

# CAPE AGULHAS MUNICIPALITY



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CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

## **2019/2020**

### **SECTION 71 REPORT FOR THE PERIOD ENDING 31 JULY 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 **July 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 **31 July 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.

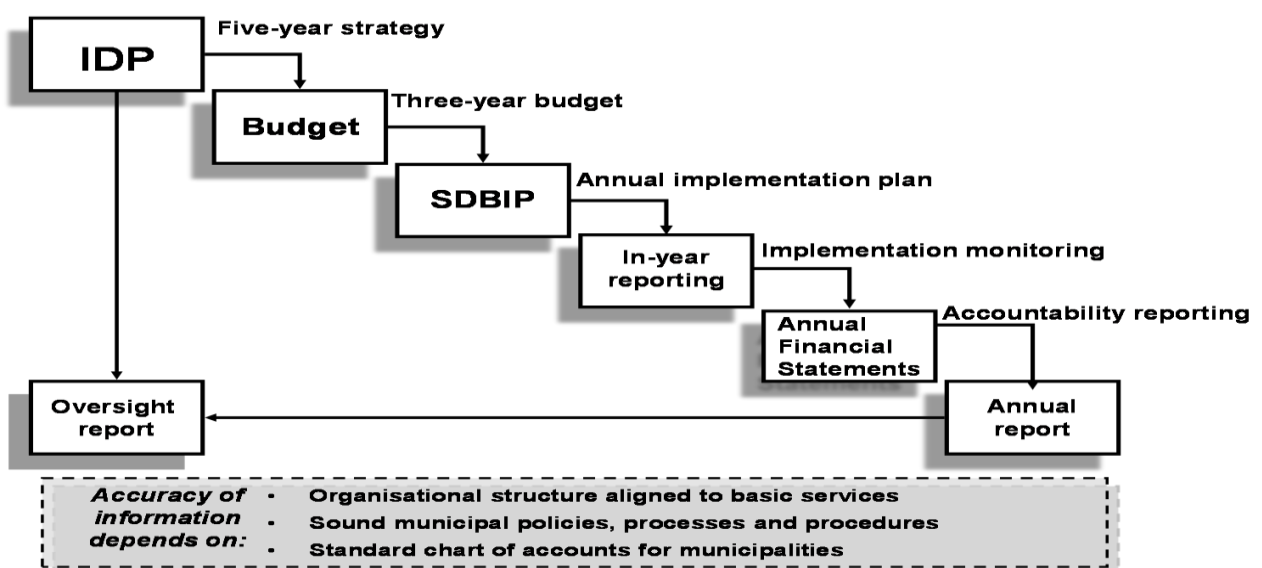
#### 3.1 Budget Process:

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 municipality is legislatively required to table the Draft budget and revised IDP implementation plan by 31 August 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.

#### **4. SUMMARY FINANCIAL PERFORMANCE**

This is the first month of the financial year, and numerous processes are still being implemented to ensure that the budget can be implemented smoothly.

Limited reporting information in terms of Revenue and Expenditures are available and more information will be communicated as the implementation of the budget is roll-out.

The financial system also experienced numerous implementation challenges that also required urgent interventions from the finance department and system vendor.

The main focus of the financial department at this point of time is the compilation of the Draft Annual financial statements due on the 31<sup>st</sup> of August 2019.

## **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.

### **Summarized explanation:**

These ratios need to be calculated based on the Draft Annual Financial statements information once available.



## **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

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
mSCOA steering committee scheduled for March 2019		

## 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 accommodation alternatives</i>
21. <i>Consolidated municipal infrastructure plan</i>
22. <i>Avoid cost overruns on projects</i>

