CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

CITY OF CAPE TOWN

2017/18 ADJUSTMENTS BUDGET

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31 January 2018

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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

Primary reasons for the recommendation to adopt a January 2018 adjustments budget result from the appropriation of approved, committed 2016/17 grant funding from National- and Provincial Treasury, re-phasing of internal funds where implementation will continue in the 2018/19 and 2019/20 financial years, upwards/downwards adjustments of revenue and expenditure estimates based on current trends, the re-alignment of sundry budgetary provisions resulting from updated implementation programmes and establishment of a municipal entity.

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:

- Committed 2016/17 conditional grants approved by National Treasury in terms of Section 22 (2) of the Division of Revenue Act (DORA) (3 of 2016), dated 16 October 2017.
- Committed 2016/17 conditional grants approved by Provincial Treasury in terms of Section 10 (2) of the Western Cape Appropriation Act 2016 (3 of 2016), dated 10 November 2017.
- Administrative transfers/virements of budgetary provisions as approved in terms of Council's System of Delegations of Powers and the Virement Policy.
- Updated implementation programmes of projects funded from external sources such as Capital Grants & Donations (CGDs) as well as internal sources such as the City's Capital Replacement Reserve (CRR) and External Financing Fund (EFF). Whilst backed by approved business plans, local conditions often require amendments to implementation procedures, as agreed with donors (CGD funded projects).

b. Allocations and grant adjustments

The main reasons for adjustments to capital- and operating grants and donations are listed below.

Capital grants

- Urban Settlements Development Grant (USDG) (national funding) increases by R37.4 million in 2017/18, resulting mainly from:
  - Approved committed 2016/17 conditional grant allocations of R46.8 million.
  - R9.4 million decrease on the capital budget with a concomitant increase on the operating budget.

- Integrated City Development Grant (ICDG) (national funding) decreases by R1 million on the capital budget with a concomitant increase on the operating budget.

- Integrated Skills Development Grant (ISDG) (national funding) increases by R103 135 in 2017/18, resulting mainly from:
  - Approved committed 2016/17 conditional grant allocation of R903 135; and
  - R800 000 decrease on the capital budget with a concomitant increase on the operating budget.

- Public Transport Network Grant (PTNG) (national funding) decreases by R141.6 million and R23 million in 2017/18 and 2018/19 respectively with a concomitant increase on the operating budget resulting from the type of expenditure on the Integrated Rapid Transport, Public Transport Interchanges and NMT programmes.

- Committed 2016/17 conditional grants approved by Provincial Treasury resulted in the following increases in 2017/18:
  - Library Services: Conditional Grant (PAWC: Libraries): R27 457; and
  - Library Services: Metro Library Grant (PT Library: Metro): R379 485.

- Human Settlements Development Grant (HSDG) (provincial funding) decreases by R44.3 million as a result of a reduced allocation as per Provincial Gazette 7841 (October 2017), and relates to projects for which implementation is deferred to outer years.

- Financial Management Support Grant (FMSG) (provincial funding) increases by R230 000 for the Walk in Centre Table Bay Mall. Funding is required in order to procure the necessary IS&T Equipment to provide a Revenue/Housing/Motor Vehicle Renewal License Contact Centre that will deal with all revenue collection transactions.

- Private Sector funding (unconditional grants) increases by R10.6 million, mainly resulting from:
  - An increase in the demand for electrical service connections, which is customer funded and also to accommodate large service connections not originally budgeted for (R11.5 million);
  - Additional funding received from The South African Breweries (SAB) (Pty) Ltd for the implementation of water pressure management technology intervention within the water reticulation system (R6 million);
  - A change in funding received from SAB for the procurement of firearms, radios and IT equipment for 12 law enforcement officers from Revenue to Private sector (R146 000);
  - Additional funding received from the National Lottery for the upgrade of the Turfhall Stadium and Mfuleni Sport complex (R1.6 million);

  - A reduction resulting from delays in concluding the agreement with the Dutch Government on the Metro South East Public Transport Facilities project (R18.6 million); and
  - An increase in the demand for new water meter connections, which are customer funded, is currently being experienced. Additional budgetary provision (R10 million) is required to prevent a backlog from occurring.

- CHIETA funding (unconditional grant) increases by R600 000 in order to procure furniture and IT equipment required for Adult Education & Training as well as for the Learnership programme.

- Restructuring Grant – accumulated interest - (unconditional grant) increases by R78 000 for the procurement of a multifunctional printer as the existing equipment has become old and obsolete.

- Private funding from the University of Connecticut (conditional grant) increases by R435 600 for the Gugulethu Clinic Upgrade.

Operating grants

- Unconditional grant interest increases by R57.6 million, resulting from:
  - Public Transport Infrastructure & Systems Grant interest (unconditional) increases by R50.6 million and Cape Town Metropolitan Transport interest (unconditional) increases by R7 million to cover payment of Industry Transition Compensation, operating expenditure related to Integrated Transport Plan, Together HUB project and the Transport Reporting System maintenance contract within Transport & Urban Development Authority (TDA) directorate.

- Private Sector funding (unconditional grants) increases by R4.3 million, resulting from:
  - Additional funding received for the appointment of Law Enforcement and Traffic Offers (R3.6 million) from The Central City Improvement District.
  - Additional funding received from the University of Stellenbosch (R733 010) for routine HIV monitoring and Laboratory Costs.

- Additional grant funding received from the Department of Environmental Affairs & Tourism (R7.2 million) to cover expenditure relating to the Helderberg Marine Protected Area, Terrestrial Invasive Plant Project, Invasive Species Special Project and Peninsula Wetland Rehabilitation projects as per MOA between the City and the national department.

- Additional grant allocation from Provincial Government (Provincial gazette 7848, dated 23 November 2017) of R3.3 million for ongoing law enforcement auxiliary services.

- Public Transport Network Grant – PTNG increases by R141.6 million on the operating budget with a concomitant decrease on the capital budget as the projects to be implemented will be operating in nature.

- Urban Settlement Development Grant – USDG increases by R9.4 million on the operating budget with a concomitant decrease on the capital budget as the projects to be implemented will be operating in nature.

- Integrated City Development Grant – ICDG increases by R1 million on the operating budget with a concomitant decrease on the capital budget these projects will be operating in nature.

- Approved committed 2016/17 Provincial- and National Government grant allocations:
  - Urban Settlement Development Grant (R11.7 million) for ongoing housing development projects;
  - Financial Management Capacity Grant (R121 778) for external bursaries;
  - Infrastructure Skills Development Grant (R800 000) for the apprenticeship programme;
  - Human Settlements Development Grant (R5.5 million) for municipal accreditation assistance;
  - Transport Systems and Infrastructure Grant (R3.7 million) for expenditure related to the Comprehensive Integrated Transport;
  - Transport and Public Works (R312 517) for the provision for Persons with Special Needs; and
  - Libraries Conditional Grant (R3.8 million) to cover operating costs in libraries.

- Human Settlement Development Grant (HSDG) decreases by R133.7 million as per Gazette 7841 (October 2017) as the greater portion of this grant will go towards funding the construction of top structures in Forest Village by Provincial Government. In addition, some of the projects in the current financial year experienced delays with procurement process and construction will not commence in the 2017/18 financial year. These projects were therefore deferred to future years. A further R9.7 million was reimbursed to the Human Settlements Department as a result of savings realised on completed projects.

- Private funding from the University of Connecticut (conditional grant) decreases by R435 600 on the operating budget with a concomitant increase on the capital budget.

c. Adjust revenue and expenditure estimates upwards/downwards

- A reduction of R1.4 billion on Water Sales is proposed, due to Level 4b water restrictions and level 5 additional measures that was implemented in September 2017. This necessitated budget reprioritisation and immediate internal cost cutting directives on various expenditure items to soften the likely Rates and tariff increases in the short- to medium term.

  To cover the under-recovery, budget reductions were effected on the following expenditure items within the Water & Sanitation department:
  - Salaries Wages & Allowances (Savings) - R127.9 million;
  - Bulk Purchases - R102.6 million;
  - Capital Replacement Reserves - R671 million;
  - Debtors Working Capital - R94 million; and
  - Various General expenditure items – R10.3 million.

  The balance of this under-recovery will be absorbed from identified operating efficiencies within Rates (Savings on Salaries, Wages and Allowance).

- A reduction of R500 million on Salaries, Wages & Allowances (once-off savings) was effected on various directorates within Rates-funded services. These savings were transferred via a Contribution from Rates to the Water & Sanitation department for the Water Resilience Action Plan to absorb the impact of Water Sales under-recovery.

- Additional revenue of R110.9 million on User Charges & Connections Fees (Water & Sanitation) is proposed based on current trends.

- A reduction of R5 million on Service Charges revenue (Corporate Services) is proposed based on current trends. To offset the impact, a concomitant reduction on expenditure is proposed.

- A reduction of R28.2 million on Internal Loan Interest is proposed, due to the earlier than anticipated capitalisation of assets under construction.

- Reduction of R32.6 million on Income Forgone provisions is proposed based on current trends.

- Additional R120 million on External Interest revenue resulting from improved returns earned on higher than expected total cash and investment balances held by the City since the start of the financial year compared to the previous financial year as reflected in the table on the next page.

Total Cash and Investment Balance				
Month	2016/17 R thousands	2017/18 R thousands	Difference R thousands	Interest R thousands
July	7,399,304	7,929,153	529,848	3,091
August	6,852,719	9,102,498	2,249,779	13,124
September	6,854,241	9,046,057	2,191,816	12,786
October	6,677,731	8,551,856	1,874,125	10,932
November	6,622,587	8,533,823	1,911,237	11,149
December	7,298,436	8,895,145	1,596,710	9,314
		Average YTD (July to Dec)	**1,725,586**	**60,396**

Current trends indicate that R10 million interest is earned per month and therefore additional revenue of R120 million (R60 million YTD multiplied by 2) is projected in the current financial year. The additional interest earned is ring-fenced for the repayment of external loans.

- A reduction of R12 million on Depreciation and Asset impairment is proposed, due to inter alia assets being written off during the year or which has reached the end of its useful life, the impact of adjustments to the 2017/18 capital budget as well as the actual capitalisation of assets in 2016/17.

- Reduction of External Interest expenditure (R79.4 million) is proposed based on current trends and the impact of a lower than originally planned loan to be taken up for the Water Resilience Action Plan.

  The above mentioned savings will be utilized to (a) absorb the impact of the revised support service recharges, (b) address the impact of the reviewed revenue provisions based on current trends and (c) to redress budget imbalances as follows:
  - R31 million to fund additional call centre operators to handle the exponential increase in calls, emails and other enquiries relating to water restrictions (Revenue department);
  - R700,000 to top-up overtime provision for staff working on water resilience related project;
  - R5 million for external bursaries (Corporate Services directorate);
  - R3 million for the area-based City newspaper to be published on a quarterly basis (Directorate of the Mayor);
  - R1.1 million on overtime to reduce queues within the Motor Vehicle Registrations and Licensing Offices;
  - R10.2 million to fund additional call centers operators to deal with the large increase in calls, emails and other enquiries relating to water restrictions. (Area based Service Delivery directorate); and
  - R15 million for the 2018 General Valuation (GV) to fund a range of improved business processes and efficiencies i.e. automation and dealing with special properties. It is believed that these initiatives will show a positive return by means of additional revenue, more accurate valuations and cost savings due to fewer objections.

- Additional amendments relating to administrative transfers of budgetary provisions include the following:
  - Cape Town Stadium Entity and mSCOA realignment;
  - Re-alignment of budgetary provisions on various operating projects and R&M provisions; and
  - Amendments on sundry expenditure items including Operating Projects, and Ward Allocations, which are proposed in accordance with Council approved system of delegation and the Virement Policy. These transfers do not affect the total budget quantum.

d. Establishment of a municipal entity

Council resolved, on 29 March 2017, that a municipal entity be established to manage and operate the Cape Town Stadium.

The municipal entity is a state owned company with the City being its sole shareholder. The Cape Town Stadium was officially registered as a company with effect from 1 November 2017.

In terms of the Cape Town Stadium's Memorandum of Incorporation (MOI), the main objective of the company is to manage and operate the Cape Town Stadium in order to reduce the City's financial contribution to its operations. The management and operation shall include, inter alia:

- general facility operations;
- events and entertainment services management;
- commercialisation, marketing, and hospitality management; and
- finance, legal and administration management.

A contribution of R43.5 million from the City to the Cape Town Stadium Entity is proposed for inclusion in the 2017/18 operating budget. The Cape Town Stadium's main tables are presented on page 55 to page 57.

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 and indicative allocations for the two projected outer years, 2018/19 and 2019/20, be approved and adopted, as set out in the following tables and annexures:

   i. Operating revenue and expenditure by standard classification reflected in Table 3 on page 19.
   ii. Operating revenue and expenditure by municipal vote reflected in Table 4 on page 21.
   iii. Operating revenue by source and expenditure by type reflected in Table 5 on page 22.
   iv. Multi-year capital appropriations by vote reflected in Table 6 on page 23 and Annexure 2.1 and Annexure 2.2.
   v. Capital expenditure by standard classification reflected in Table 6 on page 23.
   vi. Capital funding by source reflected in Table 6 on page 23.
   vii. Budgeted Cash Flow statement as reflected in Table 8 on page 27.

b. That the amended MTREF IDP chapter for 2017/18, as set out in annexure 3, be used to update the current chapter in the approved Integrated Development Plan (IDP).

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

   i. Operating revenue by source and expenditure by type reflected in Table 23 on page 50.
   ii. Capital Expenditure by asset class and funding source reflected in Table 24 on page 52.

d. That the Cape Town Stadium's budget for the 2017/18 financial year be approved and adopted, as set out in the following table:

   i. Operating revenue by source and expenditure by type reflected in Table 28 on page 56.

e. That Council approves 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

3.2. Provision of basic services

The budget amendments will have no detrimental impact on the provision of basic services.

3.3. Adjustment highlights

3.3.1. Adjustments to the operating budget

Full details of proposed amendments to the 2017/18 operating budget are reflected in Annexure 1.1 to this report.

3.3.2. Adjustments to the capital budget

Implementation progress achieved when measured against planned year-to-date expenditure for the respective funding sources at the end of the mid-year period (December 2017), are:

Capital Grants & Donations (CGD)	82.0%
Capital Replacement Reserve (CRR)	81.0%
External Financing Fund (EFF)	104.2%
Revenue	81.0%
All funding sources (Total Budget)	**91.5%**

When measuring progress against the total current capital budget, the funding sources reflect the following:

Capital Grants & Donations (CGD)	26.1%
Capital Replacement Reserve (CRR)	25.9%
External Financing Fund (EFF)	24.3%
Revenue	9.0%
All funding sources (Total Budget)	**25.0%**

Based on the aforementioned implementation rates, fund shifts in relation to the capital programme for 2017/18 are:

Major Fund Source	Adjusted Budget 2017/18 December (2017) R Thousands	Revised Budget 2017/18 R Thousands	Increase/ Decrease R Thousands
CGD	2,374,547	2,237,102	(137,446)
CRR	1,722,544	1,353,142	(369,402)
EFF	4,431,956	4,230,283	(201,674)
REVENUE	89,980	31,366	(58,615)
TOTAL	**8,619,028**	**7,851,892**	**(767,136)**

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

The major increases and decreases in the 2017/18 financial year, as reflected in the table above, are explained below.

CGD amendments

- Urban Settlements Development Grant (USDG) (national funding) increases by R37.4 million in 2017/18, resulting mainly from:
  - Approved committed 2016/17 conditional grant allocation of R46.8 million; and
  - R9.4 million decrease on the capital budget with a concomitant increase on the operating budget.

- Integrated City Development Grant (ICDG) (national funding) decreases by R1 million on the capital budget with a concomitant increase on the operating budget.

- Integrated Skills Development Grant (ISDG) (national funding) increases by R103 135 in 2017/18, resulting mainly from:
  - Approved committed 2016/17 conditional grant allocation of R903 135; and
  - R800 000 decrease on the capital budget with a concomitant increase on the operating budget.

- Public Transport Network Grant (PTNG) (national funding) decreases by R141.6 million and R23 million in 2017/18 and 2018/19 respectively with a concomitant increase on the operating budget as a result of the type of expenditure on the Integrated Rapid Transport, Public Transport Interchanges and NMT programmes.

- Committed 2016/17 conditional grants approved by Provincial Treasury resulted in the following increases in 2017/18:
  - Library Services: Conditional Grant (PAWC: Libraries): R27 457; and
  - Library Services: Metro Library Grant (PT Library: Metro): R379 485.

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- Financial Management Support Grant (FMSG) (provincial funding) increases by R230 000 for the Walk in Centre Table Bay Mall. Funding is required in order to procure the necessary IS&T Equipment to provide a Revenue/Housing/Motor Vehicle Renewal License Contact Centre that will deal with all revenue collection transactions.

- Private Sector funding (unconditional grants) increases by R10.6 million, resulting mainly from:
  - An increase in the demand for electrical service connections which are customer funded and also to accommodate large service connections not originally budgeted for (R11.5 million);
  - Additional funding received from The South African Breweries (Pty) Ltd (SAB) for the implementation of water pressure management technology intervention within the water reticulation system (R6 million);
  - Change in funding received from SAB for the procurement of firearms, radios and IT equipment for 12 law enforcement officers from Revenue to Private sector (R146 000);
  - Additional funding received from the National Lottery for the upgrade of Turfhall Stadium and Mfuleni Sport complex (R1.6 million); and
  - A reduction resulting from delays in concluding the agreement with the Dutch Government on the Metro South East Public Transport Facilities project (R18.6 million).
  - An increase in the demand for new water meter connections, which are customer funded, is currently being experienced. Additional budgetary provision (R10 million) is required to prevent a backlog from occurring.

- CHIETA funding (unconditional grant) increases by R600 000 in order to procure furniture and IT equipment required for Adult Education and Training as well as for the Learnership programme.

- Restructuring Grant– accumulated interest - (unconditional grant) increases by R78 000 for the procurement of a multifunctional printer as existing equipment has become old and obsolete.

- Private funding from the University of Connecticut (conditional grant) for the Gugulethu Clinic Upgrade increases by R435 600.

CRR amendments

The directorates listed below proposes re-phasing of R222 million to 2018/19 and 2019/20.

- Assets & Facilities Management directorate
  A decrease of R30.9 million in 2017/18, with a concomitant increase in 2018/19, against the following projects/programmes:
  - FM Structural Rehabilitation Programme (R25.9 million), due to delays in finalising drawing and designs resulting in a revised implementation programme.
  - Major Upgrading (R5 million), due to tenders coming in higher than initially anticipated therefore requiring negotiation of recommended tenderers high rates, resulting in scheduling delays of approximately 1.5 months.

