

# Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

## **2017/2018**

## **FINANCIAL MANAGEMENT**

## **REPORT FOR PERIOD ENDING**

## **31 AUGUST 2017**

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## **1. Council Resolution**

### **To The Executive Mayor**

In accordance with Section 71(1) of the Municipal Finance Management Act, I submit the required statement on the state of Cape Agulhas Municipality's budget implementation and the financial state of the municipality's affairs reflecting the particulars up until the end of April 2017.

Section 54(1) of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

### **Recommendations**

- The content of the report and supporting documentation for period ending **31 August 2017** is noted.
- It be noted that the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and in accordance with the approved budget;
- It be noted that any material variances will receive remedial or corrective steps.

## **2. INTRODUCTION**

### **2.1 PURPOSE**

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

### **2.2 STRATEGIC OBJECTIVE**

“To comply with MFMA priorities as well as MFMA implementation plan”

### **2.3 BACKGROUND**

Section 71 of the MFMA and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” necessitate that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“Section 52(d) of the MFMA states that, the executive mayor of a municipality must within 30 days of the end of each quarter submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

However section 71 of the MFMA states that, the accounting officer of a municipality must by no later than **10 working days after the end of each month** submit to the mayor of the municipality and the relevant treasury a statement in the prescribed format on the implementation of the municipality’s approved budget”.

“Section 28 of the Government Notice 32141, the monthly budget statement of a municipality must be in the format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act”.

Section 54 of the MFMA requires the Mayor to consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

### 3. MAYOR'S REPORT

The Budget and Reporting regulations become effective during April 2009 and the municipality is obliged to report in the prescribed format to National & Provincial Treasury, the Executive Mayor and council accordingly.

Although the Cape Agulhas Municipality is fully compliant in respect of the monthly budget report to council, effective from March 2014, the quality of the report in terms of its completeness and usefulness for council decision making still needs improvement which will be addressed as an ongoing process.

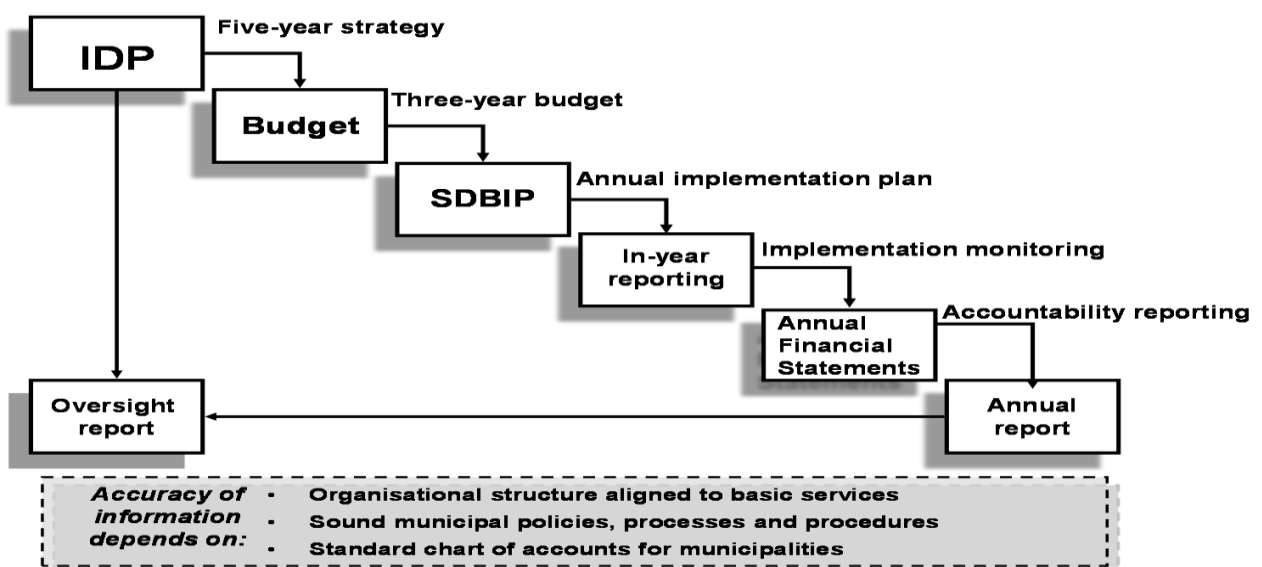
#### 3.1 Budget Process:

Section 53(1)(a) of the MFMA stipulates that the Executive Mayor of the Municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

The flowchart on the budget process basically reflecting three different processes in the budget cycle at the same time, namely:

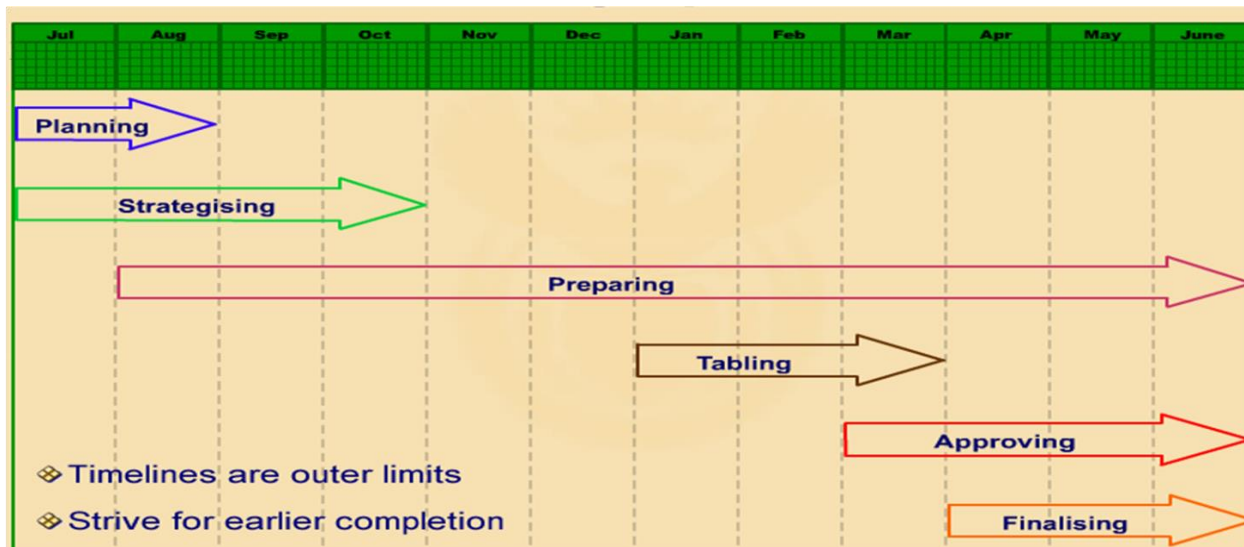
- o Reporting on the previous year budget;
- o Current year budget implementation; and
- o Preparation of the new financial year's budget (including the budget estimates for the two outer financial years)

