

# Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

## **MONTHLY PERFORMANCE REPORT - SECTION 71 31 MAY 2017**

## **TABLE OF CONTENTS**

1. Council Resolution.....	4
2. Introduction.....	5
3. Mayor's Report .....	6
4. Executive Summary.....	10
5. In-Year Budget Statement Tables.....	11
6. Supporting Documents.....	18
7. Other Information.....	31
8. Report on Outstanding government debt.....	40
9. MFMA Section 32(6)(b) instance.....	41
10. Annexure A – MFMA Implementation.....	42
11. Municipal Manager's Quality Certification.....	44

## **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 May 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.

## **QUALITY CERTIFICATE SIGNED AT THE END OF THE DOCUMENT**

**Mr D O'Neill**  
**Municipal Manager**

**Date: 05 June 2017**

## **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.

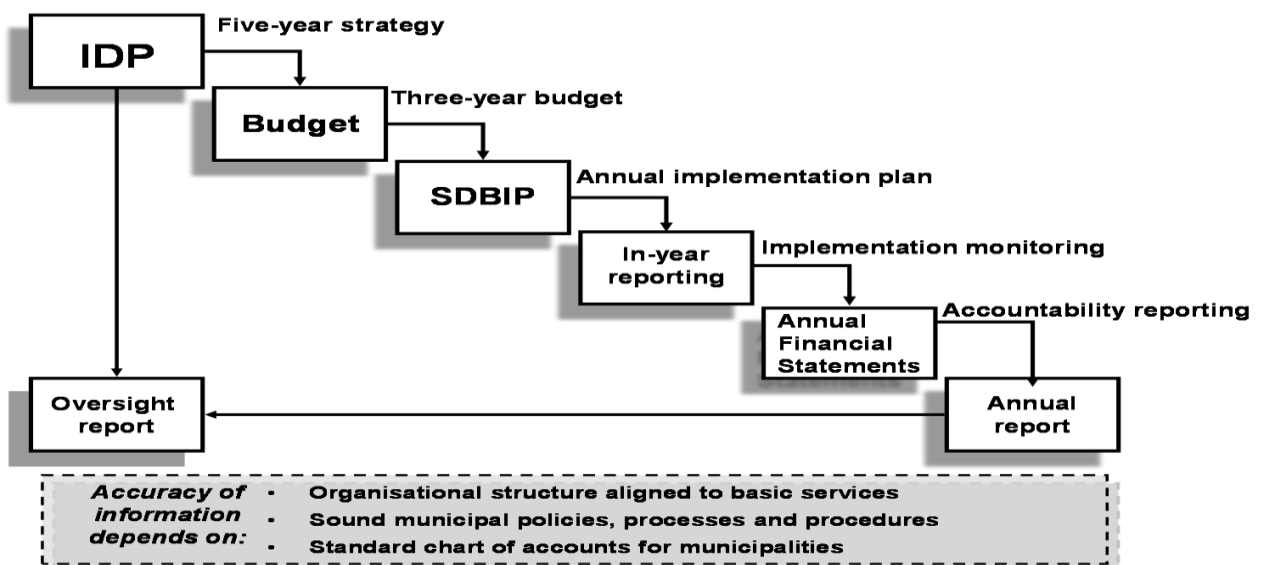
#### 3.1 Budget Process:

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:

- Reporting on the previous year budget;
- Current year budget implementation; and
- 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:



For the month under review that is the period of **May 2017** the following MFMA related activities was successfully complete as per legislative requirements:

### **May 2017**

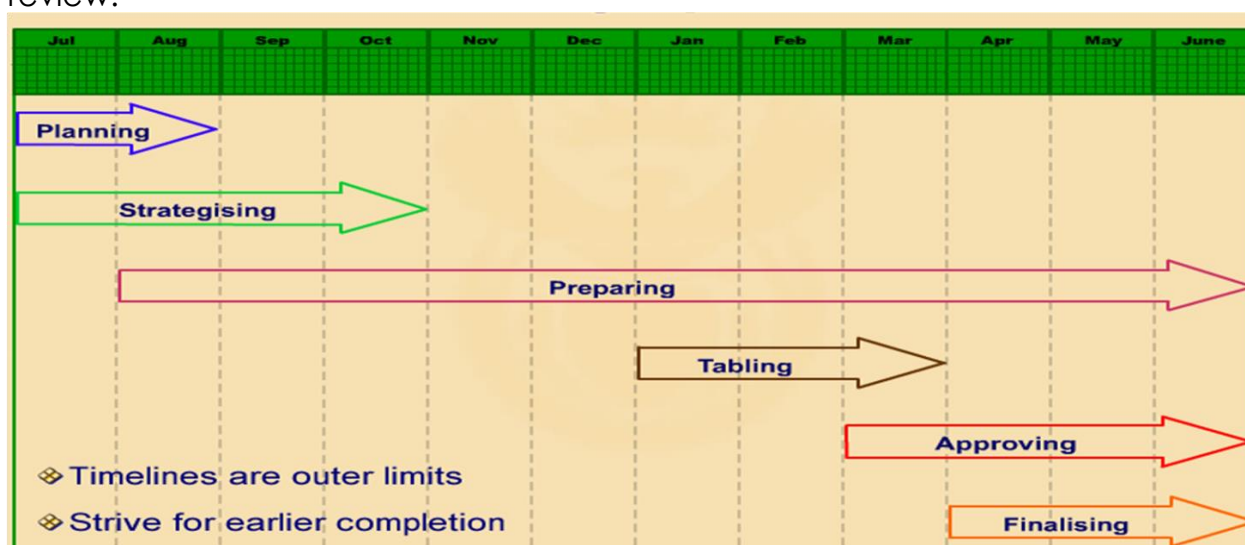
- All section 71 MFMA reporting was complete and submitted.
- Final Budget and Integrated Development plan was tabled to Council for approval.
- Concluding of the community participation process with the final budget.
- The submission of the municipal SCOA budget requirements as per National Treasury SCOA regulation and circulars.
- Submission of the information to the National Treasury portal as per mSCOA requirements.
- In process of finalization the Annual Financial Statements verification process of National Treasury.

Item 3.4 MFMA Implementation Oversight also provides a summary of the legislative requirements with specific reference to the year-to-date performance up until **May 2017**.

### **Budget planning process 2017/2018**

The budget timetable for the 2017/2018 financial year was approved by Council during August 2016.

Following the Budget Process Timeline in respect of the budget year under review:



The dates for the public participation process was as follows:

<u>Date</u>	<u>Venue</u>	<u>Ward</u>	<u>Time</u>	<u>Status</u>
Monday 10 April 2017	Napier Community Hall	1	19h00	Complete
Tuesday 11 April 2017	Elim Moravian Hall	1	19h00	Postponed
Wednesday 12 April 2017	Thusong Centre Hall	2	19h00	Complete
Tuesday 18 April 2017	Nelson Mandela Hall	3	19h00	Complete
Wednesday 19 April 2017	Glaskasteel Hall	4	19h00	Complete
Thursday 20 April 2017	Suiderlig Service Centre	5	15h00	Complete
Thursday 20 April 2017	Struisbay Community Hall	5	18h00	Complete
Monday 24 April 2017	Arniston Community Hall	6	19h00	Complete
Tuesday 25 April 2017	Christen Gemeente Kerk	6	19h00	Complete

The public participation process was concluded and the administration is in the process of finalization of the budget to ensure submission to Council during May 2017.

The amended Budget process plan for the final budget 2017/18 MTREF period is as follows:

<b>ACTIVITY</b>	<b>DATE</b>
Sector meeting engagements – Business / Agriculture	May 2017
Budget workshop with directors / managers	8 May 2017
Budget steering committee meeting	19 May 2017
Finalization of written comments to public on Budget/IDP	19 May 2017
Distribution of Final budget documentation to councilors	26 May 2017
Final Budget to Council	31 May 2017

### **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 implementation process. mSCOA is the new Standard Chart of Accounts legislated for implementation during July 2017.

The implementation of mSCOA is ongoing and the municipality will report to Council on a quarterly basis in terms of the progress.

### **3.3 Financial Statements for the Year-ended 30 June 2016**

The annual Financial Statements for the 2015/2016 financial year was submitted to the Auditor General as per legislative requirements.

The municipality received a "Clean Audit" for the 2015/16 financial year.

### **3.4 MFMA Implementation Oversight:**

Council's progress on the implementation of the MFMA proceeds according to set targets and due dates determined for a low capacity municipality. A comprehensive oversight report on the progress of implementation and compliance per MFMA requirements is attached as **Annexure "A"** to this report.



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

The following table summarizes the overall position on the capital and operating budgets.

<b>000</b>	<b>Revised Capital Budget</b>	<b>Revised Operational Expenditure</b>	<b>Revised Operational Revenues</b>
Budget	25,452	287,917	282,799
Budget to date (YTD)	23,327	263,924	262,569
Year to date (YTD)	17,798	228,838	241,100
Variance to SDBIP	-5,529	-35,086	21,469
YTD % Variance to SDBIP	-23.70%	-13.29%	-8.18%
% of Annual Budget	69.93%	79.48%	85.25%

#### **Capital Expenditure**

Capital spending totals of R17.798m of a budget of R25,452m was recorded at the end of May 2017. This being the second last month of the financial year, poses a challenge of the municipality not implementing the budget as approved during the Mid-year adjustment budget process.

The projects funded from external funding, that is National and Provincial allocations as well as external loans will be complete at the end of the financial year. This is a positive reflection on the municipal capital spending, being all allocated external funding is used. Various projects was also complete for less than budgeted amount resulting in a saving. This also contributes to a positive correlation between available cash reserves for future financial obligations and still adhering to the various service delivery mandates.

Capital commitment of R2.233m still outstanding at the end of the reporting month that is 31 May 2017.

#### **Operational Expenditure**

Spending at the end of May 2017 totals R228,838m or 79.48% of budget. Numerous budgeted items can only be accounted for at the end of the financial year, with the completion of final – year end processes and financial statements compilation. This will positively impact on the year-end performance.

#### **Operational Revenues**

Revenues recorded at R241,100m or 85.25% for period ending 31 May 2017. This amount is impacted by the Housing allocation claim submitted to the Department of Human settlements of R10.6m. These funds will further improved the municipal performance and also impacted on the spending.

## 5. In year Budget Statement Tables

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M11 May

Description	2015/16	Budget Year 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>Financial Performance</b>									
Property rates	49,931	54,671	54,429	2,581	52,221	53,162	(941)	-2%	54,429
Service charges	125,512	138,723	138,608	11,422	127,759	130,626	(2,866)	-2%	138,608
Investment revenue	1,907	1,900	2,050	248	1,932	1,879	53	3%	2,050
Transfers recognised - operational	36,162	60,025	52,543	621	32,462	44,164	(11,703)	-26%	52,543
Other own revenue	25,409	23,280	23,267	1,474	17,724	21,828	(4,104)	-19%	23,267
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>238,921</b>	<b>278,599</b>	<b>270,897</b>	<b>16,346</b>	<b>232,098</b>	<b>251,659</b>	<b>(19,561)</b>	<b>-8%</b>	<b>270,897</b>
Employee costs	96,318	101,847	101,822	8,102	91,845	93,337	(1,492)	-2%	101,822
Remuneration of Councillors	3,625	4,786	4,786	673	4,341	4,387	(45)	-1%	4,786
Depreciation & asset impairment	10,742	10,888	10,888	1,011	9,973	9,980	(7)	-0%	10,888
Finance charges	7,626	8,527	8,527	401	4,481	7,816	(3,335)	-43%	8,527
Materials and bulk purchases	66,551	75,101	75,021	10,528	65,620	68,769	(3,150)	-5%	75,021
Transfers and grants	1,494	1,783	1,428	27	1,519	1,309	210	16%	1,428
Other expenditure	61,253	94,454	85,446	5,877	51,058	78,325	(27,267)	-35%	85,446
<b>Total Expenditure</b>	<b>247,609</b>	<b>297,385</b>	<b>287,917</b>	<b>26,619</b>	<b>228,838</b>	<b>263,924</b>	<b>(35,086)</b>	<b>-13%</b>	<b>287,917</b>
<b>Surplus/(Deficit)</b>	<b>(8,688)</b>	<b>(18,786)</b>	<b>(17,020)</b>	<b>(10,273)</b>	<b>3,260</b>	<b>(12,265)</b>	<b>15,525</b>	<b>-127%</b>	<b>(17,020)</b>
Transfers recognised - capital	13,125	11,931	11,902	4,052	9,002	10,910	(1,908)	-17%	11,902
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>	<b>13,617</b>	<b>-1005%</b>	<b>(5,118)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>	<b>13,617</b>	<b>-1005%</b>	<b>(5,118)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>21,215</b>	<b>24,632</b>	<b>25,452</b>	<b>3,508</b>	<b>17,798</b>	<b>23,327</b>	<b>(5,529)</b>	<b>-24%</b>	<b>25,197</b>
Capital transfers recognised	13,126	11,931	11,902	2,656	9,207	10,910	(1,703)	-16%	11,902
Public contributions & donations	807	-	-	-	-	-	-	-	-
Borrowing	1,829	3,750	4,053	119	1,273	3,715	(2,442)	-66%	4,053
Internally generated funds	5,454	8,951	9,497	733	7,317	8,706	(1,389)	-16%	9,497
<b>Total sources of capital funds</b>	<b>21,215</b>	<b>24,632</b>	<b>25,452</b>	<b>3,508</b>	<b>17,798</b>	<b>23,331</b>	<b>(5,533)</b>	<b>-24%</b>	<b>25,452</b>
<b>Financial position</b>									
Total current assets	45,027	36,476	46,495		68,508				46,546
Total non current assets	402,724	420,592	417,261		420,592				417,006
Total current liabilities	26,365	32,755	35,624		38,079				35,571
Total non current liabilities	110,490	121,002	122,355		117,734				122,203
<b>Community wealth/Equity</b>	<b>310,895</b>	<b>303,312</b>	<b>305,777</b>		<b>333,287</b>				<b>305,777</b>
<b>Cash flows</b>									
Net cash from (used) operating	9,922	7,316	23,527	(11,671)	39,263	6,707	(32,556)	-485%	43,527
Net cash from (used) investing	(16,402)	(24,627)	(25,425)	(3,508)	(17,798)	(22,575)	(4,777)	21%	(25,170)
Net cash from (used) financing	2,030	3,376	2,748	-	2,590	3,095	505	16%	2,544
<b>Cash/cash equivalents at the month/year end</b>	<b>14,384</b>	<b>5,806</b>	<b>15,235</b>	<b>-</b>	<b>29,861</b>	<b>1,610</b>	<b>(28,251)</b>	<b>-1754%</b>	<b>26,708</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys- 1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	15,635	1,973	664	532	409	632	3,929	6,684	30,457
<b>Creditors Age Analysis</b>									
Total Creditors	13,479	-	-	-	-	-	-	-	13,479

