

CAPE AGULHAS MUNICIPALITY



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CAPE AGULHAS MUNICIPALITY
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2019/2020

SECTION 71 REPORT FOR THE MONTH ENDING 31 OCTOBER 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 **31 October 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 October 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.

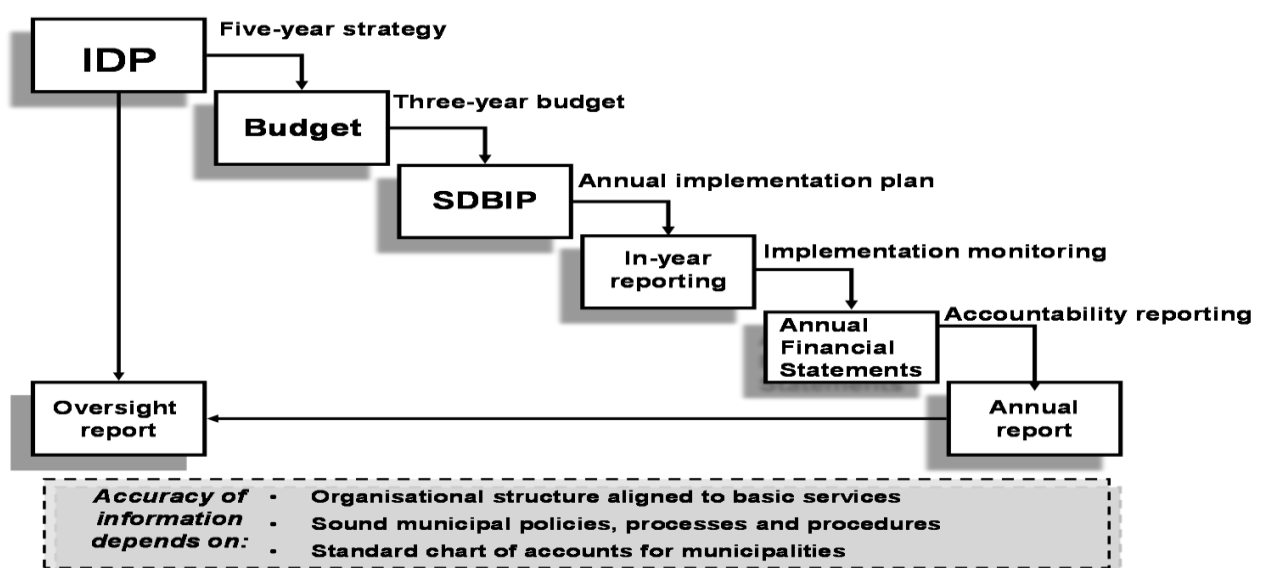
3.1 Budget Process:

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 Annual Financial Statements is in it's auditing phase and the Auditor General is busy completing the final audit processes required for the audit. The municipality should be received the Management Report during the month of November 2019 for review. The Management report is the preview for the final audit opinion due by the end of 30 November 2019.

4. SUMMARY FINANCIAL PERFORMANCE

The financial performance at the end of the first quarter generally reflects slow and low operational and capital spending ending 30 September 2019. The municipality planned and implement various initiatives to ensure that the streamlining of expenditures can be achieved and that all operational projects as per SDBIP identification can be achieved.

The procurement plan to date is progressing based on planning, but this needs to be continuously monitored and evaluated to ensure that council achieve its strategic objectives.













Operational revenues for the period ending **31 October 2019** records at 36.6% and expenditure records just under 27% respectively.

The capital spending however only records 8.23% of a total budget of R47,2m.

As indicated above this needs to be address with the holiday season not far off and spending generally decreasing over this reflective period.

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:

These ratios need to be calculated based on the 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 2019** 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.

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:

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

8. 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 - 31 OCTOBER 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	379 653,58			9 045 167,80
Vehicle used for political office-bearers	-	-	-			-
Travel and subsistence	1 012 800,00	271 377,78	145 859,62			595 562,60
Domestic accomodation	456 200,00	140 187,38	7 945,99			308 066,63
Sponsorships, events and catering	294 550,00	40 918,21	11 446,49			242 185,30
Communication	400 600,00	48 517,87	26 291,50			325 790,63
Other related expenditures	954 300,00	118 210,38	59 172,04			776 917,58
Total	13 072 050,00	1 147 990,24	630 369,22	-	-	11 293 690,54

