------------------|--------------------|---|-------------------|-------------------|---------------------------|---------------------------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | 2021/2022 Original Budget | 2021/2022 Adjusted Budget |
| Board of Directors Travelling, Accommodation & other | 275,990 | 132,037 | - | 141,585 | 111,585 | 458,305 | 781,220 | 658,305 |
| Debt impairment | - | - | - | - | - | - | - | - |
| Depreciation | 4,237,152 | 5,466,038 | 5,415,041 | - | - | 3,756,922 | 3,756,922 | 3,942,568 |
| Assets impairment | 7,287,711 | - | - | - | - | - | - | - |
| Finance charges | 40,571 | 70,020 | 263,153 | 45,738 | 10,000 | 50,312 | 55,343 | 58,110 |
| Repairs and Maintenance | 486,596 | 145,654 | 108,028 | 137,500 | 137,500 | 151,250 | 168,100 | 179,755 |
| Fresh Produce Market Operations | 2,454,787 | 3,397,771 | 2,384,612 | 3,885,063 | 2,288,642 | 3,870,928 | 4,449,737 | 4,672,224 |
| Abattoir Operations | 11,028,217 | 2,225,089 | 7,545,318 | 7,966,612 | 5,876,729 | 9,110,246 | 11,151,067 | 13,277,286 |
| Dairy Farm Operations | - | - | - | - | - | - | - | - |
| Farms Operations | 3,145,429 | 11,695,200 | 5,570,508 | 12,905,952 | 11,206,402 | 13,228,999 | 13,433,427 | 18,559,248 |
| Water Services Operations | 2,279,525 | 3,590,866 | 2,447,425 | 4,130,000 | 110,000 | - | - | - |
| Special Projects (Transfers and Grants) | 5,832,979 | 5,027,807 | 1,396,745 | - | - | 940,000 | - | - |
| Other Operating Expenditure | 7,652,844 | 8,663,699 | 7,619,394 | 7,710,512 | 7,532,362 | 9,042,596 | 9,744,527 | 10,339,045 |
| Adjustments to Biological Assets | 454,650 | 241,200 | 477,300 | 150,000 | 80,000 | 100,000 | 100,000 | 100,000 |
| Total Expenditure | 87,848,020 | 86,486,515 | 78,999,695 | 87,405,818 | 75,406,032 | 92,328,482 | 97,527,987 | 108,228,135 |
| | | | | | | | | |
| Surplus/ (Deficit) for the year | -11,971,197 | -6,114,760 | -11,542,392 | 15,179,593 | 1,707,604 | 1,993,412 | 905,477 | 1,321,149 |
| | | | | | | | | |
| Income Tax | 5,353,124 | | | - | - | - | - | - |
| | | | | | | | | |
| Profit After Tax | -6,618,073 | -6,114,760 | -11,542,392 | 15,179,593 | 1,707,604 | 1,993,412 | 905,477 | 1,321,149 |
| | | | | | | | | |
| Accumulated surplus at the beginning of the year | 92,009,525 | 85,391,449 | 72,057,138 | 69,654,934 | 69,654,934 | 84,834,527 | 86,827,938 | 87,733,415 |
| Accumulated surplus at the end of the year | 85,391,452 | 79,276,689 | 60,514,746 | 84,834,527 | 71,362,538 | 86,827,938 | 87,733,415 | 89,054,564 |

