

# Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

## **QUARTERLY SECTION 52 BUDGET AND PERFORMANCE REPORT 30 SEPTEMBER 2016**

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## **1. Council Resolution**

### **To The Executive Mayor**

In accordance with Section 52 (d) 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 September 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 **30 September 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: 12 October 2016**

## **2. INTRODUCTION**

### **2.1 PURPOSE**

The purpose of this report is to comply with section 52 and section 71 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

### **2.2 STRATEGIC OBJECTIVE**

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

### **2.3 BACKGROUND**

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

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

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

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

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

### 3. MAYOR'S REPORT

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

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

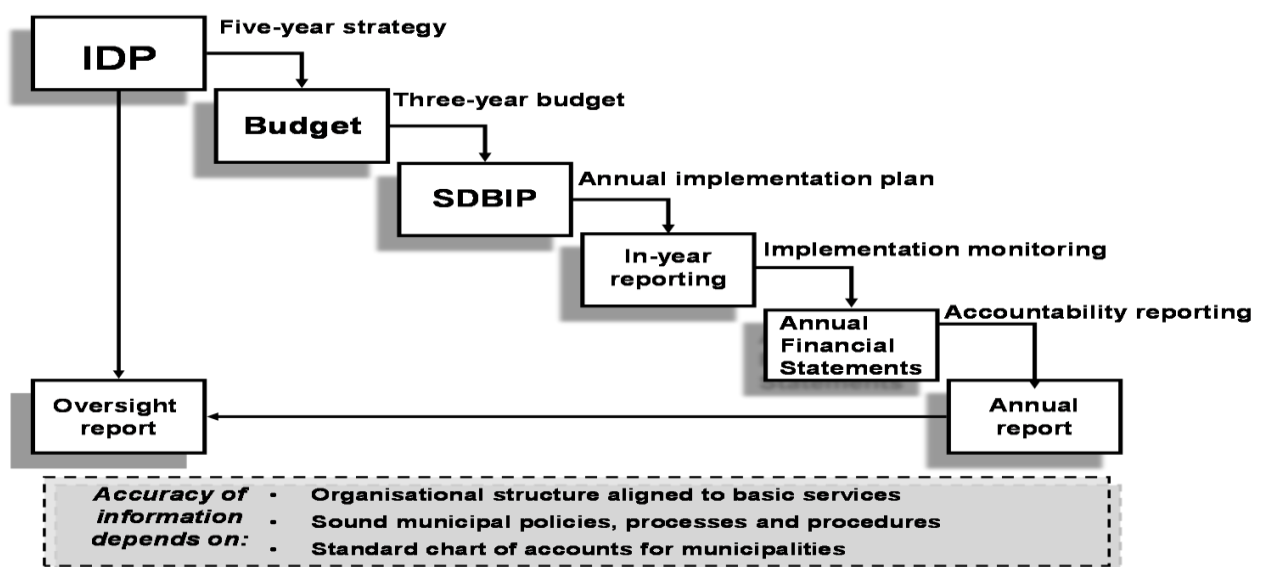
#### 3.1 Budget Process:

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

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

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

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



For the month under review that is the period of September 2016 the following MFMA related activities was successfully complete as per legislative requirements:

### **September 2016**

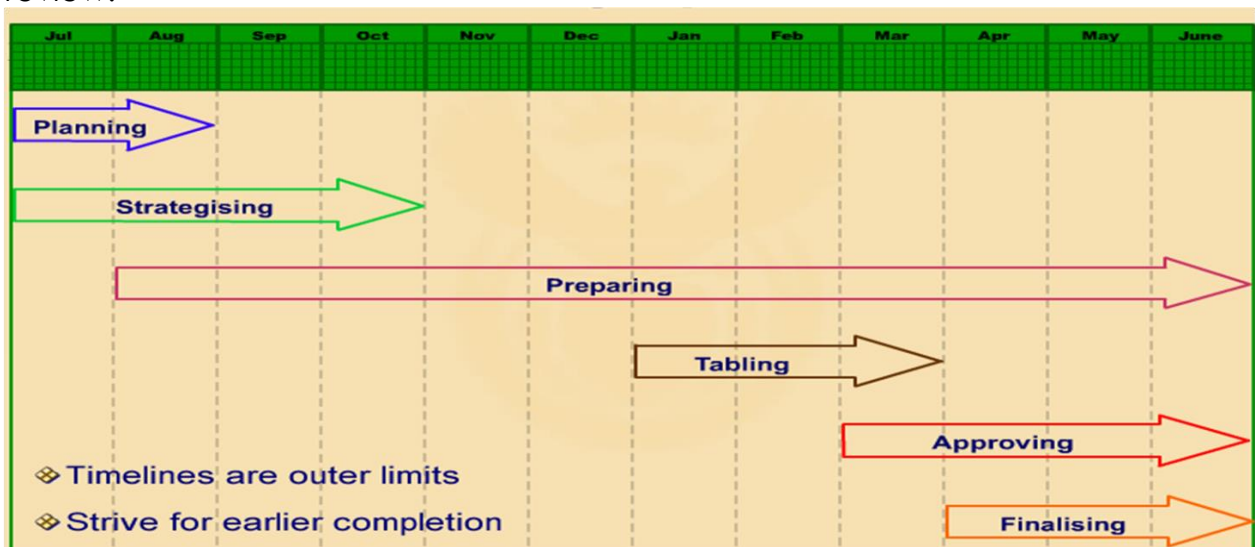
- All section 71 MFMA reporting was complete and submitted.
- Implementation of the budget as approved by Council for the 2016/17 financial year.
- In process of implementing the Budget Implementation plan for the 2017/2018 Medium Term Revenue and Expenditure framework.
- Auditor General in in the process 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 September 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 |

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

The budget process was finalized and the Budget 2016/17 was 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.

The following information is based on preliminary information and various changes and corrections will still be processed with the finalization of the year-end.

<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)	6,158	49,564	90,856
Year to date (YTD)	2,306	65,444	81,825
Variance to SDBIP	-3,852	15,880	-9,031
YTD % Variance to SDBIP	-62.55%	32.04%	-9.94%
% of Annual Budget	9.36%	22.01%	28.16%

#### Capital Expenditure

The capital budget approved totals R24.63m. Spending of the capital budget totals R2,31m for the period ending 30 September 2016.

Spending is below projections. This is mainly due to the year to date totals being calculated by dividing the total budget into equal monthly components. This is the standard formulae used and results in the underperformance recorded.

Actual spending is incurred according to the municipal procurement plan. This entails the considerations as per the SCM regulations as well as other administrative requirements. This plan is being monitored by the SCM unit and also communicated on a monthly basis.

Capital information reported is as per normal first quarter spending patterns due to the start of the financial year being mostly the planning phase of capital spending and should improve over the 2<sup>nd</sup> quarter onwards of the financial year.

#### Operational Expenditure

Operational expenditures totals R65.44m or 22,01% of the approved budget. The performance for the quarter recorded positively based on the SDBIP year to date variance.

A positive variance of 32,04% is reflected signifying improved spending of the budget.

The bulk of the expenditures is as follows:

Remuneration and council related expenditures – 37,80%

Bulk purchases – 36.34%

### **Operational Revenues**

Operational revenues totals R81.83m or a reported totals of 28,16%. The majority of the revenues consist Property rates and service revenues that was received during the first quarter.

Municipal own revenues represents the biggest component of revenues and totals R70,33m. This total comprised of the following main categories:

- Property rates R31,89m
- Municipal services charges (water, electricity etc) R34,00m

The financial department continuously monitor the revenue performance of the municipality and this will assist with the successful

## 5. In year Budget Statement Tables

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - Q1 First Quarter									
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	-	2,553	31,623	31,892	(269)	-1%	54,671
Service charges	125,191	138,723	-	11,740	34,002	34,681	(679)	-2%	138,723
Investment revenue	1,970	1,900	-	159	375	475	(100)	-21%	1,900
Transfers recognised - operational	36,704	60,025	-	1,849	11,490	15,006	(3,517)	-23%	60,025
Other own revenue	22,001	23,280	-	2,256	4,336	5,820	(1,484)	-26%	23,280
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>235,765</b>	<b>278,599</b>	<b>-</b>	<b>18,556</b>	<b>81,825</b>	<b>87,874</b>	<b>(6,048)</b>	<b>-7%</b>	<b>278,599</b>
Employee costs	94,828	101,847	-	8,429	23,687	25,462	(1,774)	-7%	101,847
Remuneration of Councillors	3,760	4,786	-	372	1,053	1,196	(143)	-12%	4,786
Depreciation & asset impairment	11,269	10,888	-	2,411	2,411	2,722	(311)	-11%	10,888
Finance charges	7,682	8,527	-	1,152	1,210	2,132	(922)	-43%	8,527
Materials and bulk purchases	70,052	75,101	-	7,231	23,780	18,775	5,005	27%	75,101
Transfers and grants	1,619	1,783	-	249	645	446	200	45%	1,783
Other expenditure	68,709	94,454	-	5,570	12,656	23,613	(10,957)	-46%	94,454
<b>Total Expenditure</b>	<b>257,918</b>	<b>297,385</b>	<b>-</b>	<b>25,413</b>	<b>65,444</b>	<b>74,346</b>	<b>(8,902)</b>	<b>-12%</b>	<b>297,385</b>
<b>Surplus/(Deficit)</b>	<b>(22,153)</b>	<b>(18,786)</b>	<b>-</b>	<b>(6,857)</b>	<b>16,381</b>	<b>13,527</b>	<b>2,854</b>	<b>21%</b>	<b>(18,786)</b>
Transfers recognised - capital	12,675	11,931	-	246	583	2,983	(2,400)	-80%	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>(6,611)</b>	<b>16,964</b>	<b>16,510</b>	<b>454</b>	<b>3%</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>(6,611)</b>	<b>16,964</b>	<b>16,510</b>	<b>454</b>	<b>3%</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>1,666</b>	<b>2,306</b>	<b>6,158</b>	<b>(3,852)</b>	<b>-63%</b>	<b>24,632</b>
Capital transfers recognised	13,271	11,931	-	844	1,240	2,983	(1,743)	-58%	11,931
Public contributions & donations	659	-	-	-	-	-	-	-	-
Borrowing	2,930	3,750	-	20	20	938	(918)	-98%	3,750
Internally generated funds	5,652	8,951	-	802	1,046	2,238	(1,191)	-53%	8,951
<b>Total sources of capital funds</b>	<b>22,512</b>	<b>24,632</b>	<b>-</b>	<b>1,666</b>	<b>2,306</b>	<b>6,158</b>	<b>(3,852)</b>	<b>-63%</b>	<b>24,632</b>
<b>Financial position</b>									
Total current assets	36,147	36,476	-	-	36,476	-	-	-	36,476
Total non current assets	407,739	420,592	-	-	420,592	-	-	-	420,592
Total current liabilities	29,573	32,755	-	-	32,755	-	-	-	32,755
Total non current liabilities	113,568	121,002	-	-	121,002	-	-	-	121,002
<b>Community wealth/Equity</b>	<b>300,746</b>	<b>303,312</b>	<b>-</b>	<b>-</b>	<b>303,312</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>303,312</b>
<b>Cash flows</b>									
Net cash from (used) operating	10,930	7,316	-	(5,989)	22,122	610	(21,513)	-3529%	7,316
Net cash from (used) investing	(22,118)	(24,627)	-	(1,666)	(2,306)	(2,052)	254	-12%	(24,627)
Net cash from (used) financing	2,329	3,376	-	-	-	281	281	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>25,622</b>	<b>18,580</b>	<b>(7,042)</b>	<b>-38%</b>	<b>(8,129)</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	30,688	1,129	662	709	577	505	3,343	6,948	44,560
<b>Creditors Age Analysis</b>									
Total Creditors	5,984	-	-	-	-	-	-	-	5,984