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

9. LEGISLATED INFORMATION

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M04 October

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	3 797	40 626	33 967	6 658	20%	69 193
Service charges	-	178 098	178 098	14 772	61 721	61 065	656	1%	178 098
Investment revenue	-	2 446	2 446	483	1 538	632	906	143%	2 446
Transfers and subsidies	-	98 670	98 670	2 897	26 025	32 934	(6 909)	-21%	98 670
Other own revenue	-	33 108	33 108	2 849	9 845	9 364	481	5%	33 108
Total Revenue (excluding capital transfers and contributions)	-	381 515	381 515	24 798	139 755	137 963	1 792	1%	381 515
Employee costs	-	134 136	134 136	10 214	40 216	41 835	(1 619)	-4%	134 136
Remuneration of Councillors	-	5 764	5 764	458	1 833	1 796	37	2%	5 764
Depreciation & asset impairment	-	11 025	11 025	859	3 545	3 675	(131)	-4%	11 025
Finance charges	-	12 763	12 763	-	-	4 254	(4 254)	-100%	12 763
Materials and bulk purchases	-	160 950	160 950	12 811	46 729	49 439	(2 710)	-5%	160 950
Transfers and subsidies	-	2 026	2 026	116	361	652	(291)	-45%	2 026
Other expenditure	-	67 671	67 671	3 291	13 924	19 785	(5 861)	-30%	67 671
Total Expenditure	-	394 335	394 335	27 750	106 608	121 437	(14 829)	-12%	394 335
Surplus/(Deficit)	-	(12 820)	(12 820)	(2 952)	33 147	16 526	16 621	101%	(12 820)
Transfers and subsidies - capital (monetary allocations)	-	12 941	12 941	638	1 911	2 427	(516)	-21%	12 941
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	121	121	(2 314)	35 058	18 953	16 105	85%	121
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	121	121	(2 314)	35 058	18 953	16 105	85%	121
Capital expenditure & funds sources									
Capital expenditure	-	47 209	47 209	1 623	3 889	8 854	(4 965)	-56%	47 209
Capital transfers recognised	-	12 941	12 941	600	1 909	2 427	(519)	-21%	12 941
Borrowing	-	19 988	19 988	220	566	3 749	(3 183)	-85%	19 988
Internally generated funds	-	14 279	14 279	803	1 414	2 678	(1 264)	-47%	14 279
Total sources of capital funds	-	47 209	47 209	1 623	3 889	8 854	(4 965)	-56%	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		456 791				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		406 976				337 676
Cash flows									
Net cash from (used) operating	-	12 172	12 172	14 636	32 570	32 407	(163)	-1%	12 172
Net cash from (used) investing	-	(42 201)	(42 201)	(1 623)	(3 888)	(8 852)	(4 964)	56%	(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	-	112 550	64 038	(48 512)	-76%	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) - M04 October

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	5 135	59 047	49 693	9 354	19%	126 340
Executive and council		-	29 940	29 940	-	12 462	9 994	2 468	25%	29 940
Finance and administration		-	96 400	96 400	5 135	46 585	39 699	6 886	17%	96 400
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	76 339	76 339	4 827	18 479	25 209	(6 730)	-27%	76 339
Community and social services		-	6 653	6 653	17	79	2 251	(2 172)	-96%	6 653
Sport and recreation		-	7 329	7 329	1 615	3 977	2 672	1 305	49%	7 329
Public safety		-	11 655	11 655	315	1 212	3 362	(2 151)	-64%	11 655
Housing		-	50 702	50 702	2 880	13 211	16 923	(3 712)	-22%	50 702
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	7 077	7 077	680	2 247	2 289	(42)	-2%	7 077
Planning and development		-	4 160	4 160	228	1 043	1 189	(146)	-12%	4 160
Road transport		-	2 917	2 917	452	1 204	1 100	104	9%	2 917
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	184 701	184 701	14 794	61 893	63 199	(1 306)	-2%	184 701
Energy sources		-	126 860	126 860	10 005	42 127	44 613	(2 486)	-6%	126 860
Water management		-	28 707	28 707	2 145	8 757	8 923	(166)	-2%	28 707
Waste water management		-	11 335	11 335	1 033	4 304	3 759	545	14%	11 335
Waste management		-	17 798	17 798	1 611	6 705	5 904	801	14%	17 798
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	394 456	394 456	25 436	141 666	140 390	1 276	1%	394 456
Expenditure - Functional										
<i>Governance and administration</i>		-	104 515	104 515	6 929	27 560	31 784	(4 224)	-13%	104 515
Executive and council		-	15 500	15 500	1 117	5 344	4 717	628	13%	15 500
Finance and administration		-	87 666	87 666	5 708	21 833	26 652	(4 819)	-18%	87 666
Internal audit		-	1 349	1 349	104	383	415	(32)	-8%	1 349
<i>Community and public safety</i>		-	92 739	92 739	5 712	23 872	26 962	(3 090)	-11%	92 739
Community and social services		-	11 094	11 094	1 081	3 897	3 410	487	14%	11 094
Sport and recreation		-	12 398	12 398	837	3 354	3 772	(418)	-11%	12 398
Public safety		-	16 197	16 197	738	2 696	5 103	(2 407)	-47%	16 197
Housing		-	53 050	53 050	3 056	13 924	14 677	(752)	-5%	53 050
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	31 240	31 240	2 071	8 296	9 541	(1 245)	-13%	31 240
Planning and development		-	11 814	11 814	774	2 860	3 591	(731)	-20%	11 814
Road transport		-	19 352	19 352	1 294	5 429	5 929	(500)	-8%	19 352
Environmental protection		-	74	74	3	6	20	(14)	-70%	74
<i>Trading services</i>		-	164 064	164 064	12 909	46 273	52 614	(6 341)	-12%	164 064
Energy sources		-	111 310	111 310	9 531	32 795	36 456	(3 661)	-10%	111 310
Water management		-	20 186	20 186	1 409	5 103	6 132	(1 029)	-17%	20 186
Waste water management		-	11 878	11 878	906	3 698	3 641	57	2%	11 878
Waste management		-	20 690	20 690	1 062	4 677	6 385	(1 708)	-27%	20 690
<i>Other</i>		-	1 778	1 778	129	608	537	71	13%	1 778
Total Expenditure - Functional	3	-	394 335	394 335	27 750	106 608	121 437	(14 829)	-12%	394 335
Surplus/ (Deficit) for the year		-	121	121	(2 314)	35 058	18 953	16 105	85%	121

