ANNEXURE A

ANNEXURE TO ITEM
C 03/04/17

CITY OF CAPE TOWN

2016/17 ADJUSTMENTS BUDGET

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26 APRIL 2017

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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.

MPRA - Municipal Property Rates Act

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 an April 2017 adjustments budget resulted from the revised Provincial Gazette Extraordinary 7753 as published on Thursday, 30 March 2017 and re-alignment of sundry budgetary provisions resulting from updated implementation programmes.

Further adjustment details are listed below.

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

The reasons for multi-year shifting are inter alia:

- The Provincial Gazette Extraordinary 7753 as published on 30 March 2017; and
- Administrative transfers/virements of budgetary provisions, which were processed up to 4 April 2017, as approved in terms of Council's System of Delegations of Powers and the Virement Policy.

b. Allocations and grant adjustments

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

Capital grants

- No adjustments were made.

Operating grants

- As provided for in the Provincial Gazette Extraordinary 7753 as published on 30 March 2017, the following provincial grant increased in 2016/17:
    - Human Settlements Development Grant (Beneficiaries) (HSDG) increased by R11.6million within the Transport and Urban Development Authority directorate.

      The additional funding is in respect of completed housing projects that require intervention to ensure that Title Deeds will be given to all beneficiaries in such housing developments. This additional funding will be utilised where surveys are required and to pay for transfer costs relating to the registration of these properties into the names of the beneficiaries.

c. Adjust revenue and expenditure estimates upwards/downwards

No adjustments were made.

Recommendations to the municipal council regarding the budget

Taking into consideration the reasons listed in paragraph 1.1, 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 2016/17 financial year and indicative allocations for the two projected outer years 2017/18 and 2018/19, be approved and adopted, as set out in the following tables and annexures:

    i. Operating revenue and expenditure by standard classification reflected in Table 2 on page 6.
    ii. Operating revenue and expenditure by municipal vote reflected in Table 3 on page 8.
    iii. Operating revenue by source and expenditure by type reflected in Table 4 on page 9.
    iv. Multi-year capital appropriations by vote reflected in Table 5 on page 10 and Annexure 2.1 and Annexure 2.2.
    v. Capital expenditure by standard classification reflected in Table 5 on page 10.
    vi. Capital funding by source reflected in Table 5 on page 10.

3. Executive Summary

3.1. General

Matters proposed for incorporation into an adjustments operating- and capital budget, are listed below.

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 made to the operating budget

Full details of proposed amendments to the 2016/17 operating budget are reflected in Annexure 1.1 to this report.

3.3.2. Adjustments made to capital budget

Full details of proposed amendments resulting from approved virements between the finalisation of the recently approved 2016/17 adjustments Budget (March 2017) and those processed before 5 April 2017 in respect of the 2016/17 capital budget are reflected in Annexure 2.2 to this report.

4. Annual Budget Tables – Parent municipality

The ten primary budget tables, as required in terms of Part 4 of the Municipal Budget and Reporting Regulations (MBRR), are presented on page 4 to page 18. These tables reflect the City's 2016/17 adjustments budget (April 2017) and MTREF to be approved by Council.

Table 1 MBRR Table B1 – Adjustments Budget Summary

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	6 959 000	7 577 681	–	–	–	–	–	–	7 577 601	8 054 750	8 638 666
Service charges	16 353 875	16 593 298	–	–	–	–	–	–	16 593 298	20 989 523	23 613 941
Investment revenue	595 694	535 694	–	–	–	–	–	–	595 694	624 661	672 691
Transfers recognised - operational	3 802 940	4 296 766	–	–	–	–	11 558	11 558	4 306 324	4 067 364	4 375 160
Other own revenue	4 489 436	4 431 231	–	–	–	–	–	–	4 431 231	4 649 027	4 941 262
Total Revenue (excluding capital transfers and contributions)	**34 200 144**	**35 494 598**	**–**	**–**	**–**	**–**	**11 558**	**11 558**	**35 586 148**	**38 385 325**	**42 441 921**
Employee costs	18 597 571	10 357 614	–	–	–	–	–	–	10 357 614	11 383 970	12 426 741
Remuneration of councillors	151 063	146 004	–	–	–	–	–	–	146 004	155 495	165 602
Depreciation & asset impairment	2 318 441	2 433 315	–	–	–	–	–	–	2 433 315	2 652 166	2 919 195
Finance charges	895 648	895 848	–	–	–	–	–	–	695 648	985 914	1 169 195
Materials and bulk purchases	6 853 353	9 034 366	–	–	–	–	–	–	9 034 388	18 286 012	11 717 574
Transfers and grants	174 833	121 353	–	–	–	–	–	–	121 353	131 193	138 408
Other expenditure	11 554 349	12 506 068	–	–	–	–	11 556	11 556	12 517 626	12 790 576	13 885 206
Total Expenditure	**34 545 457**	**35 494 598**	**–**	**–**	**–**	**–**	**11 558**	**11 558**	**35 586 148**	**38 385 325**	**42 441 921**
Surplus/(Deficit)	(345 312)	(0)	–	–	–	–	–	–	(0)	–	(0)
Transfers recognised - capital	2 177 040	2 205 071	–	–	–	–	–	–	2 205 071	2 236 742	2 268 253
Contributions recognised - capital & contributed assets	87 800	87 941	–	–	–	–	–	–	67 941	83 908	86 700
Surplus/(Deficit) after capital transfers & contributions	**1 919 528**	**2 293 812**	**–**	**–**	**–**	**–**	**–**	**–**	**2 293 812**	**2 328 642**	**2 354 953**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**1 919 528**	**2 293 812**	**–**	**–**	**–**	**–**	**–**	**–**	**2 293 812**	**2 320 642**	**2 354 953**
Capital expenditure & funds sources											
Capital expenditure	6 581 277	6 359 407	–	–	–	–	–	–	6 359 407	6 130 807	5 906 531
Transfers recognised - capital	2 177 040	2 205 071	–	–	–	–	–	–	2 205 071	2 236 742	2 268 253
Public contributions & donations	87 800	81 341	–	–	–	–	–	–	61 341	83 900	86 700
Borrowing	2 928 696	2 917 150	–	–	–	–	–	–	2 917 150	2 577 459	2 716 971
Internally generated funds	1 387 740	1 155 845	–	–	–	–	–	–	1 155 845	1 232 707	834 607
Total sources of capital funds	**6 581 277**	**6 359 487**	**–**	**–**	**–**	**–**	**–**	**–**	**6 359 487**	**6 138 887**	**5 986 531**
Financial position											
Total current assets	9 170 692	12 586 022	–	–	–	–	–	–	12 586 822	13 097 599	14 687 532
Total non current assets	46 400 477	45 631 675	–	–	–	–	–	–	45 531 675	49 220 228	52 154 613
Total current liabilities	8 502 016	8 814 994	–	–	–	–	–	–	8 814 994	9 056 120	9 694 810
Total non current liabilities	14 329 526	14 458 485	–	–	–	–	–	–	14 458 485	15 796 848	17 327 522
Community wealth/Equity	**32 739 626**	**35 144 218**	**–**	**–**	**–**	**–**	**–**	**–**	**35 144 218**	**37 464 868**	**39 819 813**
Cash flows											
Net cash from (used) operating	4 161 543	4 276 786	–	–	–	–	–	–	4 276 786	4 966 955	5 456 567
Net cash from (used) investing	(5 857 381)	(5 769 691)	–	–	–	–	–	–	(5 769 691)	(5 725 824)	(5 552 161)
Net cash from (used) financing	2 038 733	2 841 248	–	–	–	–	–	–	2 041 248	1 069 798	1 490 026
Cash/cash equivalents at the year end	**1 541 117**	**3 888 811**	**–**	**–**	**–**	**–**	**–**	**–**	**3 888 811**	**4 193 732**	**5 588 165**
Cash backing/surplus reconciliation											
Cash and investments available	7 041 061	10 002 175	–	–	–	–	–	–	10 002 175	10 315 895	11 709 529
Application of cash and investments	4 765 898	6 216 209	–	–	–	–	0	8	6 216 209	6 361 346	6 660 125
Balance - surplus (shortfall)	**2 275 183**	**3 785 966**	**–**	**–**	**–**	**–**	**(8)**	**(8)**	**3 785 966**	**3 953 749**	**5 049 484**
Asset Management											
Asset register summary (WDV)	42 303 219	41 727 067	–	–	–	–	–	–	41 727 067	44 899 168	47 591 177
Depreciation & asset impairment	2 318 441	2 433 315	–	–	–	–	–	–	2 433 315	2 652 166	2 919 195
Renewal of Existing Assets	3 850 187	3 307 367	–	–	–	–	(31 467)	(31 467)	3 275 900	2 836 088	2 770 419
Repairs and Maintenance	3 802 902	3 703 667	–	–	–	–	–	–	3 703 667	3 933 470	4 267 723
Free services											
Cost of Free Basic Services provided	1 452 356	1 452 356	–	–	–	–	–	–	1 452 356	847 250	919 786
Revenue cost of free services provided	1 613 371	1 593 371	–	–	–	–	–	–	1 593 371	1 706 351	1 824 748
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	0	0	–	–	–	–	–	–	8	–	–
Energy:	31	31	–	–	–	–	–	–	31	29	28
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table B1 – Adjustments Budget Summary

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

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

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

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

5. The City's key outcomes in this regard are as follows:
   a. The City's Financial Performance section of the prescribed pro forma Table B1 shows a balanced budget position over the 2016/17 MTREF.
   b. The Financial Performance does not show a surplus, due to appropriations, which are included in the Financial Position (Table B6 – Adjustments Budget Financial Position) and not in the financial performance budget. The appropriations include the depreciation reserves (for capital grants), Housing Development Fund, Insurance Fund and contributions to the Capital Replacement Reserve (CRR).
   c. The cash flow budget outcome shows that budget is funded from uncommitted, previous years' surpluses.
   d. The capital budget is funded from the following sources:
      i. Transfers recognised - capital and public contributions & donations which are shown on the financial performance budget;
      ii. Borrowing, which is shown in the cash flow budget as part of the net cash from financing activities; and
      iii. Internally generated funds are financed from previous years' accumulated surpluses, previous years' contributions to CRR and bulk infrastructure levies already collected. The affordability and sustainability of these funds are confirmed by the positive cash flow outcome over the 2016/17 MTREF.

6. The City's cash backing/surplus reconciliation over the 2016/17 MTREF shows a positive outcome, which is an indication that the City will be able to afford its commitments over the next three years.

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

Table 2 MBRR Table B2 – Adjustments Budget Financial Performance (standard classification)

Standard Description	Budget Year 2816/17									Budget Year +1 2017/18	Budget Year +2 2818/19
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 - Standard											
Governance and administration	12 567 409	13 282 993	–	–	–	–	–	–	13 282 993	14 191 657	15 293 788
Executive and council	314 011	317 354	–	–	–	–	–	–	317 354	332 468	369 610
Budget and treasury office	11 971 769	12 723 229	–	–	–	–	–	–	12 723 229	13 650 412	14 705 480
Corporate services	261 629	242 411	–	–	–	–	–	–	242 411	208 778	218 689
Community and public safety	3 315 492	3 583 068	–	–	–	–	11 558	11 558	3 594 626	3 255 500	3 347 066
Community and social services	96 804	111 746	–	–	–	–	–	–	111 746	114 775	108 640
Sport and recreation	123 770	137 775	–	–	–	–	–	–	137 775	115 444	60 540
Public safety	1 194 620	1 197 453	–	–	–	–	–	–	1 197 453	1 210 762	1 249 609
Housing	1 605 746	1 833 976	–	–	–	–	11 556	11 556	1 845 534	1 476 545	1 551 244
Health	294 552	302 119	–	–	–	–	–	–	302 119	337 974	377 033
Economic and environmental services	1 984 756	2 024 451	–	–	–	–	–	–	2 024 451	1 951 129	1 882 678
Planning and development	305 929	321 020	–	–	–	–	–	–	321 020	319 954	356 094
Road transport	1 592 599	1 694 799	–	–	–	–	–	–	1 694 799	1 629 281	1 524 586
Environmental protection	6 227	8 632	–	–	–	–	–	–	8 632	1 894	1 998
Trading services	18 675 252	18 895 284	–	–	–	–	–	–	18 895 284	21 306 608	24 267 197
Electricity	12 089 547	12 094 347	–	–	–	–	–	–	12 094 347	13 843 971	15 971 943
Water	3 258 167	3 432 435	–	–	–	–	–	–	3 432 435	3 798 565	4 326 159
Waste water management	2 079 484	2 137 540	–	–	–	–	–	–	2 137 540	2 330 677	2 531 907
Waste management	1 248 054	1 230 962	–	–	–	–	–	–	1 230 962	1 333 387	1 437 188
Other	2 876	1 886	–	–	–	–	–	–	1 806	1 080	6 152
Total Revenue - Standard	36 464 984	37 787 682	–	–	–	–	11 558	11 558	37 799 160	40 785 967	44 796 874
Expenditure - Standard											
Governance and administration	6 359 899	6 691 627	–	–	–	–	–	–	6 691 627	7 455 173	8 161 929
Executive and council	1 112 285	1 108 414	–	–	–	–	–	–	1 108 414	1 167 531	1 303 292
Budget and treasury office	2 616 141	2 996 164	–	–	–	–	–	–	2 996 164	3 528 963	3 887 560
Corporate services	2 431 473	2 587 049	–	–	–	–	–	–	2 567 049	2 758 679	2 971 076
Community and public safety	7 662 160	7 894 710	–	–	–	–	11 558	11 558	7 906 268	7 989 313	8 592 609
Community and social services	651 428	634 526	–	–	–	–	–	–	634 526	661 068	739 472
Sport and recreation	1 543 845	1 539 053	–	–	–	–	–	–	1 539 053	1 659 362	1 777 179
Public safety	2 729 102	2 677 711	–	–	–	–	–	–	2 677 711	2 878 013	3 089 757
Housing	1 786 141	2 072 992	–	–	–	–	11 556	11 558	2 084 550	1 754 495	1 878 103
Health	951 643	970 428	–	–	–	–	–	–	970 428	1 016 374	1 106 097
Economic and environmental services	3 829 922	3 928 741	–	–	–	–	–	–	3 928 741	4 160 915	4 441 270
Planning and development	879 635	878 692	–	–	–	–	–	–	678 692	948 367	1 009 502
Road transport	2 831 720	2 927 958	–	–	–	–	–	–	2 927 958	3 088 140	3 297 925
Environmental protection	118 568	122 091	–	–	–	–	–	–	122 091	124 407	133 843
Trading services	16 628 216	16 914 987	–	–	–	–	–	–	16 914 987	18 712 205	21 169 212
Electricity	10 022 681	10 017 089	–	–	–	–	–	–	10 017 089	11 344 281	13 056 100
Water	2 782 122	3 042 394	–	–	–	–	–	–	3 042 394	3 260 296	3 671 120
Waste water management	1 628 232	1 722 944	–	–	–	–	–	–	1 722 944	1 809 292	1 929 247
Waste management	2 195 181	2 132 559	–	–	–	–	–	–	2 132 559	2 298 335	2 512 744
Other	65 268	64 526	–	–	–	–	–	–	64 526	67 720	76 908
Total Expenditure - Standard	34 545 457	35 494 590	–	–	–	–	11 558	11 558	35 506 148	38 385 325	42 441 921
Surplus/ (Deficit) for the year	1 919 528	2 293 012	–	–	–	–	–	–	2 293 812	2 320 642	2 354 953

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

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

2. A surplus of R2 293 million is reflected in this table and includes Capital Grants and Transfers (Capital Grants & Donations) received. The expenditure category excludes these transfers.