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) - Q1 First Quarter										
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>	1									
<b>Revenue - Standard</b>										
<b>Governance and administration</b>		71,591	77,523	-	2,725	40,585	19,381	21,204	109%	77,523
Executive and council		13,298	15,373	-	(735)	7,445	3,843	3,602	94%	15,373
Budget and treasury office		56,281	59,673	-	3,413	32,918	14,918	18,000	121%	59,673
Corporate services		2,013	2,477	-	48	221	619	(398)	-64%	2,477
<b>Community and public safety</b>		28,130	51,738	-	3,041	4,266	12,934	(8,668)	-67%	51,738
Community and social services		5,083	6,148	-	1,220	1,302	1,537	(235)	-15%	6,148
Sport and recreation		5,564	6,601	-	1,465	1,929	1,650	278	17%	6,601
Public safety		10,814	10,889	-	356	1,036	2,722	(1,687)	-62%	10,889
Housing		6,669	28,100	-	-	-	7,025	(7,025)	-100%	28,100
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		12,468	12,324	-	458	966	3,081	(2,115)	-69%	12,324
Planning and development		12,468	12,324	-	458	966	3,081	(2,115)	-69%	12,324
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		136,987	148,946	-	12,579	36,591	37,236	(645)	-2%	148,946
Electricity		90,247	97,118	-	8,346	24,130	24,279	(150)	-1%	97,118
Water		21,853	23,929	-	1,907	5,462	5,982	(520)	-9%	23,929
Waste water management		9,577	10,487	-	914	2,773	2,622	151	6%	10,487
Waste management		15,311	17,412	-	1,412	4,227	4,353	(126)	-3%	17,412
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	249,176	290,530	-	18,802	82,408	72,633	9,776	13%	290,530
<b>Expenditure - Standard</b>										
<b>Governance and administration</b>		73,623	76,133	-	8,630	18,312	19,033	(721)	-4%	76,133
Executive and council		16,783	18,465	-	1,308	4,425	4,616	(191)	-4%	18,465
Budget and treasury office		38,328	37,298	-	5,790	8,802	9,325	(522)	-6%	37,298
Corporate services		18,512	20,370	-	1,533	5,085	5,092	(7)	0%	20,370
<b>Community and public safety</b>		42,504	66,770	-	2,531	7,563	16,692	(9,130)	-55%	66,770
Community and social services		12,612	13,917	-	1,003	3,243	3,479	(236)	-7%	13,917
Sport and recreation		9,033	9,822	-	697	1,931	2,456	(525)	-21%	9,822
Public safety		12,822	13,456	-	705	2,034	3,364	(1,330)	-40%	13,456
Housing		8,037	29,575	-	126	355	7,394	(7,039)	-95%	29,575
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		21,895	26,114	-	1,955	4,956	6,529	(1,573)	-24%	26,114
Planning and development		7,899	9,807	-	565	1,805	2,452	(647)	-26%	9,807
Road transport		13,373	15,657	-	1,351	3,062	3,914	(852)	-22%	15,657
Environmental protection		622	651	-	39	89	163	(74)	-45%	651
<b>Trading services</b>		119,896	128,368	-	12,297	34,614	32,092	2,522	8%	128,368
Electricity		80,204	86,009	-	8,380	26,112	21,502	4,610	21%	86,009
Water		14,912	15,207	-	1,624	3,609	3,802	(193)	-5%	15,207
Waste water management		8,889	9,549	-	1,093	2,223	2,387	(164)	-7%	9,549
Waste management		15,891	17,603	-	1,200	2,669	4,401	(1,731)	-39%	17,603
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	257,918	297,385	-	25,413	65,444	74,346	(8,902)	-12%	297,385
<b>Surplus/ (Deficit) for the year</b>		(8,742)	(6,855)	-	(6,611)	16,964	(1,714)	18,678	-1090%	(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)

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) - Q1 First Quarter

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>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		13,298	15,373	-	(735)	7,445	3,843	3,602	93.7%	15,373
Vote 2 - Budget and Treasury Office		56,281	59,673	-	3,413	32,918	14,918	18,000	120.7%	59,673
Vote 3 - Corporate Services		2,802	3,369	-	122	439	842	(404)	-47.9%	3,369
Vote 4 - Community and Social Services		28,130	51,738	-	3,041	4,266	12,934	(8,668)	-67.0%	51,738
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		90,247	97,118	-	8,346	24,130	24,279	(150)	-0.6%	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	-	4,616	13,210	15,815	(2,605)	-16.5%	63,260
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>249,176</b>	<b>290,530</b>	<b>-</b>	<b>18,802</b>	<b>82,408</b>	<b>72,633</b>	<b>9,776</b>	<b>13.5%</b>	<b>290,530</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and Council		16,783	18,465	-	1,308	4,425	4,616	(191)	-4.1%	18,465
Vote 2 - Budget and Treasury Office		38,328	37,298	-	5,790	8,802	9,325	(522)	-5.6%	37,298
Vote 3 - Corporate Services		23,656	25,944	-	1,888	6,293	6,486	(193)	-3.0%	25,944
Vote 4 - Community and Social Services		43,126	67,421	-	2,571	7,652	16,855	(9,203)	-54.6%	67,421
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		80,204	86,009	-	8,380	26,112	21,502	4,610	21.4%	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	-	5,477	12,160	15,562	(3,402)	-21.9%	62,248
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>257,918</b>	<b>297,385</b>	<b>-</b>	<b>25,413</b>	<b>65,444</b>	<b>74,346</b>	<b>(8,902)</b>	<b>-12.0%</b>	<b>297,385</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(8,742)</b>	<b>(6,855)</b>	<b>-</b>	<b>(6,611)</b>	<b>16,964</b>	<b>(1,714)</b>	<b>18,678</b>	<b>-1089.9%</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.

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) - Q1 First Quarter										
Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		49,899	54,671		2,553	31,623	31,892	(269)	-1%	54,671
Property rates - penalties & collection charges		-	-		-	-	-	-		-
Service charges - electricity revenue		86,845	95,198		8,275	23,869	23,800	69	0%	95,198
Service charges - water revenue		19,132	22,393		1,637	4,642	5,598	(957)	-17%	22,393
Service charges - sanitation revenue		7,368	7,528		715	2,144	1,882	262	14%	7,528
Service charges - refuse revenue		11,846	13,604		1,113	3,348	3,401	(53)	-2%	13,604
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		6,680	7,664		1,511	2,158	1,916	242	13%	7,664
Interest earned - external investments		1,970	1,900		159	375	475	(100)	-21%	1,900
Interest earned - outstanding debtors		800	876		113	317	219	98	45%	876
Dividends received		-	-		-	-	-	-		-
Fines		8,651	8,538		162	494	2,135	(1,640)	-77%	8,538
Licences and permits		330	347		31	89	87	3	3%	347
Agency services		1,309	1,374		102	287	343	(57)	-16%	1,374
Transfers recognised - operational		36,704	60,025		1,849	11,490	15,006	(3,517)	-23%	60,025
Other revenue		4,182	4,481		337	990	1,120	(130)	-12%	4,481
Gains on disposal of PPE		50	-		-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>235,765</b>	<b>278,599</b>	<b>-</b>	<b>18,556</b>	<b>81,825</b>	<b>87,874</b>	<b>(6,048)</b>	<b>-7%</b>	<b>278,599</b>
<b>Expenditure By Type</b>										
Employee related costs		94,828	101,847		8,429	23,687	25,462	(1,774)	-7%	101,847
Remuneration of councillors		3,760	4,786		372	1,053	1,196	(143)	-12%	4,786
Debt impairment		7,498	7,400		803	803	1,850	(1,048)	-57%	7,400
Depreciation & asset impairment		11,269	10,888		2,411	2,411	2,722	(311)	-11%	10,888
Finance charges		7,682	8,527		1,152	1,210	2,132	(922)	-43%	8,527
Bulk purchases		70,052	75,101		7,231	23,780	18,775	5,005	27%	75,101
Other materials		-	-		-	-	-	-		-
Contracted services		7,933	10,778		426	938	2,694	(1,757)	-65%	10,778
Transfers and grants		1,619	1,783		249	645	446	200	45%	1,783
Other expenditure		53,277	76,276		4,342	10,916	19,069	(8,153)	-43%	76,276
Loss on disposal of PPE		-	-		-	-	-	-		-
<b>Total Expenditure</b>		<b>257,918</b>	<b>297,385</b>	<b>-</b>	<b>25,413</b>	<b>65,444</b>	<b>74,346</b>	<b>(8,902)</b>	<b>-12%</b>	<b>297,385</b>
<b>Surplus/(Deficit)</b>		<b>(22,153)</b>	<b>(18,786)</b>	<b>-</b>	<b>(6,857)</b>	<b>16,381</b>	<b>13,527</b>	<b>2,854</b>	<b>0</b>	<b>(18,786)</b>
Transfers recognised - capital		12,675	11,931		246	583	2,983	(2,400)	(0)	11,931
Contributions recognised - capital		736	-		-	-	-	-		-
Contributed assets		-	-		-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(8,742)</b>	<b>(6,855)</b>	<b>-</b>	<b>(6,611)</b>	<b>16,964</b>	<b>16,510</b>			<b>(6,855)</b>
Taxation		-	-		-	-	-	-		-
<b>Surplus/(Deficit) after taxation</b>		<b>(8,742)</b>	<b>(6,855)</b>	<b>-</b>	<b>(6,611)</b>	<b>16,964</b>	<b>16,510</b>			<b>(6,855)</b>
Attributable to minorities		-	-		-	-	-	-		-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(8,742)</b>	<b>(6,855)</b>	<b>-</b>	<b>(6,611)</b>	<b>16,964</b>	<b>16,510</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>(6,611)</b>	<b>16,964</b>	<b>16,510</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)

**WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q1 First Quarter**

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>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	80	-	-	-	20	(20)	-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	75	(74)	-99%	300
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>2,550</b>	<b>380</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>95</b>	<b>(94)</b>	<b>-99%</b>	<b>380</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		8	520	-	-	-	130	(130)	-100%	520
Vote 2 - Budget and Treasury Office		28	419	-	244	244	105	139	133%	419
Vote 3 - Corporate Services		1,633	2,278	-	266	290	570	(280)	-49%	2,278
Vote 4 - Community and Social Services		6,233	3,423	-	60	60	856	(796)	-93%	3,423
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		3,966	3,640	-	244	249	910	(661)	-73%	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	-	852	1,464	3,493	(2,029)	-58%	13,971
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>19,962</b>	<b>24,252</b>	<b>-</b>	<b>1,665</b>	<b>2,306</b>	<b>6,063</b>	<b>(3,757)</b>	<b>-62%</b>	<b>24,252</b>
<b>Total Capital Expenditure</b>		<b>22,512</b>	<b>24,632</b>	<b>-</b>	<b>1,666</b>	<b>2,306</b>	<b>6,158</b>	<b>(3,852)</b>	<b>-63%</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>507</b>	<b>560</b>	<b>824</b>	<b>(265)</b>	<b>-32%</b>	<b>3,298</b>
Executive and council		8	520	-	-	-	130	(130)	-100%	520
Budget and treasury office		28	419	-	241	244	105	139	133%	419
Corporate services		1,633	2,358	-	266	316	590	(274)	-46%	2,358
<b>Community and public safety</b>		<b>7,433</b>	<b>3,423</b>	<b>-</b>	<b>60</b>	<b>65</b>	<b>856</b>	<b>(790)</b>	<b>-92%</b>	<b>3,423</b>
Community and social services		5,411	1,453	-	-	-	363	(363)	-100%	1,453
Sport and recreation		1,524	1,941	-	60	65	485	(420)	-87%	1,941
Public safety		333	29	-	-	-	7	(7)	-100%	29
Housing		165	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>4,962</b>	<b>9,737</b>	<b>-</b>	<b>649</b>	<b>1,055</b>	<b>2,434</b>	<b>(1,379)</b>	<b>-57%</b>	<b>9,737</b>
Planning and development		-	1,702	-	503	872	426	446	105%	1,702
Road transport		4,962	8,035	-	146	183	2,009	(1,825)	-91%	8,035
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>8,448</b>	<b>8,174</b>	<b>-</b>	<b>450</b>	<b>626</b>	<b>2,043</b>	<b>(1,418)</b>	<b>-69%</b>	<b>8,174</b>
Electricity		3,966	3,640	-	246	421	910	(489)	-54%	3,640
Water		540	3,656	-	204	204	914	(710)	-78%	3,656
Waste water management		3,682	877	-	-	-	219	(219)	-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>	3	<b>22,512</b>	<b>24,632</b>	<b>-</b>	<b>1,666</b>	<b>2,306</b>	<b>6,158</b>	<b>(3,852)</b>	<b>-63%</b>	<b>24,632</b>
<b>Funded by:</b>										
National Government		12,592	10,476	-	844	1,240	2,619	(1,379)	-53%	10,476
Provincial Government		680	1,455	-	-	-	364	(364)	-100%	1,455
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>13,271</b>	<b>11,931</b>	<b>-</b>	<b>844</b>	<b>1,240</b>	<b>2,983</b>	<b>(1,743)</b>	<b>-58%</b>	<b>11,931</b>
<b>Public contributions &amp; donations</b>	5	<b>659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	6	<b>2,930</b>	<b>3,750</b>	<b>-</b>	<b>20</b>	<b>20</b>	<b>938</b>	<b>(918)</b>	<b>-98%</b>	<b>3,750</b>
<b>Internally generated funds</b>		<b>5,652</b>	<b>8,951</b>	<b>-</b>	<b>802</b>	<b>1,046</b>	<b>2,238</b>	<b>(1,191)</b>	<b>-53%</b>	<b>8,951</b>
<b>Total Capital Funding</b>		<b>22,512</b>	<b>24,632</b>	<b>-</b>	<b>1,666</b>	<b>2,306</b>	<b>6,158</b>	<b>(3,852)</b>	<b>-63%</b>	<b>24,632</b>

**WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter**

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>ASSETS</b>						
<b>Current assets</b>						
Cash		9,975	5,806		5,806	5,806
Call investment deposits		-	-		-	-
Consumer debtors		19,963	22,481		22,481	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>36,476</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>457,069</b>	<b>457,069</b>
<b>LIABILITIES</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		13,973	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>32,755</b>	<b>32,755</b>
<b>Non current liabilities</b>						
Borrowing		2,329	5,857		5,857	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>121,002</b>	<b>121,002</b>
<b>TOTAL LIABILITIES</b>		<b>143,141</b>	<b>153,757</b>	<b>-</b>	<b>153,757</b>	<b>153,757</b>
<b>NET ASSETS</b>	2	<b>300,746</b>	<b>303,312</b>	<b>-</b>	<b>303,312</b>	<b>303,312</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		291,496	293,312		293,312	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>303,312</b>	<b>303,312</b>

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

	Aug 2016	Sept 2016
<b>Monthly Debt Collection rate</b>	<b>59.80%</b>	<b>122.95%</b>



The calculation of the budget is based on the revised formulae used from 1 July 2016. Performance is positive reflecting the municipality is performing in terms of its debt collecting responsibilities. As previously reported the municipality appointed a service provider, this significantly improved the collection performance of the municipality.

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

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>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		48,449	53,082		2,553	31,623	4,424	27,199	615%	53,082
Service charges		121,540	129,949		11,740	34,002	10,829	23,173	214%	129,949
Other revenue		15,965	16,010		1,703	2,742	1,334	1,407	105%	16,010
Government - operating		36,704	60,025		56	12,492	5,002	7,490	150%	60,025
Government - capital		12,575	11,931		-	3,119	994	2,125	214%	11,931
Interest		2,747	2,750		159	375	229	146	64%	2,750
Dividends		-	-		-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(225,070)	(264,145)		(20,799)	(60,375)	(22,012)	38,363	-174%	(264,145)
Finance charges		(361)	(504)		(1,152)	(1,210)	(42)	1,168	-2783%	(504)
Transfers and Grants		(1,619)	(1,783)		(249)	(645)	(149)	497	-334%	(1,783)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>10,930</b>	<b>7,316</b>	<b>-</b>	<b>(5,989)</b>	<b>22,122</b>	<b>610</b>	<b>(21,513)</b>	<b>-3529%</b>	<b>7,316</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		50	-					-		-
Decrease (increase) in non-current debtors		-	4					0	-100%	4
Decrease (increase) other non-current receivables		4	-					-		-
Decrease (increase) in non-current investments		-	-					-		-
<b>Payments</b>										
Capital assets		(22,173)	(24,632)		(1,666)	(2,306)	(2,053)	254	-12%	(24,632)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(22,118)</b>	<b>(24,627)</b>	<b>-</b>	<b>(1,666)</b>	<b>(2,306)</b>	<b>(2,052)</b>	<b>254</b>	<b>-12%</b>	<b>(24,627)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-					-		-
Borrowing long term/refinancing		2,930	3,750					313	(313)	-100%
Increase (decrease) in consumer deposits		308	249					21	(21)	-100%
<b>Payments</b>										
Repayment of borrowing		(908)	(623)					(52)	(52)	100%
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>2,329</b>	<b>3,376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281</b>	<b>281</b>	<b>100%</b>	<b>3,376</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(8,859)</b>	<b>(13,935)</b>	<b>-</b>	<b>(7,655)</b>	<b>19,816</b>	<b>(1,161)</b>			<b>(13,935)</b>
Cash/cash equivalents at beginning:		18,834	19,741			5,806	19,741			5,806
Cash/cash equivalents at month/year end:		9,975	5,806			25,622	18,580			(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 - Q1 First Quarter

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<u>Revenue By Source</u> No required		End of first quarter - No deviations reported	No corrective measures required
2	<u>Expenditure By Type</u> No required		End of first quarter - No deviations reported	No corrective measures required
3	<u>Capital Expenditure</u> No required		End of first quarter - No deviations reported	No corrective measures required
4	<u>Financial Position</u> No required		End of first quarter - No deviations reported	No corrective measures required
5	<u>Cash Flow</u> No required		End of first quarter - No deviations reported	No corrective measures required
6	<u>Measureable performance</u> No required		End of first quarter - No deviations reported	No corrective measures required
7	<u>Municipal Entities</u> Not applicable		Not applicable	Not applicable

Tale C1 – Monthly Budget Statement Summary have reference.

With the end of the first quarter no significant events occurred to date that should derail the municipality from implementing the budgets as approved for the financial year.

No material variances recorded at this stage of the financial year.

WC033 Cape Agulhas - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q1 First Quarter							
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>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.6%	6.5%	0.0%	1.8%	4.5%
Borrowed funding of 'own n' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		13.0%	15.2%	0.0%	0.9%	15.2%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		4.9%	6.8%	0.0%	6.8%	6.8%
Gearing	Long Term Borrowing/ Funds & Reserves		25.2%	58.6%	0.0%	58.6%	58.6%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	122.2%	111.4%	0.0%	111.4%	111.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		33.7%	17.7%	0.0%	17.7%	17.7%
<b>Revenue Management</b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		10.6%	10.6%	0.0%	36.0%	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>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		40.2%	36.6%	0.0%	28.9%	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%	1.5%	4.8%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

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

The level of employee's actual costs for the year to date is 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 - Q1 First Quarter

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	2,190	250	181	164	135	117	605	1,505	5,148	2,526			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	8,602	287	108	97	66	46	262	632	10,100	1,103			
Receivables from Non-exchange Transactions - Property Rates	1400	17,268	182	83	113	109	93	999	1,641	20,488	2,955			
Receivables from Exchange Transactions - Waste Water Management	1500	938	130	93	74	66	57	291	537	2,187	1,026			
Receivables from Exchange Transactions - Waste Management	1600	1,437	162	108	102	90	78	410	669	3,056	1,348			
Receivables from Exchange Transactions - Property Rental Debtors	1700	5	0	0	0	0	0	0	0	6	1			
Interest on Arrear Debtor Accounts	1810	33	18	15	20	21	20	217	1,089	1,432	1,366			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-			
Other	1900	212	99	74	138	91	93	559	876	2,143	1,758			
<b>Total By Income Source</b>	<b>2000</b>	<b>30,688</b>	<b>1,129</b>	<b>662</b>	<b>709</b>	<b>577</b>	<b>505</b>	<b>3,343</b>	<b>6,948</b>	<b>44,560</b>	<b>12,082</b>	-	-	
<b>2015/16 - totals only</b>										-	-			
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	1,538	14	7	2	2	2	230	380	2,176	617			
Commercial	2300	4,364	99	35	23	18	17	104	285	4,945	447			
Households	2400	22,336	1,016	617	682	556	486	2,908	6,230	34,830	10,861			
Other	2500	2,449	1	2	2	1	0	100	53	2,608	156			
<b>Total By Customer Group</b>	<b>2600</b>	<b>30,688</b>	<b>1,129</b>	<b>662</b>	<b>709</b>	<b>577</b>	<b>505</b>	<b>3,343</b>	<b>6,948</b>	<b>44,560</b>	<b>12,082</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.