The municipal planning and budget cycle processes consist of the following:



## **Budget planning process 2018/2019**

The municipality is in the process of compiling the budget process plan for submission to Council as per the MFMA legislation. Budget timetable follows the below mentioned timeframes and activities:



### **3.2 Monthly Reporting:**

Monthly financial reporting as per DoRA and MFMA requirements to Council, National & Provincial Departments and other stakeholders have been adequately adhered to for the month under review.

Financial services is in the process of implementing the mSCOA process. MSCOA is the new Standard Chart of Accounts legislated for implementation during July 2017.

Numerous information and planning sessions is required and more information will be communicated with the monthly reporting processes.

Provincial Treasury is also monitoring the Implementation plan of the municipality and numerous communication in terms of the processes is underway to ensure compliance.

### **3.3 Financial Statements for the Year-ended 30 June 2017**

The municipality is in the process of compiling the Annual Financial Statements for the year ended 30 June 2017. The Annual financial statements is legislatively required to be completed and signed-off by the Accounting officer by the 31 August yearly

#### **4. Executive Summary**

The second period of the financial year, the municipality is slowly implementing the budget and service delivery projects.

The new financial system Vesta Phoenix, although a very useful management and user friendly system and tool, at this stage provide various small challenges. When these will be sorted improved reporting and management of budgets can be implemented. These last issues should be finalized within the next financial period.

## 5. In year Budget Statement Tables

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M02 August

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	60,143	60,143	2,767	32,321	21,870	10,451	48%	60,143
Service charges	-	152,857	152,857	13,748	26,829	25,629	1,201	5%	152,857
Investment revenue	-	2,060	2,060	244	341	196	145	74%	2,060
Transfers and subsidies	-	55,134	55,134	-	10,497	12,734	(2,237)	-18%	55,134
Other own revenue	-	23,571	23,571	1,024	1,627	3,684	(2,057)	-56%	23,571
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>293,765</b>	<b>293,765</b>	<b>17,783</b>	<b>71,615</b>	<b>64,112</b>	<b>7,503</b>	<b>12%</b>	<b>293,765</b>
Employee costs	-	117,179	117,179	8,271	18,329	17,990	339	2%	117,179
Remuneration of Councillors	-	5,145	5,145	449	940	802	138	17%	5,145
Depreciation & asset impairment	-	11,440	11,440	-	-	1,907	(1,907)	-100%	11,440
Finance charges	-	8,964	8,964	41	43	1,494	(1,451)	-97%	8,964
Materials and bulk purchases	-	115,928	115,928	10,188	10,449	17,956	(7,507)	-42%	115,928
Transfers and subsidies	-	2,763	2,763	9	622	445	177	40%	2,763
Other expenditure	-	47,503	47,503	2,784	4,041	5,638	(1,596)	-28%	47,503
<b>Total Expenditure</b>	-	<b>308,922</b>	<b>308,922</b>	<b>21,743</b>	<b>34,425</b>	<b>46,232</b>	<b>(11,807)</b>	<b>-26%</b>	<b>308,922</b>
<b>Surplus/(Deficit)</b>	-	<b>(15,157)</b>	<b>(15,157)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>17,880</b>	<b>19,310</b>	<b>108%</b>	<b>(15,157)</b>
Transfers and subsidies - capital (monetary alloc	-	12,969	12,969	-	-	672	(672)	-100%	12,969
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>	<b>18,638</b>	<b>100%</b>	<b>(2,187)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>	<b>18,638</b>	<b>100%</b>	<b>(2,187)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>27,665</b>	<b>27,665</b>	<b>65</b>	<b>65</b>	<b>1,005</b>	<b>(939)</b>	<b>-94%</b>	<b>27,665</b>
Capital transfers recognised	-	12,969	12,969	37	37	471	(434)	-92%	12,969
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	5,661	5,661	-	-	206	(206)	-100%	5,661
Internally generated funds	-	9,034	9,034	28	28	328	(300)	-91%	9,034
<b>Total sources of capital funds</b>	-	<b>27,665</b>	<b>27,665</b>	<b>65</b>	<b>65</b>	<b>1,005</b>	<b>(939)</b>	<b>-94%</b>	<b>27,665</b>
<b>Financial position</b>									
Total current assets	55,577	44,041	44,041		116,391				52,716
Total non current assets	417,517	432,259	432,259		417,582				432,259
Total current liabilities	34,271	37,817	37,817		54,783				37,817
Total non current liabilities	126,713	135,593	135,593		129,113				135,593
<b>Community wealth/Equity</b>	<b>312,111</b>	<b>302,890</b>	<b>302,890</b>		<b>350,077</b>				<b>311,564</b>
<b>Cash flows</b>									
Net cash from (used) operating	-	13,909	13,909	8,164	30,442	16,517	(13,924)	-84%	13,909
Net cash from (used) investing	-	(27,137)	(27,137)	(65)	(65)	(1,000)	(935)	94%	(27,137)
Net cash from (used) financing	-	3,609	3,609	(33)	2,306	31	(2,275)	-7241%	3,609
<b>Cash/cash equivalents at the month/year end</b>	-	<b>6,415</b>	<b>6,415</b>	-	<b>57,392</b>	<b>31,583</b>	<b>(25,809)</b>	<b>-82%</b>	<b>15,090</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	65,038	-	-	-	-	-	-	-	65,038
<b>Creditors Age Analysis</b>									
Total Creditors	3,101	-	-	-	-	-	-	-	3,101

The table provides a high level summary of council's financial performance – operating & capital, financial position, cash flows, debtors and creditors age analysis which reflecting in more detail as from table C2 onwards.