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

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

Table 3 MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2016/17									Budget Year +1 2017/10	Budget Year +2 2018/19
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	3 193	5 386	–	–	–	–	–	–	5 386	3 308	3 438
Vote 2 - Assets & Facilities Management	558 494	453 406	–	–	–	–	–	–	453 406	487 983	538 531
Vote 3 - Corporate Services	71 939	72 310	–	–	–	–	–	–	72 310	75 319	80 257
Vote 4 - City Manager	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Directorate of the Mayor	2 145	2 086	–	–	–	–	–	–	2 066	1 153	6 230
Vote 6 - Energy	12 113 461	12 118 281	–	–	–	–	–	–	12 118 261	13 867 086	15 995 059
Vote 7 - Finance	12 139 426	12 898 859	–	–	–	–	–	–	12 898 859	13 842 848	14 897 364
Vote 8 - Informal Settlements, Water & Waste Services	6 735 519	6 940 743	–	–	–	–	–	–	6 940 743	7 619 409	8 388 095
Vote 9 - Safety & Security	1 201 463	1 204 296	–	–	–	–	–	–	1 284 296	1 220 064	1 260 659
Vote 10 - Social Services	772 267	812 630	–	–	–	–	–	–	812 638	845 791	833 529
Vote 11 - Transport & Urban Development Authority	2 867 077	3 279 645	–	–	–	–	11 558	11 558	3 291 203	2 743 885	2 793 719
Total Revenue by Vote	**36 464 904**	**37 787 682**	–	–	–	–	11 550	11 558	37 799 160	48 785 967	44 796 874
Expenditure by Vote											
Vote 1 - Area-Based Service Delivery	214 966	218 642	–	–	–	–	–	–	216 642	236 252	254 379
Vote 2 - Assets & Facilities Management	1 788 181	1 777 822	–	–	–	–	–	–	1 777 822	1 985 186	2 049 385
Vote 3 - Corporate Services	1 851 993	1 874 438	–	–	–	–	–	–	1 674 430	1 781 657	1 927 011
Vote 4 - City Manager	67 873	28 156	–	–	–	–	–	–	28 156	30 168	32 236
Vote 5 - Directorate of the Mayor	432 650	475 189	–	–	–	–	–	–	475 109	505 903	546 879
Vote 6 - Energy	10 172 583	10 155 543	–	–	–	–	–	–	10 155 543	11 494 712	13 219 385
Vote 7 - Finance	3 122 764	3 309 399	–	–	–	–	–	–	3 389 399	3 867 419	4 234 271
Vote 8 - Informal Settlements, Water & Waste Services	6 569 522	6 831 809	–	–	–	–	–	–	6 831 889	7 286 312	8 831 708
Vote 9 - Safety & Security	2 919 995	2 884 135	–	–	–	–	–	–	2 884 135	3 103 571	3 331 384
Vote 18 - Social Services	3 118 184	3 089 842	–	–	–	–	–	–	3 089 842	3 302 948	3 592 727
Vote 11 - Transport & Urban Development Authority	4 583 704	5 050 582	–	–	–	–	11 558	11 558	5 062 060	4 869 206	5 222 564
Total Expenditure by Vote	**34 545 457**	**35 494 590**	–	–	–	–	11 558	11 558	35 586 148	38 385 325	42 441 921
Surplus/ (Deficit) for the year	1 919 528	2 293 012	–	–	–	–	–	–	2 293 812	2 328 642	2 354 953

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

Description	Budget Year 2016/17									Budget Year +1 2817/18	Budget Year +2 2818/19
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-y+ar capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source											
Property rates	6 959 000	7 577 601	–	–	–	–	–	–	7 577 681	8 054 750	8 638 666
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	11 807 918	11 807 918	–	–	–	–	–	–	11 807 918	13 541 320	15 626 682
Service charges - water revenue	3 066 664	3 251 696	–	–	–	–	–	–	3 251 696	3 603 149	3 996 545
Service charges - sanitation revenue	1 628 277	1 691 777	–	–	–	–	–	–	1 691 777	1 872 577	2 078 561
Service charges - refuse revenue	1 232 929	1 216 925	–	–	–	–	–	–	1 216 925	1 318 050	1 421 647
Service charges - other	617 287	624 981	–	–	–	–	–	–	624 981	654 427	698 507
Rental of facilities and equipment	383 550	385 266	–	–	–	–	–	–	385 266	402 298	423 885
Interest earned - external investments	595 694	595 694	–	–	–	–	–	–	595 694	624 661	672 891
Interest earned - outstanding debtors	284 710	244 710	–	–	–	–	–	–	244 718	240 310	237 868
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines	1 055 743	1 855 676	–	–	–	–	–	–	1 055 676	1 116 025	1 177 406
Licences and permits	27 893	35 893	–	–	–	–	–	–	35 893	37 867	39 950
Agency services	153 993	153 993	–	–	–	–	–	–	153 993	153 993	153 993
Transfers recognised - operating	3 802 940	4 296 766	–	–	–	–	11 558	11 558	4 308 324	4 067 364	4 375 160
Other revenue	2 504 046	2 515 192	–	–	–	–	–	–	2 515 192	2 690 179	2 902 867
Gains on disposal of PPE	79 500	40 500	–	–	–	–	–	–	48 500	8 355	6 092
Total Revenue (excluding capital transfers and contributions)	**34 200 144**	**35 494 598**	–	–	–	–	**11 558**	**11 558**	**35 506 148**	**38 385 325**	**42 441 921**
Expenditure By Type											
Employee related costs	10 597 571	10 357 614	–	–	–	–	–	–	10 357 614	11 383 970	12 426 741
Remuneration of councillors	151 063	146 004	–	–	–	–	–	–	146 084	155 495	165 602
Debt impairment	2 003 283	2 257 845	–	–	–	–	–	–	2 257 845	2 410 079	2 553 157
Depreciation & asset impairment	2 318 441	2 433 315	–	–	–	–	–	–	2 433 315	2 652 166	2 919 195
Finance charges	895 848	895 848	–	–	–	–	–	–	895 848	985 914	1 189 195
Bulk purchases	8 515 188	8 515 180	–	–	–	–	–	–	8 515 180	9 696 198	11 107 935
Other materials	338 172	519 207	–	–	–	–	–	–	519 207	589 815	609 639
Contracted services	4 396 163	4 708 789	–	–	–	–	–	–	4 708 789	4 818 063	5 221 462
Transfers and grants	174 833	121 353	–	–	–	–	–	–	121 353	131 193	138 408
Other expenditure	5 154 983	5 539 434	–	–	–	–	11 558	11 558	5 550 892	5 562 433	6 110 587
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**34 545 457**	**35 494 590**	–	–	–	–	**11 558**	**11 558**	**35 586 148**	**38 385 325**	**42 441 921**
Surplus/(Deficit)	**(345 312)**	**(8)**	–	–	–	–	–	–	**(8)**	–	**(8)**
Transfers recognised - capital	2 177 040	2 205 071	–	–	–	–	–	–	2 205 071	2 236 742	2 268 253
Contributions recognised - capital	87 800	81 341	–	–	–	–	–	–	81 341	83 900	86 700
Contributed assets	–	6 600	–	–	–	–	–	–	6 500	–	–
Surplus/(Deficit) before taxation	**1 919 528**	**2 293 012**	–	–	–	–	–	–	**2 293 812**	**2 328 642**	**2 354 953**
Taxation	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	**1 919 528**	**2 293 812**	–	–	–	–	–	–	**2 293 012**	**2 328 642**	**2 354 953**
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	**1 919 528**	**2 293 812**	–	–	–	–	–	–	**2 293 012**	**2 328 642**	**2 354 953**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**1 919 528**	**2 293 012**	–	–	–	–	–	–	**2 293 012**	**2 328 642**	**2 354 953**

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.

2. Transfers recognised- operating increased by R11.5 million as a result of an additional allocation for various housing projects funded from the Human Settlements Development Grant within the Transport and Urban Development Authority directorate.

Table 5 MBRR Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2818/19
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	5 204	12 375	–	–	–	–	–	–	12 375	42 261	39 200
Vote 2 - Assets & Facilities Management	380 223	388 008	–	–	–	–	–	–	388 008	257 536	197 706
Vote 3 - Corporate Services	302 085	257 408	–	–	–	–	–	–	257 408	335 186	332 546
Vote 4 - City Manager	242	322	–	–	–	–	–	–	322	222	222
Vote 5 - Directorate of the Mayor	21 196	22 341	–	–	–	–	–	–	22 341	14 857	1 538
Vote 6 - Energy	1 607 282	1 376 327	–	–	–	–	–	–	1 376 327	1 331 177	1 306 933
Vote 7 - Finance	16 111	24 379	–	–	–	–	–	–	24 379	9 751	8 431
Vote 8 - Informal Settlements, Water & Waste Services	2 055 689	1 949 977	–	–	–	–	–	–	1 949 977	2 850 856	2 085 172
Vote 9 - Safety & Security	138 938	119 749	–	–	–	–	–	–	119 749	63 573	42 115
Vote 10 - Social Services	247 679	264 684	–	–	–	–	–	–	264 684	230 843	168 334
Vote 11 - Transport & Urban Development Authority	1 725 706	1 943 836	–	–	–	–	–	–	1 943 836	1 794 544	1 724 334
Total Capital Expenditure - Vote	**6 581 277**	**6 359 407**	–	–	–	–	–	–	**6 359 487**	**6 130 887**	**5 906 531**
Capital Expenditure - Standard											
Governance and administration	571 966	701 374	–	–	–	–	(118)	(110)	**701 264**	**609 952**	**499 092**
Executive and council	35 849	162 996	–	–	–	–	(69)	(59)	162 926	108 734	63 251
Budget and treasury office	15 997	24 265	–	–	–	–	–	–	24 265	9 752	8 417
Corporate services	520 120	514 114	–	–	–	–	(41)	(41)	514 073	491 465	427 424
Community and public safety	**936 453**	**1 811 968**	–	–	–	–	**110**	**118**	**1 012 078**	**856 889**	**803 689**
Community and social services	69 742	88 770	–	–	–	–	(1 000)	(1 000)	87 770	93 107	76 196
Sport and recreation	148 513	166 802	–	–	–	–	1 055	1 055	167 857	102 737	47 251
Public safety	185 098	169 867	–	–	–	–	55	55	169 922	121 181	185 475
Housing	499 611	562 338	–	–	–	–	–	–	562 338	494 980	515 096
Health	33 490	24 191	–	–	–	–	–	–	24 191	44 883	59 671
Economic and environmental services	**1 534 557**	**1 587 837**	–	–	–	–	–	–	**1 507 837**	**1 497 113**	**1 361 978**
Planning and development	70 524	69 666	–	–	–	–	–	–	69 666	36 004	53 475
Road transport	1 448 117	1 426 123	–	–	–	–	–	–	1 426 123	1 444 621	1 297 331
Environmental protection	15 915	12 048	–	–	–	–	–	–	12 048	16 488	11 172
Trading services	**3 458 381**	**3 138 227**	–	–	–	–	–	–	**3 138 227**	**3 166 854**	**3 241 772**
Electricity	1 536 812	1 305 937	–	–	–	–	–	–	1 305 937	1 260 277	1 233 833
Water	883 225	912 219	–	–	–	–	29 875	29 875	942 094	774 032	854 550
Waste water management	800 774	737 990	–	–	–	–	(29 875)	(29 875)	708 115	766 375	824 801
Waste management	237 491	182 081	–	–	–	–	–	–	182 081	366 168	328 589
Other	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard	**6 501 277**	**6 359 407**	–	–	–	–	–	–	**6 359 407**	**6 130 807**	**5 986 531**
Funded by:											
National Government	2 079 122	2 152 751	–	–	–	–	–	–	2 152 751	2 157 999	2 142 928
Provincial Government	97 918	52 320	–	–	–	–	–	–	52 320	78 743	125 325
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Total Capital transfers recognised	**2 177 040**	**2 205 871**	–	–	–	–	–	–	**2 205 071**	**2 236 742**	**2 268 253**
Public contributions & donations	87 800	81 341	–	–	–	–	–	–	81 341	83 900	86 700
Borrowing	2 926 696	2 917 150	–	–	–	–	–	–	2 917 150	2 577 459	2 716 971
Internally generated funds	1 307 740	1 155 845	–	–	–	–	–	–	1 155 845	1 232 707	834 607
Total Capital Funding	**6 501 277**	**6 359 487**	–	–	–	–	–	–	**6 359 487**	**6 130 807**	**5 906 531**

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 R6 359 million, R6 131 million and R5 907 million respectively over the MTREF.