- Energy directorate
  A decrease of R108.8 million in 2017/18, an increase of R103.1 million and R5.6 million in 2018/19 and 2019/20 respectively, against the following projects/programmes:
  - Noordhoek and Hout Bay LV Depots and Blue Downs Streetlighting Depot, which were delayed due to the lengthy land acquisition process as well as the protracted discussions with various internal and external departments.
  - Prepayment Vending System Upgrading, where the tender for a new vending system has been delayed for a year as the market is not yet ready with the new system.
  - Adhoc Prepayment meter replacement, which is demand driven and where fewer than anticipated applications were received.
  - MV Switchgear Refurbishment: North due to delays with obtaining necessary approvals for the building tender.
  - Street Lighting: City Wide, due to delays in awarding of the labour and pole tender, which led to a significant delay in the commencement of projects.

- Informal Settlements, Water & Waste Services directorate
  A decrease of R10.8 million in 2017/18 million with a concomitant increase in 2018/19, against the following projects/programmes:
  - Driftsands Project, where consultants will only be appointed in March 2018, subject to the completion of the Section 33 (MFMA) process.
  - EHP: Wallacedene: Project behind schedule resulting from delays in the environmental authorisation for this development. Only engineering designs and minor site construction works will be carried out in 2017/18.

- Safety and Security directorate
  A decrease of R30.9 million in 2017/18 with a concomitant increase in 2018/19, against the following projects/programmes:
  - Somerset West Fire Station, due to delayed tender processes as a result of non-performance of the original contractor. The tender was subsequently re-advertised and awarded. The new contractor is expected to be on site in the second week of February 2018.
  - Integrated Contact Centre, due to limited resource consultants, the project was delayed by five months. Resource consultants have since been appointed.
  - Fire Station: Masiphumelele, due to cancellation of original contract tender as the contractor did not have sufficient cash flow to continue with the project. The tender was re-advertised and subsequently awarded. Contractor expected to be on site in the second week of February 2018.

- Transport & Urban Development Authority directorate
  A decrease of R40.7 million in 2017/18, an increase of R18.7 million and R3 million in 2018/19 and 2019/20 respectively, resulting mainly from delays and savings on the following projects:
  - Plattekloof Road Dualling**,** where significant savings were realised as very little of the contingency sum provided was used, and the actual contract price adjustment (escalation) was less than previously anticipated. Saving will be allocated to other congestion relief projects, which are ahead of schedule;
  - Road Construction: Belhar Main Road, where a legal opinion concerning the price preference system used in the tender for this project is required resulting in a delay in the award of the tender. Indications are that the opinion is imminent, and it is hoped to then submit the tender report for consideration to the Bid Adjudication Committee; and
  - Road Dualling: Kommetjie Road and Ou Kaapse Weg, where initial delays were experienced upon award of the construction contract, obtaining a construction work permit from the Department of Labour and then having to deal to a certain degree with unknown underground services. These issues have since been resolved and the project is progressing well, but the initial delays require the re-phase of a portion of the budget to the outer financial years in order to meet the revised cash flows.

- Informal Settlements, Water & Waste Services directorate proposes a decrease of R127.7 million in 2017/18 in order in the following departments:
  - Solid Waste Management department (R26.7 million)
    - Beaconvale New Drop-off: Project was delayed as it was established that the existing planned site is situated within a 100-year flood line. The department is trying to find a solution resulting in further in-depth flood line studies. This may result in Council having to approve a deviation from the current River Corridor Management Policy to allow for the construction of the Drop-off. This requires a portion of the project to be re-phased to the 2018/19 and 2019/20 financial year.

    - New Prince George Drop-off: Delays in finalisation of land use management consent process, resulting in a portion of the project being re-phased. Alternative funding will be used in the 2018/19 and 2019/20 financial years to complete the project.
    - Major Upgrade of Landfill Sites FY2018 and Major Upgrade of Landfill Sites FY2018 projects: A portion of the project will be moved to an alternative funding source in order to make use of CRR funding in future years.
    - Woodstock Drop-off Upgrade: The initial cost estimate for the completion of the site development plans and detailed designs was higher than the tender prices, resulting in savings.
  - Water & Sanitation department (R101 million):
    - Zevenwacht Reservoir and Network: Project is delayed as negotiations with the developer regarding the land acquisition is taking longer than anticipated.
    - The provisions of the multi-funded Water Meters New Connections, Cape Flats Aquifer, and Water Reclamation from Waste Water programmes, are being revised to align to the latest Water Augmentation Plan and the revised Water Resilience funding programme.

- Ward Allocation reduces by R9.5 million on the capital budget due to:
  - Millers Camp Sportsfield – Upgrade (R2.2 million), where the construction of concrete spectator stand is anticipated to be completed in 2018/19.
  - R7.3 million decrease on the capital budget with a concomitant increase on the operating budget.

EFF amendments

- Cash flow reductions on 2017/18 EFF-funded projects resulted in proposal for re-phasing to 2018/19 and 2019/20. This resulted in a decrease in the budgetary provision of R50.6 million in 2017/18 and increase of R16.8 million in 2018/19 and R33.8 million in 2019/20.

- Additional funding of R13 million was made available in 2017/18 across the following directorates:

  - Area Based Management directorate: R1.2 million
    - Furniture and Equipment: 40 additional call centre agents will be appointed to deal with the increase in the volumes of calls to the City as a result of the water crisis. These staff members now require furniture and IT Equipment and this funding will be used to procure those items.
  - Assets & Facilities Management directorate: R1 million
    - Security hardening at the Council Chambers.

- Directorate of the Mayor: R1.8 million
  - Furniture, equipment and IT Equipment required as part of ODTP-related appointments and for the replacement of obsolete equipment as well as new Data Science Infrastructure requirements.

- Social Services directorate: R9 million
  - IT modernisation programmes including:
    - Health modernisation at clinics i.e. appointment booking, patient management, pharmacy and X-ray;
    - Recreation and Parks i.e. online hall and venue booking system; and
    - Early Childhood Development Centre Registration Tool.
- Solid Waste department (ISWWS directorate) proposes a decrease of R165.4 million and R47.9 million in 2017/18 and 2018/19 respectively and an increase of R42.8 million in 2019/20 mainly due to:
  - Coastal park material recovery facility phased to future years as a result of tender delays;
  - Vissershok North design and develop airspace project phased to future years as result of delays in awarding of tender;
  - Vissershok landfill Gas projects phased out to future years as result of litigation process;
  - Athlone material recovery facility project phased out to future years as result of the site redesign to include an Anaerobic Digestion Plant;
  - Upgrade of building and mechanical works at disposal facilities; and
  - Regional landfill site project phased out to future years, due to delays resulting from litigation.

Revenue amendments

- A net decrease of R58.6 million is proposed in 2017/18. The main contributors are:
  - Assets & Facilities Management directorate proposes a decrease of R52.8 million on the Land acquisition for municipal purposes project in 2017/18, which is being rephased to 2018/19, pending rezoning approval.
  - Water and Sanitation department proposes a decrease of R10.2 million on the Water Reclamation from Waste Water project as per the revised Water Resilience funding programme and Water Augmentation Plan.
  - The contingency provision for insurance claims for various directorates' increased by R 4.6 million in 2017/18.

4. *Annual Budget Tables*

The ten primary budget tables, as required in terms of Part 4 of the Municipal Budget and Reporting Regulations (MBRR), are presented on page 16 to page 32. 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 2 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	–	–	–	–	32,581	32,581	8,694,931	9,324,490	9,928,483
Service charges	19,310,141	19,310,141	–	–	–	–	(2,125,585)	(2,125,585)	17,184,556	20,548,530	22,437,614
Investment revenue	773,657	773,657	–	–	–	–	120,000	120,000	893,657	826,409	857,479
Transfers recognised - operational	6,455,942	6,930,716	–	–	–	–	101,582	101,582	7,032,299	6,996,655	7,635,571
Other own revenue	2,806,001	2,806,001	–	–	–	–	63,650	63,650	2,869,650	2,958,478	3,121,018
Total Revenue (excluding capital transfers and contributions)	**38,008,091**	**38,482,865**	**–**	**–**	**–**	**–**	**(1,807,772)**	**(1,807,772)**	**36,675,094**	**40,654,563**	**43,980,166**
Employee costs	12,050,690	12,089,042	–	–	–	–	(567,249)	(567,249)	11,521,793	12,972,883	14,130,273
Remuneration of councillors	155,787	155,497	–	–	–	–	69	69	155,565	165,913	176,697
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	(54,470)	(54,470)	2,520,137	2,734,705	2,814,573
Finance charges	1,131,010	1,171,676	–	–	–	–	(178,425)	(178,425)	993,252	1,471,494	1,839,438
Materials and bulk purchases	9,730,312	9,987,969	–	–	–	–	(71,338)	(71,338)	9,916,631	10,498,509	11,321,657
Transfers and grants	140,985	405,062	–	–	–	–	8,888	8,888	413,950	147,473	155,584
Other expenditure	11,574,725	11,216,752	–	–	–	–	(327,611)	(327,611)	10,889,141	11,873,984	12,737,086
Total Expenditure	**37,358,116**	**37,600,605**	**–**	**–**	**–**	**–**	**(1,190,136)**	**(1,190,136)**	**36,410,469**	**39,864,962**	**43,175,310**
Surplus/(Deficit)	649,975	882,260	–	–	–	–	(617,636)	(617,636)	264,625	789,601	804,856
Transfers recognised - capital	2,268,835	2,289,647	–	–	–	–	(149,130)	(149,130)	2,140,517	2,101,736	2,203,502
Contributions recognised - capital & contributed assets	84,900	84,900	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Surplus/(Deficit) after capital transfers & contributions	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**2,978,537**	**3,098,959**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**2,978,537**	**3,098,959**
Capital expenditure & funds sources											
Capital expenditure	6,975,220	8,619,028	48,085	–	–	–	(815,221)	(767,136)	7,851,892	6,903,584	7,040,762
Transfers recognised - capital	2,268,835	2,289,647	48,085	–	–	–	(197,216)	(149,130)	2,140,517	2,078,736	2,203,502
Public contributions & donations	84,900	84,900	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Borrowing	2,894,482	4,431,956	–	–	–	–	(431,956)	(431,956)	4,000,000	2,500,000	2,700,000
Internally generated funds	1,727,003	1,812,524	–	–	–	–	(197,734)	(197,734)	1,614,790	2,237,648	2,046,660
Total sources of capital funds	**6,975,220**	**8,619,028**	**48,085**	**–**	**–**	**–**	**(815,221)**	**(767,136)**	**7,851,892**	**6,903,584**	**7,040,762**
Financial position											
Total current assets	13,804,580	13,358,736	–	–	–	–	1,120,333	1,120,333	14,479,069	16,053,566	18,150,570
Total non current assets	49,655,980	52,039,763	–	–	–	–	(745,136)	(745,136)	51,294,626	55,355,088	58,959,529
Total current liabilities	10,811,468	10,955,059	–	–	–	–	(1,603,585)	(1,603,585)	9,351,474	9,998,714	10,527,991
Total non current liabilities	14,514,129	16,055,379	–	–	–	–	(290,719)	(290,719)	15,764,660	17,773,843	19,847,053
Community wealth/Equity	**38,134,963**	**38,388,061**	**–**	**–**	**–**	**–**	**2,269,500**	**2,269,500**	**40,657,560**	**43,636,097**	**46,735,056**
Cash flows											
Net cash from (used) operating	5,500,155	5,793,918	–	–	–	–	(879,415)	(879,415)	4,914,503	5,463,149	5,533,992
Net cash from (used) investing	(7,059,015)	(8,456,251)	–	–	–	–	1,627,421	1,627,421	(6,828,830)	(6,061,545)	(6,205,015)
Net cash from (used) financing	2,103,124	3,603,124	–	–	–	–	(5,925)	(5,925)	3,597,199	1,889,435	1,930,212
Cash/cash equivalents at the year end	**4,425,075**	**4,390,984**	**–**	**–**	**–**	**–**	**742,080**	**742,080**	**5,133,064**	**6,283,118**	**7,542,307**

Table continues on next page.

City of Cape Town 2017/18 Adjustments Budget – January 2018

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 backing/surplus reconciliation											
Cash and investments available	10,546,439	10,922,761	–	–	–	–	601,095	601,095	11,523,856	12,814,896	14,074,084
Application of cash and investments	8,024,834	8,479,544	–	–	–	–	(1,949,409)	(1,949,409)	6,530,135	7,497,630	8,385,823
Balance - surplus (shortfall)	**2,521,605**	**2,443,217**	**–**	**–**	**–**	**–**	**2,550,504**	**2,550,504**	**4,993,721**	**5,317,266**	**5,688,261**
Asset Management											
Asset register summary (WDV)	45,766,736	47,328,353	–	–	–	–	(737,406)	(737,406)	46,590,947	50,414,647	54,288,797
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	(54,470)	(54,470)	2,520,137	2,734,705	2,814,573
Renewal of Existing Assets	1,458,291	1,511,191	6,418	–	–	–	106,968	113,387	1,624,578	1,747,872	1,834,983
Repairs and Maintenance	4,034,293	3,891,651	–	–	–	–	(171,695)	(171,695)	3,719,957	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 surplus budget position over the 2017/18 MTREF.
   b. The cash flow budget outcome shows that budget is funded from uncommitted, previous years' surpluses.
   c. 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.

Table 3 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**	**14,888,279**	**–**	**–**	**–**	**–**	**(1,100,844)**	**(1,100,844)**	**13,787,435**	**14,816,142**	**15,839,053**
Executive and council	3,126	3,594	–	–	–	–	–	–	3,594	3,240	3,362
Finance and administration	14,879,801	14,884,678	–	–	–	–	(1,100,844)	(1,100,844)	13,783,833	14,812,894	15,835,683
Internal audit	8	8	–	–	–	–	–	–	8	8	9
Community and public safety	**1,956,529**	**2,248,240**	**–**	**–**	**–**	**–**	**60,429**	**60,429**	**2,308,669**	**2,145,895**	**2,295,608**
Community and social services	120,972	116,766	–	–	–	–	5,979	5,979	122,745	120,361	118,907
Sport and recreation	114,329	113,659	–	–	–	–	(1,159)	(1,159)	112,500	76,740	60,312
Public safety	22,293	22,293	–	–	–	–	3,651	3,651	25,945	11,168	11,783
Housing	1,328,591	1,624,728	–	–	–	–	36,555	36,555	1,661,283	1,514,240	1,675,938
Health	370,343	370,794	–	–	–	–	15,403	15,403	386,197	423,385	428,669
Economic and environmental services	**3,224,458**	**3,402,177**	**–**	**–**	**–**	**–**	**(92,386)**	**(92,386)**	**3,309,790**	**2,972,859**	**3,213,414**
Planning and development	342,034	342,034	–	–	–	–	6,245	6,245	348,279	392,979	485,490
Road transport	2,880,418	3,058,137	–	–	–	–	(105,703)	(105,703)	2,952,434	2,577,764	2,725,691
Environmental protection	2,006	2,006	–	–	–	–	7,071	7,071	9,077	2,116	2,232
Trading services	**20,291,096**	**20,311,908**	**–**	**–**	**–**	**–**	**(812,416)**	**(812,416)**	**19,499,492**	**22,902,462**	**24,920,773**
Energy sources	12,256,796	12,256,796	–	–	–	–	278,813	278,813	12,535,609	13,657,381	14,810,107
Water management	4,123,369	4,130,482	–	–	–	–	(538,467)	(538,467)	3,592,015	4,856,112	5,421,467
Waste water management	2,547,543	2,561,243	–	–	–	–	(667,371)	(667,371)	1,893,872	2,772,140	2,936,233
Waste management	1,363,387	1,363,387	–	–	–	–	114,609	114,609	1,477,996	1,616,828	1,752,967
Other	**6,809**	**6,809**	**–**	**–**	**–**	**–**	**–**	**–**	**6,809**	**6,140**	**5,419**
Total Revenue - Functional	**40,361,826**	**40,857,413**	**–**	**–**	**–**	**–**	**(1,945,217)**	**(1,945,217)**	**38,912,195**	**42,843,499**	**46,274,268**
Expenditure - Functional											
Governance and administration	**8,555,468**	**8,296,660**	**–**	**–**	**–**	**–**	**(923,988)**	**(923,988)**	**7,372,672**	**8,758,755**	**9,633,337**
Executive and council	443,599	434,057	–	–	–	–	(12,353)	(12,353)	421,705	481,337	512,954
Finance and administration	8,061,222	7,812,774	–	–	–	–	(908,049)	(908,049)	6,904,725	8,222,410	9,060,814
Internal audit	50,646	49,828	–	–	–	–	(3,586)	(3,586)	46,242	55,008	59,569
Community and public safety	**5,318,902**	**5,582,618**	**–**	**–**	**–**	**–**	**(152,234)**	**(152,234)**	**5,430,384**	**5,644,269**	**6,131,365**
Community and social services	931,712	908,939	–	–	–	–	(16,476)	(16,476)	892,463	973,551	1,039,958
Sport and recreation	1,212,821	1,171,331	–	–	–	–	(41,929)	(41,929)	1,129,401	1,282,162	1,346,335
Public safety	600,875	585,521	–	–	–	–	(4,546)	(4,546)	580,975	652,483	705,757
Housing	1,498,847	1,840,067	–	–	–	–	(102,925)	(102,925)	1,737,142	1,563,632	1,768,274
Health	1,074,647	1,076,760	–	–	–	–	13,643	13,643	1,090,403	1,172,441	1,271,040
Economic and environmental services	**6,351,817**	**6,415,671**	**–**	**–**	**–**	**–**	**(22,468)**	**(22,468)**	**6,393,203**	**6,763,465**	**7,187,829**
Planning and development	1,042,789	1,017,680	–	–	–	–	(43,884)	(43,884)	973,796	1,234,121	1,319,286
Road transport	5,186,569	5,275,968	–	–	–	–	10,602	10,602	5,286,570	5,411,988	5,742,032
Environmental protection	122,458	122,023	–	–	–	–	10,814	10,814	132,837	117,356	126,511
Trading services	**17,026,865**	**17,204,463**	**–**	**–**	**–**	**–**	**(86,501)**	**(86,501)**	**17,117,963**	**18,587,405**	**20,105,473**
Energy sources	9,929,327	9,841,803	–	–	–	–	69,585	69,585	9,911,388	10,810,190	11,660,094
Water management	3,225,897	3,596,414	–	–	–	–	167,626	167,626	3,764,040	3,577,694	3,906,221
Waste water management	1,990,882	1,919,587	–	–	–	–	(269,058)	(269,058)	1,650,529	2,191,214	2,417,010
Waste management	1,880,759	1,846,659	–	–	–	–	(54,653)	(54,653)	1,792,006	2,008,307	2,122,148
Other	**105,064**	**101,193**	**–**	**–**	**–**	**–**	**(4,946)**	**(4,946)**	**96,247**	**111,068**	**117,305**
Total Expenditure - Functional	**37,358,116**	**37,600,605**	**–**	**–**	**–**	**–**	**(1,190,136)**	**(1,190,136)**	**36,410,469**	**39,864,962**	**43,175,310**
Surplus/ (Deficit) for the year	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**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. The revenue section of Table B2 includes transfers and subsidies while the expenditure reflects against the capital budget.