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 (standard classification) - M11 May

Description	Ref	2015/16	Budget Year 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>1</b>									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>74,709</b>	<b>77,523</b>	<b>77,672</b>	<b>2,901</b>	<b>74,120</b>	<b>73,658</b>	462	1%	<b>77,672</b>
Executive and council		13,252	15,373	14,391	(741)	14,919	15,651	(732)	-5%	14,391
Budget and treasury office		60,134	59,673	59,846	3,670	57,750	54,859	2,891	5%	59,846
Corporate services		1,322	2,477	3,435	(28)	1,451	3,149	(1,697)	-54%	3,435
<i><b>Community and public safety</b></i>		<b>27,333</b>	<b>51,738</b>	<b>41,832</b>	<b>1,402</b>	<b>18,490</b>	<b>38,350</b>	(19,860)	-52%	<b>41,832</b>
Community and social services		5,108	6,148	6,180	649	5,263	5,669	(406)	-7%	6,180
Sport and recreation		5,678	6,601	6,663	172	6,220	6,108	113	2%	6,663
Public safety		9,878	10,889	10,889	581	4,421	9,981	(5,560)	-56%	10,889
Housing		6,669	28,100	18,100	-	2,586	16,592	(14,006)	-84%	18,100
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>12,664</b>	<b>12,324</b>	<b>11,694</b>	<b>3,190</b>	<b>9,332</b>	<b>10,720</b>	(1,388)	-13%	<b>11,694</b>
Planning and development		12,664	12,324	11,694	3,190	9,332	10,720	(1,388)	-13%	11,694
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>137,340</b>	<b>148,946</b>	<b>151,601</b>	<b>12,905</b>	<b>139,158</b>	<b>139,841</b>	(684)	0%	<b>151,601</b>
Electricity		89,128	97,118	99,773	8,478	89,666	91,459	(1,793)	-2%	99,773
Water		22,384	23,929	23,929	2,082	23,238	21,935	1,303	6%	23,929
Waste water management		10,459	10,487	10,487	932	10,698	10,487	211	2%	10,487
Waste management		15,369	17,412	17,412	1,412	15,556	15,961	(405)	-3%	17,412
<i><b>Other</b></i>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Standard</b>	<b>2</b>	<b>252,046</b>	<b>290,530</b>	<b>282,799</b>	<b>20,398</b>	<b>241,100</b>	<b>262,569</b>	<b>(21,469)</b>	<b>-8%</b>	<b>282,799</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>70,791</b>	<b>76,133</b>	<b>76,833</b>	<b>6,410</b>	<b>65,122</b>	<b>70,430</b>	(5,308)	-8%	<b>76,833</b>
Executive and council		15,090	18,465	17,743	1,480	14,622	16,264	(1,642)	-10%	17,743
Budget and treasury office		37,923	37,298	38,005	3,283	33,438	34,838	(1,400)	-4%	38,005
Corporate services		17,779	20,370	21,085	1,647	17,061	19,328	(2,267)	-12%	21,085
<i><b>Community and public safety</b></i>		<b>40,603</b>	<b>66,770</b>	<b>57,002</b>	<b>2,917</b>	<b>32,907</b>	<b>52,251</b>	(19,344)	-37%	<b>57,002</b>
Community and social services		11,760	13,917	14,172	1,057	11,898	12,991	(1,093)	-8%	14,172
Sport and recreation		9,311	9,822	10,019	1,051	9,117	9,184	(67)	-1%	10,019
Public safety		11,638	13,456	13,254	694	7,914	12,149	(4,235)	-35%	13,254
Housing		7,893	29,575	19,557	115	3,978	17,927	(13,949)	-78%	19,557
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>21,214</b>	<b>26,114</b>	<b>25,559</b>	<b>2,144</b>	<b>20,918</b>	<b>23,429</b>	(2,511)	-11%	<b>25,559</b>
Planning and development		7,904	9,807	9,502	860	7,435	8,711	(1,276)	-15%	9,502
Road transport		12,688	15,657	15,408	1,228	13,049	14,124	(1,075)	-8%	15,408
Environmental protection		622	651	649	56	434	595	(161)	-27%	649
<i><b>Trading services</b></i>		<b>115,001</b>	<b>128,368</b>	<b>128,524</b>	<b>15,148</b>	<b>109,891</b>	<b>117,814</b>	(7,923)	-7%	<b>128,524</b>
Electricity		76,324	86,009	86,254	11,390	74,619	79,066	(4,447)	-6%	86,254
Water		14,879	15,207	15,022	1,454	14,254	13,770	484	4%	15,022
Waste water management		8,849	9,549	9,618	850	8,748	8,816	(68)	-1%	9,618
Waste management		14,949	17,603	17,631	1,454	12,270	16,162	(3,891)	-24%	17,631
<i><b>Other</b></i>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>247,609</b>	<b>297,385</b>	<b>287,917</b>	<b>26,619</b>	<b>228,838</b>	<b>263,924</b>	<b>(35,086)</b>	<b>-13%</b>	<b>287,917</b>
<b>Surplus/ (Deficit) for the year</b>		<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>	<b>13,617</b>	<b>-1005%</b>	<b>(5,118)</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)

No material variances in terms of the projected expenditure in respect of the financial year under review. Expenditure will materialise according to planned activity.

**WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May**

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		13,252	15,373	14,391	(741)	14,919	14,391	528	3.7%	14,391
Vote 2 - Budget and Treasury Office		60,134	59,673	59,846	3,670	57,750	56,997	753	1.3%	59,846
Vote 3 - Corporate Services		2,313	3,369	4,309	122	2,522	3,950	(1,428)	-36.1%	4,309
Vote 4 - Community and Social Services		27,333	51,738	41,832	1,402	18,490	38,346	(19,856)	-51.8%	41,832
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		89,128	97,118	99,773	8,478	89,666	91,459	(1,793)	-2.0%	99,773
Vote 9 - Water		-	-	-	-	-	-	-	-	-
Vote 10 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Infrastructure		59,886	63,260	62,648	7,466	57,753	57,427	326	0.6%	62,648
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	252,046	290,530	282,799	20,398	241,100	262,569	(21,470)	-8.2%	282,799
Expenditure by Vote	1									
Vote 1 - Executive and Council		15,090	18,465	17,743	1,480	14,622	16,264	(1,642)	-10.1%	17,743
Vote 2 - Budget and Treasury Office		37,923	37,298	38,005	3,283	33,438	34,838	(1,400)	-4.0%	38,005
Vote 3 - Corporate Services		22,773	25,944	27,306	2,311	22,018	25,030	(3,012)	-12.0%	27,306
Vote 4 - Community and Social Services		41,225	67,421	57,650	2,973	33,341	52,846	(19,505)	-36.9%	57,650
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		76,324	86,009	86,254	11,390	74,619	79,066	(4,447)	-5.6%	86,254
Vote 9 - Water		-	-	-	-	-	-	-	-	-
Vote 10 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Infrastructure		54,274	62,248	60,960	5,182	50,799	55,880	(5,081)	-9.1%	60,960
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	247,609	297,385	287,917	26,619	228,838	263,924	(35,086)	-13.3%	287,917
Surplus/ (Deficit) for the year	2	4,437	(6,855)	(5,118)	(6,221)	12,262	(1,354)	13,616	-1005.3%	(5,118)

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) - M11 May

Woods Cape Agendas – Table 04 Monthly Budget Statement – Financial Performance (Revenue and Expenditure) – M1 – May										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue By Source</b>										
Property rates		49,931	54,671	54,429	2,581	52,221	53,162	(941)	-2%	54,429
Property rates - penalties & collection charges		–	–	–	–	–	–	–	–	–
Service charges - electricity revenue		85,934	95,198	96,063	7,851	87,198	89,558	(2,360)	-3%	96,063
Service charges - water revenue		21,937	22,393	21,493	1,769	20,088	20,650	(562)	-3%	21,493
Service charges - sanitation revenue		10,313	7,528	7,448	699	8,234	7,448	786	11%	7,448
Service charges - refuse revenue		15,336	13,604	13,604	1,103	12,240	12,970	(731)	-6%	13,604
Service charges - other		(8,008)	–	–	–	–	–	–	–	–
Rental of facilities and equipment		6,405	7,664	7,712	173	7,516	6,569	947	14%	7,712
Interest earned - external investments		1,907	1,900	2,050	248	1,932	1,879	53	3%	2,050
Interest earned - outstanding debtors		1,169	876	876	143	1,430	803	627	78%	876
Dividends received		–	–	–	–	–	–	–	–	–
Fines		7,308	8,538	8,540	259	1,956	7,828	(5,872)	-75%	8,540
Licences and permits		404	347	925	43	374	847	(473)	-56%	925
Agency services		1,520	1,374	1,374	238	1,406	1,259	147	12%	1,374
Transfers recognised - operational		36,162	60,025	52,543	621	32,462	44,164	(11,703)	-26%	52,543
Other revenue		5,293	4,481	3,841	617	5,042	4,521	521	12%	3,841
Gains on disposal of PPE		3,310	–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>238,921</b>	<b>278,599</b>	<b>270,897</b>	<b>16,346</b>	<b>232,098</b>	<b>251,659</b>	<b>(19,561)</b>	<b>-8%</b>	<b>270,897</b>
<b>Expenditure By Type</b>										
Employee related costs		96,318	101,847	101,822	8,102	91,845	93,337	(1,492)	-2%	101,822
Remuneration of councillors		3,625	4,786	4,786	673	4,341	4,387	(45)	-1%	4,786
Debt impairment		8,222	7,400	7,400	535	2,943	6,784	(3,841)	-57%	7,400
Depreciation & asset impairment		10,742	10,888	10,888	1,011	9,973	9,980	(7)	0%	10,888
Finance charges		7,626	8,527	8,527	401	4,481	7,816	(3,335)	-43%	8,527
Bulk purchases		66,551	75,101	75,021	10,528	65,620	68,769	(3,150)	-5%	75,021
Other materials		–	–	–	–	–	–	–	–	–
Contracted services		4,596	10,778	9,857	1,112	5,606	9,036	(3,431)	-38%	9,857
Transfers and grants		1,494	1,783	1,428	27	1,519	1,309	210	16%	1,428
Other expenditure		48,409	76,276	68,188	4,230	42,510	62,506	(19,996)	-32%	68,188
Loss on disposal of PPE		26	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>247,609</b>	<b>297,385</b>	<b>287,917</b>	<b>26,619</b>	<b>228,838</b>	<b>263,924</b>	<b>(35,086)</b>	<b>-13%</b>	<b>287,917</b>
<b>Surplus/(Deficit)</b>		<b>(8,688)</b>	<b>(18,786)</b>	<b>(17,020)</b>	<b>(10,273)</b>	<b>3,260</b>	<b>(12,265)</b>	<b>15,525</b>	<b>(0)</b>	<b>(17,020)</b>
Transfers recognised - capital		13,125	11,931	11,902	4,052	9,002	10,910	(1,908)	(0)	11,902
Contributions recognised - capital		–	–	–	–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>			<b>(5,118)</b>
Taxation								–		
<b>Surplus/(Deficit) after taxation</b>		<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>			<b>(5,118)</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>			<b>(5,118)</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>4,437</b>	<b>(6,855)</b>	<b>(5,118)</b>	<b>(6,221)</b>	<b>12,262</b>	<b>(1,355)</b>			<b>(5,118)</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, standard classification and funding) - M11 May

