

CAPE AGULHAS MUNICIPALITY



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

2018/2019

SECTION 71 REPORT FOR THE PERIOD ENDING 28 FEBRUARY 2019

TABLE OF CONTENTS

1. Council Resolution3

Recommendations.....3

2. INTRODUCTION4

3. MAYOR’S SUMMARY5

4. SUMMARY FINANCIAL PERFORMANCE.....7

 Year to date performance (comparison with previous year) – 31 January 2019.....7

 The financial performance for the period under review ending 31 January 20198

 Cumulative Capital performance 10

5. COUNCIL FOCUS AREAS (CASH FLOW / LIQUIDITY).....11

MFMA Financial Ratios (Circular 71).....12

6. mSCOA IMPLEMENTATION13

7. REVENUE ENHANCEMENT PLAN / LONG-TERM FINANCIAL PLAN.....13

8. LEGISLATED INFORMATION.....14

9. Municipal Quality Certificate27

PART A

1. Council Resolution

To The Executive Mayor

In accordance with **Section 71(1)** of the Municipal Finance Management Act, I submit the required statement on the state of Cape Agulhas Municipality's budget implementation and the financial state of the municipality's affairs reflecting the particulars up until the end of **February 2019**

52. The mayor of a municipality—

(d) 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;

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 **monthly report** and supporting documentation for the consolidated period ending **28 February 2019** is noted.
- It be noted that the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and in accordance with the approved budget;
- It be noted that any material variances will receive remedial or corrective steps.

2. INTRODUCTION

2.1 PURPOSE

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

2.2 STRATEGIC OBJECTIVE

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

2.3 BACKGROUND

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

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

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

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

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

3. MAYOR'S SUMMARY

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:

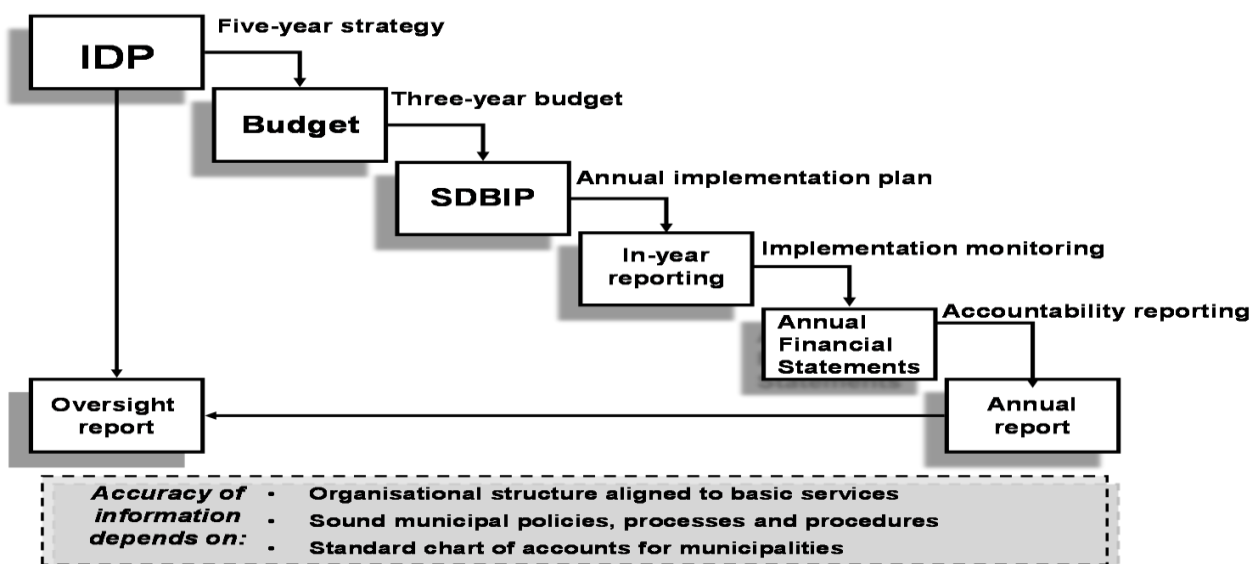
Section 53(1)(a) of the MFMA stipulates that the Executive Mayor of the Municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

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

a

- 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:



The proposed process plan with the compilation of the Draft Budget and Revised IDP plan for the 2019/20 MTREF period is as follows as per Budget and IDP implementation plan:

<u>Planned activities</u>	<u>Timeframes / Dates</u>	<u>Targets / Achieved</u>
AFS and Annual performance report	August 2018	Complete
Public participation with ward committees	September 2018	Complete
Finalization of revised community needs assessment	October 2018	Complete
Strategic sessions (Management and Council)	November 2018	Complete
Budget preparation	November 2018	Complete
Mid-year budget assessment / Adjustment budget Steering committees	January 2019	Complete
Budget workshops / National budget speech	February 2019	In process
Preparation of Draft budget processes / Draft IDP review / Draft Budget	March 2019	
Community participation	April 2019	
Final draft budget	May 2019	

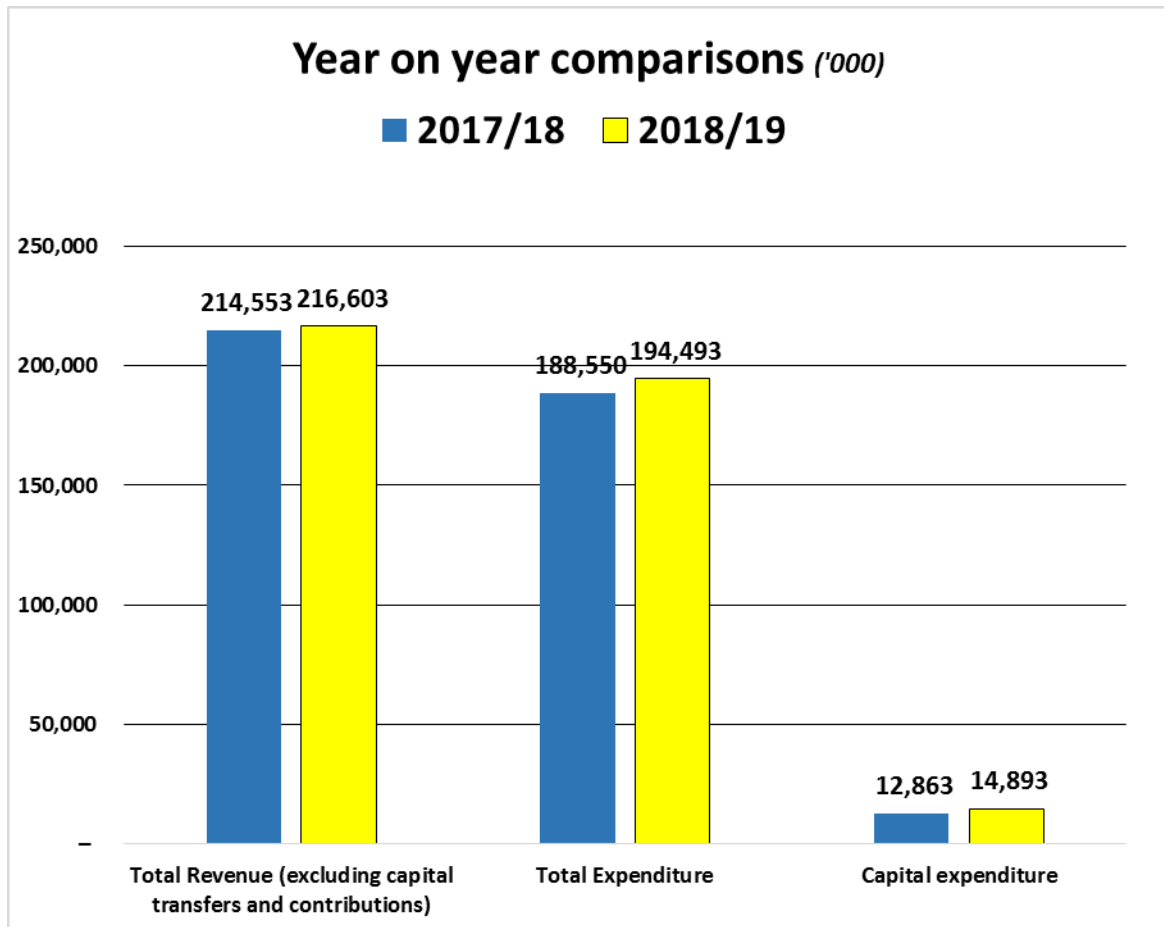
The municipality is in the process of implementing new budget implementation plan as per the Budget and IDP process plan approved in August 2018.