WC033 Cape Agulhas - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		-	105,419	105,419	3,145	43,415	29,473	13,943	47%	105,419
Executive and council		-	25,190	25,190	-	10,497	5,818	4,679	80%	25,190
Finance and administration		-	80,229	80,229	3,145	32,918	23,655	9,264	39%	80,229
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	34,571	34,571	403	622	7,511	(6,889)	-92%	34,571
Community and social services		-	7,023	7,023	36	71	1,555	(1,484)	-95%	7,023
Sport and recreation		-	7,098	7,098	367	551	1,233	(682)	-55%	7,098
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	20,450	20,450	-	-	4,723	(4,723)	-100%	20,450
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	12,731	12,731	464	706	2,090	(1,384)	-66%	12,731
Planning and development		-	874	874	107	203	160	43	27%	874
Road transport		-	11,857	11,857	357	503	1,930	(1,427)	-74%	11,857
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	154,014	154,014	13,771	26,872	25,709	1,162	5%	154,014
Energy sources		-	104,438	104,438	9,766	18,828	17,793	1,035	6%	104,438
Water management		-	24,344	24,344	1,253	2,611	3,758	(1,147)	-31%	24,344
Waste water management		-	9,508	9,508	1,041	2,090	1,551	539	35%	9,508
Waste management		-	15,723	15,723	1,711	3,342	2,608	734	28%	15,723
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	306,734	306,734	17,783	71,615	64,784	6,831	11%	306,734
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		-	89,598	89,598	6,090	12,119	12,851	(733)	-6%	89,598
Executive and council		-	14,383	14,383	1,843	3,072	2,084	988	47%	14,383
Finance and administration		-	73,628	73,628	4,141	8,834	10,565	(1,731)	-16%	73,628
Internal audit		-	1,587	1,587	106	213	202	10	5%	1,587
<b>Community and public safety</b>		-	45,318	45,318	2,191	3,923	6,458	(2,536)	-39%	45,318
Community and social services		-	12,217	12,217	660	1,546	1,903	(357)	-19%	12,217
Sport and recreation		-	10,956	10,956	711	1,407	1,599	(192)	-12%	10,956
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	22,145	22,145	820	969	2,956	(1,987)	-67%	22,145
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	39,708	39,708	2,031	4,285	5,732	(1,446)	-25%	39,708
Planning and development		-	8,908	8,908	563	1,301	1,244	57	5%	8,908
Road transport		-	30,800	30,800	1,468	2,985	4,488	(1,503)	-33%	30,800
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	134,297	134,297	11,430	14,098	21,191	(7,093)	-33%	134,297
Energy sources		-	88,085	88,085	9,142	9,685	14,492	(4,807)	-33%	88,085
Water management		-	16,834	16,834	1,078	2,027	2,499	(472)	-19%	16,834
Waste water management		-	10,311	10,311	532	1,031	1,550	(520)	-34%	10,311
Waste management		-	19,067	19,067	678	1,355	2,650	(1,295)	-49%	19,067
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	308,922	308,922	21,743	34,425	46,232	(11,807)	-26%	308,922
<b>Surplus/ (Deficit) for the year</b>		-	(2,187)	(2,187)	(3,959)	37,190	18,552	18,638	100%	(2,187)

Explanation for any deviation in excess of 10% will be provided as part of an ongoing process to ensure that information is relevant and useful for council's decision making. (Table SC 1 have reference)

WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Executive and Council	1	-	28,496	28,496	58	10,618	6,300	4,318	68.5%	28,496
Vote 2 - Financial Services & ICT		-	66,723	66,723	3,118	32,849	22,499	10,350	46.0%	66,723
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	45,214	45,214	762	1,135	9,177	(8,043)	-87.6%	45,214
Vote 5 - Engineering Services		-	166,301	166,301	13,845	27,014	26,807	206	0.8%	166,301
Vote 6 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	<b>306,734</b>	<b>306,734</b>	<b>17,783</b>	<b>71,615</b>	<b>64,784</b>	<b>6,831</b>	<b>10.5%</b>	<b>306,734</b>
<b>Expenditure by Vote</b>										
Vote 1 - Executive and Council	1	-	41,823	41,823	3,649	7,141	6,116	1,025	16.8%	41,823
Vote 2 - Financial Services & ICT		-	47,136	47,136	2,188	4,754	6,825	(2,072)	-30.4%	47,136
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	63,866	63,866	3,371	6,055	8,996	(2,941)	-32.7%	63,866
Vote 5 - Engineering Services		-	156,097	156,097	12,534	16,475	24,295	(7,819)	-32.2%	156,097
Vote 6 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>308,922</b>	<b>308,922</b>	<b>21,743</b>	<b>34,425</b>	<b>46,232</b>	<b>(11,807)</b>	<b>-25.5%</b>	<b>308,922</b>
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>	<b>18,638</b>	<b>100.5%</b>	<b>(2,187)</b>

Explanation for any deviation in excess of 10% will be provided as part of an ongoing process to ensure that information is relevant and useful for council's decision making.

Section 71(1)(g) of the MFMA requires that the Accounting Officer must, when necessary, provide explanation of –

- Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- Any material variances from the service delivery and budget implementation plan; and
- Any remedial or corrective steps taken or to be taken to ensure that the projected revenue and expenditure remain within the municipality's approved budget.

