

# CAPE AGULHAS MUNICIPALITY



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

## 2021/2022

### **S72: Mid-Year Budget and Performance**

### **Assessment Report**

### **31 DECEMBER 2021**

*[Incorporate section 71/52]*

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## **PART A – Submission of the Section 72 report to the Mayor**



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

### **PART A**

#### **SUBMISSION OF THE SECTION 72 REPORT TO THE OFFICE OF THE MAYOR**

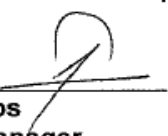
##### **To the Executive Mayor**

In accordance with Section 72(1)(b)(i) of the Municipal Finance Management Act, I submit the Mid-Year Budget & Performance Assessment statement on the state of Cape Agulhas Municipality's budget & performance implementation and the financial state of the municipality's affairs reflecting the particulars up until the end of December 2021.

##### **Recommendation:**

- The content of the Mid-year Budget and Performance Assessment Report and supporting documentation until the end of December 2020 is noted.
- It be noted that the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and in accordance with the approved budget.
- It be noted that any material variances in respect of projected revenues and expenditures will receive remedial or corrective steps based on the recommendations as to whether and adjustment budget is necessary.

For the month ending **31 DECEMBER 2021** (month/year) report has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

  
**Mr EO Phillips**  
**Municipal Manager**  
Date 24.01.2022

## PART B – Acknowledgement of the receipt of Section 72 report by Mayor



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

### **PART B**

#### **ACKNOWLEDGEMENT OF RECEIPT OF THE SECTION 72 – MID-YEAR AND PERFORMANCE ASSESSMENT REPORT BY THE OFFICE OF THE MAYOR**

Receipt of the Mid-year Budget and Performance Report for the 2021/22 financial year issued in terms of section 72(1)(b)(i) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA), is hereby acknowledged

For the month ending **31 DECEMBER 2021** (month/year) report has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

**Print Name:** Paul John Swart

**Mayor:** Cape Agulhas Municipality

**Signature:** 

**Date:** 04.1.22

## 1. **COUNCIL RESOLUTION**

### **Council resolves the following:**

- The content of the **Mid-Year Budget and Performance Assessment Report** and supporting documentation until the end of **31 December 2021** is noted.
- It be noted that the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and in accordance with the approved budget.
- It be noted that any material variances in respect of projected revenues and expenditures will receive remedial or corrective steps based on the recommendations as to whether and adjustment budget is necessary.
- Based on the content of the Mid-year budget and assessment report an Adjustment budget be tabled to Council for approval as per legislation.

## To The Executive Mayor

In accordance with **Section 71(1)** of the Municipal Finance Management Act, I submit the required statement on the state of Cape Agulhas Municipality's budget implementation and the financial state of the municipality's affairs reflecting the particulars up until the end of **31 December 2021**.

### **52. The mayor of a municipality—**

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

**Section 54(1) of the MFMA** requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

## Recommendations

- The content of the **monthly report** and supporting documentation for the consolidated period ending **31 December 2021** is noted.
- It be noted that the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and in accordance with the approved budget.
- It be noted that any material variances will receive remedial or corrective steps.

## **2. INTRODUCTION**

The purpose of this report is to comply with section 72 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

### **2.1 STRATEGIC OBJECTIVE**

“To comply with MFMA priorities as well as MFMA implementation plan”.

### **2.2 BACKGROUND**

**Section 72** of the MFMA and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” necessitate that specific financial particular be reported on and in the format prescribed, hence this report to meet legislative compliance.

#### **Section 72 of the Municipal Finance Management Act read as follows:**

**72. (1)** *The accounting officer of a municipality must by 25 January of each year—*

*(a) assess the performance of the municipality during the first half of the financial year, taking into account—*

*(i) the monthly statements referred to in section 71 for the first half of the financial year;*

*(ii) the municipality’s service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;*

*(iii) the past year’s annual report, and progress on resolving problems identified in the annual report; and*

*(iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and*

*(b) submit a report on such assessment to—*

*(i) the mayor of the municipality;*

*(ii) the National Treasury; and*

*(iii) the relevant provincial treasury.*

**(2)** *The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.*

*(3) The accounting officer must, as part of the review—*

*(a) make recommendations as to whether an adjustments budget is necessary; and*

*(b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.*

The focus of the mid-year report is to assess the Municipality's performance during the first half of the financial year based on the approved budget and service delivery plans in respect of the 2021/22 financial year.

