

# Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

## **MONTHLY PERFORMANCE REPORT - SECTION 71 31 OCTOBER 2016**

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## **1. Council Resolution**

### **To The Executive Mayor**

In accordance with Section 71(1) of the Municipal Finance Management Act, I submit the required statement on the state of Cape Agulhas Municipality's budget implementation and the financial state of the municipality's affairs reflecting the particulars up until the end of October 2016.

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 October 2016** 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: 8 November 2016**

## **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.

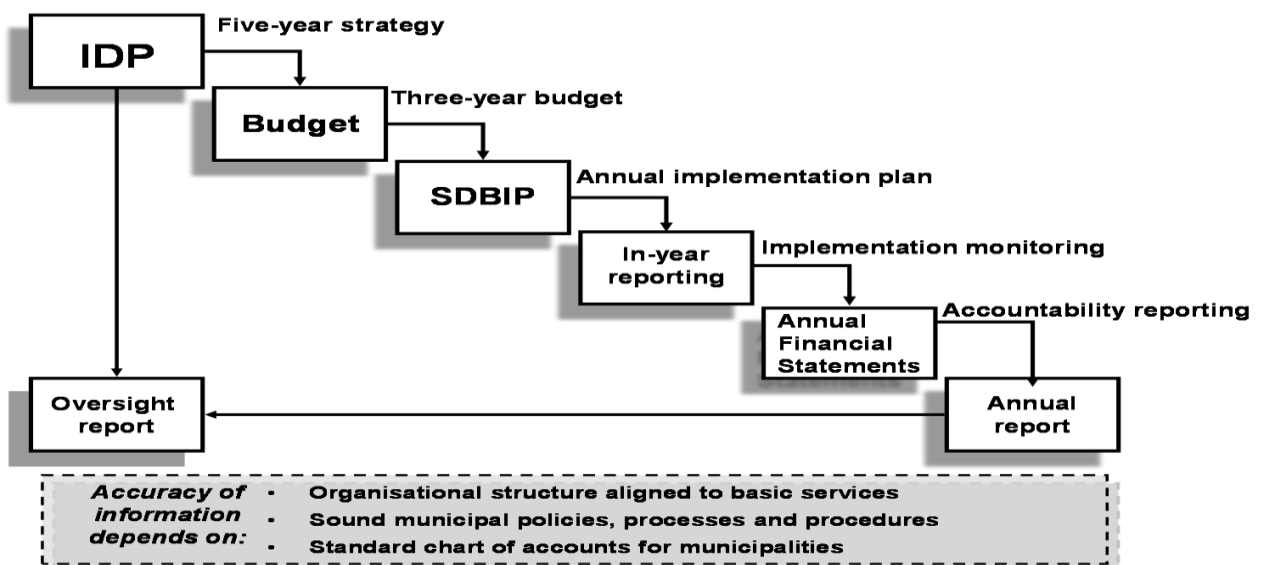
#### 3.1 Budget Process:

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 October 2016 the following MFMA related activities was successfully complete as per legislative requirements:

### **October 2016**

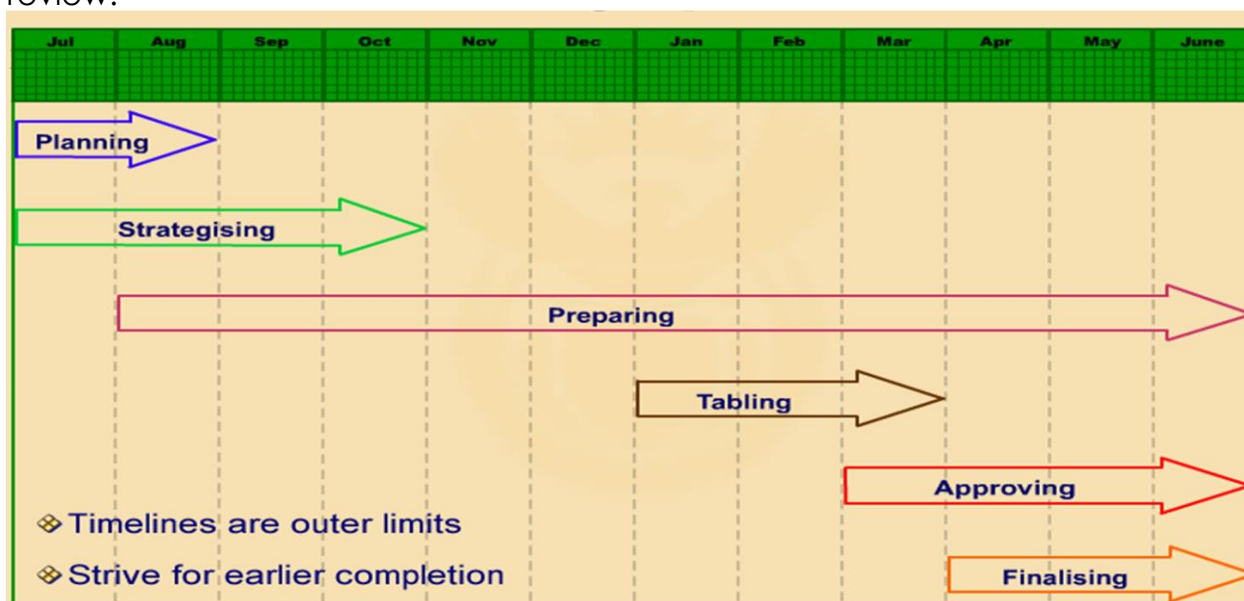
- All section 71 MFMA reporting was complete and submitted.
- Implementation of the budget as approved by Council for the 2016/17 financial year.
- Auditor General in in the process of auditing the Annual Financial Statements for the 2015/16 financial year.
- In process of completing the municipal SCOA budget conversion as per National Treasury SCOA circulars.

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 **October 2016**.

### **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 schedule for the Community participation meeting in terms of the Integrated Development plan for completion of the 2017/2018 is as follows:

|          |                       |                 |
|----------|-----------------------|-----------------|
| • Ward 1 | Napier                | 10 October 2016 |
| • Ward 1 | Elim                  | 11 October 2016 |
| • Ward 2 | Bredasdorp            | 12 October 2016 |
| • Ward 2 | Klipdale              | 13 October 2016 |
| • Ward 3 | Bredasdorp            | 17 October 2016 |
| • Ward 4 | Bredasdorp            | 18 October 2016 |
| • Ward 4 | Protem                | 19 October 2016 |
| • Ward 6 | Arniston              | 20 October 2016 |
| • Ward 5 | Struisbay / L Agulhas | 25 October 2016 |
| • Ward 5 | Struisbay North       | 25 October 2016 |
| • Ward 6 | Bredasforp            | 25 October 2016 |

The community participation process was concluded and the needs analysis and community needs identified. The process going forward is finalizing the assessment and evaluating the programs and projects identified. This will be conclude with the compilation of the new Integrated Develop Plan for the new council.

### **Budget process and submissions for the 2016/17 MTREF budget**

The budget process was finalized and the Budget 2016/17 tabled within the legislative due dates as required. Implementation of the budget is in process and monitoring on a continuous basis is ongoing and communicated in the Financial Management Report in terms of Section 71 of the MFMA on a monthly basis.

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

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

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

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

The annual Financial Statements for the 2015/2016 financial year was submitted to the Auditor General as per legislative requirements. The auditors is in the process of auditing the information.

### **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>Capital Budget</b> | <b>Operational Expenditure</b> | <b>Operational Revenues</b> |
|-------------------------|-----------------------|--------------------------------|-----------------------------|
| Budget                  | 24,632                | 297,385                        | 290,530                     |
| Budget to date (YTD)    | 8,211                 | 98,418                         | 115,067                     |
| Year to date (YTD)      | 2,823                 | 84,515                         | 97,820                      |
| Variance to SDBIP       | -5,388                | -13,903                        | 17,247                      |
| YTD % Variance to SDBIP | -65.62%               | -14.13%                        | -14.99%                     |
| % of Annual Budget      | 11.46%                | 28.42%                         | 33.67%                      |

#### **Capital Expenditure**

Capital expenditure reports low spending for the period ending 31 October 2016. The main reason for the slow capital spending is the impact of Municipal Infrastructure Grant (MIG) projects. Most of these projects is in the finalization of the SCM processes and spending should improve before the mid-year budget process in January 2016.

Year to date spending reflects a 11.46% of a total budget of R24,63m. The total MIG funded projects totals 35% of the capital budget.

#### **Operational Expenditure**

Operational spending totals 28.42% of total budget. The low spending is mostly based of the SCM processes that required implementation after the lengthy processes.

A lot of the budgeted spending is based on ad-hoc timelines and only incurs at specific times of the financial year. Example of these item is personnel bonuses, payable in November and Interest payment on loan obligations.

Based on the year to date variance of 14.13% this reflects underperformance of less than 15%

#### **Operational Revenues**

Revenues performance totals 33.67% of budget. This totals R97.82m. The municipality received most of its property rates income during the first quarter.

The performance of revenue income is also impacted by the grants receivable during the financial year. These grants is received based on a payment schedule issued by National and Provincial treasury on a yearly basis.

## 5. In year Budget Statement Tables

| WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M04 October |                  |                     |                   |                    |                    |                    |                      |                 |                    |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|----------------------|-----------------|--------------------|
| 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   | 49,899           | 54,671              | -                 | 2,554              | 34,177             | 36,448             | (2,271)              | -6%             | 54,671             |
| Service charges  | 125,191          | 138,723             | -                 | 10,946             | 44,947             | 46,241             | (1,294)              | -3%             | 138,723            |
| Investment revenue   | 1,970            | 1,900               | -                 | 153                | 528                | 633                | (106)                | -17%            | 1,900              |
| Transfers recognised - operational   | 36,704           | 60,025              | -                 | (2)                | 11,488             | 20,008             | (8,521)              | -43%            | 60,025             |
| Other own revenue  | 22,001           | 23,280              | -                 | 1,761              | 6,097              | 7,760              | (1,663)              | -21%            | 23,280             |
| <b>Total Revenue (excluding capital transfers and contributions)</b>         | <b>235,765</b>   | <b>278,599</b>      | <b>-</b>          | <b>15,412</b>      | <b>97,237</b>      | <b>111,090</b>     | <b>(13,853)</b>      | <b>-12%</b>     | <b>278,599</b>     |
| Employee costs   | 94,828           | 101,847             | -                 | 7,835              | 31,522             | 33,949             | (2,427)              | -7%             | 101,847            |
| Remuneration of Councillors  | 3,760            | 4,786               | -                 | 372                | 1,425              | 1,595              | (170)                | -11%            | 4,786              |
| Depreciation & asset impairment  | 11,269           | 10,888              | -                 | 807                | 3,218              | 3,629              | (411)                | -11%            | 10,888             |
| Finance charges  | 7,682            | 8,527               | -                 | 395                | 1,605              | 2,132              | (527)                | -25%            | 8,527              |
| Materials and bulk purchases   | 70,052           | 75,101              | -                 | 4,848              | 28,629             | 25,034             | 3,595                | 14%             | 75,101             |
| Transfers and grants   | 1,619            | 1,783               | -                 | 24                 | 669                | 594                | 75                   | 13%             | 1,783              |
| Other expenditure  | 68,709           | 94,454              | -                 | 4,791              | 17,447             | 31,485             | (14,038)             | -45%            | 94,454             |
| <b>Total Expenditure</b>   | <b>257,918</b>   | <b>297,385</b>      | <b>-</b>          | <b>19,071</b>      | <b>84,515</b>      | <b>98,418</b>      | <b>(13,903)</b>      | <b>-14%</b>     | <b>297,385</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(22,153)</b>  | <b>(18,786)</b>     | <b>-</b>          | <b>(3,659)</b>     | <b>12,722</b>      | <b>12,672</b>      | <b>49</b>            | <b>0%</b>       | <b>(18,786)</b>    |
| Transfers recognised - capital   | 12,675           | 11,931              | -                 | -                  | 583                | 3,977              | (3,394)              | -85%            | 11,931             |
| Contributions & Contributed assets   | 736              | -                   | -                 | -                  | -                  | -                  | -                    | -               | -                  |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>         | <b>(8,742)</b>   | <b>(6,855)</b>      | <b>-</b>          | <b>(3,659)</b>     | <b>13,305</b>      | <b>16,649</b>      | <b>(3,345)</b>       | <b>-20%</b>     | <b>(6,855)</b>     |
| Share of surplus/ (deficit) of associate                                     | -                | -                   | -                 | -                  | -                  | -                  | -                    | -               | -                  |
| <b>Surplus/ (Deficit) for the year</b>                                       | <b>(8,742)</b>   | <b>(6,855)</b>      | <b>-</b>          | <b>(3,659)</b>     | <b>13,305</b>      | <b>16,649</b>      | <b>(3,345)</b>       | <b>-20%</b>     | <b>(6,855)</b>     |
| <b>Capital expenditure &amp; funds sources</b>                               |                  |                     |                   |                    |                    |                    |                      |                 |                    |
| <b>Capital expenditure</b>   | <b>22,512</b>    | <b>24,632</b>       | <b>-</b>          | <b>517</b>         | <b>2,823</b>       | <b>8,211</b>       | <b>(5,388)</b>       | <b>-66%</b>     | <b>24,632</b>      |
| Capital transfers recognised   | 13,271           | 11,931              | -                 | 315                | 1,555              | 3,977              | (2,422)              | -61%            | 11,931             |
| Public contributions & donations   | 659              | -                   | -                 | -                  | -                  | -                  | -                    | -               | -                  |
| Borrowing  | 2,930            | 3,750               | -                 | -                  | 20                 | 1,250              | (1,230)              | -98%            | 3,750              |
| Internally generated funds   | 5,652            | 8,951               | -                 | 202                | 1,248              | 2,984              | (1,735)              | -58%            | 8,951              |
| <b>Total sources of capital funds</b>  | <b>22,512</b>    | <b>24,632</b>       | <b>-</b>          | <b>517</b>         | <b>2,823</b>       | <b>8,211</b>       | <b>(5,388)</b>       | <b>-66%</b>     | <b>24,632</b>      |
| <b>Financial position</b>  |                  |                     |                   |                    |                    |                    |                      |                 |                    |
| Total current assets   | 36,147           | 36,476              | -                 |                    | 72,415             |                    |                      |                 | 36,476             |
| Total non current assets   | 407,739          | 420,592             | -                 |                    | 420,592            |                    |                      |                 | 420,592            |
| Total current liabilities  | 29,573           | 32,755              | -                 |                    | 31,616             |                    |                      |                 | 32,755             |
| Total non current liabilities  | 113,568          | 121,002             | -                 |                    | 117,133            |                    |                      |                 | 121,002            |
| <b>Community wealth/Equity</b>   | <b>300,746</b>   | <b>303,312</b>      | <b>-</b>          |                    | <b>344,258</b>     |                    |                      |                 | <b>303,312</b>     |
| <b>Cash flows</b>  |                  |                     |                   |                    |                    |                    |                      |                 |                    |
| Net cash from (used) operating   | 10,930           | 7,316               | -                 | (1,216)            | 20,906             | 24,556             | 3,650                | 15%             | 7,316              |
| Net cash from (used) investing   | (22,118)         | (24,627)            | -                 | (517)              | (2,823)            | (8,210)            | (5,388)              | 66%             | (24,627)           |
| Net cash from (used) financing   | 2,329            | 3,376               | -                 | -                  | -                  | 1,125              | 1,125                | 100%            | 3,376              |
| <b>Cash/cash equivalents at the month/year end</b>                           | <b>9,975</b>     | <b>5,806</b>        | <b>-</b>          | <b>-</b>           | <b>23,890</b>      | <b>37,212</b>      | <b>13,323</b>        | <b>36%</b>      | <b>(8,129)</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   | 18,878           | 1,094               | 810               | 518                | 660                | 547                | 2,619                | 7,908           | 33,034             |
| <b>Creditors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                      |                 |                    |
| Total Creditors  | 7,459            | -                   | -                 | -                  | -                  | -                  | -                    | -               | 7,459              |