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 4 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	–	–	–	–	(33,147)	(33,147)	420,440	463,556	488,841
Vote 3 - Corporate Services	68,073	68,073	–	–	–	–	(3,375)	(3,375)	64,698	72,592	76,677
Vote 4 - City Manager	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Directorate of the Mayor	3,324	3,324	–	–	–	–	14,499	14,499	17,824	1,235	244
Vote 6 - Energy	12,256,918	12,256,918	–	–	–	–	40,101	40,101	12,297,019	13,401,653	14,535,941
Vote 7 - Finance	14,307,250	14,307,250	–	–	–	–	(503,493)	(503,493)	13,803,757	14,824,783	15,877,733
Vote 8 - Informal Settlements, Water & Waste Services	8,212,622	8,242,211	–	–	–	–	(1,314,428)	(1,314,428)	6,927,783	9,124,638	9,891,330
Vote 9 - Safety & Security	1,267,627	1,271,667	–	–	–	–	10,798	10,798	1,282,465	1,280,617	1,349,809
Vote 10 - Social Services	904,664	905,115	–	–	–	–	(3,657)	(3,657)	901,457	934,834	940,536
Vote 11 - Transport & Urban Development Authority	2,683,471	3,144,510	–	–	–	–	(152,516)	(152,516)	2,991,994	2,496,331	2,830,130
Total Revenue by Vote	**40,361,826**	**40,857,413**	**–**	**–**	**–**	**–**	**(1,945,217)**	**(1,945,217)**	**38,912,195**	**42,843,499**	**46,274,268**
Expenditure by Vote											
Vote 1 - Area-Based Service Delivery	547,009	525,876	–	–	–	–	(1,208)	(1,208)	524,668	600,999	642,132
Vote 2 - Assets & Facilities Management	1,851,509	1,791,309	–	–	–	–	(81,542)	(81,542)	1,709,767	1,929,769	2,043,060
Vote 3 - Corporate Services	1,741,551	1,634,695	–	–	–	–	(33,854)	(33,854)	1,600,840	1,872,190	1,994,576
Vote 4 - City Manager	22,198	22,098	–	–	–	–	(55)	(55)	22,043	23,629	25,186
Vote 5 - Directorate of the Mayor	557,664	523,275	–	–	–	–	(5,283)	(5,283)	517,993	594,705	634,773
Vote 6 - Energy	10,355,750	10,251,965	–	–	–	–	(38,373)	(38,373)	10,213,592	11,188,113	12,065,949
Vote 7 - Finance	3,370,596	3,364,966	–	–	–	–	(732,156)	(732,156)	2,632,810	3,239,878	3,730,353
Vote 8 - Informal Settlements, Water & Waste Services	7,739,299	8,083,059	–	–	–	–	(148,593)	(148,593)	7,934,466	8,513,136	9,205,318
Vote 9 - Safety & Security	3,148,512	3,088,875	–	–	–	–	(15,602)	(15,602)	3,073,273	3,361,708	3,603,133
Vote 10 - Social Services	3,463,150	3,374,069	–	–	–	–	(57,827)	(57,827)	3,316,242	3,792,830	4,072,347
Vote 11 - Transport & Urban Development Authority	4,560,879	4,940,418	–	–	–	–	(75,644)	(75,644)	4,864,774	4,748,004	5,158,484
Total Expenditure by Vote	**37,358,116**	**37,600,605**	**–**	**–**	**–**	**–**	**(1,190,136)**	**(1,190,136)**	**36,410,469**	**39,864,962**	**43,175,310**
Surplus/ (Deficit) for the year	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**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 5 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	–	–	–	–	32,581	32,581	8,694,931	9,324,490	9,928,483
Service charges - electricity revenue	11,942,587	11,942,587	–	–	–	–	(41)	(41)	11,942,546	13,034,784	14,090,590
Service charges - water revenue	3,933,401	3,933,401	–	–	–	–	(1,278,658)	(1,278,658)	2,654,743	3,974,335	4,437,005
Service charges - sanitation revenue	2,092,272	2,092,272	–	–	–	–	(570,750)	(570,750)	1,521,522	2,332,091	2,589,072
Service charges - refuse revenue	1,341,882	1,341,882	–	–	–	–	(276,709)	(276,709)	1,065,173	1,206,683	1,320,240
Service charges - other	–	–	–	–	–	–	573	573	573	638	707
Rental of facilities and equipment	418,011	418,011	–	–	–	–	(41,820)	(41,820)	376,191	425,349	448,743
Interest earned - external investments	773,657	773,657	–	–	–	–	120,000	120,000	893,657	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	–	–	–	–	97,209	97,209	1,243,623	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	–	–	–	–	101,582	101,582	7,032,299	6,996,655	7,635,571
Other revenue	709,425	709,425	–	–	–	–	10,261	10,261	719,686	762,573	804,527
Gains on disposal of PPE	41,500	41,500	–	–	–	–	(2,000)	(2,000)	39,500	43,263	45,643
Total Revenue (excluding capital transfers and contributions)	**38,008,091**	**38,482,865**	**–**	**–**	**–**	**–**	**(1,807,772)**	**(1,807,772)**	**36,675,094**	**40,654,563**	**43,980,166**
Expenditure By Type											
Employee related costs	12,050,690	12,089,042	–	–	–	–	(567,249)	(567,249)	11,521,793	12,972,883	14,130,273
Remuneration of councillors	155,787	155,497	–	–	–	–	69	69	155,565	165,913	176,697
Debt impairment	2,508,738	2,463,738	–	–	–	–	27,447	27,447	2,491,185	2,704,796	2,900,682
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	(54,470)	(54,470)	2,520,137	2,734,705	2,814,573
Finance charges	1,131,010	1,171,676	–	–	–	–	(178,425)	(178,425)	993,252	1,471,494	1,839,438
Bulk purchases	8,540,135	8,844,893	–	–	–	–	(102,600)	(102,600)	8,742,293	9,227,384	9,967,635
Other materials	1,190,177	1,143,076	–	–	–	–	31,262	31,262	1,174,338	1,271,125	1,354,022
Contracted services	6,086,610	6,016,992	–	–	–	–	120,712	120,712	6,137,703	6,649,779	7,170,612
Transfers and subsidies	140,985	405,062	–	–	–	–	8,888	8,888	413,950	147,473	155,584
Other expenditure	2,978,990	2,735,635	–	–	–	–	(475,845)	(475,845)	2,259,790	2,519,000	2,665,361
Loss on disposal of PPE	387	387	–	–	–	–	75	75	462	409	431
Total Expenditure	**37,358,116**	**37,600,605**	**–**	**–**	**–**	**–**	**(1,190,136)**	**(1,190,136)**	**36,410,469**	**39,864,962**	**43,175,310**
Surplus/(Deficit)	**649,975**	**882,260**	**–**	**–**	**–**	**–**	**(617,636)**	**(617,636)**	**264,625**	**789,601**	**804,856**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,268,835	2,289,647	–	–	–	–	(149,130)	(149,130)	2,140,517	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	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**2,978,537**	**3,098,959**
Taxation	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**2,978,537**	**3,098,959**
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**2,978,537**	**3,098,959**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**3,003,710**	**3,256,808**	**–**	**–**	**–**	**–**	**(755,081)**	**(755,081)**	**2,501,726**	**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 R36 675 million (this includes the budgeted surplus, which is set aside for the replacement of externally-funded capital assets) in 2017/18 and escalates to R43 980 million in 2019/20. Total expenditure is R36 410 million in 2017/18 and escalates to R43 175 million in 2019/20.

Table 6 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	–	–	–	–	(20,195)	(20,195)	19,648	73,970	105,763
Vote 2 - Assets & Facilities Management	395,019	437,104	–	–	–	–	(5,782)	(5,782)	431,322	325,864	231,519
Vote 3 - Corporate Services	351,686	358,010	903	–	–	–	3,844	4,747	362,758	339,446	338,046
Vote 4 - City Manager	222	222	–	–	–	–	(30)	(30)	192	222	222
Vote 5 - Directorate of the Mayor	17,108	17,132	–	–	–	–	1,790	1,790	18,921	2,238	2,158
Vote 6 - Energy	1,292,814	1,366,034	6,536	–	–	–	(158,070)	(151,534)	1,214,500	1,523,919	1,772,676
Vote 7 - Finance	17,136	17,136	–	–	–	–	(3,196)	(3,196)	13,940	15,249	17,919
Vote 8 - Informal Settlements, Water & Waste Services	2,445,238	3,898,701	24,927	–	–	–	(249,567)	(224,640)	3,674,061	2,617,492	2,642,227
Vote 9 - Safety & Security	191,120	191,488	3,651	–	–	–	(32,321)	(28,670)	162,819	136,627	50,515
Vote 10 - Social Services	283,413	286,073	4,706	–	–	–	(3,273)	1,433	287,506	226,442	140,062
Vote 11 - Transport & Urban Development Authority	1,942,035	2,007,284	7,361	–	–	–	(348,421)	(341,060)	1,666,224	1,642,115	1,739,654
Total Capital Expenditure - Vote	**6,975,220**	**8,619,028**	**48,085**	**–**	**–**	**–**	**(815,221)**	**(767,136)**	**7,851,892**	**6,903,584**	**7,040,762**
Capital Expenditure - Functional											
Governance and administration	**1,244,434**	**1,286,075**	**1,780**	**–**	**–**	**–**	**(82,973)**	**(81,193)**	**1,204,882**	**919,285**	**763,273**
Executive and council	3,594	24,990	–	–	–	–	(20,293)	(20,293)	4,697	2,380	3,380
Finance and administration	1,239,881	1,260,127	1,780	–	–	–	(62,681)	(60,901)	1,199,226	916,773	759,761
Internal audit	959	959	–	–	–	–	–	–	959	131	131
Community and public safety	**955,697**	**919,201**	**19,501**	**–**	**–**	**–**	**(71,220)**	**(51,719)**	**867,483**	**859,979**	**808,702**
Community and social services	151,270	149,478	2,107	–	–	–	(8,009)	(5,902)	143,575	91,382	83,746
Sport and recreation	105,711	111,014	1,722	–	–	–	7,349	9,071	120,085	59,742	23,766
Public safety	46,799	46,799	3,651	–	–	–	(27,405)	(23,754)	23,045	35,064	7,659
Housing	606,733	566,104	12,021	–	–	–	(42,907)	(30,886)	535,218	614,120	661,734
Health	45,183	45,807	–	–	–	–	(247)	(247)	45,560	59,671	31,796
Economic and environmental services	**1,662,703**	**1,790,830**	**7,041**	**–**	**–**	**–**	**(298,787)**	**(291,746)**	**1,499,084**	**1,314,034**	**1,365,967**
Planning and development	44,786	45,276	–	–	–	–	(7,783)	(7,783)	37,494	68,643	141,425
Road transport	1,599,888	1,727,526	7,041	–	–	–	(290,584)	(283,543)	1,443,983	1,227,097	1,209,662
Environmental protection	18,028	18,028	–	–	–	–	(420)	(420)	17,608	18,294	14,880
Trading services	**3,104,956**	**4,615,489**	**19,763**	**–**	**–**	**–**	**(362,240)**	**(342,477)**	**4,273,012**	**3,800,367**	**4,097,825**
Energy sources	1,183,872	1,225,172	6,536	–	–	–	(128,785)	(122,249)	1,102,924	1,420,167	1,698,476
Water management	853,967	2,300,366	956	–	–	–	1,902	2,858	2,303,224	968,222	1,145,900
Waste water management	684,576	705,929	12,271	–	–	–	(42,111)	(29,840)	676,088	1,012,601	892,049
Waste management	382,541	384,022	–	–	–	–	(193,246)	(193,246)	190,776	399,377	361,400
Other	7,432	7,432	–	–	–	–	(1)	(1)	7,431	9,918	4,995
Total Capital Expenditure - Functional	**6,975,220**	**8,619,028**	**48,085**	**–**	**–**	**–**	**(815,221)**	**(767,136)**	**7,851,892**	**6,903,584**	**7,040,762**
Funded by:											
National Government	2,189,832	2,210,645	47,678	–	–	–	(152,699)	(105,021)	2,105,624	1,953,411	2,152,358
Provincial Government	79,002	79,002	407	–	–	–	(44,516)	(44,109)	34,893	125,325	51,144
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**2,268,835**	**2,289,647**	**48,085**	**–**	**–**	**–**	**(197,216)**	**(149,130)**	**2,140,517**	**2,078,736**	**2,203,502**
Public contributions & donations	84,900	84,900	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Borrowing	2,894,482	4,431,956	–	–	–	–	(431,956)	(431,956)	4,000,000	2,500,000	2,700,000
Internally generated funds	1,727,003	1,812,524	–	–	–	–	(197,734)	(197,734)	1,614,790	2,237,648	2,046,660
Total Capital Funding	**6,975,220**	**8,619,028**	**48,085**	**–**	**–**	**–**	**(815,221)**	**(767,136)**	**7,851,892**	**6,903,584**	**7,040,762**

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 R7 852 million for 2017/18, R6 904 million for 2018/19 and R7 041 million for 2019/20.

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 237 million in 2017/18, R2 166 million and R2 294 million in 2018/19 and 2019/20 respectively. Borrowings amount to R4 000 million, R2 500 million and R2 700 million for each of the respective financial years. Internally generated funds amounting to R1 615 million, R2 238 million and R2 047 million for each of the respective financial years has been provided for in the MTREF.

Table 7 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	6,154,088	–	–	–	–	601,095	601,095	6,755,183	7,764,529	9,292,085
Consumer debtors	5,635,475	5,635,475	–	–	–	–	373,519	373,519	6,008,994	6,308,854	6,625,018
Other debtors	1,135,110	1,135,110	–	–	–	–	103,964	103,964	1,239,073	1,424,934	1,638,674
Current portion of long-term receivables	18,845	18,845	–	–	–	–	(3,934)	(3,934)	14,911	15,657	16,439
Inventory	311,300	311,300	–	–	–	–	45,689	45,689	356,990	392,689	431,957
Total current assets	**13,804,580**	**13,358,736**	**–**	**–**	**–**	**–**	**1,120,333**	**1,120,333**	**14,479,069**	**16,053,566**	**18,150,570**
Non current assets											
Long-term receivables	46,655	46,655	–	–	–	–	(7,730)	(7,730)	38,924	36,978	35,129
Investments	3,842,589	4,664,755	–	–	–	–	–	–	4,664,755	4,903,463	4,635,603
Investment property	586,473	586,473	–	–	–	–	(1,760)	(1,760)	584,713	582,995	581,277
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	44,648,942	46,210,559	–	–	–	–	(743,175)	(743,175)	45,467,384	49,398,751	53,376,951
Agricultural	–	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	522,272	522,272	–	–	–	–	7,674	7,674	529,946	423,996	321,665
Other non-current assets	9,049	9,049	–	–	–	–	(145)	(145)	8,904	8,904	8,904
Total non current assets	**49,655,980**	**52,039,763**	**–**	**–**	**–**	**–**	**(745,136)**	**(745,136)**	**51,294,626**	**55,355,088**	**58,959,529**
TOTAL ASSETS	**63,460,560**	**65,398,499**	**–**	**–**	**–**	**–**	**375,196**	**375,196**	**65,773,695**	**71,408,654**	**77,110,099**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	428,372	428,372	–	–	–	–	–	–	428,372	580,245	749,617
Consumer deposits	392,806	392,806	–	–	–	–	(5,925)	(5,925)	386,881	425,569	468,126
Trade and other payables	8,766,074	8,909,666	–	–	–	–	(1,405,237)	(1,405,237)	7,504,429	7,888,882	8,128,948
Provisions	1,224,215	1,224,215	–	–	–	–	(192,423)	(192,423)	1,031,792	1,104,018	1,181,299
Total current liabilities	**10,811,468**	**10,955,059**	**–**	**–**	**–**	**–**	**(1,603,585)**	**(1,603,585)**	**9,351,474**	**9,998,714**	**10,527,991**
Non current liabilities											
Borrowing	7,770,349	9,311,599	–	–	–	–	(2)	(2)	9,311,597	11,038,455	12,780,198
Provisions	6,743,780	6,743,780	–	–	–	–	(290,717)	(290,717)	6,453,063	6,735,388	7,066,855
Total non current liabilities	**14,514,129**	**16,055,379**	**–**	**–**	**–**	**–**	**(290,719)**	**(290,719)**	**15,764,660**	**17,773,843**	**19,847,053**
TOTAL LIABILITIES	**25,325,597**	**27,010,438**	**–**	**–**	**–**	**–**	**(1,894,303)**	**(1,894,303)**	**25,116,135**	**27,772,557**	**30,375,043**
NET ASSETS	**38,134,963**	**38,388,061**	**–**	**–**	**–**	**–**	**2,269,500**	**2,269,500**	**40,657,560**	**43,636,097**	**46,735,056**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	35,341,724	35,306,490	–	–	–	–	1,877,429	1,877,429	37,183,919	39,529,878	41,952,834
Reserves	2,793,239	3,081,570	–	–	–	–	392,071	392,071	3,473,642	4,106,220	4,782,222
Minorities' interests	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**38,134,963**	**38,388,061**	**–**	**–**	**–**	**–**	**2,269,500**	**2,269,500**	**40,657,560**	**43,636,097**	**46,735,056**

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 8 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	8,353,028	–	–	–	–	42,646	42,646	8,395,674	8,977,045	9,552,504
Service charges	17,459,005	17,486,005	–	–	–	–	(1,432,519)	(1,432,519)	16,053,486	19,260,410	21,050,374
Other revenue	1,357,994	1,366,994	–	–	–	–	39,767	39,767	1,406,761	1,463,757	1,534,852
Government - operating	6,455,942	6,930,717	–	–	–	–	101,582	101,582	7,032,299	6,996,655	7,635,571
Government - capital	2,353,735	2,374,547	–	–	–	–	(147,446)	(147,446)	2,227,102	2,165,936	2,294,102
Interest	773,657	773,657	–	–	–	–	120,000	120,000	893,657	826,409	857,479
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments	–	–	–	–	–	–	–	–	–	–	–
Suppliers and employees	(30,121,395)	(30,509,203)	–	–	–	–	207,169	207,169	(30,302,034)	(32,903,009)	(35,812,735)
Finance charges	(981,827)	(981,827)	–	–	–	–	48,400	48,400	(933,427)	(1,324,054)	(1,578,155)
Transfers and Grants	(140,985)	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**5,500,155**	**5,793,918**	**–**	**–**	**–**	**–**	**(1,020,401)**	**(1,020,401)**	**4,773,518**	**5,463,149**	**5,533,992**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	41,500	41,500	–	–	–	–	(2,000)	(2,000)	39,500	43,263	45,643
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	2,456	2,456	–	–	–	–	7,730	7,730	10,186	1,946	1,849
Decrease (increase) in non-current investments	(212,908)	(212,908)	–	–	–	–	–	–	(212,908)	(238,708)	(267,859)
Payments											
Capital assets	(6,890,062)	(8,287,299)	–	–	–	–	1,621,690	1,621,690	(6,665,608)	(5,868,046)	(5,984,647)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(7,059,015)**	**(8,456,251)**	**–**	**–**	**–**	**–**	**1,627,421**	**1,627,421**	**(6,828,830)**	**(6,061,545)**	**(6,205,015)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2,500,000	4,000,000	–	–	–	–	–	–	4,000,000	2,500,000	2,700,000
Increase (decrease) in consumer deposits	35,710	35,710	–	–	–	–	(5,925)	(5,925)	29,785	38,688	42,557
Payments											
Repayment of borrowing	(432,586)	(432,586)	–	–	–	–	–	–	(432,586)	(649,253)	(812,345)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2,103,124**	**3,603,124**	**–**	**–**	**–**	**–**	**(5,925)**	**(5,925)**	**3,597,199**	**1,889,435**	**1,930,212**
NET INCREASE/ (DECREASE) IN CASH HELD	**544,264**	**940,791**	**–**	**–**	**–**	**–**	**601,095**	**601,095**	**1,541,886**	**1,291,039**	**1,259,189**
Cash/cash equivalents at the year begin:	3,880,811	3,450,193	–	–	–	–	–	–	3,450,193	4,992,079	6,283,118
Cash/cash equivalents at the year end:	4,425,075	4,390,984	–	–	–	–	601,095	601,095	4,992,079	6,283,118	7,542,307

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 992 million by 2017/18, R6 283 million in 2018/19 and R7 542 million by 2019/20.