# PART B

## 8. LEGISLATED INFORMATION

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M01 July

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	69 193	69 193	29 591	29 591	20 758	8 833	43%	69 193
Service charges	-	178 098	178 098	15 717	15 717	14 644	1 072	7%	178 098
Investment revenue	-	2 446	2 446	378	378	62	315	508%	2 446
Transfers and subsidies	-	98 670	98 670	-	-	17 716	(17 716)	-100%	98 670
Other own revenue	-	33 108	33 108	1 756	1 756	1 750	6	0%	33 108
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>-</b>	<b>381 515</b>	<b>381 515</b>	<b>47 441</b>	<b>47 441</b>	<b>54 930</b>	<b>(7 489)</b>	<b>-14%</b>	<b>381 515</b>
Employee costs	-	134 136	134 136	9 214	9 214	10 296	(1 082)	-11%	134 136
Remuneration of Councillors	-	5 764	5 764	458	458	456	2	0%	5 764
Depreciation & asset impairment	-	11 025	11 025	-	-	919	(919)	-100%	11 025
Finance charges	-	12 763	12 763	-	-	1 064	(1 064)	-100%	12 763
Materials and bulk purchases	-	160 950	160 950	171	171	11 897	(11 726)	-99%	160 950
Transfers and subsidies	-	2 026	2 026	169	169	163	6	3%	2 026
Other expenditure	-	67 671	67 671	2 830	2 830	3 031	(201)	-7%	67 671
<b>Total Expenditure</b>	<b>-</b>	<b>394 335</b>	<b>394 335</b>	<b>12 841</b>	<b>12 841</b>	<b>27 824</b>	<b>(14 983)</b>	<b>-54%</b>	<b>394 335</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(12 820)</b>	<b>(12 820)</b>	<b>34 600</b>	<b>34 600</b>	<b>27 106</b>	<b>7 494</b>	<b>28%</b>	<b>(12 820)</b>
Transfers and subsidies - capital (monetary allocations)	-	12 941	12 941	-	-	211	(211)	-100%	12 941
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>-</b>	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>	<b>7 282</b>	<b>27%</b>	<b>121</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>-</b>	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>	<b>7 282</b>	<b>27%</b>	<b>121</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>-</b>	<b>47 209</b>	<b>47 209</b>	<b>11</b>	<b>11</b>	<b>771</b>	<b>(761)</b>	<b>-99%</b>	<b>47 209</b>
Capital transfers recognised	-	12 941	12 941	11	11	211	(201)	-95%	12 941
Borrowing	-	19 988	19 988	-	-	327	(327)	-100%	19 988
Internally generated funds	-	14 279	14 279	-	-	233	(233)	-100%	14 279
<b>Total sources of capital funds</b>	<b>-</b>	<b>47 209</b>	<b>47 209</b>	<b>11</b>	<b>11</b>	<b>771</b>	<b>(761)</b>	<b>-99%</b>	<b>47 209</b>
<b>Financial position</b>									
Total current assets	119 224	66 089	66 089		156 218				66 089
Total non current assets	452 787	488 722	488 722		452 797				488 722
Total current liabilities	53 409	56 176	56 176		55 884				56 176
Total non current liabilities	146 784	160 960	160 960		146 714				160 960
Community wealth/Equity	371 818	337 676	337 676		406 418				337 676
<b>Cash flows</b>									
Net cash from (used) operating	-	12 172	12 172	11 010	11 010	33 458	22 448	67%	12 172
Net cash from (used) investing	-	(42 201)	(42 201)	(10)	(10)	(771)	(760)	99%	(42 201)
Net cash from (used) financing	-	11 820	11 820	(28)	(28)	20	48	240%	11 820
<b>Cash/cash equivalents at the month/year end</b>	<b>-</b>	<b>22 192</b>	<b>22 192</b>	<b>-</b>	<b>94 721</b>	<b>73 109</b>	<b>(21 612)</b>	<b>-30%</b>	<b>65 539</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	-	-	-	-	-	-	-	-	-
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