The adjustment budget was finalized, complete and the finance is in the process of uploading onto the financial system.

The new budget process will commence as soon as this process is complete.

4. SUMMARY FINANCIAL PERFORMANCE

Year to date performance (comparison with previous year) – 28 February 2019



Summarized explanation

Operational revenues

Operational revenues is on par with the corresponding period for the previous year. The municipality approved an adjustment budget during January 2019 and these information will impact and reflect for the last 6 months of the financial year.

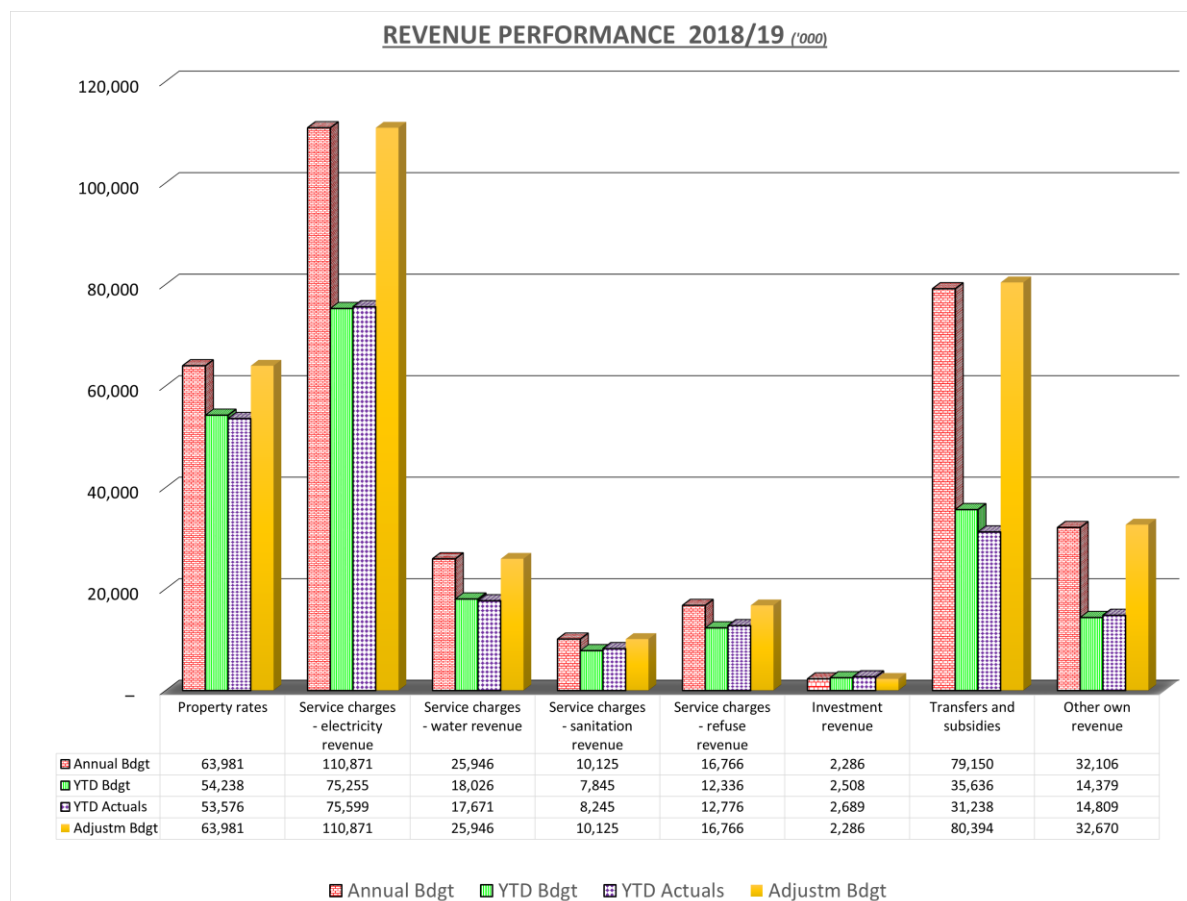
Operational expenditures

Expenditure is slightly below based on the previous year's performance. Considering numerous non-cash items was not included in the actuals to date. This should impact overall performance positive once processed.




Capital spending

Capital expenditures is better than the corresponding period of the previous year. The administration implement various measurements to improved capital performance. That is revised implementation plans, capital spending engagements and other. Municipality amend the capital budget during the adjustment budget approved. .