Vote Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-		-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-		-
Vote 3 - Corporate Services		-	80	30	-	-	28	(28)	-100%	30
Vote 4 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Road Transport		-	-	-	-	-	-	-		-
Vote 8 - Electricity		-	-	-	-	-	-	-		-
Vote 9 - Water		-	-	-	-	-	-	-		-
Vote 10 - Waste Water Management		-	-	-	-	-	-	-		-
Vote 11 - Waste Management		-	-	-	-	-	-	-		-
Vote 12 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 13 - Other		-	-	-	-	-	-	-		-
Vote 14 - Infrastructure		-	300	300	-	300	275	25	9%	300
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
<b>Total Capital Multi-year expenditure</b>	4,7	-	380	330	-	300	303	(3)	-1%	330
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		16	520	573	5	33	525	(492)	-94%	573
Vote 2 - Budget and Treasury Office		25	419	369	55	974	338	636	188%	369
Vote 3 - Corporate Services		1,683	2,278	2,303	6	1,625	2,107	(482)	-23%	2,303
Vote 4 - Community and Social Services		6,666	3,423	3,505	128	2,018	3,213	(1,194)	-37%	3,505
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Road Transport		-	-	-	-	-	-	-		-
Vote 8 - Electricity		4,020	3,640	3,624	656	3,292	3,322	(30)	-1%	3,624
Vote 9 - Water		-	-	-	-	-	-	-		-
Vote 10 - Waste Water Management		-	-	-	-	-	-	-		-
Vote 11 - Waste Management		-	-	-	-	-	-	-		-
Vote 12 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 13 - Other		-	-	-	-	-	-	-		-
Vote 14 - Infrastructure		8,805	13,971	14,748	2,658	9,555	13,519	(3,964)	-29%	14,493
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
<b>Total Capital single-year expenditure</b>	4	21,215	24,252	25,122	3,508	17,498	23,024	(5,526)	-24%	24,867
<b>Total Capital Expenditure</b>		21,215	24,632	25,452	3,508	17,798	23,327	(5,529)	-24%	25,197
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		1,719	3,298	3,275	68	2,632	3,002	(370)	-12%	3,275
Executive and council		16	520	573	5	33	525	(492)	-94%	573
Budget and treasury office		25	419	369	55	974	338	636	188%	369
Corporate services		1,678	2,358	2,333	7	1,625	2,139	(514)	-24%	2,333
<b>Community and public safety</b>		6,666	3,423	3,505	128	2,018	3,213	(1,194)	-37%	3,505
Community and social services		4,809	1,453	1,303	98	716	1,195	(479)	-40%	1,303
Sport and recreation		1,377	1,941	1,970	31	1,077	1,806	(729)	-40%	1,970
Public safety		325	29	231	-	225	212	13	6%	231
Housing		155	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		4,248	9,737	9,694	1,778	7,656	8,886	(1,230)	-14%	9,694
Planning and development		5	1,702	1,204	-	1,119	1,103	15	1%	1,204
Road transport		4,243	8,035	8,490	1,778	6,537	7,783	(1,245)	-16%	8,490
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		8,582	8,174	8,978	1,536	5,492	8,230	(2,739)	-33%	8,978
Electricity		4,020	3,640	3,624	656	3,292	3,322	(30)	-1%	3,624
Water		338	3,656	3,761	179	1,432	3,448	(2,015)	-58%	3,761
Waste water management		3,974	877	1,580	701	751	1,448	(697)	-48%	1,580
Waste management		250	-	14	-	15	12	3	24%	14
<b>Other</b>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Standard Classification</b>	3	21,215	24,632	25,452	3,509	17,798	23,331	(5,533)	-24%	25,452
<b>Funded by:</b>										
National Government		12,775	10,476	10,464	2,656	8,705	9,592	(887)	-9%	10,464
Provincial Government		351	1,455	1,438	-	503	1,318	(816)	-62%	1,438
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
<b>Transfers recognised - capital</b>		13,126	11,931	11,902	2,656	9,207	10,910	(1,703)	-16%	11,902
<b>Public contributions &amp; donations</b>	5	807	-	-	-	-	-	-		-
<b>Borrowing</b>	6	1,829	3,750	4,053	119	1,273	3,715	(2,442)	-66%	4,053
<b>Internally generated funds</b>		5,454	8,951	9,497	733	7,317	8,706	(1,389)	-16%	9,497
<b>Total Capital Funding</b>		21,215	24,632	25,452	3,508	17,798	23,331	(5,533)	-24%	25,452

**WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M11 May**

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b><u>ASSETS</u></b>						
<b>Current assets</b>						
Cash		14,384	5,806	15,235	9,861	15,286
Call investment deposits			–		20,000	–
Consumer debtors		29,074	22,481	23,555	30,457	23,555
Other debtors		64	6,700	6,199	6,700	6,199
Current portion of long-term receivables		27	4	27	4	27
Inventory		1,478	1,485	1,478	1,485	1,478
<b>Total current assets</b>		<b>45,027</b>	<b>36,476</b>	<b>46,495</b>	<b>68,508</b>	<b>46,546</b>
<b>Non current assets</b>						
Long-term receivables		227	270	200	270	200
Investments		0	–		–	–
Investment property		40,248	40,689	40,239	40,689	40,239
Investments in Associate		–	–		–	–
Property, plant and equipment		312,690	332,166	329,941	332,166	329,686
Agricultural		–	–		–	–
Biological assets		–	–		–	–
Intangible assets		883	1,043	907	1,043	907
Other non-current assets		48,676	46,425	45,974	46,425	45,974
<b>Total non current assets</b>		<b>402,724</b>	<b>420,592</b>	<b>417,261</b>	<b>420,592</b>	<b>417,006</b>
<b>TOTAL ASSETS</b>		<b>447,751</b>	<b>457,069</b>	<b>463,756</b>	<b>489,100</b>	<b>463,552</b>
<b><u>LIABILITIES</u></b>						
<b>Current liabilities</b>						
Bank overdraft		–	–		–	–
Borrowing		896	654	1,532	654	1,479
Consumer deposits		4,008	4,402	4,188	4,402	4,188
Trade and other payables		7,594	13,973	15,106	19,296	15,106
Provisions		13,867	13,727	14,798	13,727	14,798
<b>Total current liabilities</b>		<b>26,365</b>	<b>32,755</b>	<b>35,624</b>	<b>38,079</b>	<b>35,571</b>
<b>Non current liabilities</b>						
Borrowing		2,504	5,857	4,410	2,590	4,258
Provisions		107,986	115,145	117,945	115,145	117,945
<b>Total non current liabilities</b>		<b>110,490</b>	<b>121,002</b>	<b>122,355</b>	<b>117,734</b>	<b>122,203</b>
<b>TOTAL LIABILITIES</b>		<b>136,855</b>	<b>153,757</b>	<b>157,979</b>	<b>155,813</b>	<b>157,775</b>
<b>NET ASSETS</b>	2	<b>310,895</b>	<b>303,312</b>	<b>305,777</b>	<b>333,287</b>	<b>305,777</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>						
Accumulated Surplus/(Deficit)		297,395	293,312	290,777	323,287	290,777
Reserves		13,500	10,000	15,000	10,000	15,000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>310,895</b>	<b>303,312</b>	<b>305,777</b>	<b>333,287</b>	<b>305,777</b>

The average debtor's collection rate up to the end of May 2017 reflects as follows:

	<b>Average YTD</b>
<b>Monthly Debt Collection rate</b>	<b>96.53%</b>

The municipal new service provider is reporting positive results with a track record available to see the positive results to date. The Masakhane unit (Revenues) also ensures that all households unable to adhere to their financial obligations is registered as part of the indigents of council.

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2015/16	Budget Year 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>1</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		48,573	53,082	52,471	2,338	52,221	48,659	3,562	7%	52,471
Service charges		120,076	129,949	133,620	10,340	127,759	119,120	8,639	7%	133,620
Other revenue		9,648	16,010	21,352	476	9,846	14,676	(4,831)	-33%	21,352
Government - operating		36,735	60,025	52,264	–	43,179	55,023	(11,844)	-22%	52,264
Government - capital		13,025	11,931	11,902	–	11,852	10,937	915	8%	11,902
Interest		3,076	2,750	2,894	248	1,932	2,521	(589)	-23%	2,894
Dividends		–	–	–			–	–		–
<b>Payments</b>										
Suppliers and employees		(219,578)	(264,145)	(249,043)	(24,645)	(201,525)	(242,133)	(40,607)	17%	(229,043)
Finance charges		(141)	(504)	(504)	(401)	(4,481)	(462)	4,019	-871%	(504)
Transfers and Grants		(1,491)	(1,783)	(1,428)	(27)	(1,519)	(1,635)	(115)	7%	(1,428)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>9,922</b>	<b>7,316</b>	<b>23,527</b>	<b>(11,671)</b>	<b>39,263</b>	<b>6,707</b>	<b>(32,556)</b>	<b>-485%</b>	<b>43,527</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		4,623	–	–			–	–		–
Decrease (increase) in non-current debtors		–	4	27			4	(4)	-100%	27
Decrease (increase) other non-current receivables		29	–	–			–	–		–
Decrease (increase) in non-current investments		–	–	–			–	–		–
<b>Payments</b>										
Capital assets		(21,055)	(24,632)	(25,452)	(3,508)	(17,798)	(22,579)	(4,782)	21%	(25,197)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(16,402)</b>	<b>(24,627)</b>	<b>(25,425)</b>	<b>(3,508)</b>	<b>(17,798)</b>	<b>(22,575)</b>	<b>(4,777)</b>	<b>21%</b>	<b>(25,170)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–			–	–		–
Borrowing long term/refinancing		2,428	3,750	4,053	–	2,590	3,438	(848)	-25%	3,798
Increase (decrease) in consumer deposits		163	249	180			228	(228)	-100%	180
<b>Payments</b>										
Repayment of borrowing		(562)	(623)	(1,485)			(571)	(571)	100%	(1,434)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>2,030</b>	<b>3,376</b>	<b>2,748</b>	<b>–</b>	<b>2,590</b>	<b>3,095</b>	<b>505</b>	<b>16%</b>	<b>2,544</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(4,450)</b>	<b>(13,935)</b>	<b>851</b>	<b>(15,180)</b>	<b>24,055</b>	<b>(12,774)</b>			<b>20,902</b>
Cash/cash equivalents at beginning:		18,834	19,741	14,384		5,806	14,384			5,806
Cash/cash equivalents at month/year end:		14,384	5,806	15,235		29,861	1,610			26,708

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.

The adoption of the Long-term financial plan and implementation of the strategy to support the achievement of Council's objectives should also improve the Cash flow performance over the reporting period.



## 6. Supporting Documents

WC033 Cape Agulhas - Supporting Table SC1 Material variance explanations - M11 May

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b><u>Revenue By Source</u></b>			
	Transfers recognised - operational Fines		Housing Grant	Claims of R10.9m was submitted to department for finance
2	<b><u>Expenditure By Type</u></b>			
	Other Expenditure		Housing Grant	Claims of R10.9m was submitted to department for finance
3	<b><u>Capital Expenditure</u></b>			
	Capital transfers recognised		Capital projects not started MIG projects in process	Communication will be send to managers SCM distributed updated procurement plan
4	<b><u>Financial Position</u></b>			
	No required			
5	<b><u>Cash Flow</u></b>			
	Net cash from (used) investing		Based on capital spending	Monitored by Finance - Memorandum will be distributed
6	<b><u>Measureable performance</u></b>			
7	<b><u>Municipal Entities</u></b>			
	Not applicable			

Tale SC1 – Monthly Budget Statement Summary have reference.

Material variances was addressed with the revision of the Approved Budget

WC033 Cape Agulhas - Supporting Table SC2 Monthly Budget Statement - performance indicators - M11 May

Woods Cape Agulhas - Supporting table 002 Monthly Budget Statement - performance indicators - M17 May							
Description of financial indicator	Basis of calculation	Ref	2015/16	Budget Year 2016/17			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.9%	6.5%	6.7%	2.0%	4.6%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		8.6%	15.2%	15.9%	7.2%	16.1%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		3.5%	6.8%	6.9%	6.8%	6.8%
Gearing	Long Term Borrowing/ Funds & Reserves		18.5%	58.6%	29.4%	25.9%	28.4%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	170.8%	111.4%	130.5%	179.9%	130.9%
Liquidity Ratio	Monetary Assets/Current Liabilities		54.6%	17.7%	42.8%	78.4%	43.0%
<b><u>Revenue Management</u></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		12.3%	10.6%	11.1%	16.1%	11.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b><u>Other Indicators</u></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		40.3%	36.6%	37.6%	39.6%	37.6%
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		7.7%	7.0%	7.2%	1.9%	4.9%
<b><u>IDP regulation financial viability indicators</u></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 38.8% which is slightly higher than the budgeted percentage of 36.6%. 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 - M11 May

Description	NT Code	Budget Year 2016/17											
		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
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2,440	298	164	153	111	144	710	1,345	5,364	2,462		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	7,797	270	135	92	67	180	442	543	9,526	1,324		
Receivables from Non-exchange Transactions - Property Rates	1400	2,582	969	123	74	65	60	1,306	1,760	6,938	3,265		
Receivables from Exchange Transactions - Waste Water Management	1500	935	111	86	73	50	81	398	570	2,304	1,173		
Receivables from Exchange Transactions - Waste Management	1600	1,435	140	106	89	60	102	511	782	3,227	1,545		
Receivables from Exchange Transactions - Property Rental Debtors	1700	9	1	0	0	0	0	0	0	10	0		
Interest on Arrear Debtor Accounts	1810	40	130	16	16	15	28	270	1,123	1,638	1,452		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	397	53	34	34	40	36	294	560	1,449	964		
Total By Income Source	2000	15,635	1,973	664	532	409	632	3,929	6,684	30,457	12,185	–	–
2015/16 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	11	24	21	7	6	5	302	573	949	893		
Commercial	2300	4,034	73	48	51	52	66	212	194	4,730	574		
Households	2400	11,533	1,856	593	470	350	561	3,265	5,804	24,432	10,451		
Other	2500	57	21	1	4	1	0	150	112	346	267		
Total By Customer Group	2600	15,635	1,973	664	532	409	632	3,929	6,684	30,457	12,185	–	–

Administration implement the credit control and debt collection policy in ensuring debt management. The bulk of the outstanding debt relates to households, this also corresponds to the customer profile of KAM. Processes are being instituted to collect outstanding debt, like the appointment of the new service provider. This should further enhance to ensure collecting of all monies due to the municipality.