### **3. MAYOR'S SUMMARY**

The Budget and Reporting regulations become effective during April 2009 and the municipality is obliged to report in the prescribed format to National & Provincial Treasury, the Executive Mayor and council accordingly.

#### **3.1 Budget Process:**

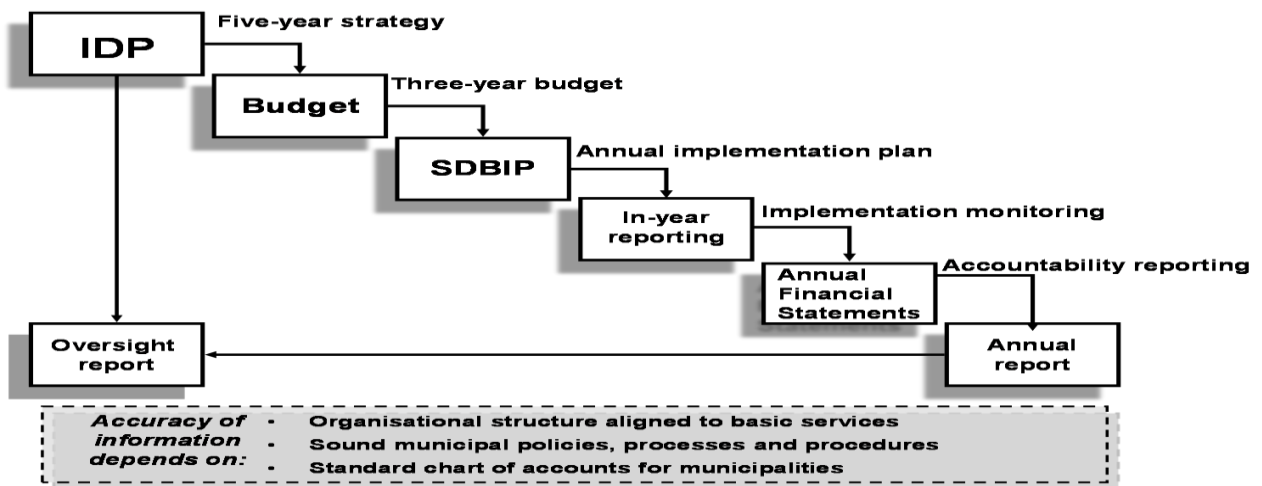
Section 53(1)(a) of the MFMA stipulates that the Executive Mayor of the Municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

The flowchart on the budget process basically reflecting three different processes in the budget cycle at the same time, namely:

- Reporting on the previous year budget.
- Current year budget implementation; and
- Preparation of the new financial year's budget (including the budget estimates for the two outer financial years)

The municipal planning and budget cycle processes consist of the following:





The municipality received a “Clean Audit” for the 2020/21 financial year.

#### **4. SUMMARY FINANCIAL ASSESSMENT**

##### Revenue performance

Revenue for the period ending 31 December 2021 totals R207,5m of a budgeted amount of R385,4 or 53.8% of budget amounts. December recorded information indicate that the mid-year period and overall performance is satisfactory and on-par. Areas of concern is the category of “Other own revenue”, but this will be dealt with in more details with the variance analysis below. Overperformance on investment revenues, mainly due to additional funds being available to invest also improved performance.

##### Expenditure performance

Overall expenditure reflects satisfactory performance with recorded totals of R176,3m spending of budgeted amounts of R394,9m. Finance charges represents a significant variance from budgeted amounts. This is mainly due to the payment of external financing sources (Loans) that is mostly processed with December as well as the June end of year timeframes.