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) - M04 October |          |                 |                     |                 |                |               |                |                 |                |                    |
|--|----------|-----------------|---------------------|-----------------|----------------|---------------|----------------|-----------------|----------------|--------------------|
| 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>71,591</b>   | <b>77,523</b>       | –               | <b>2,147</b>   | <b>42,732</b> | <b>40,087</b>  | 2,645           | 7%             | <b>77,523</b>      |
| Executive and council  |          | 13,298          | 15,373              | –               | (738)          | 6,708         | 6,405          | 302             | 5%             | 15,373             |
| Budget and treasury office   |          | 56,281          | 59,673              | –               | 2,840          | 35,758        | 32,856         | 2,902           | 9%             | 59,673             |
| Corporate services   |          | 2,013           | 2,477               | –               | 45             | 266           | 826            | (559)           | -68%           | 2,477              |
| <i><b>Community and public safety</b></i>  |          | <b>28,130</b>   | <b>51,738</b>       | –               | <b>1,368</b>   | <b>5,634</b>  | <b>17,246</b>  | (11,612)        | -67%           | <b>51,738</b>      |
| Community and social services  |          | 5,083           | 6,148               | –               | 35             | 1,337         | 2,049          | (713)           | -35%           | 6,148              |
| Sport and recreation   |          | 5,564           | 6,601               | –               | 1,070          | 2,998         | 2,200          | 798             | 36%            | 6,601              |
| Public safety  |          | 10,814          | 10,889              | –               | 264            | 1,299         | 3,630          | (2,331)         | -64%           | 10,889             |
| Housing  |          | 6,669           | 28,100              | –               | –              | –             | 9,367          | (9,367)         | -100%          | 28,100             |
| Health   |          | –               | –                   | –               | –              | –             | –              | –               | –              | –                  |
| <i><b>Economic and environmental services</b></i>  |          | <b>12,468</b>   | <b>12,324</b>       | –               | <b>67</b>      | <b>1,033</b>  | <b>4,108</b>   | (3,075)         | -75%           | <b>12,324</b>      |
| Planning and development   |          | 12,468          | 12,324              | –               | 67             | 1,033         | 4,108          | (3,075)         | -75%           | 12,324             |
| Road transport   |          | –               | –                   | –               | –              | –             | –              | –               | –              | –                  |
| Environmental protection   |          | –               | –                   | –               | –              | –             | –              | –               | –              | –                  |
| <i><b>Trading services</b></i>   |          | <b>136,987</b>  | <b>148,946</b>      | –               | <b>11,830</b>  | <b>48,421</b> | <b>49,649</b>  | (1,228)         | -2%            | <b>148,946</b>     |
| Electricity  |          | 90,247          | 97,118              | –               | 7,657          | 31,787        | 32,373         | (586)           | -2%            | 97,118             |
| Water  |          | 21,853          | 23,929              | –               | 1,802          | 7,264         | 7,976          | (712)           | -9%            | 23,929             |
| Waste water management   |          | 9,577           | 10,487              | –               | 963            | 3,736         | 3,496          | 240             | 7%             | 10,487             |
| Waste management   |          | 15,311          | 17,412              | –               | 1,407          | 5,634         | 5,804          | (170)           | -3%            | 17,412             |
| <i><b>Other</b></i>  | <b>4</b> | <b>–</b>        | <b>–</b>            | –               | –              | –             | –              | –               | –              | <b>–</b>           |
| <b>Total Revenue - Standard</b>  | <b>2</b> | <b>249,176</b>  | <b>290,530</b>      | –               | <b>15,412</b>  | <b>97,820</b> | <b>111,090</b> | <b>(13,270)</b> | <b>-12%</b>    | <b>290,530</b>     |
| <b>Expenditure - Standard</b>  |          |                 |                     |                 |                |               |                |                 |                |                    |
| <i><b>Governance and administration</b></i>  |          | <b>73,623</b>   | <b>76,133</b>       | –               | <b>6,036</b>   | <b>24,348</b> | <b>25,378</b>  | (1,029)         | -4%            | <b>76,133</b>      |
| Executive and council  |          | 16,783          | 18,465              | –               | 1,088          | 5,513         | 6,155          | (642)           | -10%           | 18,465             |
| Budget and treasury office   |          | 38,328          | 37,298              | –               | 3,594          | 12,396        | 12,433         | (37)            | 0%             | 37,298             |
| Corporate services   |          | 18,512          | 20,370              | –               | 1,354          | 6,439         | 6,790          | (351)           | -5%            | 20,370             |
| <i><b>Community and public safety</b></i>  |          | <b>42,504</b>   | <b>66,770</b>       | –               | <b>2,526</b>   | <b>10,089</b> | <b>22,257</b>  | (12,168)        | -55%           | <b>66,770</b>      |
| Community and social services  |          | 12,612          | 13,917              | –               | 1,007          | 4,250         | 4,639          | (389)           | -8%            | 13,917             |
| Sport and recreation   |          | 9,033           | 9,822               | –               | 674            | 2,605         | 3,274          | (669)           | -20%           | 9,822              |
| Public safety  |          | 12,822          | 13,456              | –               | 727            | 2,761         | 4,485          | (1,725)         | -38%           | 13,456             |
| Housing  |          | 8,037           | 29,575              | –               | 118            | 473           | 9,858          | (9,385)         | -95%           | 29,575             |
| Health   |          | –               | –                   | –               | –              | –             | –              | –               | –              | –                  |
| <i><b>Economic and environmental services</b></i>  |          | <b>21,895</b>   | <b>26,114</b>       | –               | <b>1,908</b>   | <b>6,864</b>  | <b>8,705</b>   | (1,840)         | -21%           | <b>26,114</b>      |
| Planning and development   |          | 7,899           | 9,807               | –               | 647            | 2,452         | 3,269          | (817)           | -25%           | 9,807              |
| Road transport   |          | 13,373          | 15,657              | –               | 1,237          | 4,298         | 5,219          | (921)           | -18%           | 15,657             |
| Environmental protection   |          | 622             | 651                 | –               | 25             | 114           | 217            | (103)           | -47%           | 651                |
| <i><b>Trading services</b></i>   |          | <b>119,896</b>  | <b>128,368</b>      | –               | <b>8,600</b>   | <b>43,214</b> | <b>46,056</b>  | (2,843)         | -6%            | <b>128,368</b>     |
| Electricity  |          | 80,204          | 86,009              | –               | 5,704          | 31,816        | 31,937         | (121)           | 0%             | 86,009             |
| Water  |          | 14,912          | 15,207              | –               | 1,207          | 4,816         | 5,069          | (253)           | -5%            | 15,207             |
| Waste water management   |          | 8,889           | 9,549               | –               | 803            | 3,026         | 3,183          | (157)           | -5%            | 9,549              |
| Waste management   |          | 15,891          | 17,603              | –               | 887            | 3,556         | 5,868          | (2,312)         | -39%           | 17,603             |
| <i><b>Other</b></i>  |          | <b>–</b>        | <b>–</b>            | –               | –              | –             | –              | –               | –              | <b>–</b>           |
| <b>Total Expenditure - Standard</b>  | <b>3</b> | <b>257,918</b>  | <b>297,385</b>      | –               | <b>19,071</b>  | <b>84,515</b> | <b>102,395</b> | <b>(17,880)</b> | <b>-17%</b>    | <b>297,385</b>     |
| <b>Surplus/ (Deficit) for the year</b>   |          | <b>(8,742)</b>  | <b>(6,855)</b>      | –               | <b>(3,659)</b> | <b>13,305</b> | <b>8,694</b>   | <b>4,610</b>    | <b>53%</b>     | <b>(6,855)</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) - M04 October |     |                 |                     |                 |                |               |               |              |                |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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   |     | 13,298          | 15,373              | –               | (738)          | 6,708         | 5,124         | 1,583        | 30.9%          | 15,373             |
| Vote 2 - Budget and Treasury Office  |     | 56,281          | 59,673              | –               | 2,840          | 35,758        | 19,891        | 15,867       | 79.8%          | 59,673             |
| Vote 3 - Corporate Services  |     | 2,802           | 3,369               | –               | 112            | 550           | 1,123         | (572)        | -51.0%         | 3,369              |
| Vote 4 - Community and Social Services   |     | 28,130          | 51,738              | –               | 1,368          | 5,634         | 17,246        | (11,612)     | -67.3%         | 51,738             |
| Vote 5 - Sport and Recreation  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 6 - Public Safety   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 7 - Road Transport  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 8 - Electricity   |     | 90,247          | 97,118              | –               | 7,657          | 31,787        | 32,373        | (586)        | -1.8%          | 97,118             |
| Vote 9 - Water   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 10 - Waste Water Management   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 11 - Waste Management   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 12 - Environmental Protection   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 13 - Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 14 - Infrastructure   |     | 58,419          | 63,260              | –               | 4,172          | 17,382        | 21,087        | (3,704)      | -17.6%         | 63,260             |
| Vote 15 - [NAME OF VOTE 15]  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Total Revenue by Vote  | 2   | 249,176         | 290,530             | –               | 15,412         | 97,820        | 96,843        | 976          | 1.0%           | 290,530            |
| Expenditure by Vote  | 1   |                 |                     |                 |                |               |               |              |                |                    |
| Vote 1 - Executive and Council   |     | 16,783          | 18,465              | –               | 1,088          | 5,513         | 6,155         | (642)        | -10.4%         | 18,465             |
| Vote 2 - Budget and Treasury Office  |     | 38,328          | 37,298              | –               | 3,594          | 12,396        | 12,433        | (37)         | -0.3%          | 37,298             |
| Vote 3 - Corporate Services  |     | 23,656          | 25,944              | –               | 1,787          | 8,080         | 8,648         | (568)        | -6.6%          | 25,944             |
| Vote 4 - Community and Social Services   |     | 43,126          | 67,421              | –               | 2,551          | 10,203        | 22,474        | (12,271)     | -54.6%         | 67,421             |
| Vote 5 - Sport and Recreation  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 6 - Public Safety   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 7 - Road Transport  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 8 - Electricity   |     | 80,204          | 86,009              | –               | 5,704          | 31,816        | 28,670        | 3,146        | 11.0%          | 86,009             |
| Vote 9 - Water   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 10 - Waste Water Management   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 11 - Waste Management   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 12 - Environmental Protection   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 13 - Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Vote 14 - Infrastructure   |     | 55,821          | 62,248              | –               | 4,347          | 16,507        | 20,749        | (4,243)      | -20.4%         | 62,248             |
| Vote 15 - [NAME OF VOTE 15]  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Total Expenditure by Vote  | 2   | 257,918         | 297,385             | –               | 19,071         | 84,515        | 99,128        | (14,613)     | -14.7%         | 297,385            |
| Surplus/ (Deficit) for the year  | 2   | (8,742)         | (6,855)             | –               | (3,659)        | 13,305        | (2,285)       | 15,590       | -682.3%        | (6,855)            |

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) - M04 October |     |                 |                     |                 |                |               |               |              |                |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 Source  |     |                 |                     |                 |                |               |               |              |                |                    |
| Property rates   |     | 49,899          | 54,671              |                 | 2,554          | 34,177        | 36,448        | (2,271)      | -6%            | 54,671             |
| Property rates - penalties & collection charges  |     | -               | -                   |                 | -              | -             | -             | -            |                | -                  |
| Service charges - electricity revenue  |     | 86,845          | 95,198              |                 | 7,592          | 31,461        | 31,733        | (272)        | -1%            | 95,198             |
| Service charges - water revenue  |     | 19,132          | 22,393              |                 | 1,524          | 6,165         | 7,464         | (1,299)      | -17%           | 22,393             |
| Service charges - sanitation revenue   |     | 7,368           | 7,528               |                 | 721            | 2,865         | 2,509         | 356          | 14%            | 7,528              |
| Service charges - refuse revenue   |     | 11,846          | 13,604              |                 | 1,108          | 4,456         | 4,535         | (79)         | -2%            | 13,604             |
| Service charges - other  |     | -               | -                   |                 | -              | -             | -             | -            |                | -                  |
| Rental of facilities and equipment   |     | 6,680           | 7,664               |                 | 1,140          | 3,297         | 2,555         | 743          | 29%            | 7,664              |
| Interest earned - external investments   |     | 1,970           | 1,900               |                 | 153            | 528           | 633           | (106)        | -17%           | 1,900              |
| Interest earned - outstanding debtors  |     | 800             | 876                 |                 | 113            | 430           | 292           | 138          | 47%            | 876                |
| Dividends received   |     | -               | -                   |                 | -              | -             | -             | -            |                | -                  |
| Fines  |     | 8,651           | 8,538               |                 | 174            | 669           | 2,846         | (2,177)      | -77%           | 8,538              |
| Licences and permits   |     | 330             | 347                 |                 | 31             | 121           | 116           | 5            | 4%             | 347                |
| Agency services  |     | 1,309           | 1,374               |                 | -              | 287           | 458           | (171)        | -37%           | 1,374              |
| Transfers recognised - operational   |     | 36,704          | 60,025              |                 | (2)            | 11,488        | 20,008        | (8,521)      | -43%           | 60,025             |
| Other revenue  |     | 4,182           | 4,481               |                 | 303            | 1,293         | 1,494         | (200)        | -13%           | 4,481              |
| Gains on disposal of PPE   |     | 50              | -                   |                 | -              | -             | -             | -            |                | -                  |
| Total Revenue (excluding capital transfers and contributions)  |     | 235,765         | 278,599             | -               | 15,412         | 97,237        | 111,090       | (13,853)     | -12%           | 278,599            |
| Expenditure By Type  |     |                 |                     |                 |                |               |               |              |                |                    |
| Employee related costs   |     | 94,828          | 101,847             |                 | 7,835          | 31,522        | 33,949        | (2,427)      | -7%            | 101,847            |
| Remuneration of councillors  |     | 3,760           | 4,786               |                 | 372            | 1,425         | 1,595         | (170)        | -11%           | 4,786              |
| Debt impairment  |     | 7,498           | 7,400               |                 | 268            | 1,070         | 2,467         | (1,397)      | -57%           | 7,400              |
| Depreciation & asset impairment  |     | 11,269          | 10,888              |                 | 807            | 3,218         | 3,629         | (411)        | -11%           | 10,888             |
| Finance charges  |     | 7,682           | 8,527               |                 | 395            | 1,605         | 2,132         | (527)        | -25%           | 8,527              |
| Bulk purchases   |     | 70,052          | 75,101              |                 | 4,848          | 28,629        | 25,034        | 3,595        | 14%            | 75,101             |
| Other materials  |     | -               | -                   |                 | -              | -             | -             | -            |                | -                  |
| Contracted services  |     | 7,933           | 10,778              |                 | 978            | 1,915         | 3,593         | (1,677)      | -47%           | 10,778             |
| Transfers and grants   |     | 1,619           | 1,783               |                 | 24             | 669           | 594           | 75           | 13%            | 1,783              |
| Other expenditure  |     | 53,277          | 76,276              |                 | 3,546          | 14,462        | 25,425        | (10,964)     | -43%           | 76,276             |
| Loss on disposal of PPE  |     | -               | -                   |                 | -              | -             | -             | -            |                | -                  |
| Total Expenditure  |     | 257,918         | 297,385             | -               | 19,071         | 84,515        | 98,418        | (13,903)     | -14%           | 297,385            |
| Surplus/(Deficit)  |     | (22,153)        | (18,786)            | -               | (3,659)        | 12,722        | 12,672        | 49           | 0              | (18,786)           |
| Transfers recognised - capital   |     | 12,675          | 11,931              |                 | -              | 583           | 3,977         | (3,394)      | (0)            | 11,931             |
| Contributions recognised - capital   |     | 736             | -                   |                 | -              | -             | -             | -            |                | -                  |
| Contributed assets   |     | -               | -                   |                 | -              | -             | -             | -            |                | -                  |
| Surplus/(Deficit) after capital transfers & contributions  |     | (8,742)         | (6,855)             | -               | (3,659)        | 13,305        | 16,649        |              |                | (6,855)            |
| Taxation   |     |                 |                     |                 |                |               |               | -            |                |                    |
| Surplus/(Deficit) after taxation   |     | (8,742)         | (6,855)             | -               | (3,659)        | 13,305        | 16,649        |              |                | (6,855)            |
| Attributable to minorities   |     |                 |                     |                 |                |               |               |              |                |                    |
| Surplus/(Deficit) attributable to municipality   |     | (8,742)         | (6,855)             | -               | (3,659)        | 13,305        | 16,649        |              |                | (6,855)            |
| Share of surplus/ (deficit) of associate   |     |                 |                     |                 |                |               |               |              |                |                    |
| Surplus/ (Deficit) for the year  |     | (8,742)         | (6,855)             | -               | (3,659)        | 13,305        | 16,649        |              |                | (6,855)            |