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	Budget Year 2017/18									
		2016/17 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>											
<b>Revenue By Source</b>											
Property rates			60,143	60,143	2,767	32,321	21,870	10,451	48%	60,143	
Service charges - electricity revenue			103,306	103,306	9,750	18,801	17,717	1,084	6%	103,306	
Service charges - water revenue			24,342	24,342	1,246	2,596	3,757	(1,161)	-31%	24,342	
Service charges - sanitation revenue			9,486	9,486	1,041	2,090	1,547	544	35%	9,486	
Service charges - refuse revenue			15,723	15,723	1,711	3,342	2,608	734	28%	15,723	
Service charges - other			-	-	-	-	-	-	-	-	
Rental of facilities and equipment			2,056	2,056	40	98	189	(91)	-48%	2,056	
Interest earned - external investments			2,060	2,060	244	341	196	145	74%	2,060	
Interest earned - outstanding debtors			1,496	1,496	(0)	(0)	164	(164)	-100%	1,496	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			9,271	9,271	257	311	1,478	(1,166)	-79%	9,271	
Licences and permits			61	61	2	3	10	(7)	-73%	61	
Agency services			2,419	2,419	105	199	405	(206)	-51%	2,419	
Transfers and subsidies			55,134	55,134	-	10,497	12,734	(2,237)	-18%	55,134	
Other revenue			7,769	7,769	620	1,016	1,439	(423)	-29%	7,769	
Gains on disposal of PPE			500	500	-	-	-	-	-	500	
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>-</b>	<b>293,765</b>	<b>293,765</b>	<b>17,783</b>	<b>71,615</b>	<b>64,112</b>	<b>7,503</b>	<b>12%</b>	<b>293,765</b>
<b>Expenditure By Type</b>											
Employee related costs			117,179	117,179	8,271	18,329	17,990	339	2%	117,179	
Remuneration of councillors			5,145	5,145	449	940	802	138	17%	5,145	
Debt impairment			7,833	7,833	-	-	1,306	(1,306)	-100%	7,833	
Depreciation & asset impairment			11,440	11,440	-	-	1,907	(1,907)	-100%	11,440	
Finance charges			8,964	8,964	41	43	1,494	(1,451)	-97%	8,964	
Bulk purchases			76,678	76,678	8,655	8,655	12,769	(4,114)	-32%	76,678	
Other materials			39,250	39,250	1,533	1,794	5,187	(3,393)	-65%	39,250	
Contracted services			18,208	18,208	599	795	1,496	(701)	-47%	18,208	
Transfers and subsidies			2,763	2,763	9	622	445	177	40%	2,763	
Other expenditure			21,461	21,461	2,185	3,247	2,836	411	14%	21,461	
Loss on disposal of PPE			-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>			<b>-</b>	<b>308,922</b>	<b>308,922</b>	<b>21,743</b>	<b>34,425</b>	<b>46,232</b>	<b>(11,807)</b>	<b>-26%</b>	<b>308,922</b>
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations)			-	(15,157)	(15,157)	(3,959)	37,190	17,880	19,310	0	
(National / Provincial and District)			12,969	12,969	-	-	672	(672)	(0)	12,969	
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)			-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)			-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>-</b>	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>		<b>(2,187)</b>	
Taxation			-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after taxation</b>			<b>-</b>	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>		<b>(2,187)</b>	
Attributable to minorities			-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>			<b>-</b>	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>		<b>(2,187)</b>	
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>			<b>-</b>	<b>(2,187)</b>	<b>(2,187)</b>	<b>(3,959)</b>	<b>37,190</b>	<b>18,552</b>		<b>(2,187)</b>	

Explanation for any deviation in excess of 10% will be provided as part of an ongoing process to ensure that information is relevant and useful for council's decision making. (Table SC 1 have reference)

WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02  
August

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services & ICT		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	650	650	-	-	24	(24)	-100%	650
Vote 5 - Engineering Services		-	650	650	-	-	24	(24)	-100%	650
Vote 6 - Electricity		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	1,300	1,300	-	-	47	(47)	-100%	1,300
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	855	855	-	-	31	(31)	-100%	855
Vote 2 - Financial Services & ICT		-	2,505	2,505	2	2	91	(88)	-97%	2,505
Vote 3 - Corporate Services		-	-	-	37	37	-	37	#DIV/0!	-
Vote 4 - Management Services		-	2,964	2,964	26	26	108	(82)	-76%	2,964
Vote 5 - Engineering Services		-	20,042	20,042	-	-	728	(728)	-100%	20,042
Vote 6 - Electricity		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	26,365	26,365	65	65	957	(892)	-93%	26,365
<b>Total Capital Expenditure</b>		-	27,665	27,665	65	65	1,005	(939)	-94%	27,665
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	2,962	2,962	39	39	108	(68)	-63%	2,962
Executive and council		-	254	254	-	-	9	(9)	-100%	254
Finance and administration		-	2,708	2,708	39	39	98	(59)	-60%	2,708
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	3,164	3,164	26	26	115	(89)	-77%	3,164
Community and social services		-	303	303	-	-	11	(11)	-100%	303
Sport and recreation		-	2,861	2,861	26	26	104	(78)	-75%	2,861
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	12,859	12,859	-	-	467	(467)	-100%	12,859
Planning and development		-	539	539	-	-	20	(20)	-100%	539
Road transport		-	12,320	12,320	-	-	447	(447)	-100%	12,320
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	8,680	8,680	-	-	315	(315)	-100%	8,680
Energy sources		-	2,548	2,548	-	-	93	(93)	-100%	2,548
Water management		-	3,255	3,255	-	-	118	(118)	-100%	3,255
Waste water management		-	877	877	-	-	32	(32)	-100%	877
Waste management		-	2,000	2,000	-	-	73	(73)	-100%	2,000
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	-	27,665	27,665	65	65	1,005	(939)	-94%	27,665
<b>Funded by:</b>										
National Government		-	12,108	12,108	37	37	440	(403)	-92%	12,108
Provincial Government		-	862	862	-	-	31	(31)	-100%	862
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	12,969	12,969	37	37	471	(434)	-92%	12,969
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	5,661	5,661	-	-	206	(206)	-100%	5,661
<b>Internally generated funds</b>		-	9,034	9,034	28	28	328	(300)	-91%	9,034
<b>Total Capital Funding</b>		-	27,665	27,665	65	65	1,005	(939)	-94%	27,665

**WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M02 August**

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		24,709	6,415	6,415	57,392	15,090
Call investment deposits		-	-	-	-	-
Consumer debtors		23,325	28,019	28,019	52,461	28,019
Other debtors		6,212	8,102	8,102	5,141	8,102
Current portion of long-term receivables		-	27	27	-	27
Inventory		1,331	1,478	1,478	1,397	1,478
<b>Total current assets</b>		<b>55,577</b>	<b>44,041</b>	<b>44,041</b>	<b>116,391</b>	<b>52,716</b>
<b>Non current assets</b>						
Long-term receivables		227	173	173	227	173
Investments		-	-	-	-	-
Investment property		40,240	40,232	40,232	40,240	40,232
Investments in Associate		-	-	-	-	-
Property, plant and equipment		373,950	390,091	390,091	373,979	390,091
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		3,100	1,763	1,763	3,137	1,763
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>417,517</b>	<b>432,259</b>	<b>432,259</b>	<b>417,582</b>	<b>432,259</b>
<b>TOTAL ASSETS</b>		<b>473,094</b>	<b>476,300</b>	<b>476,300</b>	<b>533,973</b>	<b>484,975</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		684	2,310	2,310	624	2,310
Consumer deposits		4,291	4,377	4,377	4,257	4,377
Trade and other payables		22,490	15,334	15,334	43,377	15,334
Provisions		6,805	15,796	15,796	6,525	15,796
<b>Total current liabilities</b>		<b>34,271</b>	<b>37,817</b>	<b>37,817</b>	<b>54,783</b>	<b>37,817</b>
<b>Non current liabilities</b>						
Borrowing		2,548	6,651	6,651	4,948	6,651
Provisions		124,165	128,942	128,942	124,165	128,942
<b>Total non current liabilities</b>		<b>126,713</b>	<b>135,593</b>	<b>135,593</b>	<b>129,113</b>	<b>135,593</b>
<b>TOTAL LIABILITIES</b>		<b>160,983</b>	<b>173,410</b>	<b>173,410</b>	<b>183,896</b>	<b>173,410</b>
<b>NET ASSETS</b>	2	<b>312,111</b>	<b>302,890</b>	<b>302,890</b>	<b>350,077</b>	<b>311,564</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		298,611	287,890	287,890	336,577	296,564
Reserves		13,500	15,000	15,000	13,500	15,000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>312,111</b>	<b>302,890</b>	<b>302,890</b>	<b>350,077</b>	<b>311,564</b>

With the implementation of the new financial systems the administration is experiencing various small challenges related to extracting information from the system. These challenges will be finalized within the next reporting cycle and improved information submitted for discussions.

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	Budget Year 2017/18									
		2016/17 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			57,979	57,979	2,421	5,648	7,379	(1,731)	-23%	57,979	
Service charges			147,357	147,357	10,311	21,916	24,706	(2,791)	-11%	147,357	
Other revenue			15,094	15,094	1,024	1,403	2,492	(1,090)	-44%	15,094	
Government - operating			55,134	55,134	566	20,200	18,378	1,823	10%	55,134	
Government - capital			12,269	12,269	-	5,190	4,090	1,100	27%	12,269	
Interest			3,502	3,502	244	341	436	(95)	-22%	3,502	
Dividends			-	-	-	-	-	-		-	
<b>Payments</b>											
Suppliers and employees			(273,935)	(273,935)	(6,353)	(23,591)	(40,519)	(16,928)	42%	(273,935)	
Finance charges			(727)	(727)	(41)	(43)	-	43	#DIV/0!	(727)	
Transfers and Grants			(2,763)	(2,763)	(9)	(622)	(445)	177	-40%	(2,763)	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>-</b>	<b>13,909</b>	<b>13,909</b>	<b>8,164</b>	<b>30,442</b>	<b>16,517</b>	<b>(13,924)</b>	<b>-84%</b>	<b>13,909</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			500	500	-	-	-	-		500	
Decrease (Increase) in non-current debtors			27	27	-	-	5	(5)	-100%	27	
Decrease (increase) other non-current receivables			-	-	0	0	-	0	#DIV/0!	-	
Decrease (increase) in non-current investments			-	-	-	-	-	-		-	
<b>Payments</b>											
Capital assets			(27,665)	(27,665)	(65)	(65)	(1,005)	(939)	94%	(27,665)	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>-</b>	<b>(27,137)</b>	<b>(27,137)</b>	<b>(65)</b>	<b>(65)</b>	<b>(1,000)</b>	<b>(935)</b>	<b>94%</b>	<b>(27,137)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans			-	-	-	-	-	-		-	
Borrowing long term/refinancing			5,661	5,661	-	-	-	-		5,661	
Increase (decrease) in consumer deposits			188	188	(33)	(33)	31	(65)	-207%	188	
<b>Payments</b>											
Repayment of borrowing			(2,240)	(2,240)	-	2,339	-	(2,339)	#DIV/0!	(2,240)	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>-</b>	<b>3,609</b>	<b>3,609</b>	<b>(33)</b>	<b>2,306</b>	<b>31</b>	<b>(2,275)</b>	<b>-7241%</b>	<b>3,609</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>											
Cash/cash equivalents at beginning:			-	(9,619)	(9,619)	8,065	32,683	15,549		(9,619)	
Cash/cash equivalents at month/year end:			-	16,035	16,035	24,709	16,035			24,709	
			-	6,415	6,415	57,392	31,583			15,090	

Year to date Cash flow information reports a positive balance. Council's cash resources will be closely monitored to ensure that the liquidity status of council is maintained.

## 6. Supporting Documents

WC033 Cape Agulhas - Supporting Table SC1 Material variance explanations - M02 August

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<u>Revenue By Source</u>			
2	<u>Expenditure By Type</u>			
3	<u>Capital Expenditure</u>			
4	<u>Financial Position</u>			
5	<u>Cash Flow</u>			
6	<u>Measureable performance</u>			
7	<u>Municipal Entities</u>			

Tale C1 – Monthly Budget Statement Summary have reference.

The finance department will distribute a memorandum during April to address various issues in terms of the implementation of the budget. This should improve performance over the last quarter of the financial year.

WC033 Cape Agulhas - Supporting Table SC2 Monthly Budget Statement - performance indicators - M02 August

Description of financial indicator	Basis of calculation	Ref	2016/17	Budget Year 2017/18			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	6.6%	6.6%	0.1%	4.6%
Borrowed funding of 'own n' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	20.5%	20.5%	0.0%	20.5%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		8.2%	8.0%	8.0%	14.0%	7.8%
Gearing	Long Term Borrowing/ Funds & Reserves		18.9%	44.3%	44.3%	36.7%	44.3%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	162.2%	116.5%	116.5%	212.5%	139.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		72.1%	17.0%	17.0%	104.8%	39.9%
<b>Revenue Management</b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	12.4%	12.4%	80.7%	12.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		0.0%	39.9%	39.9%	25.6%	39.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.0%	6.9%	6.9%	0.1%	4.8%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations.

The level of employee's actual costs for the year to date is 38.1% which is slightly higher than the budgeted percentage of 37.6%. It is therefore important for council to monitor and managed the employee related cost effectively within the set norm between 35% and 40%.