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), other transfers and grants and public contributions amount to R2 205 million (34.7%) in 2016/17, R2 237 million and R2 268 million in 2017/18 and 2018/19 respectively. Internally generated funds amounting to R1 156 million, R1 233 million and R835 million for each of the respective financial years have been provided for in the MTREF. Borrowings amount to R2 917 million, R2 577 million and R2 717 million for each of the respective financial years.

Table 6 MBRR Table B6 – Adjustments Budget Financial Position

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	103 411	103 411	–	–	–	–	–	–	103 411	103 844	146 904
Call investment deposits	2 908 391	5 843 267	–	–	–	–	–	–	5 843 267	5 936 846	7 043 512
Consumer debtors	4 903 207	5 351 344	–	–	–	–	–	–	5 351 344	5 591 654	5 829 522
Other debtors	894 630	987 052	–	–	–	–	–	–	987 052	1 135 110	1 305 376
Current portion of long-term receivables	21 871	17 948	–	–	–	–	–	–	17 948	18 845	19 787
Inventory	339 182	283 000	–	–	–	–	–	–	263 000	311 300	342 430
Total current assets	**9 170 692**	**12 586 022**	–	–	–	–	–	–	**12 586 022**	**13 097 599**	**14 687 532**
Non current assets											
Long-term receivables	67 980	49 110	–	–	–	–	–	–	49 110	46 655	44 322
Investments	4 029 279	4 055 497	–	–	–	–	–	–	4 055 497	4 274 405	4 519 113
Investment property	589 382	568 191	–	–	–	–	–	–	588 191	588 191	588 191
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	40 996 392	40 500 666	–	–	–	–	–	–	40 500 666	43 672 767	46 364 776
Agricultural	–	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	708 383	629 162	–	–	–	–	–	–	629 162	629 162	629 162
Other non-current assets	9 062	9 049	–	–	–	–	–	–	9 049	9 049	9 049
Total non current assets	**46 400 477**	**45 831 675**	–	–	–	–	–	–	**45 831 675**	**49 220 228**	**52 154 613**
TOTAL ASSETS	**55 571 170**	**58 417 697**	–	–	–	–	–	–	**58 417 697**	**62 317 827**	**66 842 145**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	501 208	501 208	–	–	–	–	–	–	501 208	530 326	649 886
Consumer deposits	329 432	357 096	–	–	–	–	–	–	357 096	392 806	432 087
Trade and other payables	6 579 621	6 812 564	–	–	–	–	–	–	6 812 564	6 908 773	7 302 928
Provisions	1 091 755	1 144 126	–	–	–	–	–	–	1 144 126	1 224 215	1 309 910
Total current liabilities	**8 502 016**	**8 814 994**	–	–	–	–	–	–	**8 814 994**	**9 058 120**	**9 694 818**
Non current liabilities											
Borrowing	8 058 439	8 058 439	–	–	–	–	–	–	8 058 439	9 079 089	10 456 698
Provisions	6 271 089	6 400 046	–	–	–	–	–	–	6 400 046	6 717 759	6 870 824
Total non current liabilities	**14 329 528**	**14 458 485**	–	–	–	–	–	–	**14 458 485**	**15 796 848**	**17 327 522**
TOTAL LIABILITIES	**22 831 544**	**23 273 479**	–	–	–	–	–	–	**23 273 479**	**24 852 968**	**27 022 332**
NET ASSETS	**32 739 626**	**35 144 218**	–	–	–	–	–	–	**35 144 218**	**37 464 860**	**39 819 813**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	31 269 262	32 173 625	–	–	–	–	–	–	32 173 625	34 691 153	36 860 282
Reserves	1 470 363	2 970 593	–	–	–	–	–	–	2 970 593	2 773 707	2 959 530
Minorities' interests	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**32 739 626**	**35 144 218**	–	–	–	–	–	–	**35 144 218**	**37 464 868**	**39 819 813**

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 7 MBRR Table B7 – Adjustments Budget Cash Flow Statement

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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, penalties & collection charges	6 864 644	7 392 306	–	–	–	–	–	–	7 392 306	7 844 260	8 508 197
Service charges	16 910 000	16 975 854	–	–	–	–	–	–	16 975 854	19 255 364	21 970 479
Other revenue	3 205 429	3 156 890	–	–	–	–	–	–	3 156 890	3 361 777	3 607 100
Government - operating	3 802 940	3 888 895	–	–	–	–	11 558	11 558	3 900 453	4 067 364	4 375 160
Government - capital	2 264 840	2 286 412	–	–	–	–	–	–	2 286 412	2 320 642	2 354 953
Interest	595 694	595 694	–	–	–	–	–	–	595 694	624 661	672 891
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments	–	–	–	–	–	–	–	–	–	–	–
Suppliers and employees	(28 554 433)	(29 082 794)	–	–	–	–	(11 558)	(11 558)	(29 094 352)	(31 445 593)	(34 795 235)
Finance charges	(812 118)	(812 118)	–	–	–	–	–	–	(812 118)	(928 327)	(1 098 571)
Transfers and Grants	(115 154)	(124 353)	–	–	–	–	–	–	(124 353)	(131 193)	(138 408)
NET CASH FROM/(USED) OPERATING ACTIVITIES	4 161 843	4 276 786	–	–	–	–	–	–	4 276 786	4 968 955	5 456 567
CASH FLOWS FROM INVESTING ACTIVITIES	–	–	–	–	–	–	–	–	–	–	–
Receipts	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE	79 500	40 500	–	–	–	–	–	–	40 500	8 355	6 092
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	3 578	2 585	–	–	–	–	–	–	2 565	2 456	2 330
Decrease (increase) in non-current investments	(89 310)	(69 310)	–	–	–	–	–	–	(89 310)	(216 908)	(244 708)
Payments	–	–	–	–	–	–	–	–	–	–	–
Capital assets	(5 851 149)	(5 723 466)	–	–	–	–	–	–	(5 723 466)	(5 517 726)	(5 315 878)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(5 857 381)	(5 769 691)	–	–	–	–	–	–	(5 769 691)	(5 725 824)	(5 552 161)
CASH FLOWS FROM FINANCING ACTIVITIES	–	–	–	–	–	–	–	–	–	–	–
Receipts	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2 500 000	2 500 000	–	–	–	–	–	–	2 500 000	1 500 000	2 000 000
Increase (decrease) in consumer deposits	29 948	32 463	–	–	–	–	–	–	32 463	35 710	39 281
Payments	–	–	–	–	–	–	–	–	–	–	–
Repayment of borrowing	(491 216)	(491 216)	–	–	–	–	–	–	(491 216)	(465 919)	(549 253)
NET CASH FROM/(USED) FINANCING ACTIVITIES	2 038 733	2 041 248	–	–	–	–	–	–	2 041 248	1 069 790	1 490 028
NET INCREASE/ (DECREASE) IN CASH HELD	343 195	548 342	–	–	–	–	–	–	548 342	312 921	1 394 434
Cash/cash equivalents at the year begin:	1 197 922	3 302 469	–	–	–	–	–	–	3 032 469	3 880 811	4 193 732
Cash/cash equivalents at the year end:	1 541 117	3 680 811	–	–	–	–	–	–	3 880 811	4 193 732	5 588 165

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 2016/17 to 2018/19 MTREF.

2. Cash and cash equivalents over the medium-term with cash levels are anticipated to exceed R3 881 million in 2016/17, R4 194 million in 2017/18 and R5 588 million in 2018/19.

Table 8 MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

Description	Budget Year 2016/17									Budget Year +1 2817/18	Budget Year +2 2018/19
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prou. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available											
Cash/cash equivalents at the year end	1 541 117	3 880 811	–	–	–	–	(8)	(0)	3 880 811	4 193 732	5 588 165
Other current investments > 90 days	1 478 685	2 065 867	–	–	–	–	8	0	2 065 867	1 846 958	1 602 251
Non current assets - Investments	4 829 279	4 055 497	–	–	–	–	–	–	4 055 497	4 274 405	4 519 113
Cash and investments available	7 041 081	18 082 175	–	–	–	–	–	–	10 002 175	10 315 095	11 709 529
Applications of cash and investments	–	–	–	–	–	–	–	–	–	–	–
Unspent conditional transfers	1 680 902	1 309 897	–	–	–	–	–	–	1 309 897	1 436 298	1 577 096
Unspent borrowing	–	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	(440 561)	(328 691)	–	–	–	–	–	–	(328 691)	(735 184)	(905 893)
Other provisions	–	–	–	–	–	–	–	–	–	–	–
Long term investments committed	2 014 640	2 052 139	–	–	–	–	0	0	2 052 139	2 265 047	2 583 755
Reserves to be backed by cash/investments	1 598 917	3 182 864	–	–	–	–	–	–	3 182 864	3 395 185	3 485 167
Total Application of cash and investments	4 765 898	6 216 209	–	–	–	–	8	0	6 216 209	6 361 346	6 668 125
Surplus(shortfall)	2 275 183	3 785 966	–	–	–	–	(8)	(0)	3 785 966	3 953 749	5 049 404

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 2016/17 MTREF.

5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2016/17 MTREF is fully funded.

6. As part of the budgeting and planning guidelines that informed the compilation of the 2016/17 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 R3 786 million in 2016/17 increasing to R5 049 million by 2018/19.

Table 9 MBRR Table B9 - Asset Management

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	3 451 089	3 052 040	–	–	–	–	31 467	31 467	3 083 507	3 294 719	3 136 111
Infrastructure - Road transport	820 980	844 509	–	–	–	–	9 631	9 631	854 140	941 223	763 401
Infrastructure - Electricity	636 292	550 575	–	–	–	–	(760)	(760)	549 815	540 618	518 500
Infrastructure - Water	315 421	252 301	–	–	–	–	32 202	32 202	284 503	294 700	371 145
Infrastructure - Sanitation	301 175	233 019	–	–	–	–	(3 603)	(3 603)	229 416	218 998	276 535
Infrastructure - Other	306 503	197 881	–	–	–	–	12 034	12 034	209 914	361 005	520 838
Infrastructure	2 380 370	2 078 284	–	–	–	–	49 503	49 503	2 127 788	2 356 543	2 450 419
Community	155 615	79 873	–	–	–	–	(853)	(853)	79 020	204 254	201 410
Heritage assets	–	–	–	–	–	–	–	–	–	–	–
Investment properties	–	81	–	–	–	–	–	–	81	–	–
Other assets	915 104	893 301	–	–	–	–	(17 183)	(17 183)	876 118	733 922	484 282
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	–	500	–	–	–	–	–	–	500	–	–
Total Renewal of Existing Assets to be adjusted	3 050 187	3 307 367	–	–	–	–	(31 467)	(31 467)	3 275 900	2 836 088	2 770 419
Infrastructure - Road transport	589 080	660 950	–	–	–	–	(9 631)	(9 631)	651 318	566 881	481 733
Infrastructure - Electricity	664 046	604 340	–	–	–	–	240	240	604 581	585 724	589 448
Infrastructure - Water	282 167	411 087	–	–	–	–	–	–	411 087	346 293	390 836
Infrastructure - Sanitation	507 702	508 322	–	–	–	–	(16 171)	(16 171)	492 151	558 421	692 550
Infrastructure - Other	93 610	85 216	–	–	–	–	–	–	85 216	75 085	75 060
Infrastructure	2 136 604	2 269 916	–	–	–	–	(25 562)	(25 562)	2 244 353	2 132 404	2 229 627
Community	242 403	293 409	–	–	–	–	111	111	293 520	164 399	114 071
Heritage assets	47 208	40 429	–	–	–	–	–	–	40 429	9 250	1 800
Investment properties	–	–	–	–	–	–	–	–	–	–	–
Other assets	618 723	699 163	–	–	–	–	(6 015)	(6 015)	693 148	507 779	416 172
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	5 250	4 450	–	–	–	–	–	–	4 450	22 256	8 750
Total Capital Expenditure to be adjusted											
Infrastructure - Road transport	1 410 059	1 505 458	–	–	–	–	–	–	1 505 458	1 508 103	1 245 134
Infrastructure - Electricity	1 300 337	1 154 915	–	–	–	–	(520)	(520)	1 154 396	1 126 342	1 107 948
Infrastructure - Water	597 588	663 389	–	–	–	–	32 202	32 202	695 590	640 993	761 982
Infrastructure - Sanitation	808 877	741 341	–	–	–	–	(19 775)	(19 775)	721 566	777 419	969 085
Infrastructure - Other	400 113	283 097	–	–	–	–	12 034	12 034	295 130	436 090	595 898
Infrastructure	4 516 974	4 348 200	–	–	–	–	23 941	23 941	4 372 141	4 488 947	4 680 046
Community	398 018	373 283	–	–	–	–	(743)	(743)	372 540	368 653	315 481
Heritage assets	47 208	40 429	–	–	–	–	–	–	40 429	9 250	1 800
Investment properties	–	81	–	–	–	–	–	–	81	–	–
Other assets	1 533 826	1 592 464	–	–	–	–	(23 198)	(23 198)	1 569 266	1 241 701	900 454
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	5 250	4 950	–	–	–	–	–	–	4 950	22 256	8 750
TOTAL CAPITAL EXPENDITURE to be adjusted	6 501 277	6 359 407	–	–	–	–	–	–	6 359 407	6 130 807	5 906 531
ASSET REGISTER SUMMARY - PPE (WDV)											
Infrastructure - Road transport	9 755 319	9 665 009	–	–	–	–	–	–	9 665 009	10 361 990	10 759 049
Infrastructure - Electricity	6 625 643	6 580 479	–	–	–	–	–	–	6 580 479	7 313 281	7 977 103
Infrastructure - Water	2 571 096	2 676 051	–	–	–	–	–	–	2 676 051	3 027 615	3 419 663
Infrastructure - Sanitation	3 203 547	3 100 871	–	–	–	–	–	–	3 100 871	3 589 699	4 243 129
Infrastructure - Other	3 224 499	3 206 478	–	–	–	–	–	–	3 206 478	3 476 202	3 887 504
Infrastructure	25 380 104	25 228 888	–	–	–	–	–	–	25 228 888	27 768 787	30 286 448
Community	5 847 113	8 013 383	–	–	–	–	–	–	8 013 383	7 647 074	7 179 716
Heritage assets	9 062	9 049	–	–	–	–	–	–	9 049	9 049	9 049
Investment properties	589 382	588 191	–	–	–	–	–	–	588 191	588 191	588 191
Other assets	9 769 175	7 258 394	–	–	–	–	–	–	7 258 394	8 256 906	8 898 612
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	708 383	629 162	–	–	–	–	–	–	629 162	629 162	629 162
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	42 303 219	41 727 067	–	–	–	–	–	–	41 727 067	44 899 168	47 591 177

Table continues on next page.