Employee related cost and bulk purchases represents the biggest expenditures to date with 81.1% of the total expenditures allocated to these categories. This is as per normal municipal business practices the standard pattern of spending.

##### Capital performance

Capital budget spending is below the proposed spending of R11.4 for the year-to-date budget of December with only R8.29m spend to date. The administration completed a review of all capital projects individually to determine the risk associated with non-spending of the capital budget. This revised information will be submitted as part of the Adjustment budget recommendations. To date capital commitments recorded on the system totals R6m. These are projects in the process of being

finalized with outstanding deliverables and invoice payments to finalize the projects. This is also an indication that the municipality should achieve planned budgeted projects since most projects is normally implemented over the 2<sup>nd</sup> half of the financial year.

## **5. VARIANCE ANALYSIS BASED ON C1 BUDGET SUMMARY**

Analysis of variance on the C1 report with a 10% variance on the performance of the municipality.

### **Financial Performances**

#### **Revenue items**

##### **Investment revenue (35%)**

Positive variance reported. Administration will analyze the cash position and determine whether adjustments is needed with the adjustment budget.

##### **Transfers and subsidies (-7%)**

Currently no risk exists with the current year grant funding with projections that all funds will be spend before the end of the financial year.

##### **Other own revenue (-49%)**

The bulk of the other revenues is allocated to the Traffic department relating to fine income as well as income collectable from Resorts. The revenue for traffic department will not be achieved and a complete report is being compiled to analyse the impact of the Covid as well as other factors that impacted the departments performance. The budget will be reviewed with the Mid-year adjustment budget process.

The resorts income is on par, and the projections is not to review the income budgeted with the final budget totals.

The sale of land as per Council strategic plan is also in process of being investigated. The foresight is that the municipality should be able to achieve the budget as per May approved budget with an upward adjustment of the projections. Year to date actuals of R465k against a budget of R2.5m is reported.

#### **Expenditure items**

##### **Remuneration of Councillors (-19%)**

The biggest contributor to the variance is the period of National Local Government elections where council dissolved, and no expenditure was recorded for the relevant period. The current variance is based on the year-to-date budget reflecting the above norm of 10% variance.

##### **Finance charges (-74%)**

Finance charges represent the cost associated with post employee benefits, external borrowings, and finance leases. External loans are payable during December and June yearly. The recognition of finance charges relating to the budget of interest payments on external loans will also need to be reviewed to ensure more accurate alignment with budgeted amount.

### Transfers and subsidies (-40%)

The municipal social obligations, donations, bursaries as well as other monetary support to the community is reflected under this category. Based on the donation policy the process is to ensure a public invitation process of followed before funds are allocated to organisations. This is now in process of being finalised and spending should improve over the quarter.

### Other expenditures (-38%)

All expenditure not reflected in above categories is recorded under other expenditure. This category is mostly the focus areas of the budget process with Cost containment measures promoted to ensure the spending of funds is used optimally. The limitations imposed by means of Covid lockdown restrictions also impact the category significantly.

The budget for bad debts written off totals R10.1m and these transactions is mostly accounted for with year-end processes at the end of June. This category of expenditure also reflected under the other expenditure as per report.

With the mid-year budget and assessment process the administration will focus on these categories of expenditures to ensure projected targets will be achieved at year-end.

## **6. MFMA SECTION 72(b) ASSESSMENT**

The Accounting Officer herewith consult after assessing the municipal financial performance for the period 31 December 2022 herewith recommend that an Adjustment budget be tabled to council to review the Revenue and Expenditure as well as the Capital budget for the financial year 2021/22 MTREF.

The following reasons explanations are provided for the tabling of the Adjustment budget:

### **Revenue Adjustments:**

- Additional grants received from the Provincial government
- Review of the service charges projections for Water / Sanitation and Refuse services
- Downwards adjustment to the revenue collectable for Traffic fines.
- Review of the projected revenue from the Sale of land as per Council strategic decisions.