The financial performance for the period under review ending 28 February 2019



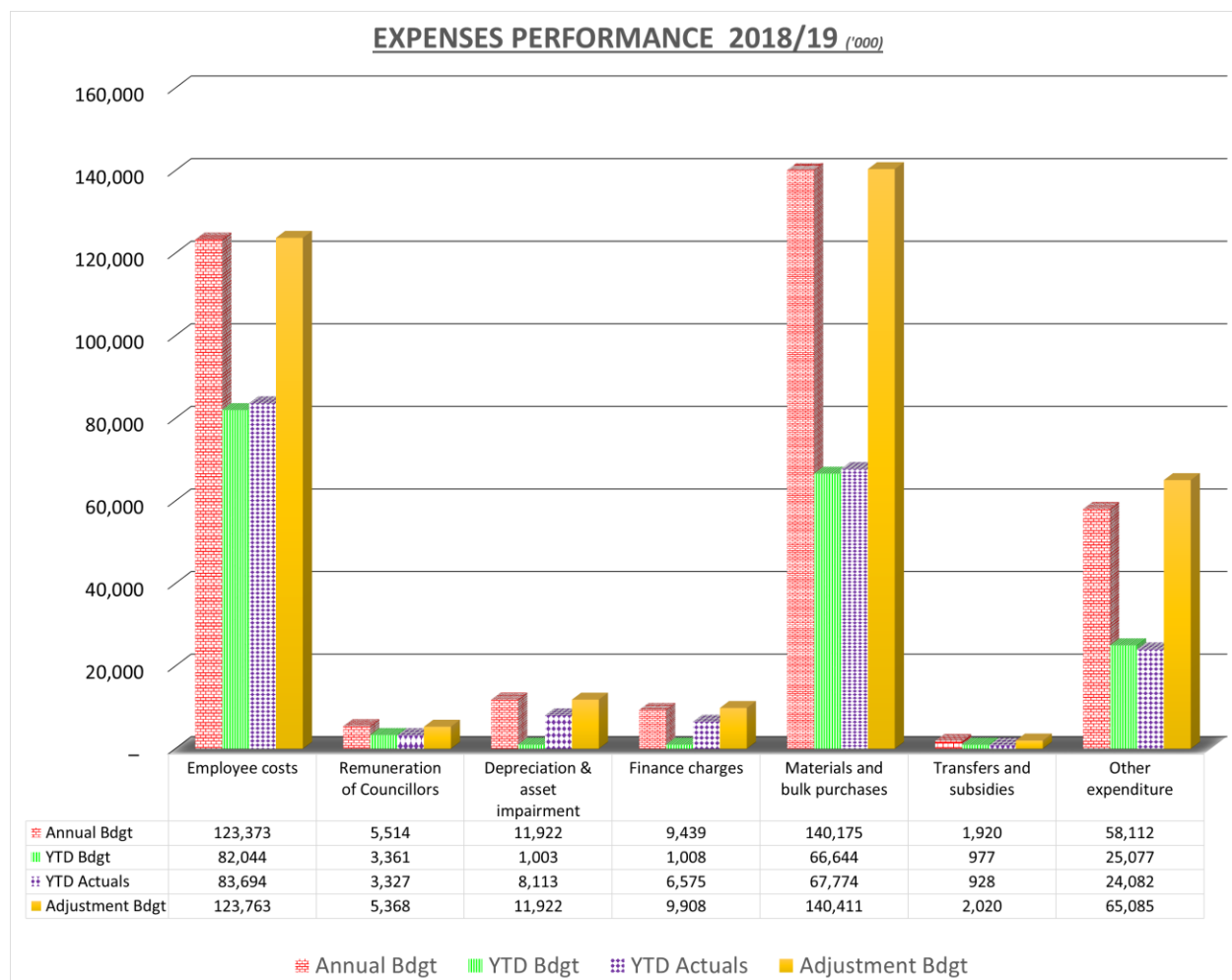
Overall assessment

GOOD	AVERAGE	BAD
		
X		




Summarized explanation

Municipal performance for the period ending **February 2019** is satisfactory. Revenue related concerns at this stage of the financial year is the projected

budget for the **Sale of Land**. This needs to be expedite with planning to ensure Council will be able to achieved targeted revenues.



Overall assessment

GOOD	AVERAGE	BAD
		
	X	

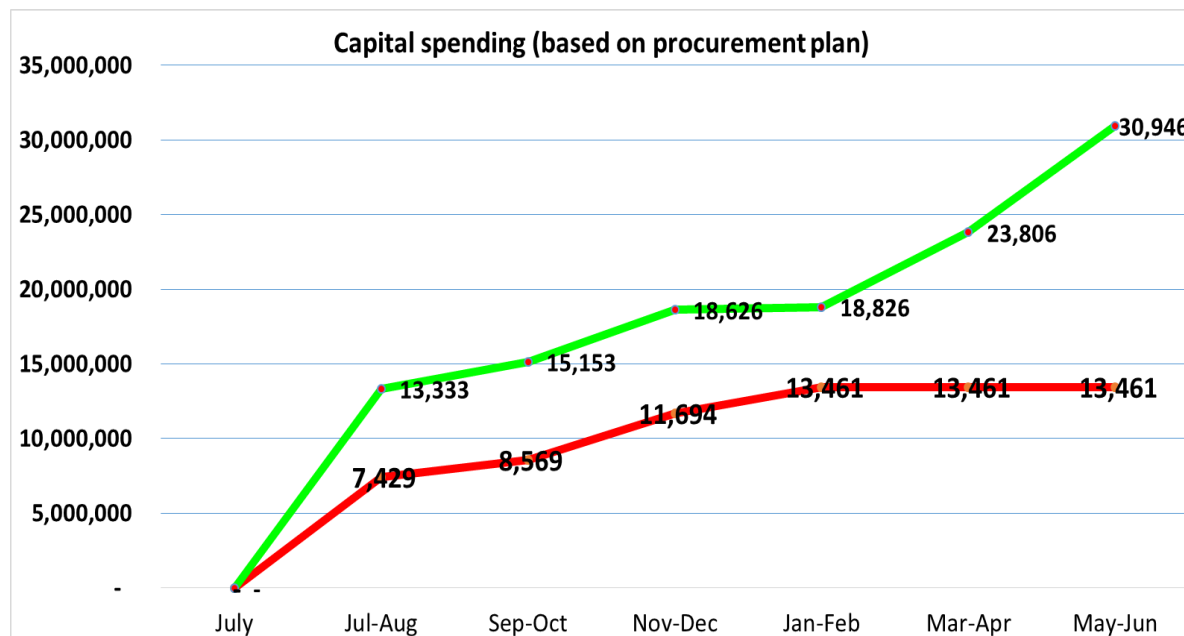
Summarized explanation

Expenditures totals is below the projected budgeted expenditures. As alluded above this is as a result of the non-cash items budgeted for the financial year.

The recording of the depreciation journals will be done in February 2019. This should significantly improve performance of the operational expenditures.

Although this is non-cash items it has a direct effect of % operational budget spent. Revised budget information also still needs to be considered.

Cumulative Capital performance



Summarized explanation

Performance for capital expenditures reported for the period ending **28 February 2019** recorded below projected expenditures based on the procurement plan.

Capital spending totals **R14.891m** against planned procurement of R18,62m. This reflects as an underperformance. The SCM unit review and amend the Procurement Plan and this revised plan was submitted to management for implementation based on their adjusted spending.

Capital commitments of **R5,491m** are not included in the totals recorded above. With the finalization of these commitments the municipal capital expenditures should improve significantly.