Analysis of the debtor information reflects that the Property rates contributes significantly to the outstanding debtors. Property rates in the category (0 – 30 days) totals R17,26m. This total represents 38.75% of all outstanding debt ending 30 September 2016. Property rates are levied on a yearly or monthly basis, with payment either due in monthly installments, or at the end of October as per legislation.

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>Outstanding Debtors:</b>						
<b>Outstanding Debtor Age Analyses as at month-end:</b>						
MONTH	Current	30 days	60 days	90 days	120 days +	TOTAL
AUG 2016	12,681,436	21,304,670	897,172	803,263	11,857,934	47,544,475
SEPT 2016	13,267,888	2,583,606	15,964,968	661,698	12,081,923	44,560,083
						-2,984,392
<b>Debtors Turnover Rate:</b>						
	<b>NORM</b>	<b>AUG</b>	<b>SEPT</b>			
	11.50- 15 %	30.27%	28.37%			
<b>Number of Accounts issued for the month:</b>						
	<b>AUG</b>	<b>SEPT</b>				
	14,887	14,902				

<b>Credit Control: Actions Applied</b>	<b>AUG</b>	<b>SEPT</b>
Summonses issued	40	49
Section 65(A)1	29	38
Sentences	65	83
Warrant for execution	28	24
Warrant for arrests	0	2
Garnisee Orders	1	5
Auctions	0	0
Number of debtors handed over to attorney:	0	73
Number of debtors handed over to attorney:	0	1,139
<b>Electricity Service</b>		
Number of consumers disconnected due to	98	78
Number of consumers re-connected	5	9
	93	69

<b>Commiseration Rebate in respect of Basic Services allocated: SEPTEMBER 2016</b>				
TOWNS	"Poor" household.	"Indigent" household	TOTAL	COMMISERATION SUBSIDIES ALLOCATED
BREDASDORP	93	1,319	1,412	406,716.51
NAPIER	23	359	382	108,208.51
PROTEM	0	9	9	1,897.65
STRUISBAAI & L'AGULHAS	9	394	403	116,679.80
KLIPDALE	0	7	7	1,294.72
WAENHUISKRANS	5	115	120	53,163.10
KASSIESBAAI	7	58	65	10,594.81
ELIM	5	135	140	27,768.00
DEURANGSKAMP	0	853	853	129,994.25
	142	3,249	3,391	856,317.35

The municipality maintained an average collection ratio in excess of 100% for the months of September 2016. That is healthy and ensure that debt collections is continuously being implemented.

## Age Analysis – Creditors

WC033 Cape Agulhas - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2016/17									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
<b>R thousands</b>												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700										-	
Auditor General	0800										-	
Other	0900	5,984									5,984	
<b>Total By Customer Type</b>	<b>1000</b>	<b>5,984</b>	-	-	-	-	-	-	-	-	<b>5,984</b>	-

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

## Investment Portfolio

WC033 Cape Agulhas - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

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

## 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 September 2016.

# Transfers and Grants

WC033 Cape Agulhas - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		24,254	26,785	-	-	10,652	8,619	1,922	22.3%	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	184			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		-	-			-	-			-
<b>Provincial Government:</b>		10,477	33,240	-	56	1,840	8,310	(7,025)	-84.5%	33,240
Housing		5,792	28,100				7,025	(7,025)	-100.0%	28,100
Community Development Workers		44	56		56	56	14			56
Subsidy Main Roads		73	73				18			73
Subsidy Libraries		4,250	4,806			1,784	1,201			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	-				-			-
<b>District Municipality:</b>		-	-				-			-
[insert description]										
<b>Other grant providers:</b>		-	-				-			-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	34,732	60,025	-	56	12,492	16,929	(5,103)	-30.1%	60,025
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		12,592	10,476	-	-	3,119	2,619	195	7.4%	10,476
Municipal Infrastructure (MIG)		9,592	8,736			2,379	2,184	195	8.9%	8,736
Finance Management		219	740			740	185			740
Municipal Systems Improvement		780	-			-	-			-
RBIG		-	-			-	-			-
EPWP Incentive		-	-			-	-			-
INEG		2,000	1,000				250			1,000
<b>Provincial Government:</b>		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	-				-			-
<b>District Municipality:</b>		-	-				-			-
[insert description]										
<b>Other grant providers:</b>		-	-				-			-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	13,171	11,931	-	-	3,119	2,983	(169)	-5.7%	11,931
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	47,903	71,956	-	56	15,611	19,912	(5,271)	-26.5%	71,956

WC033 Cape Agulhas - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

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>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		24,254	26,785	-	279	692	4,464	(3,772)	-84.5%	26,785
Local Government Equitable Share		20,679	23,075				3,846	(3,846)	-100.0%	23,075
Finance Management		1,231	735		194	468	123	345	281.9%	735
Municipal Systems Improvement		150	-				-	-		-
Municipal Infrastructure (MIG)		1,195	1,765		26	92	294	(202)	-68.7%	1,765
EPWP Incentive		1,000	1,210		59	132	202	(69)	-34.4%	1,210
INEG		-	-				-	-		-
<b>Provincial Government:</b>		10,477	33,240	-	355	1,198	5,540	(4,688)	-84.6%	33,240
Housing		5,792	28,100				4,683	(4,683)	-100.0%	28,100
Community Development Workers		44	56		4	17	9	8	84.4%	56
Subsidy Main Roads		73	73				12	(12)	-100.0%	73
Subsidy Libraries		4,250	4,806		351	1,181	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	-				-			-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>34,732</b>	<b>60,025</b>	<b>-</b>	<b>634</b>	<b>1,890</b>	<b>10,004</b>	<b>(8,460)</b>	<b>-84.6%</b>	<b>60,025</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		12,592	10,476	-	844	1,240	1,746	(339)	-19.4%	10,476
Municipal Infrastructure (MIG)		9,592	8,736		796	1,192	1,456	(264)	-18.2%	8,736
Finance Management		219	740		48	48	123	(75)	-60.9%	740
Municipal Systems Improvement		780	-				-	-		-
RBIG		-	-				-	-		-
EPWP Incentive		-	-				-	-		-
INEG		2,000	1,000				167			1,000
<b>Provincial Government:</b>		580	1,455	-	-	-	243	(243)	-100.0%	1,455
Community Development Workers		10	-				-	-		-
Sport and Recreation		-	700				117			700
Subsidy Libraries		21	544				91			544
Thusong Centre		199	211				35			211
Financial Support Grant		50	-				-			-
Municipal Infrastructure Support Grant		300	-				-			-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
#REF!		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Support Grant		-	-	-	-	-	-	-	-	-
#REF!		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>13,171</b>	<b>11,931</b>	<b>-</b>	<b>844</b>	<b>1,240</b>	<b>1,989</b>	<b>(582)</b>	<b>-29.3%</b>	<b>11,931</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>47,903</b>	<b>71,956</b>	<b>-</b>	<b>1,478</b>	<b>3,130</b>	<b>11,993</b>	<b>(9,042)</b>	<b>-75.4%</b>	<b>71,956</b>

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



## Councillors and staff benefits

WC033 Cape Agulhas - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		2,299	3,228		220	625	807	(182)	-23%	3,228
Pension and UIF Contributions		345	366		41	119	91	28	31%	366
Medical Aid Contributions		-	-		-	-	-	-		-
Motor Vehicle Allowance		874	926		87	245	232	13	6%	926
Cellphone Allowance		239	255		22	64	64	1	1%	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>1,053</b>	<b>1,196</b>	<b>(143)</b>	<b>-12%</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	874	1,096	(223)	-20%	4,385
Pension and UIF Contributions		754	799		54	162	200	(38)	-19%	799
Medical Aid Contributions		178	136		15	46	34	12	35%	136
Overtime		-	-		-	-	-	-		-
Performance Bonus		629	667		-	-	167	(167)	-100%	667
Motor Vehicle Allowance		364	386		22	66	97	(31)	-32%	386
Cellphone Allowance		12	14		3	8	4	4	113%	14
Housing Allowances		-	-		-	-	-	-		-
Other benefits and allowances		81	86		5	14	22	(7)	-35%	86
Payments in lieu of leave		-	-		-	-	-	-		-
Long service awards		-	-		-	-	-	-		-
Post-retirement benefit obligations	2	-	-		-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>		<b>6,155</b>	<b>6,474</b>	<b>-</b>	<b>390</b>	<b>1,170</b>	<b>1,619</b>	<b>(449)</b>	<b>-28%</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		5,145	15,314	16,013	(699)	-4%	64,052
Pension and UIF Contributions		10,363	11,220		956	2,850	2,805	45	2%	11,220
Medical Aid Contributions		2,451	3,362		293	872	841	32	4%	3,362
Overtime		3,361	3,087		275	841	772	70	9%	3,087
Performance Bonus		-	-		-	-	-	-		-
Motor Vehicle Allowance		4,223	4,705		545	1,505	1,176	328	28%	4,705
Cellphone Allowance		237	378		51	144	94	49	52%	378
Housing Allowances		1,275	1,187		89	264	297	(32)	-11%	1,187
Other benefits and allowances		3,823	3,749		368	1,091	937	154	16%	3,749
Payments in lieu of leave		1,350	875		-	-	219	(219)	-100%	875
Long service awards		498	498		246	246	124	121	97%	498
Post-retirement benefit obligations	2	2,074	2,259		1,511	1,511	565	947	168%	2,259
<b>Sub Total - Other Municipal Staff</b>		<b>88,673</b>	<b>95,372</b>	<b>-</b>	<b>9,479</b>	<b>24,639</b>	<b>23,843</b>	<b>796</b>	<b>3%</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>10,240</b>	<b>26,862</b>	<b>26,658</b>	<b>204</b>	<b>1%</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 - Q1 First Quarter

