CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

CITY OF CAPE TOWN

2017/18 ADJUSTMENTS BUDGET

5 December 2017

LIST OF TABLES

LIST OF ANNEXURES

GLOSSARY OF TERMS AND ABBREVIATIONS

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act, this is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent and the month end cash and short-term investment balances.

CGD – Capital Grants and Donations mainly comprising of National and Provincial Government allocations as well as public contributions and donations from external parties.

CCT – City of Cape Town

CRR – Capital Replacement Reserve. An internal funding source used for capital projects, which must at all times be cash-backed in line with Section 18 of the MFMA.

CTICC - Cape Town International Convention Centre

DORA – Division of Revenue Act. Annual legislation which shows the allocations from national to local government.

DORb – Division of Revenue Bill. Annual legislation tabled in parliament, but not enacted, which shows the allocations from national to local government.

EFF – External Financing Fund. Internal funding mechanism and funded from borrowing for capital expenditure.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

IRT – Integrated Rapid Transport

MBRR – Municipal Budget Reporting Regulations

MFMA - Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.

NT – National Treasury

Operating Expenditure – The day-to-day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

PT – Provincial Treasury

Rates – Local Government tax based on assessed valuation of a property.

SFA – Strategic Focus Areas. The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these Strategic Focus Areas.

Vote – One of the main segments into which a budget is divided, usually at directorate level.

PART 1 - ADJUSTMENTS BUDGET: PARENT MUNICIPALITY

1. Mayor's Report

1.1. Summary of reasons for the adjustments budget

The primary reason for the December 2017 adjustments budget stems from the Executive Mayor authorising, in terms of section 29 of the MFMA, unforeseeable and unavoidable expenditure relating to the Emergency Water Resilience Action Plan (WRAP).

The City's Emergency Water Resilience Action Plan is necessary to provide vital water augmentation schemes to supplement the low levels of water in the dams. The City has experienced its third consecutive winter of below annual average rainfall as the impacts of climate change are being harshly felt. Residents have made a laudable effort to save water but this is not sufficient to safely navigate the worst drought in over 100 years. It is essential that this is supplemented with the City bringing additional supply online as fast as possible in order to avoid the disaster stage where the City will have to turn off most taps and residents will have to queue for water from approximately 200 collection sites across the City. The City has committed to a partnership with residents in that the municipality will do everything in its power to bring additional water supply online while residents must continue saving water in order to avoid a disaster. It is especially crucial that the City's augmentation schemes come online speedily as the long, dry summer season commences.

Through promulgating Government Gazette No 1236 on 10 November 2017, the National Minister of Finance, Minister Gigaba, exempted certain municipalities in the Western Cape including the City, from:

a) section 28(6) of the MFMA to the extent that it prevents a municipality from increasing water tariffs during a financial year; and
b) regulation 72(c) of the MBRR to the extent that it prevents a municipality from incurring unforeseen and unavoidable expenditure exceeding R15 million.

Further adjustment details are listed in the paragraphs below.

a. Multi-year funds shifting in relation to the capital programme

The reasons for multi-year shifting are inter alia:

- Additional expenditure incurred in terms of section 29 of the MFMA.
- Administrative transfers/virements of budgetary provisions, as approved in terms of Council's System of Delegations of Powers and the Virement Policy and processed in the City's accounting system up until 27 October 2017.
- Updating of existing provisions in accordance with latest implementation projections, revised business plans and confirmed funding sources.

1.2. Recommendations to the municipal council regarding the budget

Taking into consideration the reasons listed in paragraph 1.1 above, it is recommended that Council approves an adjustments budget.

2. Resolutions

The resolutions tabled at Council for consideration with approval of the adjustments budget are:

a. That the City's adjustments budget for the 2017/18 financial year be approved and adopted, as set out in the following tables and annexures:

i. Operating revenue and expenditure by standard classification reflected in Table 4 on page 10.
ii. Operating revenue and expenditure by municipal vote reflected in Table 5 on page 12.
iii. Operating revenue by source and expenditure by type reflected in Table 6 on page 13.
iv. Multi-year capital appropriations by vote reflected in Table 7 on page 14 and Annexure 2.1 and Annexure 2.2.
v. Capital expenditure by standard classification reflected in Table 7 on page 14.
vi. Capital funding by source reflected in Table 7 on page 14.
vii. Budgeted Cash Flow statement as reflected in Table 9 on page 18.

b. That Council notes the impact of the 2017/18 adjustments budget on the 2018/19 and 2019/20 financial years.

c. That the amended MTREF IDP chapter for 2016/17, as set out in annexure 3, be used to update the current chapter in the approved Integrated Development Plan (IDP).

d. That Council approve the individual projects with a total project cost in excess of R50 million (to give effect to Section 19(1)(b) of the MFMA and Regulation 13 (1) (b) of the MBRR) as set out in Annexure 4.

3. *Executive Summary*

3.1. General

The City is taking exceptional emergency measures to implement the WRAP to address the immediate, medium and long term consequences of the current drought, and the associated "new normal" of uncertain rainfall associated with climate change. This action plan introduces a two-pronged approach of restricting water demand and augmenting water resources, with the objective of securing a basic minimum level of water supply for all citizens, and particularly poor households.

A Financial Strategy and Programme has been developed to provide a balanced financial approach to the diverse funding needs of the WRAP which is driven by these unforeseen and unavoidable expenditure requirements. This Financial Strategy and Programme makes provision for an expenditure programme, measures to address specific regulatory and revenue challenges, and a financing programme.

- **Expenditure Programme**

  The expenditure programme has certain core elements, supported by an enhanced project management capacity, namely:

  a) household and business adaptation to reduce water demand;
  b) water allocations where specific opportunities to trade or buy additional raw water from other water users are being actively pursued but still subject to both legal and economic assessment prior to finalisation;
  c) water augmentation where will be commissioned as part of the Emergency Plan; and
  d) programme management to on a temporary basis supplement organisational capacity to drive and oversee the implementation of the WRAP programme.

  As per the MFMA Section 29 report, approved by the Executive Mayor, the specific expenditure requirements amounted to R1 827 billion for 2017/18; R1 439 billion for capital expenditure and R387.5 million for operating expenditure.

  The financial requirements for the WRAP from 2017/18 to 2019/20 are summarised below:

	Yield	Capital	Operating		
			FY2017/18	FY2018/19	FY2019/20
Adaption to Reduce Demand	3	R 35,950,000	R 14,278,000	R 46,950,000	R 26,750,000
Water Allocations	40	R 0	R 85,500,000	R 150,000,000	R 150,000,000
Water Augmentation	196	R 1,401,900,000	R 258,250,000	R 1,496,200,000	R 1,232,470,000
Programme Management		R 1,400,000	R 29,490,000	R 50,601,000	R 53,714,000
Total	**239**	**R 1,439,250,000**	**R 387,518,000**	**R 1,743,751,000**	**R 1,462,934,000**

The cost estimations above and funding arrangements to meet these represent the latest information available and will be refined as contracts with service providers are entered into and following internal City assessments of cost optimisation, which may result in shifts between capital- and operating expenditure. This will similarly be amended in subsequent adjustments budgets, if required.

- **Measures to address specific regulatory and revenue challenges**
  - **Regulatory challenges**

    The extraordinary context of the WRAP has specific challenges as contained in the legal framework, which arise from the unforeseeable and unavoidable nature of this programme, as well as emerging fiscal challenges which stems from a dramatic decline in water consumption and associated revenue. The municipal budget framework and process is regulated by the MFMA.

    The full financing requirements for the WRAP were not foreseen when drafting the 2017/18 financial year budget and therefore fall within the ambit of unforeseen and unavoidable expenditure in terms of Section 29 of the MFMA.

    The Executive Mayor approached the Minister of Finance on 28 August 2017 to exercise his power, in terms of section 170(1) of the MFMA, to grant the City an exemption from aspects of the MFMA that reduced the flexibility needed to effectively implement and finance the WRAP, specifically through limiting the ability to introduce more adjustments budgets in addition to the August roll-over adjustments budget and the adjustments budget following the mid-year review and performance assessment.

    On 27 October 2017, the Minister indicated his consent to providing an exemption from Section 28(6) of the MFMA (in terms of section 177(1)(b)) and Regulation 72(c) of the MBRR (in terms of section 170(1)). These exemptions were gazetted on 10 November 2017 (Notice 1236 on GG41237, Part 2), and enabled the City to:

    a) Raise water tariffs in-year (s28(6)) to provide for shortfalls in the approved budget to address the water crisis, and after due consideration of the impact of the increase on poor households;
    b) Approach the Executive Mayor to authorise unforeseen and unavoidable expenditure beyond R15 million (MFMA section 29, MBRR Regulation 72(c)); and
    c) By implication, introduce an extraordinary adjustments budget in terms of section 28 of the MFMA within 60 days from when expenditure is incurred through authorisation from the Executive Mayor in terms of section 29 of the MFMA.

- **Revenue challenges**
  Projections as at the end of October 2017 indicate a current water collection rate of 65%. Although provision was made in the budget to absorb revenue under-recovery (i.e. the expenditure budget was not fully committed to the same level as the revenue budget), the projections have moved past the point of what the expenditure budget can absorb in 2017/18. The projected collection rate, based on rolling averages, has now also been recalculated to 73% in 2018/19. The net effect of these changes, driven by the continuous reduction in consumption, is that there is now a sharp decline in the organic revenue growth of -5%.

  In accordance with existing budget practices, this will have an immediate financial impact on the Water & Sanitation department's operations. Revenue Management Interventions are proposed to stabilise collections through credit control measures as part of the overall WRAP financing strategy. Any additional impact will either have to be addressed though expenditure cutbacks and/or a revenue increase in the January 2018 adjustments budget and 2018/19 budget process.

- **Funding strategy**
  Financial implications of the WRAP were considered and funding arrangements determined, both as a matter of good practice and to remain compliant with Section 18 and Section 28 of the MFMA. In this regard the following funding considerations were incorporated:
  a) The realisation of savings from cost-reductions and reprioritisation in other activities of the municipality, taking due account of the need to ensure the delivery of the IDP and protect expenditures for poor households; and
  b) Revenue management interventions, including adjustments to estimates on selected revenue sources and enhanced credit control actions to ensure that revenues actually due to the City are collected in full and on time.
     - Credit Control and Debt Collection Policy
       Current debt management actions are not effective and are not achieving the required results in reducing the City's debt and sustaining a 95% plus collection ratio. It is anticipated that, with the current water crisis, the rates and tariffs will increase substantially in future years and this will lead to the debts of the City growing.
     - Borrowings
       New borrowings by the City for capital expenditure via a specific borrowing strategy has been developed, which will leverage R1.5 billion from private capital markets through a blend of private finance and concessional development finance.

3.2. Provision of basic services

The objective of this adjustments budget is specifically to secure a basic minimum level of water supply for all citizens, and particularly poor households.

3.3. Adjustment highlights

3.3.1. Adjustments made to the operating budget

The current water crisis necessitated budget reprioritisation and identification of operating efficiencies across all directorates (with exception of the Water & Sanitation department), on various expenditure items.

Budget reductions and related measures, totalling R594 million, are proposed to be effected in the 2017/18 Operating Budget, to address the consequences of the current drought. This allocation of R594 million, will be in the form of contributions being made from all directorates to the Water & Sanitation department to assist with the WRAP requirements.

Of the R594 million, R387 million will be utilised to implement the immediate expenditure programme to rollout the WRAP confined to those items that constitute unforeseen and unavoidable expenditures as contemplated in the report approved by the Executive Mayor in terms of section 29 of the MFMA. The balance of R207 million, will be utilised for further water demand and resource availability developments as per the WRAP.

In addition, given the requirements of the WRAP and its capital investment intensive nature, it is possible and desirable for the City to finance part of the capital requirements through additional borrowing in the 2017/18 financial year.

Finance costs amounting to R41 million, relating to the borrowing, were absorbed from the budget reprioritisation and operating efficiencies identified.

Full details of proposed amendments to the 2017/18 operating budget are reflected in Annexure 1 to this report.

3.3.2. Adjustments to the capital budget

Directorate and departmental submissions received for budgetary inclusion totalled R1 439 billion on External Financing Fund (EFF) as shown in Table 1 below.

Table 1 Fund shifts in relation to the capital programme for 2017/18

Major Fund Source	Original Budget R Thousands	Section 29 R Thousands	Proposed Budget R Thousands
CGD	2,374,547	-	2,374,547.30
CRR	1,722,544	-	1,722,544
EFF	2,992,706	1,439,250	4,431,956
REVENUE	89,980	-	89,980
TOTAL	**7,179,778**	**1,439,250**	**8,619,028**

The Executive Mayor authorised capital expenditure in terms of section 29 of the MFMA for the emergency measures required on the following projects:

Table 2 Proposed projects for WRAP in the 2017/18 financial year

Project	Amount R Thousands
FM Infrastructure	1,400
Installation of Rental Stock Sub-Meters	22,400
Treated Effluent: Reuse & Inf Upgrades	13,550
Atlantis Aquifer	220,000
Cape Flats Aquifer	259,000
Desalination: CPT Harbour Land Based	794,400
Zandvliet Plant Re-use	128,500
Total	**1,439,250**

The exact nature and final costs of the above individual projects have not yet been concluded. Amendments to these variables and the specific projects to achieve the City's drought relief measures may therefore be required in subsequent adjustments budgets or subsequent MTREF submissions, based on continued internal assessments of projects' technical and financial details and as and when this information becomes available via procurement processes.

4. Annual Budget Tables – Parent municipality

The ten primary budget tables, as required in terms of Part 4 of the Municipal Budget and Reporting Regulations (MBRR), are presented on page 8 to page 23. These tables reflect the City's 2017/18 adjustments budget and MTREF to be approved by Council. Each table is accompanied by explanatory notes.

Table 3 MBRR Table B1 – Adjustments Budget Summary

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance											
Property rates	8,662,350	8,662,350	–	–	–	–	–	–	8,662,350	9,324,490	9,928,483
Service charges	19,310,141	19,310,141	–	–	–	–	–	–	19,310,141	21,220,770	23,146,827
Investment revenue	773,657	773,657	–	–	–	–	–	–	773,657	826,409	857,479
Transfers recognised - operational	6,455,942	6,930,716	–	–	–	–	–	–	6,930,716	6,996,655	7,635,571
Other own revenue	2,806,001	2,806,001	–	–	–	–	–	–	2,806,001	3,002,598	3,167,565
Total Revenue (excluding capital transfers and contributions)	**38,008,091**	**38,482,865**	**–**	**–**	**–**	**–**	**–**	**–**	**38,482,865**	**41,370,923**	**44,735,926**
Employee costs	12,050,690	12,057,178	–	–	–	–	31,864	31,864	12,089,042	12,972,883	14,130,273
Remuneration of councillors	155,787	155,787	–	–	–	–	(290)	(290)	155,497	165,913	176,697
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	–	–	2,574,607	2,734,705	2,814,573
Finance charges	1,131,010	1,132,737	–	–	–	–	38,939	38,939	1,171,676	1,576,120	1,949,703
Materials and bulk purchases	9,730,312	9,729,036	–	–	–	–	258,933	258,933	9,987,969	10,498,509	11,321,657
Transfers and grants	140,985	412,017	–	–	–	–	(6,955)	(6,955)	405,062	147,473	155,584
Other expenditure	11,574,725	11,771,528	–	–	–	–	(554,776)	(554,776)	11,216,752	12,485,718	13,382,581
Total Expenditure	**37,358,116**	**37,832,890**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**37,600,605**	**40,581,322**	**43,931,069**
Surplus/(Deficit)	649,975	649,975	–	–	–	–	232,285	232,285	882,260	789,601	804,856
Transfers recognised - capital	2,268,835	2,289,647	–	–	–	–	0	–	2,289,647	2,101,736	2,203,502
Contributions recognised - capital & contributed assets	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Surplus/(Deficit) after capital transfers & contributions	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**
Capital expenditure & funds sources											
Capital expenditure	6,975,220	7,179,778	–	–	1,439,250	–	–	1,439,250	8,619,028	6,678,655	6,955,344
Transfers recognised - capital	2,268,835	2,289,647	–	–	–	–	–	–	2,289,647	2,101,736	2,203,502
Public contributions & donations	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Borrowing	2,894,482	2,992,706	–	–	1,439,250	–	–	1,439,250	4,431,956	3,503,855	3,707,679
Internally generated funds	1,727,003	1,812,524	–	–	–	–	–	–	1,812,524	985,864	953,563
Total sources of capital funds	**6,975,220**	**7,179,778**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,619,028**	**6,678,655**	**6,955,344**
Financial position											
Total current assets	13,804,580	12,778,025	–	–	–	–	580,711	580,711	13,358,736	14,738,085	16,386,555
Total non current assets	49,655,980	49,850,309	–	–	–	–	2,189,454	2,189,454	52,039,763	55,886,155	59,409,082
Total current liabilities	10,811,468	9,958,429	–	–	–	–	996,629	996,629	10,955,059	11,193,086	11,192,312
Total non current liabilities	14,514,129	14,514,129	–	–	–	–	1,541,250	1,541,250	16,055,379	18,064,557	20,137,769
Community wealth/Equity	**38,134,963**	**38,155,775**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**38,388,061**	**41,366,597**	**44,465,556**
Cash flows											
Net cash from (used) operating	5,500,155	5,051,421	–	–	–	–	742,498	742,498	5,793,918	5,440,343	5,644,496
Net cash from (used) investing	(7,059,015)	(7,232,888)	–	–	–	–	(1,223,363)	(1,223,363)	(8,456,251)	(6,214,212)	(6,741,952)
Net cash from (used) financing	2,103,124	2,103,124	–	–	–	–	1,500,000	1,500,000	3,603,124	1,890,028	1,930,864
Cash/cash equivalents at the year end	**4,425,075**	**3,398,520**	**–**	**–**	**–**	**–**	**992,464**	**992,464**	**4,390,984**	**5,507,142**	**6,340,550**
Cash backing/surplus reconciliation											
Cash and investments available	10,546,439	9,519,884	–	–	–	–	1,402,877	1,402,877	10,922,761	12,038,919	12,872,327
Application of cash and investments	8,024,834	7,171,796	–	–	–	–	1,307,748	1,307,748	8,479,544	9,077,331	9,444,761
Balance - surplus (shortfall)	**2,521,605**	**2,348,088**	**–**	**–**	**–**	**–**	**95,129**	**95,129**	**2,443,217**	**2,961,588**	**3,427,566**
Asset Management											
Asset register summary (WDV)	45,766,736	45,961,066	–	–	1,439,250	–	(71,963)	1,367,288	47,328,353	50,938,370	54,731,374
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	–	–	2,574,607	2,734,705	2,814,573
Renewal of Existing Assets	1,429,859	1,465,602	–	–	–	–	20,000	20,000	1,485,602	1,647,410	1,830,774
Repairs and Maintenance	4,034,293	4,034,293	–	–	–	–	(142,641)	(142,641)	3,891,651	4,393,491	4,732,564
Free services											
Cost of Free Basic Services provided	1,604,874	–	–	–	–	–	–	–	1,604,874	1,748,187	1,898,155
Revenue cost of free services provided	1,778,456	–	–	–	–	–	–	–	1,778,456	1,903,653	2,045,597
Households below minimum service level	–	–	–	–	–	–	–	–	–	–	–
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	0	–	–	–	–	–	–	–	0	–	–
Energy:	23	–	–	–	–	–	–	–	23	22	20
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table B1 – Adjustments Budget Summary

1. Table B1 represents a high-level summation of the City's budget, providing a view that includes all major components, i.e. operating, capital, financial position, cash flow and MFMA funding compliance.

