

CAPE AGULHAS MUNICIPALITY



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CAPE AGULHAS MUNICIPALITY
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2019/2020

SECTION 71 REPORT FOR THE MONTH ENDING 30 NOVEMBER 2019

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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 **30 November 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 **30 November 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.

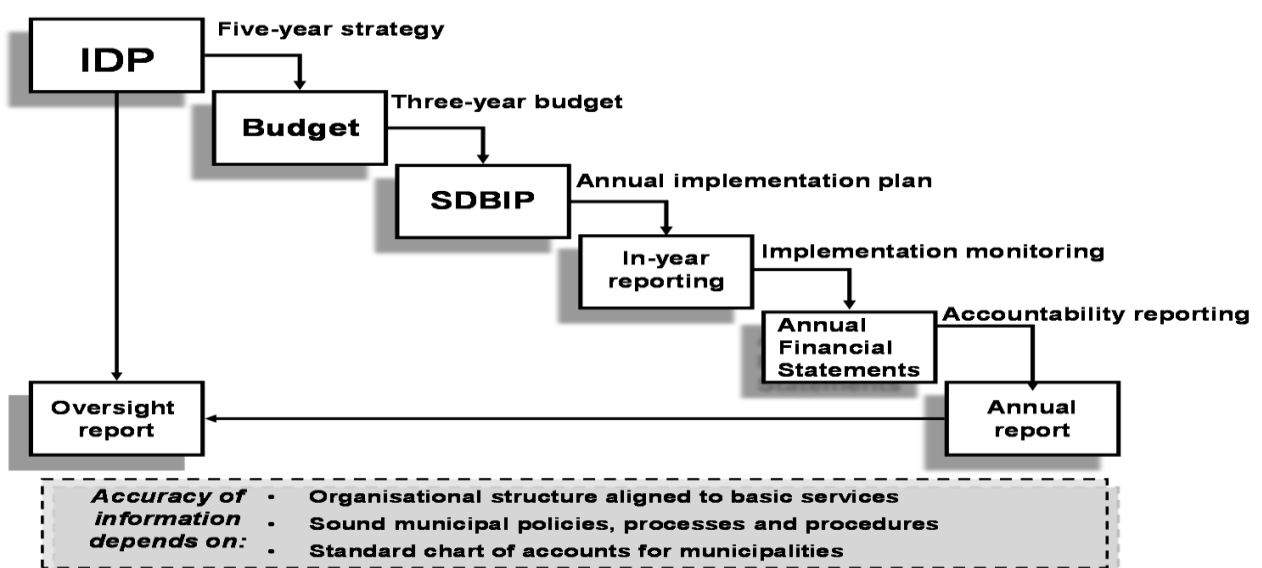
3.1 Budget Process:

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:

- 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 auditor general completed the auditing of the Annual Financial statements for the financial year 30 June 2019. The municipality received a “clean audit” for the sixth consecutive year.

The next phase of the Budget planning cycle is the preparation of the Adjustment budget for the 2019/20 financial year, as well as planning for the Draft budget 2020/21 MTREF period. This will be done in accordance to the budget timetable approved by council as per the Municipal Finance Management act.

4. SUMMARY FINANCIAL PERFORMANCE













The budget is being implemented based on the service delivery and budget implementation plan for the 2019/20 financial year. Administratively the municipality is addressing the inefficiencies in the operational functioning to ensure council will achieve the key performance indicators as per IDP.

For the period ending 30 November 2019 the total revenue collected to date reports at R147,895m or 38.7% of budgeted amounts. The expenditures totals recorded at R125,148m or 31.7% of budget. This is in line with projections and the municipality received their allocation of Equitable share as per DORA.

Capital expenditures reports at R6,813m for the period. The municipality due to operational changes will needs to review the Capital budget and expenditure projections. This will be done as part of the Adjustment budget process during January 2020.

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**.

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%			

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.