Description	Ref	Budget Year 2016/17											2016/17 Medium Term Revenue & Expenditure Framework			
		July Outcome	August Outcome	Sept Outcome	October Budget	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>	1															
<b>Cash Receipts By Source</b>																
Property rates		26,844	2,226	2,553	13,189	3,896	2,831	2,483	2,599	2,832	2,299	2,183	(10,853)	53,082	58,407	64,264
Property rates - penalties & collection charges																
Service charges - electricity revenue		7,578	8,016	8,275	7,466	6,829	7,652	7,123	10,300	7,854	7,037	6,944	7,278	92,351	93,767	100,332
Service charges - water revenue		1,526	1,479	1,637	1,464	1,494	1,802	1,668	2,189	2,097	2,022	1,838	1,265	20,480	21,734	23,091
Service charges - sanitation revenue		709	720	715	690	791	554	441	678	670	452	930	(40)	7,309	7,776	8,301
Service charges - refuse		1,117	1,118	1,113	739	734	959	710	940	951	718	1,121	(411)	9,808	10,090	10,530
Service charges - other																
Rental of facilities and equipment		326	321	1,511	1,223	518	643	269	854	475	658	217	427	7,442	7,711	8,101
Interest earned - external investments		76	140	159	199	201	107	236	216	197	63	255	51	1,900	1,900	1,900
Interest earned - outstanding debtors		104	100	113	35	76	68	8	29	77	74	75	90	851	936	1,029
Dividends received																
Fines		184	149	162	245	212	(57)	385	186	262	280	178	183	2,367	2,368	2,369
Licences and permits		24	34	31	32	30	29	31	28	36	24	41	7	347	364	379
Agency services			185	102	72	196	56	5	468	88	117	81	1,374	1,443	1,500	
Transfer receipts - operating		12,492	2,822	56	8,940	4,312	8,375	1,486	1,018	12,600	512	71	7,343	60,025	69,420	76,496
Other revenue		198	456	337	98	135	206	15	272	1,855	112	120	677	4,481	4,671	4,987
<b>Cash Receipts by Source</b>		<b>51,179</b>	<b>17,763</b>	<b>16,763</b>	<b>34,393</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>6,097</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	21	62	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>51,179</b>	<b>20,882</b>	<b>16,785</b>	<b>34,414</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>8,261</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	8,094	12,352	7,745	8,607	7,763	7,897	8,221	8,089	7,377	99,832	105,994	113,041
Remuneration of councillors		306	376	372	417	383	383	311	383	383	576	402	494	4,786	5,073	5,377
Interest paid		59	1	1,152			252						(959)	504	510	518
Bulk purchases - Electricity		8,190	8,359	1,152	5,398	5,001	5,640	5,906	3,970	6,423	5,469	5,167	12,963	73,638	78,109	82,552
Bulk purchases - Water & Sewer					22	22	28	25	25	20	23	16	66	246	274	299
Other materials																
Contracted services		59	10,778	426	1,047	1,074	987	1,162	767	910	987	1,180	(8,774)	10,603	8,797	8,530
Grants and subsidies paid - other municipalities																
Grants and subsidies paid - other		270	126	249	149	149	149	149	149	149	149	149	(51)	1,783	1,764	1,839
General expenses		2,518	4,056	4,342	15,251	5,161	7,687	2,424	5,038	5,294	3,745	7,504	12,020	75,040	82,258	88,588
<b>Cash Payments by Type</b>		<b>19,093</b>	<b>31,263</b>	<b>16,120</b>	<b>30,377</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>23,137</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	1,419	597	2,371	264	2,264	5,532	1,953	2,200	5,725	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>17,786</b>	<b>31,796</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>29,173</b>	<b>291,686</b>	<b>312,958</b>	<b>321,387</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>31,663</b>	<b>(10,600)</b>	<b>(1,001)</b>	<b>2,617</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>(20,912)</b>	<b>(13,935)</b>	<b>(9,926)</b>	<b>(977)</b>
Cash/cash equivalents at the month/year beginning:		5,806	37,470	26,870	25,868	28,486	28,271	26,693	22,727	21,740	28,204	23,380	12,784	5,806	(8,129)	(18,055)
Cash/cash equivalents at the month/year end:		37,470	26,870	25,868	28,486	28,271	26,693	22,727	21,740	28,204	23,380	12,784	(8,129)	(8,129)	(18,055)	(19,031)

## Capital expenditure trend

WC033 Cape Agulhas - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q1 First Quarter

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July		177		423	423	177	(245)	-138.4%	2%
August		717		219	642	894	253	28.3%	3%
September		1,844		1,666	2,307	2,739	432	15.8%	9%
October		1,419				4,158	-		
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>	-	<b>24,632</b>	-	<b>2,307</b>					

## Capital expenditure on new assets by asset class

WC033 Cape Agulhas - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Q1 First Quarter										
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>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		3,077	5,027	-	303	305	1,257	952	75.7%	5,027
Infrastructure - Road transport		2,637	1,300	-	99	101	325	224	68.8%	1,300
Roads, Pavements & Bridges		2,027	900	-	99	101	225	124	54.9%	900
Storm water		610	400	-	-	-	100	100	100.0%	400
Infrastructure - Electricity		-	1,200	-	-	-	300	300	100.0%	1,200
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	1,100	-	-	-	275	275	100.0%	1,100
Street Lighting		-	100	-	-	-	25	25	100.0%	100
Infrastructure - Water		240	2,527	-	204	204	632	428	67.8%	2,527
Dams & Reservoirs		-	877	-	204	204	219	16	7.1%	877
Water purification		140	150	-	-	-	38	38	100.0%	150
Reticulation		100	1,500	-	-	-	375	375	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	20	363	343	94.5%	1,450
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		1,622	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		3,312	500	-	-	-	125	125	100.0%	500
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		26	950	-	20	20	238	218	91.6%	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	-	471	537	921	385	41.7%	3,685
General vehicles		330	150	-	-	-	38	38	100.0%	150
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		1,021	708	-	310	323	177	(147)	-82.9%	708
Computers - hardware/equipment		885	1,425	-	162	200	356	156	43.8%	1,425
Furniture and other office equipment		272	752	-	-	4	188	184	97.9%	752
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		134	650	-	-	9	163	153	94.4%	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	7	37	30	82.2%	148
Computers - software & programming		50	148	-	7	7	37	30	82.2%	148
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	10,739	10,310	-	801	868	2,578	1,709	66.3%	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 - Q1										
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 renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		1,087	3,767	-	286	494	942	447	47.5%	3,767
Infrastructure - Road transport		-	-	-	46	82	-	(82)	#DIV/0!	-
Roads, Pavements & Bridges		-	-	-	46	82	-	(82)	#DIV/0!	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		1,087	2,420	-	239	412	605	194	32.0%	2,420
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		961	1,740	-	134	296	435	139	31.9%	1,740
Street Lighting		126	680	-	105	115	170	55	32.2%	680
Infrastructure - Water		-	469	-	1	1	117	117	99.4%	469
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	469	-	1	1	117	117	99.4%	469
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	877	-	-	-	219	219	100.0%	877
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	877	-	-	-	219	219	100.0%	877
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Community</b>		1,388	2,096	-	441	801	524	(277)	-52.8%	2,096
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	2,016	-	441	801	504	(297)	-58.9%	2,016
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		1,388	80	-	-	-	20	20	100.0%	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	-	137	143	266	123	46.2%	1,064
General vehicles		165	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		88	177	-	40	45	44	(1)	-2.5%	177
Computers - hardware/equipment		97	108	-	95	95	27	(68)	-254.1%	108
Furniture and other office equipment		21	27	-	2	2	7	4	65.2%	27
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		536	752	-	-	-	188	188	100.0%	752
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing ass</b>	1	3,383	6,927	-	864	1,438	1,732	294	17.0%	6,927

## 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 - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		2,380	2,718	5,477	344	2,843	5,477	2,634	48.1%	3,017
Infrastructure - Road transport		1,615	1,275	1,275	112	1,237	1,275	38	3.0%	1,275
<i>Roads, Pavements &amp; Bridges</i>		1,615	1,275	1,275	112	1,237	1,275	38	3.0%	1,275
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		765	823	823	212	796	823	27	3.3%	823
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission &amp; Reticulation</i>		673	725	725	156	698	725	27	3.7%	725
<i>Street Lighting</i>		92	97	97	56	97	97	0	0.1%	97
Infrastructure - Water		-	-	2,000	-	-	2,000	2,000	100.0%	-
<i>Dams &amp; Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	2,000	-	-	2,000	2,000	100.0%	-
Infrastructure - Sanitation		-	-	460	-	-	460	460	100.0%	-
<i>Reticulation</i>		-	-	460	-	-	460	460	100.0%	-
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	620	919	20	810	919	109	11.9%	919
<i>Waste Management</i>		-	620	919	20	810	919	109	11.9%	919
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Community</b>		-	785	689	129	609	689	80	11.6%	689
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	150	93	32	71	93	22	23.6%	93
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	585	546	95	520	546	26	4.8%	546
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	50	50	1	18	50	32	64.1%	50
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		5,997	3,701	3,843	435	3,503	3,843	340	8.8%	3,843
General vehicles		2,060	1,852	2,029	233	2,049	2,029	(20)	-1.0%	2,029
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		474	533	651	66	534	651	117	17.9%	651
Computers - hardware/equipment		558	89	67	4	67	67	(0)	-0.3%	67
Furniture and other office equipment		21	133	133	12	53	133	80	60.5%	133
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		1,157	1,094	963	120	799	963	163	17.0%	963
Other Buildings		1,616	-	-	-	-	-	-	-	-
Other Land		111	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	2,338	2,338	312	2,065	2,338	273	11.7%	2,338
Computers - software & programming		-	2,338	2,338	312	2,065	2,338	273	11.7%	2,338
Other		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>		<b>8,377</b>	<b>9,541</b>	<b>12,346</b>	<b>1,219</b>	<b>9,020</b>	<b>12,346</b>	<b>3,327</b>	<b>26.9%</b>	<b>9,886</b>
<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 September 2016:

#### **STANDBY ALLOWANCES paid for the period ending 30 SEPTEMBER 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%	3,436.72	1,624.28	5,061.00	2,300.00	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>3,436.72</b>	<b>1,624.28</b>	<b>5,061.00</b>	<b>2,300.00</b>	<b>9,200.00</b>
<b>CORPORATE SERVICE DIRECTORATE</b>						
- Information Services (IT)	15.98%	7,388.92	1,299.42	8,688.34	13,588.75	54,355.00
- Client Services	86.73%	13,306.35	3,953.88	17,260.23	4,975.00	19,900.00
<b>TOTAL</b>	<b>34.95%</b>	<b>20,695.27</b>	<b>5,253.30</b>	<b>25,948.57</b>	<b>18,563.75</b>	<b>74,255.00</b>
<b>COMMUNITY SERVICE DIRECTORATE</b>						
- Traffic and Law Enforcement	50.8%	24,011.05	17,024.44	41,035.49	20,175.00	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	<b>28.2%</b>	<b>47,692.19</b>	<b>24,431.35</b>	<b>72,123.54</b>	<b>64,000.00</b>	<b>256,000.00</b>
<b>TOTAL</b>	<b>33.6%</b>	<b>71,703.24</b>	<b>41,455.79</b>	<b>113,159.03</b>	<b>84,175.00</b>	<b>336,700.00</b>
<b>INFRASTRUCTURE DIRECTORATE</b>						
- Water	35.2%	92,404.95	51,744.06	144,149.01	102,500.00	410,000.00
- Sewerage and sanitation	<b>27.2%</b>	<b>92,169.82</b>	<b>52,271.06</b>	<b>144,440.88</b>	<b>132,750.00</b>	<b>531,000.00</b>
- Refuse Removal Services	0.0%	0.00	0.00	0.00	1,350.00	5,400.00
- Streets and Stormwater	0.0%	0.00	0.00	0.00	84,050.00	336,200.00
<b>TOTAL</b>	<b>22.5%</b>	<b>184,574.77</b>	<b>104,015.12</b>	<b>288,589.89</b>	<b>320,650.00</b>	<b>1,282,600.00</b>
<b>ELECTRICAL SERVICES</b>						
- Electrical Services	<b>18.0%</b>	<b>68,964.65</b>	<b>32,620.72</b>	<b>101,585.37</b>	<b>141,475.00</b>	<b>565,900.00</b>
<b>TOTAL</b>	<b>18.0%</b>	<b>68,964.65</b>	<b>32,620.72</b>	<b>101,585.37</b>	<b>141,475.00</b>	<b>565,900.00</b>
<b>TOTAL</b>	<b>23.6%</b>	<b>349,374.65</b>	<b>184,969.21</b>	<b>534,343.86</b>	<b>567,163.75</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 budget of 56.54%. Year to date spending totals 23.6% of the budget. This is in line with projections for the period ending September 2016.