Table 9 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	4,390,984	–	–	–	–	742,080	742,080	5,133,064	6,283,118	7,542,307
Other current investments > 90 days	2,278,775	1,867,022	–	–	–	–	(140,985)	(140,985)	1,726,037	1,628,315	1,896,174
Non current assets - Investments	3,842,589	4,664,755	–	–	–	–	–	–	4,664,755	4,903,463	4,635,603
Cash and investments available:	**10,546,439**	**10,922,761**	**–**	**–**	**–**	**–**	**601,095**	**601,095**	**11,523,856**	**12,814,896**	**14,074,084**
Applications of cash and investments											
Unspent conditional transfers	680,263	1,024,402	–	–	–	–	715,677	715,677	1,740,079	2,170,438	2,624,950
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	1,979,260	1,768,732	–	–	–	–	(2,665,086)	(2,665,086)	(896,355)	(1,423,638)	(2,129,315)
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	3,421,363	–	–	–	–	–	–	3,421,363	4,247,075	5,118,573
Total Application of cash and investments:	**8,024,834**	**8,479,544**	**–**	**–**	**–**	**–**	**(1,949,409)**	**(1,949,409)**	**6,530,135**	**7,497,630**	**8,385,823**
Surplus(shortfall)	**2,521,605**	**2,443,217**	**–**	**–**	**–**	**–**	**2,550,504**	**2,550,504**	**4,993,721**	**5,317,266**	**5,688,261**

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 R4 994 million in 2017/18 increasing to R5 688 million by 2019/20.

Table 10 MBRR Table B9 - Asset Management

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
CAPITAL EXPENDITURE											
Total New Assets to be adjusted	**3,772,386**	**5,250,506**	**18,922**	**–**	**–**	**–**	**(576,105)**	**(557,183)**	**4,693,324**	**3,286,567**	**3,602,368**
Roads Infrastructure	956,768	1,038,653	2,685	–	–	–	(232,693)	(230,009)	808,645	581,086	630,013
Storm water Infrastructure	124,492	124,180	1,449	–	–	–	123	1,572	125,752	98,511	97,368
Electrical Infrastructure	567,420	587,291	6,536	–	–	–	(58,914)	(52,377)	534,914	599,405	798,857
Water Supply Infrastructure	518,930	1,813,703	1,825	–	–	–	(116,476)	(114,650)	1,699,053	468,948	559,762
Sanitation Infrastructure	124,311	119,486	869	–	–	–	9,772	10,641	130,127	219,784	237,063
Solid Waste Infrastructure	198,077	201,737	–	–	–	–	(119,809)	(119,809)	81,929	174,500	202,626
Information and Communication Infrastructure	189,528	135,659	–	–	–	–	15,500	15,500	151,159	200,338	191,427
Infrastructure	2,679,525	4,020,711	13,365	–	–	–	(502,497)	(489,132)	3,531,579	2,342,571	2,717,116
Community Facilities	342,313	315,955	4,275	–	–	–	(82,125)	(77,851)	238,104	475,631	552,150
Sport and Recreation Facilities	350	799	–	–	–	–	444	444	1,243	–	–
Community Assets	342,663	316,753	4,275	–	–	–	(81,681)	(77,406)	239,347	475,631	552,150
Operational Buildings	216,517	195,518	–	–	–	–	139	139	195,657	94,478	63,762
Housing	66,041	53,541	–	–	–	–	(40,125)	(40,125)	13,416	99,839	26,212
Other Assets	282,558	249,059	–	–	–	–	(39,985)	(39,985)	209,073	194,317	89,973
Licences and Rights	2,000	2,000	–	–	–	–	1,800	1,800	3,800	3,000	3,000
Intangible Assets	2,000	2,000	–	–	–	–	1,800	1,800	3,800	3,000	3,000
Computer Equipment	207,103	262,499	452	–	–	–	(13,460)	(13,009)	249,491	127,185	112,287
Furniture and Office Equipment	78,378	85,997	831	–	–	–	47,733	48,564	134,561	62,347	50,679
Machinery and Equipment	128,188	256,353	–	–	–	–	4,833	4,833	261,186	32,440	28,300
Transport Assets	51,970	57,133	–	–	–	–	7,152	7,152	64,286	49,076	48,863
Total Renewal of Existing Assets to be adjusted	**1,458,291**	**1,511,191**	**6,418**	**–**	**–**	**–**	**106,968**	**113,387**	**1,624,578**	**1,747,872**	**1,834,983**
Roads Infrastructure	185,678	194,205	3,888	–	–	–	11,822	15,710	209,915	161,913	166,902
Storm water Infrastructure	48,495	48,180	2,530	–	–	–	(5,900)	(3,370)	44,810	21,488	5,000
Electrical Infrastructure	460,079	462,540	–	–	–	–	(111,207)	(111,207)	351,333	624,291	694,415
Water Supply Infrastructure	260,500	266,400	–	–	–	–	129,707	129,707	396,107	317,000	336,000
Sanitation Infrastructure	56,200	66,794	–	–	–	–	(14,900)	(14,900)	51,894	115,300	105,000
Information and Communication Infrastructure	1,500	1,500	–	–	–	–	30	30	1,530	60	–
Infrastructure	1,012,452	1,039,619	6,418	–	–	–	9,552	15,971	1,055,589	1,240,052	1,307,317
Community Facilities	40,373	48,842	–	–	–	–	(1,026)	(1,026)	47,816	14,350	10,200
Community Assets	40,373	48,842	–	–	–	–	(1,026)	(1,026)	47,816	14,350	10,200
Heritage Assets	650	570	–	–	–	–	–	–	570	1,800	1,800
Operational Buildings	11,150	15,143	–	–	–	–	8,935	8,935	24,078	68,780	123,860
Housing	85,000	89,585	–	–	–	–	(4,750)	(4,750)	84,835	90,000	85,000
Other Assets	96,150	104,729	–	–	–	–	4,185	4,185	108,913	158,780	208,860
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	78,838	–	–	–	–	1,658	1,658	80,496	67,610	71,070
Furniture and Office Equipment	18,658	18,154	–	–	–	–	5,064	5,064	23,219	16,683	16,461
Machinery and Equipment	29,713	32,795	–	–	–	–	20,897	20,897	53,691	29,100	11,604
Transport Assets	182,714	185,145	–	–	–	–	66,638	66,638	251,782	216,997	205,171
Total Upgrading of Existing Assets to be adjusted	**1,744,543**	**1,857,331**	**22,745**	**–**	**–**	**–**	**(346,085)**	**(323,340)**	**1,533,991**	**1,869,145**	**1,603,410**
Roads Infrastructure	290,589	296,164	3,293	–	–	–	(57,676)	(54,383)	241,781	370,767	299,740
Storm water Infrastructure	12,925	13,673	1,556	–	–	–	29,940	31,496	45,169	91,000	53,500
Electrical Infrastructure	88,376	113,144	–	–	–	–	12,711	12,711	125,855	72,187	65,593
Water Supply Infrastructure	122,037	159,087	988	–	–	–	(51,053)	(50,065)	109,022	97,500	157,500
Sanitation Infrastructure	514,435	521,003	13,205	–	–	–	(112,656)	(99,451)	421,553	688,513	595,950
Solid Waste Infrastructure	25,000	25,183	–	–	–	–	(9,500)	(9,500)	15,683	23,506	6,788
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Infrastructure	1,053,362	1,128,254	19,041	–	–	–	(188,233)	(169,192)	959,062	1,343,474	1,179,070
Community Facilities	164,694	174,206	2,157	–	–	–	(31,815)	(29,658)	144,548	157,976	122,028
Sport and Recreation Facilities	53,849	55,419	877	–	–	–	(9,048)	(8,171)	47,248	36,592	17,731
Community Assets	218,543	229,626	3,034	–	–	–	(40,863)	(37,829)	191,797	194,568	139,759
Heritage Assets	6,800	6,800	–	–	–	–	730	730	7,530	–	–
Operational Buildings	384,433	412,154	669	–	–	–	(96,396)	(95,726)	316,428	292,140	263,931
Housing	15,897	16,519	–	–	–	–	–	–	16,519	9,000	–
Other Assets	400,331	428,673	669	–	–	–	(96,396)	(95,726)	332,947	301,140	263,931
Licences and Rights	29,756	17,769	–	–	–	–	(8,500)	(8,500)	9,269	7,450	6,450
Intangible Assets	29,756	17,769	–	–	–	–	(8,500)	(8,500)	9,269	7,450	6,450
Computer Equipment	6,100	12,506	–	–	–	–	167	167	12,673	900	1,100
Furniture and Office Equipment	19,651	23,903	–	–	–	–	(6,607)	(6,607)	17,296	12,231	12,100
Machinery and Equipment	10,000	9,800	–	–	–	–	(6,383)	(6,383)	3,417	9,383	1,000

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
Total Capital Expenditure to be adjusted											
Roads Infrastructure	1,433,035	1,529,022	9,866	–	–	–	(278,547)	(268,681)	1,260,340	1,113,766	1,096,655
Storm water Infrastructure	185,912	186,034	5,535	–	–	–	24,163	29,698	215,732	210,998	155,868
Electrical Infrastructure	1,115,875	1,162,975	6,536	–	–	–	(157,410)	(150,874)	1,012,102	1,295,883	1,558,865
Water Supply Infrastructure	901,467	2,239,191	2,813	–	–	–	(37,821)	(35,008)	2,204,183	883,448	1,053,262
Sanitation Infrastructure	694,946	707,284	14,074	–	–	–	(117,784)	(103,710)	603,574	1,023,597	938,013
Solid Waste Infrastructure	223,077	226,920	–	–	–	–	(129,309)	(129,309)	97,611	198,006	209,414
Information and Communication Infrastructure	191,028	137,159	–	–	–	–	15,530	15,530	152,689	200,398	191,427
Infrastructure	4,745,340	6,188,584	38,825	–	–	–	(681,178)	(642,353)	5,546,231	4,926,097	5,203,503
Community Facilities	547,380	539,003	6,432	–	–	–	(114,966)	(108,534)	430,469	647,957	684,378
Sport and Recreation Facilities	54,199	56,218	877	–	–	–	(8,604)	(7,727)	48,491	36,592	17,731
Community Assets	601,580	595,221	7,309	–	–	–	(123,570)	(116,261)	478,960	684,549	702,109
Heritage Assets	7,450	7,370	–	–	–	–	730	730	8,100	1,800	1,800
Operational Buildings	612,100	622,815	669	–	–	–	(87,321)	(86,652)	536,164	455,398	451,553
Housing	166,938	159,645	–	–	–	–	(44,875)	(44,875)	114,770	198,839	111,212
Other Assets	779,039	782,461	669	–	–	–	(132,197)	(131,527)	650,934	654,237	562,764
Licences and Rights	34,256	22,269	–	–	–	–	(6,700)	(6,700)	15,569	12,950	11,950
Intangible Assets	34,256	22,269	–	–	–	–	(6,700)	(6,700)	15,569	12,950	11,950
Computer Equipment	288,284	353,843	452	–	–	–	(11,635)	(11,184)	342,660	195,695	184,457
Furniture and Office Equipment	116,687	128,054	831	–	–	–	46,191	47,022	175,076	91,261	79,240
Machinery and Equipment	167,902	298,948	–	–	–	–	19,347	19,347	318,295	70,923	40,904
Transport Assets	234,684	242,278	–	–	–	–	73,790	73,790	316,068	266,072	254,034
TOTAL CAPITAL EXPENDITURE to be adjusted	**6,975,220**	**8,619,028**	**48,085**	**–**	**–**	**–**	**(815,221)**	**(767,136)**	**7,851,892**	**6,903,584**	**7,040,762**
ASSET REGISTER SUMMARY - PPE (WDV)											
Roads Infrastructure	7,350,826	7,442,013	–	–	–	–	1,292,273	1,292,273	8,734,286	9,397,151	10,023,506
Storm water Infrastructure	994,374	994,490	–	–	–	–	(99,130)	(99,130)	895,360	1,043,061	1,135,992
Electrical Infrastructure	7,786,614	7,831,360	–	–	–	–	(149,848)	(149,848)	7,681,512	8,665,035	9,876,348
Water Supply Infrastructure	3,312,937	4,583,775	–	–	–	–	(52,983)	(52,983)	4,530,791	5,124,889	5,852,542
Sanitation Infrastructure	3,542,502	3,554,222	–	–	–	–	(332,322)	(332,322)	3,221,901	3,937,764	4,555,276
Solid Waste Infrastructure	937,173	938,283	–	–	–	–	(158,164)	(158,164)	780,119	916,961	1,065,018
Information and Communication Infrastructure	3,200,737	3,145,416	–	–	–	–	783,536	783,536	3,928,952	4,088,995	4,240,476
Infrastructure	27,125,163	28,489,559	–	–	–	–	1,283,362	1,283,362	29,772,921	33,173,855	36,749,159
Community Facilities	3,556,632	3,542,822	–	–	–	–	1,925,326	1,925,326	5,468,148	5,981,959	6,525,200
Sport and Recreation Facilities	3,807,667	3,809,584	–	–	–	–	(188,934)	(188,934)	3,620,650	3,435,261	3,238,414
Community Assets	7,364,299	7,352,406	–	–	–	–	1,736,392	1,736,392	9,088,798	9,417,220	9,763,613
Heritage Assets	9,049	9,049	–	–	–	–	(145)	(145)	8,904	8,904	8,904
Revenue Generating	68,242	68,242	–	–	–	–	(1,708)	(1,708)	66,533	64,815	63,098
Non-revenue Generating	518,232	518,232	–	–	–	–	(52)	(52)	518,180	518,180	518,180
Investment properties	586,474	586,474	–	–	–	–	(1,760)	(1,760)	584,713	582,995	581,278
Operational Buildings	3,861,856	3,874,575	–	–	–	–	(2,828,150)	(2,828,150)	1,046,426	1,330,594	1,615,010
Housing	2,135,419	2,128,491	–	–	–	–	15,232	15,232	2,143,723	2,230,701	2,231,357
Other Assets	5,997,275	6,003,066	–	–	–	–	(2,812,918)	(2,812,918)	3,190,148	3,561,295	3,846,367
Licences and Rights	522,272	522,765	–	–	–	–	7,181	7,181	529,946	436,298	345,319
Intangible Assets	522,272	522,765	–	–	–	–	7,181	7,181	529,946	436,298	345,319
Computer Equipment	888,975	949,333	–	–	–	–	(275,938)	(275,938)	673,395	653,863	634,764
Furniture and Office Equipment	523,635	534,398	–	–	–	–	(114,737)	(114,737)	419,660	356,217	286,483
Machinery and Equipment	477,153	601,648	–	–	–	–	272,077	272,077	873,725	851,755	809,960
Transport Assets	2,272,442	2,279,656	–	–	–	–	(830,920)	(830,920)	1,448,737	1,372,244	1,262,950
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**45,766,736**	**47,328,353**	**–**	**–**	**–**	**–**	**(737,406)**	**(737,406)**	**46,590,947**	**50,414,647**	**54,288,797**

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
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**45,766,736**	**47,328,353**	**–**	**–**	**–**	**–**	**(737,406)**	**(737,406)**	**46,590,947**	**50,414,647**	**54,288,797**
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	2,574,607	2,574,607	–	–	–	–	(54,470)	(54,470)	2,520,137	2,734,705	2,814,573
Repairs and Maintenance by asset class	**4,034,293**	**3,891,651**	**–**	**–**	**–**	**–**	**(171,695)**	**(171,695)**	**3,719,957**	**4,393,491**	**4,732,564**
Roads Infrastructure	698,302	698,302	–	–	–	–	(10,063)	(10,063)	688,239	743,414	791,736
Storm water Infrastructure	21,667	21,667	–	–	–	–	(1,191)	(1,191)	20,476	23,077	24,578
Electrical Infrastructure	523,507	523,507	–	–	–	–	(20,027)	(20,027)	503,480	557,538	593,778
Water Supply Infrastructure	233,175	233,175	–	–	–	–	(26,033)	(26,033)	207,143	298,339	344,483
Sanitation Infrastructure	318,258	318,258	–	–	–	–	(47,102)	(47,102)	271,156	388,951	440,984
Solid Waste Infrastructure	4,898	4,898	–	–	–	–	2,404	2,404	7,302	5,217	5,556
Infrastructure	1,799,807	1,799,807	–	–	–	–	(102,011)	(102,011)	1,697,796	2,016,536	2,201,115
Community Facilities	406,234	368,673	–	–	–	–	(15,962)	(15,962)	352,711	430,271	458,234
Sport and Recreation Facilities	56,574	53,054	–	–	–	–	(8,616)	(8,616)	44,437	59,985	63,883
Community Assets	462,808	421,726	–	–	–	–	(24,578)	(24,578)	397,148	490,255	522,117
Heritage Assets	11,357	10,357	–	–	–	–	(2,518)	(2,518)	7,838	12,096	12,882
Non-revenue Generating	9,817	9,412	–	–	–	–	(3,161)	(3,161)	6,251	10,456	11,135
Investment properties	10,088	9,683	–	–	–	–	(3,209)	(3,209)	6,474	10,744	11,442
Operational Buildings	213,732	202,040	–	–	–	–	(29,609)	(29,609)	172,431	227,488	242,273
Housing	74,577	74,577	–	–	–	–	(29,286)	(29,286)	45,292	79,427	84,589
Other Assets	288,309	276,617	–	–	–	–	(58,895)	(58,895)	217,723	306,914	326,863
Computer Equipment	687,364	663,257	–	–	–	–	1,513	1,513	664,770	732,045	779,626
Furniture and Office Equipment	349,715	316,202	–	–	–	–	38,798	38,798	355,000	372,436	396,644
Machinery and Equipment	7	7	–	–	–	–	–	–	7	7	8
Transport Assets	424,837	393,995	–	–	–	–	(20,793)	(20,793)	373,202	452,458	481,868
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**6,608,900**	**6,466,259**	**–**	**–**	**–**	**–**	**(226,165)**	**(226,165)**	**6,240,094**	**7,128,196**	**7,547,137**
Renewal and upgrading of Existing Assets as % of total capex	*45.9%*	*39.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*40.2%*	*52.4%*	*48.8%*
Renewal and upgrading of Existing Assets as % of deprecn"	*124.4%*	*130.8%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*125.3%*	*132.3%*	*122.2%*
R&M as a % of PPE	*8.8%*	*8.2%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*8.0%*	*8.7%*	*8.7%*
Renewal and upgrading and R&M as a % of PPE	*15.8%*	*15.3%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*14.8%*	*15.9%*	*15.1%*

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.