The updated SCM procurement plan as well as the adjustment budget will be included in the next reporting cycle.

5. COUNCIL FOCUS AREAS (CASH FLOW / LIQUIDITY)

As part of the oversight responsibility of Council the municipal administration is required to table a report to council with recommendations for managing the municipal ratios in terms of **Circular 71 financial ratios**.

Budget implementation:

Council identified the following ratios as main focus areas and these ratios will be monitored on a monthly basis and action plans developed to ensure the achievement of council's sustainability objectives.

FINANCIAL RATIO	BENCHMARK	LAST QUARTER	LAST MONTH	REPORTING MONTH
Cash / cost coverage ratio	1 - 3 months			
Current ratio	1.5 - 2.1			
Liquidity ratio	1:1			
Debtor collection rate	95%			

Summarized explanation:

The overall cash flow ratios is good.

The liquidity reflects the ability to repay short-term debt with cash resources. The liquidity ratio improved from the previous month. This is mainly as a result of the short-term investments as well as a decrease in the creditors for the period.

The long-term financial plan was reviewed and updated. The actions as identified in the plan needs to be reviewed and implemented. This will ensure improvement in the municipal liquidity and cash positions as recorded.

MFMA Financial Ratios (Circular 71)

National Treasury as part of their legislated mandate issue Circulars on a regular basis for implementation by municipal council. This circulars is to improve financial administration and governance at municipalities.

Circular 71 was issue to assist in the financial management of finances. The aim of the Circular was to provide a uniform set of ratios and norms that municipal financial information can be measured.

The ratios is compiled over the following range of sections and components:

- Asset management / utilisation
- Debtors management
- Liquidity management
- Sustainability
- Efficiency
- Distribution losses
- Revenue management
- Expenditure management
- Grant dependency
- Budget implementation

Attached as Annexure 1 below is the financial ratios for the period ending 30 June 2018 as per annual Financial Statements of the municipality.

Comments on financial ratio's

The ratio's is generally good and the municipal performance for the financial year ending 30 June 2018 reflects positive progress with the implementation of the various reforms implemented.

The revenue enhancement strategy and the long-term financial plan was some of the strategies implemented.

6. mSCOA IMPLEMENTATION

Summarised progress on the implementation of mSCOA and actions required

The updated mSCOA implementation plan needs to be submitted and actions required identified for reporting

Action implemented	Achieve	Comments / Actions
Will be updated in future		

7. REVENUE ENHANCEMENT PLAN / LONG-TERM FINANCIAL PLAN

Summarised progress on the Revenue Enhancement plan / Long-term financial plan and actions required

The items as identified in the Long-term financial plan as per below table:

1. <i>Develop land use vision</i>
2. <i>Explore the feasibility of utilising the SANDF airport</i>
3. <i>Undertake a comprehensive work study</i>
4. <i>Revenue should be increased</i>
5. <i>A collection rate of in excess of 95% and closer to 97% must be maintained</i>
6. <i>Explore accessing revenue sources</i>
7. <i>Investigate all grant sources</i>
8. <i>Optimise the rates structure of farmland</i>
9. <i>Reduce cost</i>
10. <i>Implement shared services</i>
11. <i>Avoid employing temporary workers</i>
12. <i>Review terms of employment</i>
13. <i>Strengthen the institutional capacity</i>
14. <i>Transfer depreciation charges to a cash backed CRR</i>
15. <i>Maintain the credit score of A</i>
16. <i>Rationalisation of the service levels</i>
17. <i>Do not neglect the replacement of its existing assets</i>
18. <i>Adjust Repairs and Maintenance budget upwards</i>
19. <i>Implement integrated asset management</i>
20. <i>Assess all future office accomodation alternatives</i>
21. <i>Consolidated municipal infrastructure plan</i>
22. <i>Avoid cost overruns on projects</i>

PART B

8. LEGISLATED INFORMATION

8.1 Budget schedules

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M08 February

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	63,981	63,981	3,410	53,576	54,238	(661)	-1%	63,981
Service charges	-	163,708	163,708	14,132	114,291	113,462	829	1%	163,708
Investment revenue	-	2,286	2,286	392	2,689	2,508	181	7%	2,286
Transfers and subsidies	-	79,150	80,394	(169)	31,238	35,636	(4,398)	-12%	80,394
Other own revenue	-	32,106	32,670	2,338	14,809	14,379	430	3%	32,670
Total Revenue (excluding capital transfers and contributions)	-	341,231	343,039	20,103	216,603	220,223	(3,619)	-2%	343,039
Employee costs	-	123,373	123,763	11,493	83,694	82,044	1,649	2%	123,763
Remuneration of Councillors	-	5,514	5,368	635	3,327	3,361	(34)	-1%	5,368
Depreciation & asset impairment	-	11,922	11,922	8,103	8,113	1,003	7,110	709%	11,922
Finance charges	-	9,439	9,908	6,354	6,575	1,008	5,567	553%	9,908
Materials and bulk purchases	-	140,175	140,411	12,466	67,774	66,644	1,130	2%	140,411
Transfers and subsidies	-	1,920	2,020	106	928	977	(49)	-5%	2,020
Other expenditure	-	58,112	65,085	3,666	24,082	25,077	(995)	-4%	65,085
Total Expenditure	-	350,454	358,478	42,823	194,493	180,114	14,378	8%	358,478
Surplus/(Deficit)	-	(9,223)	(15,439)	(22,719)	22,111	40,109	(17,998)	-45%	(15,439)
Transfers and subsidies - capital (monetary allocated)	-	12,281	13,670	801	8,578	8,885	(307)	-3%	13,670
Contributions & Contributed assets	-	130	130	-	-	-	-	-	130
Surplus/(Deficit) after capital transfers & contributions	-	3,188	(1,639)	(21,918)	30,689	48,994	(18,305)	-37%	(1,639)
Share of surplus/ (deficit) of	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	3,188	(1,639)	(21,918)	30,689	48,994	(18,305)	-37%	(1,639)
Capital expenditure & funds sources									
Capital expenditure	-	30,946	33,415	1,432	14,893	16,254	(1,361)	-8%	33,415
Capital transfers recognised	-	12,281	13,670	511	9,765	10,363	(598)	-6%	13,670
Public contributions & donations	-	130	130	-	-	12	(12)	-100%	130
Borrowing	-	7,622	7,307	1	491	1,178	(687)	-58%	7,307
Internally generated funds	-	10,913	12,309	920	4,637	4,702	(65)	-1%	12,309
Total sources of capital funds	-	30,946	33,415	1,432	14,893	16,254	(1,361)	-8%	33,415
Financial position									
Total current assets	81,715	60,671	71,473		117,594				86,473
Total non current assets	433,484	450,873	454,970		440,267				454,970
Total current liabilities	45,334	61,038	51,454		49,077				51,454
Total non current liabilities	138,325	140,181	145,088		146,555				145,088
Community wealth/Equity	331,540	310,325	329,901		362,229				344,901
Cash flows									
Net cash from (used) operating	-	11,968	10,899	2,009	41,245	37,209	(4,037)	-11%	10,899
Net cash from (used) investing	-	(22,985)	(25,608)	3,731	(8,387)	(14,909)	(6,522)	44%	(25,608)
Net cash from (used) financing	-	5,063	(3,236)	21	(1,834)	(1,832)	2	-0%	(3,236)
Cash/cash equivalents at the month/year	-	19,620	29,824	-	78,793	68,236	(10,557)	-15%	29,824
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	17,580	4,046	2,579	2,028	1,604	1,733	9,435	15,109	54,113
Creditors Age Analysis									
Total Creditors	5,458	-	-	-	-	-	-	-	5,458