2. In essence it provides a synopsis of the amounts to be approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance and the City's commitment to eliminate basic service delivery backlogs.

3. The importance of ensuring that a municipal budget is fully funded is stressed in the financial management reforms. The MFMA through section 18 requires that a budget only be funded by realistically anticipated revenue to be collected and cash-backed accumulated funds from previous years, not committed for other purposes.

4. To test whether the City's budget is funded it is required therefore to collectively assess the financial performance, capital budget, financial position and cash flow budgets.

5. The City's key outcomes in this regard are as follows:
   a. The City's Financial Performance section of the prescribed pro forma Table B1 shows a balanced budget position over the 2017/18 MTREF.
   b. The Financial Performance does not show a surplus, due to appropriations, which are included in the Financial Position (Table B6 – Adjustments Budget Financial Position) and not in the financial performance budget. The appropriations include the depreciation reserves (for capital grants), Housing Development Fund, Insurance Fund and contributions to the Capital Replacement Reserve (CRR).
   c. The cash flow budget outcome shows that budget is funded from uncommitted, previous years' surpluses.
   d. The capital budget is funded from the following sources:

      i. Transfers recognised - capital and public contributions & donations which are shown on the financial performance budget;

      ii. Borrowing, which is shown in the cash flow budget as part of the net cash from financing activities; and

      iii. Internally generated funds are financed from previous years' accumulated surpluses, previous years' contributions to CRR and bulk infrastructure levies already collected. The affordability and sustainability of these funds are confirmed by the positive cash flow outcome over the 2017/18 MTREF.

6. The City's cash backing/surplus reconciliation over the 2017/18 MTREF shows a positive outcome, which is an indication that the City will be able to afford its commitments over the next three years.

7. The City's persistent strive to eradicate infrastructure backlogs is evident in the annual increase of investment in the Cost of Free Basic Services and the Revenue Cost of Free Basic Services provided. Backlogs still exist for Electricity Services but are projected to reduce annually.

Table 4 MBRR Table B2 – Adjustments Budget Financial Performance (standard classification)

Standard Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional											
Governance and administration	**14,882,934**	**14,884,279**	**–**	**–**	**–**	**–**	**4,000**	**4,000**	**14,888,279**	**16,140,771**	**17,240,909**
Executive and council	3,126	3,594	–	–	–	–	–	–	3,594	3,240	3,362
Finance and administration	14,879,801	14,880,678	–	–	–	–	4,000	4,000	14,884,678	16,137,523	17,237,539
Internal audit	8	8	–	–	–	–	–	–	8	8	9
Community and public safety	**1,956,529**	**2,317,240**	**–**	**–**	**–**	**–**	**(69,000)**	**(69,000)**	**2,248,240**	**2,067,634**	**2,213,043**
Community and social services	120,972	116,766	–	–	–	–	–	–	116,766	120,361	118,907
Sport and recreation	114,329	117,659	–	–	–	–	(4,000)	(4,000)	113,659	76,740	60,312
Public safety	22,293	22,293	–	–	–	–	–	–	22,293	11,168	11,783
Housing	1,328,591	1,689,728	–	–	–	–	(65,000)	(65,000)	1,624,728	1,435,979	1,593,372
Health	370,343	370,794	–	–	–	–	–	–	370,794	423,385	428,669
Economic and environmental services	**3,224,458**	**3,337,177**	**–**	**–**	**–**	**–**	**65,000**	**65,000**	**3,402,177**	**2,972,859**	**3,213,414**
Planning and development	342,034	342,034	–	–	–	–	–	–	342,034	392,979	485,490
Road transport	2,880,418	2,993,137	–	–	–	–	65,000	65,000	3,058,137	2,577,764	2,725,691
Environmental protection	2,006	2,006	–	–	–	–	–	–	2,006	2,116	2,232
Trading services	**20,291,096**	**20,311,908**	**–**	**–**	**–**	**–**	**–**	**–**	**20,311,908**	**22,372,454**	**24,357,243**
Energy sources	12,256,796	12,256,796	–	–	–	–	–	–	12,256,796	13,401,524	14,535,806
Water management	4,123,369	4,134,182	–	–	–	–	(3,700)	(3,700)	4,130,482	4,704,907	5,261,945
Waste water management	2,547,543	2,557,543	–	–	–	–	3,700	3,700	2,561,243	2,772,140	2,936,233
Waste management	1,363,387	1,363,387	–	–	–	–	–	–	1,363,387	1,493,882	1,623,259
Other	**6,809**	**6,809**	**–**	**–**	**–**	**–**	**–**	**–**	**6,809**	**6,140**	**5,419**
Total Revenue - Functional	**40,361,826**	**40,857,413**	**–**	**–**	**–**	**–**	**–**	**–**	**40,857,413**	**43,559,859**	**47,030,028**
Expenditure - Functional											
Governance and administration	**8,555,468**	**8,554,294**	**–**	**–**	**–**	**–**	**(257,635)**	**(257,635)**	**8,296,660**	**9,515,724**	**10,431,939**
Executive and council	443,599	444,707	–	–	–	–	(10,650)	(10,650)	434,057	481,337	512,954
Finance and administration	8,061,222	8,058,940	–	–	–	–	(246,167)	(246,167)	7,812,774	8,979,379	9,859,416
Internal audit	50,646	50,646	–	–	–	–	(818)	(818)	49,828	55,008	59,569
Community and public safety	**5,318,902**	**5,680,460**	**–**	**–**	**–**	**–**	**(97,842)**	**(97,842)**	**5,582,618**	**5,686,027**	**6,175,420**
Community and social services	931,712	931,712	–	–	–	–	(22,773)	(22,773)	908,939	973,551	1,039,958
Sport and recreation	1,212,821	1,212,821	–	–	–	–	(41,490)	(41,490)	1,171,331	1,282,162	1,346,335
Public safety	600,875	600,875	–	–	–	–	(15,354)	(15,354)	585,521	652,483	705,757
Housing	1,498,847	1,859,954	–	–	–	–	(19,887)	(19,887)	1,840,067	1,605,391	1,812,330
Health	1,074,647	1,075,098	–	–	–	–	1,662	1,662	1,076,760	1,172,441	1,271,040
Economic and environmental services	**6,351,817**	**6,466,207**	**–**	**–**	**–**	**–**	**(50,536)**	**(50,536)**	**6,415,671**	**6,763,465**	**7,187,829**
Planning and development	1,042,789	1,044,828	–	–	–	–	(27,148)	(27,148)	1,017,680	1,234,121	1,319,286
Road transport	5,186,569	5,298,921	–	–	–	–	(22,953)	(22,953)	5,275,968	5,411,988	5,742,032
Environmental protection	122,458	122,458	–	–	–	–	(435)	(435)	122,023	117,356	126,511
Trading services	**17,026,865**	**17,026,865**	**–**	**–**	**–**	**–**	**177,598**	**177,598**	**17,204,463**	**18,505,037**	**20,018,575**
Energy sources	9,929,327	9,929,327	–	–	–	–	(87,524)	(87,524)	9,841,803	10,727,822	11,573,196
Water management	3,225,897	3,224,433	–	–	–	–	371,980	371,980	3,596,414	3,577,694	3,906,221
Waste water management	1,990,882	1,992,346	–	–	–	–	(72,759)	(72,759)	1,919,587	2,191,214	2,417,010
Waste management	1,880,759	1,880,759	–	–	–	–	(34,100)	(34,100)	1,846,659	2,008,307	2,122,148
Other	**105,064**	**105,064**	**–**	**–**	**–**	**–**	**(3,871)**	**(3,871)**	**101,193**	**111,068**	**117,305**
Total Expenditure - Functional	**37,358,116**	**37,832,890**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**37,600,605**	**40,581,322**	**43,931,069**
Surplus/ (Deficit) for the year	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**

Explanatory notes to MBRR Table B2 – Adjustments Budget Financial Performance (Standard classification)

1. Table B2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification, which divides the municipal services into 15 functional areas.

2. A surplus of R3 257 million is reflected in this table and includes Capital Grants and Transfers (Capital Grants & Donations) received. The expenditure category excludes these transfers.

3. This table highlights that the revenue for Electricity, Water and Waste Water Management (excluding Waste Management) exceeds its expenditure (it excludes Internal Charges). The deficit in Waste Management is absorbed within Rates Revenue.

4. Other functions within Rates show a deficit when comparing revenue and expenditure, which is financed from Rates Revenue.

Table 5 MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote											
Vote 1 - Area-Based Service Delivery	204,290	204,758	–	–	–	–	–	–	204,758	243,262	283,027
Vote 2 - Assets & Facilities Management	453,587	453,587	–	–	–	–	–	–	453,587	507,676	535,388
Vote 3 - Corporate Services	68,073	68,073	–	–	–	–	–	–	68,073	72,592	76,677
Vote 4 - City Manager	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Directorate of the Mayor	3,324	3,324	–	–	–	–	–	–	3,324	1,235	244
Vote 6 - Energy	12,256,918	12,256,918	–	–	–	–	–	–	12,256,918	13,401,653	14,535,941
Vote 7 - Finance	14,307,250	14,307,250	–	–	–	–	–	–	14,307,250	15,497,022	16,586,946
Vote 8 - Informal Settlements, Water & Waste Services	8,212,622	8,242,211	–	–	–	–	1,500	1,500	8,243,711	9,124,638	9,891,330
Vote 9 - Safety & Security	1,267,627	1,271,667	–	–	–	–	–	–	1,271,667	1,280,617	1,349,809
Vote 10 - Social Services	904,664	905,115	–	–	–	–	–	–	905,115	934,834	940,536
Vote 11 - Transport & Urban Development Authority	2,683,471	3,144,510	–	–	–	–	(1,500)	(1,500)	3,143,010	2,496,331	2,830,130
Total Revenue by Vote	**40,361,826**	**40,857,413**	**–**	**–**	**–**	**–**	**–**	**–**	**40,857,413**	**43,559,859**	**47,030,028**
Expenditure by Vote											
Vote 1 - Area-Based Service Delivery	547,009	547,477	–	–	–	–	(21,601)	(21,601)	525,876	600,999	642,132
Vote 2 - Assets & Facilities Management	1,851,509	1,851,499	–	–	–	–	(60,190)	(60,190)	1,791,309	1,973,889	2,089,607
Vote 3 - Corporate Services	1,741,551	1,741,551	–	–	–	–	(106,856)	(106,856)	1,634,695	1,872,190	1,994,576
Vote 4 - City Manager	22,198	22,198	–	–	–	–	(100)	(100)	22,098	23,629	25,186
Vote 5 - Directorate of the Mayor	557,664	557,674	–	–	–	–	(34,399)	(34,399)	523,275	594,705	634,773
Vote 6 - Energy	10,355,750	10,355,750	–	–	–	–	(103,784)	(103,784)	10,251,965	11,188,113	12,065,949
Vote 7 - Finance	3,370,596	3,370,596	–	–	–	–	(5,631)	(5,631)	3,364,966	3,912,117	4,439,566
Vote 8 - Informal Settlements, Water & Waste Services	7,739,299	7,748,075	–	–	–	–	334,984	334,984	8,083,059	8,513,136	9,205,318
Vote 9 - Safety & Security	3,148,512	3,152,551	–	–	–	–	(63,677)	(63,677)	3,088,875	3,354,695	3,595,786
Vote 10 - Social Services	3,463,150	3,463,601	–	–	–	–	(89,532)	(89,532)	3,374,069	3,799,844	4,079,694
Vote 11 - Transport & Urban Development Authority	4,560,879	5,021,918	–	–	–	–	(81,500)	(81,500)	4,940,418	4,748,004	5,158,484
Total Expenditure by Vote	**37,358,116**	**37,832,890**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**37,600,605**	**40,581,322**	**43,931,069**
Surplus/ (Deficit) for the year	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**

Explanatory notes to MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

1. Table B3 shows budgeted financial performance in relation to the revenue and expenditure and the operating surplus or deficit per municipal vote.

Table 6 MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source											
Property rates	8,662,350	8,662,350	–	–	–	–	–	–	8,662,350	9,324,490	9,928,483
Service charges - electricity revenue	11,942,587	11,942,587	–	–	–	–	–	–	11,942,587	13,034,828	14,090,638
Service charges - water revenue	3,933,401	3,933,401	–	–	–	–	–	–	3,933,401	4,382,678	4,867,839
Service charges - sanitation revenue	2,092,272	2,092,272	–	–	–	–	–	–	2,092,272	2,332,091	2,589,072
Service charges - refuse revenue	1,341,882	1,341,882	–	–	–	–	–	–	1,341,882	1,471,173	1,599,278
Service charges - other	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	418,011	418,011	–	–	–	–	–	–	418,011	469,470	495,290
Interest earned - external investments	773,657	773,657	–	–	–	–	–	–	773,657	826,409	857,479
Interest earned - outstanding debtors	284,131	284,131	–	–	–	–	–	–	284,131	299,860	316,164
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1,146,414	1,146,414	–	–	–	–	–	–	1,146,414	1,209,461	1,275,982
Licences and permits	43,749	43,749	–	–	–	–	–	–	43,749	46,154	48,692
Agency services	162,771	162,771	–	–	–	–	–	–	162,771	171,818	181,267
Transfers and subsidies	6,455,942	6,930,716	–	–	–	–	–	–	6,930,716	6,996,655	7,635,571
Other revenue	709,425	709,425	–	–	–	–	–	–	709,425	762,573	804,527
Gains on disposal of PPE	41,500	41,500	–	–	–	–	–	–	41,500	43,263	45,643
Total Revenue (excluding capital transfers and contributions)	**38,008,091**	**38,482,865**	**–**	**–**	**–**	**–**	**–**	**–**	**38,482,865**	**41,370,923**	**44,735,926**
Expenditure By Type											
Employee related costs	12,050,690	12,057,178	–	–	–	–	31,864	31,864	12,089,042	12,972,883	14,130,273
Remuneration of councillors	155,787	155,787	–	–	–	–	(290)	(290)	155,497	165,913	176,697
Debt impairment	2,508,738	2,508,738	–	–	–	–	(45,000)	(45,000)	2,463,738	2,704,796	2,900,682
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	–	–	2,574,607	2,734,705	2,814,573
Finance charges	1,131,010	1,132,737	–	–	–	–	38,939	38,939	1,171,676	1,576,120	1,949,703
Bulk purchases	8,540,135	8,540,135	–	–	–	–	304,758	304,758	8,844,893	9,227,384	9,967,635
Other materials	1,190,177	1,188,901	–	–	–	–	(45,825)	(45,825)	1,143,076	1,271,125	1,354,022
Contracted services	6,086,610	6,269,763	–	–	–	–	(252,772)	(252,772)	6,016,992	6,649,779	7,170,612
Transfers and subsidies	140,985	412,017	–	–	–	–	(6,955)	(6,955)	405,062	147,473	155,584
Other expenditure	2,978,990	2,992,639	–	–	–	–	(257,004)	(257,004)	2,735,635	3,130,734	3,310,855
Loss on disposal of PPE	387	387	–	–	–	–	(0)	(0)	387	409	431
Total Expenditure	**37,358,116**	**37,832,890**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**37,600,605**	**40,581,322**	**43,931,069**
Surplus/(Deficit)	**649,975**	**649,975**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**882,260**	**789,601**	**804,856**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,268,835	2,289,647	–	–	–	–	0	–	2,289,647	2,101,736	2,203,502
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**
Taxation	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**3,003,710**	**3,024,523**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**3,256,808**	**2,978,537**	**3,098,959**

Explanatory notes to MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)

1. Table B4 is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type. Total revenue is R38 483 million (this includes the budgeted surplus, which is set aside for the replacement of externally-funded capital assets) in 2017/18 and escalates to R44 736 million in 2019/20. Total expenditure is R37 601 million in 2017/18 and escalates to R43 931 million in 2019/20.