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) - M04 |            |                 |                     |                 |                |               |               |                |                |                    |
|--|------------|-----------------|---------------------|-----------------|----------------|---------------|---------------|----------------|----------------|--------------------|
| October  |            |                 |                     |                 |                |               |               |                |                |                    |
| 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 |
| <b>R thousands</b>   | <b>1</b>   |                 |                     |                 |                |               |               |                |                |                    |
| <b>Multi-Year expenditure appropriation</b>  | <b>2</b>   |                 |                     |                 |                |               |               |                |                |                    |
| Vote 1 - Executive and Council   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 2 - Budget and Treasury Office  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 3 - Corporate Services  |            | -               | 80                  | -               | -              | -             | 27            | (27)           | -100%          | 80                 |
| Vote 4 - Community and Social Services   |            | 1,200           | -                   | -               | -              | -             | -             | -              | -              | -                  |
| 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   |            | 1,350           | 300                 | -               | 1              | 1             | 100           | (99)           | -99%           | 300                |
| Vote 15 - [NAME OF VOTE 15]  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Total Capital Multi-year expenditure</b>  | <b>4,7</b> | <b>2,550</b>    | <b>380</b>          | <b>-</b>        | <b>1</b>       | <b>1</b>      | <b>127</b>    | <b>(126)</b>   | <b>-99%</b>    | <b>380</b>         |
| <b>Single Year expenditure appropriation</b>   | <b>2</b>   |                 |                     |                 |                |               |               |                |                |                    |
| Vote 1 - Executive and Council   |            | 8               | 520                 | -               | -              | -             | 173           | (173)          | -100%          | 520                |
| Vote 2 - Budget and Treasury Office  |            | 28              | 419                 | -               | -              | 244           | 140           | 104            | 75%            | 419                |
| Vote 3 - Corporate Services  |            | 1,633           | 2,278               | -               | 65             | 381           | 759           | (378)          | -50%           | 2,278              |
| Vote 4 - Community and Social Services   |            | 6,233           | 3,423               | -               | 20             | 85            | 1,141         | (1,056)        | -93%           | 3,423              |
| Vote 5 - Sport and Recreation  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 6 - Public Safety   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 7 - Road Transport  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 8 - Electricity   |            | 3,966           | 3,640               | -               | -              | 421           | 1,213         | (792)          | -65%           | 3,640              |
| Vote 9 - Water   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 10 - Waste Water Management   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 11 - Waste Management   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 12 - Environmental Protection   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 13 - Other  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Vote 14 - Infrastructure   |            | 8,094           | 13,971              | -               | 431            | 1,690         | 4,657         | (2,967)        | -64%           | 13,971             |
| Vote 15 - [NAME OF VOTE 15]  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Total Capital single-year expenditure</b>   | <b>4</b>   | <b>19,962</b>   | <b>24,252</b>       | <b>-</b>        | <b>516</b>     | <b>2,822</b>  | <b>8,084</b>  | <b>(5,262)</b> | <b>-65%</b>    | <b>24,252</b>      |
| <b>Total Capital Expenditure</b>   |            | <b>22,512</b>   | <b>24,632</b>       | <b>-</b>        | <b>517</b>     | <b>2,823</b>  | <b>8,211</b>  | <b>(5,388)</b> | <b>-66%</b>    | <b>24,632</b>      |
| <b>Capital Expenditure - Standard Classification</b>   |            |                 |                     |                 |                |               |               |                |                |                    |
| <b>Governance and administration</b>   |            | <b>1,668</b>    | <b>3,298</b>        | <b>-</b>        | <b>66</b>      | <b>625</b>    | <b>1,099</b>  | <b>(474)</b>   | <b>-43%</b>    | <b>3,298</b>       |
| Executive and council  |            | 8               | 520                 | -               | -              | -             | 173           | (173)          | -100%          | 520                |
| Budget and treasury office   |            | 28              | 419                 | -               | -              | 244           | 140           | 104            | 75%            | 419                |
| Corporate services   |            | 1,633           | 2,358               | -               | 66             | 381           | 786           | (405)          | -51%           | 2,358              |
| <b>Community and public safety</b>   |            | <b>7,433</b>    | <b>3,423</b>        | <b>-</b>        | <b>20</b>      | <b>85</b>     | <b>1,141</b>  | <b>(1,056)</b> | <b>-93%</b>    | <b>3,423</b>       |
| Community and social services  |            | 5,411           | 1,453               | -               | 8              | 8             | 484           | (476)          | -98%           | 1,453              |
| Sport and recreation   |            | 1,524           | 1,941               | -               | 12             | 77            | 647           | (570)          | -88%           | 1,941              |
| Public safety  |            | 333             | 29                  | -               | -              | -             | 10            | (10)           | -100%          | 29                 |
| Housing  |            | 165             | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Health   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Economic and environmental services</b>   |            | <b>4,962</b>    | <b>9,737</b>        | <b>-</b>        | <b>335</b>     | <b>1,390</b>  | <b>3,246</b>  | <b>(1,856)</b> | <b>-57%</b>    | <b>9,737</b>       |
| Planning and development   |            | -               | 1,702               | -               | 81             | 954           | 567           | 386            | 68%            | 1,702              |
| Road transport   |            | 4,962           | 8,035               | -               | 253            | 436           | 2,678         | (2,242)        | -84%           | 8,035              |
| Environmental protection   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Trading services</b>  |            | <b>8,448</b>    | <b>8,174</b>        | <b>-</b>        | <b>97</b>      | <b>722</b>    | <b>2,725</b>  | <b>(2,002)</b> | <b>-73%</b>    | <b>8,174</b>       |
| Electricity  |            | 3,966           | 3,640               | -               | -              | 421           | 1,213         | (792)          | -65%           | 3,640              |
| Water  |            | 540             | 3,656               | -               | 97             | 301           | 1,219         | (918)          | -75%           | 3,656              |
| Waste water management   |            | 3,682           | 877                 | -               | -              | -             | 292           | (292)          | -100%          | 877                |
| Waste management   |            | 260             | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Other</b>   |            | <b>-</b>        | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>       | <b>-</b>           |
| <b>Total Capital Expenditure - Standard Classification</b>   | <b>3</b>   | <b>22,512</b>   | <b>24,632</b>       | <b>-</b>        | <b>517</b>     | <b>2,823</b>  | <b>8,211</b>  | <b>(5,388)</b> | <b>-66%</b>    | <b>24,632</b>      |
| <b>Funded by:</b>  |            |                 |                     |                 |                |               |               |                |                |                    |
| National Government  |            | 12,592          | 10,476              | -               | 311            | 1,551         | 3,492         | (1,941)        | -56%           | 10,476             |
| Provincial Government  |            | 680             | 1,455               | -               | 4              | 4             | 485           | (481)          | -99%           | 1,455              |
| District Municipality  |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Other transfers and grants   |            | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Transfers recognised - capital</b>  |            | <b>13,271</b>   | <b>11,931</b>       | <b>-</b>        | <b>315</b>     | <b>1,555</b>  | <b>3,977</b>  | <b>(2,422)</b> | <b>-61%</b>    | <b>11,931</b>      |
| <b>Public contributions &amp; donations</b>  | <b>5</b>   | <b>659</b>      | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>       | <b>-</b>           |
| <b>Borrowing</b>   | <b>6</b>   | <b>2,930</b>    | <b>3,750</b>        | <b>-</b>        | <b>-</b>       | <b>20</b>     | <b>1,250</b>  | <b>(1,230)</b> | <b>-98%</b>    | <b>3,750</b>       |
| <b>Internally generated funds</b>  |            | <b>5,652</b>    | <b>8,951</b>        | <b>-</b>        | <b>202</b>     | <b>1,248</b>  | <b>2,984</b>  | <b>(1,735)</b> | <b>-58%</b>    | <b>8,951</b>       |
| <b>Total Capital Funding</b>   |            | <b>22,512</b>   | <b>24,632</b>       | <b>-</b>        | <b>517</b>     | <b>2,823</b>  | <b>8,211</b>  | <b>(5,388)</b> | <b>-66%</b>    | <b>24,632</b>      |

**WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M04 October**

| 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                                     |     | 9,975           | 5,806               |                 | 16,191         | 5,806              |
| Call investment deposits                 |     | –               | –                   |                 | 15,000         | –                  |
| Consumer debtors                         |     | 19,963          | 22,481              |                 | 33,034         | 22,481             |
| Other debtors                            |     | 4,720           | 6,700               |                 | 6,700          | 6,700              |
| Current portion of long-term receivables |     | 4               | 4                   |                 | 4              | 4                  |
| Inventory                                |     | 1,485           | 1,485               |                 | 1,485          | 1,485              |
| <b>Total current assets</b>              |     | <b>36,147</b>   | <b>36,476</b>       | <b>–</b>        | <b>72,415</b>  | <b>36,476</b>      |
| <b>Non current assets</b>                |     |                 |                     |                 |                |                    |
| Long-term receivables                    |     | 274             | 270                 |                 | 270            | 270                |
| Investments                              |     | 0               | –                   |                 | –              | –                  |
| Investment property                      |     | 40,697          | 40,689              |                 | 40,689         | 40,689             |
| Investments in Associate                 |     | –               | –                   |                 | –              | –                  |
| Property, plant and equipment            |     | 315,397         | 332,166             |                 | 332,166        | 332,166            |
| Agricultural                             |     | –               | –                   |                 | –              | –                  |
| Biological assets                        |     | –               | –                   |                 | –              | –                  |
| Intangible assets                        |     | 1,017           | 1,043               |                 | 1,043          | 1,043              |
| Other non-current assets                 |     | 50,353          | 46,425              |                 | 46,425         | 46,425             |
| <b>Total non current assets</b>          |     | <b>407,739</b>  | <b>420,592</b>      | <b>–</b>        | <b>420,592</b> | <b>420,592</b>     |
| <b>TOTAL ASSETS</b>                      |     | <b>443,887</b>  | <b>457,069</b>      | <b>–</b>        | <b>493,007</b> | <b>457,069</b>     |
| <b><u>LIABILITIES</u></b>                |     |                 |                     |                 |                |                    |
| <b>Current liabilities</b>               |     |                 |                     |                 |                |                    |
| Bank overdraft                           |     | –               | –                   |                 | –              | –                  |
| Borrowing                                |     | 1,054           | 654                 |                 | 654            | 654                |
| Consumer deposits                        |     | 4,152           | 4,402               |                 | 4,402          | 4,402              |
| Trade and other payables                 |     | 11,345          | 13,973              |                 | 12,834         | 13,973             |
| Provisions                               |     | 13,021          | 13,727              |                 | 13,727         | 13,727             |
| <b>Total current liabilities</b>         |     | <b>29,573</b>   | <b>32,755</b>       | <b>–</b>        | <b>31,616</b>  | <b>32,755</b>      |
| <b>Non current liabilities</b>           |     |                 |                     |                 |                |                    |
| Borrowing                                |     | 2,329           | 5,857               |                 | 1,989          | 5,857              |
| Provisions                               |     | 111,239         | 115,145             |                 | 115,145        | 115,145            |
| <b>Total non current liabilities</b>     |     | <b>113,568</b>  | <b>121,002</b>      | <b>–</b>        | <b>117,133</b> | <b>121,002</b>     |
| <b>TOTAL LIABILITIES</b>                 |     | <b>143,141</b>  | <b>153,757</b>      | <b>–</b>        | <b>148,749</b> | <b>153,757</b>     |
| <b>NET ASSETS</b>                        | 2   | <b>300,746</b>  | <b>303,312</b>      | <b>–</b>        | <b>344,258</b> | <b>303,312</b>     |
| <b><u>COMMUNITY WEALTH/EQUITY</u></b>    |     |                 |                     |                 |                |                    |
| Accumulated Surplus/(Deficit)            |     | 291,496         | 293,312             |                 | 334,258        | 293,312            |
| Reserves                                 |     | 9,250           | 10,000              |                 | 10,000         | 10,000             |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | 2   | <b>300,746</b>  | <b>303,312</b>      | <b>–</b>        | <b>344,258</b> | <b>303,312</b>     |

The average debtor's collection rate up to the end of October 2016 reflects as follows:

|                                     | <b>Average YTD</b> |
|-------------------------------------|--------------------|
| <b>Monthly Debt Collection rate</b> | <b>92.63%</b>      |

The payment percentage for the month of October is 92.63%. The municipality is implementing its credit control policy and the Masakhane unit is ensuring that the policy of council is implement as approved. More statistical information in terms of credit control is reported below.

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M04 October

| 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   |                 |                     |                 |                |               |               |              |                |                    |
| CASH FLOW FROM OPERATING ACTIVITIES               |     |                 |                     |                 |                |               |               |              |                |                    |
| Receipts  |     |                 |                     |                 |                |               |               |              |                |                    |
| Property rates, penalties & collection charges    |     | 48,449          | 53,082              |                 | 2,554          | 34,177        | 39,812        | (5,635)      | -14%           | 53,082             |
| Service charges                                   |     | 121,540         | 129,949             |                 | 10,946         | 44,947        | 43,316        | 1,631        | 4%             | 129,949            |
| Other revenue                                     |     | 15,965          | 16,010              |                 | 1,345          | 4,087         | 5,337         | (1,250)      | -23%           | 16,010             |
| Government - operating                            |     | 36,704          | 60,025              |                 | 1,783          | 14,275        | 20,008        | (5,733)      | -29%           | 60,025             |
| Government - capital                              |     | 12,575          | 11,931              |                 | –              | 3,119         | 3,977         | (858)        | -22%           | 11,931             |
| Interest  |     | 2,747           | 2,750               |                 | 153            | 528           | 917           | (389)        | -42%           | 2,750              |
| Dividends   |     | –               | –                   |                 |                |               | –             | –            |                | –                  |
| Payments  |     |                 |                     |                 |                |               |               |              |                |                    |
| Suppliers and employees                           |     | (225,070)       | (264,145)           |                 | (17,578)       | (77,953)      | (88,048)      | (10,096)     | 11%            | (264,145)          |
| Finance charges                                   |     | (361)           | (504)               |                 | (395)          | (1,605)       | (168)         | 1,437        | -856%          | (504)              |
| Transfers and Grants                              |     | (1,619)         | (1,783)             |                 | (24)           | (669)         | (594)         | 75           | -13%           | (1,783)            |
| NET CASH FROM/(USED) OPERATING ACTIVITIES         |     | 10,930          | 7,316               | –               | (1,216)        | 20,906        | 24,556        | 3,650        | 15%            | 7,316              |
| CASH FLOWS FROM INVESTING ACTIVITIES              |     |                 |                     |                 |                |               |               |              |                |                    |
| Receipts  |     |                 |                     |                 |                |               |               |              |                |                    |
| Proceeds on disposal of PPE                       |     | 50              | –                   |                 |                |               | –             | –            |                | –                  |
| Decrease (Increase) in non-current debtors        |     | –               | 4                   |                 |                |               | 0             | (0)          | -100%          | 4                  |
| Decrease (increase) other non-current receivables |     | 4               | –                   |                 |                |               | –             | –            |                | –                  |
| Decrease (increase) in non-current investments    |     | –               | –                   |                 |                |               | –             | –            |                | –                  |
| Payments  |     |                 |                     |                 |                |               |               |              |                |                    |
| Capital assets                                    |     | (22,173)        | (24,632)            |                 | (517)          | (2,823)       | (8,211)       | (5,388)      | 66%            | (24,632)           |
| NET CASH FROM/(USED) INVESTING ACTIVITIES         |     | (22,118)        | (24,627)            | –               | (517)          | (2,823)       | (8,210)       | (5,388)      | 66%            | (24,627)           |
| CASH FLOWS FROM FINANCING ACTIVITIES              |     |                 |                     |                 |                |               |               |              |                |                    |
| Receipts  |     |                 |                     |                 |                |               |               |              |                |                    |
| Short term loans                                  |     | –               | –                   |                 |                |               | –             | –            |                | –                  |
| Borrowing long term/refinancing                   |     | 2,930           | 3,750               |                 |                |               | 1,250         | (1,250)      | -100%          | 3,750              |
| Increase (decrease) in consumer deposits          |     | 308             | 249                 |                 |                |               | 83            | (83)         | -100%          | 249                |
| Payments  |     |                 |                     |                 |                |               |               |              |                |                    |
| Repayment of borrowing                            |     | (908)           | (623)               |                 |                |               | (208)         | (208)        | 100%           | (623)              |
| NET CASH FROM/(USED) FINANCING ACTIVITIES         |     | 2,329           | 3,376               | –               | –              | –             | 1,125         | 1,125        | 100%           | 3,376              |
| NET INCREASE/ (DECREASE) IN CASH HELD             |     |                 |                     |                 |                |               |               |              |                |                    |
| Cash/cash equivalents at beginning:               |     | (8,859)         | (13,935)            | –               | (1,733)        | 18,084        | 17,472        |              |                | (13,935)           |
| Cash/cash equivalents at month/year end:          |     | 18,834          | 19,741              |                 |                | 5,806         | 19,741        |              |                | 5,806              |
|   |     | 9,975           | 5,806               | –               |                | 23,890        | 37,212        |              |                | (8,129)            |

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 - M04 October |                                    |          |  |                                      |
|--|------------------------------------|----------|--|--------------------------------------|
| Ref  | Description<br>R thousands         | Variance | Reasons for material deviations                        | Remedial or corrective steps/remarks |
| 1  | <b>Revenue By Source</b>           |          |  |                                      |
|  | Transfers recognised - operational |          | Equitable share - 2nd Installment due in November 2016 | Non - required.                      |
| 2  | <b>Expenditure By Type</b>         |          |  |                                      |
|  | Finance charges                    |          | Payments in outstanding loans due as per loan schedule | Non - required                       |
| 3  | <b>Capital Expenditure</b>         |          |  |                                      |
|  | Capital transfers recognised       |          | MIG projects in SCM phase. Commence during 3rd quarter | Non - required                       |
| 4  | <b>Financial Position</b>          |          |  |                                      |
|  | No required                        |          |  |                                      |
| 5  | <b>Cash Flow</b>                   |          |  |                                      |
|  | Net cash from (used) investing     |          | Capital spending - MIG projects in SCM phase           | Non - required                       |
| 6  | <b>Measureable performance</b>     |          |  |                                      |
|  | No required                        |          |  |                                      |
| 7  | <b>Municipal Entities</b>          |          |  |                                      |
|  | Not applicable                     |          |  |                                      |

Tale SC1 – Monthly Budget Statement Summary have reference.