WC033 Cape Agulhas - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		-	118,609	120,049	4,180	87,851	90,690	(2,839)	-3%	120,049
Executive and council		-	27,606	27,636	-	20,705	22,124	(1,419)	-6%	27,636
Finance and administration		-	91,003	92,239	4,180	67,146	68,566	(1,420)	-2%	92,239
Internal audit		-	-	174	-	-	-	-	-	174
Community and public safety		-	50,257	51,113	396	15,637	17,732	(2,096)	-12%	51,113
Community and social services		-	8,679	8,900	19	2,864	3,269	(404)	-12%	8,900
Sport and recreation		-	6,893	7,248	377	6,089	5,997	92	2%	7,248
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	34,685	34,965	-	6,683	8,466	(1,783)	-21%	34,965
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	13,900	14,300	1,540	6,196	6,069	126	2%	14,300
Planning and development		-	1,364	1,764	225	1,570	1,403	167	12%	1,764
Road transport		-	12,536	12,536	1,315	4,625	4,666	(41)	-1%	12,536
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	170,876	171,376	14,789	115,498	114,616	882	1%	171,376
Energy sources		-	118,012	118,012	9,691	76,778	76,379	399	1%	118,012
Water management		-	25,949	26,449	2,053	17,700	18,055	(355)	-2%	26,449
Waste water management		-	10,148	10,148	1,203	8,245	7,846	399	5%	10,148
Waste management		-	16,766	16,766	1,842	12,776	12,336	440	4%	16,766
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	353,642	356,839	20,905	225,181	229,108	(3,927)	-2%	356,839
Expenditure - Functional										
Governance and administration		-	93,678	100,635	14,890	60,691	53,560	7,132	13%	100,635
Executive and council		-	15,002	14,421	1,205	8,932	9,156	(224)	-2%	14,421
Finance and administration		-	76,963	84,497	13,599	50,971	43,560	7,411	17%	84,497
Internal audit		-	1,714	1,717	86	787	843	(56)	-7%	1,717
Community and public safety		-	62,938	63,766	6,096	26,701	25,434	1,268	5%	63,766
Community and social services		-	13,780	14,103	857	7,392	7,515	(122)	-2%	14,103
Sport and recreation		-	12,303	12,508	1,130	7,581	7,434	147	2%	12,508
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	36,855	37,155	4,109	11,728	10,485	1,243	12%	37,155
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	41,953	42,010	4,772	23,837	22,462	1,375	6%	42,010
Planning and development		-	8,610	8,652	718	5,988	5,962	26	0%	8,652
Road transport		-	33,267	33,299	4,055	17,840	16,484	1,355	8%	33,299
Environmental protection		-	77	60	-	9	15	(6)	-40%	60
Trading services		-	151,175	151,346	17,061	83,227	78,571	4,657	6%	151,346
Energy sources		-	99,944	100,178	7,928	53,454	53,800	(346)	-1%	100,178
Water management		-	18,968	19,016	2,177	11,468	10,800	668	6%	19,016
Waste water management		-	11,245	11,119	2,040	7,293	6,151	1,142	19%	11,119
Waste management		-	21,018	21,033	4,916	11,012	7,820	3,193	41%	21,033
Other		-	710	720	4	36	88	(53)	-60%	720
Total Expenditure - Functional	3	-	350,454	358,478	42,823	194,493	180,114	14,378	8%	358,478
Surplus/ (Deficit) for the year		-	3,188	(1,639)	(21,918)	30,689	48,994	(18,305)	-37%	(1,639)

WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		-	30,803	32,025	83	21,751	23,232	(1,480)	-6%	32,025
Vote 2 - Financial Services & ICT		-	78,166	78,603	4,124	58,709	59,189	(481)	-1%	78,603
Vote 3 - Corporate Services		-	-	-	-	-	-	-		-
Vote 4 - Management Services		-	61,445	62,084	1,717	20,242	22,306	(2,064)	-9%	62,084
Vote 5 - Engineering Services		-	183,227	184,127	14,980	124,479	124,381	98	0%	184,127
Total Revenue by Vote	2	-	353,642	356,839	20,905	225,181	229,108	(3,927)	-2%	356,839
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	42,994	43,617	3,511	27,215	27,352	(137)	-0.5%	43,617
Vote 2 - Financial Services & ICT		-	50,710	57,311	10,962	33,735	26,854	6,881	25.6%	57,311
Vote 3 - Corporate Services		-	-	-	-	-	-	-		-
Vote 4 - Management Services		-	84,039	84,613	7,293	36,699	35,986	714	2.0%	84,613
Vote 5 - Engineering Services		-	172,712	172,937	21,057	96,843	89,922	6,920	7.7%	172,937
Total Expenditure by Vote	2	-	350,454	358,478	42,823	194,493	180,114	14,378	8.0%	358,478
Surplus/ (Deficit) for the year	2	-	3,188	(1,639)	(21,918)	30,689	48,994	(18,305)	-37.4%	(1,639)