Table 7 MBRR Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
Vote 1 - Area-Based Service Delivery	39,430	39,843	–	–	–	–	–	–	39,843	73,970	105,763
Vote 2 - Assets & Facilities Management	395,019	413,304	–	–	23,800	–	–	23,800	437,104	281,917	265,214
Vote 3 - Corporate Services	351,686	358,010	–	–	–	–	–	–	358,010	339,446	338,046
Vote 4 - City Manager	222	222	–	–	–	–	–	–	222	222	222
Vote 5 - Directorate of the Mayor	17,108	17,132	–	–	–	–	–	–	17,132	2,238	2,158
Vote 6 - Energy	1,292,814	1,366,034	–	–	–	–	–	–	1,366,034	1,413,174	1,705,351
Vote 7 - Finance	17,136	17,136	–	–	–	–	–	–	17,136	15,249	16,419
Vote 8 - Informal Settlements, Water & Waste Services	2,445,238	2,483,251	–	–	1,415,450	–	–	1,415,450	3,898,701	2,535,665	2,518,546
Vote 9 - Safety & Security	191,120	191,488	–	–	–	–	–	–	191,488	105,722	50,515
Vote 10 - Social Services	283,413	286,073	–	–	–	–	–	–	286,073	198,834	128,598
Vote 11 - Transport & Urban Development Authority	1,942,035	2,007,284	–	–	–	–	–	–	2,007,284	1,712,219	1,824,511
Total Capital Expenditure - Vote	**6,975,220**	**7,179,778**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,619,028**	**6,678,655**	**6,955,344**
Capital Expenditure - Functional											
Governance and administration	**1,244,434**	**1,282,813**	**–**	**–**	**1,400**	**–**	**1,862**	**3,262**	**1,286,075**	**900,122**	**822,493**
Executive and council	3,594	24,900	–	–	–	–	90	90	24,990	2,380	3,380
Finance and administration	1,239,881	1,256,954	–	–	1,400	–	1,772	3,172	1,260,127	897,610	818,981
Internal audit	959	959	–	–	–	–	–	–	959	131	131
Community and public safety	**955,697**	**960,661**	**–**	**–**	**22,400**	**–**	**(63,860)**	**(41,460)**	**919,201**	**800,576**	**799,439**
Community and social services	151,270	147,678	–	–	–	–	1,799	1,799	149,478	101,890	83,546
Sport and recreation	105,711	112,672	–	–	–	–	(1,659)	(1,659)	111,014	37,026	14,503
Public safety	46,799	46,799	–	–	–	–	–	–	46,799	7,659	7,659
Housing	606,733	607,704	–	–	22,400	–	(64,000)	(41,600)	566,104	594,330	661,934
Health	45,183	45,807	–	–	–	–	–	–	45,807	59,671	31,796
Economic and environmental services	**1,662,703**	**1,727,833**	**–**	**–**	**–**	**–**	**62,998**	**62,998**	**1,790,830**	**1,361,972**	**1,451,403**
Planning and development	44,786	45,524	–	–	–	–	(248)	(248)	45,276	77,349	155,469
Road transport	1,599,888	1,664,280	–	–	–	–	63,246	63,246	1,727,526	1,262,241	1,285,562
Environmental protection	18,028	18,028	–	–	–	–	–	–	18,028	22,381	10,373
Trading services	**3,104,956**	**3,201,039**	**–**	**–**	**1,415,450**	**–**	**(1,000)**	**1,414,450**	**4,615,489**	**3,605,996**	**3,876,819**
Energy sources	1,183,872	1,225,172	–	–	–	–	–	–	1,225,172	1,336,334	1,631,151
Water management	853,967	886,806	–	–	1,415,450	–	(1,890)	1,413,560	2,300,366	968,222	1,145,900
Waste water management	684,576	705,039	–	–	–	–	890	890	705,929	854,201	781,149
Waste management	382,541	384,022	–	–	–	–	–	–	384,022	447,239	318,619
Other	7,432	7,432	–	–	–	–	–	–	7,432	9,990	5,190
Total Capital Expenditure - Functional	**6,975,220**	**7,179,778**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,619,028**	**6,678,655**	**6,955,344**
Funded by:											
National Government	2,189,832	2,210,645	–	–	–	–	–	–	2,210,645	1,976,411	2,152,358
Provincial Government	79,002	79,002	–	–	–	–	–	–	79,002	125,325	51,144
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**2,268,835**	**2,289,647**	**–**	**–**	**–**	**–**	**–**	**–**	**2,289,647**	**2,101,736**	**2,203,502**
Public contributions & donations	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Borrowing	2,894,482	2,992,706	–	–	1,439,250	–	–	1,439,250	4,431,956	3,503,855	3,707,679
Internally generated funds	1,727,003	1,812,524	–	–	–	–	–	–	1,812,524	985,864	953,563
Total Capital Funding	**6,975,220**	**7,179,778**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,619,028**	**6,678,655**	**6,955,344**

Explanatory notes to Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source

1. Table B5 reflects the City's capital programme in relation to capital expenditure by municipal vote (directorate); capital expenditure by standard classification; and funding sources required to fund the Capital budget, including information on capital transfers from National and Provincial Departments.

2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The City has revised its multi-year appropriations to R8 619 million for 2017/18, while the 2018/19 and 2019/20 appropriations remain unchanged.

3. The capital budget is funded from allocations in the form of grants, public contributions, donations, borrowings and internally-generated funds. Capital transfers from National Government, Provincial Government Western Cape (PGWC), and other transfers and grants and public contributions amount to R2 375 million in 2017/18, R2 189 million and R2 294 million in 2018/19 and 2019/20 respectively. Borrowings amount to R4 432 million, R3 504 million and R3 708 million for each of the respective financial years. Internally generated funds amounting to R1 813 million, R986 million and R954 million for each of the respective financial years has been provided for in the MTREF.

Table 8 MBRR Table B6 – Adjustments Budget Financial Position

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS											
Current assets											
Cash	103,918	103,918	–	–	–	–	–	–	103,918	146,904	146,396
Call investment deposits	6,599,932	5,573,377	–	–	–	–	580,711	580,711	6,154,088	6,988,552	8,090,328
Consumer debtors	5,635,475	5,635,475	–	–	–	–	–	–	5,635,475	5,935,035	6,251,199
Other debtors	1,135,110	1,135,110	–	–	–	–	–	–	1,135,110	1,305,376	1,501,183
Current portion of long-term receivables	18,845	18,845	–	–	–	–	–	–	18,845	19,787	20,777
Inventory	311,300	311,300	–	–	–	–	–	–	311,300	342,430	376,673
Total current assets	**13,804,580**	**12,778,025**	**–**	**–**	**–**	**–**	**580,711**	**580,711**	**13,358,736**	**14,738,085**	**16,386,555**
Non current assets											
Long-term receivables	46,655	46,655	–	–	–	–	–	–	46,655	44,322	42,106
Investments	3,842,589	3,842,589	–	–	–	–	822,166	822,166	4,664,755	4,903,463	4,635,603
Investment property	586,473	586,473	–	–	–	–	–	–	586,473	584,635	582,669
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	44,648,942	44,843,272	–	–	–	–	1,367,288	1,367,288	46,210,559	49,936,787	53,854,136
Agricultural	–	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	522,272	522,272	–	–	–	–	–	–	522,272	407,899	285,520
Other non-current assets	9,049	9,049	–	–	–	–	–	–	9,049	9,049	9,049
Total non current assets	**49,655,980**	**49,850,309**	**–**	**–**	**–**	**–**	**2,189,454**	**2,189,454**	**52,039,763**	**55,886,155**	**59,409,082**
TOTAL ASSETS	**63,460,560**	**62,628,334**	**–**	**–**	**–**	**–**	**2,770,165**	**2,770,165**	**65,398,499**	**70,624,240**	**75,795,638**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	428,372	428,372	–	–	–	–	–	–	428,372	580,249	749,617
Consumer deposits	392,806	392,806	–	–	–	–	–	–	392,806	432,087	475,295
Trade and other payables	8,766,074	7,913,036	–	–	–	–	996,629	996,629	8,909,666	8,870,840	8,565,796
Provisions	1,224,215	1,224,215	–	–	–	–	–	–	1,224,215	1,309,910	1,401,604
Total current liabilities	**10,811,468**	**9,958,429**	**–**	**–**	**–**	**–**	**996,629**	**996,629**	**10,955,059**	**11,193,086**	**11,192,312**
Non current liabilities											
Borrowing	7,770,349	7,770,349	–	–	–	–	1,541,250	1,541,250	9,311,599	11,038,452	12,780,198
Provisions	6,743,780	6,743,780	–	–	–	–	–	–	6,743,780	7,026,105	7,357,571
Total non current liabilities	**14,514,129**	**14,514,129**	**–**	**–**	**–**	**–**	**1,541,250**	**1,541,250**	**16,055,379**	**18,064,557**	**20,137,769**
TOTAL LIABILITIES	**25,325,597**	**24,472,559**	**–**	**–**	**–**	**–**	**2,537,879**	**2,537,879**	**27,010,438**	**29,257,643**	**31,330,082**
NET ASSETS	**38,134,963**	**38,155,775**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**38,388,061**	**41,366,597**	**44,465,556**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	35,341,724	35,447,911	–	–	–	–	(141,421)	(141,421)	35,306,490	37,652,449	40,075,405
Reserves	2,793,239	2,707,864	–	–	–	–	373,706	373,706	3,081,570	3,714,149	4,390,151
Minorities' interests	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**38,134,963**	**38,155,775**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**38,388,061**	**41,366,597**	**44,465,556**

Explanatory notes to Table B6 – Adjustment Budget Financial Position

1. The budgeted Statement of Financial Position of the City has been prepared on a basis consistent with GRAP 1 and international accounting standards and as such makes it comparable with the present Statement of Financial Position and those of previous years, to enable all stakeholders to interpret the impact of the budget as such on the Statement of Financial Position.

2. The assets are in the order of relative liquidity and liabilities according to their priority of being met with cash.

3. Movements on the Budgeted Statement of Financial Performance will impact on the Budgeted Statement of Financial Position. Assumptions made on the collection rate for instance, will affect the budgeted cash position of the City and the budgeted impairment of debtors. As such the assumptions form a critical link in determining the applicability and relevance of the budget, the determination of financial indicators, the assessment of funding compliance and the general viability of the municipality.

Table 9 MBRR Table B7 – Adjustments Budget Cash Flow Statement

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates	8,344,028	8,344,028	–	–	–	–	9,000	9,000	8,353,028	8,977,045	9,552,504
Service charges	17,459,005	17,459,005	–	–	–	–	27,000	27,000	17,486,005	19,260,410	21,050,374
Other revenue	1,357,994	1,357,994	–	–	–	–	9,000	9,000	1,366,994	1,463,757	1,534,852
Government - operating	6,455,942	6,455,942	–	–	–	–	474,774	474,774	6,930,717	6,996,655	7,635,571
Government - capital	2,353,735	2,374,547	–	–	–	–	–	–	2,374,547	2,188,936	2,294,102
Interest	773,657	773,657	–	–	–	–	–	–	773,657	826,409	857,479
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments	–	–	–	–	–	–	–	–	–	–	–
Suppliers and employees	(30,121,395)	(30,316,007)	–	–	–	–	(193,196)	(193,196)	(30,509,203)	(32,716,016)	(35,367,431)
Finance charges	(981,827)	(981,827)	–	–	–	–	–	–	(981,827)	(1,556,854)	(1,912,955)
Transfers and Grants	(140,985)	(415,920)	–	–	–	–	415,920	415,920	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**5,500,155**	**5,051,421**	**–**	**–**	**–**	**–**	**742,498**	**742,498**	**5,793,918**	**5,440,343**	**5,644,496**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	41,500	41,500	–	–	–	–	–	–	41,500	43,263	45,643
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	2,456	2,456	–	–	–	–	–	–	2,456	2,333	2,216
Decrease (increase) in non-current investments	(212,908)	(212,908)	–	–	–	–	–	–	(212,908)	(238,708)	(267,859)
Payments											
Capital assets	(6,890,062)	(7,063,936)	–	–	–	–	(1,223,363)	(1,223,363)	(8,287,299)	(6,021,100)	(6,521,951)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(7,059,015)**	**(7,232,888)**	**–**	**–**	**–**	**–**	**(1,223,363)**	**(1,223,363)**	**(8,456,251)**	**(6,214,212)**	**(6,741,952)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2,500,000	2,500,000	–	–	–	–	1,500,000	1,500,000	4,000,000	2,500,000	2,700,000
Increase (decrease) in consumer deposits	35,710	35,710	–	–	–	–	–	–	35,710	39,281	43,209
Payments											
Repayment of borrowing	(432,586)	(432,586)	–	–	–	–	–	–	(432,586)	(649,253)	(812,345)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2,103,124**	**2,103,124**	**–**	**–**	**–**	**–**	**1,500,000**	**1,500,000**	**3,603,124**	**1,890,028**	**1,930,864**
NET INCREASE/ (DECREASE) IN CASH HELD	**544,264**	**(78,344)**	**–**	**–**	**–**	**–**	**1,019,135**	**1,019,135**	**940,791**	**1,116,159**	**833,408**
Cash/cash equivalents at the year begin:	3,880,811	3,476,864	–	–	–	–	(26,671)	(26,671)	3,450,193	4,390,984	5,507,142
Cash/cash equivalents at the year end:	4,425,075	3,398,520	–	–	–	–	992,464	992,464	4,390,984	5,507,142	6,340,550

Explanatory notes to Table B7 – Adjustments budget Cash Flow Statement

1. The table shows the cash and cash equivalents of the City with the approved 2017/18 to 2019/20 MTREF.

2. For the 2017/18 MTREF, the budget has been prepared to ensure sufficient levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R4 391 million by 2017/18, R5 507 million in 2018/19 and R6 341 million by 2019/20.

Table 10 MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available											
Cash/cash equivalents at the year end	4,425,075	3,398,520	–	–	–	–	992,464	992,464	4,390,984	5,507,142	6,340,550
Other current investments > 90 days	2,278,775	2,278,775	–	–	–	–	(411,753)	(411,753)	1,867,022	1,628,314	1,896,174
Non current assets - Investments	3,842,589	3,842,589	–	–	–	–	822,166	822,166	4,664,755	4,903,463	4,635,603
Cash and investments available:	**10,546,439**	**9,519,884**	**–**	**–**	**–**	**–**	**1,402,877**	**1,402,877**	**10,922,761**	**12,038,919**	**12,872,327**
Applications of cash and investments											
Unspent conditional transfers	680,263	680,263	–	–	–	–	344,139	344,139	1,024,402	1,001,399	731,297
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	1,979,260	1,126,222	–	–	–	–	642,510	642,510	1,768,732	1,325,101	823,276
Other provisions	–	–	–	–	–	–	–	–	–	–	–
Long term investments committed	2,265,047	2,265,047	–	–	–	–	–	–	2,265,047	2,503,755	2,771,615
Reserves to be backed by cash/investments	3,100,264	3,100,264	–	–	–	–	321,099	321,099	3,421,363	4,247,075	5,118,573
Total Application of cash and investments:	**8,024,834**	**7,171,796**	**–**	**–**	**–**	**–**	**1,307,748**	**1,307,748**	**8,479,544**	**9,077,331**	**9,444,761**
Surplus(shortfall)	**2,521,605**	**2,348,088**	**–**	**–**	**–**	**–**	**95,129**	**95,129**	**2,443,217**	**2,961,588**	**3,427,566**

Explanatory notes to Table B8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

4. From the table it can be seen that for the City remains in a surplus net cash flow position for 2017/18 MTREF.

5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2017/18 MTREF is fully funded.

6. As part of the budgeting and planning guidelines that informed the compilation of the 2017/18 MTREF, the end objective of the medium-term framework was to ensure the budget is funded / aligned to section 18 of the MFMA.

7. Table B8 reflects a surplus of R2 443 million in 2017/18 increasing to R3 428 million by 2019/20.

Table 11 MBRR Table B9 - Asset Management

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	**3,767,282**	**3,867,160**	**–**	**–**	**1,424,300**	**–**	**(14,451)**	**1,409,849**	**5,277,009**	**3,229,719**	**3,292,033**
Roads Infrastructure	965,975	1,005,317	–	–	–	–	42,579	42,579	1,047,896	600,787	691,850
Storm water Infrastructure	124,492	128,255	–	–	–	–	(4,075)	(4,075)	124,180	99,488	98,838
Electrical Infrastructure	558,956	579,157	–	–	–	–	(1,285)	(1,285)	577,872	582,891	560,716
Water Supply Infrastructure	518,930	550,768	–	–	1,295,800	–	(10,465)	1,285,335	1,836,103	466,655	559,762
Sanitation Infrastructure	124,311	134,311	–	–	–	–	(14,825)	(14,825)	119,486	217,490	237,063
Solid Waste Infrastructure	198,077	199,063	–	–	–	–	–	–	199,063	256,180	249,020
Information and Communication Infrastructure	189,528	167,926	–	–	–	–	(36,631)	(36,631)	131,295	200,338	191,427
Infrastructure	2,680,268	2,764,799	–	–	1,295,800	–	(24,702)	1,271,098	4,035,896	2,423,829	2,588,676
Community Facilities	328,713	323,980	–	–	–	–	(12,589)	(12,589)	311,391	352,411	371,537
Sport and Recreation Facilities	350	709	–	–	–	–	90	90	799	–	–
Community Assets	329,063	324,688	–	–	–	–	(12,499)	(12,499)	312,189	352,411	371,537
Operational Buildings	225,494	208,307	–	–	–	–	–	–	208,307	90,577	63,426
Housing	66,041	66,041	–	–	–	–	(12,500)	(12,500)	53,541	99,839	26,212
Other Assets	291,535	274,348	–	–	–	–	(12,500)	(12,500)	261,848	190,416	89,638
Licences and Rights	2,000	2,000	–	–	–	–	–	–	2,000	3,000	3,000
Intangible Assets	2,000	2,000	–	–	–	–	–	–	2,000	3,000	3,000
Computer Equipment	207,103	235,033	–	–	–	–	31,831	31,831	266,864	126,521	110,862
Furniture and Office Equipment	78,554	86,823	–	–	–	–	(650)	(650)	86,173	52,026	51,157
Machinery and Equipment	126,788	127,337	–	–	128,500	–	(931)	127,569	254,905	32,440	28,300
Transport Assets	51,970	52,133	–	–	–	–	5,000	5,000	57,133	49,076	48,863
Total Renewal of Existing Assets to be adjusted	**1,429,859**	**1,465,602**	**–**	**–**	**–**	**–**	**20,000**	**20,000**	**1,485,602**	**1,647,410**	**1,830,774**
Roads Infrastructure	185,678	193,890	–	–	–	–	315	315	194,205	120,050	126,500
Storm water Infrastructure	48,495	48,495	–	–	–	–	(315)	(315)	48,180	40,950	36,100
Electrical Infrastructure	468,543	474,697	–	–	–	–	(2,737)	(2,737)	471,959	563,430	687,965
Water Supply Infrastructure	260,500	260,500	–	–	–	–	5,900	5,900	266,400	317,000	336,000
Sanitation Infrastructure	20,200	27,794	–	–	–	–	3,000	3,000	30,794	66,300	86,000
Information and Communication Infrastructure	1,500	1,500	–	–	–	–	–	–	1,500	60	–
Infrastructure	984,916	1,006,876	–	–	–	–	6,163	6,163	1,013,038	1,107,790	1,272,565
Community Facilities	40,373	46,842	–	–	–	–	2,000	2,000	48,842	48,850	9,800
Community Assets	40,373	46,842	–	–	–	–	2,000	2,000	48,842	48,850	9,800
Heritage Assets	650	650	–	–	–	–	(80)	(80)	570	1,800	1,800
Operational Buildings	9,150	13,334	–	–	–	–	810	810	14,143	66,780	121,860
Housing	85,000	85,000	–	–	–	–	5,425	5,425	90,425	85,000	85,000
Other Assets	94,150	98,334	–	–	–	–	6,235	6,235	104,568	151,780	206,860
Licences and Rights	2,500	2,500	–	–	–	–	–	–	2,500	2,500	2,500
Intangible Assets	2,500	2,500	–	–	–	–	–	–	2,500	2,500	2,500
Computer Equipment	75,080	77,880	–	–	–	–	975	975	78,855	67,310	70,870
Furniture and Office Equipment	18,362	18,165	–	–	–	–	(324)	(324)	17,841	15,639	16,104
Machinery and Equipment	31,113	31,161	–	–	–	–	3,082	3,082	34,243	29,100	11,604
Transport Assets	182,714	183,195	–	–	–	–	1,950	1,950	185,145	222,641	238,671
Total Upgrading of Existing Assets to be adjusted	**1,778,079**	**1,847,016**	**–**	**–**	**14,950**	**–**	**(5,549)**	**9,401**	**1,856,417**	**1,801,526**	**1,832,537**
Roads Infrastructure	281,382	287,675	–	–	–	–	(754)	(754)	286,921	366,145	329,203
Storm water Infrastructure	12,925	13,673	–	–	–	–	–	–	13,673	10,000	10,000
Electrical Infrastructure	88,376	110,005	–	–	–	–	3,139	3,139	113,144	56,043	248,695
Water Supply Infrastructure	122,037	122,137	–	–	13,550	–	1,000	14,550	136,687	188,500	211,000
Sanitation Infrastructure	550,435	552,303	–	–	–	–	4,700	4,700	557,003	738,513	614,950
Solid Waste Infrastructure	25,000	25,183	–	–	–	–	–	–	25,183	23,506	6,788
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Infrastructure	1,080,155	1,110,976	–	–	13,550	–	8,085	21,635	1,132,612	1,382,707	1,420,636
Community Facilities	178,294	180,509	–	–	–	–	(1,739)	(1,739)	178,770	149,845	104,565
Sport and Recreation Facilities	53,849	56,754	–	–	–	–	(1,334)	(1,334)	55,419	18,806	17,731
Community Assets	232,143	237,263	–	–	–	–	(3,074)	(3,074)	234,189	168,651	122,295
Heritage Assets	6,800	6,800	–	–	–	–	–	–	6,800	–	–
Operational Buildings	377,456	415,060	–	–	1,400	–	(13,420)	(12,020)	403,039	218,587	268,955
Housing	15,897	16,819	–	–	–	–	(1,139)	(1,139)	15,680	9,000	–
Other Assets	393,354	431,878	–	–	1,400	–	(14,559)	(13,159)	418,719	227,587	268,955
Licences and Rights	29,756	30,275	–	–	–	–	–	–	30,275	6,450	6,450
Intangible Assets	29,756	30,275	–	–	–	–	–	–	30,275	6,450	6,450
Computer Equipment	6,100	0	–	–	–	–	–	–	0	900	1,100
Furniture and Office Equipment	19,771	19,823	–	–	–	–	4,199	4,199	24,023	12,231	12,100
Machinery and Equipment	10,000	10,000	–	–	–	–	(200)	(200)	9,800	3,000	1,000