Summarized explanation:

We in the process of completion the financial ratios for the period 30 June 2019, this will be tabled in the next reporting period.

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 circular 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

Comments on financial ratio's

We in the process of completion the financial ratios for the period 30 June 2019, this will be tabled in the next reporting period.

6. mSCOA IMPLEMENTATION

Summarised progress on the implementation of mSCOA and actions required

With the compilation of the new budget the municipality will be required to ensure that a more formal steering committee are being implemented again. The implementation plan also needs to be reviewed and updated to ensure more focussed attention can be given to ensure compliance with the latest financial reforms introduced by National Treasury.

7. OUTSTANDING DEBT COLLECTION INTERVENTIONS

The municipality advertise a tender for the assessing of the internal debt collection capacity as well as the indigent processes and functioning. From the concluding of this process numerous gaps and actions was identified that require implementation to ensure that the efficiency of the municipal debt collection processes can be enhance and improved:

Some of these identified and being implemented at this stage is as follows:

- Capacitating of the debt collection unit.
- Informal training and workshops, and management meetings discussing these shortcomings.
- Re-evaluation of the functioning of the unit and establishing how the access capacity can be utilised.
- Contacting debtors with outstanding balances and no agreements to enforce payment.
- Improved reporting of activities to management.

8. 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:

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

9. COST CONTAINMENT REGULATION AND CIRCULAR REQUIREMENTS

National Treasury as part of the drive for more efficient use of government resources introduced the **Local Government: Municipal Cost Containment regulation (MCCR)** promulgated on the 7 June 2019 with effective date of **1 July 2019**.

As part of the regulation municipalities is required to report as part of the in-year reporting mechanisms of the MFMA to the municipal council's relating to **COST CONTAINMENT** initiatives implemented. Numerous other requirements were also introduced that enforce reviewed of municipal policies and documentation as well as business processes. These will be implemented by the Chief Financial Officer as required.

Below the standardised report relating to **Cost containment measures** implemented by the municipality.

Total cost saving disclosure in the In-year report - 30 NOVEMBER 2019						
	COST CONTAINMENT IN-YEAR REPORT					
MEASURES	BUDGET	Q1 - 30 Sept	Q2 - 31 Dec	Q3 - 31 Mrch	Q4 - June	SAVINGS
Use of Consultant	9 953 600,00	528 778,62	831 915,48			8 592 905,90
Vehicle used for political office-bearers	-	-	-			-
Travel and subsistence	1 012 800,00	271 377,78	221 696,04			519 726,18
Domestic accomodation	456 200,00	140 187,38	46 544,82			269 467,80
Sponsorships, events and catering	294 550,00	40 918,21	68 022,01			185 609,78
Communication	400 600,00	48 517,87	36 880,50			315 201,63
Other related expenditures	954 300,00	118 210,38	153 038,44			683 051,18
Total	13 072 050,00	1 147 990,24	1 358 097,29	-	-	10 565 962,47

In order to generate value and adhere to the spirit of the Regulation with related to the cost containment reporting, management will need to interrogate each individual cost item and determine whether value for money was received when procuring or incurring the necessary expenses.

This is an ongoing process and will be re-evaluate with the adjustment and tabled budget processes.