8.2 Statement of Financial Position

| | 2018/2019 | 2019/2020 | 2020/2021 | Medium Term Revenue and Expenditure Framework | | | | |
|--|--------------------|-------------------|-------------------|---|-------------------|-----------------------|-----------------------|-----------------------|
| Description | Audited Outcomes | Audited Outcomes | Audited Outcomes | Budget year 2021/2022 | | Budget year 2022/2023 | Budget year 2023/2024 | Budget year 2024/2025 |
| | | | | Original Budget | Adjusted Budget | | | |
| Rands | | | | | | | | |
| ASSETS | | | | | | | | |
| Current assets | | | | | | | | |
| Cash and Cash Equivalents | 6,282,309 | 13,278,532 | 3,309,325 | 4,600,000.00 | 3,508,242.00 | 5,343,065 | 6,453,649.92 | 7,563,623 |
| Receivables from Exchange Transactions | 11,220,406 | 752,164 | 69,942 | 700,000 | 700,000 | 640,000 | 600,000 | 590,000 |
| Receivables from Non-Exchange Transactions | 192,578 | 1,187,705 | 8,096,954 | 192,578 | 192,578 | 192,418 | 257,698 | 257,000 |
| Taxes | 7,219,552 | - | | - | | - | - | |
| Inventory | 170,266 | 3,235,871 | 4,060,042 | 9,200,000 | 4,200,000 | 4,100,000 | 4,500,000 | 5,500,000 |
| Total current assets | 25,085,112 | 18,454,272 | 15,536,263 | 14,692,578 | 8,600,820 | 10,275,483 | 11,811,348 | 13,910,623 |
| Non current assets | | | | | | | | |
| Property, plant and equipment | 61,518,434 | 59,420,271 | 54,969,817 | 66,958,085 | 56,834,485 | 55,191,434 | 52,030,224 | 49,075,904 |
| Biological assets | 13,234,503 | 15,089,530 | 13,173,660 | 8,948,045 | 9,304,245 | 9,785,816 | 10,459,310 | 9,902,831 |
| Intangible assets | 781,249 | 671,228 | 483,522 | 1,229,771 | 1,229,771 | 700,000 | 457,329 | 400,000 |
| Taxes | - | - | | 7,219,552 | - | - | - | |
| Total non current assets | 75,534,185 | 75,181,029 | 68,626,999 | 84,355,453 | 67,368,501 | 65,677,250 | 62,946,862 | 59,378,735 |
| TOTAL ASSETS | 100,619,297 | 93,635,301 | 84,163,262 | 99,048,031 | 75,969,321 | 75,952,733 | 74,758,210 | 73,289,358 |
| LIABILITIES | | | | | | | | |
| Current liabilities | | | | | | | | |

| | 2018/2019 | 2019/2020 | 2020/2021 | Medium Term Revenue and Expenditure Framework | | | | |
|--|-------------------|-------------------|-------------------|---|------------------------|-----------------------|-----------------------|-----------------------|
| Description | Audited Outcomes | Audited Outcomes | Audited Outcomes | Budget year 2021/2022 | | Budget year 2022/2023 | Budget year 2023/2024 | Budget year 2024/2025 |
| | | | | Original Budget | Adjusted Budget | | | |
| Rands | | | | Original Budget | Adjusted Budget | | | |
| Taxes (VAT) | 2,654,559 | 4,751,979 | 8,470,750 | 390,000 | 800,000 | 390,000 | 390,000 | 400,000 |
| Unspent Conditional Government Grants and Receipts | 3,290,842 | 5,748,198 | 4,307,504 | 2,600,000 | 2,600,000 | 2,500,000 | 2,100,000 | 1,500,000 |
| Payables from exchange transactions | 5,047,079 | 5,834,200 | 5,271,050 | 4,700,000 | 5,200,000 | 4,600,000 | 4,100,000 | 3,000,000 |
| Payables from non-exchange transactions | 446,973 | 446,973 | 446,974 | 446,973 | 446,973 | 446,973 | 446,973 | 446,973 |
| Current employee benefits | 3,788,396 | 4,586,855 | 4,788,007 | 3,900,000 | 4,700,000 | 3,800,000 | 2,600,000 | 1,500,000 |
| Current portion of long term- liabilities | | 87,536 | 296,953 | | | | | |
| Total current liabilities | 15,227,850 | 21,455,741 | 23,581,238 | 12,036,973 | 13,746,973 | 11,736,973 | 9,636,973 | 6,846,973 |
| | | | | | | | | |
| Non current liabilities | - | 122,428 | 67,281 | - | - | - | - | - |
| TOTAL LIABILITIES | 15,227,850 | 21,578,161 | 23,648,519 | 12,036,973 | 13,746,973 | 11,736,973 | 9,636,973 | 6,846,973 |
| | | | | | | | | |
| NET ASSETS | 85,391,447 | 72,057,140 | 60,514,743 | 87,011,058 | 62,222,348 | 64,215,760 | 65,121,237 | 66,442,385 |
| | | | | | | | | |
| COMMUNITY WEALTH/EQUITY | | | | | | | | |
| Accumulated Surplus/(Deficit) | 85,391,447 | 72,057,135 | 60,514,743 | 87,011,058 | 62,222,347 | 64,215,759 | 65,121,236 | 66,442,385 |
| TOTAL COMMUNITY WEALTH/EQUITY | 85,391,447 | 72,057,135 | 60,514,743 | 87,011,058 | 62,222,347 | 64,215,759 | 65,121,236 | 66,442,385 |