Table continues on next page.

Description R thousands	Budget Year 2017/18 Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1 2018/19 Adjusted Budget	Budget Year +2 2019/20 Adjusted Budget
Total Capital Expenditure to be adjusted											
Roads Infrastructure	1,433,035	1,486,882	–	–	–	–	42,140	42,140	1,529,022	1,086,982	1,147,553
Storm water Infrastructure	185,912	190,424	–	–	–	–	(4,390)	(4,390)	186,034	150,438	144,938
Electrical Infrastructure	1,115,875	1,163,859	–	–	–	–	(883)	(883)	1,162,975	1,202,364	1,497,376
Water Supply Infrastructure	901,467	933,406	–	–	1,309,350	–	(3,565)	1,305,785	2,239,191	972,155	1,106,762
Sanitation Infrastructure	694,946	714,409	–	–	–	–	(7,125)	(7,125)	707,284	1,022,304	938,013
Solid Waste Infrastructure	223,077	224,246	–	–	–	–	–	–	224,246	279,686	255,808
Information and Communication Infrastructure	191,028	169,426	–	–	–	–	(36,631)	(36,631)	132,795	200,398	191,427
Infrastructure	4,745,340	4,882,650	–	–	1,309,350	–	(10,454)	1,298,896	6,181,546	4,914,326	5,281,878
Community Facilities	547,380	551,331	–	–	–	–	(12,328)	(12,328)	539,003	551,105	485,902
Sport and Recreation Facilities	54,199	57,462	–	–	–	–	(1,244)	(1,244)	56,218	18,806	17,731
Community Assets	601,580	608,793	–	–	–	–	(13,572)	(13,572)	595,221	569,912	503,633
Heritage Assets	7,450	7,450	–	–	–	–	(80)	(80)	7,370	1,800	1,800
Operational Buildings	612,100	636,700	–	–	1,400	–	(12,611)	(11,211)	625,489	375,945	454,241
Housing	166,938	167,859	–	–	–	–	(8,214)	(8,214)	159,645	193,839	111,212
Other Assets	779,039	804,559	–	–	1,400	–	(20,825)	(19,425)	785,135	569,783	565,453
Licences and Rights	34,256	34,775	–	–	–	–	–	–	34,775	11,950	11,950
Intangible Assets	34,256	34,775	–	–	–	–	–	–	34,775	11,950	11,950
Computer Equipment	288,284	312,913	–	–	–	–	32,806	32,806	345,719	194,732	182,832
Furniture and Office Equipment	116,687	124,811	–	–	–	–	3,225	3,225	128,037	79,896	79,360
Machinery and Equipment	167,902	168,498	–	–	128,500	–	1,950	130,450	298,948	64,540	40,904
Transport Assets	234,684	235,328	–	–	–	–	6,950	6,950	242,278	271,716	287,534
TOTAL CAPITAL EXPENDITURE to be adjusted	**6,975,220**	**7,179,778**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,619,028**	**6,678,655**	**6,955,344**
ASSET REGISTER SUMMARY - PPE (WDV)											
Roads Infrastructure	7,350,826	7,401,980	–	–	–	–	40,033	40,033	7,442,013	8,079,432	8,754,142
Storm water Infrastructure	994,374	998,660	–	–	–	–	(4,171)	(4,171)	994,490	1,084,660	1,167,207
Electrical Infrastructure	7,786,614	7,832,199	–	–	–	–	(839)	(839)	7,831,360	8,726,039	9,878,939
Water Supply Infrastructure	3,312,937	3,343,279	–	–	1,309,350	–	(68,854)	1,240,496	4,583,775	5,262,144	6,040,622
Sanitation Infrastructure	3,542,502	3,560,991	–	–	–	–	(6,769)	(6,769)	3,554,222	4,268,857	4,886,369
Solid Waste Infrastructure	937,173	938,283	–	–	–	–	–	–	938,283	1,152,721	1,344,853
Information and Communication Infrastructure	3,200,737	3,180,215	–	–	–	–	(34,799)	(34,799)	3,145,416	3,305,459	3,456,940
Infrastructure	27,125,163	27,255,608	–	–	1,309,350	–	(75,399)	1,233,951	28,489,559	31,879,311	35,529,071
Community Facilities	3,556,632	3,554,609	–	–	–	–	(11,788)	(11,788)	3,542,822	3,964,623	4,319,312
Sport and Recreation Facilities	3,807,667	3,810,766	–	–	–	–	(1,182)	(1,182)	3,809,584	3,607,299	3,410,452
Community Assets	7,364,299	7,365,376	–	–	–	–	(12,970)	(12,970)	7,352,406	7,571,923	7,729,764
Heritage Assets	9,049	9,049	–	–	–	–	–	–	9,049	9,049	9,049
Revenue Generating	68,242	68,242	–	–	–	–	–	–	68,242	66,524	64,806
Non-revenue Generating	518,232	518,232	–	–	–	–	–	–	518,232	518,232	518,232
Investment properties	586,474	586,474	–	–	–	–	–	–	586,474	584,756	583,038
Operational Buildings	3,861,856	3,885,225	–	–	1,400	–	(12,050)	(10,650)	3,874,575	4,083,263	4,370,233
Housing	2,135,419	2,136,294	–	–	–	–	(7,803)	(7,803)	2,128,491	2,210,719	2,211,375
Other Assets	5,997,275	6,021,520	–	–	1,400	–	(19,854)	(18,454)	6,003,066	6,293,983	6,581,608
Licences and Rights	522,272	522,765	–	–	–	–	–	–	522,765	428,167	337,189
Intangible Assets	522,272	522,765	–	–	–	–	–	–	522,765	428,167	337,189
Computer Equipment	888,975	918,167	–	–	–	–	31,166	31,166	949,333	928,885	908,243
Furniture and Office Equipment	523,635	531,334	–	–	–	–	3,064	3,064	534,398	460,158	390,538
Machinery and Equipment	477,153	477,720	–	–	128,500	–	(4,572)	123,928	601,648	573,614	531,819
Transport Assets	2,272,442	2,273,054	–	–	–	–	6,603	6,603	2,279,656	2,208,526	2,131,056
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**45,766,736**	**45,961,066**	**–**	**–**	**1,439,250**	**–**	**(71,963)**	**1,367,288**	**47,328,353**	**50,938,370**	**54,731,374**

Table continues on next page.

Description R thousands	Budget Year 2017/18 Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1 2018/19 Adjusted Budget	Budget Year +2 2019/20 Adjusted Budget
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**45,766,736**	**45,961,066**	**–**	**–**	**1,439,250**	**–**	**(71,963)**	**1,367,288**	**47,328,353**	**50,938,370**	**54,731,374**
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	–	–	2,574,607	2,734,705	2,814,573
Repairs and Maintenance by asset class	**4,034,293**	**4,034,293**	**–**	**–**	**–**	**–**	**(142,641)**	**(142,641)**	**3,891,651**	**4,393,491**	**4,732,564**
Roads Infrastructure	698,302	698,302	–	–	–	–	–	–	698,302	743,414	791,736
Storm water Infrastructure	21,667	21,667	–	–	–	–	–	–	21,667	23,077	24,578
Electrical Infrastructure	523,507	523,507	–	–	–	–	–	–	523,507	557,538	593,778
Water Supply Infrastructure	233,175	233,175	–	–	–	–	–	–	233,175	298,339	344,483
Sanitation Infrastructure	318,258	318,258	–	–	–	–	–	–	318,258	388,951	440,984
Solid Waste Infrastructure	4,898	4,898	–	–	–	–	–	–	4,898	5,217	5,556
Infrastructure	1,799,807	1,799,807	–	–	–	–	–	–	1,799,807	2,016,536	2,201,115
Community Facilities	406,234	406,234	–	–	–	–	(37,562)	(37,562)	368,673	430,271	458,234
Sport and Recreation Facilities	56,574	56,574	–	–	–	–	(3,520)	(3,520)	53,054	59,985	63,883
Community Assets	462,808	462,808	–	–	–	–	(41,082)	(41,082)	421,726	490,255	522,117
Heritage Assets	11,357	11,357	–	–	–	–	(1,001)	(1,001)	10,357	12,096	12,882
Non-revenue Generating	9,817	9,817	–	–	–	–	(405)	(405)	9,412	10,744	11,442
Investment properties	10,088	10,088	–	–	–	–	(405)	(405)	9,683	10,744	11,442
Operational Buildings	213,732	213,732	–	–	–	–	(11,692)	(11,692)	202,040	227,488	242,273
Housing	74,577	74,577	–	–	–	–	–	–	74,577	79,427	84,589
Other Assets	288,309	288,309	–	–	–	–	(11,692)	(11,692)	276,617	306,914	326,863
Computer Equipment	687,364	687,364	–	–	–	–	(24,107)	(24,107)	663,257	732,045	779,626
Furniture and Office Equipment	349,715	349,715	–	–	–	–	(33,513)	(33,513)	316,202	372,436	396,644
Machinery and Equipment	7	7	–	–	–	–	–	–	7	7	8
Transport Assets	424,837	424,837	–	–	–	–	(30,842)	(30,842)	393,995	452,458	481,868
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**6,608,900**	**6,608,900**	**–**	**–**	**–**	**–**	**(142,641)**	**(142,641)**	**6,466,259**	**7,128,196**	**7,547,137**
Renewal and upgrading of Existing Assets as % of total capex	*46.0%*	*46.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*38.8%*	*51.6%*	*52.7%*
Renewal and upgrading of Existing Assets as % of deprecn"	*124.6%*	*128.7%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*129.8%*	*126.1%*	*130.2%*
R&M as a % of PPE	*8.8%*	*8.8%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*8.2%*	*8.6%*	*8.6%*
Renewal and upgrading and R&M as a % of PPE	*15.8%*	*16.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*15.3%*	*15.4%*	*15.3%*

Explanatory notes to Table B9 – Asset Management

1. Table B9 provides an overview of municipal capital allocations for new assets and renewal of existing assets, as well as spending on repairs and maintenance by asset class.

2. At this stage spending on repairs and maintenance cannot be reflected by asset class due to the misalignment of the existing asset classes with the plant maintenance asset classes on the financial system. To ensure compliance the City will embark on an asset creation project which will be finalised over a couple of years.

3. The budgeted depreciation used is calculated on a cost centre level and not per asset type as the detail of asset types is not known at the time of calculation.

Table 12 MBRR Table B10 - Basic Service Delivery Measurement

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets											
Water:											
Piped water inside dwelling	1132666	0	0	0	0	0	0	–	1,133	1147502	1161853
Piped water inside yard (but not in dwelling)	0	0	0	0	0	0	0	–	–	0	0
Using public tap (at least min.service level)	157038	0	0	0	0	0	0	–	157	159094	161084
Other water supply (at least min.service level)	0	0	0	0	0	0	0	–	–	–	–
Minimum Service Level and Above sub-total	1,290	–	–	–	–	–	–	–	1,290	1,307	1,323
Using public tap (< min.service level)	0	0	0	0	0	0	0	–	–	0	0
Other water supply (< min.service level)	0	0	0	0	0	0	0	–	–	0	0
No water supply	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**1,290**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,290**	**1,307**	**1,323**
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1211917	0	0	0	0	0	0	–	1,211,917	1230809	1250150
Flush toilet (with septic tank)	0	0	0	0	0	0	0	–	–	0	0
Chemical toilet	24460	0	0	0	0	0	0	–	24,460	24460	24460
Pit toilet (ventilated)	197	0	0	0	0	0	0	–	197	197	0
Other toilet provisions (> min.service level)	52913	0	0	0	0	0	0	–	52,913	51130	48327
Minimum Service Level and Above sub-total	1,289,487	–	–	–	–	–	–	–	1,289,487	1,306,596	1,322,937
Bucket toilet	217	0	0	0	0	0	0	–	217	0	0
Other toilet provisions (< min.service level)	0	0	0	0	0	0	0	–	–	0	0
No toilet provisions	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	217	–	–	–	–	–	–	–	217	–	–
Total number of households	**1,289,704**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,289,704**	**1,306,596**	**1,322,937**
Energy:											
Electricity (at least min. service level)	856312	0	0	0	0	0	0	–	856,312	857,812	859,312
Electricity - prepaid (> min.service level)	0	0	0	0	0	0	0	–	–	0	0
Minimum Service Level and Above sub-total	856,312	–	–	–	–	–	–	–	856,312	857,812	859,312
Electricity (< min.service level)	23464	0	0	0	0	0	0	–	23,464	21,964	20,464
Electricity - prepaid (< min. service level)	0	0	0	0	0	0	0	–	–	0	0
Other energy sources	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	23,464	–	–	–	–	–	–	–	23,464	21,964	20,464
Total number of households	879,776	–	–	–	–	–	–	–	879,776	879,776	879,776
Refuse:											
Removed at least once a week (min.service)	995017	0	0	0	0	0	0	–	995,017	1014917	1035216
Minimum Service Level and Above sub-total	995,017	–	–	–	–	–	–	–	995,017	1,014,917	1,035,216
Removed less frequently than once a week	0	0	0	0	0	0	0	–	–	0	0
Using communal refuse dump	0	0	0	0	0	0	0	–	–	0	0
Using own refuse dump	0	0	0	0	0	0	0	–	–	0	0
Other rubbish disposal	0	0	0	0	0	0	0	–	–	0	0
No rubbish disposal	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**995,017**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**995,017**	**1,014,917**	**1,035,216**

Table continues on next page.

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Households receiving Free Basic Service											
Water (6 kilolitres per household per month)	255733	–	–	–	–	–	–	–	255,733	255,733	255,733
Sanitation (free minimum level service)	255733	–	–	–	–	–	–	–	255,733	255,733	255,733
Electricity/other energy (50kwh per household per month)	121317	–	–	–	–	–	–	–	121,317	121,317	121,317
Refuse (removed at least once a week)	382534	–	–	–	–	–	–	–	382,534	390,185	397,988
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per household per month)	314,306		–	–	–	–	–	–	314,306	352,023	390,745
Sanitation (free sanitation service)	178,254		–	–	–	–	–	–	178,254	199,645	221,605
Electricity/other energy (50kwh per household per month)	81,713		–	–	–	–	–	–	81,713	86,616	91,813
Refuse (removed once a week)	276,709		–	–	–	–	–	–	276,709	292,205	308,569
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	753,891								753,891	817,698	885,422
Total cost of FBS provided (minimum social package)	1,604,874		–	–	–	–	–	–	1,604,874	1,748,187	1,898,155
Highest level of free service provided											
Property rates (R'000 value threshold)	0	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)	6	–	–	–	–	–	–	–	6	6	6
Sanitation (kilolitres per household per month)	4.2	–	–	–	–	–	–	–	4	4	4
Sanitation (Rand per household per month)	132.11	–	–	–	–	–	–	–	132	145	160
Electricity (kw per household per month)	60	–	–	–	–	–	–	–	60	60	60
Refuse (average litres per week)	240	–	–	–	–	–	–	–	240	240	240
Revenue cost of free services provided (R'000)											
Property rates (R15 000 threshold rebate)	85,195	–	–	–	–	–	–	–	85,195	90,733	96,631
Property rates (other exemptions, reductions and rebates)	1,297,571	–	–	–	–	–	–	–	1,297,571	1,371,587	1,460,741
Water	235,730	–	–	–	–	–	–	–	235,730	264,017	293,059
Sanitation	133,691	–	–	–	–	–	–	–	133,691	149,733	166,204
Electricity/other energy	–	–	–	–	–	–	–	–	–	–	–
Refuse	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	26,269	–	–	–	–	–	–	–	26,269	27,582	28,962
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of free services provided (total social package)	**1,778,456**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,778,456**	**1,903,653**	**2,045,597**

The following should be noted in respect of the highest level of free services provided for Water & Sanitation, Electricity and Solid Waste:

Water & Sanitation

- 6 kℓ of water per month per indigent household, free of charge.
- 4,2 kℓ of sanitation per month per indigent household, free of charge.
- Additional free monthly allocation to indigent customers of 4,5 kℓ water and 3,15 kℓ sanitation charges for all properties valued from R1 to R400 000.