No material variances recorded at this stage of the financial year. The variances identified will be corrected if required during the Mid-year budget assessment process in January 2017.

| WC033 Cape Agulhas - Supporting Table SC2 Monthly Budget Statement - performance indicators - M04 October |  |     |                 |                     |                 |               |                    |
|---|--|-----|-----------------|---------------------|-----------------|---------------|--------------------|
| 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  |     | 2.6%            | 6.5%                | 0.0%            | 1.9%          | 4.5%               |
| Borrowed funding of 'own n' capital expenditure   | Borrowings/Capital expenditure excl. transfers and grants                                      |     | 13.0%           | 15.2%               | 0.0%            | 0.7%          | 15.2%              |
| <b><u>Safety of Capital</u></b>   |  |     |                 |                     |                 |               |                    |
| Debt to Equity  | Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves                           |     | 4.9%            | 6.8%                | 0.0%            | 4.5%          | 6.8%               |
| Gearing   | Long Term Borrowing/ Funds & Reserves  |     | 25.2%           | 58.6%               | 0.0%            | 19.9%         | 58.6%              |
| <b><u>Liquidity</u></b>   |  |     |                 |                     |                 |               |                    |
| Current Ratio   | Current assets/current liabilities   | 1   | 122.2%          | 111.4%              | 0.0%            | 229.0%        | 111.4%             |
| Liquidity Ratio   | Monetary Assets/Current Liabilities  |     | 33.7%           | 17.7%               | 0.0%            | 98.7%         | 17.7%              |
| <b><u>Revenue Management</u></b>  |  |     |                 |                     |                 |               |                    |
| Annual Debtors Collection Rate<br>(Payment Level %)   | Last 12 Mths Receipts/ Last 12 Mths Billing  |     |                 |                     |                 |               |                    |
| Outstanding Debtors to Revenue  | Total Outstanding Debtors to Annual Revenue  |     | 10.6%           | 10.6%               | 0.0%            | 41.1%         | 10.6%              |
| 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   |     | 40.2%           | 36.6%               | 0.0%            | 32.4%         | 36.6%              |
| 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  |     | 8.0%            | 7.0%                | 0.0%            | 1.7%          | 4.8%               |
| <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 40.1% which is slightly higher than the budgeted percentage of 39.4%. 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 - M04 October |             |                     |              |            |             |             |             |              |              |               |                    |  |   |
|---|-------------|---------------------|--------------|------------|-------------|-------------|-------------|--------------|--------------|---------------|--------------------|--|---|
| Description   | NT Code     | Budget Year 2016/17 |              |            |             |             |             |              |              |               |                    | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o Council Policy |
|   |             | 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 |  |   |
| <b>R thousands</b>  |             |                     |              |            |             |             |             |              |              |               |                    |  |   |
| <b>Debtors Age Analysis By Income Source</b>  |             |                     |              |            |             |             |             |              |              |               |                    |  |   |
| Trade and Other Receivables from Exchange Transactions - Water                                  | 1200        | 2,140               | 216          | 189        | 136         | 145         | 129         | 589          | 1,567        | 5,111         | 2,566              |  |   |
| Trade and Other Receivables from Exchange Transactions - Electricity                            | 1300        | 8,151               | 276          | 164        | 81          | 94          | 63          | 255          | 642          | 9,725         | 1,135              |  |   |
| Receivables from Non-ex change Transactions - Property Rates                                    | 1400        | 6,096               | 204          | 140        | 61          | 105         | 101         | 405          | 2,273        | 9,385         | 2,945              |  |   |
| Receivables from Ex change Transactions - Waste Water Management                                | 1500        | 952                 | 132          | 102        | 78          | 63          | 56          | 260          | 584          | 2,226         | 1,040              |  |   |
| Receivables from Ex change Transactions - Waste Management                                      | 1600        | 1,456               | 159          | 123        | 88          | 98          | 87          | 410          | 718          | 3,139         | 1,400              |  |   |
| Receivables from Ex change Transactions - Property Rental Debtors                               | 1700        | 5                   | 0            | 0          | 0           | 0           | 0           | 0            | 0            | 6             | 1                  |  |   |
| Interest on Arrear Debtor Accounts  | 1810        | 70                  | 17           | 19         | 15          | 23          | 23          | 155          | 1,205        | 1,526         | 1,420              |  |   |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure                         | 1820        | —                   | —            | —          | —           | —           | —           | —            | —            | —             | —                  |  |   |
| Other   | 1900        | 7                   | 91           | 73         | 59          | 132         | 88          | 544          | 921          | 1,915         | 1,744              |  |   |
| <b>Total By Income Source</b>   | <b>2000</b> | <b>18,878</b>       | <b>1,094</b> | <b>810</b> | <b>518</b>  | <b>660</b>  | <b>547</b>  | <b>2,619</b> | <b>7,908</b> | <b>33,034</b> | <b>12,252</b>      | <b>—</b>                                     | <b>—</b>                                    |
| <b>2015/16 - totals only</b>  |             |                     |              |            |             |             |             |              |              | <b>—</b>      | <b>—</b>           |  |   |
| <b>Debtors Age Analysis By Customer Group</b>   |             |                     |              |            |             |             |             |              |              |               |                    |  |   |
| Organs of State   | 2200        | 349                 | 5            | 13         | 5           | 2           | 2           | 17           | 590          | 984           | 617                |  |   |
| Commercial  | 2300        | 4,009               | 105          | 64         | 25          | 23          | 18          | 102          | 298          | 4,644         | 466                |  |   |
| Households  | 2400        | 13,797              | 980          | 732        | 486         | 633         | 526         | 2,496        | 6,870        | 26,519        | 11,010             |  |   |
| Other   | 2500        | 724                 | 4            | 1          | 2           | 2           | 0           | 4            | 151          | 887           | 159                |  |   |
| <b>Total By Customer Group</b>  | <b>2600</b> | <b>18,878</b>       | <b>1,094</b> | <b>810</b> | <b>518</b>  | <b>660</b>  | <b>547</b>  | <b>2,619</b> | <b>7,908</b> | <b>33,034</b> | <b>12,252</b>      | <b>—</b>                                     | <b>—</b>                                    |

As reported above the municipality appointed a service provider to assist with the debt collection. The Masakhane unit situated in the Revenue section also ensures that all debt collection procedures are implemented as per policy.

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> |                |                |                |                    |                   |                    |
| <b>MONTH</b>   | <b>Current</b> | <b>30 days</b> | <b>60 days</b> | <b>90 days</b>     | <b>120 days +</b> | <b>TOTAL</b>       |
| SEPT 2016  | 13,267,888     | 2,583,606      | 15,964,968     | 661,698            | 12,081,923        | <b>44,560,083</b>  |
| OCT 2016   | 12,373,702     | 2,708,238      | 1,094,319      | 4,606,330          | 12,251,903        | <b>33,034,492</b>  |
|  |                |                |                |                    |                   | <b>-11,525,591</b> |
| <b><u>Debtors Turnover Rate:</u></b>                           |                |                |                |                    |                   |                    |
|  |                |                |                | <b>NORM</b>        | <b>SEPT</b>       | <b>OCT</b>         |
|  |                |                |                | <b>11.50- 15 %</b> | <b>28.37%</b>     | <b>21.03%</b>      |
| <b><u>Number of Accounts issued for the month:</u></b>         |                |                |                | <b>SEPT</b>        | <b>OCT</b>        |                    |
|  |                |                |                | <b>14,902</b>      | <b>14,883</b>     |                    |

| <b><u>Credit Control: Actions Applied</u></b> | <b>SEPT</b>  | <b>OCT</b> |
|---|--------------|------------|
| Summonses issued                              | <b>49</b>    | <b>40</b>  |
| Section 65(A)1                                | <b>38</b>    | <b>25</b>  |
| Sentences                                     | <b>83</b>    | <b>135</b> |
| Warrant for excecution                        | <b>24</b>    | <b>128</b> |
| Warrant for arrests                           | <b>2</b>     | <b>24</b>  |
| Garnisee Orders                               | <b>5</b>     | <b>3</b>   |
| Auctions                                      | <b>0</b>     | <b>0</b>   |
| Number of debtors handed over to attorney:    | <b>73</b>    | <b>0</b>   |
| Number of debtors handed over to attorney:    | <b>1,139</b> | <b>0</b>   |
| <b><u>Electricity Service</u></b>             | <b>SEPT</b>  | <b>OCT</b> |
| Number of consumers disconnected due to       | <b>78</b>    | <b>75</b>  |
| Number of consumers re-connected              | <b>9</b>     | <b>2</b>   |
|   | <b>69</b>    | <b>73</b>  |

| <b><u>Commiseration Rebate in respect of Basic Services allocated: OCTOBER 2016</u></b> |                        |                          |                          |              |                             |
|---|------------------------|--------------------------|--------------------------|--------------|-----------------------------|
| <b><u>TOWNS</u></b>   |                        | <b><u>"Poor"</u></b>     | <b><u>"Indigent"</u></b> | <b>TOTAL</b> | <b><u>COMMISERATION</u></b> |
|   |                        | <b><u>household.</u></b> | <b><u>household</u></b>  |              | <b><u>SUBSIDIES</u></b>     |
|   | BREDASDORP             | 92                       | 1,334                    | 1,426        | 410,654.45                  |
|   | NAPIER                 | 23                       | 369                      | 392          | 111,151.51                  |
|   | PROTEM                 | 0                        | 9                        | 9            | 1,897.65                    |
|   | STRUISBAAI & L'AGULHAS | 9                        | 400                      | 409          | 116,974.10                  |
|   | KLIPDALE               | 0                        | 9                        | 9            | 1,897.65                    |
|   | WAENHUISKRANS          | 5                        | 116                      | 121          | 42,864.59                   |
|   | KASSIESBAAI            | 7                        | 58                       | 65           | 10,594.81                   |
|   | ELIM                   | 5                        | 137                      | 142          | 29,016.00                   |
|   | DEURGANGSKAMP          | 0                        | 853                      | 853          | 127,199.75                  |
|   |                        | <b>141</b>               | <b>3,285</b>             | <b>3,426</b> | <b>852,250.51</b>           |

The municipality implement is 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 - M04 October

| Description                             | NT Code | Budget Year 2016/17 |                 |                 |                  |                   |                   |                      |                |       |
|---|---------|---------------------|-----------------|-----------------|------------------|-------------------|-------------------|----------------------|----------------|-------|
|   |         | 0 -<br>30 Days      | 31 -<br>60 Days | 61 -<br>90 Days | 91 -<br>120 Days | 121 -<br>150 Days | 151 -<br>180 Days | 181 Days -<br>1 Year | Over 1<br>Year | Total |
| R thousands                             |         |                     |                 |                 |                  |                   |                   |                      |                |       |
| Creditors Age Analysis By Customer Type |         |                     |                 |                 |                  |                   |                   |                      |                |       |
| Bulk Electricity                        | 0100    | 4,838               |                 |                 |                  |                   |                   |                      |                | 4,838 |
| Bulk Water                              | 0200    | 10                  |                 |                 |                  |                   |                   |                      |                | 10    |
| PAYE deductions                         | 0300    | 1,061               |                 |                 |                  |                   |                   |                      |                | 1,061 |
| VAT (output less input)                 | 0400    | 69                  |                 |                 |                  |                   |                   |                      |                | 69    |
| Pensions / Retirement deductions        | 0500    | 1,482               |                 |                 |                  |                   |                   |                      |                | 1,482 |
| Loan repayments                         | 0600    |                     |                 |                 |                  |                   |                   |                      |                | -     |
| Trade Creditors                         | 0700    |                     |                 |                 |                  |                   |                   |                      |                | -     |
| Auditor General                         | 0800    |                     |                 |                 |                  |                   |                   |                      |                | -     |
| Other                                   | 0900    |                     |                 |                 |                  |                   |                   |                      |                | -     |
| Total By Customer Type                  | 1000    | 7,459               | -               | -               | -                | -                 | -                 | -                    | -              | 7,459 |

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 - M04 October

| Investments by maturity<br>Name of institution & investment ID | Ref | Period of<br>Investment | Type of<br>Investment | Expiry date<br>of<br>investment | Accrued<br>interest for<br>the month | Yield for the<br>month 1<br>(%) | Market<br>value at<br>beginning<br>of the<br>month | Change in<br>market<br>value | Market<br>value at end<br>of the<br>month |
|--|-----|-------------------------|-----------------------|---------------------------------|--------------------------------------|---------------------------------|--|------------------------------|---|
| R thousands  |     | Yrs/Months              |                       |                                 |                                      |                                 |  |                              |   |
| <u>Municipality</u>  |     |                         |                       |                                 |                                      |                                 |  |                              |   |
| Standard Bank  |     | 30 DAYS                 |                       |                                 |                                      | -                               | 5,000  | 5,000                        |   |
| Nedbank  |     | 30 DAYS                 |                       |                                 |                                      |                                 | 10,000   | 10,000                       |   |
|  |     |                         |                       |                                 |                                      |                                 |  |                              |   |
|  |     |                         |                       |                                 |                                      |                                 |  |                              |   |
| Municipality sub-total   |     |                         |                       |                                 | -                                    |                                 | -  | 15,000                       | 15,000                                    |
| <u>Entities</u>  |     |                         |                       |                                 |                                      |                                 |  |                              |   |
|  |     |                         |                       |                                 |                                      |                                 |  |                              |   |
|  |     |                         |                       |                                 |                                      |                                 |  |                              |   |
| Entities sub-total   |     |                         |                       |                                 | -                                    |                                 | -  | -                            | -   |
| TOTAL INVESTMENTS AND INTEREST                                 | 2   |                         |                       |                                 | -                                    |                                 | -  | 15,000                       | 15,000                                    |

## 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 October 2016.

## Transfers and Grants

WC033 Cape Agulhas - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

| Description                                       |  | Ref | 2015/16<br>Audited<br>Outcome | Original<br>Budget | Adjusted<br>Budget | Monthly<br>actual | YearTD<br>actual | YearTD<br>budget | YTD<br>variance | YTD<br>variance<br>% | Full Year<br>Forecast |
|---|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| R thousands                                       |  |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| RECEIPTS:   |  | 1,2 |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| Operating Transfers and Grants                    |  |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| National Government:                              |  |     | 24,254                        | 26,785             | -                  | -                 | 10,652           | 9,171            | 1,922           | 21.0%                | 26,785                |
| Local Government Equitable Share                  |  |     | 20,679                        | 23,075             |                    |                   | 9,614            | 7,692            | 1,922           | 25.0%                | 23,075                |
| Finance Management                                |  |     | 1,231                         | 735                |                    |                   | 735              | 735              |                 |                      | 735                   |
| Municipal Systems Improvement                     |  |     | 150                           | -                  |                    |                   | -                | -                |                 |                      | -                     |
| Municipal Infrastructure (MIG)                    |  |     | 1,195                         | 1,765              |                    |                   |                  | 441              |                 |                      | 1,765                 |
| EPWP Incentive                                    |  |     | 1,000                         | 1,210              |                    |                   | 303              | 303              |                 |                      | 1,210                 |
| INEG  |  | 3   | -                             | -                  |                    |                   |                  | -                | -               |                      | -                     |
| Provincial Government:                            |  |     | 10,477                        | 33,240             | -                  | 1,783             | 3,623            | 10,755           | (7,025)         | -65.3%               | 33,240                |
| Housing   |  |     | 5,792                         | 28,100             |                    |                   |                  | 7,025            | (7,025)         | -100.0%              | 28,100                |
| Community Development Workers                     |  |     | 44                            | 56                 |                    |                   | 56               | 56               |                 |                      | 56                    |
| Subsidy Main Roads                                |  |     | 73                            | 73                 |                    |                   |                  | 18               |                 |                      | 73                    |
| Subsidy Libraries                                 |  |     | 4,250                         | 4,806              |                    | 1,783             | 3,567            | 3,604            |                 |                      | 4,806                 |
| Thusong Centre                                    |  |     | 12                            | -                  |                    |                   |                  | -                |                 |                      | -                     |
| Masibambane Programme                             |  |     | -                             | -                  |                    |                   |                  | -                | -               |                      | -                     |
| Department of Agriculture, Forestry and Fisheries |  |     | -                             | 120                |                    |                   |                  | 30               |                 |                      | 120                   |
| Mandela Memorial Contribution                     |  |     | -                             | 85                 |                    |                   |                  | 21               |                 |                      | 85                    |
| Provincial Financial Grant                        |  |     | 307                           |                    |                    |                   |                  | -                |                 |                      | -                     |
| District Municipality:                            |  |     | -                             | -                  |                    | -                 | -                | -                | -               |                      | -                     |
| [insert description]                              |  |     |                               |                    |                    |                   |                  |                  | -               |                      |                       |
| Other grant providers:                            |  |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| [insert description]                              |  |     |                               |                    |                    |                   |                  |                  | -               |                      |                       |
| Total Operating Transfers and Grants              |  | 5   | 34,732                        | 60,025             | -                  | 1,783             | 14,275           | 19,925           | (5,103)         | -25.6%               | 60,025                |
| Capital Transfers and Grants                      |  |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| National Government:                              |  |     | 12,592                        | 10,476             | -                  | -                 | 3,119            | 3,174            | 195             | 6.1%                 | 10,476                |
| Municipal Infrastructure (MIG)                    |  |     | 9,592                         | 8,736              |                    | -                 | 2,379            | 2,184            | 195             | 8.9%                 | 8,736                 |
| Finance Management                                |  |     | 219                           | 740                |                    | -                 | 740              | 740              |                 |                      | 740                   |
| Municipal Systems Improvement                     |  |     | 780                           | -                  |                    |                   |                  | -                |                 |                      | -                     |
| RBIG  |  |     | -                             | -                  |                    |                   |                  | -                |                 |                      | -                     |
| EPWP Incentive                                    |  |     | -                             | -                  |                    |                   |                  | -                |                 |                      | -                     |
| INEG  |  |     | 2,000                         | 1,000              |                    |                   |                  | 250              |                 |                      | 1,000                 |
| Provincial Government:                            |  |     | 580                           | 1,455              | -                  | -                 | -                | 364              | (364)           | -100.0%              | 1,455                 |
| Community Development Workers                     |  |     | 10                            |                    |                    |                   |                  | -                | -               |                      | -                     |
| Sport and Recreation                              |  |     |                               | 700                |                    |                   |                  | 175              |                 |                      | 700                   |
| Subsidy Libraries                                 |  |     | 21                            | 544                |                    |                   |                  | 136              |                 |                      | 544                   |
| Thusong Centre                                    |  |     | 199                           | 211                |                    |                   |                  | 53               |                 |                      | 211                   |
| Financial Support Grant                           |  |     | 50                            |                    |                    |                   |                  | -                |                 |                      | -                     |
| Municipal Infrastructure Support Grant            |  |     | 300                           |                    |                    |                   |                  | -                | -               |                      | -                     |
| District Municipality:                            |  |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| [insert description]                              |  |     |                               |                    |                    |                   |                  |                  | -               |                      |                       |
| Other grant providers:                            |  |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| [insert description]                              |  |     |                               |                    |                    |                   |                  |                  | -               |                      |                       |
| Total Capital Transfers and Grants                |  | 5   | 13,171                        | 11,931             | -                  | -                 | 3,119            | 3,538            | (169)           | -4.8%                | 11,931                |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS              |  | 5   | 47,903                        | 71,956             | -                  | 1,783             | 17,394           | 23,463           | (5,271)         | -22.5%               | 71,956                |