PART B

10. LEGISLATED INFORMATION

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M05 November

Description	2018/19	Budget Year 2019/20							
	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	-	69 193	69 193	3 875	44 500	38 371	6 130	16%	69 193
Service charges	-	178 098	178 098	15 175	76 896	75 723	1 173	2%	178 098
Investment revenue	-	2 446	2 446	478	2 016	841	1 176	140%	2 446
Transfers and subsidies	-	98 670	98 670	(13 164)	12 861	50 650	(37 789)	-75%	98 670
Other own revenue	-	33 108	33 108	1 777	11 622	11 661	(39)	-0%	33 108
Total Revenue (excluding capital transfers and contributions)	-	381 515	381 515	8 140	147 895	177 246	(29 351)	-17%	381 515
Employee costs	-	134 136	134 136	16 468	56 684	58 342	(1 658)	-3%	134 136
Remuneration of Councillors	-	5 764	5 764	458	2 291	2 245	46	2%	5 764
Depreciation & asset impairment	-	11 025	11 025	1 395	4 940	4 594	346	8%	11 025
Finance charges	-	12 763	12 763	-	-	5 318	(5 318)	-100%	12 763
Materials and bulk purchases	-	160 950	160 950	(4 304)	42 425	62 462	(20 037)	-32%	160 950
Transfers and subsidies	-	2 026	2 026	722	1 083	815	268	33%	2 026
Other expenditure	-	67 671	67 671	3 802	17 726	24 724	(6 998)	-28%	67 671
Total Expenditure	-	394 335	394 335	18 541	125 148	158 501	(33 352)	-21%	394 335
Surplus/(Deficit)	-	(12 820)	(12 820)	(10 400)	22 747	18 745	4 002	21%	(12 820)
Transfers and subsidies - capital (monetary allocations)	-	12 941	12 941	319	2 230	2 831	(601)	-21%	12 941
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	121	121	(10 081)	24 977	21 576	3 401	16%	121
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	121	121	(10 081)	24 977	21 576	3 401	16%	121
Capital expenditure & funds sources									
Capital expenditure	-	47 209	47 209	2 924	6 813	10 327	(3 514)	-34%	47 209
Capital transfers recognised	-	12 941	12 941	856	2 764	2 831	(67)	-2%	12 941
Borrowing	-	19 988	19 988	990	1 557	4 373	(2 816)	-64%	19 988
Internally generated funds	-	14 279	14 279	1 078	2 492	3 124	(632)	-20%	14 279
Total sources of capital funds	-	47 209	47 209	2 924	6 813	10 327	(3 514)	-34%	47 209
Financial position									
Total current assets	118 811	66 089	66 089		154 876				66 089
Total non current assets	456 447	488 722	488 722		459 715				488 722
Total current liabilities	58 582	56 176	56 176		58 199				56 176
Total non current liabilities	144 759	160 960	160 960		146 492				160 960
Community wealth/Equity	371 917	337 676	337 676		396 895				337 676
Cash flows									
Net cash from (used) operating	-	12 172	12 172	23 785	41 718	32 407	(9 311)	-29%	12 172
Net cash from (used) investing	-	(42 201)	(42 201)	(2 924)	(5 190)	(8 852)	(3 663)	41%	(42 201)
Net cash from (used) financing	-	11 820	11 820	15	129	80	(49)	-61%	11 820
Cash/cash equivalents at the month/year end	-	22 192	22 192	-	120 397	64 038	(56 359)	-88%	65 529
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	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