### **Expenditure Adjustments:**

- Review of the Employee related cost to account for the impact of the National salary and wage agreement implemented.
- Downwards adjustment to the Bad debt provision related to the Traffic fines.
- Review of the finance charges relating to the repayment of external borrowings.
- Review of the contracted services expenditures.
- Review of the Transfers and subsidies expenditures
- Other expenditure reviews.

### **Capital Adjustments.**

- Review of the Capital projects

Bases on the above explanations the Accounting Officer proposed that the Approved budget be amended and adjusted as per Budget summary A4 below.

This information will be consolidated and tabled to council as part of the Adjustment budget information.

#### Investment portfolio

The municipal investment portfolio is in a good position with Interest revenue optimally utilised. The budget for interest on external investments will be achieved for the financial year.

#### Borrowing portfolio

Administration is currently implementing a process of external financing as part of the Capital budget funding mix. The Long-term financial plan recommended that Council should limit the external borrowing to 30%, well below the National Treasury norm recommended by NT Circular 71 of 45%. The municipality is currently reflecting total external financing of 17% based on these norms and standards.

This in effect means that adequate external borrowing can still be implemented. This should however be cautionary implemented given the current economic climate and social profile of the municipality.

To date administration is managing the implementation of external financing considering all relevant factors.

**Detailed explanation relating to the category of expenditures and revenue items affected will be included as part of the Adjustment budget report tabled to Council.**

A4 Budget summary proposed

Description	Budget 2021/22	Revised Budget	Mid-year Adjustments	Mid-year Budget (Jan 2022)	Budget 2022/23	Budget 2023/24
<b>R thousand</b>						
<b>Revenue By Source</b>						
<b>Total Revenue (excluding capital transfers and contributions)</b>	- 384 854 490	- 384 854 490	- 5 293 350	- 390 147 840	- 423 268 750	- 460 043 900
<b>Expenditure By Type</b>						
<b>Total Expenditure</b>	394 402 747	394 402 747	3 373 870	397 776 617	416 763 437	441 977 317
<b>Surplus/(Deficit)</b>	9 548 257	9 548 257	- 1 919 480	7 628 777	- 6 505 313	- 18 066 583
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	- 21 562 850	- 24 478 172	- 1 593 020	- 26 071 192	- 23 884 250	- 15 412 700
<b>Surplus/ (Deficit) for the year</b>	- 12 014 593	- 14 929 915	- 3 512 500	- 18 442 415	- 30 389 563	- 33 479 283
<b>Capital Budget</b>						
<b>Total Capital budget</b>	53 873 187	56 841 584	129 656	56 971 240	54 856 601	40 448 175

## 7. INVESTMENT PORTFOLIO

WC033 CAPE AGULHAS MUNICIPALITY							
CASH FLOW INFORMATION IN TERMS OF PROVINCIAL CIRCULAR 10 & 50							
DETAILS	Balance as at 01 Dec 2021	Movements for the month			Balance as at 31 Dec 2021	Interest earned	Interest earned
		Investments matured	Investments made	Interest capitalised			
<b>Municipality</b>							
YTD					-		
Standard Bank	25 000 000	25 000 000	-		-	67 808	387 616
FNB	-	-	-		-	-	-
ABSA (CRR)	-	-	-		-	-	112 562
ABSA (ESKOM Deposit)	1 254 000	-	-		1 254 000	-	-
ABSA (ESKOM Deposit)	2 535 000	-	-		2 535 000	-	-
Nedbank	-	-	-		-	-	256 772
Nedbank (CRR)	-	-	-		-	-	194 548
Investec	20 000 000	20 000 000	-		-	46 290	65 227
	-				-		
<b>BANK DEPOSITS</b>	<b>48 789 000</b>	<b>45 000 000</b>	<b>-</b>	<b>-</b>	<b>3 789 000</b>	<b>114 099</b>	<b>1 016 725</b>

Investment balances is positive. The municipality implement a policy where access funds not utilised in operations are investment on monthly basis. This has proof positive as per the over performance of investment revenues to date.