The Capital Replacement Reserve will require minor adjustments at year end in order to ensure that it is cash backed. The "Cash & Cash Equivalents" are sufficient to cover outstanding debt with specific reference to any unspent grant funding.



## Age Analysis - Debtors

WC033 Cape Agulhas - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description	NT Code	Budget Year 2017/18														
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy			
<b>R thousands</b>																
<b>Debtors Age Analysis By Income Source</b>																
Trade and Other Receivables from Exchange Transactions - Water	1200									-	-					
Trade and Other Receivables from Exchange Transactions - Electricity	1300									-	-					
Receivables from Non-exchange Transactions - Property Rates	1400									-	-					
Receivables from Exchange Transactions - Waste Water Management	1500									-	-					
Receivables from Exchange Transactions - Waste Management	1600									-	-					
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-					
Interest on Arrear Debtor Accounts	1810									-	-					
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-					
Other	1900	65,038								65,038	-					
<b>Total By Income Source</b>	<b>2000</b>	<b>65,038</b>	-	-	-	-	-	-	-	<b>65,038</b>	-					
<b>2016/17 - totals only</b>										-	-					
<b>Debtors Age Analysis By Customer Group</b>																
Organs of State	2200									-	-					
Commercial	2300									-	-					
Households	2400									-	-					
Other	2500	65,038								65,038	-					
<b>Total By Customer Group</b>	<b>2600</b>	<b>65,038</b>	-	-	-	-	-	-	-	<b>65,038</b>	-					

Corrections is required to the Debtors information. These will be communicated as soon as finalized.

## Age Analysis – Creditors

WC033 Cape Agulhas - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2017/18									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
<b>R thousands</b>												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700										-	
Auditor General	0800										-	
Other	0900	3,101									3,101	
<b>Total By Customer Type</b>	<b>1000</b>	<b>3,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,101</b>	<b>-</b>

Council purchases and payments to creditors are under adequate control and paid within the prescribed period of 30 days. No significant problems experienced in respect of creditor payments during the quarter under review.

## Investment Portfolio

WC033 Cape Agulhas - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
<b>R thousands</b>									
<b>Municipality</b>									
Call Investments (Short term)									15,000
<b>Municipality sub-total</b>					-		-	-	15,000
<b>Entities</b>									
<b>Entities sub-total</b>					-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>-</b>		<b>-</b>	<b>-</b>	<b>15,000</b>

### Cash & Investment Management:

Surplus cash is invested at approved banking institutions in accordance with prescribed legislation and / or cash & investment policy guidelines.

The municipality's bank account per bank statement reflecting a positive balance as at the end of August 2017.

## Transfers and Grants

WC033 Cape Agulhas - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	27,881	27,881	283	10,780	9,294	2,100	22.6%	27,881
Local Government Equitable Share			25,190	25,190	-	10,497	8,397	2,100	25.0%	25,190
Energy Efficiency and Demand-side [Schedule 5B]			-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]			1,131	1,131	283	283	377	-	-	1,131
Local Government Financial Management Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]			1,560	1,560	-	-	520	-	-	1,560
Municipal Systems Improvement Grant [Schedule 5B]			-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	27,253	27,253	-	9,137	9,084	1,907	21.0%	27,253
Human Settlement Development			20,450	20,450	-	9,137	6,817	2,321	34.0%	20,450
Library Service Conditional Grant			5,423	5,423	-	-	1,808	-	-	5,423
Maintenance of Main Roads			84	84	-	-	28	-	-	84
Community Development Workers			56	56	-	-	19	-	-	56
Financial Management Support (WC_FMGS)			240	240	-	-	80	(80)	-100.0%	240
Greenest Municipality (Violence Protection)			1,000	1,000	-	-	333	(333)	-100.0%	1,000
Thusong Centre			-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
N/A			-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
National Skills Fund			-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	-	55,134	55,134	283	19,917	18,378	4,008	21.8%	55,134
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	12,108	12,108	-	5,190	4,036	(546)	-13.5%	12,108
Municipal Infrastructure Grant [Schedule 5B]			9,558	9,558	-	2,640	3,186	(546)	-17.1%	9,558
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]			1,000	1,000	-	1,000	333	-	-	1,000
Local Government Financial Management Grant [Schedule 5B]			1,550	1,550	-	1,550	517	-	-	1,550
Municipal Systems Improvement Grant [Schedule 5B]			-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	162	162	-	-	54	(54)	-100.0%	162
Library Service			162	162	-	-	54	(54)	-100.0%	162
Development of Sport and Recreation Facilities			-	-	-	-	-	-	-	-
Thusong Centre			-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
N/A			-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
N/A			-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	-	12,269	12,269	-	5,190	4,090	(600)	-14.7%	12,269
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	67,403	67,403	283	25,107	22,468	3,408	15.2%	67,403

WC033 Cape Agulhas - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

Description	Ref	Budget Year 2017/18								
		2016/17 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	27,881	27,881	-	10,497	6,439	4,058	63.0%	27,881
Local Government Equitable Share			25,190	25,190	-	10,497	5,818	4,679	80.4%	25,190
Energy Efficiency and Demand-side [Schedule 5B]			-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]			1,131	1,131	-	-	261	(261)	-100.0%	1,131
Local Government Financial Management Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]			1,560	1,560	-	-	360	(360)	-100.0%	1,560
Municipal Systems Improvement Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Other transfers and grants [insert description]			-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	27,253	27,253	-	-	6,294	(6,008)	-95.4%	27,253
Human Settlement Development			20,450	20,450	-	-	4,723	(4,723)	-100.0%	20,450
Library Service Conditional Grant			5,423	5,423	-	-	1,252	(1,252)	-100.0%	5,423
Maintenance of Main Roads			84	84	-	-	19	(19)	-100.0%	84
Community Development Workers			56	56	-	-	13	(13)	-100.0%	56
Financial Management Support (WC_FMGS)			240	240	-	-	55	-	-	240
Greenest Municipality (Violence Protection)			1,000	1,000	-	-	231	-	-	1,000
Thusong Centre			-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
N/A			-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
National Skills Fund			-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		-	55,134	55,134	-	10,497	12,734	(1,950)	-15.3%	55,134
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	12,108	12,108	-	-	627	(627)	-100.0%	12,108
Municipal Infrastructure Grant [Schedule 5B]			9,558	9,558	-	-	495	(495)	-100.0%	9,558
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]			1,000	1,000	-	-	52	(52)	-100.0%	1,000
Local Government Financial Management Grant [Schedule 5B]			1,550	1,550	-	-	80	(80)	-100.0%	1,550
Municipal Systems Improvement Grant [Schedule 5B]			-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	862	862	-	-	45	(45)	-100.0%	862
Library Service			162	162	-	-	8	(8)	-100.0%	162
Development of Sport and Recreation Facilities			700	700	-	-	36	-	-	700
Thusong Centre			-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
N/A			-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
N/A			-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		-	12,969	12,969	-	-	672	(672)	-100.0%	12,969
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	68,103	68,103	-	10,497	13,406	(2,622)	-19.6%	68,103