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unauoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	2 316 441	2 433 315	–	–	–	–	–	–	2 433 315	2 652 166	2 919 195
Repairs and Maintenance by asset class	**3 802 902**	**3 783 667**	–	–	–	–	–	–	**3 703 667**	**3 933 470**	**4 267 723**
Infrastructure - Road transport	824 573	884 603	–	–	–	–	–	–	884 603	940 553	1 035 053
Infrastructure - Electricity	570 091	544 991	–	–	–	–	–	–	544 991	577 811	641 618
Infrastructure - Water	87 236	81 719	–	–	–	–	–	–	81 719	86 786	92 166
Infrastructure - Sanitation	532 007	470 051	–	–	–	–	–	–	470 051	498 722	529 147
Infrastructure - Other	519 718	363 378	–	–	–	–	–	–	363 378	385 165	423 433
Infrastructure	2 533 524	2 344 742	–	–	–	–	–	–	2 344 742	2 489 037	2 721 418
Community	540 574	544 941	–	–	–	–	–	–	544 941	578 951	615 098
Heritage assets	11	1 319	–	–	–	–	–	–	1 319	1 404	1 496
Investment properties	–	–	–	–	–	–	–	–	–	–	–
Other assets	728 694	812 665	–	–	–	–	–	–	812 665	864 077	929 711
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	**6 121 343**	**6 136 982**	–	–	–	–	–	–	**6 136 982**	**6 585 636**	**7 186 918**
Renewal of Existing Assets as % of total capex	46.9%	52.0%	-	-	-	-	-	-	51.5%	46.3%	46.9%
Renewal of Existing Assets as % of deprecn"	131.6%	135.9%	-	-	-	-	-	-	134.6%	106.9%	94.9%
R&M as a % of PPE	9.0%	8.9%	-	-	-	-	-	-	8.9%	8.6%	9.0%
Renewal and R&M as a % of PPE	16.2%	16.8%	-	-	-	-	-	-	16.7%	15.1%	14.8%

Explanatory notes to Table B9 – Asset Management

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

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

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

4. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the City's strategy to address the maintenance backlog.

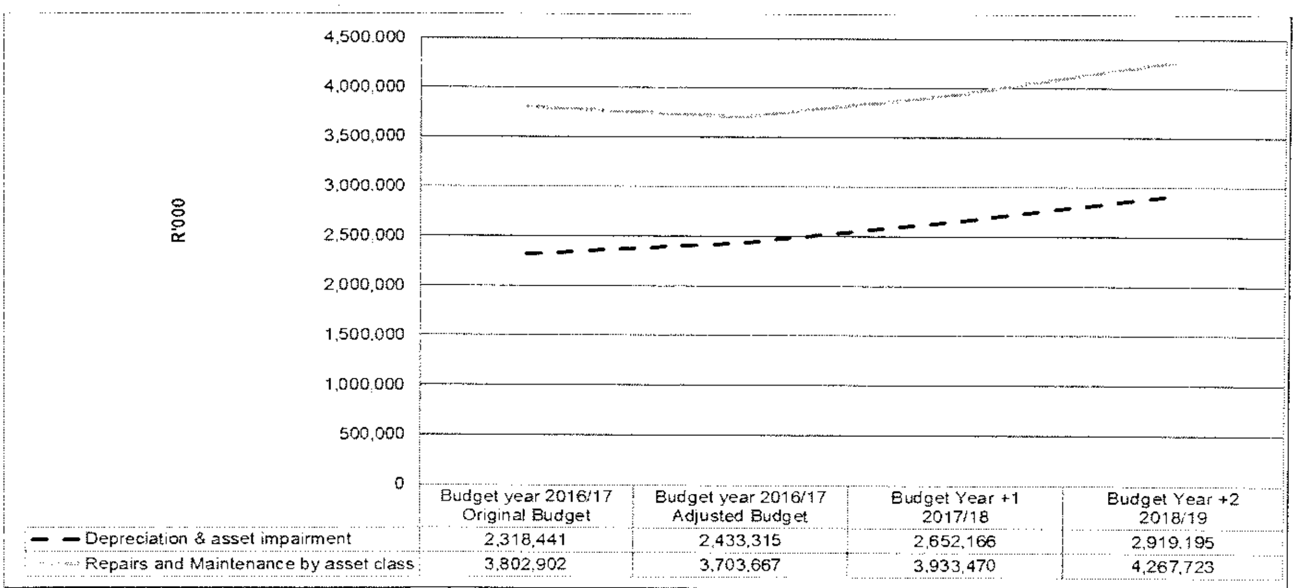

Figure 1 Depreciation in relation to Repairs & Maintenance over the MTREF

Table 10 MBRR Table B10 - Basic Service Delivery Measurement

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year	Unfore. Unavoid.	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets											
Water:											
Piped water inside dwelling	988 643	988 643	–	–	–	–	–	–	988 643	998 693	1 008 298
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	158 433	158 433	–	–	–	–	–	–	158 433	160 044	161 583
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	1 147 076	1 147 076	–	–	–	–	–	–	1 147 076	1 158 737	1 169 881
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**1 147 076**	**1 147 076**	–	–	–	–	–	–	**1 147 076**	**1 158 737**	**1 169 881**
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1 070 076	1 070 076	–	–	–	–	–	–	1 070 076	1 085 737	1 099 881
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	–	–
Chemical toilet	23 964	23 964	–	–	–	–	–	–	23 964	23 964	23 964
Pit toilet (ventilated)	65	65	–	–	–	–	–	–	65	65	65
Other toilet provisions (> min.service level)	52 754	52 754	–	–	–	–	–	–	52 754	48 971	45 971
Minimum Service Level and Above sub-total	1 146 859	1 146 859	–	–	–	–	–	–	1 146 859	1 158 737	1 169 881
Bucket toilet	217	217	–	–	–	–	–	–	217	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	217	217	–	–	–	–	–	–	217	–	–
Total number of households	**1 147 076**	**1 147 076**	–	–	–	–	–	–	**1 147 076**	**1 158 737**	**1 169 881**
Energy:											
Electricity (at least min. service level)	854 902	854 902	–	–	–	–	–	–	854 902	856 402	857 902
Electricity - prepaid (> min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	854 902	854 902	–	–	–	–	–	–	854 902	856 402	857 902
Electricity (< min.service level)	30 841	30 841	–	–	–	–	–	–	30 841	29 341	27 841
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	30 841	30 841	–	–	–	–	–	–	30 841	29 341	27 841
Total number of households	**885 743**	**885 743**	–	–	–	–	–	–	**885 743**	**885 743**	**885 743**
Refuse:											
Removed at least once a week (min.service)	975 507	975 507	–	–	–	–	–	–	975 507	995017	1014917
Minimum Service Level and Above sub-total	975 507	975 507	–	–	–	–	–	–	975 507	995 017	1 014 917
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	**975 507**	**975 507**	–	–	–	–	–	–	**975 507**	**995 017**	**1 014 917**
Households receiving Free Basic Service											
Water (6 kilolitres per household per month)	222 098	222 098	–	–	–	–	–	–	222 098	222 098	222 098
Sanitation (free minimum level service)	222 098	222 098	–	–	–	–	–	–	222 098	222 098	222 098
Electricity/other energy (50kwh per household per month)	231 645	231 645	–	–	–	–	–	–	231 645	232 545	233 445
Refuse (removed at least once a week)	302 957	302 957	–	–	–	–	–	–	302 957	310 534	318 278
Cost of Free Basic Services provided - Formal Settlements (R'000)											
Water (6 kilolitres per indigent household per month)	212 041	212 041	–	–	–	–	–	–	212 041	235 366	261 256
Sanitation (free sanitation service to indigent households)	143 728	143 728	–	–	–	–	–	–	143 728	159 538	177 087
Electricity/other energy (50kwh per indigent household per month)	189 657	189 657	–	–	–	–	–	–	189 657	203 998	219 436
Refuse (removed once a week for indigent households)	235 401	235 401	–	–	–	–	–	–	235 401	248 348	262 007
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	671 529	671 529	–	–	–	–	–	–	671 529	737 533	802 443
Total cost of FBS provided	**1 452 356**	**1 452 356**	–	–	–	–	–	–	**1 452 356**	**1 584 783**	**1 722 229**
Highest level of free service provided											
Property rates (R'000 value threshold)	–	–	–	–	–	–	–	–	–	–	–
Water (kilolitres per household per month)	6	6	–	–	–	–	–	–	6	6	6
Sanitation (kilolitres per household per month)	4.2	4.2	–	–	–	–	–	–	4	4	4
Sanitation (Rand per household per month)	102	102	–	–	–	–	–	–	102	107	119
Electricity (kw per household per month)	60	60	–	–	–	–	–	–	60	60	60
Refuse (average litres per week)	240	240	–	–	–	–	–	–	240	240	240
Revenue cost of subsidised services provided (R'000)											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	76 186	76 186	–	–	–	–	–	–	76 186	80 986	85 910
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	1 247 403	1 227 403	–	–	–	–	–	–	1 227 403	1 304 969	1 384 531
Water (in excess of 6 kilolitres per indigent household per month)	159 031	159 031	–	–	–	–	–	–	159 031	176 524	195 942
Sanitation (in excess of free sanitation service to indigent households)	107 796	107 796	–	–	–	–	–	–	107 796	119 653	132 815
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	22 955	22 955	–	–	–	–	–	–	22 955	24 218	25 550
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	**1 613 371**	1 593 371	–	–	–	–	–	–	1 593 371	1 706 351	1 824 748

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 are as follows:
   a. Water services – Cape Town's population, both formal and informal settlements, receives potable water in accordance with the National minimum standards as required by the Water Services Act 108 (of 1997). Backlogs reflected in the 2012/13 and 2013/14 financial years were based on the City's standards and not National standards.
   b. Sanitation services – Cape Town's population, both formal and informal settlements, receives sanitation services in accordance with the National minimum standards. Funding is still provided to further improve the service levels in Informal Settlements in line with the City's strategy. The bucket toilet value of 217 households reflected in the 'below minimum standards' category in the 2016/17 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 planned 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 bucket toilets could be removed, bringing the amount down from 377 to 217 households. Initiatives to remove the remaining ones are ongoing.
   c. Electricity services – The electrification strategy is to reduce the backlog by 1 500 annually. The electricity backlog is expected to reduce from 32 341 households in 2015/16 to 30 841 households in 2016/17.
   d. Refuse services – This service 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 the table above were amended to mirror the information in the approved Table A10, which formed part of the 2016/17 budget document submitted to Council in May 2016.

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

Electricity (applicable to customers on the Lifeline tariff ONLY – other customers do not qualify)
Each household with a property value of less than R1 million and a prepaid meter receives a monthly 60 kWh free electricity if they normally buy less than 250 kWh per month; or 25 kWh free electricity if they normally buy between 250 and 450 kWh per month.

Solid Waste
- Waste removal – Consumers whose properties are valued below R400 000 receive rebates between 0% and 100% on the first 240 ℓ 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 240 ℓ container.

Adjustments to budget assumptions

The budget assumptions underpinning the 2016/17 budget do not require any adjustments at this stage. In this regard, primary variables such as CPI, collection ratios, interest levels and wage awards remain unchanged.

6. *Adjustments to budget funding*

a. **Narrative summary of the impact of the adjustments budget on:**
   - **Funding of operating and capital expenditure**
     Both capital- and operating 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**
     No adjustments were deemed necessary.

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

   See Table 1 on page 4.

c. **Adjustments related to allocations and grants to the municipality**

   Refer to **Allocations and grant adjustments** on page 1.

7. *Adjustments to transfers and grants made by the City*

No adjustments were made.

8. *Adjustments to councilors and board members allowances and employee benefits*

No adjustments were made.

9. *Adjustments to service delivery and budget implementation plan*

No adjustments were made.

10. *Adjustments to capital expenditure*

Disclosures on adjustments to the capital budget resulting from approved virements are provided in Annexure 2.2.

PART 2 - ADJUSTMENTS BUDGET: CONSOLIDATED TABLES

The consolidated tables of the City and its entity, Cape Town International Convention Centre (CTICC), are presented on page 21 to page 32.