The following sections should institute measures to address the above average spending on Standby allocations:

- Revenue section
- Client services
- Traffic and law enforcement

Finance will communicate the above to ensure measures are implemented to address these high spending.

**OVERTIME paid for the period ending 30 SEPTEMBER 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>						
- 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>						
- Revenue Management	611.2%	12,907.96	2,371.85	15,279.81	625.00	2,500.00
- Budget and Treasury Office	0.0%	0.00	0.00	0.00	625.00	2,500.00
<b>TOTAL</b>	<b>305.6%</b>	<b>12,907.96</b>	<b>2,371.85</b>	<b>15,279.81</b>	<b>1,250.00</b>	<b>5,000.00</b>
<b>CORPORATE SERVICE DIRECTORATE</b>						
- Information Services (IT)	42.9%	5,726.86	1,129.92	6,856.78	4,000.00	16,000.00
<b>TOTAL</b>	<b>42.9%</b>	<b>5,726.86</b>	<b>1,129.92</b>	<b>6,856.78</b>	<b>4,000.00</b>	<b>16,000.00</b>
<b>COMMUNITY SERVICE DIRECTORATE</b>						
- Traffic and Law Enforcement	63.4%	146,576.87	24,517.40	171,094.27	67,500.00	270,000.00
- Environmental Affairs	0.0%	0.00	0.00	0.00	10,050.00	40,200.00
- Public Services	0.0%	0.00	0.00	0.00	0.00	0.00
- Parks and Sport Facilities	33.3%	14,467.00	8,039.94	22,506.94	16,875.00	67,500.00
- Beaches and Holiday Resorts	34.0%	93,930.57	38,605.04	132,535.61	97,325.00	389,300.00
<b>TOTAL</b>	<b>42.5%</b>	<b>254,974.44</b>	<b>71,162.38</b>	<b>326,136.82</b>	<b>191,750.00</b>	<b>767,000.00</b>
<b>INFRASTRUCTURE DIRECTORATE</b>						
- Workshop	0.0%	0.00	0.00	0.00	1,750.00	7,000.00
- Water	36.9%	194,587.49	63,853.84	258,441.33	175,000.00	700,000.00
- Sewerage and sanitation	35.1%	151,363.56	62,643.80	214,007.36	152,500.00	610,000.00
- Refuse Removal Services	23.2%	80,558.03	27,454.53	108,012.56	116,500.00	466,000.00
- Streets and Stormwater	31.3%	29,233.79	0.00	29,233.79	23,375.00	93,500.00
<b>TOTAL</b>	<b>32.5%</b>	<b>455,742.87</b>	<b>153,952.17</b>	<b>609,695.04</b>	<b>469,125.00</b>	<b>1,876,500.00</b>
<b>ELECTRICAL SERVICES</b>						
- Electrical Services	34.7%	96,161.66	46,047.06	142,208.72	102,525.00	410,100.00
<b>TOTAL</b>	<b>34.7%</b>	<b>96,161.66</b>	<b>46,047.06</b>	<b>142,208.72</b>	<b>102,525.00</b>	<b>410,100.00</b>
<b>TOTAL</b>	<b>35.8%</b>	<b>825,513.79</b>	<b>274,663.38</b>	<b>1,100,177.17</b>	<b>768,650.00</b>	<b>3,074,600.00</b>

Municipal budget for overtime totals R3,074m. Year to date spending of R1,100m or 35.8% of budget. Spending on overtime should be monitored and measures should be implemented to address the high spending on overtime. Communication should be done to the following departments to ensure their overtime spending is monitored –

Revenue Section

Information services

Traffic and law enforcement

Infrastructure

Electricity services.

### 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	
30 September 2016	Check Payments	30100	30300	
	ACB-Payments	94373	94749	
	Amount Paid			26,431,936.67
	Total Investment			<b>10,000,000.00</b>

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

## 7.2 Revenue Management:

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

<u>Equitable Allocation received versus Budget:</u>				<u>Budget</u>	<u>Received</u>	<u>UNSPENT</u>
12010251000000				<b>23,075,000</b>	9,614,000	13,461,000
	Allocation for the Financial Year:			<b>23,075,000</b>	<b>9,614,000</b>	<b>13,461,000</b>
<u>Equitable Allocation spent versus Budc</u>				<u>Budget</u>	<u>Allocated</u>	<u>UNSPENT</u>
Free Basics : Electricity (ESKOM)	15080126700000	SEPT 2016		<b>252,300</b>	0	252,300
Free Basics : Electricity	12010126600000	SEPT 2016		<b>0</b>	7,226	(7,226)
Free Basics : Refuse Removal	12010126800000	SEPT 2016		<b>3,501,900</b>	295,410	3,206,490
Free Basics : Sanitation	12010126900000	SEPT 2016		<b>2,900,000</b>	199,468	2,700,532
Free Basics : Water	12010127000000	SEPT 2016		<b>1,300,000</b>	233,190	1,066,810
				<b>7,954,200</b>	<b>735,294</b>	<b>7,218,906</b>

Electronic receipts in respect of debtor payments:

### Electronic receipts:

Detail of monthly transactions up-to-date:

MONTH	<u>"Easy-pay"</u>	<u>ACB-Payments:</u>	<u>P@U</u>	<u>PAY N BILL</u>
October 15	1,287,482.78	6,525,878.64	1,654,531.90	1,059,063.25
November 15	532,338.90	3,091,609.00	1,586,052.69	533,026.84
'December 2015	485,725.63	2,951,563.16	1,645,856.80	501,692.67
'January 2016	437,699.23	3,105,968.44	1,367,241.65	395,727.30
'February 2016	373,983.18	3,628,328.90	1,602,178.64	571,176.71
'March 2016	449,031.75	3,334,291.04	1,498,416.20	494,951.06
'April 2016	442,656.82	3,108,388.65	1,575,733.46	452,989.12
'May 2016	493,357.14	3,183,825.63	1,553,033.08	492,915.94
'June 2016	504,801.76	2,911,607.35	1,392,903.75	402,221.40
'July 2016	589,098.27	3,033,032.88	1,698,222.05	426,773.36
'Aug 2016	651,912.35	3,244,125.54	1,999,043.68	832,010.65
'Sept 2016	933,263.50	3,290,639.70	2,133,523.20	657,836.70

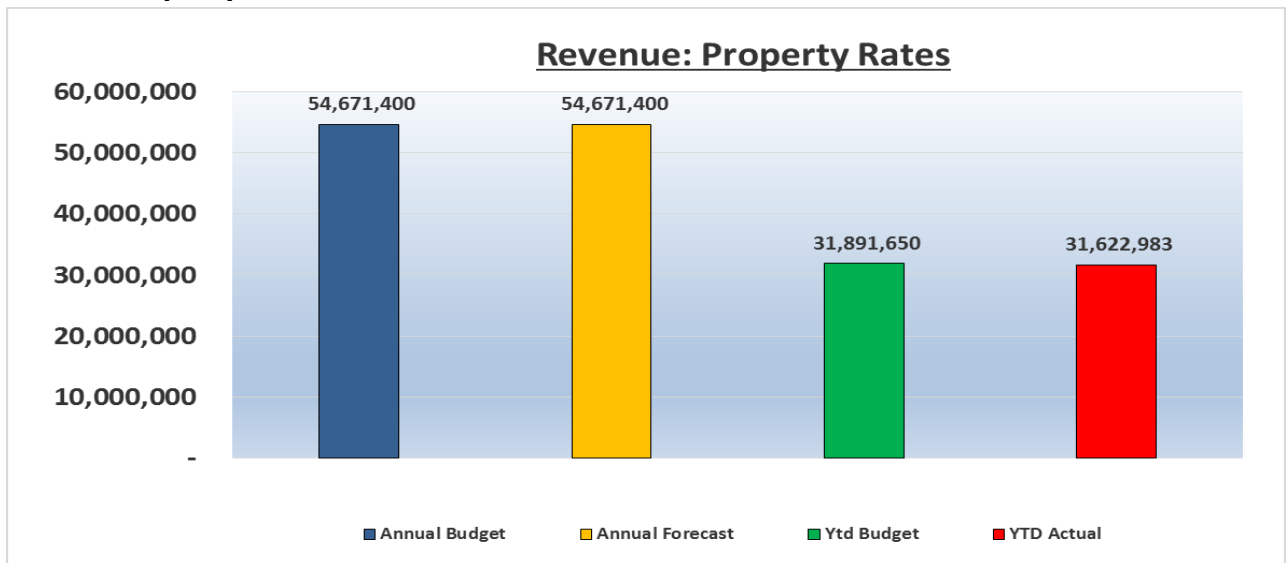
Outstanding debt in respect of Sundry Revenue: Rental of Facilities in excess of 90 days as at the end of September 2016:

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

<u>INSTITUTION</u>	<u>AMOUNT</u>	<u>FREQUENCY</u>	<u>HANDED OVER</u>
M J KLOPPERS	827.15	Monthly	No
MOBILE TELEPHONE NET.	4,603.50	Monthly	No
MOBILE TELEPHONE NET.	1,173.80	Monthly	No
JJ KLOPPERS	6,751.04	Attorneys Acc	Yes
NAPIER HEALTH GRO	482.83	Monthly	No
NAPIER HEALTH GRO	459.83	Monthly	No
D JAARS	740.58	Attorneys Acc	Yes
D JAARS	642.62	Attorneys Acc	Yes
D JAARS	884.66	Attorneys Acc	Yes
M VAN STADEN	1,906.62	Monthly	No
M VAN STADEN	2,350.06	Monthly	No
TARGETSHELF	14,401.35	Monthly	No
TARGETSHELF	3,393.03	Attorneys Acc	Yes
TEHILLA COMMUNITY	1,835.39	Attorneys Acc	Yes
TEHILLA COMMUNITY	4,133.67	Monthly	No
R WYNGAARD	1,210.68	Attorneys Acc	Yes
URBAN FARMING	1,008.41	Monthly	No
L HENDRICKS	806.73	Monthly	No
HAASBEKKIE CRECHE	627.72	Monthly	No
HAASBEKKIE CRECHE	173.84	Attorneys Acc	Yes
HAASBEKKIE CRECHE	520.40	Attorneys Acc	Yes
HAASBEKKIE CRECHE	354.73	Monthly	Yes
HAASBEKKIE CRECHE	835.04	Monthly	Yes
J DE JAGER	713.68	Monthly	No
ESKOM ENTERPRISES	48,282.50	Monthly	No
BREDASDORP KLEINBOERE	7,504.42	Monthly	No
BREDASDORP POULTRY	630.76	Monthly	No
EISH INNOVATIONS	1,512.61	Monthly	No
	<b>108,767.65</b>		