Table 11 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	1,132,666	–	–	–	–	–	–	–	1,132,666	1,147,502	1,161,853
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	157,038	–	–	–	–	–	–	–	157,038	159,094	161,084
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–	–	–
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
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–	0	0
No water supply	–	–	–	–	–	–	–	–	–	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	–	–	–	–	–	–	–	1,211,917	1,230,809	1,250,150
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	–	–
Chemical toilet	24,460	–	–	–	–	–	–	–	24,460	24,460	24,460
Pit toilet (ventilated)	197	–	–	–	–	–	–	–	197	197	–
Other toilet provisions (> min.service level)	52,913	–	–	–	–	–	–	–	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	–	–	–	–	–	–	–	217	0	0
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	0	0
No toilet provisions	–	–	–	–	–	–	–	–	–	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	–	–	–	–	–	–	–	856,312	857,812	859,312
Electricity - prepaid (> min.service level)	–	–	–	–	–	–	–	–	–	0	0
Minimum Service Level and Above sub-total	856,312	–	–	–	–	–	–	–	856,312	857,812	859,312
Electricity (< min.service level)	23,464	–	–	–	–	–	–	–	23,464	21,964	20,464
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	0	0
Other energy sources	–	–	–	–	–	–	–	–	–	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	–	–	–	–	–	(63,197)	(63,197)	931,820	950,456	969,465
Minimum Service Level and Above sub-total	995,017	–	–	–	–	–	(63,197)	(63,197)	931,820	950,456	969,465
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	0	0
Using communal refuse dump	–	–	–	–	–	–	–	–	–	0	0
Using own refuse dump	–	–	–	–	–	–	–	–	–	0	0
Other rubbish disposal	–	–	–	–	–	–	–	–	–	0	0
No rubbish disposal	–	–	–	–	–	–	–	–	–	0	0
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**995,017**	**–**	**–**	**–**	**–**	**–**	**(63,197)**	**(63,197)**	**931,820**	**950,456**	**969,465**

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)	255,733	–	–	–	–	–	–	–	255,733	255,733	255,733
Sanitation (free minimum level service)	255,733	–	–	–	–	–	–	–	255,733	255,733	255,733
Electricity/other energy (50kwh per household per month)	121,317	–	–	–	–	–	–	–	121,317	121,317	121,317
Refuse (removed at least once a week)	382,534	–	–	–	–	–	85,131	85,131	467,665	477,018	486,558
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)	–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)	6	–	–	–	–	–	–	–	6	6	6
Sanitation (kilolitres per household per month)	4	–	–	–	–	–	–	–	4	4	4
Sanitation (Rand per household per month)	132	–	–	–	–	–	–	–	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).
   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 Water and Sanitation revenue projections were adjusted downwards due to lower sales resulting from the current restrictive tariffs and water savings.

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 2 on page 16.

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

Adjustments to allocations are due to reallocations within the current budget. Annexure 1.2 provides further details of these reallocations.

8. Adjustments to service delivery and budget implementation plan

Revisions to service delivery targets and performance indicators in the plan may only be made with the approval of Council following approval of an adjustments budget as per Section 54 of the MFMA. These targets will therefore be updated after the adjustment budget has been approved on 31 January 2018.

9. Adjustments to capital expenditure

Full disclosure on adjustments to the capital budget is provided in Annexure 2.2 to 2.4.

PART 2 - ADJUSTMENTS BUDGET: CONSOLIDATED TABLES

The consolidated tables of the City and its entities are presented on page 36 to page 47.

Table 12 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	–	–	–	–	32,581	32,581	8,694,931	9,324,490	9,928,483
Service charges	19,310,141	19,310,141	–	–	–	–	(2,125,585)	(2,125,585)	17,184,556	20,548,530	22,437,614
Investment revenue	785,328	785,328	–	–	–	–	120,000	120,000	905,328	836,509	867,012
Transfers recognised - operational	6,455,942	6,930,716	–	–	–	–	101,582	101,582	7,032,299	6,996,655	7,635,571
Other own revenue	3,078,781	3,078,781	–	–	–	–	40,607	40,607	3,119,388	3,226,761	3,408,082
Total Revenue (excluding capital transfers and contributions)	**38,292,542**	**38,767,316**	**–**	**–**	**–**	**–**	**(1,830,814)**	**(1,830,814)**	**36,936,503**	**40,932,946**	**44,276,763**
Employee costs	12,146,477	12,184,830	–	–	–	–	(578,727)	(578,727)	11,606,103	13,068,645	14,221,693
Remuneration of councillors	155,787	155,497	–	–	–	–	69	69	155,565	165,913	176,697
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	(52,021)	(52,021)	3,225,455	2,772,072	2,854,369
Finance charges	1,138,893	1,179,560	–	–	–	–	(186,308)	(186,308)	993,252	1,474,889	1,842,550
Materials and bulk purchases	9,774,559	10,032,216	–	–	–	–	(91,808)	(91,808)	9,940,408	10,542,720	11,363,818
Transfers and grants	140,985	405,062	–	–	–	–	8,888	8,888	413,950	147,473	155,584
Other expenditure	11,688,097	11,330,124	–	–	–	–	(323,379)	(323,379)	11,006,745	11,990,692	12,848,382
Total Expenditure	**38,322,274**	**38,564,763**	**–**	**–**	**–**	**–**	**(1,223,286)**	**(1,223,286)**	**37,341,477**	**40,162,405**	**43,463,094**
Surplus/(Deficit)	(29,731)	202,553	–	–	–	–	(607,528)	(607,528)	(404,975)	770,541	813,669
Transfers recognised - capital	2,268,835	2,289,647	–	–	–	–	(149,130)	(149,130)	2,140,517	2,101,736	2,203,502
Contributions recognised - capital & contributed assets	84,900	84,900	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Surplus/(Deficit) after capital transfers & contributions	**2,324,004**	**2,577,101**	**–**	**–**	**–**	**–**	**(744,974)**	**(744,974)**	**1,832,127**	**2,959,477**	**3,107,771**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**2,324,004**	**2,577,101**	**–**	**–**	**–**	**–**	**(744,974)**	**(744,974)**	**1,832,127**	**2,959,477**	**3,107,771**
Capital expenditure & funds sources											
Capital expenditure	7,023,203	8,667,010	48,085	–	–	–	(687,728)	(639,642)	8,027,368	6,952,776	7,081,393
Transfers recognised - capital	2,268,835	2,289,647	48,085	–	–	–	(197,216)	(149,130)	2,140,517	2,078,736	2,203,502
Public contributions & donations	84,900	84,900	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Borrowing	2,894,482	4,431,956	–	–	–	–	(431,956)	(431,956)	4,000,000	2,500,000	2,700,000
Internally generated funds	1,774,986	1,860,506	–	–	–	–	(70,240)	(70,240)	1,790,266	2,286,840	2,087,291
Total sources of capital funds	**7,023,203**	**8,667,010**	**48,085**	**–**	**–**	**–**	**(687,728)**	**(639,642)**	**8,027,368**	**6,952,776**	**7,081,393**
Financial position											
Total current assets	14,052,823	13,606,979	–	–	–	–	1,021,625	1,021,625	14,628,604	16,186,253	18,261,518
Total non current assets	49,328,664	51,712,446	–	–	–	–	(1,325,477)	(1,325,477)	50,386,969	55,126,686	58,726,548
Total current liabilities	10,920,921	11,064,512	–	–	–	–	(1,614,898)	(1,614,898)	9,449,614	10,117,256	10,654,242
Total non current liabilities	14,551,682	16,092,932	–	–	–	–	(328,271)	(328,271)	15,764,660	17,773,843	19,847,053
Community wealth/Equity	**37,908,884**	**38,161,982**	**–**	**–**	**–**	**–**	**1,639,317**	**1,639,317**	**39,801,299**	**43,421,840**	**46,486,770**
Cash flows	–	–	–	–	–	–	–	–	–	–	–
Net cash from (used) operating	5,540,553	5,834,316	–	–	–	–	(869,831)	(869,831)	4,964,485	5,492,647	5,551,558
Net cash from (used) investing	(7,106,997)	(8,504,234)	–	–	–	–	1,499,927	1,499,927	(7,004,306)	(6,110,737)	(6,245,646)
Net cash from (used) financing	2,100,551	3,600,551	–	–	–	–	(3,352)	(3,352)	3,597,199	1,889,435	1,930,212
Cash/cash equivalents at the year end	**4,650,453**	**4,616,362**	**–**	**–**	**–**	**–**	**643,397**	**643,397**	**5,259,759**	**6,390,119**	**7,626,243**
Cash backing/surplus reconciliation											
Cash and investments available	10,099,102	10,475,424	–	–	–	–	(164,440)	(164,440)	10,310,984	12,255,046	13,491,168
Application of cash and investments	8,057,010	8,511,777	–	–	–	–	(1,936,590)	(1,936,590)	6,575,187	7,552,720	8,445,230
Balance - surplus (shortfall)	**2,042,092**	**1,963,647**	**–**	**–**	**–**	**–**	**1,772,150**	**1,772,150**	**3,735,797**	**4,702,326**	**5,045,938**
Asset Management											
Asset register summary (WDV)	45,766,736	47,328,353	–	–	–	–	(737,406)	(737,406)	46,590,947	50,414,647	54,288,797
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	(52,021)	(52,021)	3,225,455	2,772,072	2,854,369
Renewal of Existing Assets	1,484,343	1,537,243	6,418	–	–	–	104,568	110,987	1,648,229	1,770,665	1,857,767
Repairs and Maintenance	4,048,266	3,905,624	–	–	–	–	(171,695)	(171,695)	3,733,930	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 13 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**	**14,888,279**	**–**	**–**	**–**	**–**	**(1,100,844)**	**(1,100,844)**	**13,787,435**	**14,816,142**	**15,839,053**
Executive and council	3,126	3,594	–	–	–	–	–	–	3,594	3,240	3,362
Finance and administration	14,879,801	14,884,678	–	–	–	–	(1,100,844)	(1,100,844)	13,783,833	14,812,894	15,835,683
Internal audit	8	8	–	–	–	–	–	–	8	8	9
Community and public safety	**1,956,529**	**2,248,240**	**–**	**–**	**–**	**–**	**60,429**	**60,429**	**2,308,669**	**2,145,895**	**2,295,608**
Community and social services	120,972	116,766	–	–	–	–	5,979	5,979	122,745	120,361	118,907
Sport and recreation	114,329	113,659	–	–	–	–	(1,159)	(1,159)	112,500	76,740	60,312
Public safety	22,293	22,293	–	–	–	–	3,651	3,651	25,945	11,168	11,783
Housing	1,328,591	1,624,728	–	–	–	–	36,555	36,555	1,661,283	1,514,240	1,675,938
Health	370,343	370,794	–	–	–	–	15,403	15,403	386,197	423,385	428,669
Economic and environmental services	**3,224,458**	**3,402,177**	**–**	**–**	**–**	**–**	**(92,386)**	**(92,386)**	**3,309,790**	**2,972,859**	**3,213,414**
Planning and development	342,034	342,034	–	–	–	–	6,245	6,245	348,279	392,979	485,490
Road transport	2,880,418	3,058,137	–	–	–	–	(105,703)	(105,703)	2,952,434	2,577,764	2,725,691
Environmental protection	2,006	2,006	–	–	–	–	7,071	7,071	9,077	2,116	2,232
Trading services	**20,291,096**	**20,311,908**	**–**	**–**	**–**	**–**	**(812,416)**	**(812,416)**	**19,499,492**	**22,902,462**	**24,920,773**
Energy sources	12,256,796	12,256,796	–	–	–	–	278,813	278,813	12,535,609	13,657,381	14,810,107
Water management	4,123,369	4,130,482	–	–	–	–	(538,467)	(538,467)	3,592,015	4,856,112	5,421,467
Waste water management	2,547,543	2,561,243	–	–	–	–	(667,371)	(667,371)	1,893,872	2,772,140	2,936,233
Waste management	1,363,387	1,363,387	–	–	–	–	114,609	114,609	1,477,996	1,616,828	1,752,967
Other	**291,260**	**291,260**	**–**	**–**	**–**	**–**	**(23,042)**	**(23,042)**	**268,218**	**284,524**	**302,017**
Total Revenue - Functional	**40,646,277**	**41,141,864**	**–**	**–**	**–**	**–**	**(1,968,259)**	**(1,968,259)**	**39,173,604**	**43,121,882**	**46,570,866**
Expenditure - Functional											
Governance and administration	**8,555,468**	**8,296,660**	**–**	**–**	**–**	**–**	**(923,988)**	**(923,988)**	**7,372,672**	**8,758,755**	**9,633,337**
Executive and council	443,599	434,057	–	–	–	–	(12,353)	(12,353)	421,705	481,337	512,954
Finance and administration	8,061,222	7,812,774	–	–	–	–	(908,049)	(908,049)	6,904,725	8,222,410	9,060,814
Internal audit	50,646	49,828	–	–	–	–	(3,586)	(3,586)	46,242	55,008	59,569
Community and public safety	**5,318,902**	**5,582,618**	**–**	**–**	**–**	**–**	**(152,234)**	**(152,234)**	**5,430,384**	**5,644,269**	**6,131,365**
Community and social services	931,712	908,939	–	–	–	–	(16,476)	(16,476)	892,463	973,551	1,039,958
Sport and recreation	1,212,821	1,171,331	–	–	–	–	(41,929)	(41,929)	1,129,401	1,282,162	1,346,335
Public safety	600,875	585,521	–	–	–	–	(4,546)	(4,546)	580,975	652,483	705,757
Housing	1,498,847	1,840,067	–	–	–	–	(102,925)	(102,925)	1,737,142	1,563,632	1,768,274
Health	1,074,647	1,076,760	–	–	–	–	13,643	13,643	1,090,403	1,172,441	1,271,040
Economic and environmental services	**6,351,817**	**6,415,671**	**–**	**–**	**–**	**–**	**(22,468)**	**(22,468)**	**6,393,203**	**6,763,465**	**7,187,829**
Planning and development	1,042,789	1,017,680	–	–	–	–	(43,884)	(43,884)	973,796	1,234,121	1,319,286
Road transport	5,186,569	5,275,968	–	–	–	–	10,602	10,602	5,286,570	5,411,988	5,742,032
Environmental protection	122,458	122,023	–	–	–	–	10,814	10,814	132,837	117,356	126,511
Trading services	**17,026,865**	**17,204,463**	**–**	**–**	**–**	**–**	**(86,501)**	**(86,501)**	**17,117,963**	**18,587,405**	**20,105,473**
Energy sources	9,929,327	9,841,803	–	–	–	–	69,585	69,585	9,911,388	10,810,190	11,660,094
Water management	3,225,897	3,596,414	–	–	–	–	167,626	167,626	3,764,040	3,577,694	3,906,221
Waste water management	1,990,882	1,919,587	–	–	–	–	(269,058)	(269,058)	1,650,529	2,191,214	2,417,010
Waste management	1,880,759	1,846,659	–	–	–	–	(54,653)	(54,653)	1,792,006	2,008,307	2,122,148
Other	**1,069,222**	**1,065,351**	**–**	**–**	**–**	**–**	**(38,096)**	**(38,096)**	**1,027,255**	**408,511**	**405,090**
Total Expenditure - Functional	**38,322,274**	**38,564,763**	**–**	**–**	**–**	**–**	**(1,223,286)**	**(1,223,286)**	**37,341,477**	**40,162,405**	**43,463,094**
Surplus/ (Deficit) for the year	**2,324,003**	**2,577,101**	**–**	**–**	**–**	**–**	**(744,974)**	**(744,974)**	**1,832,127**	**2,959,477**	**3,107,771**

Table 14 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	–	–	–	–	(33,147)	(33,147)	420,440	463,556	488,841
Vote 3 - Corporate Services	68,073	68,073	–	–	–	–	(3,375)	(3,375)	64,698	72,592	76,677
Vote 4 - City Manager	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Directorate of the Mayor	3,324	3,324	–	–	–	–	14,499	14,499	17,824	1,235	244
Vote 6 - Energy	12,256,918	12,256,918	–	–	–	–	40,101	40,101	12,297,019	13,401,653	14,535,941
Vote 7 - Finance	14,307,250	14,307,250	–	–	–	–	(547,061)	(547,061)	13,760,189	14,714,468	15,761,352
Vote 8 - Informal Settlements, Water & Waste Services	8,212,622	8,243,711	–	–	–	–	(1,314,428)	(1,314,428)	6,929,283	9,124,638	9,891,330
Vote 9 - Safety & Security	1,267,627	1,271,667	–	–	–	–	10,798	10,798	1,282,465	1,280,617	1,349,809
Vote 10 - Social Services	904,664	905,115	–	–	–	–	(3,657)	(3,657)	901,457	934,834	940,536
Vote 11 - Transport & Urban Development Authority	2,683,471	3,143,010	–	–	–	–	(152,516)	(152,516)	2,990,494	2,496,331	2,830,130
Vote 12 - Cape Town International Convention Centre	284,451	284,451	–	–	–	–	(23,042)	(23,042)	261,409	278,383	296,597
Vote 13 - Cape Town Stadium	–	–	–	–	–	–	43,568	43,568	43,568	110,314	116,381
Total Revenue by Vote	**40,646,277**	**41,141,864**	**–**	**–**	**–**	**–**	**(1,968,259)**	**(1,968,259)**	**39,173,604**	**43,121,882**	**46,570,866**
Expenditure by Vote											
Vote 1 - Area-Based Service Delivery	547,009	525,876	–	–	–	–	(1,208)	(1,208)	524,668	600,999	642,132
Vote 2 - Assets & Facilities Management	1,851,509	1,791,319	–	–	–	–	(125,110)	(125,110)	1,666,209	1,819,454	1,926,678
Vote 3 - Corporate Services	1,741,551	1,634,695	–	–	–	–	(33,854)	(33,854)	1,600,840	1,872,190	1,994,576
Vote 4 - City Manager	22,198	22,098	–	–	–	–	(55)	(55)	22,043	23,629	25,186
Vote 5 - Directorate of the Mayor	557,664	523,265	–	–	–	–	(5,283)	(5,283)	517,983	594,705	634,773
Vote 6 - Energy	10,355,750	10,251,965	–	–	–	–	(38,373)	(38,373)	10,213,592	11,188,113	12,065,949
Vote 7 - Finance	3,370,596	3,364,966	–	–	–	–	(732,156)	(732,156)	2,632,810	3,239,878	3,730,353
Vote 8 - Informal Settlements, Water & Waste Services	7,739,299	8,083,059	–	–	–	–	(148,593)	(148,593)	7,934,466	8,513,136	9,205,318
Vote 9 - Safety & Security	3,148,512	3,088,875	–	–	–	–	(15,602)	(15,602)	3,073,273	3,361,708	3,603,133
Vote 10 - Social Services	3,463,150	3,374,069	–	–	–	–	(57,827)	(57,827)	3,316,242	3,792,830	4,072,347
Vote 11 - Transport & Urban Development Authority	4,560,879	4,940,418	–	–	–	–	(75,644)	(75,644)	4,864,774	4,748,004	5,158,484
Vote 12 - Cape Town International Convention Centre	964,158	964,158	–	–	–	–	(33,150)	(33,150)	931,008	297,443	287,785
Vote 13 - Cape Town Stadium	–	–	–	–	–	–	43,568	43,568	43,568	110,314	116,381
Total Expenditure by Vote	**38,322,274**	**38,564,763**	**–**	**–**	**–**	**–**	**(1,223,286)**	**(1,223,286)**	**37,341,477**	**40,162,405**	**43,463,094**
Surplus/ (Deficit) for the year	**2,324,003**	**2,577,101**	**–**	**–**	**–**	**–**	**(744,974)**	**(744,974)**	**1,832,127**	**2,959,477**	**3,107,771**