| WC033 Cape Agulhas - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October |     |                 |                     |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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              | -               | 149            | 841           | 4,464         | (3,623)      | -81.2%         | 26,785             |
| Local Government Equitable Share  |     | 20,679          | 23,075              |                 |                |               | 3,846         | (3,846)      | -100.0%        | 23,075             |
| Finance Management  |     | 1,231           | 735                 |                 | 47             | 515           | 123           | 393          | 320.7%         | 735                |
| Municipal Systems Improvement   |     | 150             | -                   |                 |                |               | -             | -            |                | -                  |
| Municipal Infrastructure (MIG)  |     | 1,195           | 1,765               |                 | 47             | 139           | 294           | (155)        | -52.6%         | 1,765              |
| EPWP Incentive  |     | 1,000           | 1,210               |                 | 54             | 186           | 202           | (15)         | -7.7%          | 1,210              |
| INEG  |     | -               | -                   |                 |                |               | -             | -            |                | -                  |
| Provincial Government:  |     | 10,477          | 33,240              | -               | 374            | 1,572         | 5,540         | (4,683)      | -84.5%         | 33,240             |
| Housing   |     | 5,792           | 28,100              |                 |                |               | 4,683         | (4,683)      | -100.0%        | 28,100             |
| Community Development Workers   |     | 44              | 56                  |                 | 4              | 22            | 9             | 12           | 132.2%         | 56                 |
| Subsidy Main Roads  |     | 73              | 73                  |                 |                |               | 12            | (12)         | -100.0%        | 73                 |
| Subsidy Libraries   |     | 4,250           | 4,806               |                 | 370            | 1,550         | 801           |              |                | 4,806              |
| Thusong Centre  |     | 12              | -                   |                 |                |               | -             | -            |                | -                  |
| Masibambane Programme   |     | -               | -                   |                 |                |               | -             | -            |                | -                  |
| Department of Agriculture, Forestry and Fisheries   |     | -               | 120                 |                 |                |               | 20            |              |                | 120                |
| Mandela Memorial Contribution   |     | -               | 85                  |                 |                |               | 14            |              |                | 85                 |
| Provincial Financial Grant  |     | 307             |                     |                 |                |               | -             |              |                | -                  |
| District Municipality:  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| [insert description]  |     |                 |                     |                 |                |               |               | -            |                |                    |
| Other grant providers:  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| [insert description]  |     |                 |                     |                 |                |               |               | -            |                |                    |
| Total operating expenditure of Transfers and Grants:  |     | 34,732          | 60,025              | -               | 523            | 2,413         | 10,004        | (8,306)      | -83.0%         | 60,025             |
| <b><u>Capital expenditure of Transfers and Grants</u></b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| National Government:  |     | 12,592          | 10,476              | -               | 341            | 1,581         | 1,746         | 2            | 0.1%           | 10,476             |
| Municipal Infrastructure (MIG)  |     | 9,592           | 8,736               |                 | 341            | 1,533         | 1,456         | 77           | 5.3%           | 8,736              |
| Finance Management  |     | 219             | 740                 |                 |                | 48            | 123           | (75)         | -60.9%         | 740                |
| Municipal Systems Improvement   |     | 780             | -                   |                 |                |               | -             | -            |                | -                  |
| RBIG  |     | -               | -                   |                 |                |               | -             | -            |                | -                  |
| EPWP Incentive  |     | -               | -                   |                 |                |               | -             | -            |                | -                  |
| INEG  |     | 2,000           | 1,000               |                 |                |               | 167           |              |                | 1,000              |
| Provincial Government:  |     | 580             | 1,455               | -               | 4              | 4             | 243           | (239)        | -98.4%         | 1,455              |
| Community Development Workers   |     | 10              |                     |                 |                |               | -             | -            |                | -                  |
| Sport and Recreation  |     |                 | 700                 |                 |                |               | 117           |              |                | 700                |
| Subsidy Libraries   |     | 21              | 544                 |                 | 4              | 4             | 91            |              |                | 544                |
| Thusong Centre  |     | 199             | 211                 |                 |                |               | 35            |              |                | 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              | -               | 345            | 1,585         | 1,989         | (237)        | -11.9%         | 11,931             |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS   |     | 47,903          | 71,956              | -               | 868            | 3,998         | 11,993        | (8,543)      | -71.2%         | 71,956             |

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 - M04 October |     |                 |                     |                 |                |               |               |              |                |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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  |     | A               | B                   | C               |                |               |               |              |                | D                  |
| <b>Councillors (Political Office Bearers plus Other)</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages   |     | 2,299           | 3,228               |                 | 220            | 845           | 807           | 38           | 5%             | 3,228              |
| Pension and UIF Contributions  |     | 345             | 366                 |                 | 41             | 161           | 91            | 69           | 76%            | 366                |
| Medical Aid Contributions  |     | —               | —                   |                 | —              | —             | —             | —            |                | —                  |
| Motor Vehicle Allowance  |     | 874             | 926                 |                 | 87             | 332           | 232           | 101          | 44%            | 926                |
| Cellphone Allowance  |     | 239             | 255                 |                 | 22             | 87            | 64            | 23           | 36%            | 255                |
| Housing Allowances   |     | —               | —                   |                 | —              | —             | —             | —            |                | —                  |
| Other benefits and allowances  |     | 4               | 12                  |                 | —              | —             | 3             | (3)          | -100%          | 12                 |
| <b>Sub Total - Councillors</b>   |     | <b>3,760</b>    | <b>4,786</b>        | <b>—</b>        | <b>372</b>     | <b>1,425</b>  | <b>1,196</b>  | <b>228</b>   | <b>19%</b>     | <b>4,786</b>       |
| <b>% increase</b>  | 4   |                 | <b>27.3%</b>        |                 |                |               |               |              |                | <b>27.3%</b>       |
| <b>Senior Managers of the Municipality</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages   |     | 4,137           | 4,385               |                 | 291            | 1,165         | 1,096         | 69           | 6%             | 4,385              |
| Pension and UIF Contributions  |     | 754             | 799                 |                 | 54             | 216           | 200           | 16           | 8%             | 799                |
| Medical Aid Contributions  |     | 178             | 136                 |                 | 15             | 61            | 34            | 27           | 80%            | 136                |
| Overtime   |     | —               | —                   |                 | —              | —             | —             | —            |                | —                  |
| Performance Bonus  |     | 629             | 667                 |                 | —              | —             | 167           | (167)        | -100%          | 667                |
| Motor Vehicle Allowance  |     | 364             | 386                 |                 | 22             | 88            | 97            | (9)          | -9%            | 386                |
| Cellphone Allowance  |     | 12              | 14                  |                 | 3              | 10            | 4             | 7            | 183%           | 14                 |
| Housing Allowances   |     | —               | —                   |                 | —              | —             | —             | —            |                | —                  |
| Other benefits and allowances  |     | 81              | 86                  |                 | 4              | 18            | 22            | (4)          | -18%           | 86                 |
| 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>—</b>        | <b>389</b>     | <b>1,558</b>  | <b>1,619</b>  | <b>(60)</b>  | <b>-4%</b>     | <b>6,474</b>       |
| <b>% increase</b>  | 4   |                 | <b>5.2%</b>         |                 |                |               |               |              |                | <b>5.2%</b>        |
| <b>Other Municipal Staff</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages   |     | 59,019          | 64,052              |                 | 5,169          | 20,484        | 16,013        | 4,470        | 28%            | 64,052             |
| Pension and UIF Contributions  |     | 10,363          | 11,220              |                 | 961            | 3,811         | 2,805         | 1,006        | 36%            | 11,220             |
| Medical Aid Contributions  |     | 2,451           | 3,362               |                 | 301            | 1,173         | 841           | 333          | 40%            | 3,362              |
| Overtime   |     | 3,361           | 3,087               |                 | 211            | 1,052         | 772           | 281          | 36%            | 3,087              |
| Performance Bonus  |     | —               | —                   |                 | —              | —             | —             | —            |                | —                  |
| Motor Vehicle Allowance  |     | 4,223           | 4,705               |                 | 521            | 2,026         | 1,176         | 849          | 72%            | 4,705              |
| Cellphone Allowance  |     | 237             | 378                 |                 | 51             | 194           | 94            | 100          | 106%           | 378                |
| Housing Allowances   |     | 1,275           | 1,187               |                 | 89             | 354           | 297           | 57           | 19%            | 1,187              |
| Other benefits and allowances  |     | 3,823           | 3,749               |                 | 285            | 1,376         | 937           | 439          | 47%            | 3,749              |
| Payments in lieu of leave  |     | 1,350           | 875                 |                 | —              | —             | 219           | (219)        | -100%          | 875                |
| Long service awards  |     | 498             | 498                 |                 | 82             | 328           | 124           | 203          | 163%           | 498                |
| Post-retirement benefit obligations  |     | 2,074           | 2,259               |                 | 504            | 2,015         | 565           | 1,451        | 257%           | 2,259              |
| <b>Sub Total - Other Municipal Staff</b>   |     | <b>88,673</b>   | <b>95,372</b>       | <b>—</b>        | <b>8,174</b>   | <b>32,813</b> | <b>23,843</b> | <b>8,970</b> | <b>38%</b>     | <b>95,372</b>      |
| <b>% increase</b>  | 4   |                 | <b>7.6%</b>         |                 |                |               |               |              |                | <b>7.6%</b>        |
| <b>Total Parent Municipality</b>   |     | <b>98,588</b>   | <b>106,632</b>      | <b>—</b>        | <b>8,934</b>   | <b>35,796</b> | <b>26,658</b> | <b>9,138</b> | <b>34%</b>     | <b>106,632</b>     |



## Actuals and revised targets for cash receipts

WC033 Cape Agulhas - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M04 October

| Description  | Ref      | Budget Year 2016/17 |                 |                |                 |               |                |                |               |               |                |                 |                 | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|----------|---------------------|-----------------|----------------|-----------------|---------------|----------------|----------------|---------------|---------------|----------------|-----------------|-----------------|---|------------------------|------------------------|
|  |          | July Outcome        | August Outcome  | Sept Outcome   | October Outcome | Nov Budget    | Dec Budget     | January Budget | Feb Budget    | March Budget  | April Budget   | May Budget      | 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           | 3,896         | 2,831          | 2,483          | 2,599         | 2,832         | 2,299          | 2,183           | (218)           | 53,082  | 58,407                 | 64,264                 |
| Property rates - penalties & collection charges    |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Service charges - electricity revenue              |          | 7,578               | 8,016           | 8,275          | 7,592           | 6,829         | 7,652          | 7,123          | 10,300        | 7,854         | 7,037          | 6,944           | 7,152           | 92,351  | 93,767                 | 100,332                |
| Service charges - water revenue                    |          | 1,526               | 1,479           | 1,637          | 1,524           | 1,494         | 1,802          | 1,668          | 2,189         | 2,097         | 2,022          | 1,838           | 1,205           | 20,480  | 21,734                 | 23,091                 |
| Service charges - sanitation revenue               |          | 709                 | 720             | 715            | 721             | 791           | 554            | 441            | 678           | 670           | 452            | 930             | (71)            | 7,309   | 7,776                  | 8,301                  |
| Service charges - refuse                           |          | 1,117               | 1,118           | 1,113          | 1,108           | 734           | 959            | 710            | 940           | 951           | 718            | 1,121           | (781)           | 9,808   | 10,090                 | 10,530                 |
| Service charges - other                            |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Rental of facilities and equipment                 |          | 326                 | 321             | 1,511          | 1,140           | 518           | 643            | 269            | 854           | 475           | 658            | 217             | 510             | 7,442   | 7,711                  | 8,101                  |
| Interest earned - external investments             |          | 76                  | 140             | 159            | 153             | 201           | 107            | 236            | 216           | 197           | 63             | 255             | 97              | 1,900   | 1,900                  | 1,900                  |
| Interest earned - outstanding debtors              |          | 104                 | 100             | 113            | 113             | 76            | 68             | 8              | 29            | 77            | 74             | 75              | 13              | 851   | 936                    | 1,029                  |
| Dividends received                                 |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Fines  |          | 184                 | 149             | 162            | 174             | 212           | (57)           | 385            | 186           | 262           | 280            | 178             | 254             | 2,367   | 2,368                  | 2,369                  |
| Licences and permits                               |          | 24                  | 34              | 31             | 31              | 30            | 29             | 31             | 28            | 36            | 24             | 41              | 8               | 347   | 364                    | 379                    |
| Agency services                                    |          |                     | 185             | 102            |                 | 196           | 56             | 5              | 4             | 468           | 88             | 117             | 153             | 1,374   | 1,443                  | 1,500                  |
| Transfer receipts - operating                      |          | 14,275              | 2,822           | 56             | 1,783           | 4,312         | 8,375          | 1,486          | 1,018         | 12,600        | 512            | 71              | 12,716          | 60,025  | 69,420                 | 76,496                 |
| Other revenue                                      |          | 198                 | 456             | 337            | 303             | 135           | 206            | 15             | 272           | 1,855         | 112            | 120             | 472             | 4,481   | 4,671                  | 4,987                  |
| <b>Cash Receipts by Source</b>                     |          | <b>52,962</b>       | <b>17,763</b>   | <b>16,763</b>  | <b>17,196</b>   | <b>19,424</b> | <b>23,225</b>  | <b>14,860</b>  | <b>19,312</b> | <b>30,373</b> | <b>14,338</b>  | <b>14,089</b>   | <b>21,511</b>   | <b>261,817</b>                                      | <b>280,586</b>         | <b>303,280</b>         |
| <b>Other Cash Flows by Source</b>                  |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Transfer receipts - capital                        |          |                     | 3,119           |                |                 | 5,079         | 728            |                | 37            | 2,680         | 1,939          |                 | (1,650)         | 11,931  | 11,833                 | 11,666                 |
| Contributions & Contributed assets                 |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Proceeds on disposal of PPE                        |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Short term loans                                   |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Borrowing long term/refinancing                    |          |                     |                 |                |                 |               |                |                |               |               |                |                 | 3,750           | 3,750   | 10,345                 | 5,180                  |
| Increase in consumer deposits                      |          |                     |                 |                | 21              | 21            | 21             | 21             | 21            | 21            | 21             | 21              | 83              | 249   | 264                    | 280                    |
| Receipt of non-current debtors                     |          |                     |                 | 0              | 0               | 0             | 0              | 0              | 0             | 0             | 0              | 0               | 1               | 4   | 4                      | 4                      |
| Receipt of non-current receivables                 |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Change in non-current investments                  |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| <b>Total Cash Receipts by Source</b>               |          | <b>52,962</b>       | <b>20,882</b>   | <b>16,764</b>  | <b>17,217</b>   | <b>24,524</b> | <b>23,974</b>  | <b>14,881</b>  | <b>19,370</b> | <b>33,074</b> | <b>16,298</b>  | <b>14,110</b>   | <b>23,695</b>   | <b>277,751</b>                                      | <b>303,032</b>         | <b>320,410</b>         |
| <b>Cash Payments by Type</b>                       |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Employee related costs                             |          | 7,691               | 7,568           | 8,429          | 7,835           | 12,352        | 7,745          | 8,607          | 7,763         | 7,897         | 8,221          | 8,089           | 7,636           | 99,832  | 105,994                | 113,041                |
| Remuneration of councillors                        |          | 306                 | 376             | 372            | 372             | 383           | 383            | 311            | 383           | 383           | 576            | 402             | 540             | 4,786   | 5,073                  | 5,377                  |
| Interest paid                                      |          | 59                  | 1               | 1,152          |                 | 252           |                |                |               |               |                |                 | (959)           | 504   | 510                    | 518                    |
| Bulk purchases - Electricity                       |          | 8,190               | 8,359           | 7,231          | 4,848           | 5,001         | 5,640          | 5,906          | 3,970         | 6,423         | 5,469          | 5,167           | 7,433           | 73,638  | 78,109                 | 82,552                 |
| Bulk purchases - Water & Sewer                     |          |                     |                 |                |                 | 22            | 28             | 25             | 25            | 20            | 23             | 16              | 88              | 246   | 274                    | 299                    |
| Other materials                                    |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Contracted services                                |          | 59                  | 10,778          | 426            | 978             | 1,074         | 987            | 1,162          | 767           | 910           | 987            | 1,180           | (8,705)         | 10,603  | 8,797                  | 8,530                  |
| Grants and subsidies paid - other municipalities   |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Grants and subsidies paid - other                  |          | 270                 | 126             | 249            | 24              | 149           | 149            | 149            | 149           | 149           | 149            | 149             | 74              | 1,783   | 1,764                  | 1,839                  |
| General expenses                                   |          | 2,518               | 4,056           | 4,342          | 3,546           | 5,161         | 7,687          | 2,424          | 5,038         | 5,294         | 3,745          | 7,504           | 23,725          | 75,040  | 82,258                 | 88,588                 |
| <b>Cash Payments by Type</b>                       |          | <b>19,093</b>       | <b>31,263</b>   | <b>22,200</b>  | <b>17,602</b>   | <b>24,141</b> | <b>22,870</b>  | <b>18,583</b>  | <b>18,094</b> | <b>21,077</b> | <b>19,170</b>  | <b>22,506</b>   | <b>29,832</b>   | <b>266,432</b>                                      | <b>282,779</b>         | <b>300,744</b>         |
| <b>Other Cash Flows/Payments by Type</b>           |          |                     |                 |                |                 |               |                |                |               |               |                |                 |                 |   |                        |                        |
| Capital assets                                     |          | 423                 | 219             | 1,666          | 517             | 597           | 2,371          | 264            | 2,264         | 5,532         | 1,953          | 2,200           | 6,628           | 24,632  | 28,875                 | 19,298                 |
| Repayment of borrowing                             |          |                     |                 |                |                 |               | 311            |                |               |               |                |                 | 311             | 623   | 1,304                  | 1,345                  |
| 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>24,738</b> | <b>25,552</b>  | <b>18,847</b>  | <b>20,358</b> | <b>26,609</b> | <b>21,123</b>  | <b>24,707</b>   | <b>36,771</b>   | <b>291,686</b>                                      | <b>312,958</b>         | <b>321,387</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>        |          | <b>33,446</b>       | <b>(10,600)</b> | <b>(7,102)</b> | <b>(901)</b>    | <b>(215)</b>  | <b>(1,578)</b> | <b>(3,966)</b> | <b>(988)</b>  | <b>6,465</b>  | <b>(4,825)</b> | <b>(10,596)</b> | <b>(13,076)</b> | <b>(13,935)</b>                                     | <b>(9,926)</b>         | <b>(977)</b>           |
| Cash/cash equivalents at the month/year beginning: |          | 5,806               | 39,253          | 28,653         | 21,551          | 20,650        | 20,435         | 18,857         | 14,892        | 13,904        | 20,369         | 15,544          | 4,948           | 5,806   | (8,129)                | (18,055)               |
| Cash/cash equivalents at the month/year end:       |          | 39,253              | 28,653          | 21,551         | 20,650          | 20,435        | 18,857         | 14,892         | 13,904        | 20,369        | 15,544         | 4,948           | (8,129)         | (8,129)   | (18,055)               | (19,031)               |