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

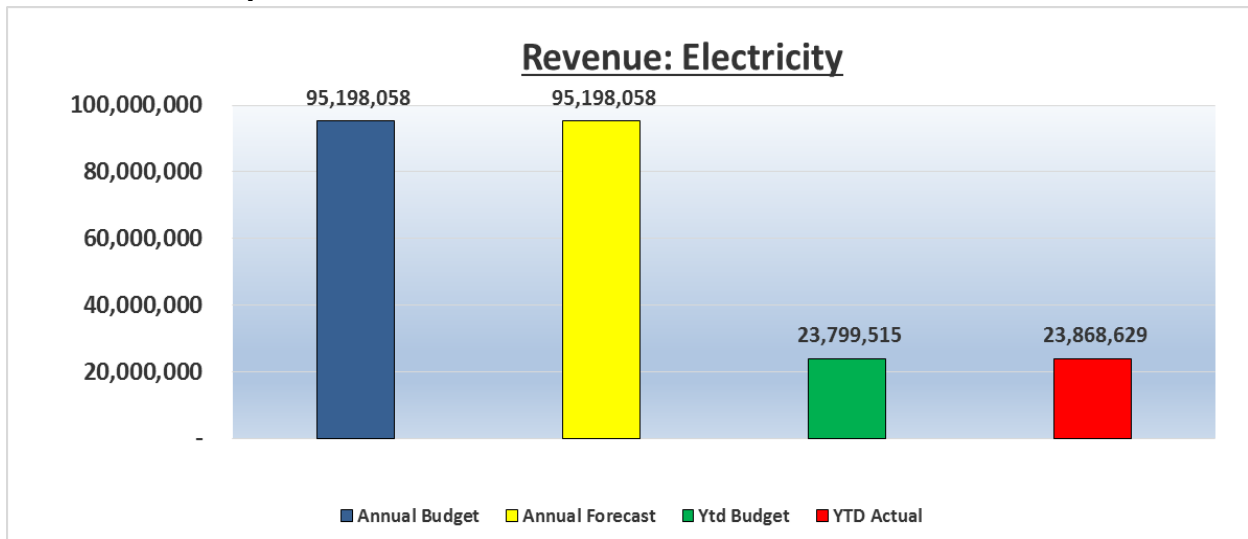
### 7.2.1.1 Property Rates:



Property rates are levied during July on either a monthly or yearly basis. Consumers 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 R31,62m, that is 57.84% of the budget.

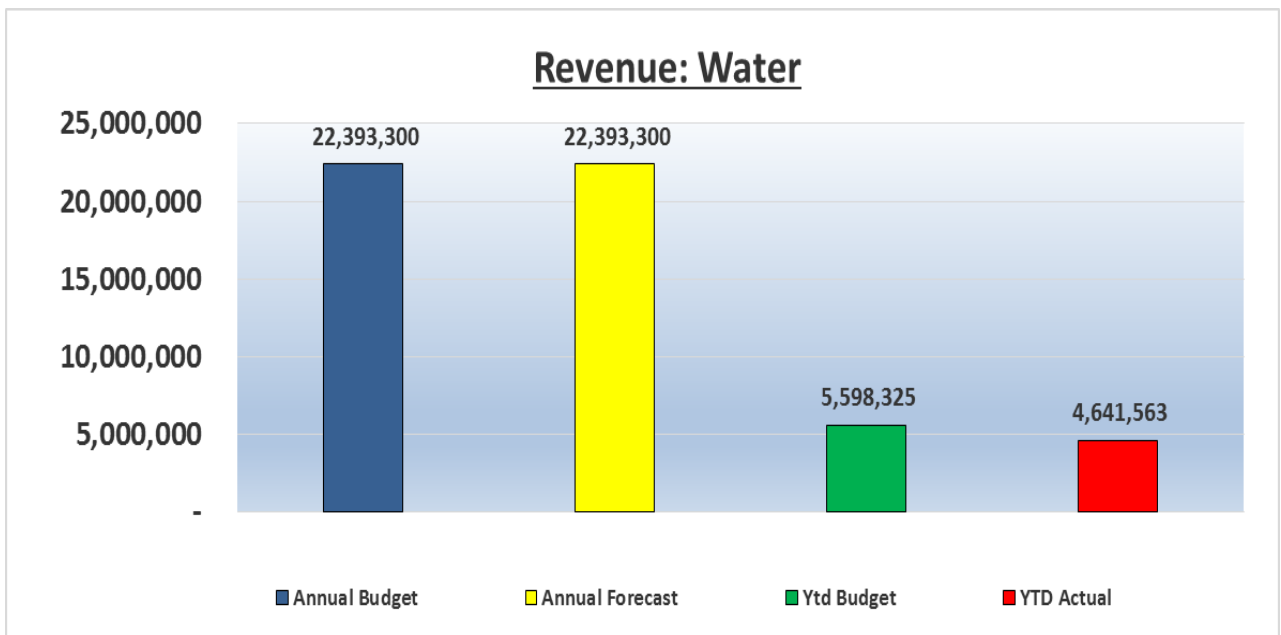
### 7.2.1.2 Electricity:



Electricity revenues is on par with year to date performance. Income of R23.89m is recorded for the period ending 30 September 2016. The income from electricity services is mainly due to the winter period during the first quarter of the financial year July to September. Totals of 25% is collected for the first quarter based on the total Budget.

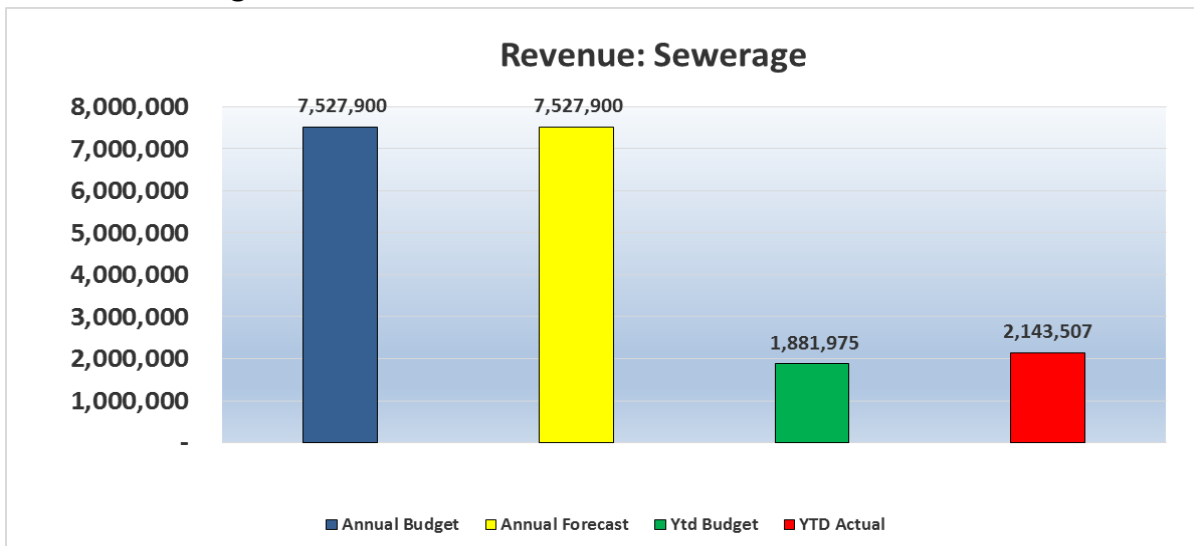
Finance will continuously monitor the budget to ensure performance is as per approved budget.

### 7.2.1.3 Water:



Water revenues totals R4,64m or 20.72% of budget. The performance of water services is below projections. This being the first quarter of the financial year the finance department needs to monitor the revenues to ensure that approved budget targets is achieved.

### 7.2.1.4 Sewerage:

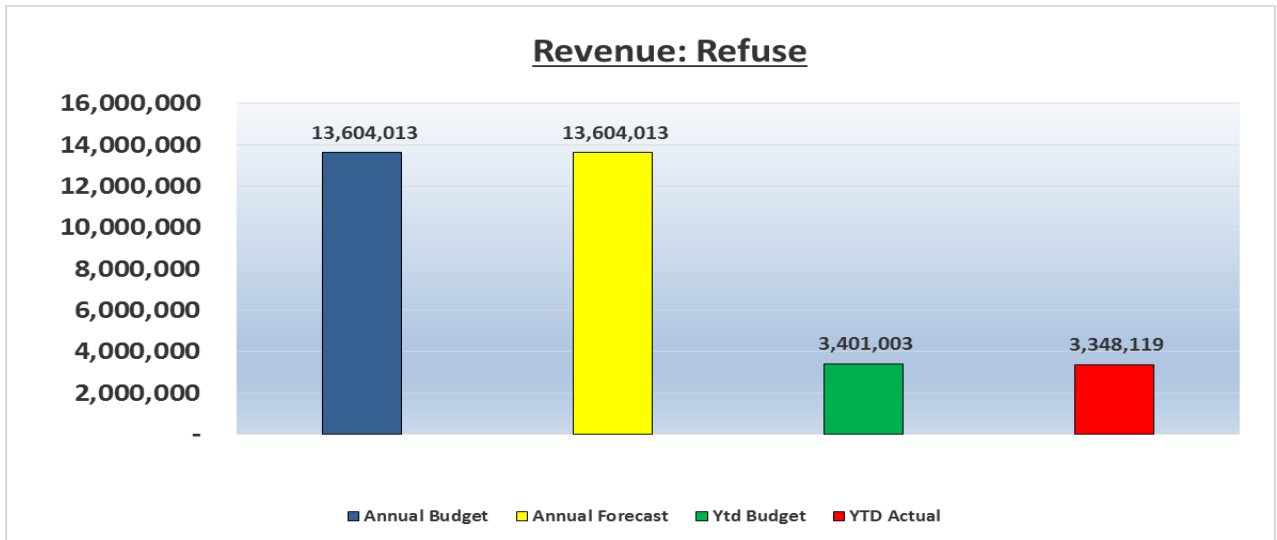


Sewerage income is based on the amount of household and the information is impacted by building activity in the municipality.

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 first quarter totals R2,14m or 28.49% of the budget. This is higher than the projected sewerage income for the quarter.