Table 15 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	–	–	–	–	32,581	32,581	8,694,931	9,324,490	9,928,483
Service charges - electricity revenue	11,942,587	11,942,587	–	–	–	–	(41)	(41)	11,942,546	13,034,784	14,090,590
Service charges - water revenue	3,933,401	3,933,401	–	–	–	–	(1,278,658)	(1,278,658)	2,654,743	3,974,335	4,437,005
Service charges - sanitation revenue	2,092,272	2,092,272	–	–	–	–	(570,750)	(570,750)	1,521,522	2,332,091	2,589,072
Service charges - refuse revenue	1,341,882	1,341,882	–	–	–	–	(276,709)	(276,709)	1,065,173	1,206,683	1,320,240
Service charges - other	–	–	–	–	–	–	573	573	573	638	707
Rental of facilities and equipment	661,847	661,847	–	–	–	–	(64,863)	(64,863)	596,985	665,871	706,102
Interest earned - external investments	785,328	785,328	–	–	–	–	120,000	120,000	905,328	836,509	867,012
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	–	–	–	–	97,209	97,209	1,243,623	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	–	–	–	–	101,582	101,582	7,032,299	6,996,655	7,635,571
Other revenue	738,369	738,369	–	–	–	–	10,261	10,261	748,630	790,334	834,232
Gains on disposal of PPE	41,500	41,500	–	–	–	–	(2,000)	(2,000)	39,500	43,263	45,643
Total Revenue (excluding capital transfers and contributions)	**38,292,542**	**38,767,316**	**–**	**–**	**–**	**–**	**(1,830,814)**	**(1,830,814)**	**36,936,503**	**40,932,946**	**44,276,763**
Expenditure By Type											
Employee related costs	12,146,477	12,184,830	–	–	–	–	(578,727)	(578,727)	11,606,103	13,068,645	14,221,693
Remuneration of councillors	155,787	155,497	–	–	–	–	69	69	155,565	165,913	176,697
Debt impairment	2,509,038	2,464,038	–	–	–	–	27,447	27,447	2,491,485	2,705,096	2,900,968
Depreciation & asset impairment	3,277,476	3,277,476	–	–	–	–	(52,021)	(52,021)	3,225,455	2,772,072	2,854,369
Finance charges	1,138,893	1,179,560	–	–	–	–	(186,308)	(186,308)	993,252	1,474,889	1,842,550
Bulk purchases	8,540,135	8,844,893	–	–	–	–	(102,600)	(102,600)	8,742,293	9,227,384	9,967,635
Other materials	1,234,424	1,187,323	–	–	–	–	10,792	10,792	1,198,115	1,315,336	1,396,183
Contracted services	6,132,601	6,062,983	–	–	–	–	120,712	120,712	6,183,694	6,695,420	7,214,435
Transfers and subsidies	140,985	405,062	–	–	–	–	8,888	8,888	413,950	147,473	155,584
Other expenditure	3,046,070	2,802,716	–	–	–	–	(471,613)	(471,613)	2,331,103	2,589,768	2,732,548
Loss on disposal of PPE	387	387	–	–	–	–	75	75	462	409	431
Total Expenditure	**38,322,274**	**38,564,763**	**–**	**–**	**–**	**–**	**(1,223,286)**	**(1,223,286)**	**37,341,477**	**40,162,405**	**43,463,094**
Surplus/(Deficit)	**(29,731)**	**202,553**	**–**	**–**	**–**	**–**	**(607,528)**	**(607,528)**	**(404,975)**	**770,541**	**813,669**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,268,835	2,289,647	–	–	–	–	(149,130)	(149,130)	2,140,517	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	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	**2,324,004**	**2,577,101**	**–**	**–**	**–**	**–**	**(744,974)**	**(744,974)**	**1,832,127**	**2,959,477**	**3,107,771**
Taxation	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	**2,324,004**	**2,577,101**	**–**	**–**	**–**	**–**	**(744,974)**	**(744,974)**	**1,832,127**	**2,959,477**	**3,107,771**
Attributable to minorities	194,396	194,396	–	–	–	–	(2,891)	(2,891)	191,505	8,783	9,732
Surplus/(Deficit) attributable to municipality	**2,518,400**	**2,771,497**	**–**	**–**	**–**	**–**	**(747,864)**	**(747,864)**	**2,023,632**	**2,968,261**	**3,117,503**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**2,518,400**	**2,771,497**	**–**	**–**	**–**	**–**	**(747,864)**	**(747,864)**	**2,023,632**	**2,968,261**	**3,117,503**

Table 16 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	–	–	–	–	(20,195)	(20,195)	19,648	73,970	105,763
Vote 2 - Assets & Facilities Management	395,019	437,104	–	–	–	–	(5,782)	(5,782)	431,322	325,864	231,519
Vote 3 - Corporate Services	351,686	358,010	903	–	–	–	3,844	4,747	362,758	339,446	338,046
Vote 4 - City Manager	222	222	–	–	–	–	(30)	(30)	192	222	222
Vote 5 - Directorate of the Mayor	17,108	17,132	–	–	–	–	1,790	1,790	18,921	2,238	2,158
Vote 6 - Energy	1,292,814	1,366,034	6,536	–	–	–	(158,070)	(151,534)	1,214,500	1,523,919	1,772,676
Vote 7 - Finance	17,136	17,136	–	–	–	–	(3,196)	(3,196)	13,940	15,249	17,919
Vote 8 - Informal Settlements, Water & Waste Services	2,445,238	3,898,701	24,927	–	–	–	(249,567)	(224,640)	3,674,061	2,617,492	2,642,227
Vote 9 - Safety & Security	191,120	191,488	3,651	–	–	–	(32,321)	(28,670)	162,819	136,627	50,515
Vote 10 - Social Services	283,413	286,073	4,706	–	–	–	(3,273)	1,433	287,506	226,442	140,062
Vote 11 - Transport & Urban Development Authority	1,942,035	2,007,284	7,361	–	–	–	(348,421)	(341,060)	1,666,224	1,642,115	1,739,654
Vote 12 - Cape Town International Convention Centre	47,982	47,982	–	–	–	–	127,493	127,493	175,476	49,193	40,631
Capital multi-year expenditure sub-total	**7,023,203**	**8,667,010**	**48,085**	**–**	**–**	**–**	**(687,728)**	**(639,642)**	**8,027,368**	**6,952,776**	**7,081,393**
Total Capital Expenditure - Vote	**7,023,203**	**8,667,010**	**48,085**	**–**	**–**	**–**	**(687,728)**	**(639,642)**	**8,027,368**	**6,952,776**	**7,081,393**
Capital Expenditure - Functional											
Governance and administration	**1,244,434**	**1,286,075**	**1,780**	**–**	**–**	**–**	**(82,973)**	**(81,193)**	**1,204,882**	**919,285**	**763,273**
Executive and council	3,594	24,990	–	–	–	–	(20,293)	(20,293)	4,697	2,380	3,380
Finance and administration	1,239,881	1,260,127	1,780	–	–	–	(62,681)	(60,901)	1,199,226	916,773	759,761
Internal audit	959	959	–	–	–	–	–	–	959	131	131
Community and public safety	**955,697**	**919,201**	**19,501**	**–**	**–**	**–**	**(71,220)**	**(51,719)**	**867,483**	**859,979**	**808,702**
Community and social services	151,270	149,478	2,107	–	–	–	(8,009)	(5,902)	143,575	91,382	83,746
Sport and recreation	105,711	111,014	1,722	–	–	–	7,349	9,071	120,085	59,742	23,766
Public safety	46,799	46,799	3,651	–	–	–	(27,405)	(23,754)	23,045	35,064	7,659
Housing	606,733	566,104	12,021	–	–	–	(42,907)	(30,886)	535,218	614,120	661,734
Health	45,183	45,807	–	–	–	–	(247)	(247)	45,560	59,671	31,796
Economic and environmental services	**1,662,703**	**1,790,830**	**7,041**	**–**	**–**	**–**	**(298,787)**	**(291,746)**	**1,499,084**	**1,314,034**	**1,365,967**
Planning and development	44,786	45,276	–	–	–	–	(7,783)	(7,783)	37,494	68,643	141,425
Road transport	1,599,888	1,727,526	7,041	–	–	–	(290,584)	(283,543)	1,443,983	1,227,097	1,209,662
Environmental protection	18,028	18,028	–	–	–	–	(420)	(420)	17,608	18,294	14,880
Trading services	**3,104,956**	**4,615,489**	**19,763**	**–**	**–**	**–**	**(362,240)**	**(342,477)**	**4,273,012**	**3,800,367**	**4,097,825**
Energy sources	1,183,872	1,225,172	6,536	–	–	–	(128,785)	(122,249)	1,102,924	1,420,167	1,698,476
Water management	853,967	2,300,366	956	–	–	–	1,902	2,858	2,303,224	968,222	1,145,900
Waste water management	684,576	705,929	12,271	–	–	–	(42,111)	(29,840)	676,088	1,012,601	892,049
Waste management	382,541	384,022	–	–	–	–	(193,246)	(193,246)	190,776	399,377	361,400
Other	55,414	55,414	–	–	–	–	127,493	127,493	182,907	59,111	45,626
Total Capital Expenditure - Functional	**7,023,203**	**8,667,010**	**48,085**	**–**	**–**	**–**	**(687,728)**	**(639,642)**	**8,027,368**	**6,952,776**	**7,081,393**
Funded by:											
National Government	2,189,832	2,210,645	47,678	–	–	–	(152,699)	(105,021)	2,105,624	1,953,411	2,152,358
Provincial Government	79,002	79,002	407	–	–	–	(44,516)	(44,109)	34,893	125,325	51,144
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**2,268,835**	**2,289,647**	**48,085**	**–**	**–**	**–**	**(197,216)**	**(149,130)**	**2,140,517**	**2,078,736**	**2,203,502**
Public contributions & donations	84,900	84,900	–	–	–	–	11,685	11,685	96,585	87,200	90,600
Borrowing	2,894,482	4,431,956	–	–	–	–	(431,956)	(431,956)	4,000,000	2,500,000	2,700,000
Internally generated funds	1,774,986	1,860,506	–	–	–	–	(70,240)	(70,240)	1,790,266	2,286,840	2,087,291
Total Capital Funding	**7,023,203**	**8,667,010**	**48,085**	**–**	**–**	**–**	**(687,728)**	**(639,642)**	**8,027,368**	**6,952,776**	**7,081,393**

Table 17 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	6,379,466	–	–	–	–	502,411	502,411	6,881,877	7,871,530	9,376,020
Consumer debtors	5,635,475	5,635,475	–	–	–	–	373,519	373,519	6,008,994	6,308,854	6,625,018
Other debtors	1,156,114	1,156,114	–	–	–	–	104,356	104,356	1,260,469	1,448,962	1,663,929
Current portion of long-term receivables	18,845	18,845	–	–	–	–	(3,934)	(3,934)	14,911	15,657	16,439
Inventory	313,162	313,162	–	–	–	–	45,273	45,273	358,435	394,347	433,716
Total current assets	**14,052,823**	**13,606,979**	**–**	**–**	**–**	**–**	**1,021,625**	**1,021,625**	**14,628,604**	**16,186,253**	**18,261,518**
Non current assets											
Long-term receivables	46,655	46,655	–	–	–	–	(7,730)	(7,730)	38,924	36,978	35,129
Investments	3,169,874	3,992,040	–	–	–	–	(666,851)	(666,851)	3,325,189	4,236,612	3,968,752
Investment property	586,473	586,473	–	–	–	–	(1,760)	(1,760)	584,713	582,995	581,277
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	44,994,341	46,555,958	–	–	–	–	(656,664)	(656,664)	45,899,293	49,837,201	53,810,821
Agricultural	–	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	522,272	522,272	–	–	–	–	7,674	7,674	529,946	423,996	321,665
Other non-current assets	9,049	9,049	–	–	–	–	(145)	(145)	8,904	8,904	8,904
Total non current assets	**49,328,664**	**51,712,446**	**–**	**–**	**–**	**–**	**(1,325,477)**	**(1,325,477)**	**50,386,969**	**55,126,686**	**58,726,548**
TOTAL ASSETS	**63,381,487**	**65,319,426**	**–**	**–**	**–**	**–**	**(303,852)**	**(303,852)**	**65,015,574**	**71,312,939**	**76,988,066**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	428,372	428,372	–	–	–	–	–	–	428,372	580,245	749,617
Consumer deposits	441,906	441,906	–	–	–	–	(32,226)	(32,226)	409,680	451,735	495,862
Trade and other payables	8,822,755	8,966,346	–	–	–	–	(1,391,953)	(1,391,953)	7,574,393	7,975,430	8,221,147
Provisions	1,227,888	1,227,888	–	–	–	–	(190,719)	(190,719)	1,037,169	1,109,846	1,187,617
Total current liabilities	**10,920,921**	**11,064,512**	**–**	**–**	**–**	**–**	**(1,614,898)**	**(1,614,898)**	**9,449,614**	**10,117,256**	**10,654,242**
Non current liabilities											
Borrowing	7,807,170	9,348,420	–	–	–	–	(36,823)	(36,823)	9,311,597	11,038,455	12,780,198
Provisions	6,744,511	6,744,511	–	–	–	–	(291,448)	(291,448)	6,453,063	6,735,388	7,066,855
Total non current liabilities	**14,551,682**	**16,092,932**	**–**	**–**	**–**	**–**	**(328,271)**	**(328,271)**	**15,764,660**	**17,773,843**	**19,847,053**
TOTAL LIABILITIES	**25,472,603**	**27,157,444**	**–**	**–**	**–**	**–**	**(1,943,169)**	**(1,943,169)**	**25,214,275**	**27,891,099**	**30,501,295**
NET ASSETS	**37,908,884**	**38,161,982**	**–**	**–**	**–**	**–**	**1,639,317**	**1,639,317**	**39,801,299**	**43,421,840**	**46,486,771**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	34,987,907	34,952,674	–	–	–	–	1,236,759	1,236,759	36,189,432	39,186,179	41,584,838
Reserves	2,793,239	3,081,570	–	–	–	–	392,071	392,071	3,473,642	4,106,220	4,782,222
Minorities' interests	127,738	127,738	–	–	–	–	10,487	10,487	138,225	129,442	119,710
TOTAL COMMUNITY WEALTH/EQUITY	**37,908,884**	**38,161,982**	**–**	**–**	**–**	**–**	**1,639,317**	**1,639,317**	**39,801,299**	**43,421,840**	**46,486,770**

Table 18 Table B7 Consolidated Adjustments Budget Statement – Cash Flow

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	8,353,028	–	–	–	–	(225,354)	(225,354)	8,127,674	8,977,045	9,552,504
Service charges	17,459,005	17,486,005	–	–	–	–	(1,432,519)	(1,432,519)	16,053,486	19,260,410	21,050,374
Other revenue	1,625,994	1,634,994	–	–	–	–	287,039	287,039	1,922,033	1,747,891	1,837,607
Government - operating	6,455,942	6,930,717	–	–	–	–	101,582	101,582	7,032,299	6,996,655	7,635,571
Government - capital	2,353,735	2,374,547	–	–	–	–	(147,446)	(147,446)	2,227,102	2,165,936	2,294,102
Interest	785,328	785,328	–	–	–	–	120,000	120,000	905,328	830,925	862,265
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(30,357,016)	(30,744,824)	–	–	–	–	233,829	233,829	(30,510,995)	(33,162,160)	(36,102,710)
Finance charges	(985,478)	(985,478)	–	–	–	–	52,051	52,051	(933,427)	(1,324,054)	(1,578,155)
Transfers and Grants	(140,985)	–	–	–	–	–	140,985	140,985	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**5,540,553**	**5,834,316**	**–**	**–**	**–**	**–**	**(869,831)**	**(869,831)**	**4,823,500**	**5,492,647**	**5,551,558**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	41,500	41,500	–	–	–	–	(2,000)	(2,000)	39,500	43,263	45,643
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	2,456	2,456	–	–	–	–	7,730	7,730	10,186	1,946	1,849
Decrease (increase) in non-current investments	(212,908)	(212,908)	–	–	–	–	–	–	(212,908)	(238,708)	(267,859)
Payments											
Capital assets	(6,938,045)	(8,335,281)	–	–	–	–	1,494,197	1,494,197	(6,841,084)	(5,917,239)	(6,025,279)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(7,106,997)**	**(8,504,234)**	**–**	**–**	**–**	**–**	**1,499,927**	**1,499,927**	**(7,004,306)**	**(6,110,737)**	**(6,245,646)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2,500,000	4,000,000	–	–	–	–	–	–	4,000,000	2,500,000	2,700,000
Increase (decrease) in consumer deposits	35,710	35,710	–	–	–	–	(5,925)	(5,925)	29,785	38,688	42,557
Payments											
Repayment of borrowing	(435,159)	(435,159)	–	–	–	–	2,573	2,573	(432,586)	(649,253)	(812,345)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2,100,551**	**3,600,551**	**–**	**–**	**–**	**–**	**(3,352)**	**(3,352)**	**3,597,199**	**1,889,435**	**1,930,212**
NET INCREASE/ (DECREASE) IN CASH HELD	**534,106**	**930,634**	**–**	**–**	**–**	**–**	**626,744**	**626,744**	**1,416,393**	**1,271,345**	**1,236,124**
Cash/cash equivalents at the year begin:	4,116,346	3,685,728	–	–	–	–	16,653	16,653	3,702,381	5,118,774	6,390,119
Cash/cash equivalents at the year end:	4,650,453	4,616,362	–	–	–	–	643,397	643,397	5,118,774	6,390,119	7,626,243