Table 11 MBRR Table B1 Consolidated Adjustments Budget – Statement Summary

Description R thousands	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
	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	6 959 000	7 577 601	-	-	–	-	–	–	7 577 601	8 054 750	8 638 666
Service charges	18 353 075	18 593 298	-	-	–	-	–	-	18 593 298	20 989 523	23 813 941
Investment revenue	610 776	619 314	-	-	–	-	–	–	619 314	636 332	682 991
Transfers recognised - operational	3 602 940	4 296 986	-	–	–	–	11 558	11 558	4 308 544	4 067 364	4 375 160
Other own revenue	4 707 286	4 641 926	-	–	–	–	-	-	4 641 928	4 921 607	5 209 545
Total Revenue (excluding capital transfers and contributions)	**34 433 879**	35 729 128	-	-	–	–	**11 558**	**11 558**	35 748 686	38 669 777	42 720 384
Employee costs	10 670 840	10 428 887	-	-	–	–	-	-	10 428 887	11 465 352	12 513 766
Remuneration of councillors	152 117	146 941	-	-	–	–	–	–	146 941	156 299	166 458
Depreciation & asset impairment	2 347 797	2 464 404	-	-	-	–	–	–	2 464 404	3 355 034	2 956 562
Finance charges	895 848	896 796	-	-	-	–	–	–	696 798	989 566	1 192 590
Materials and bulk purchases	8 853 353	9 034 388	-	-	-	-	-	–	9 034 388	10 286 012	11 717 574
Transfers and grants	174 833	121 353	–	–	–	-	-	–	121 353	131 193	138 408
Other expenditure	11 701 644	12 624 269	-	–	–	-	11 558	11 558	12 635 827	12 958 522	14 053 985
Total Expenditure	**34 796 431**	**35 717 440**	–	–	–	-	**11 558**	**11 558**	**35 728 598**	**39 341 978**	**42 739 364**
Surplus/(Deficit)	(363 352)	12 088	-	-	–	–	–	–	12 088	(672 202)	(19 060)
Transfers recognised - capital	2 177 040	2 205 071	-	-	–	–	–	–	2 205 071	2 236 742	2 268 253
Contributions recognised - capital & contributed assets	87 800	87 941	–	-	–	-	–	–	87 941	83 900	86 700
Surplus/(Deficit) after capital transfers & contributions	**1 901 488**	**2 305 188**	-	-	-	-	–	–	**2 305 100**	**1 648 440**	**2 335 893**
Share of surplus/ (deficit) of associate	-	–	-	–	-	-	-	–	–	–	–
Surplus/ (Deficit) for the year	**1 901 488**	**2 305 188**	-	-	-	-	–	-	**2 385 188**	**1 648 440**	**2 335 833**
Capital expenditure & funds sources											
Capital expenditure	6 774 256	6 771 355	-	–	-	-	–	–	6 771 355	6 178 789	5 951 974
Transfers recognised - capital	2 177 040	2 205 071	-	-	-	-	–	–	2 205 071	2 236 742	2 268 253
Public contributions & donations	87 800	81 341	–	–	–	-	-	–	81 341	83 900	86 700
Borrowing	2 988 696	2 957 150	-	–	–	-	-	–	2 957 150	2 577 459	2 716 971
Internally generated funds	1 520 720	1 527 793	-	–	–	-	–	–	1 527 793	1 280 689	880 050
Total sources of capital funds	**6 774 256**	**6 771 355**	-	-	-	–	–	-	**6 771 355**	**6 178 789**	5 951 974
Financial position											
Total current assets	9 408 864	12 839 193	–	–	–	-	-	–	12 839 193	13 351 697	14 912 321
Total non current assets	46 715 476	45 504 360	–	–	–	-	-	–	45 504 360	48 892 912	51 835 372
Total current liabilities	8 592 590	8 902 831	–	–	–	-	-	–	8 902 831	9 153 922	9 803 270
Total non current liabilities	14 385 943	14 498 610	–	–	–	-	-	–	14 498 610	15 834 400	17 362 245
Community wealth/Equity	**33 145 887**	**34 942 112**	-	-	-	-	-	–	**34 942 112**	37 246 286	39 582 179
Cash flows	-	-	-	-	–	–	–	–	–	–	–
Net cash from (used) operating	4 180 508	4 265 069	-	-	–	–	–	–	4 265 069	5 015 207	5 476 086
Net cash from (used) investing	(6 130 361)	(6 181 640)	-	-	–	–	–	–	(6 181 540)	(5 773 806)	(5 597 604)
Net cash from (used) financing	2 375 150	2 281 854	-	-	–	–	–	–	2 281 854	1 067 217	1 487 198
Cash/cash equivalents at the year end	**1 772 659**	**3 847 191**	-	-	–	-	-	-	**3 847 191**	**4 189 428**	**5 555 189**
Cash backing/surplus reconciliation											
Cash and investments available	6 608 523	8 909 510	–	–	-	-	–	–	8 909 510	9 873 612	11 239 293
Application of cash and investments	4 861 906	6 293 757	–	–	-	-	0	0	6 293 757	6 393 115	6 693 165
Balance - surplus (shortfall)	**1 746 617**	**2 615 753**	-	-	-	–	(8)	(8)	**2 615 753**	**3 480 497**	**4 546 123**
Asset Management											
Asset register summary (WDV)	42 303 219	42 358 935	–	–	–	–	-	–	42 358 935	44 899 168	47 591 177
Depreciation & asset impairment	2 347 797	2 464 404	–	–	–	-	-	–	2 464 404	3 355 034	2 956 562
Renewal of Existing Assets	3 066 540	3 327 853	–	–	-	-	(31 467)	(31 467)	3 296 386	2 862 140	2 801 380
Repairs and Maintenance	3 612 039	3 712 820	–	–	–	-	-	–	3 712 820	3 947 443	4 282 605
Free services											
Cost of Free Basic Services provided	1 452 356	1 452 356	-	-	–	–	–	–	1 452 356	847 250	919 786
Revenue cost of free services provided	1 613 371	1 593 371	–	–	-	–	–	–	1 593 371	1 706 351	1 824 748
Households below minimum service level											
Water:	-	–	–	–	–	-	-	-	–	-	–
Sanitation/sewerage:	0	0	–	–	–	–	–	–	0	–	–
Energy:	31	31	–	–	–	-	-	–	31	29	28
Refuse:	–	–	–	–	–	–	–	–	-	-	-

Table 12 MBRR Table B2 Consolidated Adjustments Budget - Financial Performance (standard classification)

Standard Description	Budget Year 2816/17									Budget Year +1 2817/18	Budget Year +2 2018/19
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 Budgot
Revenue - Standard											
Governance and administration	12 567 409	13 378 447	–	–	–	–	–	–	13 378 447	14 191 657	15 293 788
Executive and council	314 011	317 354	–	–	–	–	–	–	317 354	332 468	369 610
Budget and treasury office	11 971 769	12 518 682	–	–	–	–	–	–	12 818 682	13 650 412	14 785 480
Corporate services	281 629	242 411	–	–	–	–	–	–	242 411	208 778	218 689
Community and public safety	3 315 492	3 583 068	–	–	–	–	11 558	11 558	3 594 626	3 255 588	3 347 066
Community and social services	96 804	111 746	–	–	–	–	–	–	111 746	114 775	108 640
Sport and recreation	123 778	137 775	–	–	–	–	–	–	137 775	115 444	68 540
Public safety	1 194 620	1 197 453	–	–	–	–	–	–	1 197 453	1 218 762	1 249 609
Housing	1 605 746	1 833 976	–	–	–	–	11 558	11 558	1 845 534	1 476 545	1 551 244
Health	294 552	302 119	–	–	–	–	–	–	302 119	337 974	377 833
Economic and environmental services	1 984 756	2 024 451	–	–	–	–	–	–	2 024 451	1 951 129	1 882 678
Planning and development	305 929	321 820	–	–	–	–	–	–	321 020	319 954	356 094
Road transport	1 592 599	1 694 799	–	–	–	–	–	–	1 694 799	1 629 281	1 524 586
Environmental protection	6 227	8 632	–	–	–	–	–	–	8 632	1 894	1 998
Trading services	18 675 252	18 799 838	–	–	–	–	–	–	18 799 838	21 386 688	24 267 197
Electricity	12 089 547	12 061 351	–	–	–	–	–	–	12 061 351	13 843 971	15 971 943
Water	3 258 167	3 396 543	–	–	–	–	–	–	3 396 543	3 798 565	4 326 159
Waste water management	2 079 484	2 111 178	–	–	–	–	–	–	2 111 178	2 330 677	2 531 907
Waste management	1 248 054	1 230 766	–	–	–	–	–	–	1 230 766	1 333 367	1 437 188
Other	235 811	236 344	–	–	–	–	–	–	236 344	285 531	284 536
Total Revenue - Standard	36 697 928	38 022 148	–	–	–	–	11 558	11 558	38 033 698	48 998 418	45 075 257
Expenditure - Standard											
Governance and administration	6 359 999	6 691 627	–	–	–	–	–	–	6 691 627	7 455 173	6 161 929
Executive and council	1 112 285	1 108 414	–	–	–	–	–	–	1 108 414	1 167 531	1 303 292
Budget and treasury office	2 616 1[illegible]	2 996 164	–	–	–	–	–	–	2 996 164	3 528 963	3 887 560
Corporate services	2 431 473	2 587 049	–	–	–	–	–	–	2 587 049	2 758 679	2 971 076
Community and public safety	7 662 160	7 894 710	–	–	–	–	11 558	11 558	7 986 268	7 989 313	8 592 609
Community and social services	651 428	634 526	–	–	–	–	–	–	634 526	681 068	739 472
Sport and recreation	1 543 845	1 539 053	–	–	–	–	–	–	1 539 053	1 659 362	1 777 179
Public safety	2 729 182	2 677 711	–	–	–	–	–	–	2 677 711	2 878 013	3 089 757
Housing	1 786 141	2 072 992	–	–	–	–	11 558	11 558	2 084 550	1 754 495	1 878 103
Health	951 643	970 428	–	–	–	–	–	–	978 428	1 016 374	1 108 097
Economic and environmental services	3 829 922	3 928 741	–	–	–	–	–	–	3 928 741	4 160 915	4 441 270
Planning and development	879 635	878 692	–	–	–	–	–	–	878 692	948 367	1 009 502
Road transport	2 831 720	2 927 958	–	–	–	–	–	–	2 927 958	3 088 140	3 297 925
Environmental protection	118 568	122 091	–	–	–	–	–	–	122 091	124 407	133 843
Trading services	16 628 216	16 914 987	–	–	–	–	–	–	16 914 987	18 712 285	21 169 212
Electricity	18 022 681	10 017 089	–	–	–	–	–	–	10 017 089	11 344 281	13 056 100
Water	2 782 122	3 042 394	–	–	–	–	–	–	3 042 394	3 260 296	3 571 120
Waste water management	1 628 232	1 722 944	–	–	–	–	–	–	1 722 944	1 809 292	1 929 247
Waste management	2 195 181	2 132 559	–	–	–	–	–	–	2 132 559	2 298 335	2 512 744
Other	316 234	286 976	–	–	–	–	–	–	286 976	1 824 373	374 343
Total Expenditure - Standard	34 796 431	35 717 040	–	–	–	–	11 558	11 558	35 728 598	39 341 978	42 739 363
Surplus/ (Deficit) for the year	1 901 489	2 305 100	–	–	–	–	–	–	2 305 100	1 648 440	2 335 894

Table 13 Table B3 Consolidated Adjustments Budget - Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	3 193	5 386	–	–	–	–	–	–	5 386	3 308	3 430
Vote 2 - Assets & Facilities Management	558 494	453 406	–	–	–	–	–	–	453 406	487 903	538 531
Vote 3 - Corporate Services	71 939	72 310	–	–	–	–	–	–	72 310	75 319	80 257
Vote 4 - City Manager	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Directorate of the Mayor	2 145	2 066	–	–	–	–	–	–	2 066	1 153	6 230
Vote 6 - Energy	12 113 461	12 118 261	–	–	–	–	–	–	12 118 261	13 867 086	15 995 059
Vote 7 - Finance	12 139 426	12 898 859	–	–	–	–	–	–	12 898 859	13 842 848	14 897 364
Vote 8 - Informal Settlements, Water & Waste Services	6 735 519	6 940 743	–	–	–	–	–	–	6 940 743	7 619 409	8 388 095
Vote 9 - Safety & Security	1 201 463	1 204 296	–	–	–	–	–	–	1 204 296	1 220 064	1 260 659
Vote 10 - Social Services	772 267	812 630	–	–	–	–	–	–	812 630	845 791	833 529
Vote 11 - Transport & Urban Development Authority	2 867 077	3 279 645	–	–	–	–	11 558	11 558	3 291 203	2 743 085	2 793 719
Vote 12 - Municipal Entity - CTICC	232 935	234 538	–	–	–	–	–	–	234 538	284 451	278 383
Total Revenue by Vote	**36 697 919**	**38 022 140**	**–**	**–**	**–**	**–**	**11 558**	**11 558**	**38 033 698**	**40 990 418**	**45 075 257**
Expenditure by Vote											
Vote 1 - Area-Based Service Delivery	214 966	218 642	–	–	–	–	–	–	218 642	236 252	254 379
Vote 2 - Assets & Facilities Management	1 700 101	1 777 822	–	–	–	–	–	–	1 777 822	1 905 186	2 049 385
Vote 3 - Corporate Services	1 651 993	1 674 430	–	–	–	–	–	–	1 674 430	1 781 657	1 927 011
Vote 4 - City Manager	67 073	28 156	–	–	–	–	–	–	23 156	30 160	32 236
Vote 5 - Directorate of the Mayor	432 650	475 109	–	–	–	–	–	–	475 109	505 903	546 879
Vote 6 - Energy	10 172 503	10 155 543	–	–	–	–	–	–	10 155 543	11 494 712	13 219 385
Vote 7 - Finance	3 122 764	3 309 399	–	–	–	–	–	–	3 309 399	3 867 419	4 234 271
Vote 8 - Informal Settlements, Water & Waste Services	6 569 522	6 831 009	–	–	–	–	–	–	6 831 009	7 288 312	8 031 700
Vote 9 - Safety & Security	2 919 995	2 884 135	–	–	–	–	–	–	2 884 135	3 103 571	3 331 394
Vote 10 - Social Services	3 110 184	3 089 842	–	–	–	–	–	–	3 089 842	3 302 948	3 592 727
Vote 11 - Transport & Urban Development Authority	4 583 704	5 050 502	–	–	–	–	11 558	11 558	5 062 060	4 869 206	5 222 564
Vote 12 - Municipal Entity - CTICC	250 974	222 450	–	–	–	–	–	–	222 450	956 653	297 443
Total Expenditure by Vote	**34 796 431**	**35 717 040**	**–**	**–**	**–**	**–**	**11 558**	**11 558**	**35 728 598**	**39 341 978**	**42 738 364**
Surplus/ (Deficit) for the year	**1 901 489**	**2 305 100**	**–**	**–**	**–**	**–**	–	–	**2 305 100**	**1 648 440**	2 335 893