Strict credit control procedures are applied in terms of Council's approved Credit Control Policy. Following statistical information in respect of credit Control actions applied or council's notices served:

<b><u>Outstanding Debtors:</u></b>						
<b><u>Outstanding Debtor Age Analyses as at month-end:</u></b>						
MONTH	Current	30 days	60 days	90 days	120 days +	TOTAL
APRIL 2017	13,559,431	3,452,721	1,263,975	825,733	15,547,049	34,648,909
MAY 2017	12,592,371	3,042,674	1,973,087	664,171	12,184,792	30,457,095
						-4,191,814
<b><u>Debtors Turnover Rate:</u></b>						
	NORM	ÁPRIL	MAY			
	11.50- 15 %	22.06%	19.39%			
<b><u>Number of Accounts issued for the month:</u></b>				ÁPRIL	MAY	
				14,896	14,965	

<b><u>Credit Control: Actions Applied</u></b>	ÁPRIL	MAY
Summonses issued	18	9
Section 65(A)1	19	12
Sentences	40	30
Warrant for excecution	52	31
Warrant for arrests	5	5
Garnisee Orders	3	2
Auctions	0	0
Number of debtors handed over to attorney	0	0
Number of debtors handed over to attorney	0	0
<b><u>Electricity Service</u></b>	ÁPRIL	MAY
Number of consumers disconnected due to	39	84
Number of consumers re-connected	10	13
	29	71

<b><u>Commiseration Rebate in respect of Basic Services allocated: MAY 2017</u></b>					
TOWNS	"Poor" household.	"Indigent" household	TOTAL	COMMISERATION SUBSIDIES ALLOCATED	
BREDASDORP	92	1,406	1,498	431,273.58	
NAPIER	25	391	416	117,804.62	
PROTEM	0	9	9	1,897.65	
STRUISBAAI & L'AGULHAS	9	419	428	122,389.48	
KLIPDALE	0	9	9	1,897.65	
WAENHUISKRANS	7	119	126	44,188.94	
KASSIESBAAI	7	58	65	10,594.81	
ELIM	6	140	146	29,640.00	
DEURGANGSKAMP	0	853	853	100,172.75	
	146	3,404	3,550	859,859.48	

The municipality implement its credit control policy and the above activities was performed by the Revenue section.

### Age Analysis – Creditors

WC033 Cape Agulhas - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	NT Code	Budget Year 2016/17									Prior year totals for char (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	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	10,515								10,515	
Bulk Water	0200	13								13	
PAYE deductions	0300	1,130								1,130	
VAT (output less input)	0400	266								266	
Pensions / Retirement deductions	0500	1,556								1,556	
Loan repayments	0600	-								-	
Trade Creditors	0700	-								-	
Auditor General	0800	-								-	
Other	0900	-								-	
Total By Customer Type	1000	13,479	-	-	-	-	-	-	-	13,479	

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 - M11 May

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
R thousands		Yrs/Months							
<b>Municipality</b>									
Inv estec		30 DAYS					–	15,000	15,000
Absa		30 DAYS						5,000	5,000
<b>Municipality sub-total</b>					–		–	20,000	20,000
<b>Entities</b>									
<b>Entities sub-total</b>					–		–	–	–
<b>TOTAL INVESTMENTS AND INTEREST</b>	2				–		–	20,000	20,000

### **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 May 2017.

## Transfers and Grants

WC033 Cape Agulhas - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	Ref	2015/16	Budget Year 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>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>	1,2									
<b>National Government:</b>		24,254	26,785	28,047	–	27,297	28,047	(750)	-2.7%	28,047
Local Government Equitable Share		20,679	23,075	23,075		23,075	23,075	–		23,075
Finance Management		1,231	735	762		762	762			762
Municipal Systems Improvement		150	–	–		–	–			–
Municipal Infrastructure (MIG)		1,195	1,765	1,750		1,750	1,750			1,750
EPWP Incentive		1,000	1,210	1,210		1,210	1,210			1,210
LGSETA (NATIONAL TRANSFER)		–	–	750		–	750	(750)	-100.0%	750
Department of Energy	3	–	–	500		500	500	–		500
<b>Provincial Government:</b>		10,477	33,240	24,217	–	8,683	16,581	(9,428)	-56.9%	24,217
Housing		5,792	28,100	18,100		2,639	12,067	(9,428)	-78.1%	18,100
Community Development Workers		44	56	56		56	56			56
Subsidy Main Roads		73	73	73		–	73			73
Subsidy Libraries		4,250	4,806	4,807		4,807	3,205			4,807
Thusong Centre		12	–	66		66	66			66
Provincial Financial Grant		–	120	220		220	220			220
Provincial Infrastructure Support Grant		–	85	895		895	895			895
Provincial Financial Grant		307	–	–		–	–			–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
<b>Total Operating Transfers and Grants</b>	5	34,732	60,025	52,264	–	35,980	44,629	(10,178)	-22.8%	52,264
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		12,592	10,476	10,464	–	10,464	10,464	–		10,464
Municipal Infrastructure (MIG)		9,592	8,736	8,751	–	8,751	8,751	–		8,751
Finance Management		219	740	713	–	713	713			713
Municipal Systems Improvement		780	–	–		–	–			–
RBIG		–	–	–		–	–			–
EPWP Incentive		–	–	–		–	–			–
INEG		2,000	1,000	1,000		1,000	1,000			1,000
<b>Provincial Government:</b>		580	1,455	1,438	–	1,388	1,438	(50)	-3.5%	1,438
Community Development Workers		10	–	–		–	–			–
Sport and Recreation		–	700	750		700	750			750
Subsidy Libraries		21	544	543		543	543			543
Thusong Centre		199	211	145		145	145			145
Financial Support Grant		50	–	–		–	–			–
Municipal Infrastructure Support Grant		300	–	–		–	–			–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
<b>Total Capital Transfers and Grants</b>	5	13,171	11,931	11,902	–	11,852	11,902	(50)	-0.4%	11,902
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	47,903	71,956	64,166	–	47,832	56,530	(10,228)	-18.1%	64,166

WC033 Cape Agulhas - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b><u>Operating expenditure of Transfers and Grants</u></b>										
National Government:		24,254	26,785	27,297	106	2,262	17,865	(15,603)	-87.3%	28,178
Local Government Equitable Share		20,679	23,075	23,075			15,383	(15,383)	-100.0%	23,075
Finance Management		1,231	735	762	-	762	508	254	50.0%	762
Municipal Systems Improvement		150	-	-			-	-		-
Municipal Infrastructure (MIG)		1,195	1,765	1,750	36	440	1,167	(727)	-62.3%	1,750
EPWP Incentive		1,000	1,210	1,210	70	1,060	807	253	31.4%	1,210
EPWP Incentive		-	-				-	-		500
Department of Energy		-	-	500			-	-		881
Provincial Government:		10,477	33,240	24,217	368	7,336	16,145	(9,511)	-58.9%	24,365
Housing		5,792	28,100	18,100		2,586	12,067	(9,481)	-78.6%	18,100
Community Development Workers		44	56	56	0	34	37	(3)	-8.2%	56
Subsidy Main Roads		73	73	73			49	(49)	-100.0%	73
Subsidy Libraries		4,250	4,806	4,807	368	4,282	3,205			4,807
Thusong Centre		12	-	66		66	44	22	50.0%	66
Provincial Financial Grant		-	120	220	-	368	147			368
Provincial Infrastructure Support Grant		-	85	895			597			895
Provincial Financial Grant		307	-	-			-			-
District Municipality:		-	-	-	-	-	-	-		-
								-		
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
								-		
[insert description]								-		
Total operating expenditure of Transfers and Grants:		34,732	60,025	51,514	474	9,599	34,010	(25,113)	-73.8%	52,543
<b><u>Capital expenditure of Transfers and Grants</u></b>										
National Government:		12,592	10,476	10,464	2,656	8,705	7,050	1,382	19.6%	10,476
Municipal Infrastructure (MIG)		9,592	8,736	8,751	2,146	7,063	5,834	1,229	21.1%	8,736
Finance Management		219	740	713		703	549	153	27.9%	740
Municipal Systems Improvement		780	-	-			-	-		-
RBIG		-	-	-			-	-		-
EPWP Incentive		-	-	-			-	-		-
INEG		2,000	1,000	1,000	510	939	667			1,000
Provincial Government:		580	1,455	1,388	-	497	925	(429)	-46.3%	1,455
Community Development Workers		10		-			-	-		-
Sport and Recreation			700	700			467			700
Subsidy Libraries		21	544	543	-	398	362			544
Thusong Centre		199	211	145	-	99	97			211
Financial Support Grant		50		-			-			-
Municipal Infrastructure Support Grant		300		-			-			-
District Municipality:		-	-	-	-	-	-	-		-
								-		
#REF!								-		
Other grant providers:		-	-	-	-	-	-	-		-
Municipal Infrastructure Support Grant								-		
#REF!								-		
Total capital expenditure of Transfers and Grants		13,171	11,931	11,852	2,656	9,201	7,975	954	12.0%	11,931
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		47,903	71,956	63,366	3,131	18,800	41,985	(24,160)	-57.5%	64,474

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

## Councilors and staff benefits

WC033 Cape Agulhas - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May

Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		2,299	3,228	3,228	407	2,583	2,690	(107)	-4%	3,228
Pension and UIF Contributions		345	366	366	80	495	305	191	63%	366
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		874	926	926	161	1,018	772	246	32%	926
Cellphone Allowance		239	255	255	24	245	212	33	16%	255
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		4	12	12	-	-	10	(10)	-100%	12
<b>Sub Total - Councillors</b>		<b>3,760</b>	<b>4,786</b>	<b>4,786</b>	<b>673</b>	<b>4,341</b>	<b>3,988</b>	<b>353</b>	<b>9%</b>	<b>4,786</b>
<b>% increase</b>	4		<b>27.3%</b>	<b>27.3%</b>						<b>27.3%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		4,137	4,385	4,385	292	3,361	3,655	(294)	-8%	4,385
Pension and UIF Contributions		754	799	799	54	595	666	(71)	-11%	799
Medical Aid Contributions		178	136	213	15	170	177	(8)	-4%	213
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		629	667	667	-	-	556	(556)	-100%	667
Motor Vehicle Allowance		364	386	386	22	244	322	(78)	-24%	386
Cellphone Allowance		12	14	31	3	28	26	3	10%	31
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		81	86	87	4	42	72	(30)	-41%	87
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>6,155</b>	<b>6,474</b>	<b>6,567</b>	<b>389</b>	<b>4,440</b>	<b>5,473</b>	<b>(1,033)</b>	<b>-19%</b>	<b>6,567</b>
<b>% increase</b>	4		<b>5.2%</b>	<b>6.7%</b>						<b>6.7%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		59,019	64,052	63,520	5,359	61,276	52,933	8,343	16%	63,520
Pension and UIF Contributions		10,363	11,220	11,220	1,006	10,554	9,350	1,204	13%	11,220
Medical Aid Contributions		2,451	3,362	3,412	325	3,386	2,843	543	19%	3,412
Overtime		3,361	3,087	3,241	419	3,187	2,701	486	18%	3,241
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		4,223	4,705	4,818	585	5,710	4,015	1,696	42%	4,818
Cellphone Allowance		237	378	432	55	597	360	238	66%	432
Housing Allowances		1,275	1,187	1,099	84	931	916	15	2%	1,099
Other benefits and allowances		3,823	3,749	3,882	322	3,578	3,235	344	11%	3,882
Payments in lieu of leave		1,350	875	875	-	-	729	(729)	-100%	875
Long service awards		498	498	498	82	859	415	445	107%	498
Post-retirement benefit obligations		2,074	2,259	2,259	504	5,584	1,883	3,701	197%	2,259
<b>Sub Total - Other Municipal Staff</b>		<b>88,673</b>	<b>95,372</b>	<b>95,255</b>	<b>8,742</b>	<b>95,663</b>	<b>79,379</b>	<b>16,284</b>	<b>21%</b>	<b>95,255</b>
<b>% increase</b>	4		<b>7.6%</b>	<b>7.4%</b>						<b>7.4%</b>
<b>Total Parent Municipality</b>		<b>98,588</b>	<b>106,632</b>	<b>106,608</b>	<b>9,804</b>	<b>104,444</b>	<b>88,840</b>	<b>15,604</b>	<b>18%</b>	<b>106,608</b>