Table 19 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	4,616,362	–	–	–	–	643,397	643,397	5,259,759	6,390,119	7,626,243
Other current investments > 90 days	2,278,775	1,867,022	–	–	–	–	(140,986)	(140,986)	1,726,036	1,628,315	1,896,174
Non current assets - Investments	3,169,874	3,992,040	–	–	–	–	(666,851)	(666,851)	3,325,189	4,236,612	3,968,752
Cash and investments available:	**10,099,102**	**10,475,424**	**–**	**–**	**–**	**–**	**(164,440)**	**(164,440)**	**10,310,984**	**12,255,046**	**13,491,168**
Applications of cash and investments											
Unspent conditional transfers	680,263	1,024,402	–	–	–	–	715,677	715,677	1,740,079	2,170,438	2,624,950
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	2,011,436	1,800,965	–	–	–	–	(2,652,267)	(2,652,267)	(851,302)	(1,368,549)	(2,069,908)
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	3,421,363	–	–	–	–	–	–	3,421,363	4,247,075	5,118,573
Total Application of cash and investments:	**8,057,010**	**8,511,777**	**–**	**–**	**–**	**–**	**(1,936,590)**	**(1,936,590)**	**6,575,187**	**7,552,720**	**8,445,230**
Surplus(shortfall)	**2,042,092**	**1,963,647**	**–**	**–**	**–**	**–**	**1,772,150**	**1,772,150**	**3,735,797**	**4,702,326**	**5,045,938**

Table 20 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	**3,794,317**	**5,272,437**	**18,922**	**–**	**–**	**–**	**(446,211)**	**(427,289)**	**4,845,148**	**3,312,966**	**3,620,215**
Roads Infrastructure	956,768	1,038,653	2,685	–	–	–	(232,693)	(230,009)	808,645	581,086	630,013
Storm water Infrastructure	124,492	124,180	1,449	–	–	–	123	1,572	125,752	98,511	97,368
Electrical Infrastructure	567,420	587,291	6,536	–	–	–	(58,914)	(52,377)	534,914	599,405	798,857
Water Supply Infrastructure	518,930	1,813,703	1,825	–	–	–	(116,476)	(114,650)	1,699,053	468,948	559,762
Sanitation Infrastructure	124,311	119,486	869	–	–	–	9,772	10,641	130,127	219,784	237,063
Solid Waste Infrastructure	198,077	201,737	–	–	–	–	(119,809)	(119,809)	81,929	174,500	202,626
Information and Communication Infrastructure	189,528	135,659	–	–	–	–	15,500	15,500	151,159	200,338	191,427
Infrastructure	*2,679,525*	*4,020,711*	*13,365*	–	–	–	*(502,497)*	*(489,132)*	*3,531,579*	*2,342,571*	*2,717,116*
Community Facilities	342,313	315,955	4,275	–	–	–	(82,125)	(77,851)	238,104	475,631	552,150
Sport and Recreation Facilities	350	799	–	–	–	–	444	444	1,243	–	–
Community Assets	*342,663*	*316,753*	*4,275*	–	–	–	*(81,681)*	*(77,406)*	*239,347*	*475,631*	*552,150*
Revenue Generating	11,450	11,450	–	–	–	–	129,893	129,893	141,343	19,267	12,200
Investment properties	*11,450*	*11,450*	–	–	–	–	*129,893*	*129,893*	*141,343*	*19,267*	*12,200*
Operational Buildings	216,517	195,518	–	–	–	–	139	139	195,657	94,478	63,762
Housing	66,041	53,541	–	–	–	–	(40,125)	(40,125)	13,416	99,839	26,212
Other Assets	*282,558*	*249,059*	–	–	–	–	*(39,985)*	*(39,985)*	*209,073*	*194,317*	*89,973*
Licences and Rights	2,000	2,000	–	–	–	–	1,800	1,800	3,800	3,000	3,000
Intangible Assets	*2,000*	*2,000*	–	–	–	–	*1,800*	*1,800*	*3,800*	*3,000*	*3,000*
Computer Equipment	*212,637*	*268,033*	*452*	–	–	–	*(13,460)*	*(13,009)*	*255,024*	*130,820*	*116,437*
Furniture and Office Equipment	*82,283*	*89,902*	*831*	–	–	–	*47,733*	*48,564*	*138,466*	*64,802*	*51,134*
Machinery and Equipment	*129,231*	*257,396*	–	–	–	–	*4,833*	*4,833*	*262,228*	*33,482*	*29,342*
Transport Assets	*51,970*	*57,133*	–	–	–	–	*7,152*	*7,152*	*64,286*	*49,076*	*48,863*
Total Renewal of Existing Assets to be adjusted	**1,484,343**	**1,537,243**	**6,418**	**–**	**–**	**–**	**104,568**	**110,987**	**1,648,229**	**1,770,665**	**1,857,767**
Roads Infrastructure	185,678	194,205	3,888	–	–	–	11,822	15,710	209,915	161,913	166,902
Storm water Infrastructure	48,495	48,180	2,530	–	–	–	(5,900)	(3,370)	44,810	21,488	5,000
Electrical Infrastructure	460,079	462,540	–	–	–	–	(111,207)	(111,207)	351,333	624,291	694,415
Water Supply Infrastructure	260,500	266,400	–	–	–	–	129,707	129,707	396,107	317,000	336,000
Sanitation Infrastructure	56,200	66,794	–	–	–	–	(14,900)	(14,900)	51,894	115,300	105,000
Information and Communication Infrastructure	1,500	1,500	–	–	–	–	30	30	1,530	60	–
Infrastructure	*1,012,452*	*1,039,619*	*6,418*	–	–	–	*9,552*	*15,971*	*1,055,589*	*1,240,052*	*1,307,317*
Community Facilities	40,373	48,842	–	–	–	–	(1,026)	(1,026)	47,816	14,350	10,200
Community Assets	*40,373*	*48,842*	–	–	–	–	*(1,026)*	*(1,026)*	*47,816*	*14,350*	*10,200*
Heritage Assets	*650*	*570*	–	–	–	–	–	–	*570*	*1,800*	*1,800*
Revenue Generating	13,850	13,850	–	–	–	–	(3,400)	(3,400)	10,450	7,980	10,250
Investment properties	*13,850*	*13,850*	–	–	–	–	*(3,400)*	*(3,400)*	*10,450*	*7,980*	*10,250*
Operational Buildings	11,150	15,143	–	–	–	–	8,935	8,935	24,078	68,780	123,860
Housing	85,000	89,585	–	–	–	–	(4,750)	(4,750)	84,835	90,000	85,000
Other Assets	*96,150*	*104,729*	–	–	–	–	*4,185*	*4,185*	*108,913*	*158,780*	*208,860*
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*	*88,529*	–	–	–	–	*1,658*	*1,658*	*90,187*	*79,193*	*82,723*
Furniture and Office Equipment	*20,863*	*20,359*	–	–	–	–	*5,064*	*5,064*	*25,424*	*19,608*	*17,036*
Machinery and Equipment	*30,019*	*33,100*	–	–	–	–	*21,897*	*21,897*	*54,997*	*29,406*	*11,910*
Transport Assets	*182,714*	*185,145*	–	–	–	–	*66,638*	*66,638*	*251,782*	*216,997*	*205,171*
Total Upgrading of Existing Assets to be adjusted	**1,744,543**	**1,857,331**	**22,745**	**–**	**–**	**–**	**(346,085)**	**(323,340)**	**1,533,991**	**1,869,145**	**1,603,410**
Roads Infrastructure	290,589	296,164	3,293	–	–	–	(57,676)	(54,383)	241,781	370,767	299,740
Storm water Infrastructure	12,925	13,673	1,556	–	–	–	29,940	31,496	45,169	91,000	53,500
Electrical Infrastructure	88,376	113,144	–	–	–	–	12,711	12,711	125,855	72,187	65,593
Water Supply Infrastructure	122,037	159,087	988	–	–	–	(51,053)	(50,065)	109,022	97,500	157,500
Sanitation Infrastructure	514,435	521,003	13,205	–	–	–	(112,656)	(99,451)	421,553	688,513	595,950
Solid Waste Infrastructure	25,000	25,183	–	–	–	–	(9,500)	(9,500)	15,683	23,506	6,788
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–	–	–
Infrastructure	*1,053,362*	*1,128,254*	*19,041*	–	–	–	*(188,233)*	*(169,192)*	*959,062*	*1,343,474*	*1,179,070*
Community Facilities	164,694	174,206	2,157	–	–	–	(31,815)	(29,658)	144,548	157,976	122,028
Sport and Recreation Facilities	53,849	55,419	877	–	–	–	(9,048)	(8,171)	47,248	36,592	17,731
Community Assets	*218,543*	*229,626*	*3,034*	–	–	–	*(40,863)*	*(37,829)*	*191,797*	*194,568*	*139,759*
Heritage Assets	*6,800*	*6,800*	–	–	–	–	*730*	*730*	*7,530*	–	–
Operational Buildings	384,433	412,154	669	–	–	–	(96,396)	(95,726)	316,428	292,140	263,931
Housing	15,897	16,519	–	–	–	–	–	–	16,519	9,000	–
Other Assets	*400,331*	*428,673*	*669*	–	–	–	*(96,396)*	*(95,726)*	*332,947*	*301,140*	*263,931*
Licences and Rights	29,756	17,769	–	–	–	–	(8,500)	(8,500)	9,269	7,450	6,450
Intangible Assets	*29,756*	*17,769*	–	–	–	–	*(8,500)*	*(8,500)*	*9,269*	*7,450*	*6,450*
Computer Equipment	*6,100*	*12,506*	–	–	–	–	*167*	*167*	*12,673*	*900*	*1,100*
Furniture and Office Equipment	*19,651*	*23,903*	–	–	–	–	*(6,607)*	*(6,607)*	*17,296*	*12,231*	*12,100*
Machinery and Equipment	*10,000*	*9,800*	–	–	–	–	*(6,383)*	*(6,383)*	*3,417*	*9,383*	*1,000*

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
CAPITAL EXPENDITURE											
Total Capital Expenditure to be adjusted											
Roads Infrastructure	1,433,035	1,529,022	9,866	–	–	–	(278,547)	(268,681)	1,260,340	1,113,766	1,096,655
Storm water Infrastructure	185,912	186,034	5,535	–	–	–	24,163	29,698	215,732	210,998	155,868
Electrical Infrastructure	1,115,875	1,162,975	6,536	–	–	–	(157,410)	(150,874)	1,012,102	1,295,883	1,558,865
Water Supply Infrastructure	901,467	2,239,191	2,813	–	–	–	(37,821)	(35,008)	2,204,183	883,448	1,053,262
Sanitation Infrastructure	694,946	707,284	14,074	–	–	–	(117,784)	(103,710)	603,574	1,023,597	938,013
Solid Waste Infrastructure	223,077	226,920	–	–	–	–	(129,309)	(129,309)	97,611	198,006	209,414
Information and Communication Infrastructure	191,028	137,159	–	–	–	–	15,530	15,530	152,689	200,398	191,427
Infrastructure	*4,745,340*	*6,188,584*	*38,825*	–	–	–	*(681,178)*	*(642,353)*	*5,546,231*	*4,926,097*	*5,203,503*
Community Facilities	547,380	539,003	6,432	–	–	–	(114,966)	(108,534)	430,469	647,957	684,378
Sport and Recreation Facilities	54,199	56,218	877	–	–	–	(8,604)	(7,727)	48,491	36,592	17,731
Community Assets	*601,580*	*595,221*	*7,309*	–	–	–	*(123,570)*	*(116,261)*	*478,960*	*684,549*	*702,109*
Heritage Assets	*7,450*	*7,370*	–	–	–	–	*730*	*730*	*8,100*	*1,800*	*1,800*
Revenue Generating	25,300	25,300	–	–	–	–	126,493	126,493	151,793	27,247	22,450
Investment properties	*25,300*	*25,300*	–	–	–	–	*126,493*	*126,493*	*151,793*	*27,247*	*22,450*
Operational Buildings	612,100	622,815	669	–	–	–	(87,321)	(86,652)	536,164	455,398	451,553
Housing	166,938	159,645	–	–	–	–	(44,875)	(44,875)	114,770	198,839	111,212
Other Assets	*779,039*	*782,461*	*669*	–	–	–	*(132,197)*	*(131,527)*	*650,934*	*654,237*	*562,764*
Licences and Rights	34,256	22,269	–	–	–	–	(6,700)	(6,700)	15,569	12,950	11,950
Intangible Assets	*34,256*	*22,269*	–	–	–	–	*(6,700)*	*(6,700)*	*15,569*	*12,950*	*11,950*
Computer Equipment	*303,508*	*369,067*	*452*	–	–	–	*(11,635)*	*(11,184)*	*357,884*	*210,913*	*200,260*
Furniture and Office Equipment	*122,797*	*134,164*	*831*	–	–	–	*46,191*	*47,022*	*181,186*	*96,641*	*80,270*
Machinery and Equipment	*169,250*	*300,296*	–	–	–	–	*20,347*	*20,347*	*320,643*	*72,271*	*42,252*
Transport Assets	*234,684*	*242,278*	–	–	–	–	*73,790*	*73,790*	*316,068*	*266,072*	*254,034*
TOTAL CAPITAL EXPENDITURE to be adjusted	**7,023,203**	**8,667,010**	**48,085**	**–**	**–**	**–**	**(687,728)**	**(639,642)**	**8,027,368**	**6,952,776**	**7,081,393**
ASSET REGISTER SUMMARY - PPE (WDV)											
Roads Infrastructure	7,350,826	7,442,013	–	–	–	–	1,292,273	1,292,273	8,734,286	9,397,151	10,023,506
Storm water Infrastructure	994,374	994,490	–	–	–	–	(99,130)	(99,130)	895,360	1,043,061	1,135,992
Electrical Infrastructure	7,786,614	7,831,360	–	–	–	–	(149,848)	(149,848)	7,681,512	8,665,035	9,876,348
Water Supply Infrastructure	3,312,937	4,583,775	–	–	–	–	(52,983)	(52,983)	4,530,791	5,124,889	5,852,542
Sanitation Infrastructure	3,542,502	3,554,222	–	–	–	–	(332,322)	(332,322)	3,221,901	3,937,764	4,555,276
Solid Waste Infrastructure	937,173	938,283	–	–	–	–	(158,164)	(158,164)	780,119	916,961	1,065,018
Information and Communication Infrastructure	3,200,737	3,145,416	–	–	–	–	783,536	783,536	3,928,952	4,088,995	4,240,476
Infrastructure	*27,125,163*	*28,489,559*	–	–	–	–	*1,283,362*	*1,283,362*	*29,772,921*	*33,173,855*	*36,749,159*
Community Facilities	3,556,632	3,542,822	–	–	–	–	1,925,326	1,925,326	5,468,148	5,981,959	6,525,200
Sport and Recreation Facilities	3,807,667	3,809,584	–	–	–	–	(188,934)	(188,934)	3,620,650	3,435,261	3,238,414
Community Assets	*7,364,299*	*7,352,406*	–	–	–	–	*1,736,392*	*1,736,392*	*9,088,798*	*9,417,220*	*9,763,613*
Heritage Assets	*9,049*	*9,049*	–	–	–	–	*(145)*	*(145)*	*8,904*	*8,904*	*8,904*
Revenue Generating	68,242	68,242	–	–	–	–	(1,708)	(1,708)	66,533	64,815	63,098
Non-revenue Generating	518,232	518,232	–	–	–	–	(52)	(52)	518,180	518,180	518,180
Investment properties	*586,474*	*586,474*	–	–	–	–	*(1,760)*	*(1,760)*	*584,713*	*582,995*	*581,278*
Operational Buildings	3,861,856	3,874,575	–	–	–	–	(2,828,150)	(2,828,150)	1,046,426	1,330,594	1,615,010
Housing	2,135,419	2,128,491	–	–	–	–	15,232	15,232	2,143,723	2,230,701	2,231,357
Other Assets	*5,997,275*	*6,003,066*	–	–	–	–	*(2,812,918)*	*(2,812,918)*	*3,190,148*	*3,561,295*	*3,846,367*
Licences and Rights	522,272	522,765	–	–	–	–	7,181	7,181	529,946	436,298	345,319
Intangible Assets	522,272	522,765	–	–	–	–	7,181	7,181	529,946	436,298	345,319
Computer Equipment	888,975	949,333	–	–	–	–	(275,938)	(275,938)	673,395	653,863	634,764
Furniture and Office Equipment	523,635	534,398	–	–	–	–	(114,737)	(114,737)	419,660	356,217	286,483
Machinery and Equipment	477,153	601,648	–	–	–	–	272,077	272,077	873,725	851,755	809,960
Transport Assets	2,272,442	2,279,656	–	–	–	–	(830,920)	(830,920)	1,448,737	1,372,244	1,262,950
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**45,766,736**	**47,328,353**	**–**	**–**	**–**	**–**	**(737,406)**	**(737,406)**	**46,590,947**	**50,414,647**	**54,288,797**

Table continues on next page.

City of Cape Town 2017/18 Adjustments Budget – January 2018

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	–	–	–	–	(52,021)	(52,021)	3,225,455	2,772,072	2,854,369
Repairs and Maintenance by asset class	**4,048,266**	**3,905,624**	**–**	**–**	**–**	**–**	**(171,695)**	**(171,695)**	**3,733,930**	**4,408,373**	**4,748,093**
Roads Infrastructure	698,302	698,302	–	–	–	–	(10,063)	(10,063)	688,239	743,414	791,736
Storm water Infrastructure	21,667	21,667	–	–	–	–	(1,191)	(1,191)	20,476	23,077	24,578
Electrical Infrastructure	523,507	523,507	–	–	–	–	(20,027)	(20,027)	503,480	557,538	593,778
Water Supply Infrastructure	233,175	233,175	–	–	–	–	(26,033)	(26,033)	207,143	298,339	344,483
Sanitation Infrastructure	318,258	318,258	–	–	–	–	(47,102)	(47,102)	271,156	388,951	440,984
Solid Waste Infrastructure	4,898	4,898	–	–	–	–	2,404	2,404	7,302	5,217	5,556
Infrastructure	*1,799,807*	*1,799,807*	–	–	–	–	*(102,011)*	*(102,011)*	*1,697,796*	*2,016,536*	*2,201,115*
Community Facilities	406,234	368,673	–	–	–	–	(15,962)	(15,962)	352,711	430,271	458,234
Sport and Recreation Facilities	56,574	53,054	–	–	–	–	(8,616)	(8,616)	44,437	59,985	63,883
Community Assets	*462,808*	*421,726*	–	–	–	–	*(24,578)*	*(24,578)*	*397,148*	*490,255*	*522,117*
Heritage Assets	*11,357*	*10,357*	–	–	–	–	*(2,518)*	*(2,518)*	*7,838*	*12,096*	*12,882*
Revenue Generating	11,449	11,449	–	–	–	–	(48)	(48)	11,401	12,193	12,730
Non-revenue Generating	9,817	9,412	–	–	–	–	(3,161)	(3,161)	6,251	10,456	11,135
Investment properties	*21,266*	*20,861*	–	–	–	–	*(3,209)*	*(3,209)*	*17,652*	*22,649*	*23,865*
Operational Buildings	213,732	202,040	–	–	–	–	(29,609)	(29,609)	172,431	227,488	242,273
Housing	74,577	74,577	–	–	–	–	(29,286)	(29,286)	45,292	79,427	84,589
Other Assets	*288,309*	*276,617*	–	–	–	–	*(58,895)*	*(58,895)*	*217,723*	*306,914*	*326,863*
Computer Equipment	687,364	663,257	–	–	–	–	1,513	1,513	664,770	732,045	779,626
Furniture and Office Equipment	352,509	318,997	–	–	–	–	38,798	38,798	357,795	375,413	399,750
Machinery and Equipment	7	7	–	–	–	–	–	–	7	7	8
Transport Assets	424,837	393,995	–	–	–	–	(20,793)	(20,793)	373,202	452,458	481,868
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**7,325,741**	**7,183,100**	**–**	**–**	**–**	**–**	**(223,716)**	**(223,716)**	**6,959,384**	**7,180,445**	**7,602,462**
Renewal and upgrading of Existing Assets as % of total capex	*46.0%*	*39.2%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*39.6%*	*52.4%*	*48.9%*
Renewal and upgrading of Existing Assets as % of deprecn"	*98.5%*	*103.6%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*98.7%*	*131.3%*	*121.3%*
R&M as a % of PPE	*8.8%*	*8.3%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*8.0%*	*8.7%*	*8.7%*
Renewal and upgrading and R&M as a % of PPE	*15.9%*	*15.4%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*14.8%*	*16.0%*	*15.1%*

Table 21 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	-63197	(63,197)	931,820	950,456	969,465
Minimum Service Level and Above sub-total	995,017	–	–	–	–	–	(63,197)	(63,197)	931,820	950,456	969,465
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**	**–**	**–**	**–**	**–**	**–**	**(63,197)**	**(63,197)**	**931,820**	**950,456**	**969,465**

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)	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	85131	85,131	467,665	477,018	486,558
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 main MBRR tables are presented on page 49 to page 54.