8.3 Cash-Flow Statement

| Description | 2018/2019 | 2019/2020 | 2020/2021 | Medium Term Revenue and Expenditure Framework | | | | | | | | |
|---|--------------------|-------------------|--------------------|---|-------------------|-------------------|------------------|-----------------------|-----------------|-----------------------|-----------------------|-----------------------|
| | | | | Rands | Audited Outcome | Audited Outcome | Audited Outcome | Budget year 2020/2021 | | Budget year 2021/2022 | Budget year 2022/2023 | Budget year 2023/2024 |
| | | | | | | | | Original Budget | Adjusted Budget | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | | |
| Receipts | | | | | | | | | | | | |
| Sales of goods and services | 16,370,736 | 33,389,172 | 11,336,306 | 44,974,832 | 27,801,058 | 39,381,563 | 44,824,420 | 53,254,038 | | | | |
| Grants and public contributions | 34,505,610 | 49,297,177 | 45,002,446 | 57,541,333 | 46,731,333 | 52,325,330 | 50,534,044 | 52,585,746 | | | | |
| Interest | 1,155,693 | 385,520 | 194,956 | 300,000 | 70,000 | 250,000 | 300,000 | 315,000 | | | | |
| Payments | | | | | | | | | | | | |
| Suppliers and employees | -70,891,815 | -74,390,920 | -66,591,455 | -87,743,478.09 | -72,547,074.00 | -88,130,559.00 | -94,129,496.00 | -104,253,256 | | | | |
| Finance charges | -40,571 | -70,020 | -263,153 | -45,738 | -10,000 | -50,312 | -55,343 | -58,110 | | | | |
| Transfers and Grants | - | - | - | - | - | - | - | - | | | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | -18,900,347 | 8,610,929 | -10,320,900 | 15,026,949 | 2,045,317 | 3,776,023 | 1,473,625 | 1,843,418 | | | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | | |
| Proceeds on disposal of Property, Plant and Equipment | 702,431 | 17,112 | 1,243 | 65,000 | 70,000 | 80,000 | 90,000 | 100,000 | | | | |
| Proceeds on disposal of Biological Assets | 2,668,856 | - | 3,126,064 | - | - | - | - | 0 | | | | |
| Purchase of Intangible Assets | -315,580 | -132,958 | -68,523 | -650,000 | -50,000 | - | - | 0 | | | | |
| Purchase of Biological Assets | -1,112,402 | -947,785 | -2,096,900 | - | - | - | - | - | | | | |
| Purchase of Property, Plant and Equipment | -7,640,902 | -673,495 | -764,470 | -11,775,000 | -1,651,400 | -1,871,200 | -353,040 | -733,444 | | | | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | -5,697,597 | -1,737,126 | 197,414 | -12,360,000 | -1,631,400 | -1,791,200 | -263,040 | -633,444 | | | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | | |
| Receipts | - | 270,189 | 377,094 | - | - | - | - | - | | | | |
| Repayment of borrowing | - | -147,769 | -222,815 | - | -215,000 | - | - | - | | | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 122,420 | 154,279 | - | -215,000 | -150,000 | -100,000 | -100,000 | | | | |
| NET INCREASE/ (DECREASE) IN CASH HELD | -24,597,944 | 6,996,223 | -9,969,207 | 2,666,949 | 198,917 | 1,834,823 | 1,110,585 | 1,109,974 | | | | |

| Description | 2018/2019 | 2019/2020 | 2020/2021 | Medium Term Revenue and Expenditure Framework | | | | | | | |
|---|------------------|-------------------|------------------|---|------------------|------------------|-----------------------|------------------|-----------------------|-----------------------|-----------------------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Budget year 2020/2021 | | Budget year 2021/2022 | Budget year 2022/2023 | Budget year 2023/2024 |
| | | | | | | | Original Budget | Adjusted Budget | | | |
| Cash/cash equivalents at beginning of the year: | 30,880,253 | 6,282,309 | 13,278,532 | 1,933,051 | 3,309,325 | 3,508,242 | 5,343,065 | 6,453,650 | | | |
| Cash/cash equivalents at the year end: | 6,282,309 | 13,278,532 | 3,309,325 | 4,600,000 | 3,508,242 | 5,343,065 | 6,453,650 | 7,563,624 | | | |