Table 14 Table B4 Consolidated Adjustments Budget - Financial Performance (revenue and expenditure)

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2818/19
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unaueid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source											
Property rates	6 959 000	7 577 681	–	–	–	–	–	–	7 577 601	8 054 750	8 638 666
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	11 807 918	11 807 918	–	–	–	–	–	–	11 807 918	13 541 320	15 626 682
Service charges - water revenue	3 066 664	3 251 696	–	–	–	–	–	–	3 251 696	3 683 149	3 996 545
Service charges - sanitation revenue	1 628 277	1 691 777	–	–	–	–	–	–	1 691 777	1 872 577	2 078 561
Service charges - refuse revenue	1 232 929	1 216 925	–	–	–	–	–	–	1 216 925	1 318 050	1 421 647
Service charges - other	617 287	624 981	–	–	–	–	–	–	624 981	654 427	690 507
Rental of facilities and equipment	487 985	486 822	–	–	–	–	–	–	486 022	533 869	563 208
Interest earned - external investments	618 778	619 314	–	–	–	–	–	–	619 314	636 332	682 991
Interest earned - outstanding debtors	264 718	244 718	–	–	–	–	–	–	244 718	240 310	237 868
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines	1 055 743	1 055 676	–	–	–	–	–	–	1 055 676	1 116 025	1 177 406
Licences and permits	27 893	35 893	–	–	–	–	–	–	35 893	37 867	39 950
Agency services	153 993	153 993	–	–	–	–	–	–	153 993	153 993	153 993
Transfers recognised - operating	3 802 940	4 296 986	–	–	–	–	11 558	11 558	4 308 544	4 067 364	4 375 160
Other revenue	2 617 462	2 625 134	–	–	–	–	–	–	2 625 134	2 831 389	3 031 028
Gains on disposal of PPE	79 500	40 500	–	–	–	–	–	–	40 500	8 355	6 092
Total Revenue (excluding capital transfers and contributions)	**34 433 079**	**35 729 128**	–	–	–	–	**11 558**	**11 558**	**35 740 686**	**38 669 777**	**42 728 304**
Expenditure By Type											
Employee related costs	10 670 840	10 428 887	–	–	–	–	–	–	10 428 987	11 465 352	12 513 786
Remuneration of councillors	152 117	146 941	–	–	–	–	–	–	146 941	156 299	166 458
Debt impairment	2 003 203	2 257 645	–	–	–	–	–	–	2 257 845	2 410 079	2 553 157
Depreciation & asset impairment	2 347 797	2 464 404	–	–	–	–	–	–	2 464 404	3 355 034	2 956 562
Finance charges	895 846	896 798	–	–	–	–	–	–	896 798	989 566	1 192 590
Bulk purchases	6 515 180	8 515 180	–	–	–	–	–	–	8 515 180	9 696 198	11 187 935
Other materials	338 172	519 207	–	–	–	–	–	–	519 207	589 815	609 639
Contracted services	4 396 163	4 720 942	–	–	–	–	–	–	4 720 942	4 818 063	5 221 462
Transfers and grants	174 833	121 353	–	–	–	–	–	–	121 353	131 193	138 408
Other expenditure	5 302 278	5 845 481	–	–	–	–	11 558	11 558	5 657 839	5 730 380	6 279 367
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**34 796 431**	**35 717 048**	–	–	–	–	**11 558**	**11 558**	**35 728 598**	**39 341 978**	**42 739 364**
Surplus/(Deficit)	**(363 352)**	**12 088**	–	–	–	–	–	–	12 088	(672 202)	(19 060)
Transfers recognised - capital	2 177 040	2 205 071	–	–	–	–	–	–	2 205 871	2 236 742	2 268 253
Contributions recognised - capital	87 800	81 341	–	–	–	–	–	–	81 341	83 900	86 700
Contributed assets	–	6 600	–	–	–	–	–	–	6 600	–	–
Surplus/(Deficit) before taxatian	**1 901 488**	**2 305 100**	–	–	–	–	–	–	2 385 100	**1 648 440**	**2 335 893**
Taxation	–	3 385	–	–	–	–	–	–	3 385	–	–
Surplus/(Daficit) after taxetien	**1 901 488**	**2 301 715**	–	–	–	–	–	–	2 381 715	**1 648 440**	**2 335 093**
Attributable to minorities	5 314	2 547	–	–	–	–	–	–	2 547	(192 250)	(5 451)
Surplus/(Deficit) attributable to municipality	**1 906 002**	**2 304 262**	–	–	–	–	–	–	**2 304 262**	**1 456 190**	**2 338 442**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**1 906 002**	**2 304 262**	–	–	–	–	–	–	**2 304 262**	**1 456 190**	**2 338 442**

Table 15 Table B5 Consolidated Adjustments Capital Expenditure - Budget by vote and funding

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	6 204	12 375	–	–	–	–	–	–	12 375	42 261	39 200
Vote 2 - Assets & Facilities Management	380 223	388 008	–	–	–	–	–	–	388 008	257 536	197 706
Vote 3 - Corporate Services	302 085	257 408	–	–	–	–	–	–	257 408	335 186	332 546
Vote 4 - City Manager	242	322	–	–	–	–	–	–	322	222	222
Vote 5 - Directorate of the Mayor	21 196	22 341	–	–	–	–	–	–	22 341	14 857	1 538
Vote 6 - Energy	1 607 202	1 376 327	–	–	–	–	–	–	1 376 327	1 331 177	1 306 933
Vote 7 - Finance	16 111	24 379	–	–	–	–	–	–	24 379	9 751	8 431
Vote 8 - Informal Settlements, Water & Waste Services	2 055 689	1 949 977	–	–	–	–	–	–	1 949 977	2 050 856	2 085 172
Vote 9 - Safety & Security	138 938	119 749	–	–	–	–	–	–	119 749	63 573	42 115
Vote 10 - Social Services	247 679	264 684	–	–	–	–	–	–	264 684	230 643	168 334
Vote 11 - Transport & Urban Development Authority	1 725 706	1 943 836	–	–	–	–	–	–	1 943 836	1 794 544	1 724 334
Vote 12 - Municipal Entity - CTICC	272 980	411 948	–	–	–	–	–	–	411 948	47 982	45 443
Capital multi-year expenditure sub-total	**6 774 256**	**6 771 355**	–	–	–	–	–	–	**6 771 355**	**6 178 789**	**5 951 974**
Total Capital Expenditure - Vote	**6 774 256**	**6 771 355**	–	–	–	–	–	–	**6 771 355**	**6 178 789**	**5 951 974**
Capital Expenditure - Standard											
Governance and administration	**571 966**	**701 374**	–	–	–	–	**(110)**	**(110)**	**701 264**	**609 952**	**499 192**
Executive and council	35 849	152 996	–	–	–	–	(69)	(69)	162 926	108 734	63 251
Budget and treasury office	15 997	24 265	–	–	–	–	–	–	24 265	9 752	8 417
Corporate services	520 120	514 114	–	–	–	–	(41)	(41)	514 073	491 465	427 424
Community and public safety	**936 453**	**1 011 968**	–	–	–	–	**110**	**110**	**1 112 078**	**856 889**	**803 689**
Community and social services	69 742	88 770	–	–	–	–	(1 000)	(1 000)	87 770	93 107	76 196
Sport and recreation	148 513	166 802	–	–	–	–	1 055	1 055	167 857	102 737	47 251
Public safety	185 098	169 867	–	–	–	–	55	55	169 922	121 181	105 475
Housing	499 611	562 338	–	–	–	–	–	–	562 338	494 980	515 096
Health	33 491	24 191	–	–	–	–	–	–	24 191	44 883	59 671
Economic and environmental services	**1 534 557**	**1 507 837**	–	–	–	–	–	–	**1 507 837**	**1 497 113**	**1 361 978**
Planning and development	70 524	69 666	–	–	–	–	–	–	69 666	36 084	53 475
Road transport	1 448 117	1 426 123	–	–	–	–	–	–	1 426 123	1 444 621	1 297 331
Environmental protection	15 916	12 048	–	–	–	–	–	–	12 048	16 488	11 172
Trading services	**3 458 301**	**3 138 227**	–	–	–	–	–	–	**3 138 227**	**3 166 854**	**3 241 772**
Electricity	1 536 612	1 305 937	–	–	–	–	–	–	1 305 937	1 260 277	1 233 833
Water	883 225	912 219	–	–	–	–	29 875	29 875	942 094	774 832	854 550
Waste water management	800 774	737 990	–	–	–	–	(29 875)	(29 875)	708 115	766 376	824 601
Waste management	237 491	182 881	–	–	–	–	–	–	182 881	366 168	328 589
Other	272 980	411 948	–	–	–	–	–	–	411 948	47 982	45 443
Total Capital Expenditure - Standard	**6 774 256**	**6 771 355**	–	–	–	–	–	–	**6 771 355**	**6 178 789**	**5 951 974**
Funded by:											
National Government	2 079 122	2 152 751	–	–	–	–	–	–	2 152 751	2 157 999	2 142 928
Provincial Government	97 918	52 320	–	–	–	–	–	–	52 320	78 743	125 325
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Total Capital transfers recognised	**2 177 040**	**2 205 071**	–	–	–	–	–	–	**2 205 071**	**2 236 742**	**2 268 253**
Public contributions & donations	87 800	81 341	–	–	–	–	–	–	81 341	83 900	86 780
Borrowing	2 986 696	2 957 150	–	–	–	–	–	–	2 957 150	2 577 459	2 716 971
Internally generated funds	1 520 720	1 527 793	–	–	–	–	–	–	1 527 793	1 280 689	880 058
Total Capital Funding	**6 774 256**	**6 771 355**	–	–	–	–	–	–	**6 771 355**	**6 178 789**	**5 951 974**

Table 16 Table B6 Consolidated Adjustments Budget Statement – Financial Position

Description	Budget Year 2816/17									Budget Year +1 2817/18	Budget Year +2 2818/19
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	103 411	103 411	–	–	–	–	–	–	103 411	183 844	146 904
Call investment deposits	3 139 932	6 878 802	–	–	–	–	–	–	6 878 802	6 168 078	7 245 991
Consumer debtors	4 903 207	5 351 344	–	–	–	–	–	–	5 351 344	5 591 654	5 829 522
Other debtors	898 987	1 003 276	–	–	–	–	–	–	1 003 276	1 156 114	1 326 834
Current portion of long-term receivables	21 871	17 948	–	–	–	–	–	–	17 948	18 845	19 787
Inventory	341 456	284 412	–	–	–	–	–	–	284 412	313 162	344 883
Total current assets	**9 488 864**	**12 839 193**	–	–	–	–	–	–	**12 839 193**	**13 351 697**	**14 912 321**
Non current assets											
Long-term receivables	67 985	49 110	–	–	–	–	–	–	49 110	46 655	44 322
Investments	3 365 180	2 727 297	–	–	–	–	–	–	2 727 297	3 681 690	3 846 398
Investment property	589 382	588 191	–	–	–	–	–	–	588 191	588 191	588 191
Investment in Associate	–	–	–	–	–	–	–	–	–	–	–
Property plant and equipment	41 975 484	41 501 551	–	–	–	–	–	–	41 501 551	44 818 165	46 718 250
Agricultural	–	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–	–
Intangible	708 383	629 162	–	–	–	–	–	–	629 162	629 162	629 162
Other non-current assets	9 062	9 849	–	–	–	–	–	–	9 049	9 049	9 849
Total non current assets	**46 715 476**	**45 504 368**	–	–	–	–	–	–	**45 504 360**	**48 892 912**	**51 835 372**
TOTAL ASSETS	**56 124 340**	**58 343 553**	–	–	–	–	–	–	**58 343 553**	**62 244 608**	**66 747 693**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Borrowing	501 208	501 208	–	–	–	–	–	–	501 208	530 326	649 886
Consumer deposits	368 645	395 022	–	–	–	–	–	–	395 022	441 906	480 378
Trade and other payables	6 627 029	6 857 790	–	–	–	–	–	–	6 857 790	6 963 802	7 359 397
Provisions	1 095 708	1 148 811	–	–	–	–	–	–	1 148 811	1 227 888	1 313 609
Total current liabilities	**8 592 598**	**8 982 831**	–	–	–	–	–	–	**8 982 831**	**9 163 922**	**9 883 278**
Non current liabilities											
Borrowing	8 114 854	8 897 833	–	–	–	–	–	–	8 097 833	9 115 910	10 490 690
Provisions	6 271 089	6 400 777	–	–	–	–	–	–	6 400 777	6 718 490	6 871 555
Total non current liabilities	**14 385 943**	**14 498 618**	–	–	–	–	–	–	**14 498 618**	**15 834 400**	**17 362 245**
TOTAL LIABILITIES	**22 978 533**	**23 481 448**	–	–	–	–	–	–	**23 401 448**	**24 998 323**	**27 165 514**
NET ASSETS	**33 145 887**	**34 942 112**	–	–	–	–	–	–	**34 942 112**	**37 246 286**	**39 582 179**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	31 362 348	31 641 838	–	–	–	–	–	–	31 641 838	34 342 695	36 498 216
Reserves	1 478 363	2 970 593	–	–	–	–	–	–	2 970 593	2 773 707	2 959 530
Minorities' interests	313 095	329 681	–	–	–	–	–	–	329 681	129 884	124 433
TOTAL COMMUNITY WEALTH/EQUITY	**33 145 887**	**34 942 112**	–	–	–	–	–	–	**34 942 112**	**37 246 286**	**39 582 179**