### 7.2.1.5 Refuse Removal:

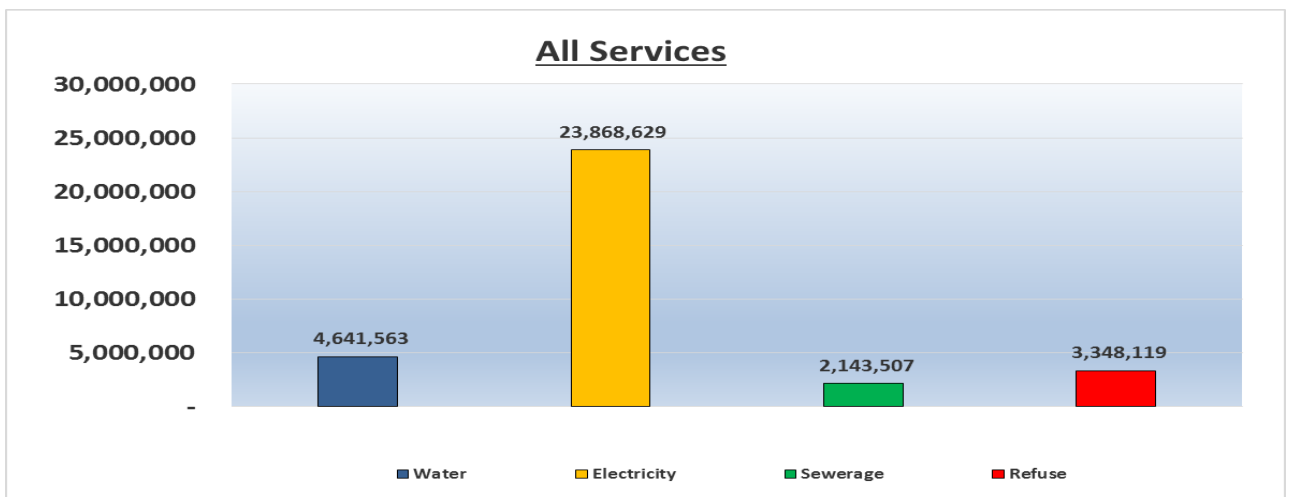


Refuse income is based on the total household and levied on a monthly basis. Year to date performance is on par and the municipality will implement the budget as approved.

Total revenue for the period ending 30 September equals R3,35m of budget of R13,604m, that is 24,61% 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 Sept' 16		Rates				
Department Responsible for the Debt	0-30 Days	30-60 Days	60-90 Days	> 90 Days	Total	
National Public Works	-6,348.09	-	812,535.37	136,323.02	942,510.30	
Transport Western Cape	-	-	18,980.01	1,020.12	20,000.13	
Western Cape Education Department	-	-	27,500.54	19,469.86	46,970.40	
Health Department	-	-	2,403.47	-	2,403.47	
Housing	-340.02	-	489,975.33	4,736.62	494,371.93	
Other	-9,915.01	-	114,447.32	306,963.16	411,495.47	
	-				-	
<b>TOTAL OUTSTANDING</b>	<b>-16,603.12</b>	<b>-</b>	<b>1,465,842.04</b>	<b>468,512.78</b>	<b>1,917,751.70</b>	

Cape Agulhas Municipality for the month ended Sept' 16		Services				
Department Responsible for the Debt	0-30 Days	30-60 Days	60-90 Days	>90 Days	Total	
National Public Works	10,510.36	-	-	11,682.74	22,193.10	
Transport Western Cape	1,668.46	639.40	-	-	2,307.86	
Western Cape Education Department	814.85	693.83	432.80	10,348.60	12,290.08	
Health Department	-	-	-	-	-	
Housing	-	-	-	-	-	
Other	29,345.68	19,369.79	3,207.32	49,337.83	101,260.62	
<b>TOTAL OUTSTANDING</b>	<b>42,339.35</b>	<b>20,703.02</b>	<b>3,640.12</b>	<b>71,369.17</b>	<b>138,051.66</b>	

Cape Agulhas Municipality for the month ended Sept' 16		Total Debt	Interest	Grand Total Sec 71
Department Responsible for the Debt				
National Public Works		964,703.40	18,776.47	983,479.87
Transport Western Cape		22,307.99	133.74	22,441.73
Western Cape Education Department		59,260.48	1,740.88	61,001.36
Health Department		2,403.47	-	2,403.47
Housing		494,371.93	669.85	495,041.78
Other		512,756.09	87,155.12	599,911.21
		-		-
<b>TOTAL OUTSTANDING</b>		<b>2,055,803.36</b>	<b>108,476.06</b>	<b>2,164,279.42</b>

## 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.

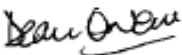
**Section 11 of the Municipal Finance Management Act, 56 of 2003 required as follows:**

- (4) The accounting officer must within 30 days after the end of each quarter—
  - (a) table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that quarter; and
  - (b) submit a copy of the report to the relevant provincial treasury and the Auditor-General.



**PROVINCIAL TREASURY**  
**Withdrawals from Municipal Bank Accounts**  
**In accordance with Section 11, Sub-section 1 (b) to (j)**



<b>NAME OF MUNICIPALITY:</b>		CAPE AGULHAS MUNICIPALITY	
<b>MUNICIPAL DEMARCATION CODE:</b>		WC033	
<b>QUARTER ENDED:</b>		30 SEPTEMBER 2016	
<p><b>MFMA section 11.</b> (1) Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i>, or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality's</i> bank accounts, and may do so only -</p>	<b>Amount</b>	<b>Reason for withdrawal</b>	
	R 75,970,135.00	Payment of Operational and Capital expenditures	
(b) to defray expenditure authorised in terms of section 26(4);	Not Applicable		
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);	None	None	
(d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section;	None	None	
(e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including -	None	None	
(i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or	None	None	
(ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state;	None	None	
(f) to refund money incorrectly paid into a bank account;	None	None	
(g) to refund guarantees, sureties and <i>security deposits</i> ;	None	None	
(h) for cash management and <i>investment</i> purposes in accordance with section 13;	R 30,000,000.00	Short-term investments	
(i) to defray increased expenditure in terms of section 31; or	None	None	
(j) for such other purposes as may be <i>prescribed</i> .	None	None	
(4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> -	<b>Name and Surname:</b> D O' Neill		
(a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> ; and	<b>Rank/Position:</b> Municipal Manager		
(b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	<b>Signature:</b> 		
<b>Tel number</b>	<b>Fax number</b>	<b>Email Address</b>	
028 425 5500		shauna@capeagulhas.gov.za	
<p><b>The completed form must reach Mr Edwin Nkuna at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 8662, Fax 021 483 8623, Email: enkuna@pgwc.gov.za on or before the 15th of the month following the end of each quarter.</b></p>			

## 11. Annexure A – MFMA IMPLEMENTATION

<b>CAPE AGULHAS MUNICIPALITY</b>					<b><u>ANNEXURE "A"</u></b>
<b>MFMA IMPLEMENTATION AND MONITORING CHECKLIST - SEPTEMBER 2016</b>					
<b><i>Action Required</i></b>	<b><i>Act Ref</i></b>	<b><i>Responsibility</i></b>	<b><i>Target Date</i></b>	<b><i>Date Action Completed</i></b>	<b><i>Comments</i></b>
Submit to National / Provincial Treasury and AG written details of all bank accounts each year	Sec 9(b)	CFO / Manager Budget and Treasury Office	31-May-16	13 June 2016	Complete with Section 71 reports
Table to Council consolidated report of withdrawals each quarter and submit copy to Provincial Treasury and AG	Sec 11(4)	CFO / Manager Budget and Treasury Office	31 Oct 2016		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	30 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-17	
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		

Approve 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	30/10/2016		
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

**APPENDIX B – PERSONNEL LEAVE**

**30 SEPTEMBER 2016**

<b>FINANCE - LEAVE SCHEDULE</b>		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	1		
NAME AND SURNAME	JOB TITLE	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
H VAN BILJON	CHIEF FINANCIAL OFFICER																																	I
D VAN WYK	MANAGER: INCOME																																	
A VAN WYK	ACCOUNTANT: SERVICES																						O					S	S	S	S			
R NEWMAN	SENIOR CLERK: SERVICES																																	F
N VILJOEN	ACCOUNTANT: PROPERTY / HOUSING																																	
L DE JAGER	SENIOR CLERK: PROPERTY / HOUSING																																	
J TEIXEIRA	SENIOR CLERK: PROPERTY / HOUSING																																	
C MARTINIUS	ACCOUNTANT: CREDIT CONTROL								O														O	O	O									
H JANTJIES	SENIOR CLERK: CREDIT CONTROL																						O	O	O									
Z NGWEVU	SENIOR CLERK: CREDIT CONTROL					I																			O									
J JANUARY	SENIOR CLERK: CREDIT CONTROL							S	S	S													SP										I	
M HUGO	ACCOUNTANT: CASH MANAGEMENT																						O	F	I			I	I	I	I	I		
S ARHENDS	CASHIER																																	
M HUGO	CASHIER																I																	
M PIETERSEN	CASHIER	I																					L	L	L			L	L	L	L	L		
C VISSER	CASHIER		S																															
D FREDERICKS	METER READER									I							S					S												
M VISAGIE	METER READER																																	
I ABRAHAMS	METER READER												I				S	I																
A ROSSOUW	METER READER																																	
R ADONIS	METER READER													I																				
S DAVIDS	METER READER																																	
J JAMNECK	MANAGER: EXPENDITURE																																	
L TEIXEIRA	ACCOUNTANT: CREDITORS		I			I	I	I															S	S	I								I	
A MGQUBA	SENIOR CLERK: CREDITORS									I															F									
A VAN NIEKERK	ACCOUNTANT: SALARIES																																	
A ISAACS	SENIOR CLERK: SALARIES																																	
E LEONARD	SENIOR CLERK: ASSETS		I															O															I	
R SEFOOR	MANAGER: SCM UNIT																																	
R MITCHELL	SCM PRACTITIONER																																	
R JANSEN	CLERK: STORES																																	
R AUGUST	STOREKEEPER																																	
G KOOPMAN	CLERK: SCM PURCHASES																																	
I JANUARY	ACCOUNTANT SCM																																	
S STANLEY	MANAGER: BTO OFFICE																																	
E BADENHORST	DATA CAPTURER & SYSTEM ADMINISTRATOR		O								O						O								O			O						
W KEMOTIE	DATA CAPTURER																																	
K MAKWAKWA	INTERN																																	
N XAMLAYO	INTERN													I										S									S	
A HAYWOOD	INTERN																																	
F ALEXANDER	INTERN														S																			

DESCRIPTION: O - OVERTIME TAKEN  
 NUM  
 S - SICK LEAVE  
 ST - STUDY LEAVE

## **12. Quarter 1 – SDBIP Performance report**

Separate report will be submitted in terms of the Quarterly Service Delivery and Budget implementation plan (SDBIP) for the period ending 30 September 2016

**Municipal Manager's Quality Certificate:**

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR:  
CONTACT NO 028 425 5798

VERW:  
REF: 5/3/201617(M03 / Q1)

KANTOOR:  
OFFICES: Bredasdorp

DATUM  
DATE 12 October 2016



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U-MASIPALA WASECAPE 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 **30 SEPTEMBER 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 11/10/16