Electricity

Each household with a municipal property value of less than and equal to R400k and a prepaid meter receives a monthly 60 kWh free electricity if they normally buy less than 250 kWh per month on average over a 12-month period; or 25 kWh free electricity if they normally buy between 250 and 450 kWh per month on average over a 12-month period.

Solid Waste - Waste removal

- Consumers whose properties are valued below R500 000 receive rebates between 0% and 100% on the first 240ℓ container.
- Consumers who earn below R6 000 and who are registered on the Indigent Register will qualify for a rebate between 0% and 100% on the first 240ℓ container.

Explanatory notes to Table B10 – Basic Service Delivery Measurement

1. Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

2. The City is persistently striving to eradicate backlogs. The City's backlog status is as follows:
   a) Water services – Cape Town's population, both formal and informal settlements, receives potable water in accordance with the National minimum standards as required by the Water Services Act 108 (of 1997). Backlogs reflected in the 2013/14 financial year was based on the City's standards and not National standards.
   b) Sanitation services – Cape Town's population, both formal and informal settlements, receives sanitation services in accordance with the National minimum standards. Funding is still provided to further improve the service levels in Informal Settlements in line with the City's strategy. The bucket toilet value of 217 households reflected in the 'below minimum standards' category in the 2017/18 financial year is not seen as a backlog as these households using the bucket system do so despite being offered and encouraged to use alternative sanitation services which are available and accessible. It was intended to remove the remaining bucket systems in 2015/16, however it did not realise due to various challenges which included community resistance. Certain of the 25ℓ bucket toilets could be removed, bringing the total down from 377 during 2015 to the current 217. Initiatives to remove the remaining ones are ongoing, including a settlement upgrade as part of a new housing development project.
   c) Electricity services – The electrification strategy is to reduce the backlog by 1 500 annually over the 2017/18 MTREF.
   d) Refuse services does not have any backlogs.

3. The categories for the '*Cost of free basic services provided – Informal Formal Settlements (R'000)*' and the '*Revenue cost of free subsidised services provided (R'000)*' in Table B10 were amended to mirror the information in the approved Table A10, which formed part of the 2017/18 budget document submitted to Council in May 2017.

5. Adjustments to budget assumptions

The budget assumptions underpinning the 2017/18 budget do not require any adjustments at this stage. In this regard, primary variables such as CPI, collection ratios, interest levels and wage awards remain unchanged.

6. Adjustments to budget funding

a. Narrative summary of the impact of the adjustments budget on:

- **Funding of operating and capital expenditure**
  The Capital expenditure remains fully funded from both internal (i.e. EFF, CRR & Revenue) and external sources (National- and Provincial Government and other public contributions).
- **Financial plans**
  The financial plan will be revisited considering the longer term effects of the adjustments.

b. Reconciliation showing that operating and capital expenditure remain funded in accordance with section 18 of the MFMA

See Table 3 on page 8.

c. Adjustments related to allocations and grants to the municipality

No adjustments are proposed in this adjustments budget.

7. Adjustments to transfers and grants made by the City

No adjustments are proposed in this adjustments budget.

8. Adjustments to service delivery and budget implementation plan

No adjustments are proposed in this adjustments budget.

9. Adjustments to capital expenditure

Full disclosure on adjustments to the capital budget is provided in Annexure 2.2.

PART 2 - ADJUSTMENTS BUDGET: CONSOLIDATED TABLES

The consolidated tables of the City and its entity, Cape Town International Convention Centre (CTICC), are presented on page 27 to page 38.

Table 13 MBRR Table B1 Consolidated Adjustments Budget – Statement Summary

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance											
Property rates	8,662,350	8,662,350	–	–	–	–	–	–	8,662,350	9,324,490	9,928,483
Service charges	19,310,141	19,310,141	–	–	–	–	–	–	19,310,141	21,220,770	23,146,827
Investment revenue	785,328	785,328	–	–	–	–	–	–	785,328	826,409	857,479
Transfers recognised - operational	6,455,942	6,930,716	–	–	–	–	–	–	6,930,716	6,996,655	7,635,571
Other own revenue	3,078,781	3,078,781	–	–	–	–	–	–	3,078,781	3,030,360	3,197,270
Total Revenue (excluding capital transfers and contributions)	**38,292,542**	**38,767,316**	**–**	**–**	**–**	**–**	**–**	**–**	**38,767,316**	**41,398,684**	**44,765,630**
Employee costs	12,146,477	12,152,965	–	–	–	–	31,864	31,864	12,184,830	13,068,645	14,221,693
Remuneration of councillors	155,787	155,787	–	–	–	–	(290)	(290)	155,497	165,913	176,697
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	–	–	3,277,476	2,772,072	2,854,369
Finance charges	1,138,893	1,140,620	–	–	–	–	38,939	38,939	1,179,560	1,576,120	1,949,703
Materials and bulk purchases	9,774,559	9,773,283	–	–	–	–	258,933	258,933	10,032,216	10,498,509	11,321,657
Transfers and grants	140,985	412,017	–	–	–	–	(6,955)	(6,955)	405,062	147,473	155,584
Other expenditure	11,688,097	11,884,900	–	–	–	–	(554,776)	(554,776)	11,330,124	12,597,899	13,489,559
Total Expenditure	**38,322,274**	**38,797,048**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**38,564,763**	**40,826,631**	**44,169,263**
Surplus/(Deficit)	(29,732)	(29,732)	–	–	–	–	232,285	232,285	202,554	572,053	596,368
Transfers recognised - capital	2,268,835	2,289,647	–	–	–	–	0	–	2,289,647	2,101,736	2,203,502
Contributions recognised - capital & contributed assets	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Surplus/(Deficit) after capital transfers & contributions	**2,324,003**	**2,344,816**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,577,101**	**2,760,989**	**2,890,470**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**2,324,003**	**2,344,816**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,577,101**	**2,760,989**	**2,890,470**
Capital expenditure & funds sources											
Capital expenditure	7,023,203	7,227,760	–	–	1,439,250	–	–	1,439,250	8,667,010	6,724,098	7,007,223
Transfers recognised - capital	2,268,835	2,289,647	–	–	–	–	–	–	2,289,647	2,101,736	2,203,502
Public contributions & donations	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Borrowing	2,894,482	2,992,706	–	–	1,439,250	–	–	1,439,250	4,431,956	3,503,855	3,707,679
Internally generated funds	1,774,986	1,860,506	–	–	–	–	–	–	1,860,506	1,031,307	1,005,442
Total sources of capital funds	**7,023,203**	**7,227,760**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,667,010**	**6,724,098**	**7,007,223**
Financial position											
Total current assets	14,052,823	13,026,268	–	–	–	–	580,711	580,711	13,606,979	14,962,874	16,605,771
Total non current assets	49,328,664	49,522,993	–	–	–	–	2,189,454	2,189,454	51,712,446	55,566,915	59,101,925
Total current liabilities	10,920,921	10,067,883	–	–	–	–	996,629	996,629	11,064,512	11,301,545	11,303,665
Total non current liabilities	14,551,682	14,551,682	–	–	–	–	1,541,250	1,541,250	16,092,932	18,099,280	20,169,380
Community wealth/Equity	**37,908,884**	**37,929,697**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**38,161,982**	**41,128,964**	**44,234,651**
Cash flows	–	–	–	–	–	–	–	–	–	–	–
Net cash from (used) operating	5,540,553	5,091,819	–	–	–	–	742,498	742,498	5,834,316	5,465,716	5,692,299
Net cash from (used) investing	(7,106,997)	(7,280,871)	–	–	–	–	(1,223,363)	(1,223,363)	(8,504,234)	(6,259,655)	(6,793,831)
Net cash from (used) financing	2,100,551	2,100,551	–	–	–	–	1,500,000	1,500,000	3,600,551	1,887,198	1,927,752
Cash/cash equivalents at the year end	**4,650,453**	**3,623,898**	**–**	**–**	**–**	**–**	**992,464**	**992,464**	**4,616,362**	**5,709,621**	**6,535,841**
Cash backing/surplus reconciliation											
Cash and investments available	10,099,102	9,072,547	–	–	–	–	1,402,877	1,402,877	10,475,424	11,568,683	12,394,903
Application of cash and investments	8,057,010	7,203,972	–	–	–	–	1,307,805	1,307,805	8,511,777	9,062,325	9,422,787
Balance - surplus (shortfall)	**2,042,092**	**1,868,575**	**–**	**–**	**–**	**–**	**95,072**	**95,072**	**1,963,647**	**2,506,358**	**2,972,116**
Asset Management											
Asset register summary (WDV)	45,766,736	45,961,066	–	–	1,439,250	–	(71,963)	1,367,288	47,328,353	50,938,370	54,731,374
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	–	–	3,277,476	2,772,072	2,854,369
Renewal of Existing Assets	1,455,911	1,491,654	–	–	–	–	20,000	20,000	1,511,653	1,678,371	1,867,056
Repairs and Maintenance	4,048,266	4,048,266	–	–	–	–	(142,641)	(142,641)	3,905,624	4,408,373	4,748,093
Free services											
Cost of Free Basic Services provided	1,604,874	–	–	–	–	–	–	–	1,604,874	1,748,187	1,898,155
Revenue cost of free services provided	1,778,456	–	–	–	–	–	–	–	1,778,456	1,903,653	2,045,597
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	0	–	–	–	–	–	–	–	0	–	–
Energy:	23	–	–	–	–	–	–	–	23	22	20
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Table 14 MBRR Table B2 Consolidated Adjustments Budget - Financial Performance (standard classification)

Standard Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional											
Governance and administration	**14,882,934**	**14,884,279**	**–**	**–**	**–**	**–**	**4,000**	**4,000**	**14,888,279**	**16,140,771**	**17,240,909**
Executive and council	3,126	3,594	–	–	–	–	–	–	3,594	3,240	3,362
Finance and administration	14,879,801	14,880,678	–	–	–	–	4,000	4,000	14,884,678	16,137,523	17,237,539
Internal audit	8	8	–	–	–	–	–	–	8	8	9
Community and public safety	**1,956,529**	**2,317,240**	**–**	**–**	**–**	**–**	**(69,000)**	**(69,000)**	**2,248,240**	**2,067,634**	**2,213,043**
Community and social services	120,972	116,766	–	–	–	–	–	–	116,766	120,361	118,907
Sport and recreation	114,329	117,659	–	–	–	–	(4,000)	(4,000)	113,659	76,740	60,312
Public safety	22,293	22,293	–	–	–	–	–	–	22,293	11,168	11,783
Housing	1,328,591	1,689,728	–	–	–	–	(65,000)	(65,000)	1,624,728	1,435,979	1,593,372
Health	370,343	370,794	–	–	–	–	–	–	370,794	423,385	428,669
Economic and environmental services	**3,224,458**	**3,337,177**	**–**	**–**	**–**	**–**	**65,000**	**65,000**	**3,402,177**	**2,972,859**	**3,213,414**
Planning and development	342,034	342,034	–	–	–	–	–	–	342,034	392,979	485,490
Road transport	2,880,418	2,993,137	–	–	–	–	65,000	65,000	3,058,137	2,577,764	2,725,691
Environmental protection	2,006	2,006	–	–	–	–	–	–	2,006	2,116	2,232
Trading services	**20,291,096**	**20,311,908**	**–**	**–**	**–**	**–**	**–**	**–**	**20,311,908**	**22,121,832**	**24,090,350**
Energy sources	12,256,796	12,256,796	–	–	–	–	–	–	12,256,796	13,401,524	14,535,806
Water management	4,123,369	4,134,182	–	–	–	–	(3,700)	(3,700)	4,130,482	4,454,285	4,995,052
Waste water management	2,547,543	2,557,543	–	–	–	–	3,700	3,700	2,561,243	2,772,140	2,936,233
Waste management	1,363,387	1,363,387	–	–	–	–	–	–	1,363,387	1,493,882	1,623,259
Other	**291,260**	**291,260**	**–**	**–**	**–**	**–**	**–**	**–**	**291,260**	**284,524**	**302,017**
Total Revenue - Functional	**40,646,277**	**41,141,864**	**–**	**–**	**–**	**–**	**–**	**–**	**41,141,864**	**43,587,620**	**47,059,732**
Expenditure - Functional											
Governance and administration	**8,555,468**	**8,554,294**	**–**	**–**	**–**	**–**	**(257,635)**	**(257,635)**	**8,296,660**	**9,515,724**	**10,431,939**
Executive and council	443,599	444,707	–	–	–	–	(10,650)	(10,650)	434,057	481,337	512,954
Finance and administration	8,061,222	8,058,940	–	–	–	–	(246,167)	(246,167)	7,812,774	8,979,379	9,859,416
Internal audit	50,646	50,646	–	–	–	–	(818)	(818)	49,828	55,008	59,569
Community and public safety	**5,318,902**	**5,680,460**	**–**	**–**	**–**	**–**	**(97,842)**	**(97,842)**	**5,582,618**	**5,686,027**	**6,175,420**
Community and social services	931,712	931,712	–	–	–	–	(22,773)	(22,773)	908,939	973,551	1,039,958
Sport and recreation	1,212,821	1,212,821	–	–	–	–	(41,490)	(41,490)	1,171,331	1,282,162	1,346,335
Public safety	600,875	600,875	–	–	–	–	(15,354)	(15,354)	585,521	652,483	705,757
Housing	1,498,847	1,859,954	–	–	–	–	(19,887)	(19,887)	1,840,067	1,605,391	1,812,330
Health	1,074,647	1,075,098	–	–	–	–	1,662	1,662	1,076,760	1,172,441	1,271,040
Economic and environmental services	**6,351,817**	**6,466,207**	**–**	**–**	**–**	**–**	**(50,536)**	**(50,536)**	**6,415,671**	**6,763,465**	**7,187,829**
Planning and development	1,042,789	1,044,828	–	–	–	–	(27,148)	(27,148)	1,017,680	1,234,121	1,319,286
Road transport	5,186,569	5,298,921	–	–	–	–	(22,953)	(22,953)	5,275,968	5,411,988	5,742,032
Environmental protection	122,458	122,458	–	–	–	–	(435)	(435)	122,023	117,356	126,511
Trading services	**17,026,865**	**17,026,865**	**–**	**–**	**–**	**–**	**177,598**	**177,598**	**17,204,463**	**18,505,037**	**20,018,575**
Energy sources	9,929,327	9,929,327	–	–	–	–	(87,524)	(87,524)	9,841,803	10,727,822	11,573,196
Water management	3,225,897	3,224,433	–	–	–	–	371,980	371,980	3,596,414	3,577,694	3,906,221
Waste water management	1,990,882	1,992,346	–	–	–	–	(72,759)	(72,759)	1,919,587	2,191,214	2,417,010
Waste management	1,880,759	1,880,759	–	–	–	–	(34,100)	(34,100)	1,846,659	2,008,307	2,122,148
Other	**1,069,222**	**1,069,222**	**–**	**–**	**–**	**–**	**(3,871)**	**(3,871)**	**1,065,351**	**356,378**	**355,499**
Total Expenditure - Functional	**38,322,274**	**38,797,048**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**38,564,763**	**40,826,631**	**44,169,263**
Surplus/ (Deficit) for the year	**2,324,003**	**2,344,816**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,577,101**	**2,760,989**	**2,890,469**

Table 15 Table B3 Consolidated Adjustments Budget - Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote											
Vote 1 - Area-Based Service Delivery	204,290	204,758	–	–	–	–	–	–	204,758	243,262	283,027
Vote 2 - Assets & Facilities Management	453,587	453,587	–	–	–	–	–	–	453,587	507,676	535,388
Vote 3 - Corporate Services	68,073	68,073	–	–	–	–	–	–	68,073	72,592	76,677
Vote 4 - City Manager	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Directorate of the Mayor	3,324	3,324	–	–	–	–	–	–	3,324	1,235	244
Vote 6 - Energy	12,256,918	12,256,918	–	–	–	–	–	–	12,256,918	13,401,653	14,535,941
Vote 7 - Finance	14,307,250	14,307,250	–	–	–	–	–	–	14,307,250	15,497,022	16,586,946
Vote 8 - Informal Settlements, Water & Waste Services	8,212,622	8,242,211	–	–	–	–	1,500	1,500	8,243,711	8,874,016	9,624,437
Vote 9 - Safety & Security	1,267,627	1,271,667	–	–	–	–	–	–	1,271,667	1,280,617	1,349,809
Vote 10 - Social Services	904,664	905,115	–	–	–	–	–	–	905,115	934,834	940,536
Vote 11 - Transport & Urban Development Authority	2,683,471	3,144,510	–	–	–	–	(1,500)	(1,500)	3,143,010	2,496,331	2,830,130
Vote 12 - Municipal Entities COCT	284,451	284,451	–	–	–	–	–	–	284,451	278,383	296,597
Total Revenue by Vote	**40,646,277**	**41,141,864**	**–**	**–**	**–**	**–**	**–**	**–**	**41,141,864**	**43,587,620**	**47,059,732**
Expenditure by Vote											
Vote 1 - Area-Based Service Delivery	547,009	547,477	–	–	–	–	(21,601)	(21,601)	525,876	600,999	642,132
Vote 2 - Assets & Facilities Management	1,851,509	1,851,509	–	–	–	–	(60,190)	(60,190)	1,791,319	1,973,889	2,089,607
Vote 3 - Corporate Services	1,741,551	1,741,551	–	–	–	–	(106,856)	(106,856)	1,634,695	1,872,190	1,994,576
Vote 4 - City Manager	22,198	22,198	–	–	–	–	(100)	(100)	22,098	23,629	25,186
Vote 5 - Directorate of the Mayor	557,664	557,664	–	–	–	–	(34,399)	(34,399)	523,265	594,705	634,773
Vote 6 - Energy	10,355,750	10,355,750	–	–	–	–	(103,784)	(103,784)	10,251,965	11,188,113	12,065,949
Vote 7 - Finance	3,370,596	3,370,596	–	–	–	–	(5,631)	(5,631)	3,364,966	3,912,117	4,439,566
Vote 8 - Informal Settlements, Water & Waste Services	7,739,299	7,748,075	–	–	–	–	334,984	334,984	8,083,059	8,461,002	9,155,727
Vote 9 - Safety & Security	3,148,512	3,152,551	–	–	–	–	(63,677)	(63,677)	3,088,875	3,354,695	3,595,786
Vote 10 - Social Services	3,463,150	3,463,601	–	–	–	–	(89,532)	(89,532)	3,374,069	3,799,844	4,079,694
Vote 11 - Transport & Urban Development Authority	4,560,879	5,021,918	–	–	–	–	(81,500)	(81,500)	4,940,418	4,748,004	5,158,484
Vote 12 - Municipal Entities COCT	964,158	964,158	–	–	–	–	–	–	964,158	297,443	287,785
Total Expenditure by Vote	**38,322,274**	**38,797,048**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**38,564,763**	**40,826,631**	**44,169,263**
Surplus/ (Deficit) for the year	**2,324,003**	**2,344,816**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,577,101**	**2,760,989**	**2,890,469**