Table 17 Table B7 Consolidated Adjustments Budget Statement – Cash Flow

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prev. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges	6 864 644	7 387 436	–	–	–	–	–	–	7 387 436	7 844 260	8 506 197
Service charges	16 910 000	16 975 854	–	–	–	–	–	–	16 975 854	19 255 364	21 970 479
Other revenue	3 422 844	3 374 305	–	–	–	–	–	–	3 374 305	3 629 776	3 675 730
Government - operating	3 802 940	3 889 115	–	–	–	–	11 558	11 558	3 900 673	4 067 364	4 375 160
Government - capital	2 264 840	2 286 412	–	–	–	–	–	–	2 286 412	2 320 642	2 354 953
Interest	610 778	619 314	–	–	–	–	–	–	619 314	636 332	682 991
Dividends	–	–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees	(28 762 136)	(29 329 727)	–	–	–	–	(11 558)	(11 558)	(29 341 285)	(31 675 361)	(35 051 050)
Finance charges	(818 248)	(813 068)	–	–	–	–	–	–	(813 068)	(931 978)	(1 101 966)
Transfers and Grants	(115 154)	(124 573)	–	–	–	–	–	–	(124 573)	(131 193)	(138 408)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**4 180 508**	**4 265 069**	–	–	–	–	–	–	**4 265 069**	**5 015 207**	**5 476 086**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE	79 500	40 500	–	–	–	–	–	–	40 500	8 355	6 092
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	3 578	2 585	–	–	–	–	–	–	2 585	2 456	2 333
Decrease (increase) in non-current investments	(89 310)	(89 310)	–	–	–	–	–	–	(89 310)	(218 908)	(244 708)
Payments											
Capital assets	(6 124 129)	(6 135 415)	–	–	–	–	–	–	(6 135 415)	(5 565 709)	(5 361 321)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(6 130 361)**	**(6 181 640)**	–	–	–	–	–	–	**(6 181 640)**	**(5 773 806)**	**(5 597 604)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	2 840 001	2 741 212	–	–	–	–	–	–	2 741 212	1 500 000	2 000 000
Increase (decrease) in consumer deposits	29 946	32 463	–	–	–	–	–	–	32 463	35 710	39 281
Payments											
Repayment of borrowing	(494 800)	(491 821)	–	–	–	–	–	–	(491 821)	(468 492)	(552 082)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2 375 150**	**2 281 854**	–	–	–	–	–	–	**2 281 854**	**1 067 217**	**1 487 198**
NET INCREASE/ (DECREASE) IN CASH HELD	**425 297**	**365 283**	–	–	–	–	–	–	**365 283**	**308 618**	**1 365 681**
Cash/cash equivalents at the year begin:	1 347 362	3 481 908	–	–	–	–	–	–	3 481 908	3 880 811	4 189 428
Cash/cash equivalents at the year end:	1 772 659	3 847 191	–	–	–	–	–	–	3 847 191	4 189 428	5 555 109

Table 18 Table B8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	1 772 659	3 847 191	–	–	–	–	–	–	3 847 191	4 189 428	5 555 109
Other current investments > 90 days	1 470 684	2 335 022	–	–	–	–	–	–	2 335 022	2 082 494	1 837 786
Non current assets - Investments	3 365 180	2 727 297	–	–	–	–	–	–	2 727 297	3 601 690	3 846 398
Cash and investments available:	**6 600 523**	**8 909 510**	**–**	**–**	**–**	**–**	**–**	**–**	**8 989 510**	**9 873 612**	**11 239 293**
Applications of cash and investments											
Unspent conditional transfers	1 600 902	1 309 897	–	–	–	–	–	–	1 309 897	1 436 298	1 577 096
Unspent borrowing	56 415	56 415	–	–	–	–	–	–	56 415	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	(400 968)	(302 818)	–	–	–	–	–	–	(302 818)	(703 415)	(872 853)
Other provisions	–	(4 740)	–	–	–	–	–	–	(4 740)	–	–
Long term investments committed	2 014 640	2 052 139	–	–	–	–	0	0	2 052 139	2 265 047	2 503 755
Reserves to be backed by cash/investments	1 590 917	3 182 864	–	–	–	–	–	–	3 182 864	3 395 185	3 485 167
Total Application of cash and investments:	**4 061 906**	**6 293 757**	**–**	**–**	**–**	**–**	**0**	**0**	**6 293 757**	**6 393 115**	**6 693 165**
Surplus(shortfall)	**1 746 617**	**2 615 753**	**–**	**–**	**–**	**–**	**(0)**	**(0)**	**2 615 753**	**3 480 497**	**4 546 129**

Table 19 Table B9 Consolidated Asset Management

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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	3 707 716	3 443 501	–	–	–	–	31 467	31 467	3 474 969	3 316 650	3 150 593
Infrastructure - Road transport	820 980	844 509	–	–	–	–	9 631	9 631	854 140	941 223	763 401
Infrastructure - Electricity	636 292	550 575	–	–	–	–	(760)	(760)	549 815	540 618	518 500
Infrastructure - Water	315 421	252 301	–	–	–	–	32 202	32 202	284 503	294 700	371 145
Infrastructure - Sanitation	301 175	233 019	–	–	–	–	(3 603)	(3 603)	229 416	218 998	276 535
Infrastructure - Other	306 503	197 881	–	–	–	–	12 034	12 034	209 914	361 005	520 838
Infrastructure	2 380 370	2 078 284	–	–	–	–	49 503	49 503	2 127 788	2 356 543	2 450 419
Community	155 615	79 873	–	–	–	–	(853)	(853)	79 020	204 254	201 410
Heritage assets	–	–	–	–	–	–	–	–	–	–	–
Investment properties	–	81	–	–	–	–	–	–	81	–	–
Other assets	1 171 731	1 284 763	–	–	–	–	(17 183)	(17 183)	1 267 580	755 853	498 764
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	–	500	–	–	–	–	–	–	500	–	–
Total Renewal of Existing Assets to be adjusted	3 066 540	3 327 853	–	–	–	–	(31 467)	(31 467)	3 296 386	2 862 140	2 801 380
Infrastructure - Road transport	589 080	660 950	–	–	–	–	(9 631)	(9 631)	651 318	566 881	481 733
Infrastructure - Electricity	664 046	604 340	–	–	–	–	240	240	604 581	585 724	589 448
Infrastructure - Water	282 167	411 087	–	–	–	–	–	–	411 087	346 293	390 836
Infrastructure - Sanitation	507 702	508 322	–	–	–	–	(16 171)	(16 171)	492 151	558 421	692 550
Infrastructure - Other	93 610	85 216	–	–	–	–	–	–	85 216	75 085	75 060
Infrastructure	2 136 604	2 269 916	–	–	–	–	(25 562)	(25 562)	2 244 353	2 132 404	2 229 627
Community	242 403	293 409	–	–	–	–	111	111	293 520	164 399	114 071
Heritage assets	47 208	40 429	–	–	–	–	–	–	40 429	9 250	1 800
Investment properties	–	–	–	–	–	–	–	–	–	–	–
Other assets	635 075	719 649	–	–	–	–	(6 015)	(6 015)	713 634	533 830	447 133
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	5 250	4 450	–	–	–	–	–	–	4 450	22 256	8 750
Total Capital Expenditure to be adjusted											
Infrastructure - Road transport	1 410 059	1 505 458	–	–	–	–	–	–	1 505 458	1 508 103	1 245 134
Infrastructure - Electricity	1 300 337	1 154 915	–	–	–	–	(520)	(520)	1 154 396	1 126 342	1 107 948
Infrastructure - Water	597 588	663 389	–	–	–	–	32 202	32 202	695 590	640 993	761 982
Infrastructure - Sanitation	808 877	741 341	–	–	–	–	(19 775)	(19 775)	721 566	777 419	969 085
Infrastructure - Other	400 113	283 097	–	–	–	–	12 034	12 034	295 130	436 090	595 898
Infrastructure	4 516 974	4 348 200	–	–	–	–	23 941	23 941	4 372 141	4 488 947	4 680 046
Community	398 018	373 283	–	–	–	–	(743)	(743)	372 540	368 653	315 481
Heritage assets	47 208	40 429	–	–	–	–	–	–	40 429	9 250	1 800
Investment properties	–	81	–	–	–	–	–	–	81	–	–
Other assets	1 806 806	2 004 412	–	–	–	–	(23 198)	(23 198)	1 981 214	1 289 683	945 897
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	5 250	4 950	–	–	–	–	–	–	4 950	22 256	8 750
TOTAL CAPITAL EXPENDITURE to be adjusted	6 774 256	6 771 355	–	–	–	–	–	–	6 771 355	6 178 789	5 951 974

Table continues on next page

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
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
ASSET REGISTER SUMMARY - PPE (WDV)											
Infrastructure - Road transport	9 755 319	9 825 605	–	–	–	–	–	–	9 825 605	10 361 990	10 759 048
Infrastructure - Electricity	6 625 643	6 626 972	–	–	–	–	–	–	6 626 972	7 313 281	7 977 103
Infrastructure - Water	2 571 096	2 581 071	–	–	–	–	–	–	2 581 071	3 027 615	3 419 663
Infrastructure - Sanitation	3 203 547	3 194 647	–	–	–	–	–	–	3 194 647	3 588 699	4 243 129
Infrastructure - Other	3 224 499	3 165 278	–	–	–	–	–	–	3 165 279	3 478 282	3 887 504
Infrastructure	25 380 104	25 393 576	–	–	–	–	–	–	25 393 578	27 768 787	30 286 448
Community	5 847 113	5 934 712	–	–	–	–	–	–	5 934 712	7 647 074	7 178 716
Heritage assets	9 062	9 062	–	–	–	–	–	–	9 062	9 049	8 049
Investment properties	589 382	588 181	–	–	–	–	–	–	588 191	588 191	588 191
Other assets	9 769 175	9 804 232	–	–	–	–	–	–	9 804 232	8 256 906	8 898 612
Agricultural Assets	–	–	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Intangibles	708 383	629 162	–	–	–	–	–	–	629 162	629 152	629 162
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	42 303 219	42 358 935	–	–	–	–	–	–	42 358 935	44 899 168	47 591 177
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment	2 347 797	2 464 404	–	–	–	–	–	–	2 464 404	3 355 034	2 856 562
Repairs and Maintenance by asset class	3 812 839	3 712 820	–	–	–	–	–	–	3 712 820	3 947 443	4 282 605
Infrastructure - Road transport	824 573	884 603	–	–	–	–	–	–	884 603	940 553	1 035 053
Infrastructure - Electricity	570 091	544 991	–	–	–	–	–	–	544 991	577 811	641 618
Infrastructure - Water	87 236	81 718	–	–	–	–	–	–	81 718	86 786	82 166
Infrastructure - Sanitation	532 007	470 051	–	–	–	–	–	–	470 051	498 722	529 147
Infrastructure - Other	519 718	363 378	–	–	–	–	–	–	363 378	385 165	423 433
Infrastructure	2 533 624	2 344 742	–	–	–	–	–	–	2 344 742	2 489 037	2 721 418
Community	540 574	544 941	–	–	–	–	–	–	544 941	578 951	615 098
Heritage assets	11	1 318	–	–	–	–	–	–	1 318	1 404	1 496
Investment properties	–	–	–	–	–	–	–	–	–	–	–
Other assets	737 831	821 818	–	–	–	–	–	–	821 818	878 050	944 592
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	6 159 836	6 177 225	–	–	–	–	–	–	6 177 225	7 302 477	7 239 167
Renewal of Existing Assets as % of total capex	45.3%	49.1%	-	-	-	-	-	-	48.7%	46.3%	47.1%
Renewal of Existing Assets as % of deprecn"	130.6%	135.0%	-	-	-	-	-	-	133.8%	85.3%	94.8%
R&M as a % of PPE	9.0%	8.8%		-	-	-	-	-	8.8%	8.8%	8.0%
Renewal and R&M as a % of PPE	16.3%	16.6%	-	-	-	-	-	-	16.5%	15.2%	14.9%

Table 20 Table B10 Consolidated Basic service delivery measurement

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
	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	988 643	988 643	–	–	–	–	–	–	988 643	998 693	1 008 298
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	158 433	158 433	–	–	–	–	–	–	158 433	160 044	161 583
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	1 147 076	1 147 076	–	–	–	–	–	–	1 147 076	1 158 737	1 169 881
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	1 147 076	1 147 076	–	–	–	–	–	–	1 147 076	1 158 737	1 169 881
Sanitation/sewerage:											
Flush toilet (connected to sewerage)	1 070 076	1 070 076	–	–	–	–	–	–	1 070 076	1 085 737	1 099 881
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–	–	–
Chemical toilet	23 964	23 964	–	–	–	–	–	–	23 964	23 964	23 964
Pit toilet (ventilated)	65	65	–	–	–	–	–	–	65	65	65
Other toilet provisions (> min.service level)	52 754	52 754	–	–	–	–	–	–	52 754	48 971	45 971
Minimum Service Level and Above sub-total	1 146 859	1 146 859	–	–	–	–	–	–	1 146 859	1 158 737	1 169 881
Bucket toilet	217	217	–	–	–	–	–	–	217	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	217	217	–	–	–	–	–	–	217	–	–
Total number of households	1 147 076	1 147 076	–	–	–	–	–	–	1 147 076	1 158 737	1 169 881
Energy:											
Electricity (at least min. service level)	854 902	854 902	–	–	–	–	–	–	854 902	856 402	857 902
Electricity - prepaid (> min.service level)	–	–	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	854 902	854 902	–	–	–	–	–	–	854 902	856 402	857 902
Electricity (< min.service level)	30 841	30 841	–	–	–	–	–	–	30 841	29 341	27 841
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	30 841	30 841	–	–	–	–	–	–	30 841	29 341	27 841
Total number of households	885 743	885 743	–	–	–	–	–	–	885 743	885 743	885 743
Refuse:											
Removed at least once a week (min.service)	975 507	975 507	–	–	–	–	–	–	975 507	995 017	1 014 917
Minimum Service Level and Above sub-total	975 507	975 507	–	–	–	–	–	–	975 507	995 017	1 014 917
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–	–	–
Below Minimum Servic Level sub-total	–	–	–	–	–	–	–	–	–	–	–
Total number of households	975 507	975 507	–	–	–	–	–	–	975 507	995 017	1 014 917

Table continues on next page.