## Actuals and revised targets for cash receipts

WC033 Cape Agulhas - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M11 May

Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>R thousands</b>	<b>1</b>															
<b>Cash Receipts By Source</b>																
Property rates		26,844	2,226	2,553	2,554	2,554	2,554	2,554	2,599	2,554	2,338	2,581	560	52,471	57,468	63,283
Property rates - penalties & collection charges																
Service charges - electricity revenue		7,578	8,016	8,275	7,592	8,040	8,220	8,132	10,300	8,072	6,162	7,851	4,368	92,606	93,099	99,617
Service charges - water revenue		1,526	1,479	1,637	1,524	1,797	1,994	2,353	2,189	2,082	2,131	1,769	240	20,720	21,931	23,331
Service charges - sanitation revenue		709	720	715	721	713	896	860	678	737	741	699	(1,007)	7,180	7,720	8,242
Service charges - refuse		1,117	1,118	1,113	1,108	1,114	1,114	1,114	940	1,112	1,306	1,103	855	13,114	13,563	14,141
Service charges - other																
Rental of facilities and equipment		326	321	1,511	1,140	591	655	735	854	554	819	173	(245)	7,434	7,656	8,043
Interest earned - external investments		76	140	159	153	182	114	291	216		242	248	229	2,050	1,900	1,900
Interest earned - outstanding debtors		104	100	113	113	150	142	138	29	148	137	143	(473)	844	929	1,022
Dividends received																
Fines		184	149	162	174	122	149	185	186	199	182	259	689	2,638	2,639	2,640
Licences and permits		24	34	31	31	33	20	191	28	51	22	43	415	925	971	1,010
Agency services			185	102		289	37	5	4	364		238	150	1,374	1,443	1,500
Transfer receipts - operating		35,980	2,822	56	1,783	545	7,692		1,018	7,746			(5,377)	52,264	70,208	77,315
Other revenue		198	456	337	303	385	285	444	272	638	342	7,898	(2,576)	8,981	3,277	3,538
<b>Cash Receipts by Source</b>		<b>74,667</b>	<b>17,763</b>	<b>16,763</b>	<b>17,196</b>	<b>16,515</b>	<b>23,872</b>	<b>17,001</b>	<b>19,312</b>	<b>24,258</b>	<b>14,420</b>	<b>23,006</b>	<b>(2,173)</b>	<b>262,601</b>	<b>282,803</b>	<b>305,583</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital			3,119			545	728	211		4,463			2,836	11,902	11,833	11,666
Contributions & Contributed assets																
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing													3,798	3,798	10,345	5,180
Increase in consumer deposits					21	21	21	21	21	21	21	21	14	180	188	197
Receipt of non-current debtors				0	0	0	0	0	0	0	0	0	24	27	27	27
Receipt of non-current receivables																
Change in non-current investments																
<b>Total Cash Receipts by Source</b>		<b>74,667</b>	<b>20,882</b>	<b>16,764</b>	<b>17,217</b>	<b>17,081</b>	<b>24,621</b>	<b>17,233</b>	<b>19,333</b>	<b>28,742</b>	<b>14,441</b>	<b>23,027</b>	<b>4,500</b>	<b>278,508</b>	<b>305,196</b>	<b>322,653</b>
<b>Cash Payments by Type</b>																
Employee related costs		7,691	7,568	8,429	7,835	8,101	7,785	8,380	12,152	7,933	7,870	8,102	7,404	99,249	104,560	111,287
Remuneration of councillors		306	376	372	372	372	372	372	372	372	385	673	444	4,786	5,073	5,377
Interest paid		59	1	1,152		268	424						(1,399)	504	510	518
Bulk purchases - Electricity		8,190	8,359	7,231	4,848	5,182	5,313	5,739	1,250	4,686	4,666	10,528	5,060	71,054	77,752	82,514
Bulk purchases - Water & Sewer						22			25	20	20	16	58	161	169	178
Other materials																
Contracted services		59	10,778	426	978	353	357	706	238	668	256	1,112	(6,573)	9,357	8,365	8,114
Grants and subsidies paid - other municipalities																
Grants and subsidies paid - other		270	126	249	24	111	219	52	21	149	130	27	50	1,428	1,455	1,517
General expenses		2,518	4,056	4,342	3,546	4,354	3,106	6,132	2,684	3,995	9,897	4,230	15,577	64,436	80,718	87,224
<b>Cash Payments by Type</b>		<b>19,093</b>	<b>31,263</b>	<b>22,200</b>	<b>17,602</b>	<b>18,762</b>	<b>17,576</b>	<b>21,382</b>	<b>16,742</b>	<b>17,824</b>	<b>23,224</b>	<b>24,688</b>	<b>20,620</b>	<b>250,975</b>	<b>278,601</b>	<b>296,729</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		423	219	1,666	517	1,403	764	1,722	3,508	2,429	3,128	3,509	5,909	25,197	29,025	19,448
Repayment of borrowing							311						1,123	1,434	3,216	3,609
Other Cash Flows/Payments																
<b>Total Cash Payments by Type</b>		<b>19,515</b>	<b>31,482</b>	<b>23,866</b>	<b>18,119</b>	<b>20,165</b>	<b>18,652</b>	<b>23,104</b>	<b>20,250</b>	<b>20,252</b>	<b>26,352</b>	<b>28,198</b>	<b>27,653</b>	<b>277,607</b>	<b>310,843</b>	<b>319,787</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>55,152</b>	<b>(10,600)</b>	<b>(7,102)</b>	<b>(901)</b>	<b>(3,084)</b>	<b>5,969</b>	<b>(5,870)</b>	<b>(917)</b>	<b>8,489</b>	<b>(11,910)</b>	<b>(5,171)</b>	<b>(23,153)</b>	<b>902</b>	<b>(5,647)</b>	<b>2,866</b>
Cash/cash equivalents at the month/year beginning:		5,806	60,958	50,358	43,256	42,355	39,271	45,240	39,370	38,453	46,942	35,032	29,861	5,806	6,708	1,061
Cash/cash equivalents at the month/year end:		60,958	50,358	43,256	42,355	39,271	45,240	39,370	38,453	46,942	35,032	29,861	6,708	6,708	1,061	3,927

## Capital expenditure trend

WC033 Cape Agulhas - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M11 May

Month	2015/16	Budget Year 2016/17							
	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		177	177	423	423	177	(245)	-138.4%	2%
August		717	717	219	642	894	253	28.3%	3%
September		1,844	1,844	1,665	2,306	2,739	432	15.8%	9%
October		1,419	1,419	516	2,823	4,158	1,335	32.1%	11%
November		597	597	1,403	4,226	4,755	529	11.1%	17%
December		2,371	2,371	764	4,990	7,125	2,135	30.0%	20%
January		264	264	1,722	6,712	7,389	677	9.2%	27%
February		2,264	3,613	2,020	8,733	11,002	2,269	20.6%	35%
March		5,532	3,613	2,429	11,161	14,614	3,453	23.6%	45%
April		1,953	3,613	3,128	14,289	18,227	3,938	21.6%	0
May		2,200	3,613	3,502	17,791	21,840	4,049	18.5%	0
June		5,294	3,613			25,452	-		
<b>Total Capital expenditure</b>	-	<b>24,632</b>	<b>25,452</b>	<b>17,791</b>					

## Capital expenditure on new assets by asset class

WC033 Cape Agulhas - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		3,077	5,027	5,077	577	2,249	4,231	1,982	46.8%	4,877
Infrastructure - Road transport		2,637	1,300	1,500	48	429	1,250	821	65.7%	1,300
Roads, Pavements & Bridges		2,027	900	1,500	48	429	1,250	821	65.7%	1,300
Storm water		610	400	—	—	—	—	—	—	—
Infrastructure - Electricity		—	1,200	1,200	529	1,125	1,000	(125)	-12.5%	1,200
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		—	1,100	1,100	510	1,030	917	(114)	-12.4%	1,100
Street Lighting		—	100	100	18	95	83	(12)	-14.2%	100
Infrastructure - Water		240	2,527	2,377	—	695	1,981	1,286	64.9%	2,377
Dams & Reservoirs		—	877	727	—	646	606	(40)	-6.6%	727
Water purification		140	150	150	—	—	125	125	100.0%	150
Reticulation		100	1,500	1,500	—	49	1,250	1,201	96.1%	1,500
Infrastructure - Sanitation		—	—	—	—	—	—	—	—	—
Reticulation		—	—	—	—	—	—	—	—	—
Sewerage purification		—	—	—	—	—	—	—	—	—
Infrastructure - Other		200	—	—	—	—	—	—	—	—
Waste Management		200	—	—	—	—	—	—	—	—
Transportation		—	—	—	—	—	—	—	—	—
Gas		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Community</b>		4,970	1,450	1,450	119	1,000	1,208	208	17.2%	1,450
Parks & gardens		—	—	—	—	—	—	—	—	—
Sportsfields & stadia		1,622	—	—	—	—	—	—	—	—
Swimming pools		—	—	—	—	—	—	—	—	—
Community halls		3,312	500	500	91	92	417	324	77.9%	500
Libraries		—	—	—	—	—	—	—	—	—
Recreational facilities		26	950	950	28	908	792	(116)	-14.7%	950
Fire, safety & emergency		—	—	—	—	—	—	—	—	—
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics		—	—	—	—	—	—	—	—	—
Museums & Art Galleries		—	—	—	—	—	—	—	—	—
Cemeteries		10	—	—	—	—	—	—	—	—
Social rental housing		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Heritage assets</b>		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Other assets</b>		2,642	3,685	3,809	(98)	3,175	3,174	(0)	0.0%	3,554
General vehicles		330	150	200	—	1	167	165	99.2%	200
Specialised vehicles		—	—	—	—	—	—	—	—	—
Plant & equipment		1,021	708	955	55	1,522	796	(726)	-91.3%	700
Computers - hardware/equipment		885	1,425	1,391	—	1,247	1,159	(88)	-7.6%	1,391
Furniture and other office equipment		272	752	609	(154)	391	508	117	23.0%	609
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		134	650	654	—	13	545	532	97.6%	654
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Agricultural assets</b>		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
<b>Biological assets</b>		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
<b>Intangibles</b>		50	148	147	—	7	122	116	94.6%	147
Computers - software & programming		50	148	147	—	7	122	116	94.6%	147
Other		—	—	—	—	—	—	—	—	—
<b>Total Capital Expenditure on new assets</b>	1	10,739	10,310	10,483	598	6,430	8,736	2,305	26.4%	10,028

## Capital expenditure on renewal of existing assets by asset class

WC033 Cape Agulhas - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M11

Description	Ref	2015/16	Budget Year 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>1</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		1,087	11,162	12,039	2,735	9,524	10,033	508	5.1%	12,239
Infrastructure - Road transport		—	6,735	6,735	1,730	5,890	5,613	(278)	-5.0%	6,735
Roads, Pavements & Bridges		—	6,735	6,735	1,730	5,890	5,613	(278)	-5.0%	6,735
Storm water		—	—	—	—	—	—	—	—	—
Infrastructure - Electricity		1,087	2,420	2,341	126	2,145	1,951	(195)	-10.0%	2,341
Generation		—	—	—	—	—	—	—	—	—
Transmission & Reticulation		961	1,740	1,729	103	1,633	1,441	(192)	-13.3%	1,729
Street Lighting		126	680	612	22	512	510	(2)	-0.5%	612
Infrastructure - Water		—	1,129	1,384	179	737	1,153	416	36.1%	1,584
Dams & Reservoirs		—	—	—	—	—	—	—	—	—
Water purification		—	1,129	469	—	300	391	91	23.2%	469
Reticulation		—	—	915	179	437	762	325	42.6%	1,115
Infrastructure - Sanitation		—	877	1,580	701	751	1,316	565	42.9%	1,580
Reticulation		—	—	—	—	—	—	—	—	—
Sewerage purification		—	877	1,580	701	751	1,316	565	42.9%	1,580
Infrastructure - Other		—	—	—	—	—	—	—	—	—
Waste Management		—	—	—	—	—	—	—	—	—
Transportation		—	—	—	—	—	—	—	—	—
Gas		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Community</b>		1,388	2,096	1,670	—	872	1,391	519	37.3%	1,670
Parks & gardens		—	—	—	—	—	—	—	—	—
Sportsfields & stadia		—	2,016	1,597	—	801	1,331	531	39.9%	1,597
Swimming pools		—	—	—	—	—	—	—	—	—
Community halls		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Recreational facilities		1,388	80	72	—	71	60	(11)	-18.3%	72
Fire, safety & emergency		—	—	—	—	—	—	—	—	—
Security and policing		—	—	—	—	—	—	—	—	—
Buses		—	—	—	—	—	—	—	—	—
Clinics		—	—	—	—	—	—	—	—	—
Museums & Art Galleries		—	—	—	—	—	—	—	—	—
Cemeteries		—	—	—	—	—	—	—	—	—
Social rental housing		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Heritage assets</b>		—	—	—	—	—	—	—	—	—
Buildings		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
Housing development		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Other assets</b>		907	1,064	1,261	176	971	1,050	79	7.5%	1,261
General vehicles		165	—	—	—	—	—	—	—	—
Specialised vehicles		—	—	—	—	—	—	—	—	—
Plant & equipment		88	177	366	2	320	305	(15)	-4.9%	366
Computers - hardware/equipment		97	108	108	—	107	90	(17)	-19.3%	108
Furniture and other office equipment		21	27	34	—	4	28	24	85.5%	34
Abattoirs		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Civic Land and Buildings		—	—	—	—	—	—	—	—	—
Other Buildings		536	752	752	173	540	627	87	13.9%	752
Other Land		—	—	—	—	—	—	—	—	—
Surplus Assets - (Investment or Inventory)		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Agricultural assets</b>		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
<b>Biological assets</b>		—	—	—	—	—	—	—	—	—
List sub-class		—	—	—	—	—	—	—	—	—
<b>Intangibles</b>		—	—	—	—	—	—	—	—	—
Computers - software & programming		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
<b>Total Capital Expenditure on renewal of existing ass</b>	<b>1</b>	<b>3,383</b>	<b>14,322</b>	<b>14,969</b>	<b>2,911</b>	<b>11,367</b>	<b>12,474</b>	<b>1,107</b>	<b>8.9%</b>	<b>15,169</b>