## 8. EXTERNAL BORROWING PORTFOLIO

### **CASH FLOW REPORT IN TERMS OF PROVINCIAL CIRCULAR 10 & 50**

**Name of municipality**

**Cape Agulhas Municipality**

### **SUMMARY OF EXTERNAL LOANS FOR MONTH**

Lending Institution	Loan Number	Loan start date	Loan settlement date	Loan Amount	Repayment installment	Balance 01 December 21	New loans raised	Repayments	Balance 31 December 21
ABSA - Infrastr. (Old Nostra)	3044713107	30 June 2016	30 June 2026	1 200 000,00	200 389,14	758 043,00		93 291,54	664 751,46
ABSA - Various	3046537820	06 July 2017	30 June 2027	2 400 000,00	385 310,66	1 704 857,00		177 809,93	1 527 047,07
Nedbank - Infrastructure Medium Term	INFRA 4	27 June 2019	30 June 2024	4 120 000,00	1 034 895,46	2 472 000,00		412 000,00	2 060 000,00
Nedbank - Infrastructure Long Term	INFRA 2	26 June 2018	30 June 2028	7 000 000,00	1 189 186,37	4 900 000,00		350 000,00	4 550 000,00
Nedbank	Asset Finance	26 June 2019	30 June 2024	2 880 000,00	723 422,07	1 728 000,00		288 000,00	1 440 000,00
Nedbank - Infrastructure	INFRA 1	26 June 2018	30 June 2023	3 000 000,00	701 338,85	1 200 000,00		300 000,00	900 000,00
Nedbank - Infrastructure	INFRA 3	27 June 2019	30 June 2029	10 000 000,00	1 769 003,84	8 000 000,00		500 000,00	7 500 000,00
Std Bank - Motor Vehicle Fleet	Medium (655414)	29 June 2021	30 June 2024	4 800 000,00	1 776 574,16	4 800 000,00	-	199 791,00	4 600 209,00
Std Bank - New and Upgrade Infrastructure	Asset (655433)	29 June 2021	30 June 2026	2 318 000,00	548 085,44	2 318 000,00	-	738 908,00	1 579 092,00
Std Bank - New and Upgrade Infrastructure	Long (655414)	29 June 2021	30 June 2031	27 082 000,00	3 631 866,70	27 082 000,00	-	1 000 580,00	26 081 420,00
<b>Total</b>					<b>11 960 072,69</b>	<b>54 962 900,00</b>	<b>-</b>	<b>4 060 380,47</b>	<b>50 902 519,53</b>

The bulk of the external borrowing is for long-term projects. Since council implemented the external borrowing in the funding mix of capital projects the impact on liquidity (short-term) cash available as well as sustainability (CRR) funding significantly improved. Payments of loans was process during December with the second instalment due in June 2022.

## **9. mSCOA IMPLEMENTATION**

As part of the Budget meeting the MSCOA steering committee meetings will commence with the new Draft budget process for the 2022/23 financial year to ensure that the municipality complies with all requirements relating to mSCOA implementation.

National Treasury on a yearly basis release the new mSCOA chart for implementation. The new chart version 6.6 is available for release on the financial system. As per previous releases this will significantly impact on operations once implemented.

Finance is in the process of ensuring pre-planning is done to limit the impact on the operations of Council. More details relating to the above will be communicated with the Budget memorandum guidelines for the 2022/23 budget.