Description	Budget Year 2016/17									Budget Year +1 2017/18	Budget Year +2 2018/19
	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)	222 098	222 098	–	–	–	–	–	–	222 098	222 098	222 098
Sanitation (free minimum level service)	222 098	222 098	–	–	–	–	–	–	222 098	222 098	222 098
Electricity/other energy (50kwh per household per month)	231 645	231 645	–	–	–	–	–	–	231 645	232 545	233 445
Refuse (removed at least once a week)	302 957	302 957	–	–	–	–	–	–	302 957	310 534	318 278
Cost of Free Basic Services provided (R'000)											
Water (6 kilolitres per household per month)	212 041	212 041	–	–	–	–	–	–	212 041	235 366	261 256
Sanitation (free sanitation service)	143 728	143 728	–	–	–	–	–	–	143 728	159 538	177 087
Electricity/other energy (50kwh per household per month)	189 657	189 657	–	–	–	–	–	–	189 657	203 998	219 436
Refuse (removed once a week)	235 401	235 401	–	–	–	–	–	–	235 401	248 348	262 007
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	671 529	671 529	–	–	–	–	–	–	671 529	737 533	802 443
Total cost of FBS provided (minimum social package)	1 452 356	1 452 356	–	–	–	–	–	–	1 452 356	1 584 783	1 722 229
Highest level of free service provided											
Property rates (R'000 value threshold)	0	0	–	–	–	–	–	–	–	0	0
Water (kilolitres per household per month)	6	6	–	–	–	–	–	–	6	6	6
Sanitation (kilolitres per household per month)	4.2	4.2	–	–	–	–	–	–	4.2	4.2	4.2
Sanitation (Rand per household per month)	102	102	–	–	–	–	–	–	102	107	119
Electricity (kw per household per month)	60	60	–	–	–	–	–	–	60	60	60
Refuse (average litres per week)	240	240	–	–	–	–	–	–	240	240	240
Revenue cost of subsidised services provided (R'000)											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	76 186	76 186	–	–	–	–	–	–	76 186	80 986	85 910
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	1 247 403	1 227 403	–	–	–	–	–	–	1 227 403	1 304 969	1 384 531
Water (in excess of 6 kilolitres per indigent household per month)	159 031	159 031	–	–	–	–	–	–	159 031	176 524	195 942
Sanitation (in excess of free sanitation service to indigent households)	107 796	107 796	–	–	–	–	–	–	107 796	119 653	132 B15
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	22 955	22 955	–	–	–	–	–	–	22 955	24 218	25 550
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	1 613 371	1 593 371	–	–	–	–	–	–	1 593 371	1 706 351	1 824 748

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

The CTICC's five primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 34 to page 38. Since the entity is not adjusting its current budget, the tables below reflect the adjustments budget approved at Council on 26 January 2017.

Table 21 MBRR Table E1 - Adjustments Budget Summary

Description	Budget Year 2816/17								Budget Year +1 2017/18	Budget Year +2 2018/19
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	15 084	23 621	–	–	–	–	–	23 621	11 671	10 100
Transfers recognised - operational	–	220	–	–	–	–	–	220	–	–
Other own revenue	217 851	210 697	–	–	–	–	–	210 697	272 780	268 284
Total Revenue (excluding capital transfers and contributions)	232 935	234 538	–	–	–	–	–	234 538	284 451	278 383
Employee costs	73 269	71 274	–	–	–	–	–	71 274	81 382	87 045
Remuneration of Board Members	1 054	937	–	–	–	–	–	937	804	856
Depreciation and debt impairment	29 356	31 090	–	–	–	–	–	31 090	702 868	37 367
Finance charges	6 131	950	–	–	–	–	–	950	3 651	3 395
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	220	–	–	–	–	–	220	–	–
Other expenditure	141 165	117 980	–	–	–	–	–	117 980	167 947	168 780
Total Expenditure	250 974	222 450	–	–	–	–	–	222 450	956 653	297 443
Surplus/(Deficit)	(18 839)	12 088	–	–	–	–	–	12 088	(672 202)	(19 068)
Transfers recognised - capital	–	–	–	–	–	–		–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–		–	–	–
Surplus/(Deficit) after capital transfers & contributions	(18 039)	12 088	–	–	–	–	–	12 088	(672 282)	(19 060)
Taxation	–	3 385	–	–	–	–	–	3 385	–	–
Surplus/ (Deficit) for the year	(18 839)	8 783	–	–	–	–	–	8 703	(672 202)	(19 068)
Capital expenditure & funds sources										
Capital expenditure	272 980	411 948	–	–	–	–	–	411 948	47 982	45 443
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Public contributions 8 donations	–	–	–	–	–	–	–	–	–	–
8orrowing	60 000	40 000	–	–	–	–	–	40 000	–	–
Internally generated funds	212 980	371 948	–	–	–	–	–	371 948	47 982	45 443
Total sources of capital funds	272 980	411 948	–	–	–	–	–	411 948	47 982	45 443
Financial position										
Total current assets	238 172	253 171	–	–	–	–	–	253 171	254 098	224 789
Total non current assets	978 498	1 000 284	–	–	–	–	–	1 000 284	345 398	353 474
Total current liabilities	90 574	86 987	–	–	–	–	–	86 987	107 802	108 459
Total non current liabilities	56 415	40 125	–	–	–	–	–	40 125	37 552	34 723
Community wealth/Equity	1 069 680	1 126 343	–	–	–	–	–	1 126 343	454 141	435 081
Cash flows										
Net cash from (used) operating	18 665	(11 718)	–	–	–	–	–	(11 718)	46 252	19 520
Net cash from (used) investing	(272 980)	(411 948)	–	–	–	–	–	(411 948)	(47 982)	(45 443)
Net cash from (used) financing	336 417	240 606	–	–	–	–	–	240 606	(2 573)	(2 830)
Cash/cash equivalents at the year end	231 541	48 482	–	–	–	–	–	48 482	44 178	15 425

Table 22 MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure)

Description	Budget Year 2016/17								Budget Year +1 2017/18	Budget Year +2 2018/19
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	–	–	–	–	–	–	–	–	–	–
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	104 435	100 756	–	–	–	–	–	100 756	131 571	140 123
Interest earned - external investments	15 084	23 621	–	–	–	–	–	23 621	11 671	10 100
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–
Fines	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–
Transfers recognised - operational	–	220	–	–	–	–	–	220	–	–
Other revenue	113 416	109 942	–	–	–	–	–	109 942	141 209	128 161
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	232 935	234 538	–	–	–	–	–	234 538	284 451	278 383
Expenditure By Type										
Employee related costs	73 269	71 274	–	–	–	–	–	71 274	81 382	87 045
Remuneration of Directors	1 054	937	–	–	–	–	–	937	804	856
Debt impairment	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	29 356	31 090	–	–	–	–	–	31 090	702 868	37 367
Finance charges	6 131	950	–	–	–	–	–	950	3 651	3 395
Bulk purchases	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	220	–	–	–	–	–	220	–	–
Other expenditure	141 165	117 980	–	–	–	–	–	117 980	167 947	168 780
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–
Total Expenditure	250 974	222 450	–	–	–	–	–	222 450	956 653	297 443
Surplus/(Deficit)	(18 039)	12 088	–	–	–	–	–	12 088	(672 202)	(19 060)
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions of PPE	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation	(18 039)	12 088	–	–	–	–	–	12 088	(672 202)	(19 060)
Taxation	–	3 385	–	–	–	–	–	3 385	–	–
Surplus/ (Deficit) for the year	(18 039)	8 703	–	–	–	–	–	8 703	(672 202)	(19 060)

Table 23 MBRR Table E3 Adjustments Budget - Capital Expenditure by asset class and funding source

Description	Budget Year 2816/17									Budget Year +1 2817/18	Budget Year +2 2018/19
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 on new assets by Asset Class/Sub-class											
Other assets	272 988	411 948	–	–	–	–	–	–	411 948	47 982	45 443
General vehicles	–	–	–	–	–	–	–	–	–	–	–
Specialised vehicles	–	–	–	–	–	–	–	–	–	–	–
Plant & equipment	–	–	–	–	–	–	–	–	–	–	–
Computers - hardware/equipment	14 535	14 535	–	–	–	–	–	–	14 535	15 224	15 035
Furniture and other office equipment	2 733	3 733	–	–	–	–	–	–	3 733	6 110	5 380
Abattoirs	–	–	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–	–	–
Civic Land and Buildings	–	–	–	–	–	–	–	–	–	–	–
Other Buildings	254 671	392 639	–	–	–	–	–	–	392 639	25 300	23 680
Other Land	–	–	–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)	–	–	–	–	–	–	–	–	–	–	–
Other	1 041	1 041	–	–	–	–	–	–	1 041	1 348	1 348
Total Capital Expenditure on new assets	272 988	411 948	–	–	–	–	–	–	411 948	47 982	45 443
Funded by:	–	–	–	–	–	–	–	–	–	–	–
National Government	–	–	–	–	–	–	–	–	–	–	–
Provincial Government	–	–	–	–	–	–	–	–	–	–	–
Parent Municipality	–	–	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–	–
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	60 000	40 000	–	–	–	–	–	–	48 008	–	–
Internally generated funds	212 980	371 948	–	–	–	–	–	–	371 948	47 982	45 443
Total Capital Funding	272 988	411 948	–	–	–	–	–	–	411 948	47 982	45 443

Table 24 MBRR Table E4 Adjustments Budget - Financial Position

Description	Budget Year 2016/17								Budget Year +1 2017/18	Budget Year +2 2018/19
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	231 541	235 535	–	–	–	–	–	235 535	231 232	202 479
Consumer debtors	–	–	–	–	–	–	–	–	–	–
Other debtors	4 357	16 224	–	–	–	–	–	16 224	21 004	20 658
Current portion of long-term receivables	–	–	–	–	–	–	–	–	–	–
Inventory	2 273	1 412	–	–	–	–	–	1 412	1 862	1 652
Total current assets	238 172	253 171	–	–	–	–	–	253 171	254 098	224 789
Non current assets										
Long-term receivables	5	0	–	–	–	–	–	0	–	–
Investments	0	0	–	–	–	–	–	0	0	0
Investment property	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	978 493	1 000 284	–	–	–	–	–	1 000 284	345 398	353 474
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	–	–	–	–	–
Total non current assets	978 498	1 000 284	–	–	–	–	–	1 000 284	345 398	353 474
TOTAL ASSETS	1 216 669	1 253 455	–	–	–	–	–	1 253 455	599 496	578 263
LIABILITIES										
Current liabilities										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Consumer deposits	39 213	37 926	–	–	–	–	–	37 926	49 100	48 291
Trade and other payables	47 407	45 226	–	–	–	–	–	45 226	55 029	56 470
Provisions	3 954	3 835	–	–	–	–	–	3 835	3 673	3 698
Total current liabilities	90 574	86 987	–	–	–	–	–	86 987	107 802	108 459
Non current liabilities										
Borrowing	56 415	39 394	–	–	–	–	–	39 394	36 821	33 992
Provisions	–	731	–	–	–	–	–	731	731	731
Total non current liabilities	56 415	48 125	–	–	–	–	–	40 125	37 552	34 723
TOTAL LIABILITIES	146 989	127 112	–	–	–	–	–	127 112	145 355	143 182
NET ASSETS	1 069 680	1 126 343	–	–	–	–	–	1 126 343	454 141	435 081
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	(215 958)	(159 297)	–	–	–	–	–	(159 297)	(831 499)	(850 558)
Reserves	–	–	–	–	–	–	–	–	–	–
Share capital	1 285 638	1 285 640	–	–	–	–	–	1 285 640	1 285 640	1 285 640
TOTAL COMMUNITY WEALTH/EQUITY	1 069 680	1 126 343	–	–	–	–	–	1 126 343	454 141	435 081

Table 25 MBRR Table E5 Adjustments Budget - Cash Flows

Description	Budget Year 2016/17								Budget Year +1 2017/18	Budget Year +2 2018/19
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, penalties & collection charges	217 414	212 544	–	–	–	–	–	212 544	268 000	268 630
Service charges	–	–	–	–	–	–	–	–	–	–
Other revenue	–	–	–	–	–	–	–	–	–	–
Government - operating	–	220	–	–	–	–	–	220	–	–
Government - capital	–	–	–	–	–	–	–	–	–	–
Interest	15 084	23 621	–	–	–	–	–	23 621	11 671	10 100
Dividends	–	–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees	(207 703)	(246 933)	–	–	–	–	–	(246 933)	(229 767)	(255 815)
Finance charges	(6 131)	(950)	–	–	–	–	–	(950)	(3 651)	(3 395)
Dividends paid	–	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	(220)	–	–	–	–	–	(220)	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	18 665	(11 718)	–	–	–	–	–	(11 718)	46 252	19 520
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	(272 980)	(411 948)	–	–	–	–	–	(411 948)	(47 982)	(45 443)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(272 980)	(411 948)	–	–	–	–	–	(411 948)	(47 982)	(45 443)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	340 001	241 212	–	–	–	–	–	241 212	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing	(3 585)	(606)	–	–	–	–	–	(606)	(2 573)	(2 830)
NET CASH FROM/(USED) FINANCING ACTIVITIES	336 417	240 606	–	–	–	–	–	240 606	(2 573)	(2 830)
NET INCREASE/ (DECREASE) IN CASH HELD	82 102	(183 060)	–	–	–	–	–	(183 060)	(4 303)	(28 753)
Cash/cash equivalents at the year begin:	149 439	231 541						231 541	48 482	44 178
Cash/cash equivalents at the year end:	231 541	48 482						48 482	44 178	15 425

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I Achmat Ebrahim ...., municipal manager of the City of Cape Town hereby certify, that the **2016/17 adjustments budget (April 2017)** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name Achmat Ebrahim

Municipal Manager of City of Cape Town (CPT)

Signature

Date 11-04-2017