## Expenditure on repairs and maintenance by asset class

WC033 Cape Agulhas - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M11 May

Description	Ref	2015/16	Budget Year 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>1</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>2,917</b>	<b>4,738</b>	<b>10,359</b>	<b>462</b>	<b>3,716</b>	<b>8,633</b>	<b>4,917</b>	<b>57.0%</b>	<b>10,359</b>
Infrastructure - Road transport		1,255	2,520	6,074	236	1,989	5,061	3,073	60.7%	6,074
Roads, Pavements & Bridges		1,255	2,520	6,074	236	1,989	5,061	3,073	60.7%	6,074
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		783	952	3,020	92	718	2,516	1,798	71.4%	3,020
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		725	813	2,885	81	652	2,404	1,752	72.9%	2,885
Street Lighting		57	140	135	12	67	113	46	40.6%	135
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		879	1,266	1,266	133	1,009	1,055	46	4.4%	1,266
Waste Management		879	1,266	1,266	133	1,009	1,055	46	4.4%	1,266
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Community</b>		<b>539</b>	<b>779</b>	<b>779</b>	<b>111</b>	<b>684</b>	<b>649</b>	<b>(35)</b>	<b>-5.4%</b>	<b>779</b>
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		63	159	159	7	54	133	78	59.2%	159
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		466	580	580	104	622	483	(138)	-28.6%	580
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		10	40	40	-	9	33	25	73.6%	40
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>3,465</b>	<b>4,335</b>	<b>4,335</b>	<b>248</b>	<b>2,642</b>	<b>3,613</b>	<b>971</b>	<b>26.9%</b>	<b>4,335</b>
General vehicles		1,922	2,260	2,260	113	1,505	1,883	378	20.1%	2,260
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		556	579	579	63	376	483	107	22.1%	579
Computers - hardware/equipment		67	90	90	7	55	75	20	27.1%	90
Furniture and other office equipment		99	208	208	1	24	173	148	85.8%	208
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		821	1,199	1,199	64	682	999	317	31.8%	1,199
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		<b>2,115</b>	<b>3,162</b>	<b>3,162</b>	<b>276</b>	<b>2,308</b>	<b>2,635</b>	<b>327</b>	<b>12.4%</b>	<b>3,162</b>
Computers - software & programming		2,115	3,162	3,162	276	2,308	2,635	327	12.4%	3,162
Other		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>		<b>9,036</b>	<b>13,014</b>	<b>18,635</b>	<b>1,097</b>	<b>9,351</b>	<b>15,529</b>	<b>6,179</b>	<b>39.8%</b>	<b>18,635</b>

## 7. Other Information

### 7.1 Expenditure Management:

The expenditure section continues to administer, manage, assess and improve creditors, salaries and sundry payments subject to internal prescriptions.

#### 7.1.1 Salary Payment:

Salary payments are under adequate control and occur according to approved policies and agreement in terms of the Bargaining Council.

Following a summary of Standby & Overtime payment in respect of **May 2017**:

**STANDBY ALLOWANCES paid for the period ending 31 MAY 2017**

<u>DEPARTMENT</u>	<u>% USED TO DATE</u>	<u>PREVIOUS MONTH to DATE</u>	<u>CURRENT MONTH</u>	<u>ACTUAL TO DATE</u>	<u>PRO-RATA BUDGETED FOR THE YEAR</u>	<u>ADJ. BUDGET FOR THE YEAR</u>
<b>MUNICIPAL MANAGER</b>						
<b>TOTAL</b>						
<b>FINANCIAL DIRECTORATE</b>						
- Revenue section	62.09%	9,934.30	0.00	9,934.30	14,666.67	16,000.00
- Budget and Treasury Office	0.00%	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>62.09%</b>	<b>9,934.30</b>	<b>0.00</b>	<b>9,934.30</b>	<b>14,666.67</b>	<b>16,000.00</b>
<b>CORPORATE SERVICE DIRECTORATE</b>						
- Information Services (IT)	75.00%	27,901.19	5,847.39	33,748.58	41,250.00	45,000.00
- Client Services	301.61%	54,760.40	5,259.34	60,019.74	18,241.67	19,900.00
<b>TOTAL</b>	<b>144.48%</b>	<b>82,661.59</b>	<b>11,106.73</b>	<b>93,768.32</b>	<b>59,491.67</b>	<b>64,900.00</b>
<b>COMMUNITY SERVICE DIRECTORATE</b>						
- Traffic and Law Enforcement	79.1%	95,477.14	0.00	95,477.14	110,641.67	120,700.00
- Parks and Sport Facilities	321.2%	12,849.68	0.00	12,849.68	3,000.00	4,000.00
- Beaches and Holiday Resorts	93.3%	245,228.73	30,900.42	276,129.15	271,333.33	296,000.00
<b>TOTAL</b>	<b>91.4%</b>	<b>383,582.19</b>	<b>30,900.42</b>	<b>384,455.97</b>	<b>384,975.00</b>	<b>420,700.00</b>
<b>INFRASTRUCTURE DIRECTORATE</b>						
- Water	96.0%	473,041.88	53,307.07	526,348.95	502,333.33	548,000.00
- Sewerage and sanitation	89.4%	421,588.35	52,899.20	474,487.55	486,750.00	531,000.00
- Refuse Removal Services	0.0%	0.00	0.00	0.00	4,950.00	5,400.00
- Streets and Stormwater	12.4%	1,236.31	0.00	1,236.31	9,166.67	10,000.00
<b>TOTAL</b>	<b>91.6%</b>	<b>895,866.54</b>	<b>106,206.27</b>	<b>1,002,072.81</b>	<b>1,003,200.00</b>	<b>1,094,400.00</b>
<b>ELECTRICAL SERVICES</b>						
- Electrical Services	<b>90.0%</b>	<b>329,906.21</b>	<b>43,853.82</b>	<b>373,760.03</b>	<b>380,694.42</b>	<b>415,303.00</b>
<b>TOTAL</b>	<b>90.0%</b>	<b>332,885.16</b>	<b>43,853.82</b>	<b>373,760.03</b>	<b>380,694.42</b>	<b>415,303.00</b>
<b>TOTAL</b>	<b>92.7%</b>	<b>1,704,929.78</b>	<b>192,067.24</b>	<b>1,863,991.43</b>	<b>1,843,027.75</b>	<b>2,011,303.00</b>

Standby allowance is based on operational requirements and functions needed outside normal working conditions. The budgeting for standby allowance is challenging and each and every manager needs to familiarize themselves with the standby procedures and ensure that staff is used optimally. Monitoring of standby is continuous and ongoing.

Performance to date represents 92.7% of budgeted amounts of R2,011m.

Client services and Parks and sports department reports a overspending of budget. This is mainly because of the after services performed in the department in terms of delivering services.

**OVERTIME paid for the period ending 31 MAY 2017**

<b><u>DEPARTMENT</u></b>	<b>% USED TO DATE</b>	<b>PREVIOUS MONTH to DATE</b>	<b>CURRENT MONTH</b>	<b>ACTUAL TO DATE</b>	<b>PRO-RATA BUDGETED FOR THE YEAR</b>	<b>ADJ. BUDGET FOR THE YEAR</b>
<b>MUNICIPAL MANAGER</b>						
- Municipal Manager	0.0%	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FINANCIAL DIRECTORATE</b>						
- Directorate (CFO Office)	0.0%	0.00	0.00	0.00	4,583.33	5,000.00
- Revenue Management	105.2%	25,654.29	11,168.22	36,822.51	32,083.33	35,000.00
- Expenditure Management	99.2%	4,069.15	0.00	4,069.15	3,758.33	4,100.00
- Budget and Treasury Office	0.0%	0.00	0.00	0.00	2,291.67	2,500.00
<b>TOTAL</b>	<b>87.8%</b>	<b>29,723.44</b>	<b>11,168.22</b>	<b>40,891.66</b>	<b>42,716.67</b>	<b>46,600.00</b>
<b>CORPORATE SERVICE DIRECTORATE</b>						
- Information Services (IT)	117.7%	14,984.34	3,852.21	18,836.55	14,666.67	16,000.00
<b>TOTAL</b>	<b>117.7%</b>	<b>14,984.34</b>	<b>3,852.21</b>	<b>18,836.55</b>	<b>14,666.67</b>	<b>16,000.00</b>
<b>COMMUNITY SERVICE DIRECTORATE</b>						
- Traffic and Law Enforcement	96.8%	255,827.28	5,650.23	261,477.51	247,500.00	270,000.00
- Housing	98.1%	4,904.02	0.00	4,904.02	4,583.33	5,000.00
- Environmental Affairs	83.6%	30,098.77	3,520.50	33,619.27	36,850.00	40,200.00
- Public Services	0.0%	0.00	0.00	0.00	0.00	0.00
- Parks and Sport Facilities	115.7%	65,588.59	12,498.52	78,087.11	61,875.00	67,500.00
- Beaches and Holiday Resorts	117.8%	404,096.65	78,161.41	482,258.06	375,191.67	409,300.00
<b>TOTAL</b>	<b>108.6%</b>	<b>760,515.31</b>	<b>99,830.66</b>	<b>860,345.97</b>	<b>726,000.00</b>	<b>792,000.00</b>
<b>INFRASTRUCTURE DIRECTORATE</b>						
- Workshop	0.0%	0.00	0.00	0.00	6,416.67	7,000.00
- Water	105.4%	618,238.53	119,894.65	738,133.18	641,666.67	700,000.00
- Sewerage and sanitation	105.6%	617,508.05	79,288.05	696,796.10	605,000.00	660,000.00
- Refuse Removal Services	85.3%	340,138.73	57,336.55	397,475.28	427,166.67	466,000.00
- Streets and Stormwater	43.9%	62,437.07	508.69	62,945.76	131,541.67	143,500.00
<b>TOTAL</b>	<b>95.9%</b>	<b>1,638,322.38</b>	<b>257,027.94</b>	<b>1,895,350.32</b>	<b>1,811,791.67</b>	<b>1,976,500.00</b>
<b>ELECTRICAL SERVICES</b>						
- Electrical Services	90.6%	323,987.36	47,601.89	371,589.25	375,925.00	410,100.00
<b>TOTAL</b>	<b>90.6%</b>	<b>323,987.36</b>	<b>47,601.89</b>	<b>371,589.25</b>	<b>375,925.00</b>	<b>410,100.00</b>
<b>TOTAL</b>	<b>98.3%</b>	<b>2,767,532.83</b>	<b>419,480.92</b>	<b>3,187,013.75</b>	<b>2,971,100.00</b>	<b>3,241,200.00</b>

Overtime was adjusted upwards with the adjustment budget process. The financial department is still experiencing non- management of the overtime expenditure by the respective departments. This should be addressed to ensure that no excessive spending of overtime is incurred.

The performance of overtime to date reflects a recorded spending of 98.3% of the revised budget of R3,241m

### **7.1.3 Trade Creditors:**

Council purchases and payments to creditors are under adequate control and paid within the prescribed period of 30 days.

All payment requisitions has been certified by the responsible official for the procurement of goods and services as required in terms of best practices.

Following the detail of payments as reflected in council's expenditure cashbook:

<b><u>Expenditure in respect of:</u></b>		<b>Requisition Number</b>		<b>Amount</b>
		<b>From</b>	<b>To</b>	
<b>31 May 2017</b>	Check Payments	31307	31457	
	ACB-Payments	97352	97760	
	Amount Paid			32,757,568.51
	Total Investment			<b>15,000,000.00</b>

In process to re-evaluate and tightening up expenditure controls as part of an ongoing process to allow closer monitoring of daily purchases, order transactions and the extension of budgetary control over departmental activities.