## 10. DEBTORS MANAGEMENT / INTERVENTION

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days -1 Year	Over 1 Year	Total
<b>Debtors Age Analysis By Income Source</b>									
Trade and Other Receivables from Exchange Transactions - Water	2 991 723	3 078 879	660 224	732 611	638 772	496 677	1 745 925	3 449 283	<b>13 794 094</b>
Trade and Other Receivables from Exchange Transactions - Electricity	10 156 311	3 121 313	784 031	506 108	332 625	264 451	1 043 710	1 336 602	<b>17 545 151</b>
Receivables from Non-exchange Transactions - Property Rates	4 208 717	3 006 620	525 952	920 479	275 700	2 093 935	1 876 730	3 255 189	<b>16 163 322</b>
Receivables from Exchange Transactions - Waste Water Management	1 208 428	1 706 125	402 596	409 033	400 268	285 381	996 395	2 080 321	<b>7 488 547</b>
Receivables from Exchange Transactions - Water Management	2 109 989	2 269 133	541 011	594 348	521 148	381 953	1 388 782	2 760 576	<b>10 566 940</b>
Receivables from Exchange Transactions - Property Rental Debtors	70 967	644 017	31 271	238 257	372 902	146 935	1 114 731	298 484	<b>2 917 564</b>
Interest on Arrear Debtor Accounts	229 653	1 027 840	186 967	148 794	8 408	122 959	881 220	997 749	<b>3 603 590</b>
Recoverable unauthorised or irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-
Other	- 2 849 339	338 734	14 814	12 547	7 674	17 365	570 376	639 426	- <b>1 248 403</b>
<b>Total By Income Source</b>	<b>18 126 449</b>	<b>15 192 661</b>	<b>3 146 866</b>	<b>3 562 177</b>	<b>2 557 497</b>	<b>3 809 656</b>	<b>9 617 869</b>	<b>14 817 630</b>	<b>70 830 805</b>
Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days -1 Year	Over 1 Year	Total
<b>Debtors Age Analysis By Customer Group</b>									
Organs of State	- 80 324	353 106	289 870	240 275	185 913	220 403	767 631	1 304 659	<b>3 281 533</b>
Commercial	6 876 544	2 119 552	412 614	747 795	388 423	424 275	2 916 739	448 889	<b>14 334 831</b>
Households	11 333 648	12 718 761	2 443 459	2 573 204	1 982 258	3 145 915	5 930 926	13 023 298	<b>53 151 469</b>
Other	- 3 419	1 242	923	903	903	19 063	2 573	40 784	<b>62 972</b>
<b>Total By Customer Group</b>	<b>18 126 449</b>	<b>15 192 661</b>	<b>3 146 866</b>	<b>3 562 177</b>	<b>2 557 497</b>	<b>3 809 656</b>	<b>9 617 869</b>	<b>14 817 630</b>	<b>70 830 805</b>

The collection of debt remains a priority for the municipality throughout the financial year. The economic challenges and Covid 19 still have huge impact on households.

**Currently the municipality implemented the following initiatives in terms of debt collection:**

- All outstanding debt longer than 90 days has been handed over to the external service provider to collect as per the new SCM tender awarded.
- Debt older than 30 to 90 days is being pursued internally by the Income department (Masakhane)

The national norm of 95% and the municipality strives to exceed these norms.

Administration / Council is also in process of investigating the possibilities of implementing a call-centre initiative to enhance and support the current debt collection processes with a proposed plan to review the current internal debt collection operations.

More details will be provided as the analysis of information is completed.

**Analysing the debtor book for the month of December 2021 reflects the following important information:**

- The collection rate for the period ending December records at 94.81%
- The balance decreases slightly from the previous month of R70,965,079 (November 2021).
- Household debt is the biggest component with 75.04%.
- Debt older than 90 days represents 48.5% or R34,3m of the total outstanding debts.
- Debt older than 365 days represent 20.9% or R14.8m of the total debt.
- Limited risk exists with the collection of Government debt with a total of R1.3m outstanding for longer than 365 days. This category is however significant small compared to total debt with a balance of R3.2m

## **11. COST CONTAINMENT REGULATION AND CIRCULAR REQUIREMENTS**

National Treasury as part of the drive for more efficient use of government resources introduced the **Local Government: Municipal Cost Containment regulation (MCCR)** promulgated on the 7 June 2019 with effective date of **1 July 2019**.

As part of the regulation municipalities is required to report as part of the in-year reporting mechanisms of the MFMA to the municipal council's relating to **COST CONTAINMENT** initiatives implemented. Numerous other requirements were also introduced that enforce reviewed of municipal policies and documentation as well as business processes. These will be implemented by the Chief Financial Officer as required.

Below the standardised report relating to **Cost containment measures** implemented by the municipality.