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	Ref	2017/18	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Revenue By Source											
Property rates			63,981	63,981	3,410	53,576	54,238	(661)	-1%	63,981	
Service charges - electricity revenue			110,871	110,871	9,034	75,599	75,255	344	0%	110,871	
Service charges - water revenue			25,946	25,946	2,053	17,671	18,026	(355)	-2%	25,946	
Service charges - sanitation revenue			10,125	10,125	1,203	8,245	7,845	400	5%	10,125	
Service charges - refuse revenue			16,766	16,766	1,842	12,776	12,336	440	4%	16,766	
Service charges - other			-	-	-	-	-	-		-	
Rental of facilities and equipment			1,710	1,714	78	704	692	12	2%	1,714	
Interest earned - external investments			2,286	2,286	392	2,689	2,508	181	7%	2,286	
Interest earned - outstanding debtors			1,591	1,591	250	1,409	1,312	97	7%	1,591	
Dividends received			-	-	-	-	-	-		-	
Fines, penalties and forfeits			9,854	9,854	729	2,208	2,609	(401)	-15%	9,854	
Licences and permits			64	64	-	10	15	(6)	-36%	64	
Agency services			2,572	2,572	587	2,288	1,937	352	18%	2,572	
Transfers and subsidies			79,150	80,394	(169)	31,238	35,636	(4,398)	-12%	80,394	
Other revenue			8,514	9,074	694	8,190	7,814	376	5%	9,074	
Gains on disposal of PPE			7,800	7,800	-	-	-	-		7,800	
Total Revenue (excluding capital transfers and contributions)			-	341,231	343,039	20,103	216,603	220,223	(3,619)	-2%	343,039
Expenditure By Type											
Employee related costs			123,373	123,763	11,493	83,694	82,044	1,649	2%	123,763	
Remuneration of councillors			5,514	5,368	635	3,327	3,361	(34)	-1%	5,368	
Debt impairment			9,339	14,239	-	-	778	(778)	-100%	14,239	
Depreciation & asset impairment			11,922	11,922	8,103	8,113	1,003	7,110	709%	11,922	
Finance charges			9,439	9,908	6,354	6,575	1,008	5,567	553%	9,908	
Bulk purchases			82,398	82,398	6,167	45,895	46,581	(686)	-1%	82,398	
Other materials			57,778	58,014	6,299	21,879	20,064	1,815	9%	58,014	
Contracted services			24,189	24,320	2,022	7,309	7,262	47	1%	24,320	
Transfers and subsidies			1,920	2,020	106	928	977	(49)	-5%	2,020	
Other expenditure			24,584	26,526	1,644	16,774	17,037	(264)	-2%	26,526	
Loss on disposal of PPE			-	-	-	-	-	-		-	
Total Expenditure			-	350,454	358,478	42,823	194,493	180,114	14,378	8%	358,478
Surplus/(Deficit)			-	(9,223)	(15,439)	(22,719)	22,111	40,109	(17,998)	(0)	(15,439)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			12,281	13,670	801	8,578	8,885	(307)	(0)	13,670	
Transfers and subsidies - capital (in-kind - all)			130	130	-	-	-	-		130	
Surplus/(Deficit) after capital transfers & contributions			-	3,188	(1,639)	(21,918)	30,689	48,994			(1,639)
Taxation			-	-	-	-	-	-		-	
Surplus/(Deficit) after taxation			-	3,188	(1,639)	(21,918)	30,689	48,994			(1,639)
Attributable to minorities			-	-	-	-	-	-		-	
Surplus/(Deficit) attributable to municipality			-	3,188	(1,639)	(21,918)	30,689	48,994			(1,639)
Share of surplus/ (deficit) of associate			-	-	-	-	-	-		-	
Surplus/ (Deficit) for the year			-	3,188	(1,639)	(21,918)	30,689	48,994			(1,639)

WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services & ICT		-	1,815	1,823	109	179	233	(54)	-23%	1,823
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	900	787	24	598	655	(57)	-9%	787
Vote 5 - Engineering Services		-	5,465	6,522	170	1,619	1,943	(324)	-17%	6,522
Total Capital Multi-year expenditure	4,7	-	8,180	1,326	1,326	2,093	2,718	(624)	-23%	8,180
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	750	985	9	74	133	(59)	-45%	985
Vote 2 - Financial Services & ICT		-	764	1,001	14	536	591	(55)	-9%	1,001
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	3,551	3,975	598	1,970	1,692	278	16%	3,975
Vote 5 - Engineering Services		-	17,701	18,323	508	9,918	11,007	(1,089)	-10%	18,323
Total Capital single-year expenditure	4	-	22,766	24,283	1,129	12,496	13,422	(926)	(0)	24,283
Total Capital Expenditure		-	30,946	25,609	2,455	14,590	16,140	(1,550)	(0)	32,463
Capital Expenditure - Functional Classification										
Governance and administration		-	2,861	3,355	133	767	892	(125)	-14%	3,355
Executive and council			47	220	-	34	38	(4)	-11%	220
Finance and administration			2,813	2,983	133	731	852	(121)	-14%	2,983
Internal audit			2	152	-	1	1	(0)	-10%	152
Community and public safety		-	4,559	4,805	612	2,470	2,270	200	9%	4,805
Community and social services			742	732	2	20	86	(65)	-76%	732
Sport and recreation			3,813	4,069	610	2,446	2,180	266	12%	4,069
Public safety			-	-	-	-	-	-	-	-
Housing			5	4	-	4	4	(0)	-10%	4
Health			-	-	-	-	-	-	-	-
Economic and environmental services		-	13,186	14,926	78	10,261	11,372	(1,112)	-10%	14,926
Planning and development			47	43	8	17	14	3	25%	43
Road transport			13,139	14,883	71	10,244	11,359	(1,115)	-10%	14,883
Environmental protection			-	-	-	-	-	-	-	-
Trading services		-	10,340	10,329	609	1,395	1,719	(324)	-19%	10,329
Energy sources			4,924	4,639	609	1,386	1,221	164	13%	4,639
Water management			2,070	2,350	-	-	187	(187)	-100%	2,350
Waste water management			331	331	-	-	30	(30)	-100%	331
Waste management			3,015	3,009	-	9	281	(272)	-97%	3,009
Other			-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	30,946	33,415	1,432	14,893	16,254	(1,361)	-8%	33,415
Funded by:										
National Government			11,332	12,615	511	9,460	9,972	(512)	-5%	12,615
Provincial Government			949	1,054	-	305	390	(86)	-22%	1,054
District Municipality			-	-	-	-	-	-	-	-
Other transfers and grants			-	-	-	-	-	-	-	-
Transfers recognised - capital		-	12,281	13,670	511	9,765	10,363	(598)	-6%	13,670
Public contributions & donations	5		130	130	-	-	12	(12)	-100%	130
Borrowing	6		7,622	7,307	1	491	1,178	(687)	-58%	7,307
Internally generated funds			10,913	12,309	920	4,637	4,702	(65)	-1%	12,309
Total Capital Funding		-	30,946	33,415	1,432	14,893	16,254	(1,361)	-8%	33,415

WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		33,518	19,620	14,824	28,793	29,824
Call investment deposits		15,000	–	15,000	50,000	15,000
Consumer debtors		29,339	33,775	36,009	40,290	36,009
Other debtors		1,557	5,918	4,325	(3,149)	4,325
Current portion of long-term receivables		–	31	7	7	7
Inventory		1,304	1,326	1,308	1,653	1,308
Total current assets		80,719	60,671	71,473	117,594	86,473
Non current assets						
Long-term receivables		225	134	204	206	204
Investments		–	–	–	–	–
Investment property		40,864	40,853	40,545	40,548	40,545
Investments in Associate		–	–	–	–	–
Property, plant and equipment		386,957	405,477	409,095	394,649	409,095
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		3,601	4,409	5,126	4,865	5,126
Other non-current assets		–	–	–	–	–
Total non current assets		431,647	450,873	454,970	440,267	454,970
TOTAL ASSETS		512,366	511,544	526,443	557,861	541,443
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		1,659	2,875	3,568	1,706	3,568
Consumer deposits		4,507	4,821	4,778	4,575	4,778
Trade and other payables		28,014	41,226	30,931	31,309	30,931
Provisions		9,807	12,116	12,177	11,488	12,177
Total current liabilities		43,988	61,038	51,454	49,077	51,454
Non current liabilities						
Borrowing		17,600	8,451	12,185	15,753	12,185
Provisions		122,572	131,731	132,903	130,802	132,903
Total non current liabilities		140,172	140,181	145,088	146,555	145,088
TOTAL LIABILITIES		184,160	201,219	196,542	195,632	196,542
NET ASSETS	2	328,206	310,325	329,901	362,229	344,901
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		308,206	295,325	299,901	332,229	314,901
Reserves		20,000	15,000	30,000	30,000	30,000
TOTAL COMMUNITY WEALTH/EQUITY	2	328,206	310,325	329,901	362,229	344,901

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	Ref	2017/18	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			61,324	59,895	3,480	50,435	51,672	(1,237)	-2%	59,895	
Service charges			156,910	153,254	15,424	110,817	108,137	2,680	2%	153,254	
Other revenue			15,929	16,107	2,246	12,067	10,826	1,240	11%	16,107	
Government - operating			79,150	80,394	5,759	49,927	48,397	1,531	3%	80,394	
Government - capital			12,281	13,315	-	12,190	12,190	-		13,315	
Interest			3,811	3,775	388	3,870	3,840	30	1%	3,775	
Dividends			-	-	-	-	-	-		-	
Payments											
Suppliers and employees			(314,743)	(313,098)	(25,183)	(196,911)	(196,656)	255	0%	(313,098)	
Finance charges			(774)	(724)	-	(221)	(221)	-		(724)	
Transfers and Grants			(1,920)	(2,020)	(106)	(928)	(977)	(49)	5%	(2,020)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	11,968	10,899	2,009	41,245	37,209	(4,037)	-11%	10,899
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			7,800	7,800	5,163	6,500	1,337	5,163	386%	7,800	
Decrease (Increase) in non-current debtors			31	7	0	6	8	(2)	-27%	7	
Decrease (increase) other non-current receivables			-	-	-	-	-	-		-	
Decrease (increase) in non-current investments			-	-	-	-	-	-		-	
Payments											
Capital assets			(30,816)	(33,415)	(1,432)	(14,893)	(16,254)	(1,361)	8%	(33,415)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(22,985)	(25,608)	3,731	(8,387)	(14,909)	(6,522)	44%	(25,608)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-	-	-	-	-		-	
Borrowing long term/refinancing			7,622	-	-	-	-	-		-	
Increase (decrease) in consumer deposits			273	270	21	(33)	(32)	(2)	5%	270	
Payments											
Repayment of borrowing			(2,831)	(3,506)	-	(1,800)	(1,800)	-		(3,506)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	5,063	(3,236)	21	(1,834)	(1,832)	2	0%	(3,236)
NET INCREASE/ (DECREASE) IN CASH HELD											
			-	(5,953)	(17,945)	5,761	31,025	20,468			(17,945)
Cash/cash equivalents at beginning:			25,574	47,768		47,768	47,768			47,768	
Cash/cash equivalents at month/year end:			-	19,620	29,824		78,793	68,236		29,824	



NATIONAL TREASURY

MFMA Circular No 71

Municipal Finance Management Act No. 56 of 2003

Annexure 2

Interpretation of results

The green colour indicates that the result is within the norm and is acceptable

The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results.

Data should be captured in the blue colour cell to calculate a ratio.

In situations where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
" R 000 "							
1. FINANCIAL POSITION							
A. Asset Management/Utilisation							
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		10%	Please refer to page 2 of MFMA Circular No. 71
					Total Operating Expenditure	290,748	
					Taxation Expense	-	
					Total Capital Expenditure	32,033	
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%		0%	Please refer to page 3 of MFMA Circular No. 71
					PPE, Investment Property and Intangible Impairment	176	
					PPE at carrying value	342,198	
					Investment at carrying value	40,553	
					Intangible Assets at carrying value	4,865	
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		13%	Please refer to page 4 of MFMA Circular No. 71
					Total Repairs and Maintenance Expenditure	50,826	
					PPE at carrying value	342,198	
					Investment Property at Carrying value	40,553	

B. Debtors Management								
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%		93%	Please refer to page 5 of MFMA Circular No. 71	
					Gross Debtors closing balance	67,515		
					Gross Debtors opening balance	57,355		
					Bad debts written Off	4,372		
					Billed Revenue	211,082		
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%		12%	Please refer to page 5 of MFMA Circular No. 71	
					Consumer Debtors Bad debts written off	4,372		
					Consumer Debtors Current bad debt Provision	35,100		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		56 days	Please refer to page 6 of MFMA Circular No. 71	
					Gross debtors	67,515		
					Bad debts Provision	35,100		
					Billed Revenue	211,082		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		2 Month	Please refer to page 7 of MFMA Circular No. 71	
					Cash and cash equivalents	47,768		
					Unspent Conditional Grants	400		
					Overdraft	-		
					Short Term Investments	-		
					Total Annual Operational Expenditure	290,748		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		1.80	Please refer to page 7 of MFMA Circular No. 71	
					Current Assets	81,715		
					Current Liabilities	45,334		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		0%	Please refer to page 8 of MFMA Circular No. 71	
					Interest Paid	490		
					Redemption	837		
					Total Operating Expenditure	290,748		
					Taxation Expense	-		
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		7%	Please refer to page 9 of MFMA Circular No. 71	
					Total Debt	19,259		
					Total Operating Revenue	312,999		
						Operational Conditional Grants	49,920	