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	3 797	40 626	33 967	6 658	20%	69 193	
Service charges - electricity revenue			120 786	120 786	9 983	41 955	42 583	(629)	-1%	120 786	
Service charges - water revenue			28 204	28 204	2 145	8 757	8 828	(71)	-1%	28 204	
Service charges - sanitation revenue			11 310	11 310	1 033	4 304	3 750	554	15%	11 310	
Service charges - refuse revenue			17 798	17 798	1 611	6 705	5 904	801	14%	17 798	
Rental of facilities and equipment			1 961	1 961	171	522	847	(326)	-38%	1 961	
Interest earned - external investments			2 446	2 446	483	1 538	632	906	143%	2 446	
Interest earned - outstanding debtors			1 719	1 719	(332)	358	452	(95)	-21%	1 719	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			11 640	11 640	318	1 223	3 351	(2 128)	-64%	11 640	
Licences and permits			67	67	0	0	23	(23)	-100%	67	
Agency services			2 917	2 917	452	1 204	1 100	104	9%	2 917	
Transfers and subsidies			98 670	98 670	2 897	26 025	32 934	(6 909)	-21%	98 670	
Other revenue			9 805	9 805	2 239	6 539	3 590	2 949	82%	9 805	
Gains on disposal of PPE			5 000	5 000	-	-	-	-	-	5 000	
Total Revenue (excluding capital transfers and contributions)			-	381 515	381 515	24 798	139 755	137 963	1 792	1%	381 515
Expenditure By Type											
Employee related costs			134 136	134 136	10 214	40 216	41 835	(1 619)	-4%	134 136	
Remuneration of councillors			5 764	5 764	458	1 833	1 796	37	2%	5 764	
Debt impairment			11 267	11 267	-	-	3 756	(3 756)	-100%	11 267	
Depreciation & asset impairment			11 025	11 025	859	3 545	3 675	(131)	-4%	11 025	
Finance charges			12 763	12 763	-	-	4 254	(4 254)	-100%	12 763	
Bulk purchases			88 404	88 404	8 641	29 221	29 481	(260)	-1%	88 404	
Other materials			72 546	72 546	4 171	17 508	19 958	(2 450)	-12%	72 546	
Contracted services			28 210	28 210	911	3 487	8 273	(4 785)	-58%	28 210	
Transfers and subsidies			2 026	2 026	116	361	652	(291)	-45%	2 026	
Other expenditure			28 194	28 194	2 380	10 437	7 756	2 680	35%	28 194	
Loss on disposal of PPE			-	-	-	-	-	-	-	-	
Total Expenditure			-	394 335	394 335	27 750	106 608	121 437	(14 829)	-12%	394 335
Surplus/(Deficit)			-	(12 820)	(12 820)	(2 952)	33 147	16 526	16 621	0	(12 820)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			12 941	12 941	638	1 911	2 427	(516)	(0)	12 941	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)			-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions			-	121	121	(2 314)	35 058	18 953			121
Taxation			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation			-	121	121	(2 314)	35 058	18 953			121
Attributable to minorities			-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality			-	121	121	(2 314)	35 058	18 953			121
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year			-	121	121	(2 314)	35 058	18 953			121

WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04
October

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	-	-	460	(460)	-100%	2 450
Vote 3 - Corporate Services		-	-	-	(0)	(0)	-	(0)	#DIV/0!	-
Vote 4 - Management Services		-	50	50	5	14	9	5	54%	50
Vote 5 - Engineering Services		-	9 555	9 555	614	1 459	1 792	(333)	-19%	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	619	1 473	2 261	(788)	-35%	12 055
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	1 940	1 940	47	462	364	99	27%	1 940
Vote 2 - Financial Services & ICT		-	239	239	0	10	45	(35)	-77%	239
Vote 3 - Corporate Services		-	-	-	(0)	(0)	-	(0)	#DIV/0!	-
Vote 4 - Management Services		-	5 246	5 246	182	558	984	(426)	-43%	5 246
Vote 5 - Engineering Services		-	27 729	27 729	774	1 385	5 201	(3 816)	-73%	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	1 004	2 416	6 593	(4 178)	-63%	35 154
Total Capital Expenditure		-	47 209	47 209	1 623	3 889	8 854	(4 965)	-56%	47 209
Capital Expenditure - Functional Classification										
Governance and administration		-	4 081	4 081	16	26	765	(739)	-97%	4 081
Executive and council		-	10	10	3	3	2	1	58%	10
Finance and administration		-	4 071	4 071	13	23	764	(740)	-97%	4 071
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3 662	3 662	180	566	687	(121)	-18%	3 662
Community and social services		-	50	50	39	39	9	30	317%	50
Sport and recreation		-	3 142	3 142	138	524	589	(66)	-11%	3 142
Public safety		-	465	465	(0)	(0)	87	(87)	-100%	465
Housing		-	5	5	3	3	1	2	267%	5
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	13 340	13 340	1 135	2 702	2 502	200	8%	13 340
Planning and development		-	1 857	1 857	4	419	348	71	20%	1 857
Road transport		-	11 304	11 304	1 131	2 283	2 120	163	8%	11 304
Environmental protection		-	180	180	-	-	34	(34)	-100%	180
Trading services		-	26 055	26 055	252	556	4 887	(4 331)	-89%	26 055
Energy sources		-	5 838	5 838	42	101	1 095	(995)	-91%	5 838
Water management		-	3 030	3 030	150	395	568	(173)	-30%	3 030
Waste water management		-	15 637	15 637	-	-	2 933	(2 933)	-100%	15 637
Waste management		-	1 550	1 550	60	60	291	(231)	-79%	1 550
Other		-	70	70	39	39	13	26	199%	70
Total Capital Expenditure - Functional Classification	3	-	47 209	47 209	1 623	3 889	8 854	(4 965)	-56%	47 209
Funded by:										
National Government		-	10 641	10 641	600	1 493	1 996	(503)	-25%	10 641
Provincial Government		-	2 300	2 300	(0)	415	431	(16)	-4%	2 300
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	12 941	12 941	600	1 909	2 427	(519)	-21%	12 941
Borrowing	6	-	19 988	19 988	220	566	3 749	(3 183)	-85%	19 988
Internally generated funds		-	14 279	14 279	803	1 414	2 678	(1 264)	-47%	14 279
Total Capital Funding		-	47 209	47 209	1 623	3 889	8 854	(4 965)	-56%	47 209

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

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	411 705	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	456 791	488 722
TOTAL ASSETS		575 258	554 811	554 811	611 667	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	406 976	337 676
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		336 917	315 676	315 676	371 976	315 676
Reserves		35 000	22 000	22 000	35 000	22 000
TOTAL COMMUNITY WEALTH/EQUITY	2	371 917	337 676	337 676	406 976	337 676

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

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	14 901	35 474	29 061	6 413	22%	67 809	
Service charges			174 536	174 536	15 202	57 526	58 179	(653)	-1%	174 536	
Other revenue			17 854	17 854	599	6 350	5 951	399	7%	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	613	1 976	1 377	599	43%	4 130	
Dividends			-	-	-	-	-	-		-	
Payments											
Suppliers and employees			(358 379)	(358 379)	(26 104)	(125 927)	(97 975)	27 951	-29%	(358 379)	
Finance charges			(2 864)	(2 864)	-	-	(716)	(716)	100%	(2 864)	
Transfers and Grants			(2 026)	(2 026)	(116)	(361)	(506)	(145)	29%	(2 026)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	12 172	12 172	14 636	32 570	32 407	(163)	-1%	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)	(1 623)	(3 889)	(8 854)	(4 965)	56%	(47 209)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(42 201)	(42 201)	(1 623)	(3 888)	(8 852)	(4 964)	56%	(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)	13 029	28 811	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		112 550	64 038		65 529	

10. QUALITY CERTIFICATE

NAVRAE: S Stanley
ENQUIRIES:
KONTAKNR: 028 425 5798
CONTACT NO
VERW: 5/3/2019-20 (S71)
REF:
KANTOOR: Bredasdorp
OFFICES:
DATUM: 5 November 2019
DATE



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 OCTOBER 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 November 2019