<b>Total cost saving disclosure in the In-year report - 31 December 2021</b>								
<b>COST CONTAINMENT IN-YEAR REPORT</b>								
<b>MEASURES</b>	<b>APPROVED BUDGET</b>	<b>Q1 - 30 Sept</b>	<b>Q2 - 31 Dec</b>	<b>Q3 - 31 Mrch</b>	<b>Q4 - June</b>	<b>YTD TOTAL</b>	<b>SAVINGS</b>	<b>% Spent</b>
<i>Use of Consultants</i>	7 491 800,00	709 229,40	683 375,45	-	-	1 392 604,85	6 099 195,15	18,6%
<i>Use of RME contractors</i>	9 632 900,00	1 026 385,24	1 499 077,62	-	-	2 525 462,86	7 107 437,14	26,2%
<i>Travel and subsistence</i>	329 500,00	30 053,93	45 595,45	-	-	75 649,38	253 850,62	23,0%
<i>Domestic accommodation</i>	206 100,00	23 546,31	47 642,66	-	-	71 188,97	134 911,03	34,5%
<i>Sponsorship, events and catering</i>	204 800,00	27 121,91	52 648,63	-	-	79 770,54	125 029,46	39,0%
<i>Communication</i>	382 300,00	25 629,59	54 436,61	-	-	80 066,20	302 233,80	20,9%
<i>Other related expenditures</i>	1 037 100,00	101 695,47	179 355,74	-	-	281 051,21	756 048,79	27,1%
<b>Total</b>	<b>19 284 500,00</b>	<b>1 943 661,85</b>	<b>2 562 132,16</b>	<b>-</b>	<b>-</b>	<b>4 505 794,01</b>	<b>14 778 705,99</b>	<b>23,4%</b>

To generate value and adhere to the spirit of the Regulation with related to the cost containment reporting, management will need to interrogate each individual cost item and determine whether value for money was received when procuring or incurring the necessary expenses.

## 12. SECTION 11 QUARTERLY WITHDRAWALS

 <b>PROVINCIAL TREASURY</b> <b>Withdrawals from Municipal Bank Accounts</b> <b>In accordance with Section 11, Sub-section 1 (b) to (j)</b> 		
<b>NAME OF MUNICIPALITY:</b>	CAPE AGULHAS MUNICIPALITY	
<b>MUNICIPAL DEMARCATION CODE:</b>	WC033	
<b>QUARTER ENDED:</b>	31 DECEMBER 2021	
<b>MFMA section 11.</b> (1) Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i> , or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality's</i> bank accounts, and may do so only -	<b>Amount</b>	<b>Reason for withdrawal</b>
		Payment of Operational and Capital expenditures.
(b) to defray expenditure authorised in terms of section 26(4);	Not Applicable	
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);	None	None
(d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section;	None	None
(e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including -	None	None
(i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or	None	None
(ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state;	None	None
(f) to refund money incorrectly paid into a bank account;	None	None
(g) to refund guarantees, sureties and <i>security</i> deposits;	None	None
(h) for cash management and <i>investment</i> purposes in accordance with section 13;	R90m	Q2 consolidated investments (Roll-over)
(i) to defray increased expenditure in terms of section 31; or	None	None
(j) for such other purposes as may be <i>prescribed</i> .	None	None
(4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> -	<b>Name and Surname:</b> EO PHILLIPS	
(a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> ; and	<b>Rank/Position:</b> Municipal Manager	
(b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	<b>Signature:</b> 	
<b>Tel number</b>	<b>Fax number</b>	<b>Email Address</b>
028 425 5500		shauns@capeagulhas.gov.za
<b>The completed form must reach Mr Edwin Nkuna at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 8662, Fax 021 483 8623, Email: enkuna@pgwc.gov.za on or before the 15th of the month following the end of each quarter.</b>		