Table 16 Table B4 Consolidated Adjustments Budget - Financial Performance (revenue and expenditure)

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source											
Property rates	8,662,350	8,662,350	–	–	–	–	–	–	8,662,350	9,324,490	9,928,483
Service charges - electricity revenue	11,942,587	11,942,587	–	–	–	–	–	–	11,942,587	13,034,828	14,090,638
Service charges - water revenue	3,933,401	3,933,401	–	–	–	–	–	–	3,933,401	4,382,678	4,867,839
Service charges - sanitation revenue	2,092,272	2,092,272	–	–	–	–	–	–	2,092,272	2,332,091	2,589,072
Service charges - refuse revenue	1,341,882	1,341,882	–	–	–	–	–	–	1,341,882	1,471,173	1,599,278
Service charges - other	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	661,847	661,847	–	–	–	–	–	–	661,847	469,470	495,290
Interest earned - external investments	785,328	785,328	–	–	–	–	–	–	785,328	826,409	857,479
Interest earned - outstanding debtors	284,131	284,131	–	–	–	–	–	–	284,131	299,860	316,164
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1,146,414	1,146,414	–	–	–	–	–	–	1,146,414	1,209,461	1,275,982
Licences and permits	43,749	43,749	–	–	–	–	–	–	43,749	46,154	48,692
Agency services	162,771	162,771	–	–	–	–	–	–	162,771	171,818	181,267
Transfers and subsidies	6,455,942	6,930,716	–	–	–	–	–	–	6,930,716	6,996,655	7,635,571
Other revenue	738,369	738,369	–	–	–	–	–	–	738,369	790,334	834,232
Gains on disposal of PPE	41,500	41,500	–	–	–	–	–	–	41,500	43,263	45,643
Total Revenue (excluding capital transfers and contributions)	**38,292,542**	**38,767,316**	**–**	**–**	**–**	**–**	**–**	**–**	**38,767,316**	**41,398,684**	**44,765,630**
Expenditure By Type											
Employee related costs	12,146,477	12,152,965	–	–	–	–	31,864	31,864	12,184,830	13,068,645	14,221,693
Remuneration of councillors	155,787	155,787	–	–	–	–	(290)	(290)	155,497	165,913	176,697
Debt impairment	2,509,038	2,509,038	–	–	–	–	(45,000)	(45,000)	2,464,038	2,704,796	2,900,682
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	–	–	3,277,476	2,772,072	2,854,369
Finance charges	1,138,893	1,140,620	–	–	–	–	38,939	38,939	1,179,560	1,576,120	1,949,703
Bulk purchases	8,540,135	8,540,135	–	–	–	–	304,758	304,758	8,844,893	9,227,384	9,967,635
Other materials	1,234,424	1,233,148	–	–	–	–	(45,825)	(45,825)	1,187,323	1,271,125	1,354,022
Contracted services	6,132,601	6,315,755	–	–	–	–	(252,772)	(252,772)	6,062,983	6,695,420	7,214,435
Transfers and subsidies	140,985	412,017	–	–	–	–	(6,955)	(6,955)	405,062	147,473	155,584
Other expenditure	3,046,070	3,059,720	–	–	–	–	(257,004)	(257,004)	2,802,716	3,197,274	3,374,011
Loss on disposal of PPE	387	387	–	–	–	–	(0)	(0)	387	409	431
Total Expenditure	**38,322,274**	**38,797,048**	**–**	**–**	**–**	**–**	**(232,285)**	**(232,285)**	**38,564,763**	**40,826,631**	**44,169,263**
Surplus/(Deficit)	**(29,732)**	**(29,732)**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**202,554**	**572,053**	**596,368**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,268,835	2,289,647	–	–	–	–	0	–	2,289,647	2,101,736	2,203,502
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**2,324,003**	**2,344,816**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,577,101**	**2,760,989**	**2,890,470**
Taxation	–	–	–	–	–	–	–	–	–	–	2,084
Surplus/(Deficit) after taxation	**2,324,003**	**2,344,816**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,577,101**	**2,760,989**	**2,888,385**
Attributable to minorities	194,396	194,396	–	–	–	–	–	–	194,396	(5,451)	1,924
Surplus/(Deficit) attributable to municipality	**2,518,399**	**2,539,212**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,771,497**	**2,755,538**	**2,890,310**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**2,518,399**	**2,539,212**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**2,771,497**	**2,755,538**	**2,890,310**

Table 17 Table B5 Consolidated Adjustments Capital Expenditure - Budget by vote and funding

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote											
Multi-year expenditure to be adjusted											
Vote 1 - Area-Based Service Delivery	39,430	39,843	–	–	–	–	–	–	39,843	73,970	105,763
Vote 2 - Assets & Facilities Management	395,019	413,304	–	–	23,800	–	–	23,800	437,104	281,917	265,214
Vote 3 - Corporate Services	351,686	358,010	–	–	–	–	–	–	358,010	339,446	338,046
Vote 4 - City Manager	222	222	–	–	–	–	–	–	222	222	222
Vote 5 - Directorate of the Mayor	17,108	17,132	–	–	–	–	–	–	17,132	2,238	2,158
Vote 6 - Energy	1,292,814	1,366,034	–	–	–	–	–	–	1,366,034	1,413,174	1,705,351
Vote 7 - Finance	17,136	17,136	–	–	–	–	–	–	17,136	15,249	16,419
Vote 8 - Informal Settlements, Water & Waste Services	2,445,238	2,483,251	–	–	1,415,450	–	–	1,415,450	3,898,701	2,535,665	2,518,546
Vote 9 - Safety & Security	191,120	191,488	–	–	–	–	–	–	191,488	105,722	50,515
Vote 10 - Social Services	283,413	286,073	–	–	–	–	–	–	286,073	198,834	128,598
Vote 11 - Transport & Urban Development Authority	1,942,035	2,007,284	–	–	–	–	–	–	2,007,284	1,712,219	1,824,511
Vote 12 - Municipal Entities COCT	47,982	47,982	–	–	–	–	–	–	47,982	45,443	51,879
Capital multi-year expenditure sub-total	**7,023,203**	**7,227,760**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,667,010**	**6,724,098**	**7,007,223**
Total Capital Expenditure - Vote	**7,023,203**	**7,227,760**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,667,010**	**6,724,098**	**7,007,223**
Capital Expenditure - Functional											
Governance and administration	**1,244,434**	**1,282,813**	**–**	**–**	**1,400**	**–**	**1,862**	**3,262**	**1,286,075**	**900,122**	**822,493**
Executive and council	3,594	24,900	–	–	–	–	90	90	24,990	2,380	3,380
Finance and administration	1,239,881	1,256,954	–	–	1,400	–	1,772	3,172	1,260,127	897,610	818,981
Internal audit	959	959	–	–	–	–	–	–	959	131	131
Community and public safety	**955,697**	**960,661**	**–**	**–**	**22,400**	**–**	**(63,860)**	**(41,460)**	**919,201**	**800,576**	**799,439**
Community and social services	151,270	147,678	–	–	–	–	1,799	1,799	149,478	101,890	83,546
Sport and recreation	105,711	112,672	–	–	–	–	(1,659)	(1,659)	111,014	37,026	14,503
Public safety	46,799	46,799	–	–	–	–	–	–	46,799	7,659	7,659
Housing	606,733	607,704	–	–	22,400	–	(64,000)	(41,600)	566,104	594,330	661,934
Health	45,183	45,807	–	–	–	–	–	–	45,807	59,671	31,796
Economic and environmental services	**1,662,703**	**1,727,833**	**–**	**–**	**–**	**–**	**62,998**	**62,998**	**1,790,830**	**1,361,972**	**1,451,403**
Planning and development	44,786	45,524	–	–	–	–	(248)	(248)	45,276	77,349	155,469
Road transport	1,599,888	1,664,280	–	–	–	–	63,246	63,246	1,727,526	1,262,241	1,285,562
Environmental protection	18,028	18,028	–	–	–	–	–	–	18,028	22,381	10,373
Trading services	**3,104,956**	**3,201,039**	**–**	**–**	**1,415,450**	**–**	**(1,000)**	**1,414,450**	**4,615,489**	**3,605,996**	**3,876,819**
Energy sources	1,183,872	1,225,172	–	–	–	–	–	–	1,225,172	1,336,334	1,631,151
Water management	853,967	886,806	–	–	1,415,450	–	(1,890)	1,413,560	2,300,366	968,222	1,145,900
Waste water management	684,576	705,039	–	–	–	–	890	890	705,929	854,201	781,149
Waste management	382,541	384,022	–	–	–	–	–	–	384,022	447,239	318,619
Other	55,414	55,414	–	–	–	–	–	–	55,414	55,433	57,069
Total Capital Expenditure - Functional	**7,023,203**	**7,227,760**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,667,010**	**6,724,098**	**7,007,223**
Funded by:											
National Government	2,189,832	2,210,645	–	–	–	–	–	–	2,210,645	1,976,411	2,152,358
Provincial Government	79,002	79,002	–	–	–	–	–	–	79,002	125,325	51,144
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**2,268,835**	**2,289,647**	**–**	**–**	**–**	**–**	**–**	**–**	**2,289,647**	**2,101,736**	**2,203,502**
Public contributions & donations	84,900	84,900	–	–	–	–	–	–	84,900	87,200	90,600
Borrowing	2,894,482	2,992,706	–	–	1,439,250	–	–	1,439,250	4,431,956	3,503,855	3,707,679
Internally generated funds	1,774,986	1,860,506	–	–	–	–	–	–	1,860,506	1,031,307	1,005,442
Total Capital Funding	**7,023,203**	**7,227,760**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,667,010**	**6,724,098**	**7,007,223**

Table 18 Table B6 Consolidated Adjustments Budget Statement – Financial Position

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS											
Current assets											
Cash	103,918	103,918	–	–	–	–	–	–	103,918	146,904	146,396
Call investment deposits	6,825,310	5,798,755	–	–	–	–	580,711	580,711	6,379,466	7,191,031	8,285,619
Consumer debtors	5,635,475	5,635,475	–	–	–	–	–	–	5,635,475	5,935,035	6,251,199
Other debtors	1,156,114	1,156,114	–	–	–	–	–	–	1,156,114	1,326,034	1,523,286
Current portion of long-term receivables	18,845	18,845	–	–	–	–	–	–	18,845	19,787	20,777
Inventory	313,162	313,162	–	–	–	–	–	–	313,162	344,083	378,495
Total current assets	**14,052,823**	**13,026,268**	**–**	**–**	**–**	**–**	**580,711**	**580,711**	**13,606,979**	**14,962,874**	**16,605,771**
Non current assets											
Long-term receivables	46,655	46,655	–	–	–	–	–	–	46,655	44,322	42,106
Investments	3,169,874	3,169,874	–	–	–	–	822,166	822,166	3,992,040	4,230,748	3,962,888
Investment property	586,473	586,473	–	–	–	–	–	–	586,473	584,635	582,669
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	44,994,341	45,188,670	–	–	–	–	1,367,288	1,367,288	46,555,958	50,290,261	54,219,693
Agricultural	–	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	522,272	522,272	–	–	–	–	–	–	522,272	407,899	285,520
Other non-current assets	9,049	9,049	–	–	–	–	–	–	9,049	9,049	9,049
Total non current assets	**49,328,664**	**49,522,993**	**–**	**–**	**–**	**–**	**2,189,454**	**2,189,454**	**51,712,446**	**55,566,915**	**59,101,925**
TOTAL ASSETS	**63,381,487**	**62,549,261**	**–**	**–**	**–**	**–**	**2,770,165**	**2,770,165**	**65,319,426**	**70,529,789**	**75,707,696**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	428,372	428,372	–	–	–	–	–	–	428,372	580,249	749,617
Consumer deposits	441,906	441,906	–	–	–	–	–	–	441,906	480,378	526,967
Trade and other payables	8,822,755	7,969,717	–	–	–	–	996,629	996,629	8,966,346	8,927,310	8,621,753
Provisions	1,227,888	1,227,888	–	–	–	–	–	–	1,227,888	1,313,609	1,405,328
Total current liabilities	**10,920,921**	**10,067,883**	**–**	**–**	**–**	**–**	**996,629**	**996,629**	**11,064,512**	**11,301,545**	**11,303,665**
Non current liabilities											
Borrowing	7,807,170	7,807,170	–	–	–	–	1,541,250	1,541,250	9,348,420	11,072,444	12,811,078
Provisions	6,744,511	6,744,511	–	–	–	–	–	–	6,744,511	7,026,836	7,358,302
Total non current liabilities	**14,551,682**	**14,551,682**	**–**	**–**	**–**	**–**	**1,541,250**	**1,541,250**	**16,092,932**	**18,099,280**	**20,169,380**
TOTAL LIABILITIES	**25,472,603**	**24,619,565**	**–**	**–**	**–**	**–**	**2,537,879**	**2,537,879**	**27,157,444**	**29,400,825**	**31,473,045**
NET ASSETS	**37,908,884**	**37,929,697**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**38,161,982**	**41,128,964**	**44,234,651**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	34,987,907	35,094,095	–	–	–	–	(141,421)	(141,421)	34,952,674	37,290,382	39,718,143
Reserves	2,793,239	2,707,864	–	–	–	–	373,706	373,706	3,081,570	3,714,149	4,390,151
Minorities' interests	127,738	127,738	–	–	–	–	–	–	127,738	124,433	126,358
TOTAL COMMUNITY WEALTH/EQUITY	**37,908,884**	**37,929,697**	**–**	**–**	**–**	**–**	**232,285**	**232,285**	**38,161,982**	**41,128,964**	**44,234,651**

Table 19 Table B7 Consolidated Adjustments Budget Statement – Cash Flow

Description R thousands	Budget Year 2017/18 Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Budget Year +1 2018/19 Adjusted Budget	Budget Year +2 2019/20 Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates	8,344,028	8,344,028	–	–	–	–	9,000	9,000	8,353,028	8,977,045	9,552,504
Service charges	17,459,005	17,459,005	–	–	–	–	27,000	27,000	17,486,005	19,260,410	21,050,374
Other revenue	1,625,994	1,625,994	–	–	–	–	9,000	9,000	1,634,994	1,732,387	1,831,449
Government - operating	6,455,942	6,455,942	–	–	–	–	474,774	474,774	6,930,717	6,996,655	7,635,571
Government - capital	2,353,735	2,374,547	–	–	–	–	–	–	2,374,547	2,188,936	2,294,102
Interest	785,328	785,328	–	–	–	–	–	–	785,328	836,509	867,012
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(30,357,016)	(30,551,628)	–	–	–	–	(193,196)	(193,196)	(30,744,824)	(32,965,977)	(35,622,647)
Finance charges	(985,478)	(985,478)	–	–	–	–	–	–	(985,478)	(1,560,248)	(1,916,068)
Transfers and Grants	(140,985)	(415,920)	–	–	–	–	415,920	415,920	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**5,540,553**	**5,091,819**	**–**	**–**	**–**	**–**	**742,498**	**742,498**	**5,834,316**	**5,465,716**	**5,692,299**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	41,500	41,500	–	–	–	–	–	–	41,500	43,263	45,643
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	2,456	2,456	–	–	–	–	–	–	2,456	2,333	2,216
Decrease (increase) in non-current investments	(212,908)	(212,908)	–	–	–	–	–	–	(212,908)	(238,708)	(267,859)
Payments											
Capital assets	(6,938,045)	(7,111,918)	–	–	–	–	(1,223,363)	(1,223,363)	(8,335,281)	(6,066,543)	(6,573,830)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(7,106,997)**	**(7,280,871)**	**–**	**–**	**–**	**–**	**(1,223,363)**	**(1,223,363)**	**(8,504,234)**	**(6,259,655)**	**(6,793,831)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2,500,000	2,500,000	–	–	–	–	1,500,000	1,500,000	4,000,000	2,500,000	2,700,000
Increase (decrease) in consumer deposits	35,710	35,710	–	–	–	–	–	–	35,710	39,281	43,209
Payments											
Repayment of borrowing	(435,159)	(435,159)	–	–	–	–	–	–	(435,159)	(652,083)	(815,457)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2,100,551**	**2,100,551**	**–**	**–**	**–**	**–**	**1,500,000**	**1,500,000**	**3,600,551**	**1,887,198**	**1,927,752**
NET INCREASE/ (DECREASE) IN CASH HELD	**534,106**	**(88,502)**	**–**	**–**	**–**	**–**	**1,019,135**	**1,019,135**	**930,634**	**1,093,260**	**826,220**
Cash/cash equivalents at the year begin:	4,116,346	3,712,399	–	–	–	–	(26,671)	(26,671)	3,685,728	4,616,362	5,709,621
Cash/cash equivalents at the year end:	4,650,453	3,623,898	–	–	–	–	992,464	992,464	4,616,362	5,709,621	6,535,841