## 7.2 Revenue Management:

The equitable share allocation has been allocated as follows in respect of free basic services:

<u>Equitable Allocation received versus Budget:</u>			<u>Budget</u>	<u>Received</u>	<u>UNSPENT</u>
12010251000000			23,075,000	23,075,000	-
Allocation for the Financial Year:			23,075,000	23,075,000	0
<u>Equitable Allocation spent versus Budget:</u>			<u>Budget</u>	<u>Allocated</u>	<u>UNSPENT</u>
Free Basics : Electricity (ESKOM)	15080126700000	MAY 2017	252,300	354,471	(102,171)
Free Basics : Electricity	12010126600000	MAY 2017	80,000	81,871	(1,871)
Free Basics : Refuse Removal	12010126800000	MAY 2017	3,501,900	3,298,058	203,842
Free Basics : Sanitation	12010126900000	MAY 2017	2,900,000	2,237,787	662,213
Free Basics : Water	12010127000000	MAY 2017	1,300,000	2,538,552	(1,238,552)
			8,034,200	8,510,739	(476,539)

## Electronic receipts in respect of debtor payments:

### Electronic receipts:

Detail of monthly transactions up-to-date:

<u>MONTH</u>	<u>"Easy-pay"</u>	<u>ACB-Payments:</u>	<u>P@U</u>	<u>PAY N BILL</u>
May 2016	493,357.14	3,183,825.63	1,553,033.08	492,915.94
June 2016	504,801.76	2,911,607.35	1,392,903.75	402,221.40
July 2016	589,098.27	3,033,032.88	1,698,222.05	426,773.36
August 2016	651,912.35	3,244,125.54	1,999,043.68	832,010.65
September 2016	933,263.50	3,290,639.70	2,133,523.20	657,836.70
October 2016	484,516.80	6,976,765.02	2,554,389.56	1,066,165.59
November 2016	165,734.83	3,276,202.45	1,888,762.02	502,921.66
December 2016	574,293.23	3,310,801.18	2,068,602.86	543,138.55
January 2017	175,235.37	3,343,892.39	1,569,733.62	477,194.24
February 2017	404,936.37	3,926,072.89	1,922,238.36	499,688.47
March 2017	469,547.10	3,481,207.59	1,861,066.11	482,188.62
April 2017	446,962.42	3,339,796.36	1,725,197.43	471,756.77
May 2017	490,553.83	3,432,195.30	1,690,826.33	458,789.28



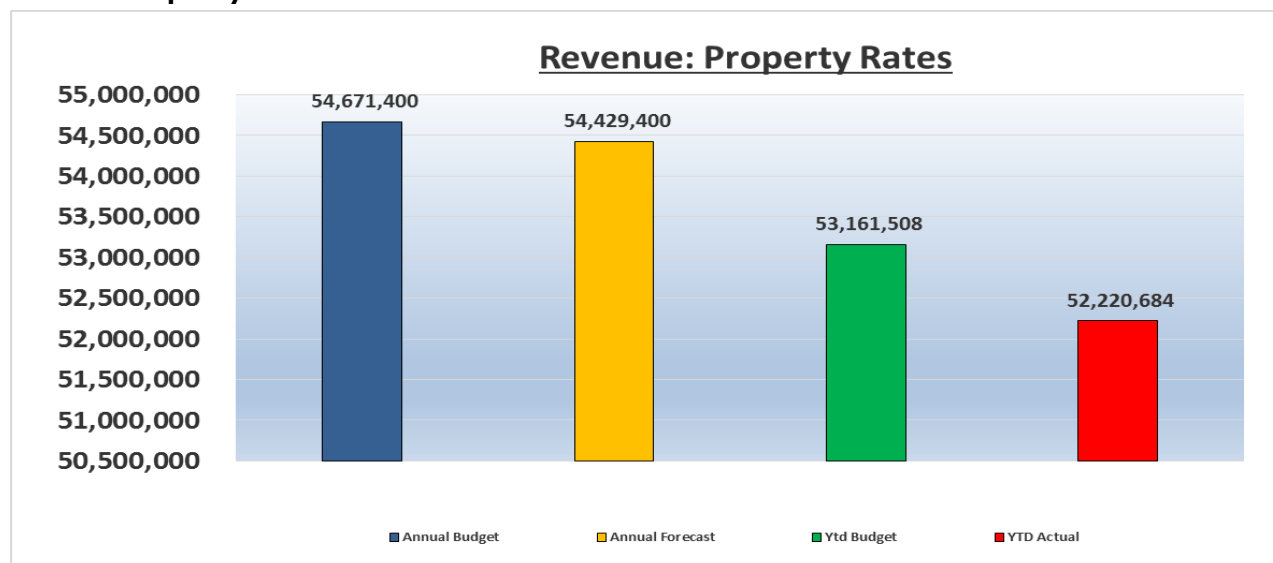
Outstanding debt in respect of Sundry Revenue: Rental of Facilities in excess of 90 days as at the end of **May 2017**:

**OUTSTANDING DEBT "MEENTGRONDE HUURGELD" - 90 DAYS AND  
MORE (MAY 17)**

<b><u>PERSON</u></b>	<b><u>AMOUNT</u></b>	<b><u>FREQUENCY</u></b>	<b><u>HANDED OVER</u></b>
MOBILE TELEPHONE NET.	2,456.89	Monthly	NO
MOBILE TELEPHONE NET.	1,247.80	Monthly	NO
MOBILE TELEPHONE NET.	3,773.76	Monthly	NO
MOBILE TELEPHONE NET.	4,899.50	Monthly	NO
MOBILE TELEPHONE NET.	3,577.50	Monthly	NO
JJ KLOPPERS	6,618.14	Attorneys	Yes
NAPIER HEALTH GRO	490.47	Monthly	NO
NAPIER HEALTH GRO	515.07	Monthly	NO
D JAARS	740.58	Attorneys	Yes
D JAARS	316.54	Attorneys	Yes
D JAARS	884.66	Attorneys	Yes
M VAN STADEN	2,028.78	Monthly	NO
M VAN STADEN	2,497.34	Monthly	NO
TARGETSHELF	15,289.11	Attorneys	Yes
TARGETSHELF	3,605.27	Attorneys	Yes
TARGETSHELF	15,374.42	Monthly	NO
TEHILLA COMMUNITY	4,383.27	Monthly	NO
URBAN FARMING	1,075.69	Monthly	NO
L HENDRICKS	876.62	Monthly	NO
HAASBEKKIE CRECHE	476.46	Monthly	NO
HAASBEKKIE CRECHE	311.34	Monthly	NO
HAASBEKKIE CRECHE	668.04	Monthly	NO
HAASBEKKIE CRECHE	489.05	Monthly	NO
HAASBEKKIE CRECHE	886.96	Monthly	Yes
D JONES	1,183.21	Monthly	NO
J DE JAGER	396.91	Monthly	NO
J DE JAGER	758.08	Monthly	NO
ESKOM ENTERPRISES	51,502.50	Monthly	NO
BREDASDORP KLEINBOERE	8,004.90	Monthly	NO
BREDASDORP POULTRY	672.84	Monthly	NO
W F MURTZ	528.81	Monthly	NO
B M SUMMERS	675.73	Monthly	NO
J DAVIDS	106.69	Monthly	NO
A MYBURG	1,951.30	Monthly	NO
SUZO KHANYA AGRICULT	5,420.30	Monthly	NO
ISIVUNO AGRICULTURAL	214.97	Monthly	NO
ISIVUNO AGRICULTURAL	654.96	Monthly	NO
UKHANYO CHICKENS	684.37	Monthly	NO
EISH INNOVATIONS	1,613.49	Monthly	NO
	<b>147,852.32</b>		

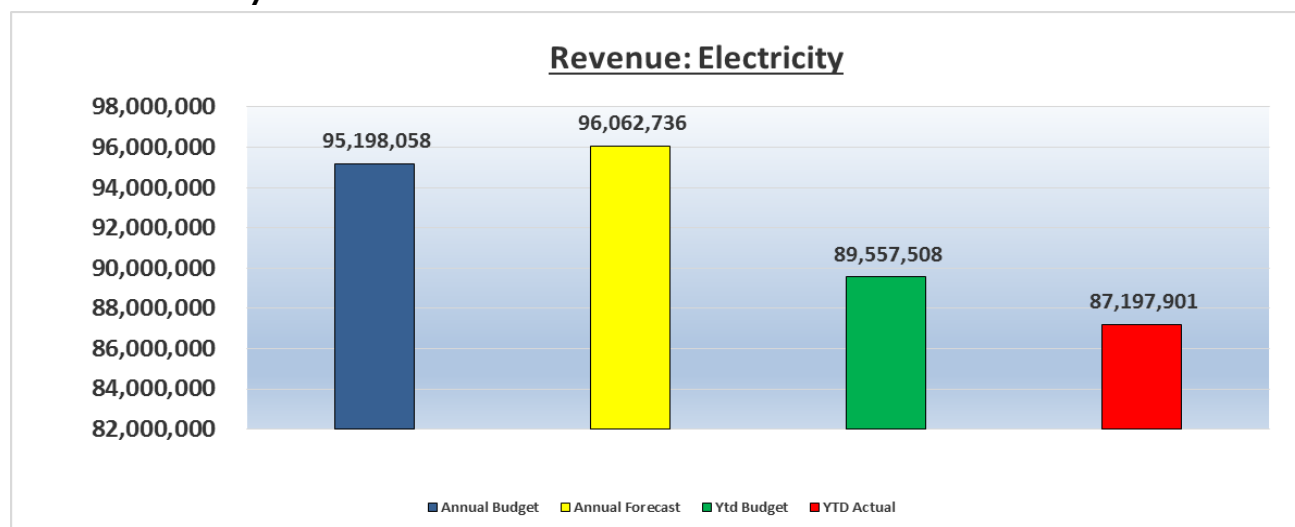
## 7.2.1 Actual Revenue - Property Rates and Service Charges:

### 7.2.1.1 Property Rates:



For the period ending 31 May 2017, the municipal performance in terms of property rates collection totals R52,220m or 95.92% of budgeted amounts. This is in line with projections. Council approved a revised budget and this budget slightly reduced the budgeted revenues for property rates. This is mainly due to the agricultural categories not performing according to projections.

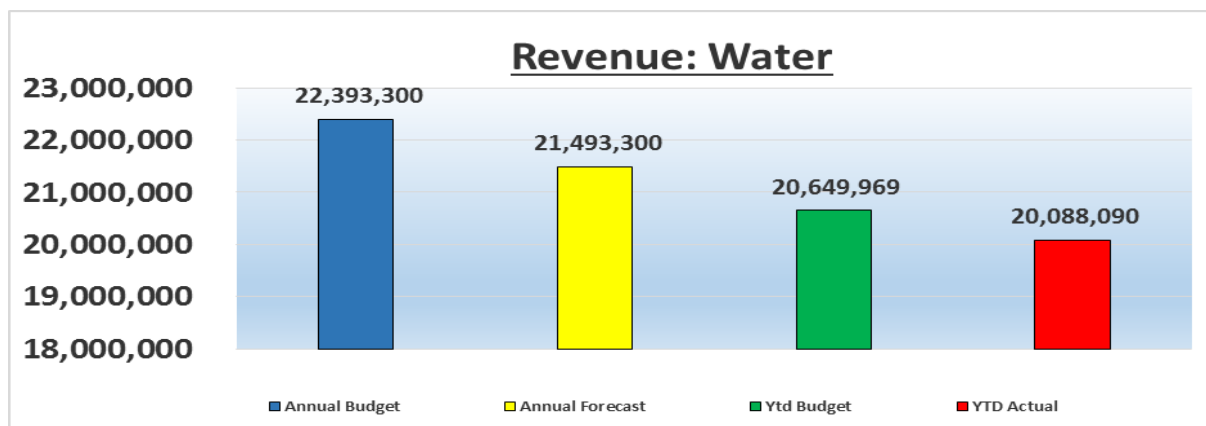
### 7.2.1.2 Electricity:



Total revenues collection for the period ending 31 May 2017 calculates to R87.197m. This is a performance of 90.77%. The municipality reviewed its performance in terms of electricity revenues and adjustments was proposed to the revenue budget. Although the performance of revenues is below projections, finance is of the opinion that the municipality will achieved its

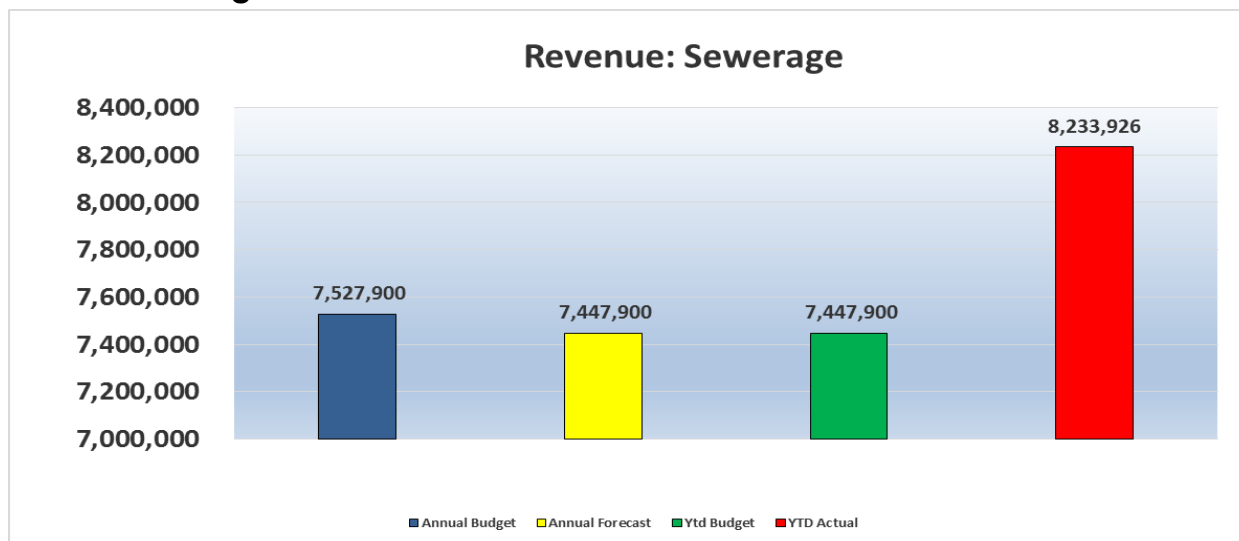
targeted projections. This is based on the trend that the electricity usage normally increase / spikes over the period of May onwards due to the start of the winter season.