WC033 Cape Agulhas - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	Budget Year 2019/20								
		2018/19 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 - Functional</b>										
<b>Governance and administration</b>		-	126 340	126 340	30 968	30 968	27 410	3 558	13%	126 340
Executive and council		-	29 940	29 940	-	-	5 371	(5 371)	-100%	29 940
Finance and administration		-	96 400	96 400	30 968	30 968	22 039	8 929	41%	96 400
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	76 339	76 339	522	522	11 551	(11 029)	-95%	76 339
Community and social services		-	6 653	6 653	18	18	1 138	(1 120)	-98%	6 653
Sport and recreation		-	7 329	7 329	207	207	283	(77)	-27%	7 329
Public safety		-	11 655	11 655	297	297	1 026	(729)	-71%	11 655
Housing		-	50 702	50 702	-	-	9 104	(9 104)	-100%	50 702
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	7 077	7 077	230	230	448	(218)	-49%	7 077
Planning and development		-	4 160	4 160	105	105	156	(51)	-33%	4 160
Road transport		-	2 917	2 917	126	126	292	(166)	-57%	2 917
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	184 701	184 701	15 722	15 722	15 733	(11)	0%	184 701
Energy sources		-	126 860	126 860	10 601	10 601	11 181	(580)	-5%	126 860
Water management		-	28 707	28 707	1 611	1 611	2 156	(545)	-25%	28 707
Waste water management		-	11 335	11 335	1 356	1 356	920	436	47%	11 335
Waste management		-	17 798	17 798	2 154	2 154	1 476	678	46%	17 798
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	394 456	394 456	47 441	47 441	55 142	(7 700)	-14%	394 456
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		-	104 515	104 515	6 490	6 490	7 224	(734)	-10%	104 515
Executive and council		-	15 500	15 500	779	779	1 112	(333)	-30%	15 500
Finance and administration		-	87 666	87 666	5 630	5 630	6 017	(387)	-6%	87 666
Internal audit		-	1 349	1 349	81	81	96	(15)	-15%	1 349
<b>Community and public safety</b>		-	92 739	92 739	2 287	2 287	6 103	(3 816)	-63%	92 739
Community and social services		-	11 094	11 094	925	925	802	123	15%	11 094
Sport and recreation		-	12 398	12 398	705	705	877	(173)	-20%	12 398
Public safety		-	16 197	16 197	495	495	1 093	(598)	-55%	16 197
Housing		-	53 050	53 050	162	162	3 331	(3 170)	-95%	53 050
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	31 240	31 240	1 462	1 462	2 047	(586)	-29%	31 240
Planning and development		-	11 814	11 814	566	566	642	(76)	-12%	11 814
Road transport		-	19 352	19 352	895	895	1 401	(505)	-36%	19 352
Environmental protection		-	74	74	-	-	5	(5)	-100%	74
<b>Trading services</b>		-	164 064	164 064	2 485	2 485	12 321	(9 835)	-80%	164 064
Energy sources		-	111 310	111 310	596	596	8 595	(7 999)	-93%	111 310
Water management		-	20 186	20 186	841	841	1 452	(611)	-42%	20 186
Waste water management		-	11 878	11 878	471	471	882	(411)	-47%	11 878
Waste management		-	20 690	20 690	577	577	1 391	(815)	-59%	20 690
<b>Other</b>		-	1 778	1 778	117	117	129	(11)	-9%	1 778
<b>Total Expenditure - Functional</b>	3	-	394 335	394 335	12 841	12 841	27 824	(14 983)	-54%	394 335
<b>Surplus/ (Deficit) for the year</b>		-	121	121	34 600	34 600	27 318	7 282	27%	121

WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		-	34 903	34 903	240	240	5 656	(5 416)	-95,8%	34 903
Vote 2 - Financial Services & ICT		-	82 867	82 867	30 737	30 737	21 332	9 404	44,1%	82 867
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	78 926	78 926	671	671	11 795	(11 124)	-94,3%	78 926
Vote 5 - Engineering Services		-	197 760	197 760	15 794	15 794	16 358	(564)	-3,4%	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]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	<b>394 456</b>	<b>394 456</b>	<b>47 441</b>	<b>47 441</b>	<b>55 142</b>	<b>(7 700)</b>	<b>-14,0%</b>	<b>394 456</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and Council		-	47 238	47 238	3 313	3 313	3 125	188	6,0%	47 238
Vote 2 - Financial Services & ICT		-	59 117	59 117	3 414	3 414	4 077	(662)	-16,3%	59 117
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	101 227	101 227	2 679	2 679	6 736	(4 057)	-60,2%	101 227
Vote 5 - Engineering Services		-	186 752	186 752	3 435	3 435	13 886	(10 452)	-75,3%	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]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>394 335</b>	<b>394 335</b>	<b>12 841</b>	<b>12 841</b>	<b>27 824</b>	<b>(14 983)</b>	<b>-53,8%</b>	<b>394 335</b>
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>	<b>7 282</b>	<b>26,7%</b>	<b>121</b>