E. Sustainability																												
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	<table border="1"> <tr><td>Cash and cash Equivalents</td><td>158%</td></tr> <tr><td>Bank Overdraft</td><td>47,768</td></tr> <tr><td>Short Term Investment</td><td>-</td></tr> <tr><td>Long Term Investment</td><td>-</td></tr> <tr><td>Unspent Grants</td><td>400</td></tr> <tr><td>Net Assets</td><td>331,540</td></tr> <tr><td>Share Premium</td><td>-</td></tr> <tr><td>Share Capital</td><td>-</td></tr> <tr><td>Revaluation Reserve</td><td>-</td></tr> <tr><td>Fair Value Adjustment Reserve</td><td>-</td></tr> <tr><td>Accumulated Surplus</td><td>301,540</td></tr> </table>	Cash and cash Equivalents	158%	Bank Overdraft	47,768	Short Term Investment	-	Long Term Investment	-	Unspent Grants	400	Net Assets	331,540	Share Premium	-	Share Capital	-	Revaluation Reserve	-	Fair Value Adjustment Reserve	-	Accumulated Surplus	301,540	Please refer to page 9 of MFMA Circular No. 71
Cash and cash Equivalents	158%																											
Bank Overdraft	47,768																											
Short Term Investment	-																											
Long Term Investment	-																											
Unspent Grants	400																											
Net Assets	331,540																											
Share Premium	-																											
Share Capital	-																											
Revaluation Reserve	-																											
Fair Value Adjustment Reserve	-																											
Accumulated Surplus	301,540																											
2. FINANCIAL PERFORMANCE																												
A. Efficiency																												
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	<table border="1"> <tr><td>Total Operating Revenue</td><td>7%</td></tr> <tr><td>Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</td><td>312,999</td></tr> <tr><td>Total Operating Expenditure</td><td>290,748</td></tr> <tr><td>Taxation Expense</td><td>-</td></tr> </table>	Total Operating Revenue	7%	Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)	312,999	Total Operating Expenditure	290,748	Taxation Expense	-	Please refer to page 10 of MFMA Circular No. 71														
Total Operating Revenue	7%																											
Depreciation - Revalued Portion (Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)	312,999																											
Total Operating Expenditure	290,748																											
Taxation Expense	-																											
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	<table border="1"> <tr><td>Total Electricity Revenue</td><td>18%</td></tr> <tr><td>Total Electricity Expenditure</td><td>105,424</td></tr> <tr><td></td><td>86,790</td></tr> </table>	Total Electricity Revenue	18%	Total Electricity Expenditure	105,424		86,790	Please refer to page 10 of MFMA Circular No. 71																
Total Electricity Revenue	18%																											
Total Electricity Expenditure	105,424																											
	86,790																											
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	<table border="1"> <tr><td>Total Water Revenue</td><td>28%</td></tr> <tr><td>Total Water Expenditure</td><td>23,354</td></tr> <tr><td></td><td>16,873</td></tr> </table>	Total Water Revenue	28%	Total Water Expenditure	23,354		16,873	Please refer to page 11 of MFMA Circular No. 71																
Total Water Revenue	28%																											
Total Water Expenditure	23,354																											
	16,873																											
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	<table border="1"> <tr><td>Total Refuse Revenue</td><td>-16%</td></tr> <tr><td>Total Refuse Expenditure</td><td>15,674</td></tr> <tr><td></td><td>18,198</td></tr> </table>	Total Refuse Revenue	-16%	Total Refuse Expenditure	15,674		18,198	Please refer to page 12 of MFMA Circular No. 71																
Total Refuse Revenue	-16%																											
Total Refuse Expenditure	15,674																											
	18,198																											
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	<table border="1"> <tr><td>Total Sanitation and Water Waste Revenue</td><td>5%</td></tr> <tr><td>Total Sanitation and Water Waste Expenditure</td><td>10,628</td></tr> <tr><td></td><td>10,120</td></tr> </table>	Total Sanitation and Water Waste Revenue	5%	Total Sanitation and Water Waste Expenditure	10,628		10,120	Please refer to page 12 of MFMA Circular No. 71																
Total Sanitation and Water Waste Revenue	5%																											
Total Sanitation and Water Waste Expenditure	10,628																											
	10,120																											

B. Distribution Losses							
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%		7%	Please refer to page 13 of MFMA Circular No. 71
					Number of units purchased and/or generated	77,015,632	
					Number of units sold	71,679,116	
2	Water Distribution Losses (Percentage)	(Number of Kilotres Water Purchased or Purified Number of Kilotres Water Sold) / Number of Kilotres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%		14%	Please refer to page 13 of MFMA Circular No. 71
					Number of kilolitres purchased and/or purified	2,741,319	
					Number of kilolitres sold	2,361,748	
C. Revenue Management							
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None		#DIV/0!	Please refer to page 14 of MFMA Circular No. 71
					Number of Active Debtors Accounts (Previous)		
					Number of Active Debtors Accounts (Current)		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI		15%	Please refer to page 15 of MFMA Circular No. 71
					CPI	5%	
					Total Revenue (Previous)	271,105	
					Total Revenue (Current)	312,999	
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI		16%	Please refer to page 15 of MFMA Circular No. 71
					CPI	5%	
					Total Revenue Exl.Capital (Previous)	260,124,762	
					Total Revenue Exl.Capital (Current)	300,542,009	

D. Expenditure Management							
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		50 days	Please refer to page 16 of MFMA Circular No. 71
					Trade Creditors	24,672	
					Contracted Services	18,390	
					Repairs and Maintenance	50,826	
					General expenses	34,354	
					Bulk Purchases	75,358	
Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	-						
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%		0%	Please refer to page 16 of MFMA Circular No. 71
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	466	
					Total Operating Expenditure	290,748	
					Taxation Expense	-	
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		41%	Please refer to page 17 of MFMA Circular No. 71
					Employee/personnel related cost	115,542	
					Councillors Remuneration	5,060	
					Total Operating Expenditure	290,748	
Taxation Expense	-						
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		6%	Please refer to page 17 of MFMA Circular No. 71
					Contracted Services	18,390	
					Total Operating Expenditure	290,748	
Taxation Expense	-						
E. Grant Dependency							
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		100%	Please refer to page 18 of MFMA Circular No. 71
					Internally generated funds	14,633	
					Borrowings	17,400	
					Total Capital Expenditure	32,033	

2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		46%	Please refer to page 18 of MFMA Circular No. 71
					Internally generated funds	14,633	
					Total Capital Expenditure	32,033	
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		89%	Please refer to page 18 of MFMA Circular No. 71
					Total Revenue	312,999	
					Government grant and subsidies	37,464	
					Public contributions and Donations	7,759	
					Capital Grants	12,457	
3. BUDGET IMPLEMENTATION							
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		96%	Please refer to page 19 of MFMA Circular No. 71
					Actual Capital Expenditure	32,033	
					Budget Capital Expenditure	33,519	
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		92%	Please refer to page 20 of MFMA Circular No. 71
					Actual Operating Expenditure	290,748	
					Budget Operating Expenditure	314,632	
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		103%	Please refer to page 20 of MFMA Circular No. 71
					Actual Operating Revenue	312,999	
					Budget Operating Revenue	305,125	
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		98%	Please refer to page 21 of MFMA Circular No. 71
					Actual Service Charges and Property Rates Revenue	150,350	
					Budget Service Charges and Property Rates Revenue	152,857	

9. Municipal Quality Certificate

NAVRAE:
ENQUIRIES: S Stanley

KONTAKNR
CONTACT NO 028 425 5798

VERW:
REF: 5/3/2018-19 (S71)

KANTOOR:
OFFICES: Bredasdorp

DATUM
DATE 14 March 2019



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

QUALITY CERTIFICATE

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

(mark as appropriate)

The monthly budget statement

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

For the month ending **28 FEBRUARY 2019** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name SP STANLEY STANLEY

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

Signature Stanley

Date 14 MARCH 2019