Reporting of grants is on a monthly basis reported to the relevant national and provincial departments. Grant funding is implemented as per specific conditions per stipulations in the agreements.

## Councillors and staff benefits

WC033 Cape Agulhas - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages			3,063	3,063	284	567	478	90	19%	3,063
Pension and UIF Contributions			545	545	42	125	85	40	47%	545
Medical Aid Contributions			48	48	3	7	8	(1)	-11%	48
Motor Vehicle Allowance			1,218	1,218	95	193	190	3	2%	1,218
Cellphone Allowance			270	270	24	48	42	6	15%	270
Housing Allowances			-	-	-	-	-	-	-	-
Other benefits and allowances			-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>			<b>5,145</b>	<b>5,145</b>	<b>449</b>	<b>940</b>	<b>802</b>	<b>138</b>	<b>17%</b>	<b>5,145</b>
<b>% increase</b>	4		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages			3,919	3,919	290	602	602	1	0%	3,919
Pension and UIF Contributions			713	713	58	200	109	91	83%	713
Medical Aid Contributions			188	188	16	32	29	3	9%	188
Overtime			-	-	-	-	-	-	-	-
Performance Bonus			525	525	-	-	81	(81)	-100%	525
Motor Vehicle Allowance			292	292	30	56	45	11	25%	292
Cellphone Allowance			14	14	1	2	2	0	9%	14
Housing Allowances			-	-	-	-	-	-	-	-
Other benefits and allowances			45	45	4	9	7	2	28%	45
Payments in lieu of leave			400	400	-	160	61	98	160%	400
Long service awards			-	-	-	-	-	-	-	-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>			<b>6,096</b>	<b>6,096</b>	<b>400</b>	<b>1,061</b>	<b>936</b>	<b>125</b>	<b>13%</b>	<b>6,096</b>
<b>% increase</b>	4		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages			75,557	75,557	5,615	11,258	11,600	(342)	-3%	75,557
Pension and UIF Contributions			12,762	12,762	993	3,439	1,959	1,479	76%	12,762
Medical Aid Contributions			3,844	3,844	326	649	590	59	10%	3,844
Overtime			3,402	3,402	255	507	522	(15)	-3%	3,402
Performance Bonus			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			5,359	5,359	420	882	823	59	7%	5,359
Cellphone Allowance			378	378	31	69	58	11	19%	378
Housing Allowances			951	951	85	171	146	25	17%	951
Other benefits and allowances			5,018	5,018	146	292	770	(478)	-62%	5,018
Payments in lieu of leave			919	919	-	-	141	(141)	-100%	919
Long service awards			522	522	-	-	80	(80)	-100%	522
Post-retirement benefit obligations			2,372	2,372	-	-	364	(364)	-100%	2,372
<b>Sub Total - Other Municipal Staff</b>			<b>111,083</b>	<b>111,083</b>	<b>7,871</b>	<b>17,268</b>	<b>17,054</b>	<b>213</b>	<b>1%</b>	<b>111,083</b>
<b>% increase</b>	4		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Total Parent Municipality</b>			<b>122,323</b>	<b>122,323</b>	<b>8,720</b>	<b>19,269</b>	<b>18,793</b>	<b>477</b>	<b>3%</b>	<b>122,323</b>