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	Budget Year 2019/20									
		2018/19 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			69 193	69 193	29 591	29 591	20 758	8 833	43%	69 193	
Service charges - electricity revenue			120 786	120 786	10 596	10 596	10 102	494	5%	120 786	
Service charges - water revenue			28 204	28 204	1 611	1 611	2 148	(537)	-25%	28 204	
Service charges - sanitation revenue			11 310	11 310	1 356	1 356	919	437	48%	11 310	
Service charges - refuse revenue			17 798	17 798	2 154	2 154	1 476	678	46%	17 798	
Rental of facilities and equipment			1 961	1 961	229	229	76	153	202%	1 961	
Interest earned - external investments			2 446	2 446	378	378	62	315	508%	2 446	
Interest earned - outstanding debtors			1 719	1 719	214	214	67	147	219%	1 719	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			11 640	11 640	300	300	1 011	(711)	-70%	11 640	
Licences and permits			67	67	-	-	6	(6)	-100%	67	
Agency services			2 917	2 917	126	126	292	(166)	-57%	2 917	
Transfers and subsidies			98 670	98 670	-	-	17 716	(17 716)	-100%	98 670	
Other revenue			9 805	9 805	888	888	299	589	197%	9 805	
Gains on disposal of PPE			5 000	5 000	-	-	-	-	-	5 000	
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>-</b>	<b>381 515</b>	<b>381 515</b>	<b>47 441</b>	<b>47 441</b>	<b>54 930</b>	<b>(7 489)</b>	<b>-14%</b>	<b>381 515</b>
<b>Expenditure By Type</b>											
Employee related costs			134 136	134 136	9 214	9 214	10 296	(1 082)	-11%	134 136	
Remuneration of councillors			5 764	5 764	458	458	456	2	0%	5 764	
Debt impairment			11 267	11 267	-	-	939	(939)	-100%	11 267	
Depreciation & asset impairment			11 025	11 025	-	-	919	(919)	-100%	11 025	
Finance charges			12 763	12 763	-	-	1 064	(1 064)	-100%	12 763	
Bulk purchases			88 404	88 404	-	-	7 367	(7 367)	-100%	88 404	
Other materials			72 546	72 546	171	171	4 530	(4 359)	-96%	72 546	
Contracted services			28 210	28 210	75	75	331	(256)	-77%	28 210	
Transfers and subsidies			2 026	2 026	169	169	163	6	3%	2 026	
Other expenditure			28 194	28 194	2 755	2 755	1 760	995	56%	28 194	
Loss on disposal of PPE			-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>			<b>-</b>	<b>394 335</b>	<b>394 335</b>	<b>12 841</b>	<b>12 841</b>	<b>27 824</b>	<b>(14 983)</b>	<b>-54%</b>	<b>394 335</b>
<b>Surplus/(Deficit)</b>			<b>-</b>	<b>(12 820)</b>	<b>(12 820)</b>	<b>34 600</b>	<b>34 600</b>	<b>27 106</b>	<b>7 494</b>	<b>0</b>	<b>(12 820)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			12 941	12 941	-	-	211	(211)	(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)			-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>-</b>	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>			<b>121</b>
Taxation			-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after taxation</b>			<b>-</b>	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>			<b>121</b>
Attributable to minorities			-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>			<b>-</b>	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>			<b>121</b>
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>			<b>-</b>	<b>121</b>	<b>121</b>	<b>34 600</b>	<b>34 600</b>	<b>27 318</b>			<b>121</b>

WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01  
July

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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services & ICT		-	2 450	2 450	-	-	40	(40)	-100%	2 450
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	50	50	-	-	1	(1)	-100%	50
Vote 5 - Engineering Services		-	9 555	9 555	-	-	156	(156)	-100%	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]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	12 055	12 055	-	-	197	(197)	-100%	12 055
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	1 940	1 940	-	-	32	(32)	-100%	1 940
Vote 2 - Financial Services & ICT		-	239	239	-	-	4	(4)	-100%	239
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	5 246	5 246	11	11	86	(75)	-88%	5 246
Vote 5 - Engineering Services		-	27 729	27 729	-	-	453	(453)	-100%	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]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	35 154	35 154	11	11	574	(564)	-98%	35 154
<b>Total Capital Expenditure</b>		-	47 209	47 209	11	11	771	(761)	-99%	47 209
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	4 081	4 081	-	-	67	(67)	-100%	4 081
Executive and council		-	10	10	-	-	0	(0)	-100%	10
Finance and administration		-	4 071	4 071	-	-	67	(67)	-100%	4 071
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	3 662	3 662	11	11	60	(49)	-82%	3 662
Community and social services		-	50	50	-	-	1	(1)	-100%	50
Sport and recreation		-	3 142	3 142	11	11	51	(41)	-79%	3 142
Public safety		-	465	465	-	-	8	(8)	-100%	465
Housing		-	5	5	-	-	0	(0)	-100%	5
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	13 340	13 340	-	-	218	(218)	-100%	13 340
Planning and development		-	1 857	1 857	-	-	30	(30)	-100%	1 857
Road transport		-	11 304	11 304	-	-	185	(185)	-100%	11 304
Environmental protection		-	180	180	-	-	3	(3)	-100%	180
<b>Trading services</b>		-	26 055	26 055	-	-	426	(426)	-100%	26 055
Energy sources		-	5 838	5 838	-	-	95	(95)	-100%	5 838
Water management		-	3 030	3 030	-	-	50	(50)	-100%	3 030
Waste water management		-	15 637	15 637	-	-	256	(256)	-100%	15 637
Waste management		-	1 550	1 550	-	-	25	(25)	-100%	1 550
<b>Other</b>		-	70	70	-	-	1	(1)	-100%	70
<b>Total Capital Expenditure - Functional Classification</b>	3	-	47 209	47 209	11	11	771	(761)	-99%	47 209
<b>Funded by:</b>										
National Government		-	10 641	10 641	11	11	174	(163)	-94%	10 641
Provincial Government		-	2 300	2 300	-	-	38	(38)	-100%	2 300
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	12 941	12 941	11	11	211	(201)	-95%	12 941
<b>Borrowing</b>	6	-	19 988	19 988	-	-	327	(327)	-100%	19 988
<b>Internally generated funds</b>		-	14 279	14 279	-	-	233	(233)	-100%	14 279
<b>Total Capital Funding</b>		-	47 209	47 209	11	11	771	(761)	-99%	47 209

**WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M01 July**

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		25 495	12 192	12 192	26 467	12 192
Call investment deposits		58 254	10 000	10 000	68 254	10 000
Consumer debtors		39 206	35 990	35 990	67 606	35 990
Other debtors		(5 424)	6 593	6 593	(7 882)	6 593
Current portion of long-term receivables		-	7	7	-	7
Inventory		1 693	1 308	1 308	1 774	1 308
<b>Total current assets</b>		<b>119 224</b>	<b>66 089</b>	<b>66 089</b>	<b>156 218</b>	<b>66 089</b>
<b>Non current assets</b>						
Long-term receivables		210	197	197	210	197
Investments		-	-	-	-	-
Investment property		40 545	40 536	40 536	40 545	40 536
Investments in Associate		-	-	-	-	-
Property, plant and equipment		406 917	443 188	443 188	406 928	443 188
Biological		-	-	-	-	-
Intangible		5 115	4 801	4 801	5 115	4 801
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>452 787</b>	<b>488 722</b>	<b>488 722</b>	<b>452 797</b>	<b>488 722</b>
<b>TOTAL ASSETS</b>		<b>572 011</b>	<b>554 811</b>	<b>554 811</b>	<b>609 016</b>	<b>554 811</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		5 963	5 300	5 300	5 963	5 300
Consumer deposits		4 696	5 019	5 019	4 677	5 019
Trade and other payables		31 759	32 883	32 883	34 926	32 883
Provisions		10 991	12 973	12 973	10 318	12 973
<b>Total current liabilities</b>		<b>53 409</b>	<b>56 176</b>	<b>56 176</b>	<b>55 884</b>	<b>56 176</b>
<b>Non current liabilities</b>						
Borrowing		26 701	22 031	22 031	26 692	22 031
Provisions		120 084	138 928	138 928	120 021	138 928
<b>Total non current liabilities</b>		<b>146 784</b>	<b>160 960</b>	<b>160 960</b>	<b>146 714</b>	<b>160 960</b>
<b>TOTAL LIABILITIES</b>		<b>200 193</b>	<b>217 135</b>	<b>217 135</b>	<b>202 598</b>	<b>217 135</b>
<b>NET ASSETS</b>	2	<b>371 818</b>	<b>337 676</b>	<b>337 676</b>	<b>406 418</b>	<b>337 676</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		341 818	315 676	315 676	376 418	315 676
Reserves		30 000	22 000	22 000	30 000	22 000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>371 818</b>	<b>337 676</b>	<b>337 676</b>	<b>406 418</b>	<b>337 676</b>



WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	Budget Year 2019/20									
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			67 809	67 809	4 077	4 077	4 844	(766)	-16%	67 809	
Service charges			174 536	174 536	13 433	13 433	14 545	(1 112)	-8%	174 536	
Other revenue			17 854	17 854	1 076	1 076	1 488	(412)	-28%	17 854	
Government - operating			98 670	98 670	27 996	27 996	32 890	(4 894)	-15%	98 670	
Government - capital			12 441	12 441	3 729	3 729	4 147	(418)	-10%	12 441	
Interest			4 130	4 130	454	454	344	110	32%	4 130	
Dividends			-	-	-	-	-	-		-	
<b>Payments</b>											
Suppliers and employees			(358 379)	(358 379)	(39 586)	(39 586)	(24 494)	15 093	-62%	(358 379)	
Finance charges			(2 864)	(2 864)	-	-	(179)	(179)	100%	(2 864)	
Transfers and Grants			(2 026)	(2 026)	(169)	(169)	(127)	42	-33%	(2 026)	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>-</b>	<b>12 172</b>	<b>12 172</b>	<b>11 010</b>	<b>11 010</b>	<b>33 458</b>	<b>22 448</b>	<b>67%</b>	<b>12 172</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			5 000	5 000	-	-	-	-		5 000	
Decrease (Increase) in non-current debtors			7	7	0	0	1	(0)	-56%	7	
Decrease (increase) other non-current receivables			-	-	-	-	-	-		-	
Decrease (increase) in non-current investments			-	-	-	-	-	-		-	
<b>Payments</b>											
Capital assets			(47 209)	(47 209)	(11)	(11)	(771)	(761)	99%	(47 209)	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>-</b>	<b>(42 201)</b>	<b>(42 201)</b>	<b>(10)</b>	<b>(10)</b>	<b>(771)</b>	<b>(760)</b>	<b>99%</b>	<b>(42 201)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans			-	-	-	-	-	-		-	
Borrowing long term/refinancing			16 779	16 779	-	-	-	-		16 779	
Increase (decrease) in consumer deposits			241	241	(20)	(20)	20	(40)	-198%	241	
<b>Payments</b>											
Repayment of borrowing			(5 200)	(5 200)	(8)	(8)	-	8	#DIV/0!	(5 200)	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>-</b>	<b>11 820</b>	<b>11 820</b>	<b>(28)</b>	<b>(28)</b>	<b>20</b>	<b>48</b>	<b>240%</b>	<b>11 820</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			<b>-</b>	<b>(18 210)</b>	<b>(18 210)</b>	<b>10 972</b>	<b>10 972</b>	<b>32 707</b>			<b>(18 210)</b>
Cash/cash equivalents at beginning:			40 402	40 402		83 749	40 402				83 749
Cash/cash equivalents at month/year end:			-	22 192	22 192		94 721	73 109			65 539

**QUALITY CERTIFICATE**

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR  
CONTACT NO 028 425 5798

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

KANTOOR:  
OFFICES: Bredasdorp

DATUM  
DATE 14 August 2019

**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 **31 JULY 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: 14 August 2019