WC033 Cape Agulhas - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	126 340	126 340	5 084	64 131	61 236	2 895	5%	126 340
Executive and council		-	29 940	29 940	-	12 462	15 367	(2 905)	-19%	29 940
Finance and administration		-	96 400	96 400	5 084	51 669	45 869	5 800	13%	96 400
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	76 339	76 339	(12 448)	6 031	37 089	(31 058)	-84%	76 339
Community and social services		-	6 653	6 653	17	96	3 403	(3 307)	-97%	6 653
Sport and recreation		-	7 329	7 329	661	4 638	3 469	1 169	34%	7 329
Public safety		-	11 655	11 655	52	1 263	4 191	(2 927)	-70%	11 655
Housing		-	50 702	50 702	(13 177)	34	26 027	(25 993)	-100%	50 702
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	7 077	7 077	752	2 999	2 791	208	7%	7 077
Planning and development		-	4 160	4 160	543	1 586	1 516	70	5%	4 160
Road transport		-	2 917	2 917	209	1 412	1 274	138	11%	2 917
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	184 701	184 701	15 072	76 965	78 961	(1 996)	-3%	184 701
Energy sources		-	126 860	126 860	10 099	52 226	55 567	(3 341)	-6%	126 860
Water management		-	28 707	28 707	2 249	11 006	11 260	(254)	-2%	28 707
Waste water management		-	11 335	11 335	1 098	5 402	4 755	647	14%	11 335
Waste management		-	17 798	17 798	1 627	8 331	7 379	952	13%	17 798
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	394 456	394 456	8 460	150 125	180 077	(29 951)	-17%	394 456
Expenditure - Functional										
<i>Governance and administration</i>		-	104 515	104 515	10 509	38 068	42 327	(4 258)	-10%	104 515
Executive and council		-	15 500	15 500	1 706	7 051	6 121	930	15%	15 500
Finance and administration		-	87 666	87 666	8 634	30 467	35 635	(5 169)	-15%	87 666
Internal audit		-	1 349	1 349	168	551	571	(20)	-3%	1 349
<i>Community and public safety</i>		-	92 739	92 739	(8 520)	15 352	35 358	(20 006)	-57%	92 739
Community and social services		-	11 094	11 094	1 713	5 610	4 656	954	20%	11 094
Sport and recreation		-	12 398	12 398	1 451	4 805	5 140	(334)	-7%	12 398
Public safety		-	16 197	16 197	1 196	3 892	6 645	(2 754)	-41%	16 197
Housing		-	53 050	53 050	(12 879)	1 045	18 917	(17 872)	-94%	53 050
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	31 240	31 240	3 652	11 948	12 837	(889)	-7%	31 240
Planning and development		-	11 814	11 814	1 344	4 204	4 786	(582)	-12%	11 814
Road transport		-	19 352	19 352	2 308	7 738	8 024	(287)	-4%	19 352
Environmental protection		-	74	74	-	6	26	(20)	-77%	74
<i>Trading services</i>		-	164 064	164 064	12 714	58 986	67 246	(8 259)	-12%	164 064
Energy sources		-	111 310	111 310	7 795	40 589	45 876	(5 287)	-12%	111 310
Water management		-	20 186	20 186	2 161	7 263	8 221	(957)	-12%	20 186
Waste water management		-	11 878	11 878	1 170	4 868	4 859	9	0%	11 878
Waste management		-	20 690	20 690	1 589	6 266	8 290	(2 024)	-24%	20 690
<i>Other</i>		-	1 778	1 778	185	793	733	60	8%	1 778
Total Expenditure - Functional	3	-	394 335	394 335	18 541	125 148	158 501	(33 352)	-21%	394 335
Surplus/ (Deficit) for the year		-	121	121	(10 081)	24 977	21 576	3 401	16%	121

WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05

Vote Description	Ref	2018/19	Budget Year 2019/20							
		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		-	34 903	34 903	409	13 994	17 338	(3 344)	-19,3%	34 903
Vote 2 - Financial Services & ICT		-	82 867	82 867	5 013	49 377	41 625	7 752	18,6%	82 867
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	78 926	78 926	(12 221)	7 522	38 194	(30 672)	-80,3%	78 926
Vote 5 - Engineering Services		-	197 760	197 760	15 258	79 232	82 919	(3 687)	-4,4%	197 760
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	394 456	394 456	8 460	150 125	180 077	(29 951)	-16,6%	394 456
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	47 238	47 238	5 203	20 016	19 040	976	5,1%	47 238
Vote 2 - Financial Services & ICT		-	59 117	59 117	5 694	19 226	23 898	(4 672)	-19,5%	59 117
Vote 3 - Corporate Services		-	-	-	-	(0)	-	(0)	#DIV/0!	-
Vote 4 - Management Services		-	101 227	101 227	(7 566)	18 370	38 952	(20 582)	-52,8%	101 227
Vote 5 - Engineering Services		-	186 752	186 752	15 210	67 537	76 611	(9 074)	-11,8%	186 752
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	394 335	394 335	18 541	125 148	158 501	(33 352)	-21,0%	394 335
Surplus/ (Deficit) for the year	2	-	121	121	(10 081)	24 977	21 576	3 401	15,8%	121