## Actuals and revised targets for cash receipts

WC033 Cape Agulhas - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August

Description	Ref	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Budget	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Cash Receipts By Source</b>																
Property rates		3,227	2,421	17,394	3,690	3,690	3,690	3,690	3,690	3,690	3,690	3,690	5,420	57,979	62,606	68,285
Service charges - electricity revenue		7,934	6,944	9,110	8,921	8,137	8,979	7,323	7,825	8,126	8,230	9,067	8,993	99,589	104,567	109,795
Service charges - water revenue		1,304	1,326	1,871	1,851	1,932	2,195	2,021	2,152	2,249	2,060	2,062	2,443	23,466	25,259	27,189
Service charges - sanitation revenue		1,022	876	779	762	803	893	660	727	735	814	762	312	9,145	9,875	10,663
Service charges - refuse		1,345	1,164	1,257	1,257	1,256	1,257	1,296	1,267	1,257	1,257	1,257	1,287	15,158	16,345	17,624
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		58	40	282	392	133	159	394	76	113	117	70	147	1,982	1,929	1,954
Interest earned - external investments		97	244	169	168	175	75	237	190	172	241	279	12	2,060	2,215	2,381
Interest earned - outstanding debtors		-	(0)	120	120	120	120	120	120	120	120	120	361	1,442	1,568	1,711
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		55	257	246	122	200	258	304	328	263	186	171	474	2,864	3,078	3,308
Licences and permits		0	2	5	7	5	5	5	5	5	5	5	12	61	65	69
Agency services		94	105	202	305	144	232	99	222	234	157	190	435	2,419	2,514	2,624
Transfer receipts - operating		19,634	566	-	-	18,378	-	-	-	17,121	-	-	(566)	55,134	57,206	81,879
Other revenue		172	620	696	710	814	1,066	665	312	284	368	766	1,296	7,769	8,259	8,438
<b>Cash Receipts by Source</b>		<b>34,943</b>	<b>14,566</b>	<b>32,131</b>	<b>18,305</b>	<b>35,785</b>	<b>18,930</b>	<b>16,814</b>	<b>16,914</b>	<b>34,369</b>	<b>17,244</b>	<b>18,438</b>	<b>20,628</b>	<b>279,066</b>	<b>295,487</b>	<b>335,920</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital		5,190	-	-	-	4,090	-	-	-	2,990	-	-	(0)	12,269	13,001	18,264
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	500	500	1,250	1,500
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		2,400	-	-	-	-	-	-	-	-	-	3,261	-	5,661	6,983	2,150
Increase in consumer deposits		-	(33)	16	16	16	16	16	16	16	16	16	81	188	197	206
Receipt of non-current debtors		0	0	2	2	2	2	2	2	2	2	2	6	27	27	27
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>42,533</b>	<b>14,533</b>	<b>32,149</b>	<b>18,323</b>	<b>39,893</b>	<b>18,948</b>	<b>16,832</b>	<b>16,932</b>	<b>37,377</b>	<b>17,262</b>	<b>21,717</b>	<b>21,214</b>	<b>297,711</b>	<b>316,944</b>	<b>358,067</b>
<b>Cash Payments by Type</b>																
Employee related costs		3,665	4,615	8,767	8,767	17,535	8,767	8,767	8,767	8,767	8,767	8,767	18,022	113,976	120,134	127,285
Remuneration of councillors		491	449	401	401	401	401	401	625	429	429	429	290	5,145	5,531	5,945
Interest paid		2	41	-	-	-	364	-	-	-	-	-	320	727	751	790
Bulk purchases - Electricity		7,401	8,655	6,371	6,381	6,351	6,374	6,364	6,353	6,373	6,350	6,375	3,038	76,386	80,141	83,264
Bulk purchases - Water & Sewer		-	-	15	15	15	15	15	15	15	15	15	45	180	189	196
Other materials		260	1,608	2,506	3,097	3,065	4,739	1,806	3,042	2,927	4,683	3,558	7,902	39,193	39,103	59,476
Contracted services		195	599	1,411	2,467	1,273	2,445	1,481	1,575	1,734	1,762	2,285	952	18,181	17,396	17,251
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		614	9	222	222	222	222	222	222	222	222	122	239	2,763	2,685	2,760
General expenses		5,225	(9,573)	1,335	1,649	1,632	2,524	962	1,620	1,559	2,494	1,895	9,552	20,874	21,584	22,241
<b>Cash Payments by Type</b>		<b>17,855</b>	<b>6,402</b>	<b>21,029</b>	<b>22,999</b>	<b>30,494</b>	<b>25,851</b>	<b>20,018</b>	<b>22,219</b>	<b>22,026</b>	<b>24,723</b>	<b>23,447</b>	<b>40,361</b>	<b>277,426</b>	<b>287,514</b>	<b>319,210</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		-	65	2,071	1,594	670	2,663	296	2,542	6,214	2,193	2,471	6,885	27,665	29,682	29,203
Repayment of borrowing		30	30	-	-	-	1,120	-	-	-	-	-	1,060	2,240	3,189	2,981
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>		<b>17,885</b>	<b>6,498</b>	<b>23,101</b>	<b>24,593</b>	<b>31,164</b>	<b>29,634</b>	<b>20,314</b>	<b>24,762</b>	<b>28,240</b>	<b>26,916</b>	<b>25,919</b>	<b>48,306</b>	<b>307,331</b>	<b>320,385</b>	<b>351,394</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>24,648</b>	<b>8,035</b>	<b>9,048</b>	<b>(6,271)</b>	<b>8,729</b>	<b>(10,686)</b>	<b>(3,482)</b>	<b>(7,830)</b>	<b>9,138</b>	<b>(9,654)</b>	<b>(4,202)</b>	<b>(27,091)</b>	<b>(9,619)</b>	<b>(3,441)</b>	<b>6,673</b>
Cash/cash equivalents at the month/year beginning:		24,709	49,357	57,392	66,440	60,169	68,898	58,212	54,730	46,900	56,037	46,383	42,181	24,709	15,090	11,650
Cash/cash equivalents at the month/year end:		49,357	57,392	66,440	60,169	68,898	58,212	54,730	46,900	56,037	46,383	42,181	15,090	15,090	11,650	18,323

## Capital expenditure trend

WC033 Cape Agulhas - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July		199	199	–		199	–		
August		805	805	65	#VALUE!	1,005	#VALUE!	#VALUE!	#VALUE!
September		2,071				3,076	–		
October		1,594				4,670	–		
November		670				5,340	–		
December		2,663				8,003	–		
January		296				8,299	–		
February		2,542				10,841	–		
March		6,214				17,055	–		
April		2,193				19,248	–		
May		2,471				21,719	–		
June		5,945				27,665	–		
<b>Total Capital expenditure</b>	–	<b>27,665</b>	<b>1,005</b>	<b>65</b>					

## **7. Other Information**

### **7.1 SCOA Implementation**

The key objectives of the Regulations on a Standard Chart of Accounts (SCOA) is to enable the alignment of budget information with information captured in the course of the implementation of the budget; improve data quality and credibility; achieve a greater level of standardization; improve transparency, accountability and governance through uniform recording of transactions at posting account level; enable deeper data analysis and sector comparisons to improve financial performance and the standardisation of the account classification to facilitate mobility in financial skills within local government in order to enhance the ability to attract and retain skilled personnel.

**A detailed progress report will be submitted to the Steering committee and Council reflecting the municipal mSCOA implementation performance.**

### **7.2 Long-Term Financial Plan**

The long-term policy needs to be reviewed and updated. This will be done as per Treasury recommendations and requirements.



## 8. Municipal Quality Certificate

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR  
CONTACT NO 028 425 5798

VERW:  
REF: 5/3/2017-17(M02)

KANTOOR:  
OFFICES: Bredasdorp

DATUM  
DATE 14 September 2017



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

### QUALITY CERTIFICATE

I, **DEAN O NEILL** ..., the accounting officer / chief financial officer of **CAPE AGULHAS MUNICIPALITY WC033** (name of municipality), hereby certify that –

(mark as appropriate)

- The monthly budget statement**
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid- year budget and performance assessment

For the month ending **31 August 2017** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name DEAN O'NEILL

Accounting Officer / Chief Financial Officer of **CAPE AGULHAS MUNICIPALITY WC033** (name and demarcation of municipality)

Signature [Handwritten Signature]

Date 14/09/17