Table 22 MBRR Table E1 - Adjustments Budget Summary - CTICC

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	4,515	4,786
Transfers recognised - operational	–	–	–	–	–	–	–	–	–	–
Other own revenue	272,780	–	–	–	–	(23,042)	(23,042)	249,738	286,614	303,811
Total Revenue (excluding capital transfers and contributions)	**284,451**	**–**	**–**	**–**	**–**	**(23,042)**	**(23,042)**	**261,409**	**291,129**	**308,597**
Employee costs	88,887	–	–	–	–	(11,374)	(11,374)	77,513	92,093	98,432
Remuneration of Board Members	804	–	–	–	–	(104)	(104)	700	756	816
Depreciation and debt impairment	702,868	–	–	–	–	2,449	2,449	705,317	42,651	45,211
Finance charges	3,651	–	–	–	–	(3,651)	(3,651)	–	–	–
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	167,947	–	–	–	–	(20,470)	(20,470)	147,477	186,340	198,165
Total Expenditure	**964,158**	**–**	**–**	**–**	**–**	**(33,150)**	**(33,150)**	**931,008**	**321,840**	**342,624**
Surplus/(Deficit)	**(679,707)**	**–**	**–**	**–**	**–**	**10,108**	**10,108**	**(669,599)**	**(30,711)**	**(34,027)**
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**(679,707)**	**–**	**–**	**–**	**–**	**10,108**	**10,108**	**(669,599)**	**(30,711)**	**(34,027)**
Taxation	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**(679,707)**	**–**	**–**	**–**	**–**	**10,108**	**10,108**	**(669,599)**	**(30,711)**	**(34,027)**
Capital expenditure & funds sources										
Capital expenditure	47,982	–	–	–	–	127,493	127,493	175,476	49,193	40,631
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	47,982	–	–	–	–	127,493	127,493	175,476	49,193	40,631
Total sources of capital funds	**47,982**	**–**	**–**	**–**	**–**	**127,493**	**127,493**	**175,476**	**49,193**	**40,631**
Financial position										
Total current assets	248,244	–	–	–	–	(98,708)	(98,708)	149,536	132,686	110,948
Total non current assets	345,398	–	–	–	–	86,511	86,511	431,909	438,450	433,870
Total current liabilities	109,454	–	–	–	–	(11,314)	(11,314)	98,140	118,543	126,252
Total non current liabilities	37,552	–	–	–	–	(37,552)	(37,552)	–	–	–
Community wealth/Equity	446,636	–	–	–	–	36,669	36,669	483,304	452,593	418,566
Cash flows										
Net cash from (used) operating	40,398	–	–	–	–	9,584	9,584	49,982	29,498	17,566
Net cash from (used) investing	(47,982)	–	–	–	–	(127,493)	(127,493)	(175,476)	(49,193)	(40,631)
Net cash from (used) financing	(2,573)	–	–	–	–	2,573	2,573	–	–	–
Cash/cash equivalents at the year end	**225,378**	**–**	**–**	**–**	**–**	**(98,684)**	**(98,684)**	**126,694**	**107,000**	**83,935**

Table 23 MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CTICC

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	–	–	–	–	(9,929)	(9,929)	121,642	138,802	147,131
Interest earned - external investments	11,671	–	–	–	–	–	–	11,671	4,515	4,786
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other revenue	141,209	–	–	–	–	(13,113)	(13,113)	128,096	147,812	156,680
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**284,451**	**–**	**–**	**–**	**–**	**(23,042)**	**(23,042)**	**261,409**	**291,129**	**308,597**
Expenditure By Type										
Employee related costs	88,887	–	–	–	–	(11,374)	(11,374)	77,513	92,093	98,432
Remuneration of Directors	804	–	–	–	–	(104)	(104)	700	756	816
Debt impairment	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	702,868	–	–	–	–	2,449	2,449	705,317	42,651	45,211
Finance charges	3,651	–	–	–	–	(3,651)	(3,651)	–	–	–
Bulk purchases	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	167,947	–	–	–	–	(20,470)	(20,470)	147,477	186,340	198,165
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**964,158**	**–**	**–**	**–**	**–**	**(33,150)**	**(33,150)**	**931,008**	**321,840**	**342,624**
Surplus/(Deficit)	**(679,707)**	**–**	**–**	**–**	**–**	**10,108**	**10,108**	**(669,599)**	**(30,711)**	**(34,027)**
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)**	**–**	**–**	**–**	**–**	**10,108**	**10,108**	**(669,599)**	**(30,711)**	**(34,027)**
Taxation	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**(679,707)**	**–**	**–**	**–**	**–**	**10,108**	**10,108**	**(669,599)**	**(30,711)**	**(34,027)**

Explanatory notes to MBRR Table E2 – Adjustments Budget Financial Performance (revenue and expenditure) - CTICC

The CTICC's original budget has been adjusted with various amendments to better reflect the reality of the CTICC at present and offer a better measure of performance measurement. The adjustment takes into account the revised completion date of CTICC2 expansion project being November 2017.

1. Rental of facilities and equipment
   R9.9 million proposed decrease is as a result of the revised completion date of the CTICC2 expansion project. The adjustment also takes into account current actual events on the booking system.

2. Other revenue
   R13.1 million proposed decrease, mainly due to the budgeted food and beverage revenue for CTICC2, which is as a result of the revised completion date of the CTICC2 expansion project.

3. Employee related costs
   R11.4 million proposed decrease, largely due to the revised opening date of the CTICC2, while CTICC1 takes into account year to date savings as a result of vacant positions. The budget includes the permanent appointment of 49 positions for CTICC2 to be filled at different stages from November 2017.

4. Depreciation
   R2.4 million increase, due to an increase in the proposed capital expenditure budget.

5. Finance charges
   R3.7 million proposed decrease, due to the loan funding not being required for this financial year.

6. Other Expenditure
   R20.5 million proposed decrease, due to the revised completion date of the CTICC2 expansion project. Categories which contribute to these adjustments are mainly building costs such as utilities and operations general.

Table 24 MBRR Table E3 Adjustments Capital Expenditure Budget by asset class and funding - CTICC

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**	**–**	**–**	**–**	**–**	**–**	**126,493**	**126,493**	**151,793**	**27,247**	**22,450**
Revenue Generating	25,300	–	–	–	–	–	126,493	126,493	151,793	27,247	22,450
Improved Property	*25,300*	–	–	–	–	–	*126,493*	*126,493*	*151,793*	*27,247*	*22,450*
Computer Equipment	**15,224**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**15,224**	**15,218**	**15,803**
Computer Equipment	15,224	–	–	–	–	–	–	–	15,224	15,218	15,803
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**	**–**	**–**	**–**	**–**	**–**	**1,000**	**1,000**	**2,348**	**1,348**	**1,348**
Machinery and Equipment	1,348	–	–	–	–	–	1,000	1,000	2,348	1,348	1,348
Total Capital Expenditure to be adjusted	**47,982**	**–**	**–**	**–**	**–**	**–**	**127,493**	**127,493**	**175,476**	**49,193**	**40,631**
Funded by:											
National Government	–	–	–	–	–	–	–	–	–	–	–
Provincial Government	–	–	–	–	–	–	–	–	–	–	–
Parent Municipality	–	–	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	47,982	–	–	–	–	–	127,493	**127,493**	**175,476**	49,193	40,631
Total Capital Funding	**47,982**	**–**	**–**	**–**	**–**	**–**	**127,493**	**127,493**	**175,476**	**49,193**	**40,631**

Explanatory notes to MBRR Table E3 – Adjustments Capital Expenditure Budget by asset class and funding - CTICC

1. Table E3 shows a proposes R127.5 million increase relating mainly to the CTICC2 expansion project. The adjustment budget takes into account the revised completion date of the CTICC2 expansion project being November 2017 (previously June 2017).

Table 25 MBRR Table E4 Adjustments Budget - Financial Position - CTICC

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	–	–	–	–	(98,684)	(98,684)	126,694	107,000	83,935
Consumer debtors	–	–	–	–	–	–	–	–	–	–
Other debtors	21,004	–	–	–	–	392	392	21,396	24,027	25,254
Current portion of long-term receivables	–	–	–	–	–	–	–	–	–	–
Inventory	1,862	–	–	–	–	(416)	(416)	1,445	1,659	1,758
Total current assets	**248,244**	**–**	**–**	**–**	**–**	**(98,708)**	**(98,708)**	**149,536**	**132,686**	**110,948**
Non current assets										
Long-term receivables	–	–	–	–	–	–	–	–	–	–
Investments	0	–	–	–	–	–	–	0	0	0
Investment property	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	345,398	–	–	–	–	86,511	86,511	431,909	438,450	433,870
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	–	–	–	–	–
Total non current assets	**345,398**	**–**	**–**	**–**	**–**	**86,511**	**86,511**	**431,909**	**438,450**	**433,870**
TOTAL ASSETS	**593,642**	**–**	**–**	**–**	**–**	**(12,197)**	**(12,197)**	**581,444**	**571,136**	**544,818**
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Consumer deposits	49,100	–	–	–	–	(26,301)	(26,301)	22,799	26,166	27,736
Trade and other payables	56,680	–	–	–	–	13,284	13,284	69,964	86,549	92,198
Provisions	3,673	–	–	–	–	1,704	1,704	5,376	5,828	6,318
Total current liabilities	**109,454**	**–**	**–**	**–**	**–**	**(11,314)**	**(11,314)**	**98,140**	**118,543**	**126,252**
Non current liabilities										
Borrowing	36,821	–	–	–	–	(36,821)	(36,821)	–	–	–
Provisions	731	–	–	–	–	(731)	(731)	–	–	–
Total non current liabilities	**37,552**	**–**	**–**	**–**	**–**	**(37,552)**	**(37,552)**	**–**	**–**	**–**
TOTAL LIABILITIES	**147,006**	**–**	**–**	**–**	**–**	**(48,866)**	**(48,866)**	**98,140**	**118,543**	**126,252**
NET ASSETS	**446,636**	**–**	**–**	**–**	**–**	**36,669**	**36,669**	**483,304**	**452,593**	**418,566**
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	(839,004)	–	–	–	–	44,881	44,881	(794,123)	(824,834)	(858,861)
Reserves	–	–	–	–	–	–	–	–	–	–
Share capital	1,285,640	–	–	–	–	(8,212)	(8,212)	1,277,428	1,277,428	1,277,428
TOTAL COMMUNITY WEALTH/EQUITY	**446,636**	**–**	**–**	**–**	**–**	**36,669**	**36,669**	**483,304**	**452,593**	**418,566**

Table 26 MBRR Table E5 Adjustments Budget - Cash Flows - CTICC

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	268,000	–	–	–	–	(268,000)	(268,000)	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Other revenue	–	–	–	–	–	247,272	247,272	247,272	284,135	302,755
Government - operating	–	–	–	–	–	–	–	–	–	–
Government - capital	–	–	–	–	–	–	–	–	–	–
Interest	11,671	–	–	–	–	–	–	11,671	4,515	4,786
Dividends	–	–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees	(235,621)	–	–	–	–	26,661	26,661	(208,961)	(259,151)	(289,975)
Finance charges	(3,651)	–	–	–	–	3,651	3,651	–	–	–
Dividends paid	–	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**40,398**	**–**	**–**	**–**	**–**	**9,584**	**9,584**	**49,982**	**29,498**	**17,566**
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)	–	–	–	–	(127,493)	(127,493)	(175,476)	(49,193)	(40,631)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(47,982)**	**–**	**–**	**–**	**–**	**(127,493)**	**(127,493)**	**(175,476)**	**(49,193)**	**(40,631)**
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	2,573	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(2,573)**	**–**	**–**	**–**	**–**	**2,573**	**2,573**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(10,157)**	**–**	**–**	**–**	**–**	**(115,336)**	**(115,336)**	**(125,493)**	**(19,694)**	**(23,065)**
Cash/cash equivalents at the year begin:	235,535	–	–	–	–	16,653	16,653	252,188	126,694	107,000
Cash/cash equivalents at the year end:	225,378	–	–	–	–	(98,684)	(98,684)	126,694	107,000	83,935

PART 4 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN STADIUM

The Cape Town Stadium's main MBRR tables are presented on page 55 to page 57.

Table 27 MBRR Table E1 - Adjustments Budget Summary – CT Stadium

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	–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational	–	–	–	43,568	–	–	43,568	43,568	110,314	116,381
Other own revenue	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**–**	**–**	**–**	**43,568**	**–**	**–**	**43,568**	**43,568**	**110,314**	**116,381**
Employee costs	–	–	–	–	–	–	–	–	–	–
Remuneration of Board Members	–	–	–	–	–	263	263	263	632	666
Depreciation and debt impairment	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	–	–	–	–	–	714	714	714	1,807	1,907
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	–	–	–	–	–	42,591	42,591	42,591	107,875	113,809
Total Expenditure	**–**	**–**	**–**	**–**	**–**	**43,568**	**43,568**	**43,568**	**110,314**	**116,381**
Surplus/(Deficit)	**–**	**–**	**–**	**–**	**–**	**(43,568)**	**(0)**	**(0)**	**0**	**–**
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**–**	**–**	**–**	**–**	**–**	**(43,568)**	**(0)**	**(0)**	**0**	**–**
Taxation	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**–**	**–**	**–**	**–**	**–**	**(43,568)**	**(0)**	**(0)**	**0**	**–**
Capital expenditure & funds sources										
Capital expenditure	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–	–
Total sources of capital funds	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Financial position										
Total current assets	–	–	–	–	–	–	–	–	–	–
Total non current assets	–	–	–	43,568	–	–	43,568	43,568	110,314	116,381
Total current liabilities	–	–	–	43,568	–	–	43,568	43,568	110,314	116,381
Total non current liabilities	–	–	–	–	–	–	–	–	–	–
Community wealth/Equity	–	–	–	–	–	–	–	–	–	–
Cash flows										
Net cash from (used) operating	–	–	–	0	–	–	0	0	0	0
Net cash from (used) investing	–	–	–	–	–	–	–	–	–	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**–**	**–**	**–**	**0**	**–**	**–**	**0**	**–**	**0**	**0**

Table 28 MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CT Stadium

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	–	–	–	–	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	43,568	–	–	43,568	43,568	110,314	116,381
Other revenue	–	–	–	–	–	–	–	–		
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**–**	**–**	**–**	**43,568**	**–**	**–**	**43,568**	**43,568**	**110,314**	**116,381**
Expenditure By Type										
Employee related costs	–	–	–	–	–	–	–	–	–	–
Remuneration of Directors	–	–	–	–	–	263	263	263	632	666
Debt impairment	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–
Bulk purchases	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	714	714	714	1,807	1,907
Contracted services	–	–	–	–	–	33,946	33,946	33,946	85,985	90,715
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	–	–	–	–	–	8,645	8,645	8,645	21,890	23,094
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**–**	**–**	**–**	**–**	**–**	**43,568**	**43,568**	**43,568**	**110,314**	**116,381**
Surplus/(Deficit)	**–**	**–**	**–**	**43,568**	**–**	**(43,568)**	**(0)**	**(0)**	**0**	**–**
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	**–**	**–**	**–**	**43,568**	**–**	**(43,568)**	**(0)**	**(0)**	**0**	**–**
Taxation	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**–**	**–**	**–**	**43,568**	**–**	**(43,568)**	**(0)**	**(0)**	**0**	**–**

Table 29 MBRR Table E4 Adjustments Budget - Financial Position – CT Stadium

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	–	–	–	–	–	–	–	–	–	–
Consumer debtors	–	–	–	–	–	–	–	–	–	–
Other debtors	–	–	–	–	–	–	–	–	–	–
Current portion of long-term receivables	–	–	–	–	–	–	–	–	–	–
Inventory	–	–	–	–	–	–	–	–	–	–
Total current assets	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Non current assets										
Long-term receivables	–	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–	–	–	–
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	43,568	–	–	43,568	43,568	110,314	116,381
Total non current assets	**–**	**–**	**–**	**43,568**	**–**	**–**	**43,568**	**43,568**	**110,314**	**116,381**
TOTAL ASSETS	**–**	**–**	**–**	**43,568**	**–**	**–**	**43,568**	**43,568**	**110,314**	**116,381**
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Consumer deposits	–	–	–	–	–	–	–	–	–	–
Trade and other payables	–	–	–	43,568	–	–	43,568	43,568	110,314	116,381
Provisions	–	–	–	–	–	–	–	–	–	–
Total current liabilities	**–**	**–**	**–**	**43,568**	**–**	**–**	**43,568**	**43,568**	**110,314**	**116,381**
Non current liabilities										
Borrowing	–	–	–	–	–	–	–	–	–	–
Provisions	–	–	–	–	–	–	–	–	–	–
Total non current liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL LIABILITIES	**–**	**–**	**–**	**43,568**	**–**	**–**	**43,568**	**43,568**	**110,314**	**116,381**
NET ASSETS	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	–	–	–	–	–	–	–	–	–	–
Reserves	–	–	–	–	–	–	–	–	–	–
Share capital	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, **Lungelo Mbandazayo**, acting municipal manager of the City of Cape Town, hereby certify that the **2017/18 adjustments budget (January 2018)** 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 ________________________________

Acting Municipal Manager of City of Cape Town (CPT)

Signature ________________________________

Date ________________________________