#### 7.2.1.3 Water:



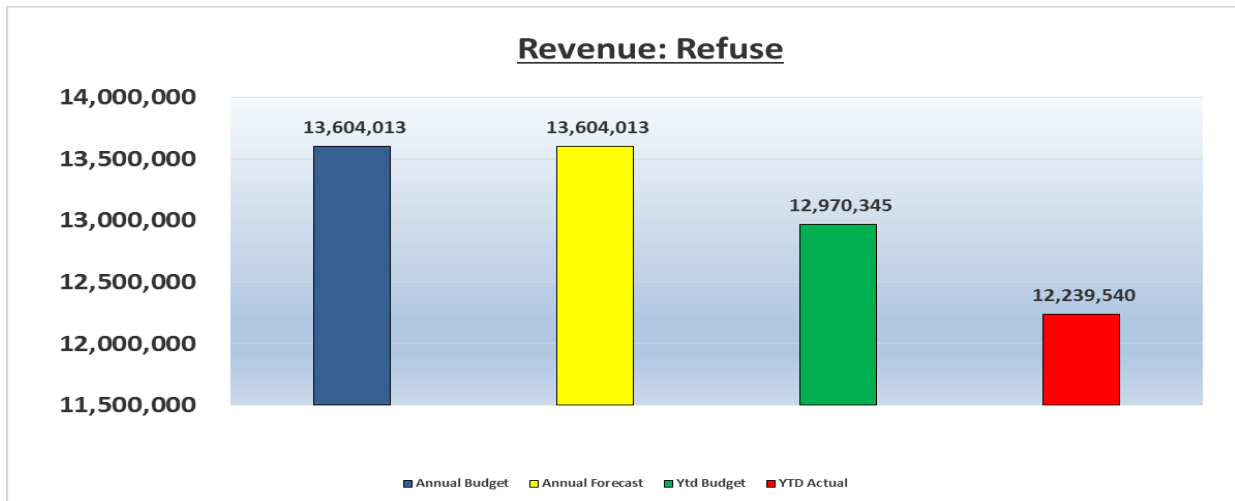
Water services totals R20,088m or 93,46% for the period ending 31 May 2017. Projections is that the municipality will achieve budgeted targets as per the mid-year budget adjustments.

#### 7.2.1.4 Sewerage:



Sewerage revenues outperforms the budget projections for the financial year. The year to date performance totals R8,233. The better than budgeted performance is mostly as a result of the income collected from septic tank services. These information was only available after the completion of the Mid-year budget process that was used to reduce budgeted amounts. Positive performance is recorded for the service.

### 7.2.1.5 Refuse Removal:

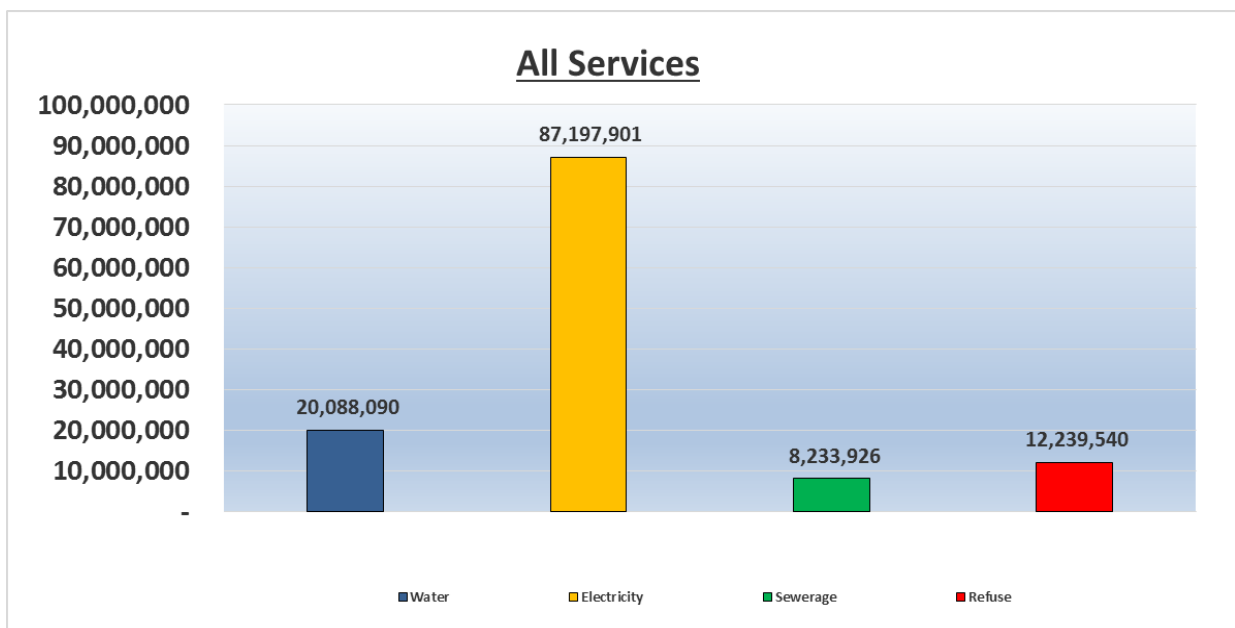


Refuse income is based on the total household and levied on a monthly basis. Year to date performance is on par and the municipality will implement the budget as approved.

Total revenue for the period ending May 2017 totals R12,239m of budget of R13,604m, that is 89,97% of the budget.

Limited adjustments was processed during the adjustment budget process.

### 7.2.1.6 Consolidated Service revenues



Property rates and service revenues comprise the biggest components of the municipal revenue budget. The performance to date is promising and finance is of the opinion that the municipality will achieve its budgeted projections as per the revised budget.

### **7.3 Internship Programme**

As per National Treasury regulations and per Financial Management Grant (FMG) conditions the municipality is obliged to appoint five Finance Interns. The municipality currently have vacant intern's positions and the process is to ensure the filling of these vacancies as soon as possible.

The aim of the program is to capacitate Finance Graduates to eventually be able to fill CFO and other financial posts in municipalities. The appointment is for a period of 24 to 36 months depending on completion of the Municipal Minimum Competency (MMC) training program.

After a meeting held with Provincial Treasury the Human Resources section is in process to ensure compliance in terms of the mentioned National Treasury circular guideline for the Finance Internship Program and on the job training. A prescribed rotation plan for each individual finance intern has been drawn up in consultation with the Human Resource Unit and been implemented accordingly.

### **7.4 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.

More detailed reports in terms of the process of mSCOA will be included in the next reporting cycle.

### **7.5 Long-Term Financial Plan**

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

The municipality appointed a service provider to address the Revenue Enhancement initiatives identified in the Long-term Financial plan strategy. The project was funded from Provincial Treasury grant funding and is already in the implementation phase. Various workshops were arranged to ensure successful completion of the project. The Revenue enhancement strategy will be followed up with the review and updating of the Long-term financial plan.

The long-term financial plan and revenue enhancement strategy will be revised during the Council strategic session later in the year.

## 8. Report on Outstanding Government Debt

Cape Agulhas Municipality for the month ended MAY '17	Rates				
Department Responsible for the Debt	0-30 Days	30-60 Days	60-90 Days	> 90 Days	Total
National Public Works	-11,213.26	-	-	272,880.39	261,667.13
Transport Western Cape	-	-	-	1,589.21	1,589.21
Western Cape Education Department	-2.20	-	-	50,249.04	50,246.84
Health Department	-	-	-	2,403.47	2,403.47
Housing	-5,405.24	-	-	12,572.95	7,167.71
Other	-42,994.65	-	-	318,607.59	275,612.94
	-				-
TOTAL OUTSTANDING	-59,615.35	-	-	658,302.65	598,687.30

Cape Agulhas Municipality for the month ended MAY '17	Services				
Department Responsible for the Debt	0-30 Days	30-60 Days	60-90 Days	>90 Days	Total
National Public Works	8,106.31	458.72	-	9,401.11	17,966.14
Transport Western Cape	1,660.63	-	-	-	1,660.63
Western Cape Education Department	12,709.39	16,397.45	16,610.93	36,493.20	82,210.97
Health Department	-	-	-	-	-
Housing	-	-	-	-	-
Other	16,415.98	3,696.89	2,507.95	65,099.50	87,720.32
TOTAL OUTSTANDING	38,892.31	20,553.06	19,118.88	110,993.81	189,558.06

Cape Agulhas Municipality for the month ended MAY '17	Total Debt	Interest	Grand Total Sec 71
Department Responsible for the Debt			
National Public Works	279,633.27	39,666.65	319,299.92
Transport Western Cape	3,249.84	146.76	3,396.60
Western Cape Education Department	132,457.81	7,929.38	140,387.19
Health Department	2,403.47	184.24	2,587.71
Housing	7,167.71	1,181.83	8,349.54
Other	363,333.26	105,975.03	469,308.29
	-		-
TOTAL OUTSTANDING	788,245.36	155,083.89	943,329.25

## **9. MFMA Section 32(6)(b) Instance**

The Municipal Finance Management Act, section 32(6)(b) states as follow:

### **Section 32 – Unauthorized, irregular or fruitless and wasteful expenditure.**

(6) The accounting officer must report to the South African Police Service all cases of alleged—

(b) Theft and fraud that occurred in the municipality.

The municipality issued a cheque to the Overberg District Municipality in respect of the deposit re-payment for the rental of facilities. An employee of Cape Agulhas Municipality attempt to cash the cheque in his/her personal capacity and this information was reported by the Overberg District Municipality during December 2015 for further investigation by the Manager Internal Audit.

After investigations and confirmation by the Internal Audit Unit a case of Theft was open on 2 January 2016 by the Overberg District Municipality with the South African Police Services (SAPS) per case no. CAS 213/1/2016 for further investigation. Warrant Officer ND Kruger is the investigating officer on the case mentioned and further information will be reported to council as it becomes available.

In process, no feedback to date.



## 10. Annexure – MFMA Implementation

<b>CAPE AGULHAS MUNICIPALITY</b>					<b><u>ANNEXURE "A"</u></b>
<b>MFMA IMPLEMENTATION AND MONITORING CHECKLIST - MAY 2017</b>					
<b><i>Action Required</i></b>	<b><i>Act Ref</i></b>	<b><i>Responsibility</i></b>	<b><i>Target Date</i></b>	<b><i>Date Action Completed</i></b>	<b><i>Comments</i></b>
Submit to National / Provincial Treasury and AG written details of all bank accounts each year	Sec 9(b)	CFO / Manager Budget and Treasury Office	31-May-16	13 June 2016	Complete with Section 71 reports
Table to Council consolidated report of withdrawals each quarter and submit copy to Provincial Treasury and AG	Sec 11(4)	CFO / Manager Budget and Treasury Office	31 Oct 2016	31-Oct-16	Will be submitted after end of quarter
Table in council a time schedule outlining the key deadlines for the forthcoming annual budget at least 10 months before the start of the budget year	Sec 21(1)(b)	CFO	31-Aug-16	31 Aug 2016	Complete
Table draft annual budget at a council meeting at least 90 days before the start of the budget year	Sec 16(2)	CFO	31/03/2017	31/03/2017	Complete
Consider the approval of the the 2017/18 annual budget at least 30 days before the start of the budget year	Sec 24(1)	CFO	31-May-17	31 May 2017	Complete
Submit to the mayor a draft SDBIP no later than 14 days after approval of the annual budget	Sec 69(3)	Municipal Manager	14-Jun-17		

Aprove SDBIP within 28 days after approval of budget	Sec 53(1)	Mayor	28-Jun-17		
Report to council in writing on any impending shortfalls in budgeted revenue and overspending in the budget and steps taken to prevent or rectify such shortfalls or overspending	Sec 70(1)	Municipal Manager / CFO	14/09/2016		As required
Submit to the mayor and National treasury no later than 10 working days after the end of each month, a monthly budget statement in the prescribed format	Sec 71	Manager Budget and Treasury Office	15/05/2017	15/05/2017	Completed
Submit a report to Council on the implementation of the budget and the state of municipal finances within 30 days of the end of each quarter	Sec 52(d)	CFO	31 Oct 2016	31 Oct 2016	Complete
Submit to the mayor, NT and Provincial Treasury by 25 January each year a mid-year budget and performance assesment report	Sec 72	Manager Budget and Treasury Office	25-Jan-17	25-Jan-17	Completed
Submit 2015/16 annual financial statements to the AG within two months after the end of the financial year	Sec 126(1)(a)	CFO	31-Aug-16	31/08/2016	Complete
Submit 2015/16 annual financial statements - Entity to the AG within three months after the end of the financial year	Sec 126(1)(b)	CFO	30-Sep-16	30-Sep-16	Complete

## Municipal Manager's Quality Certificate:

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR  
CONTACT NO 028 425 5798

VERW:  
REF: 5/3/2016-17(M11)

KANTOOR:  
OFFICES: Bredasdorp

DATUM  
DATE 5 June 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 quarter ended **31 MAY 2017** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name P. J. van der Merwe

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

Signature [Signature]

Date 06/06/2017