Table 20 Table B8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available											
Cash/cash equivalents at the year end	4,650,453	3,623,898	–	–	–	–	992,464	992,464	4,616,362	5,709,621	6,535,841
Other current investments > 90 days	2,278,775	2,278,775	–	–	–	–	(411,753)	(411,753)	1,867,022	1,628,314	1,896,174
Non current assets - Investments	3,169,874	3,169,874	–	–	–	–	822,166	822,166	3,992,040	4,230,748	3,962,888
Cash and investments available:	**10,099,102**	**9,072,547**	**–**	**–**	**–**	**–**	**1,402,877**	**1,402,877**	**10,475,424**	**11,568,683**	**12,394,903**
Applications of cash and investments											
Unspent conditional transfers	680,263	680,263	–	–	–	–	344,139	344,139	1,024,402	1,001,399	731,297
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	2,011,436	1,158,397	–	–	–	–	642,567	642,567	1,800,965	1,310,096	801,303
Other provisions	–	–	–	–	–	–	–	–	–	–	–
Long term investments committed	2,265,047	2,265,047	–	–	–	–	–	–	2,265,047	2,503,755	2,771,615
Reserves to be backed by cash/investments	3,100,264	3,100,264	–	–	–	–	321,099	321,099	3,421,363	4,247,075	5,118,573
Total Application of cash and investments:	**8,057,010**	**7,203,972**	**–**	**–**	**–**	**–**	**1,307,805**	**1,307,805**	**8,511,777**	**9,062,325**	**9,422,787**
Surplus(shortfall)	**2,042,092**	**1,868,575**	**–**	**–**	**–**	**–**	**95,072**	**95,072**	**1,963,647**	**2,506,358**	**2,972,116**

Table 21 Table B9 Consolidated Asset Management

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	**3,789,213**	**3,889,090**	**–**	**–**	**1,424,300**	**–**	**(14,451)**	**1,409,849**	**5,298,939**	**3,244,201**	**3,307,630**
Roads Infrastructure	965,975	1,005,317	–	–	–	–	42,579	42,579	1,047,896	600,787	691,850
Storm water Infrastructure	124,492	128,255	–	–	–	–	(4,075)	(4,075)	124,180	99,488	98,838
Electrical Infrastructure	558,956	579,157	–	–	–	–	(1,285)	(1,285)	577,872	582,891	560,716
Water Supply Infrastructure	518,930	550,768	–	–	1,295,800	–	(10,465)	1,285,335	1,836,103	466,655	559,762
Sanitation Infrastructure	124,311	134,311	–	–	–	–	(14,825)	(14,825)	119,486	217,490	237,063
Solid Waste Infrastructure	198,077	199,063	–	–	–	–	–	–	199,063	256,180	249,020
Information and Communication Infrastructure	189,528	167,926	–	–	–	–	(36,631)	(36,631)	131,295	200,338	191,427
Infrastructure	*2,680,268*	*2,764,799*	–	–	*1,295,800*	–	*(24,702)*	*1,271,098*	*4,035,896*	*2,423,829*	*2,588,676*
Community Facilities	328,713	323,980	–	–	–	–	(12,589)	(12,589)	311,391	352,411	371,537
Sport and Recreation Facilities	350	709	–	–	–	–	90	90	799	–	–
Community Assets	*329,063*	*324,688*	–	–	–	–	*(12,499)*	*(12,499)*	*312,189*	*352,411*	*371,537*
Revenue Generating	11,450	11,450	–	–	–	–	–	–	11,450	8,800	12,200
Investment properties	*11,450*	*11,450*	–	–	–	–	–	–	*11,450*	*8,800*	*12,200*
Operational Buildings	225,494	208,307	–	–	–	–	–	–	208,307	90,577	63,426
Housing	66,041	66,041	–	–	–	–	(12,500)	(12,500)	53,541	99,839	26,212
Other Assets	*291,535*	*274,348*	–	–	–	–	*(12,500)*	*(12,500)*	*261,848*	*190,416*	*89,638*
Licences and Rights	2,000	2,000	–	–	–	–	–	–	2,000	3,000	3,000
Intangible Assets	*2,000*	*2,000*	–	–	–	–	–	–	*2,000*	*3,000*	*3,000*
Computer Equipment	*212,637*	*240,566*	–	–	–	–	*31,831*	*31,831*	*272,397*	*128,706*	*112,762*
Furniture and Office Equipment	*82,459*	*90,728*	–	–	–	–	*(650)*	*(650)*	*90,078*	*54,481*	*51,612*
Machinery and Equipment	*127,831*	*128,379*	–	–	*128,500*	–	*(931)*	*127,569*	*255,948*	*33,482*	*29,342*
Transport Assets	*51,970*	*52,133*	–	–	–	–	*5,000*	*5,000*	*57,133*	*49,076*	*48,863*
Total Renewal of Existing Assets to be adjusted	**1,455,911**	**1,491,654**	**–**	**–**	**–**	**–**	**20,000**	**20,000**	**1,511,653**	**1,678,371**	**1,867,056**
Roads Infrastructure	185,678	193,890	–	–	–	–	315	315	194,205	120,050	126,500
Storm water Infrastructure	48,495	48,495	–	–	–	–	(315)	(315)	48,180	40,950	36,100
Electrical Infrastructure	468,543	474,697	–	–	–	–	(2,737)	(2,737)	471,959	563,430	687,965
Water Supply Infrastructure	260,500	260,500	–	–	–	–	5,900	5,900	266,400	317,000	336,000
Sanitation Infrastructure	20,200	27,794	–	–	–	–	3,000	3,000	30,794	66,300	86,000
Information and Communication Infrastructure	1,500	1,500	–	–	–	–	–	–	1,500	60	–
Infrastructure	*984,916*	*1,006,876*	–	–	–	–	*6,163*	*6,163*	*1,013,038*	*1,107,790*	*1,272,565*
Community Facilities	40,373	46,842	–	–	–	–	2,000	2,000	48,842	48,850	9,800
Community Assets	*40,373*	*46,842*	–	–	–	–	*2,000*	*2,000*	*48,842*	*48,850*	*9,800*
Heritage Assets	*650*	*650*	–	–	–	–	*(80)*	*(80)*	*570*	*1,800*	*1,800*
Revenue Generating	13,850	13,850	–	–	–	–	–	–	13,850	14,880	20,250
Investment properties	*13,850*	*13,850*	–	–	–	–	–	–	*13,850*	*14,880*	*20,250*
Operational Buildings	9,150	13,334	–	–	–	–	810	810	14,143	66,780	121,860
Housing	85,000	85,000	–	–	–	–	5,425	5,425	90,425	85,000	85,000
Other Assets	*94,150*	*98,334*	–	–	–	–	*6,235*	*6,235*	*104,568*	*151,780*	*206,860*
Licences and Rights	2,500	2,500	–	–	–	–	–	–	2,500	2,500	2,500
Intangible Assets	*2,500*	*2,500*	–	–	–	–	–	–	*2,500*	*2,500*	*2,500*
Computer Equipment	*84,771*	*87,571*	–	–	–	–	*975*	*975*	*88,546*	*80,161*	*86,022*
Furniture and Office Equipment	*20,567*	*20,370*	–	–	–	–	*(324)*	*(324)*	*20,046*	*18,564*	*16,679*
Machinery and Equipment	*31,419*	*31,467*	–	–	–	–	*3,082*	*3,082*	*34,548*	*29,406*	*11,910*
Transport Assets	*182,714*	*183,195*	–	–	–	–	*1,950*	*1,950*	*185,145*	*222,641*	*238,671*
Total Upgrading of Existing Assets to be adjusted	**1,778,079**	**1,847,016**	**–**	**–**	**14,950**	**–**	**(5,549)**	**9,401**	**1,856,417**	**1,801,526**	**1,832,537**
Roads Infrastructure	281,382	287,675	–	–	–	–	(754)	(754)	286,921	366,145	329,203
Storm water Infrastructure	12,925	13,673	–	–	–	–	–	–	13,673	10,000	10,000
Electrical Infrastructure	88,376	110,005	–	–	–	–	3,139	3,139	113,144	56,043	248,695
Water Supply Infrastructure	122,037	122,137	–	–	13,550	–	1,000	14,550	136,687	188,500	211,000
Sanitation Infrastructure	550,435	552,303	–	–	–	–	4,700	4,700	557,003	738,513	614,950
Solid Waste Infrastructure	25,000	25,183	–	–	–	–	–	–	25,183	23,506	6,788
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Infrastructure	*1,080,155*	*1,110,976*	–	–	*13,550*	–	*8,085*	*21,635*	*1,132,612*	*1,382,707*	*1,420,636*
Community Facilities	178,294	180,509	–	–	–	–	(1,739)	(1,739)	178,770	149,845	104,565
Sport and Recreation Facilities	53,849	56,754	–	–	–	–	(1,334)	(1,334)	55,419	18,806	17,731
Community Assets	*232,143*	*237,263*	–	–	–	–	*(3,074)*	*(3,074)*	*234,189*	*168,651*	*122,295*
Heritage Assets	*6,800*	*6,800*	–	–	–	–	–	–	*6,800*	–	–
Operational Buildings	377,456	415,060	–	–	1,400	–	(13,420)	(12,020)	403,039	218,587	268,955
Housing	15,897	16,819	–	–	–	–	(1,139)	(1,139)	15,680	9,000	–
Other Assets	*393,354*	*431,878*	–	–	*1,400*	–	*(14,559)*	*(13,159)*	*418,719*	*227,587*	*268,955*
Licences and Rights	29,756	30,275	–	–	–	–	–	–	30,275	6,450	6,450
Intangible Assets	*29,756*	*30,275*	–	–	–	–	–	–	*30,275*	*6,450*	*6,450*
Computer Equipment	*6,100*	*0*	–	–	–	–	–	–	*0*	*900*	*1,100*
Furniture and Office Equipment	*19,771*	*19,823*	–	–	–	–	*4,199*	*4,199*	*24,023*	*12,231*	*12,100*
Machinery and Equipment	*10,000*	*10,000*	–	–	–	–	*(200)*	*(200)*	*9,800*	*3,000*	*1,000*

Table continues on next page

City of Cape Town 2017/18 Adjustments Budget – December 2017

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE											
Total Capital Expenditure to be adjusted											
Roads Infrastructure	1,433,035	1,486,882	–	–	–	–	42,140	42,140	1,529,022	1,086,982	1,147,553
Storm water Infrastructure	185,912	190,424	–	–	–	–	(4,390)	(4,390)	186,034	150,438	144,938
Electrical Infrastructure	1,115,875	1,163,859	–	–	–	–	(883)	(883)	1,162,975	1,202,364	1,497,376
Water Supply Infrastructure	901,467	933,406	–	–	1,309,350	–	(3,565)	1,305,785	2,239,191	972,155	1,106,762
Sanitation Infrastructure	694,946	714,409	–	–	–	–	(7,125)	(7,125)	707,284	1,022,304	938,013
Solid Waste Infrastructure	223,077	224,246	–	–	–	–	–	–	224,246	279,686	255,808
Information and Communication Infrastructure	191,028	169,426	–	–	–	–	(36,631)	(36,631)	132,795	200,398	191,427
Infrastructure	*4,745,340*	*4,882,650*	–	–	*1,309,350*	–	*(10,454)*	*1,298,896*	*6,181,546*	*4,914,326*	*5,281,878*
Community Facilities	547,380	551,331	–	–	–	–	(12,328)	(12,328)	539,003	551,105	485,902
Sport and Recreation Facilities	54,199	57,462	–	–	–	–	(1,244)	(1,244)	56,218	18,806	17,731
Community Assets	*601,580*	*608,793*	–	–	–	–	*(13,572)*	*(13,572)*	*595,221*	*569,912*	*503,633*
Heritage Assets	*7,450*	*7,450*	–	–	–	–	*(80)*	*(80)*	*7,370*	*1,800*	*1,800*
Revenue Generating	25,300	25,300	–	–	–	–	–	–	25,300	23,680	32,450
Investment properties	*25,300*	*25,300*	–	–	–	–	–	–	*25,300*	*23,680*	*32,450*
Operational Buildings	612,100	636,700	–	–	1,400	–	(12,611)	(11,211)	625,489	375,945	454,241
Housing	166,938	167,859	–	–	–	–	(8,214)	(8,214)	159,645	193,839	111,212
Other Assets	*779,039*	*804,559*	–	–	*1,400*	–	*(20,825)*	*(19,425)*	*785,135*	*569,783*	*565,453*
Licences and Rights	34,256	34,775	–	–	–	–	–	–	34,775	11,950	11,950
Intangible Assets	*34,256*	*34,775*	–	–	–	–	–	–	*34,775*	*11,950*	*11,950*
Computer Equipment	*303,508*	*328,137*	–	–	–	–	*32,806*	*32,806*	*360,943*	*209,767*	*199,883*
Furniture and Office Equipment	*122,797*	*130,921*	–	–	–	–	*3,225*	*3,225*	*134,147*	*85,276*	*80,390*
Machinery and Equipment	*169,250*	*169,846*	–	–	*128,500*	–	*1,950*	*130,450*	*300,296*	*65,888*	*42,252*
Transport Assets	*234,684*	*235,328*	–	–	–	–	*6,950*	*6,950*	*242,278*	*271,716*	*287,534*
TOTAL CAPITAL EXPENDITURE to be adjusted	**7,023,203**	**7,227,760**	**–**	**–**	**1,439,250**	**–**	**–**	**1,439,250**	**8,667,010**	**6,724,098**	**7,007,223**
ASSET REGISTER SUMMARY - PPE (WDV)											
Roads Infrastructure	7,350,826	7,401,980	–	–	–	–	40,033	40,033	7,442,013	8,079,432	8,754,142
Storm water Infrastructure	994,374	998,660	–	–	–	–	(4,171)	(4,171)	994,490	1,084,660	1,167,207
Electrical Infrastructure	7,786,614	7,832,199	–	–	–	–	(839)	(839)	7,831,360	8,726,039	9,878,939
Water Supply Infrastructure	3,312,937	3,343,279	–	–	1,309,350	–	(68,854)	1,240,496	4,583,775	5,262,144	6,040,622
Sanitation Infrastructure	3,542,502	3,560,991	–	–	–	–	(6,769)	(6,769)	3,554,222	4,268,857	4,886,369
Solid Waste Infrastructure	937,173	938,283	–	–	–	–	–	–	938,283	1,152,721	1,344,853
Information and Communication Infrastructure	3,200,737	3,180,215	–	–	–	–	(34,799)	(34,799)	3,145,416	3,305,459	3,456,940
Infrastructure	*27,125,163*	*27,255,608*	–	–	*1,309,350*	–	*(75,399)*	*1,233,951*	*28,489,559*	*31,879,311*	*35,529,071*
Community Facilities	3,556,632	3,554,609	–	–	–	–	(11,788)	(11,788)	3,542,822	3,964,623	4,319,312
Sport and Recreation Facilities	3,807,667	3,810,766	–	–	–	–	(1,182)	(1,182)	3,809,584	3,607,299	3,410,452
Community Assets	*7,364,299*	*7,365,376*	–	–	–	–	*(12,970)*	*(12,970)*	*7,352,406*	*7,571,923*	*7,729,764*
Heritage Assets	*9,049*	*9,049*	–	–	–	–	–	–	*9,049*	*9,049*	*9,049*
Revenue Generating	68,242	68,242	–	–	–	–	–	–	68,242	66,524	64,806
Non-revenue Generating	518,232	518,232	–	–	–	–	–	–	518,232	518,232	518,232
Investment properties	*586,474*	*586,474*	–	–	–	–	–	–	*586,474*	*584,756*	*583,038*
Operational Buildings	3,861,856	3,885,225	–	–	1,400	–	(12,050)	(10,650)	3,874,575	4,083,263	4,370,233
Housing	2,135,419	2,136,294	–	–	–	–	(7,803)	(7,803)	2,128,491	2,210,719	2,211,375
Other Assets	*5,997,275*	*6,021,520*	–	–	*1,400*	–	*(19,854)*	*(18,454)*	*6,003,066*	*6,293,983*	*6,581,608*
Licences and Rights	522,272	522,765	–	–	–	–	–	–	522,765	428,167	337,189
Intangible Assets	522,272	522,765	–	–	–	–	–	–	522,765	428,167	337,189
Computer Equipment	888,975	918,167	–	–	–	–	31,166	31,166	949,333	928,885	908,243
Furniture and Office Equipment	523,635	531,334	–	–	–	–	3,064	3,064	534,398	460,158	390,538
Machinery and Equipment	477,153	477,720	–	–	128,500	–	(4,572)	123,928	601,648	573,614	531,819
Transport Assets	2,272,442	2,273,054	–	–	–	–	6,603	6,603	2,279,656	2,208,526	2,131,056
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**45,766,736**	**45,961,066**	**–**	**–**	**1,439,250**	**–**	**(71,963)**	**1,367,288**	**47,328,353**	**50,938,370**	**54,731,374**

Table continues on next page.