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2018/19	Budget Year 2019/20								
		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			69 193	69 193	3 875	44 500	38 371	6 130	16%	69 193	
Service charges - electricity revenue			120 786	120 786	10 203	52 157	52 452	(295)	-1%	120 786	
Service charges - water revenue			28 204	28 204	2 248	11 006	11 150	(144)	-1%	28 204	
Service charges - sanitation revenue			11 310	11 310	1 098	5 402	4 743	659	14%	11 310	
Service charges - refuse revenue			17 798	17 798	1 627	8 331	7 379	952	13%	17 798	
Rental of facilities and equipment			1 961	1 961	76	598	979	(381)	-39%	1 961	
Interest earned - external investments			2 446	2 446	478	2 016	841	1 176	140%	2 446	
Interest earned - outstanding debtors			1 719	1 719	237	595	601	(7)	-1%	1 719	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			11 640	11 640	56	1 278	4 162	(2 883)	-69%	11 640	
Licences and permits			67	67	-	0	28	(28)	-100%	67	
Agency services			2 917	2 917	209	1 412	1 274	138	11%	2 917	
Transfers and subsidies			98 670	98 670	(13 164)	12 861	50 650	(37 789)	-75%	98 670	
Other revenue			9 805	9 805	1 200	7 739	4 618	3 121	68%	9 805	
Gains on disposal of PPE			5 000	5 000	-	-	-	-	-	5 000	
Total Revenue (excluding capital transfers and contributions)			-	381 515	381 515	8 140	147 895	177 246	(29 351)	-17%	381 515
Expenditure By Type											
Employee related costs			134 136	134 136	16 468	56 684	58 342	(1 658)	-3%	134 136	
Remuneration of councillors			5 764	5 764	458	2 291	2 245	46	2%	5 764	
Debt impairment			11 267	11 267	-	-	4 695	(4 695)	-100%	11 267	
Depreciation & asset impairment			11 025	11 025	1 395	4 940	4 594	346	8%	11 025	
Finance charges			12 763	12 763	-	-	5 318	(5 318)	-100%	12 763	
Bulk purchases			88 404	88 404	6 425	35 645	36 831	(1 186)	-3%	88 404	
Other materials			72 546	72 546	(10 729)	6 779	25 631	(18 851)	-74%	72 546	
Contracted services			28 210	28 210	1 350	4 837	10 068	(5 231)	-52%	28 210	
Transfers and subsidies			2 026	2 026	722	1 083	815	268	33%	2 026	
Other expenditure			28 194	28 194	2 452	12 888	9 961	2 927	29%	28 194	
Loss on disposal of PPE			-	-	-	-	-	-	-	-	
Total Expenditure			-	394 335	394 335	18 541	125 148	158 501	(33 352)	-21%	394 335
Surplus/(Deficit)			-	(12 820)	(12 820)	(10 400)	22 747	18 745	4 002	0	(12 820)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			12 941	12 941	319	2 230	2 831	(601)	(0)	12 941	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)			-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions			-	121	(10 081)	24 977	21 576			121	
Taxation			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation			-	121	(10 081)	24 977	21 576			121	
Attributable to minorities			-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality			-	121	(10 081)	24 977	21 576			121	
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year			-	121	(10 081)	24 977	21 576			121	

WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05
November

Vote Description	Ref	2018/19	Budget Year 2019/20							
		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		-	2 450	2 450	31	31	536	(505)	-94%	2 450
Vote 3 - Corporate Services		-	-	-	-	(0)	-	(0)	#DIV/0!	-
Vote 4 - Management Services		-	50	50	3	18	11	7	62%	50
Vote 5 - Engineering Services		-	9 555	9 555	1 269	2 728	2 090	638	31%	9 555
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	12 055	12 055	1 304	2 777	2 637	140	5%	12 055
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	1 940	1 940	316	779	424	354	83%	1 940
Vote 2 - Financial Services & ICT		-	239	239	24	34	52	(18)	-34%	239
Vote 3 - Corporate Services		-	-	-	-	(0)	-	(0)	#DIV/0!	-
Vote 4 - Management Services		-	5 246	5 246	509	1 067	1 148	(80)	-7%	5 246
Vote 5 - Engineering Services		-	27 729	27 729	771	2 156	6 066	(3 910)	-64%	27 729
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	35 154	35 154	1 620	4 036	7 690	(3 654)	-48%	35 154
Total Capital Expenditure		-	47 209	47 209	2 924	6 813	10 327	(3 514)	-34%	47 209
Capital Expenditure - Functional Classification										
Governance and administration		-	4 081	4 081	113	139	893	(754)	-84%	4 081
Executive and council		-	10	10	4	7	2	5	217%	10
Finance and administration		-	4 071	4 071	109	132	891	(759)	-85%	4 071
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3 662	3 662	460	1 026	801	225	28%	3 662
Community and social services		-	50	50	-	39	11	28	258%	50
Sport and recreation		-	3 142	3 142	460	983	687	296	43%	3 142
Public safety		-	465	465	-	(0)	102	(102)	-100%	465
Housing		-	5	5	-	3	1	2	215%	5
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	13 340	13 340	1 361	4 064	2 918	1 145	39%	13 340
Planning and development		-	1 857	1 857	311	730	406	324	80%	1 857
Road transport		-	11 304	11 304	1 050	3 333	2 473	860	35%	11 304
Environmental protection		-	180	180	-	-	39	(39)	-100%	180
Trading services		-	26 055	26 055	990	1 546	5 700	(4 154)	-73%	26 055
Energy sources		-	5 838	5 838	208	309	1 277	(968)	-76%	5 838
Water management		-	3 030	3 030	19	414	663	(248)	-37%	3 030
Waste water management		-	15 637	15 637	-	-	3 421	(3 421)	-100%	15 637
Waste management		-	1 550	1 550	763	823	339	483	143%	1 550
Other		-	70	70	-	39	15	24	156%	70
Total Capital Expenditure - Functional Classification	3	-	47 209	47 209	2 924	6 813	10 327	(3 514)	-34%	47 209
Funded by:										
National Government		-	10 641	10 641	545	2 038	2 328	(290)	-12%	10 641
Provincial Government		-	2 300	2 300	311	727	503	223	44%	2 300
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	12 941	12 941	856	2 764	2 831	(67)	-2%	12 941
Borrowing	6	-	19 988	19 988	990	1 557	4 373	(2 816)	-64%	19 988
Internally generated funds		-	14 279	14 279	1 078	2 492	3 124	(632)	-20%	14 279
Total Capital Funding		-	47 209	47 209	2 924	6 813	10 327	(3 514)	-34%	47 209

WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		25 485	12 192	12 192	49 296	12 192
Call investment deposits		58 254	10 000	10 000	63 254	10 000
Consumer debtors		29 194	35 990	35 990	38 400	35 990
Other debtors		4 208	6 593	6 593	2 374	6 593
Current portion of long-term receivables		8	7	7	8	7
Inventory		1 662	1 308	1 308	1 544	1 308
Total current assets		118 811	66 089	66 089	154 876	66 089
Non current assets						
Long-term receivables		184	197	197	184	197
Investments		-	-	-	-	-
Investment property		40 200	40 536	40 536	40 197	40 536
Investments in Associate		-	-	-	-	-
Property, plant and equipment		411 358	443 188	443 188	414 629	443 188
Biological		-	-	-	-	-
Intangible		4 705	4 801	4 801	4 705	4 801
Other non-current assets		-	-	-	-	-
Total non current assets		456 447	488 722	488 722	459 715	488 722
TOTAL ASSETS		575 258	554 811	554 811	614 591	554 811
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		5 963	5 300	5 300	5 963	5 300
Consumer deposits		4 696	5 019	5 019	4 834	5 019
Trade and other payables		35 380	32 883	32 883	37 086	32 883
Provisions		12 543	12 973	12 973	10 316	12 973
Total current liabilities		58 582	56 176	56 176	58 199	56 176
Non current liabilities						
Borrowing		26 790	22 031	22 031	26 782	22 031
Provisions		117 969	138 928	138 928	119 711	138 928
Total non current liabilities		144 759	160 960	160 960	146 492	160 960
TOTAL LIABILITIES		203 341	217 135	217 135	204 691	217 135
NET ASSETS	2	371 917	337 676	337 676	409 900	337 676
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		336 917	315 676	315 676	361 895	315 676
Reserves		35 000	22 000	22 000	35 000	22 000
TOTAL COMMUNITY WEALTH/EQUITY	2	371 917	337 676	337 676	396 895	337 676

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2018/19	Budget Year 2019/20								
		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			67 809	67 809	14 978	35 551	29 061	6 490	22%	67 809	
Service charges			174 536	174 536	15 605	57 929	58 179	(250)	0%	174 536	
Other revenue			17 854	17 854	(1 042)	4 710	5 951	(1 242)	-21%	17 854	
Government - operating			98 670	98 670	11 541	50 453	32 890	17 563	53%	98 670	
Government - capital			12 441	12 441	(2 000)	7 079	4 147	2 932	71%	12 441	
Interest			4 130	4 130	1 177	2 539	1 377	1 163	84%	4 130	
Dividends			-	-	-	-	-	-		-	
Payments											
Suppliers and employees			(358 379)	(358 379)	(15 753)	(115 575)	(97 975)	17 600	-18%	(358 379)	
Finance charges			(2 864)	(2 864)	-	-	(716)	(716)	100%	(2 864)	
Transfers and Grants			(2 026)	(2 026)	(722)	(967)	(506)	461	-91%	(2 026)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	12 172	12 172	23 785	41 718	32 407	(9 311)	-29%	12 172
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			5 000	5 000	-	-	-	-		5 000	
Decrease (Increase) in non-current debtors			7	7	0	1	2	(2)	-65%	7	
Decrease (increase) other non-current receivables			-	-	-	-	-	-		-	
Decrease (increase) in non-current investments			-	-	-	-	-	-		-	
Payments											
Capital assets			(47 209)	(47 209)	(2 924)	(5 190)	(8 854)	(3 664)	41%	(47 209)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(42 201)	(42 201)	(2 924)	(5 190)	(8 852)	(3 663)	41%	(42 201)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-	-	-	-	-		-	
Borrowing long term/refinancing			16 779	16 779	-	-	-	-		16 779	
Increase (decrease) in consumer deposits			241	241	24	138	80	57	71%	241	
Payments											
Repayment of borrowing			(5 200)	(5 200)	(8)	(8)	-	8	#DIV/0!	(5 200)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	11 820	11 820	15	129	80	(49)	-61%	11 820
NET INCREASE/ (DECREASE) IN CASH HELD			-	(18 210)	(18 210)	20 876	36 658	23 636		(18 210)	
Cash/cash equivalents at beginning:			40 402	40 402		83 739	40 402			83 739	
Cash/cash equivalents at month/year end:			-	22 192	22 192		120 397	64 038		65 529	

11. QUALITY CERTIFICATE

NAVRAE:
ENQUIRIES: S Stanley

KONTAKNR
CONTACT NO 028 425 5798

VERW:
REF: 5/3/2019-20 (S71)

KANTOOR:
OFFICES: Bredasdorp

DATUM
DATE 5 December 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 **30 NOVEMBER 2019** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name DEAN O'NEILL

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

Signature: Dean O'Neill

Date: 5 December 2019