## Capital expenditure trend

| WC033 Cape Agulhas - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October |                 |                     |                 |                |               |               |              |                |                            |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|----------------------------|
| 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 |
| R thousands   |                 |                     |                 |                |               |               |              |                |                            |
| <u>Monthly expenditure performance trend</u>  |                 |                     |                 |                |               |               |              |                |                            |
| July  |                 | 177                 |                 | 423            | 423           | 177           | (245)        | -138.4%        | 2%                         |
| August  |                 | 717                 |                 | 219            | 642           | 894           | 253          | 28.3%          | 3%                         |
| September   |                 | 1,844               |                 | 1,665          | 2,306         | 2,739         | 432          | 15.8%          | 9%                         |
| October   |                 | 1,419               |                 | 516            | 2,823         | 4,158         | 1,335        | 32.1%          | 11%                        |
| November  |                 | 597                 |                 |                |               | 4,755         | -            |                |                            |
| December  |                 | 2,371               |                 |                |               | 7,125         | -            |                |                            |
| January   |                 | 264                 |                 |                |               | 7,389         | -            |                |                            |
| February  |                 | 2,264               |                 |                |               | 9,653         | -            |                |                            |
| March   |                 | 5,532               |                 |                |               | 15,185        | -            |                |                            |
| April   |                 | 1,953               |                 |                |               | 17,138        | -            |                |                            |
| May   |                 | 2,200               |                 |                |               | 19,338        | -            |                |                            |
| June  |                 | 5,294               |                 |                |               | 24,632        | -            |                |                            |
| <b>Total Capital expenditure</b>  | -               | 24,632              | -               | 2,823          |               |               |              |                |                            |

## 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 - M04 October |     |                 |                     |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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               | -               | 104            | 409           | 1,676         | 1,267        | 75.6%          | 5,027              |
| Infrastructure - Road transport   |     | 2,637           | 1,300               | -               | 8              | 109           | 433           | 324          | 74.8%          | 1,300              |
| Roads, Pavements & Bridges  |     | 2,027           | 900                 | -               | 8              | 109           | 300           | 191          | 63.6%          | 900                |
| Storm water   |     | 610             | 400                 | -               | -              | -             | 133           | 133          | 100.0%         | 400                |
| Infrastructure - Electricity  |     | -               | 1,200               | -               | -              | -             | 400           | 400          | 100.0%         | 1,200              |
| Generation  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Transmission & Reticulation   |     | -               | 1,100               | -               | -              | -             | 367           | 367          | 100.0%         | 1,100              |
| Street Lighting   |     | -               | 100                 | -               | -              | -             | 33            | 33           | 100.0%         | 100                |
| Infrastructure - Water  |     | 240             | 2,527               | -               | 96             | 300           | 842           | 543          | 64.4%          | 2,527              |
| Dams & Reservoirs   |     | -               | 877                 | -               | 96             | 300           | 292           | (7)          | -2.5%          | 877                |
| Water purification  |     | 140             | 150                 | -               | -              | -             | 50            | 50           | 100.0%         | 150                |
| Reticulation  |     | 100             | 1,500               | -               | -              | -             | 500           | 500          | 100.0%         | 1,500              |
| Infrastructure - Sanitation   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Reticulation  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Sewerage purification   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Infrastructure - Other  |     | 200             | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Waste Management  |     | 200             | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Transportation  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Gas   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Community</b>  |     | 4,970           | 1,450               | -               | -              | 20            | 483           | 463          | 95.9%          | 1,450              |
| Parks & gardens   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Sportsfields & stadia   |     | 1,622           | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Swimming pools  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Community halls   |     | 3,312           | 500                 | -               | -              | -             | 167           | 167          | 100.0%         | 500                |
| Libraries   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Recreational facilities   |     | 26              | 950                 | -               | -              | 20            | 317           | 297          | 93.7%          | 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               | -               | 81             | 618           | 1,228         | 611          | 49.7%          | 3,685              |
| General vehicles  |     | 330             | 150                 | -               | -              | -             | 50            | 50           | 100.0%         | 150                |
| Specialised vehicles  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Plant & equipment   |     | 1,021           | 708                 | -               | 15             | 339           | 236           | (103)        | -43.7%         | 708                |
| Computers - hardware/equipment  |     | 885             | 1,425               | -               | 66             | 266           | 475           | 209          | 44.0%          | 1,425              |
| Furniture and other office equipment  |     | 272             | 752                 | -               | -              | 4             | 251           | 247          | 98.5%          | 752                |
| Abattoirs   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Markets   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Civic Land and Buildings  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other Buildings   |     | 134             | 650                 | -               | -              | 9             | 217           | 208          | 95.8%          | 650                |
| 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                 | -               | -              | 7             | 49            | 43           | 86.6%          | 148                |
| Computers - software & programming  |     | 50              | 148                 | -               | -              | 7             | 49            | 43           | 86.6%          | 148                |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Total Capital Expenditure on new assets</b>  | 1   | 10,739          | 10,310              | -               | 185            | 1,053         | 3,437         | 2,383        | 69.4%          | 10,310             |

## 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 - M04 |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
|---|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| Description   | Ref | 2015/16<br>Audited<br>Outcome | Original<br>Budget | Adjusted<br>Budget | Monthly<br>actual | YearTD<br>actual | YearTD<br>budget | YTD<br>variance | YTD<br>variance<br>% | Full Year<br>Forecast |
| R thousands   | 1   |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>   |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Infrastructure</b>   |     | 1,087                         | 11,162             | –                  | 246               | 737              | 3,721            | 2,983           | 80.2%                | 11,162                |
| Infrastructure - Road transport   |     | –                             | 6,735              | –                  | 245               | 324              | 2,245            | 1,921           | 85.6%                | 6,735                 |
| Roads, Pavements & Bridges  |     | –                             | 6,735              | –                  | 245               | 324              | 2,245            | 1,921           | 85.6%                | 6,735                 |
| Storm water   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Infrastructure - Electricity  |     | 1,087                         | 2,420              | –                  | –                 | 412              | 807              | 395             | 49.0%                | 2,420                 |
| Generation  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Transmission & Reticulation   |     | 961                           | 1,740              | –                  | –                 | 296              | 580              | 284             | 48.9%                | 1,740                 |
| Street Lighting   |     | 126                           | 680                | –                  | –                 | 115              | 227              | 111             | 49.1%                | 680                   |
| Infrastructure - Water  |     | –                             | 1,129              | –                  | 1                 | 1                | 376              | 375             | 99.6%                | 1,129                 |
| Dams & Reservoirs   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Water purification  |     | –                             | 1,129              | –                  | 1                 | 1                | 376              | 375             | 99.6%                | 1,129                 |
| Reticulation  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Infrastructure - Sanitation   |     | –                             | 877                | –                  | –                 | –                | 292              | 292             | 100.0%               | 877                   |
| Reticulation  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Sewerage purification   |     | –                             | 877                | –                  | –                 | –                | 292              | 292             | 100.0%               | 877                   |
| Infrastructure - Other  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Waste Management  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Transportation  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Gas   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Other   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| <b>Community</b>  |     | 1,388                         | 2,096              | –                  | 2                 | 803              | 699              | (104)           | -14.9%               | 2,096                 |
| Parks & gardens   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Sportsfields & stadia   |     | –                             | 2,016              | –                  | –                 | 801              | 672              | (129)           | -19.2%               | 2,016                 |
| Swimming pools  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Community halls   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Libraries   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Recreational facilities   |     | 1,388                         | 80                 | –                  | 2                 | 2                | 27               | 25              | 92.5%                | 80                    |
| 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              | –                  | 84                | 227              | 355              | 128             | 36.1%                | 1,064                 |
| General vehicles  |     | 165                           | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Specialised vehicles  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Plant & equipment   |     | 88                            | 177                | –                  | –                 | 45               | 59               | 14              | 23.1%                | 177                   |
| Computers - hardware/equipment  |     | 97                            | 108                | –                  | –                 | 95               | 36               | (59)            | -165.6%              | 108                   |
| Furniture and other office equipment  |     | 21                            | 27                 | –                  | 3                 | 5                | 9                | 4               | 40.5%                | 27                    |
| Abattoirs   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Markets   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Civic Land and Buildings  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Other Buildings   |     | 536                           | 752                | –                  | 81                | 81               | 251              | 170             | 67.9%                | 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 assets</b>  | 1   | 3,383                         | 14,322             | –                  | 332               | 1,767            | 4,774            | 3,007           | 63.0%                | 14,322                |
| <b>Specialised vehicles</b>   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Refuse  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Fire  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Conservancy   |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |
| Ambulances  |     | –                             | –                  | –                  | –                 | –                | –                | –               | –                    | –                     |

## 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 - M04 October |     |                 |                     |                 |                |               |               |              |                |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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>Repairs and maintenance expenditure by Asset Class/Sub-class</b>  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Infrastructure</b>  |     | 2,917           | 4,738               | –               | 212            | 745           | 1,185         | 440          | 37.1%          | 4,738              |
| Infrastructure - Road transport  |     | 1,255           | 2,520               | –               | 41             | 313           | 630           | 317          | 50.2%          | 2,520              |
| Roads, Pavements & Bridges   |     | 1,255           | 2,520               | –               | 41             | 313           | 630           | 317          | 50.2%          | 2,520              |
| Storm water  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Infrastructure - Electricity   |     | 783             | 952                 | –               | 71             | 181           | 238           | 57           | 23.8%          | 952                |
| Generation   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Transmission & Reticulation  |     | 725             | 813                 | –               | 68             | 170           | 203           | 33           | 16.3%          | 813                |
| Street Lighting  |     | 57              | 140                 | –               | 3              | 11            | 35            | 23           | 67.4%          | 140                |
| Infrastructure - Water   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Dams & Reservoirs  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Water purification   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Reticulation   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Infrastructure - Sanitation  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Reticulation   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Sewerage purification  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Infrastructure - Other   |     | 879             | 1,266               | –               | 101            | 250           | 317           | 67           | 21.1%          | 1,266              |
| Waste Management   |     | 879             | 1,266               | –               | 101            | 250           | 317           | 67           | 21.1%          | 1,266              |
| Transportation   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Gas  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Community</b>   |     | 539             | 779                 | –               | 99             | 186           | 195           | 8            | 4.3%           | 779                |
| Parks & gardens  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Sportsfields & stadia  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Swimming pools   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Community halls  |     | 63              | 159                 | –               | 27             | 28            | 40            | 12           | 29.2%          | 159                |
| Libraries  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Recreational facilities  |     | 466             | 580                 | –               | 72             | 156           | 145           | (11)         | -7.7%          | 580                |
| Fire, safety & emergency   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Security and policing  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Buses  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Clinics  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Museums & Art Galleries  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Cemeteries   |     | 10              | 40                  | –               | 0              | 2             | 10            | 8            | 79.4%          | 40                 |
| Social rental housing  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Heritage assets</b>   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Buildings  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Investment properties</b>   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Housing development  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Other assets</b>  |     | 3,465           | 4,335               | –               | 271            | 939           | 1,084         | 145          | 13.4%          | 4,335              |
| General vehicles   |     | 1,922           | 2,260               | –               | 184            | 535           | 565           | 30           | 5.4%           | 2,260              |
| Specialised vehicles   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Plant & equipment  |     | 556             | 579                 | –               | 26             | 131           | 145           | 14           | 9.5%           | 579                |
| Computers - hardware/equipment   |     | 67              | 90                  | –               | 2              | 6             | 22            | 16           | 72.5%          | 90                 |
| Furniture and other office equipment   |     | 99              | 208                 | –               | 2              | 4             | 52            | 48           | 92.0%          | 208                |
| Abattoirs  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Markets  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Civic Land and Buildings   |     | 821             | 1,199               | –               | 57             | 263           | 300           | 37           | 12.2%          | 1,199              |
| Other Buildings  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| 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>   |     | 2,115           | 3,162               | –               | 35             | 1,690         | 791           | (899)        | -113.8%        | 3,162              |
| Computers - software & programming   |     | 2,115           | 3,162               | –               | 35             | 1,690         | 791           | (899)        | -113.8%        | 3,162              |
| Other  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Total Repairs and Maintenance Expenditure</b>   |     | 9,036           | 13,014              | –               | 618            | 3,560         | 3,254         | (306)        | -9.4%          | 13,014             |
| <b>Specialised vehicles</b>  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Refuse   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Fire   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Conservancy  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Ambulances   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |

## 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 October 2016:

#### STANDBY ALLOWANCES paid for the period ending 31 OCTOBER 2016

| <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>BUDGET FOR THE YEAR</u> |
|--------------------------------------|-----------------------|-------------------------------|----------------------|-----------------------|---------------------------------------|----------------------------|
| <b>MUNICIPAL MANAGER</b>             |                       |                               |                      |                       |                                       |                            |
| <b>TOTAL</b>                         |                       |                               |                      |                       |                                       |                            |
| <b>FINANCIAL DIRECTORATE</b>         |                       |                               |                      |                       |                                       |                            |
| - Revenue section                    | 55.01%                | 5,061.00                      | 0.00                 | 5,061.00              | 3,066.67                              | 9,200.00                   |
| - Budget and Treasury Office         | 0.00%                 | 0.00                          | 0.00                 | 0.00                  | 0.00                                  | 0.00                       |
| <b>TOTAL</b>                         | <b>55.01%</b>         | <b>5,061.00</b>               | <b>0.00</b>          | <b>5,061.00</b>       | <b>3,066.67</b>                       | <b>9,200.00</b>            |
| <b>CORPORATE SERVICE DIRECTORATE</b> |                       |                               |                      |                       |                                       |                            |
| - Information Services (IT)          | 25.55%                | 8,688.34                      | 5,197.68             | 13,886.02             | 18,118.33                             | 54,355.00                  |
| - Client Services                    | 121.20%               | 17,260.23                     | 6,858.09             | 24,118.32             | 6,633.33                              | 19,900.00                  |
| <b>TOTAL</b>                         | <b>51.18%</b>         | <b>25,948.57</b>              | <b>12,055.77</b>     | <b>38,004.34</b>      | <b>24,751.67</b>                      | <b>74,255.00</b>           |
| <b>COMMUNITY SERVICE DIRECTORATE</b> |                       |                               |                      |                       |                                       |                            |
| - Traffic and Law Enforcement        | 66.1%                 | 41,035.49                     | 12,294.99            | 53,330.48             | 26,900.00                             | 80,700.00                  |
| - Environmental Affairs              | 0.0%                  | 0.00                          | 0.00                 | 0.00                  | 0.00                                  | 0.00                       |
| - Buiding and Commonage              | 0.0%                  | 0.00                          | 0.00                 | 0.00                  | 0.00                                  | 0.00                       |
| - Parks and Sport Facilities         | 0.0%                  | 0.00                          | 0.00                 | 0.00                  | 0.00                                  | 0.00                       |
| - Beaches and Holiday Resorts        | 41.9%                 | 72,123.54                     | 35,239.54            | 107,363.08            | 85,333.33                             | 256,000.00                 |
| <b>TOTAL</b>                         | <b>47.7%</b>          | <b>113,159.03</b>             | <b>47,534.53</b>     | <b>160,693.56</b>     | <b>112,233.33</b>                     | <b>336,700.00</b>          |
| <b>INFRASTRUCTURE DIRECTORATE</b>    |                       |                               |                      |                       |                                       |                            |
| - Water                              | 43.7%                 | 144,149.01                    | 35,062.42            | 179,211.43            | 136,666.67                            | 410,000.00                 |
| - Sewerage and sanitation            | 35.7%                 | 144,440.88                    | 44,936.37            | 189,377.25            | 177,000.00                            | 531,000.00                 |
| - Refuse Removal Services            | 0.0%                  | 0.00                          | 0.00                 | 0.00                  | 1,800.00                              | 5,400.00                   |
| - Streets and Stormwater             | 0.0%                  | 0.00                          | 0.00                 | 0.00                  | 112,066.67                            | 336,200.00                 |
| <b>TOTAL</b>                         | <b>28.7%</b>          | <b>288,589.89</b>             | <b>79,998.79</b>     | <b>368,588.68</b>     | <b>427,533.33</b>                     | <b>1,282,600.00</b>        |
| <b>ELECTRICAL SERVICES</b>           |                       |                               |                      |                       |                                       |                            |
| - Electrical Services                | 23.2%                 | 101,585.37                    | 29,719.61            | 131,304.98            | 188,633.33                            | 565,900.00                 |
| <b>TOTAL</b>                         | <b>23.2%</b>          | <b>101,585.37</b>             | <b>29,719.61</b>     | <b>131,304.98</b>     | <b>188,633.33</b>                     | <b>565,900.00</b>          |
| <b>TOTAL</b>                         | <b>31.0%</b>          | <b>534,343.86</b>             | <b>169,308.70</b>    | <b>703,652.56</b>     | <b>756,218.33</b>                     | <b>2,268,655.00</b>        |

Standby expenditure is mainly allocate to the service components of the municipality. As per budget above the Infrastructure department represents the bulk of the budget with a total of 56.54%. Year to date spending totals 31% of the budget.

The monitoring of standby allowances is the responsibility of each manager and all managers should ensure that the budget is optimized to ensure service delivery is delivered optimally.

**OVERTIME paid for the period ending 31 OCTOBER 2016**

| <b><u>DEPARTMENT</u></b>             | <b>% USED<br/>TO DATE</b> | <b>PREVIOUS<br/>MONTH<br/>to DATE</b> | <b>CURRENT<br/>MONTH</b> | <b>ACTUAL<br/>TO<br/>DATE</b> | <b>PRO-RATA<br/>BUDGETED FOR<br/>THE YEAR</b> | <b>BUDGET<br/>FOR THE<br/>YEAR</b> |
|--------------------------------------|---------------------------|---------------------------------------|--------------------------|-------------------------------|---|------------------------------------|
| <b>MUNICIPAL MANAGER</b>             |                           |                                       |                          |                               |   |                                    |
| - Municipal Manager                  | 0.0%                      | 0.00                                  | 0.00                     | 0.00                          | 0.00  | 0.00                               |
| <b>TOTAL</b>                         | <b>#DIV/0!</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                          | 1,666.67                                      | 5,000.00                           |
| - Revenue Management                 | 602.6%                    | 13,156.95                             | 1,907.48                 | 15,064.43                     | 833.33  | 2,500.00                           |
| - Expenditure Management             | 162.8%                    | 4,069.15                              | 0.00                     | 4,069.15                      | 833.33  | 2,500.00                           |
| - Budget and Treasury Office         | 0.0%                      | 0.00                                  | 0.00                     | 0.00                          | 833.33  | 2,500.00                           |
| <b>TOTAL</b>                         | <b>153.1%</b>             | <b>17,226.10</b>                      | <b>1,907.48</b>          | <b>19,133.58</b>              | <b>4,166.67</b>                               | <b>12,500.00</b>                   |
| <b>CORPORATE SERVICE DIRECTORATE</b> |                           |                                       |                          |                               |   |                                    |
| - Information Services (IT)          | 35.8%                     | 4,185.97                              | 1,540.93                 | 5,726.90                      | 5,333.33                                      | 16,000.00                          |
| <b>TOTAL</b>                         | <b>35.8%</b>              | <b>4,185.97</b>                       | <b>1,540.93</b>          | <b>5,726.90</b>               | <b>5,333.33</b>                               | <b>16,000.00</b>                   |
| <b>COMMUNITY SERVICE DIRECTORATE</b> |                           |                                       |                          |                               |   |                                    |
| - Traffic and Law Enforcement        | 54.1%                     | 115,437.63                            | 30,751.74                | 146,189.37                    | 90,000.00                                     | 270,000.00                         |
| - Housing                            | <b>46.7%</b>              | 0.00                                  | 2,334.62                 | 2,334.62                      | 1,666.67                                      | 5,000.00                           |
| - Environmental Affairs              | <b>0.0%</b>               | 0.00                                  | 0.00                     | 0.00                          | 13,400.00                                     | 40,200.00                          |
| - Public Services                    | 0.0%                      | 0.00                                  | 0.00                     | 0.00                          | 0.00  | 0.00                               |
| - Parks and Sport Facilities         | 41.9%                     | 20,395.15                             | 7,920.25                 | 28,315.40                     | 22,500.00                                     | 67,500.00                          |
| - Beaches and Holiday Resorts        | 32.6%                     | 101,027.27                            | 25,840.14                | 126,867.41                    | 129,766.67                                    | 389,300.00                         |
| <b>TOTAL</b>                         | <b>39.3%</b>              | <b>236,860.05</b>                     | <b>66,846.75</b>         | <b>303,706.80</b>             | <b>257,333.33</b>                             | <b>772,000.00</b>                  |
| <b>INFRASTRUCTURE DIRECTORATE</b>    |                           |                                       |                          |                               |   |                                    |
| - Workshop                           | 0.0%                      | 0.00                                  | 0.00                     | 0.00                          | 2,333.33                                      | 7,000.00                           |
| - Water                              | 34.3%                     | 197,773.96                            | 42,304.25                | 240,078.21                    | 233,333.33                                    | 700,000.00                         |
| - Sewerage and sanitation            | 35.9%                     | 171,234.03                            | 47,548.36                | 218,782.39                    | 203,333.33                                    | 610,000.00                         |
| - Refuse Removal Services            | 22.3%                     | 81,899.85                             | 22,036.39                | 103,936.24                    | 155,333.33                                    | 466,000.00                         |
| - Streets and Stormwater             | 28.9%                     | 21,663.47                             | 5,343.16                 | 27,006.63                     | 31,166.67                                     | 93,500.00                          |
| <b>TOTAL</b>                         | <b>31.4%</b>              | <b>472,571.31</b>                     | <b>117,232.16</b>        | <b>589,803.47</b>             | <b>625,500.00</b>                             | <b>1,876,500.00</b>                |
| <b>ELECTRICAL SERVICES</b>           |                           |                                       |                          |                               |   |                                    |
| - Electrical Services                | 32.7%                     | 110,481.54                            | 23,619.01                | 134,100.55                    | 136,700.00                                    | 410,100.00                         |
| <b>TOTAL</b>                         | <b>32.7%</b>              | <b>110,481.54</b>                     | <b>23,619.01</b>         | <b>134,100.55</b>             | <b>136,700.00</b>                             | <b>410,100.00</b>                  |
| <b>TOTAL</b>                         | <b>34.1%</b>              | <b>841,324.97</b>                     | <b>211,146.33</b>        | <b>1,052,471.30</b>           | <b>1,029,033.33</b>                           | <b>3,087,100.00</b>                |

Municipal budget for overtime totals R3,087m. Year to date spending of R1,029m or 34.1% of budget.

The administration needs to continuously monitor the spending on overtime and all departmental managers should ensure that overtime is optimized and used economically.

### **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:

| Expenditure in respect of: |                  | Requisition Number |       | Amount        |
|----------------------------|------------------|--------------------|-------|---------------|
|                            |                  | From               | To    |               |
| 31 OCT 2016                | Check Payments   | 30301              | 30404 |               |
|                            | ACB-Payments     | 94750              | 95128 |               |
|                            | Amount Paid      |                    |       | 22,176,935.15 |
|                            | Total Investment |                    |       | 15,000,000.00 |

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:

| Equitable Allocation received versus Budget: |                |          | Budget     | Received  | UNSPENT    |
|--|----------------|----------|------------|-----------|------------|
| 12010251000000                               |                |          | 23,075,000 | 9,614,000 | 13,461,000 |
| Allocation for the Financial Year:           |                |          | 23,075,000 | 9,614,000 | 13,461,000 |
| Equitable Allocation spent versus Budget     |                |          | Budget     | Allocated | UNSPENT    |
| Free Basics : Electricity (ESKOM)            | 15080126700000 | OCT 2016 | 252,300    | 80,044    | 172,256    |
| Free Basics : Electricity                    | 12010126600000 | OCT 2016 | 80,000     | 29,208    | 50,792     |
| Free Basics : Refuse Removal                 | 12010126800000 | OCT 2016 | 3,501,900  | 1,171,106 | 2,330,794  |
| Free Basics : Sanitation                     | 12010126900000 | OCT 2016 | 2,900,000  | 789,403   | 2,110,597  |
| Free Basics : Water                          | 12010127000000 | OCT 2016 | 1,300,000  | 916,776   | 383,224    |
|  |                |          | 8,034,200  | 2,986,537 | 5,047,663  |

Electronic receipts in respect of debtor payments:

| Commiseration Rebate in respect of Basic Services allocated: OCTOBER 2016 |                        |                   |                      |       |                                   |
|---|------------------------|-------------------|----------------------|-------|-----------------------------------|
| TOWNS   |                        | "Poor" household. | "Indigent" household | TOTAL | COMMISERATION SUBSIDIES ALLOCATED |
|   | BREDASDORP             | 92                | 1,334                | 1,426 | 410,654.45                        |
|   | NAPIER                 | 23                | 369                  | 392   | 111,151.51                        |
|   | PROTEM                 | 0                 | 9                    | 9     | 1,897.65                          |
|   | STRUISBAAI & L'AGULHAS | 9                 | 400                  | 409   | 116,974.10                        |
|   | KLIPDALE               | 0                 | 9                    | 9     | 1,897.65                          |
|   | WAENHUISKRANS          | 5                 | 116                  | 121   | 42,864.59                         |
|   | KASSIESBAAI            | 7                 | 58                   | 65    | 10,594.81                         |
|   | ELIM                   | 5                 | 137                  | 142   | 29,016.00                         |
|   | DEURGANGSKAMP          | 0                 | 853                  | 853   | 127,199.75                        |
|   |                        | 141               | 3,285                | 3,426 | 852,250.51                        |



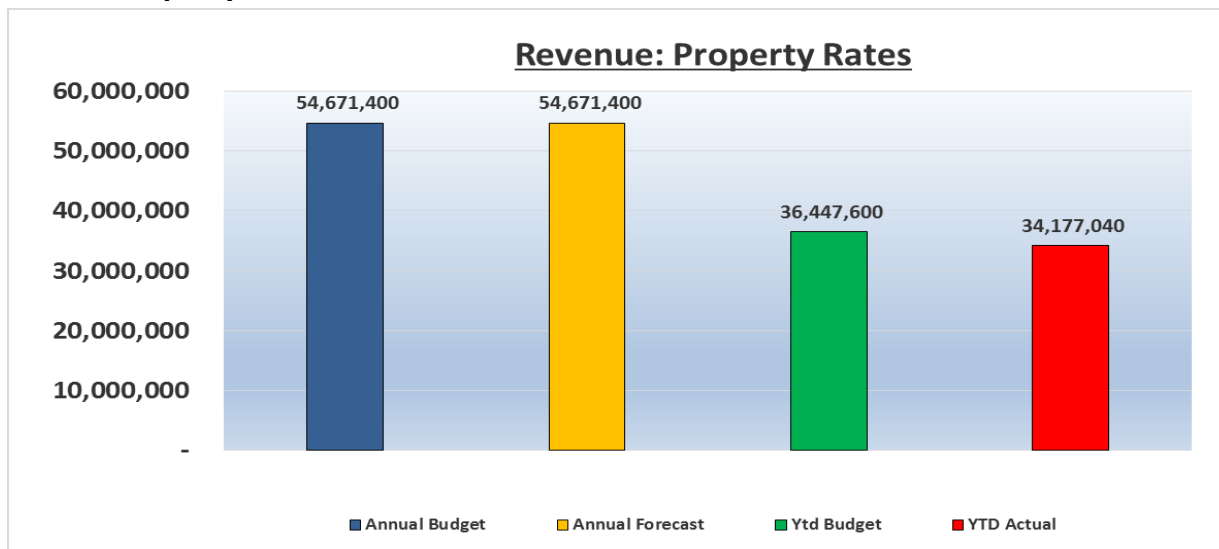
Outstanding debt in respect of Sundry Revenue: Rental of Facilities in excess of 90 days as at the end of October 2016:

**OUTSTANDING DEBT "MEENTGRONDE HUURGELD" - 90 DAYS AND MORE (OCTOBER 16)**

| <b><u>PERSON</u></b>  | <b><u>AMOUNT</u></b> | <b><u>FREQUENCY</u></b> | <b><u>HANDED OVER</u></b> |
|-----------------------|----------------------|-------------------------|---------------------------|
| M J KLOPPERS          | 833.15               | Monthly                 | No                        |
| MOBILE TELEPHONE NET. | 1,137.00             | Monthly                 | No                        |
| MOBILE TELEPHONE NET. | 1,183.05             | Monthly                 | No                        |
| MOBILE TELEPHONE NET. | 4,640.50             | Monthly                 | No                        |
| JJ KLOPPERS           | 6,706.74             | Prok. Rek               | Yes                       |
| NAPIER HEALTH GRO     | 486.86               | Monthly                 | No                        |
| NAPIER HEALTH GRO     | 463.66               | Monthly                 | No                        |
| D JAARS               | 740.58               | Prok. Rek               | Yes                       |
| D JAARS               | 642.62               | Prok. Rek               | Yes                       |
| D JAARS               | 884.66               | Prok. Rek               | Yes                       |
| M VAN STADEN          | 1,921.89             | Monthly                 | No                        |
| M VAN STADEN          | 2,368.47             | Monthly                 | No                        |
| TARGETSHELF           | 14,512.32            | Monthly                 | No                        |
| TARGETSHELF           | 3,419.56             | Prok. Rek               | Yes                       |
| TEHILLA COMMUNITY     | 1,849.04             | Prok. Rek               | Yes                       |
| TEHILLA COMMUNITY     | 4,164.87             | Monthly                 | No                        |
| R WYNGAARD            | 150.87               | Prok. Rek               | Yes                       |
| URBAN FARMING         | 1,016.82             | Monthly                 | No                        |
| L HENDRICKS           | 1,017.30             | Monthly                 | No                        |
| HAASBEKKIE CRECHE     | 156.22               | Monthly                 | No                        |
| HAASBEKKIE CRECHE     | 632.76               | Monthly                 | No                        |
| HAASBEKKIE CRECHE     | 175.10               | Prok. Rek               | Yes                       |
| HAASBEKKIE CRECHE     | 524.18               | Prok. Rek               | Yes                       |
| HAASBEKKIE CRECHE     | 357.36               | Monthly                 | Yes                       |
| HAASBEKKIE CRECHE     | 841.53               | Monthly                 | Yes                       |
| J DE JAGER            | 719.23               | Monthly                 | No                        |
| ESKOM ENTERPRISES     | 48,685.00            | Monthly                 | No                        |
| BREDASDORP KLEINBOERE | 7,566.98             | Monthly                 | No                        |
| BREDASDORP POULTRY    | 636.02               | Monthly                 | No                        |
| ISIVUNO AGRICULTURAL  | 312.66               | Monthly                 | No                        |
| EISH INNOVATIONS      | 1,525.22             | Monthly                 | No                        |
|                       | <b>110,272.22</b>    |                         |                           |

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

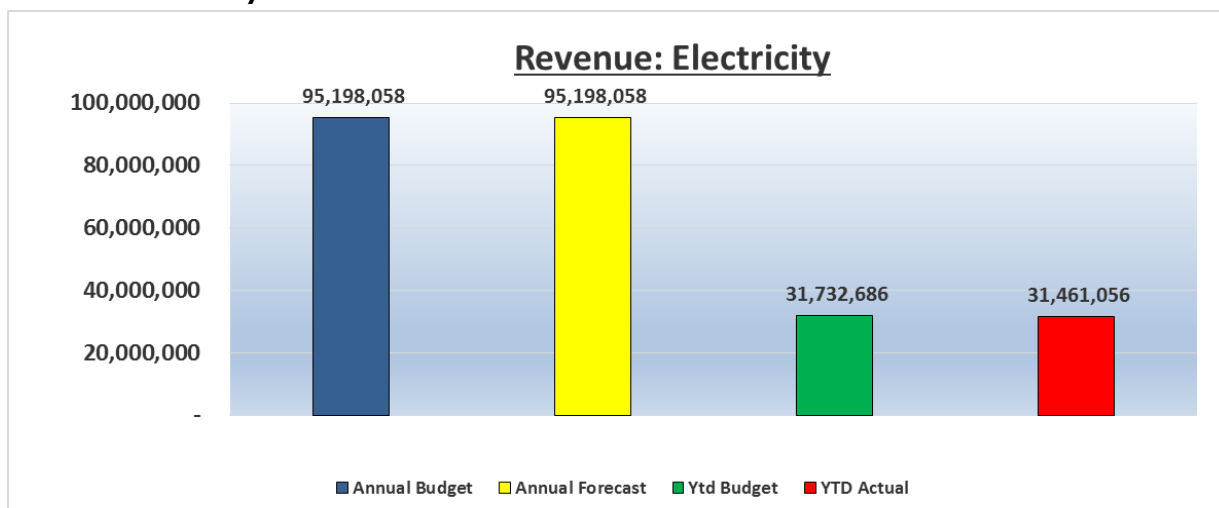
### 7.2.1.1 Property Rates:



Property rates are levied during July on either a monthly or yearly basis. Customers are offered the option to pay rates on an equal monthly installment basis or the yearly option with final payment due in October yearly.