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	–	–	3,277,476	2,772,072	2,854,369
Repairs and Maintenance by asset class	**4,048,266**	**4,048,266**	**–**	**–**	**–**	**–**	**(142,641)**	**(142,641)**	**3,905,624**	**4,408,373**	**4,748,093**
Roads Infrastructure	698,302	698,302	–	–	–	–	–	–	698,302	743,414	791,736
Storm water Infrastructure	21,667	21,667	–	–	–	–	–	–	21,667	23,077	24,578
Electrical Infrastructure	523,507	523,507	–	–	–	–	–	–	523,507	557,538	593,778
Water Supply Infrastructure	233,175	233,175	–	–	–	–	–	–	233,175	298,339	344,483
Sanitation Infrastructure	318,258	318,258	–	–	–	–	–	–	318,258	388,951	440,984
Solid Waste Infrastructure	4,898	4,898	–	–	–	–	–	–	4,898	5,217	5,556
Infrastructure	*1,799,807*	*1,799,807*	–	–	–	–	–	–	*1,799,807*	*2,016,536*	*2,201,115*
Community Facilities	406,234	406,234	–	–	–	–	(37,562)	(37,562)	368,673	430,271	458,234
Sport and Recreation Facilities	56,574	56,574	–	–	–	–	(3,520)	(3,520)	53,054	59,985	63,883
Community Assets	*462,808*	*462,808*	–	–	–	–	*(41,082)*	*(41,082)*	*421,726*	*490,255*	*522,117*
Heritage Assets	*11,357*	*11,357*	–	–	–	–	*(1,001)*	*(1,001)*	*10,357*	*12,096*	*12,882*
Revenue Generating	11,449	11,449	–	–	–	–	–	–	11,449	12,193	12,730
Non-revenue Generating	9,817	9,817	–	–	–	–	(405)	(405)	9,412	10,456	11,135
Investment properties	*21,266*	*21,266*	–	–	–	–	*(405)*	*(405)*	*20,861*	*22,649*	*23,865*
Operational Buildings	213,732	213,732	–	–	–	–	(11,692)	(11,692)	202,040	227,488	242,273
Housing	74,577	74,577	–	–	–	–	–	–	74,577	79,427	84,589
Other Assets	*288,309*	*288,309*	–	–	–	–	*(11,692)*	*(11,692)*	*276,617*	*306,914*	*326,863*
Computer Equipment	687,364	687,364	–	–	–	–	(24,107)	(24,107)	663,257	732,045	779,626
Furniture and Office Equipment	352,509	352,509	–	–	–	–	(33,513)	(33,513)	318,997	375,413	399,750
Machinery and Equipment	7	7	–	–	–	–	–	–	7	7	8
Transport Assets	424,837	424,837	–	–	–	–	(30,842)	(30,842)	393,995	452,458	481,868
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**7,325,741**	**7,325,741**	**–**	**–**	**–**	**–**	**(142,641)**	**(142,641)**	**7,183,100**	**7,180,445**	**7,602,462**
Renewal and upgrading of Existing Assets as % of total capex	*46.0%*	*46.2%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*38.9%*	*51.8%*	*52.8%*
Renewal and upgrading of Existing Assets as % of deprecn"	*98.7%*	*101.9%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*102.8%*	*125.5%*	*129.6%*
R&M as a % of PPE	*8.8%*	*8.8%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*8.3%*	*8.7%*	*8.7%*
Renewal and upgrading and R&M as a % of PPE	*15.9%*	*16.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*15.4%*	*15.5%*	*15.4%*

Table 22 Table B10 Consolidated Basic service delivery measurement

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets											
Water:											
Piped water inside dwelling	1,132,666	–	0	0	0	0	0	–	1,132,666	1,147,502	1,161,853
Piped water inside yard (but not in dwelling)	0	0	0	0	0	0	0	–	–	0	0
Using public tap (at least min.service level)	157,038	–	0	0	0	0	0	–	157,038	159,094	161,084
Other water supply (at least min.service level)	0	0	0	0	0	0	0	–	–	–	–
Minimum Service Level and Above sub-total	1,289,704	–	–	–	–	–	–	–	1,289,704	1,306,596	1,322,937
Using public tap (< min.service level)	0	0	0	0	0	0	0	–	–	0	0
Other water supply (< min.service level)	0	0	0	0	0	0	0	–	–	0	0
No water supply	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**1,289,704**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,289,704**	**1,306,596**	**1,322,937**
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1,211,917	–	0	0	0	0	0	–	1,211,917	1,230,809	1,250,150
Flush toilet (with septic tank)	0	0	0	0	0	0	0	–	–	0	0
Chemical toilet	24,460	–	0	0	0	0	0	–	24,460	24,460	24,460
Pit toilet (ventilated)	197	0	0	0	0	0	0	–	197	197	0
Other toilet provisions (> min.service level)	52,913	–	0	0	0	0	0	–	52,913	51,130	48,327
Minimum Service Level and Above sub-total	1,289,487	–	–	–	–	–	–	–	1,289,487	1,306,596	1,322,937
Bucket toilet	217	0	0	0	0	0	0	–	217	0	0
Other toilet provisions (< min.service level)	0	0	0	0	0	0	0	–	–	0	0
No toilet provisions	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	217	–	–	–	–	–	–	–	217	–	–
Total number of households	**1,289,704**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,289,704**	**1,306,596**	**1,322,937**
Energy:											
Electricity (at least min. service level)	856,312	–	0	0	0	0	0	–	856,312	857,812	859,312
Electricity - prepaid (> min.service level)	0	0	0	0	0	0	0	–	–	0	0
Minimum Service Level and Above sub-total	856,312	–	–	–	–	–	–	–	856,312	857,812	859,312
Electricity (< min.service level)	23,464	–	0	0	0	0	0	–	23,464	21,964	20,464
Electricity - prepaid (< min. service level)	0	0	0	0	0	0	0	–	–	0	0
Other energy sources	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	23,464	–	–	–	–	–	–	–	23,464	21,964	20,464
Total number of households	879,776	–	–	–	–	–	–	–	879,776	879,776	879,776
Refuse:											
Removed at least once a week (min.service)	995,017	–	0	0	0	0	0	–	995,017	1,014,917	1,035,216
Minimum Service Level and Above sub-total	995,017	–	–	–	–	–	–	–	995,017	1,014,917	1,035,216
Removed less frequently than once a week	0	0	0	0	0	0	0	–	–	0	0
Using communal refuse dump	0	0	0	0	0	0	0	–	–	0	0
Using own refuse dump	0	0	0	0	0	0	0	–	–	0	0
Other rubbish disposal	0	0	0	0	0	0	0	–	–	0	0
No rubbish disposal	0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**995,017**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**995,017**	**1,014,917**	**1,035,216**

Table continues on next page.

City of Cape Town 2017/18 Adjustments Budget – December 2017

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Households receiving Free Basic Service											
Water (6 kilolitres per household per month)	255,733	–	0	0	0	0	0	–	255,733	255,733	255,733
Sanitation (free minimum level service)	255,733	–	0	0	0	0	0	–	255,733	255,733	255,733
Electricity/other energy (50kwh per household per month)	121,317	–	0	0	0	0	0	–	121,317	121,317	121,317
Refuse (removed at least once a week)	382,534	0	0	0	0	0	0	–	382,534	390,185	397,988
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per household per month)	314,306	–	–	–	–	–	–	–	314,306	352,023	390,745
Sanitation (free sanitation service)	178,254	–	–	–	–	–	–	–	178,254	199,645	221,605
Electricity/other energy (50kwh per household per month)	81,713	–	–	–	–	–	–	–	81,713	86,616	91,813
Refuse (removed once a week)	276,709	–	–	–	–	–	–	–	276,709	292,205	308,569
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	753,891	–	–	–	–	–	–	–	753,891	817,698	885,422
Total cost of FBS provided (minimum social package)	1,604,874	–	–	–	–	–	–	–	1,604,874	1,748,187	1,898,155
Highest level of free service provided											
Property rates (R'000 value threshold)	0	0	0	0	0	0	0	–	–	0	0
Water (kilolitres per household per month)	6	0	0	0	0	0	0	–	6	6	6
Sanitation (kilolitres per household per month)	4	0	0	0	0	0	0	0	4	4	4
Sanitation (Rand per household per month)	132	0	0	0	0	0	0	–	132	145	160
Electricity (kw per household per month)	60	–	0	0	0	0	0	–	60	60	60
Refuse (average litres per week)	240	0	0	0	0	0	0	–	240	240	240
Revenue cost of free services provided (R'000)											
Property rates (R15 000 threshold rebate)	85,195	–	–	–	–	–	–	–	85,195	90,733	96,631
Property rates (other exemptions, reductions and rebates)	1,297,571	–	–	–	–	–	–	–	1,297,571	1,371,587	1,460,741
Water	235,730	–	–	–	–	–	–	–	235,730	264,017	293,059
Sanitation	133,691	–	–	–	–	–	–	–	133,691	149,733	166,204
Electricity/other energy	–	–	–	–	–	–	–	–	–	–	–
Refuse	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	26,269	–	–	–	–	–	–	–	26,269	27,582	28,962
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of free services provided (total social package)	**1,778,456**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,778,456**	**1,903,653**	**2,045,597**

PART 3 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC)

The CTICC's five primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 40 to page 44. As the entity is not proposing any adjustments to its approved 2017/18 budget, the tables below reflect the 2017/18 budget adopted at Council in May 2017.

Table 23 MBRR Table E1 - Adjustments Budget Summary

Description	Budget Year 2017/18								Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	11,671	–	–	–	–	–	–	11,671	10,100	9,534
Transfers recognised - operational	–	–	–	–	–	–	–	–	–	–
Other own revenue	272,780	–	–	–	–	–	–	272,780	268,284	287,064
Total Revenue (excluding capital transfers and contributions)	**284,451**	**–**	**–**	**–**	**–**	**–**	**–**	**284,451**	**278,383**	**296,597**
Employee costs	88,887	–	–	–	–	–	–	88,887	87,045	92,793
Remuneration of Board Members	804	–	–	–	–	–	–	804	856	916
Depreciation and debt impairment	702,868	–	–	–	–	–	–	702,868	37,367	39,796
Finance charges	3,651	–	–	–	–	–	–	3,651	3,395	3,112
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	167,947	–	–	–	–	–	–	167,947	168,780	151,167
Total Expenditure	**964,158**	**–**	**–**	**–**	**–**	**–**	**–**	**964,158**	**297,443**	**287,785**
Surplus/(Deficit)	**(679,707)**	**–**	**–**	**–**	**–**	**–**	**–**	**(679,707)**	**(19,060)**	**8,813**
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**(679,707)**	**–**	**–**	**–**	**–**	**–**	**–**	**(679,707)**	**(19,060)**	**8,813**
Taxation	–	–	–	–	–	–	–	–	–	**2,084**
Surplus/ (Deficit) for the year	**(679,707)**	**–**	**–**	**–**	**–**	**–**	**–**	**(679,707)**	**(19,060)**	**6,728**
Capital expenditure & funds sources										
Capital expenditure	47,982	–	–	–	–	–	–	47,982	45,443	51,879
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	47,982	–	–	–	–	–	–	47,982	45,443	51,879
Total sources of capital funds	**47,982**	**–**	**–**	**–**	**–**	**–**	**–**	**47,982**	**45,443**	**51,879**
Financial position										
Total current assets	248,244	–	–	–	–	–	–	248,244	224,789	219,216
Total non current assets	345,398	–	–	–	–	–	–	345,398	353,474	365,557
Total current liabilities	109,454	–	–	–	–	–	–	109,454	108,459	111,353
Total non current liabilities	37,552	–	–	–	–	–	–	37,552	34,723	31,611
Community wealth/Equity	446,636	–	–	–	–	–	–	446,636	435,081	441,810
Cash flows										
Net cash from (used) operating	40,398	–	–	–	–	–	–	40,398	25,374	47,803
Net cash from (used) investing	(47,982)	–	–	–	–	–	–	(47,982)	(45,443)	(51,879)
Net cash from (used) financing	(2,573)	–	–	–	–	–	–	(2,573)	(2,830)	(3,112)
Cash/cash equivalents at the year end	**225,378**	**–**	**–**	**–**	**–**	**–**	**–**	**225,378**	**202,479**	**195,291**

Table 24 MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure)

Description	Budget Year 2017/18								Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	131,571	–	–	–	–	–	–	131,571	140,123	149,931
Interest earned - external investments	11,671	–	–	–	–	–	–	11,671	10,100	9,534
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other revenue	141,209	–	–	–	–	–	–	141,209	128,161	137,132
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**284,451**	**–**	**–**	**–**	**–**	**–**	**–**	**284,451**	**278,383**	**296,597**
Expenditure By Type										
Employee related costs	88,887	–	–	–	–	–	–	88,887	87,045	92,793
Remuneration of Directors	804	–	–	–	–	–	–	804	856	916
Debt impairment	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	702,868	–	–	–	–	–	–	702,868	37,367	39,796
Finance charges	3,651	–	–	–	–	–	–	3,651	3,395	3,112
Bulk purchases	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	167,947	–	–	–	–	–	–	167,947	168,780	151,167
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**964,158**	**–**	**–**	**–**	**–**	**–**	**–**	**964,158**	**297,443**	**287,785**
Surplus/(Deficit)	**(679,707)**	**–**	**–**	**–**	**–**	**–**	**–**	**(679,707)**	**(19,060)**	**8,813**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**(679,707)**	**–**	**–**	**–**	**–**	**–**	**–**	**(679,707)**	**(19,060)**	**8,813**
Taxation	–	–	–	–	–	–	–	–	–	2,084
Surplus/ (Deficit) for the year	**(679,707)**	**–**	**–**	**–**	**–**	**–**	**–**	**(679,707)**	**(19,060)**	**6,728**

Table 25 MBRR Table E3 Adjustments Capital Expenditure Budget by asset class and funding

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure by Asset Class/Sub-class											
Investment properties	**25,300**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**25,300**	**23,680**	**32,450**
Revenue Generating	25,300	–	–	–	–	–	–	–	25,300	23,680	32,450
Improved Property	*25,300*	–	–	–	–	–	–	–	*25,300*	*23,680*	*32,450*
Computer Equipment	**15,224**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**15,224**	**15,035**	**17,051**
Computer Equipment	15,224	–	–	–	–	–	–	–	15,224	15,035	17,051
Furniture and Office Equipment	**6,110**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6,110**	**5,380**	**1,030**
Furniture and Office Equipment	6,110	–	–	–	–	–	–	–	6,110	5,380	1,030
Machinery and Equipment	**1,348**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,348**	**1,348**	**1,348**
Machinery and Equipment	1,348	–	–	–	–	–	–	–	1,348	1,348	1,348
Total Capital Expenditure to be adjusted	**47,982**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**47,982**	**45,443**	**51,879**
Funded by:											
National Government	–	–	–	–	–	–	–	–	–	–	–
Provincial Government	–	–	–	–	–	–	–	–	–	–	–
Parent Municipality	–	–	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	47,982	–	–	–	–	–	–	–	**47,982**	45,443	51,879
Total Capital Funding	**47,982**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**47,982**	**45,443**	**51,879**

Table 26 MBRR Table E4 Adjustments Budget - Financial Position

Description	Budget Year 2017/18								Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS										
Current assets										
Cash	–	–	–	–	–	–	–	–	–	–
Call investment deposits	225,378	–	–	–	–	–	–	225,378	202,479	195,291
Consumer debtors	–	–	–	–	–	–	–	–	–	–
Other debtors	21,004	–	–	–	–	–	–	21,004	20,658	22,104
Current portion of long-term receivables	–	–	–	–	–	–	–	–	–	–
Inventory	1,862	–	–	–	–	–	–	1,862	1,652	1,821
Total current assets	**248,244**	**–**	**–**	**–**	**–**	**–**	**–**	**248,244**	**224,789**	**219,216**
Non current assets										
Long-term receivables	–	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	345,398	–	–	–	–	–	–	345,398	353,474	365,557
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	–	–	–	–	–
Total non current assets	**345,398**	**–**	**–**	**–**	**–**	**–**	**–**	**345,398**	**353,474**	**365,557**
TOTAL ASSETS	**593,642**	**–**	**–**	**–**	**–**	**–**	**–**	**593,642**	**578,263**	**584,773**
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Consumer deposits	49,100	–	–	–	–	–	–	49,100	48,291	51,671
Trade and other payables	56,680	–	–	–	–	–	–	56,680	56,470	55,957
Provisions	3,673	–	–	–	–	–	–	3,673	3,698	3,724
Total current liabilities	**109,454**	**–**	**–**	**–**	**–**	**–**	**–**	**109,454**	**108,459**	**111,353**
Non current liabilities										
Borrowing	36,821	–	–	–	–	–	–	36,821	33,992	30,880
Provisions	731	–	–	–	–	–	–	731	731	731
Total non current liabilities	**37,552**	**–**	**–**	**–**	**–**	**–**	**–**	**37,552**	**34,723**	**31,611**
TOTAL LIABILITIES	**147,006**	**–**	**–**	**–**	**–**	**–**	**–**	**147,006**	**143,182**	**142,963**
NET ASSETS	**446,636**	**–**	**–**	**–**	**–**	**–**	**–**	**446,636**	**435,081**	**441,810**
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	(839,004)	–	–	–	–	–	–	(839,004)	(850,558)	(843,830)
Reserves	–	–	–	–	–	–	–	–	–	–
Share capital	1,285,640	–	–	–	–	–	–	1,285,640	1,285,640	1,285,640
TOTAL COMMUNITY WEALTH/EQUITY	**446,636**	**–**	**–**	**–**	**–**	**–**	**–**	**(839,004)**	**435,081**	**441,810**

Table 27 MBRR Table E5 Adjustments Budget - Cash Flows

Description	Budget Year 2017/18								Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Other revenue	268,000	–	–	–	–	–	–	268,000	268,630	296,597
Government - operating	–	–	–	–	–	–	–	–	–	–
Government - capital	–	–	–	–	–	–	–	–	–	–
Interest	11,671	–	–	–	–	–	–	11,671	10,100	9,534
Dividends	–	–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees	(235,621)	–	–	–	–	–	–	(235,621)	(249,961)	(255,216)
Finance charges	(3,651)	–	–	–	–	–	–	(3,651)	(3,395)	(3,112)
Dividends paid	–	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**40,398**	**–**	**–**	**–**	**–**	**–**	**–**	**40,398**	**25,374**	**47,803**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–
Payments										
Capital assets	(47,982)	–	–	–	–	–	–	(47,982)	(45,443)	(51,879)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(47,982)**	**–**	**–**	**–**	**–**	**–**	**–**	**(47,982)**	**(45,443)**	**(51,879)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing	(2,573)	–	–	–	–	–	–	(2,573)	(2,830)	(3,112)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(2,573)**	**–**	**–**	**–**	**–**	**–**	**–**	**(2,573)**	**(2,830)**	**(3,112)**
NET INCREASE/ (DECREASE) IN CASH HELD	**(10,157)**	**–**	**–**	**–**	**–**	**–**	**–**	**(10,157)**	**(22,899)**	**(7,188)**
Cash/cash equivalents at the year begin:	235,535	–	–	–	–	–	–	235,535	225,378	202,479
Cash/cash equivalents at the year end:	225,378	–	–	–	–	–	–	225,378	202,479	195,291

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I …………………………………………………., municipal manager of the City of Cape Town hereby certify, that the **2017/18 adjustments budget (December 2017)** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name ________________________________

Municipal Manager of City of Cape Town (CPT)

Signature ________________________________

Date ________________________________