Year to date performance totals R34.17m that is 62.54% of the budget. The administration is implementing credit control measures and customers opting for yearly payments are being notified during the 2<sup>nd</sup> quarter as per policy.

### 7.2.1.2 Electricity:



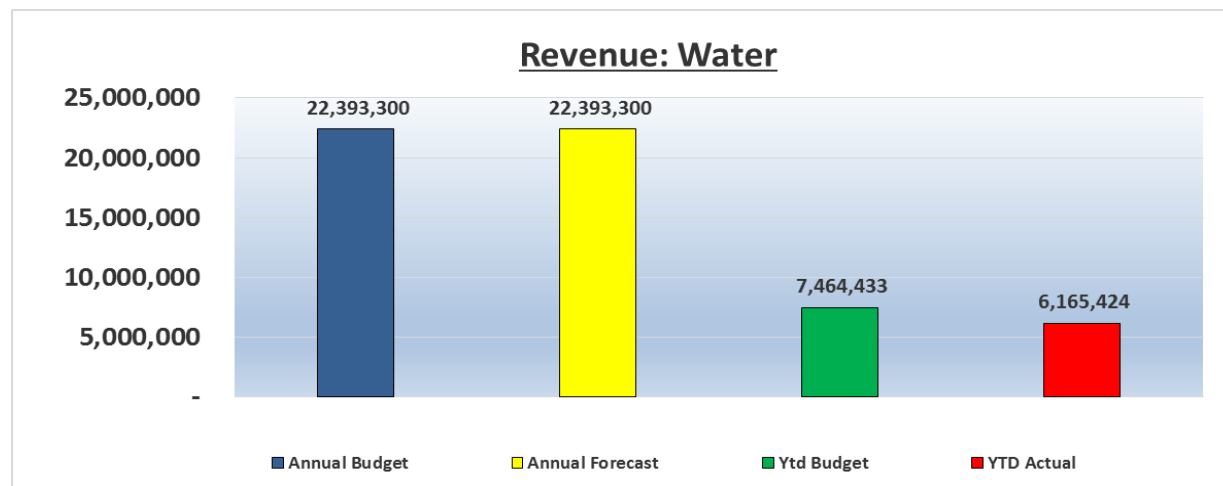
Electricity revenues is on par with year to date performance. Income of R31.46m is recorded for the period ending 31 October 2016.

Electricity revenues is based on consumer behavior and impacted by the continuous drive for energy efficiently and more economical use of electricity. The impact of these practices will place severe pressure on the

municipal electricity revenues. Totals of 33% is collected for the period ending October 2016.

Finance will continuously monitor the budget to ensure performance is as per approved budget.

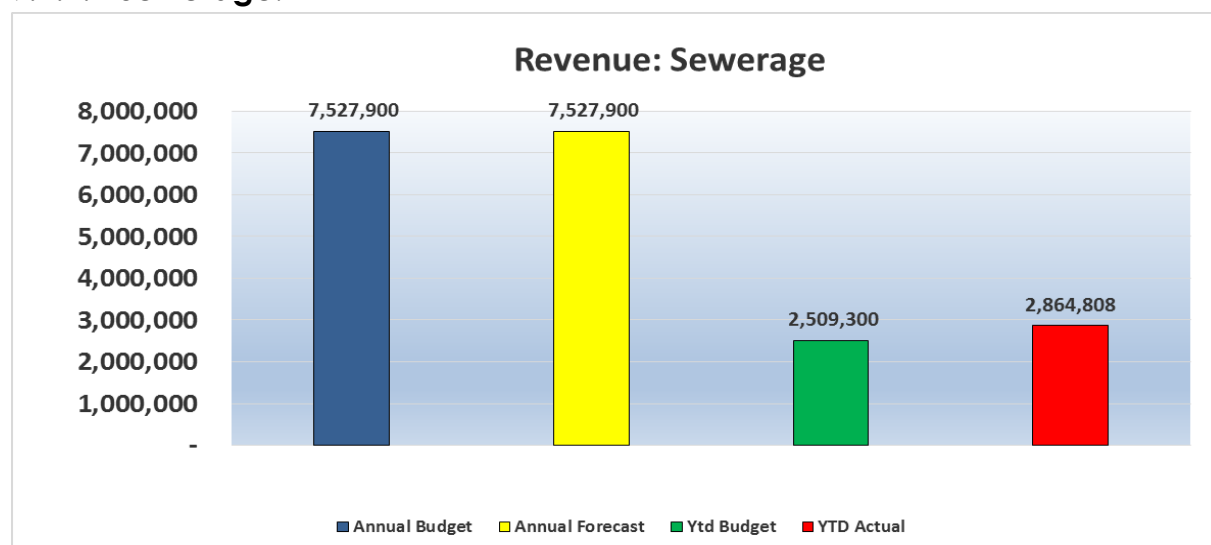
#### 7.2.1.3 Water:



Water revenues totals R6.17m or 27.53% of budget. The performance of water services is below projections. Water consumption historically increases over the 2<sup>nd</sup> to 3<sup>rd</sup> quarter due to the holiday period over December to January period. The influx of holiday makers also contributes to this trend.

With the projection of extreme weather conditions predicted and the drive towards water savings initiatives this also place additional pressures on the municipal revenues for water services.

#### 7.2.1.4 Sewerage:

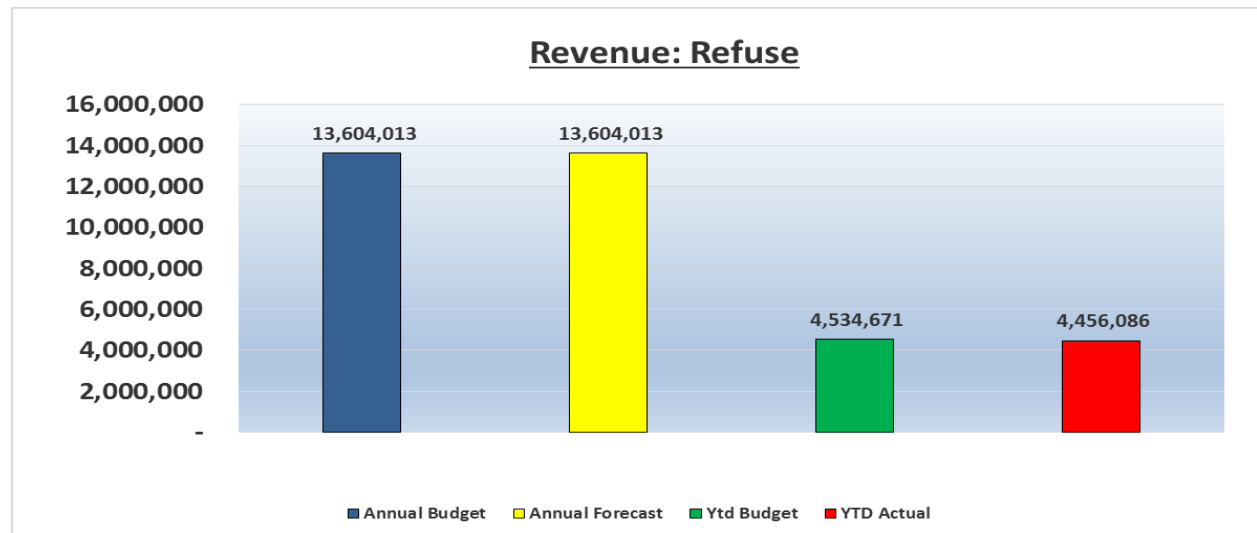


Sewerage income is based on the amount of household and the information is impacted by the general building activity in the municipal area.

The high rate of holiday houses in the coastal areas also contributes to this performance. The coastal areas are mainly service by septic tank and charge per usage.

Performance for the period ending October totals R2,86m or 38.05% of the budget.

#### 7.2.1.5 Refuse Removal:

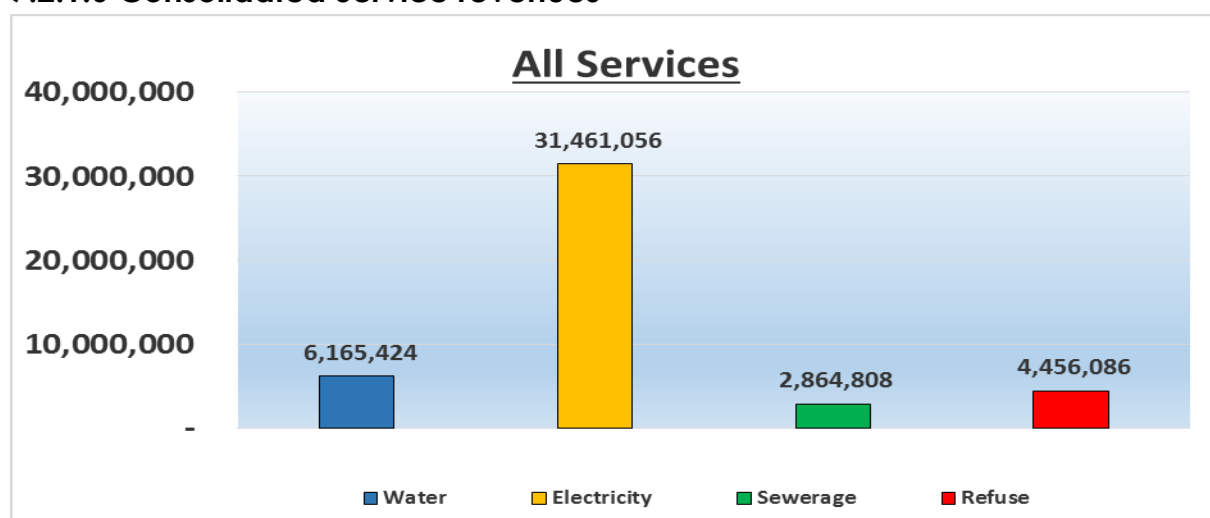


Refuse income is based on the total household and levied on a monthly basis. Year to date performance is on par and the municipality will implement the budget as approved.

Total revenue for the period ending October 2016 totals R4,45m of budget of R13,604m, that is 32.75% of the budget.

Refuse income should increase over the second quarter of the financial year. This is mainly due to the influx of holiday visitors into the municipal areas.

#### 7.2.1.6 Consolidated Service revenues



The outcome of the revenue enhancement project was submitted to council. The focus was on current income sources and the accurate and completeness of the debtor information.

The implementing of the outcomes should have a positive effect on the municipal service revenues as well as property rates income collectable.

The current situation will be monitored by finance and in collaboration with the debt collecting service provider and the Masakhane unit, will ensure optimal collection of council revenues.

### **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 conforms as the two vacant positions have been filled effective from 1st March 2016.

The aim of the programme 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 programme.

Two Finance Interns currently been registered and have started with the MMC training programme with the University of Stellenbosch.

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 Programme 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.

The municipality is in the process of updating the Project implementation plan to ensure that it becomes a working document being implemented. The aim of the updating is to develop task and responsibilities for ensuring the implementation phase is being complete as planned. The risk register was received from the Vendor (Samras). This document needs further studying to analyse whether the required information will be available as required.

## **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 enhance strategy will be followed up with the review and updating of the Long-term financial plan.

## 8. Report on Outstanding Government Debt

| Cape Agulhas Municipality for the month ended OCT' 16 |            | Rates      |            |            |            |  |
|---|------------|------------|------------|------------|------------|--|
| Department Responsible for the Debt                   | 0-30 Days  | 30-60 Days | 60-90 Days | > 90 Days  | Total      |  |
| National Public Works                                 | -7,713.26  | -          | -          | 302,985.66 | 295,272.40 |  |
| Transport Western Cape                                | -          | -          | -          | 1,589.21   | 1,589.21   |  |
| Western Cape Education Department                     | -          | -          | -          | 46,970.47  | 46,970.47  |  |
| Health Department                                     | -          | -          | -          | 2,403.47   | 2,403.47   |  |
| Housing   | -3,312.05  | -          | -          | 30,455.28  | 27,143.23  |  |
| Other   | -9,915.01  | -          | -          | 395,450.14 | 385,535.13 |  |
|   | -          |            |            |            | -          |  |
| TOTAL OUTSTANDING                                     | -20,940.32 | -          | -          | 779,854.23 | 758,913.91 |  |

| Cape Agulhas Municipality for the month ended OCT' 16 |           | Services   |            |           |            |  |
|---|-----------|------------|------------|-----------|------------|--|
| Department Responsible for the Debt                   | 0-30 Days | 30-60 Days | 60-90 Days | >90 Days  | Total      |  |
| National Public Works                                 | 11,409.69 | -          | -          | 12,579.27 | 23,988.96  |  |
| Transport Western Cape                                | 2,376.66  | -          | -          | -         | 2,376.66   |  |
| Western Cape Education Department                     | 814.85    | 693.86     | 432.80     | 10,781.40 | 12,722.91  |  |
| Health Department                                     | -         | -          | -          | -         | -          |  |
| Housing   | -         | -          | -          | -         | -          |  |
| Other   | 17,503.78 | 3,380.92   | 2,243.63   | 51,674.97 | 74,803.30  |  |
| TOTAL OUTSTANDING                                     | 32,104.98 | 4,074.78   | 2,676.43   | 75,035.64 | 113,891.83 |  |

| Cape Agulhas Municipality for the month ended OCT' 16 |  | Total Debt | Interest   | Grand Total Sec 71 |
|---|--|------------|------------|--------------------|
| Department Responsible for the Debt                   |  |            |            |                    |
| National Public Works                                 |  | 319,261.36 | 21,692.73  | 340,954.09         |
| Transport Western Cape                                |  | 3,965.87   | 40.15      | 4,006.02           |
| Western Cape Education Department                     |  | 59,693.38  | 2,291.11   | 61,984.49          |
| Health Department                                     |  | 2,403.47   | 23.03      | 2,426.50           |
| Housing   |  | 27,143.23  | 359.01     | 27,502.24          |
| Other   |  | 460,338.43 | 88,674.66  | 549,013.09         |
|   |  | -          |            | -                  |
| TOTAL OUTSTANDING                                     |  | 872,805.74 | 113,080.69 | 985,886.43         |

## 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, feedback will be provided as available.



## 11. Annexure A – MFMA IMPLEMENTATION

| CAPE AGULHAS MUNICIPALITY   |              |  |             |                       | ANNEXURE "A"                           |
|---|--------------|--|-------------|-----------------------|--|
| MFMA IMPLEMENTATION AND MONITORING CHECKLIST - OCTOBER 2016   |              |  |             |                       |  |
| Action Required   | Act Ref      | Responsibility                           | Target Date | Date Action Completed | Comments                               |
| 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            |  |
| 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           |  |
| 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 | 15/09/2016  | 15/09/2016  | 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   |                |
| 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   | Not applicable |

## Municipal Manager's Quality Certificate:

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR:  
CONTACT NO: 030 425 5758

VERRE:  
REF: S/2016-17/M04

KANTOOR:  
OFFICES: Bredasdorp

DATUM:  
DATE: 8 November 2016



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASEBALA WASTCAPE AGULHAS

### QUALITY CERTIFICATE

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

(mark as appropriate)

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

For the month ended **31 OCTOBER 2016** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name Dean O'Neill

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

Signature Dean O'Neill

Date 11/11/16