## PART B

### 13. LEGISLATED INFORMATION

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M06 December

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	77 423	77 675	-	4 576	53 097	51 372	1 725	3%	77 675
Service charges	197 038	224 411	-	18 308	112 658	112 955	(297)	-0%	224 411
Investment revenue	3 138	2 405	-	232	1 601	1 185	416	35%	2 405
Transfers and subsidies	46 733	50 084	-	14 759	30 059	32 189	(2 131)	-7%	50 084
Other own revenue	29 897	30 829	-	1 186	10 087	19 927	(9 840)	-49%	30 829
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>354 229</b>	<b>385 404</b>	<b>-</b>	<b>39 060</b>	<b>207 502</b>	<b>217 629</b>	<b>(10 127)</b>	<b>-5%</b>	<b>385 404</b>
Employee costs	157 304	160 777	-	13 855	80 208	80 404	(196)	-0%	160 777
Remuneration of Councillors	5 626	6 212	-	393	2 521	3 105	(584)	-19%	6 212
Depreciation & asset impairment	16 715	11 823	-	983	5 928	5 912	16	0%	11 823
Finance charges	6 972	12 044	-	933	933	3 528	(2 596)	-74%	12 044
Inventory consumed and bulk purchases	111 236	135 039	-	9 545	62 923	66 867	(3 944)	-6%	135 039
Transfers and subsidies	2 987	2 646	-	113	940	1 553	(614)	-40%	2 646
Other expenditure	52 590	66 411	-	4 152	22 899	37 233	(14 334)	-38%	66 411
<b>Total Expenditure</b>	<b>353 431</b>	<b>394 952</b>	<b>-</b>	<b>29 974</b>	<b>176 351</b>	<b>198 603</b>	<b>(22 252)</b>	<b>-11%</b>	<b>394 952</b>
<b>Surplus/(Deficit)</b>	<b>798</b>	<b>(9 548)</b>	<b>-</b>	<b>9 086</b>	<b>31 151</b>	<b>19 026</b>	<b>12 126</b>	<b>64%</b>	<b>(9 548)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	15 772	21 563	-	1 976	4 220	18 015	####	-77%	21 563
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>	<b>(1 670)</b>	<b>-5%</b>	<b>12 015</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>	<b>(1 670)</b>	<b>-5%</b>	<b>12 015</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>42 700</b>	<b>53 873</b>	<b>-</b>	<b>203</b>	<b>2 986</b>	<b>20 594</b>	<b>(17 608)</b>	<b>-86%</b>	<b>53 873</b>
Capital transfers recognised	15 093	21 563	-	1 976	4 220	11 406	(7 187)	-83%	21 563
Borrowing	31 181	14 760	-	1 989	2 512	3 885	(1 373)	-35%	14 760
Internally generated funds	11 745	17 551	-	206	1 557	5 302	(3 745)	-71%	17 551
<b>Total sources of capital funds</b>	<b>58 018</b>	<b>53 873</b>	<b>-</b>	<b>4 171</b>	<b>8 290</b>	<b>20 594</b>	<b>(12 304)</b>	<b>-60%</b>	<b>53 873</b>
<b>Financial position</b>									
Total current assets	159 638	155 039	-	-	168 740	-	-	-	155 039
Total non current assets	526 114	570 630	-	-	528 503	-	-	-	570 630
Total current liabilities	86 339	52 214	-	-	62 864	-	-	-	52 214
Total non current liabilities	152 290	211 978	-	-	151 904	-	-	-	211 978
Community wealth/Equity	446 034	456 477	-	-	481 545	-	-	-	456 477
<b>Cash flows</b>									
Net cash from (used) operating	211 923	153 571	-	(17 026)	63 232	50 279	(12 953)	-26%	153 571
Net cash from (used) investing	(46 152)	(56 244)	-	(4 715)	(4 677)	(21 844)	(17 167)	79%	(56 244)
Net cash from (used) financing	34 354	37 032	-	0	0	-	(0)	#DIV/0!	37 032
<b>Cash/cash equivalents at the month/year end</b>	<b>273 214</b>	<b>224 835</b>	<b>109 361</b>	<b>-</b>	<b>167 916</b>	<b>137 796</b>	<b>(30 120)</b>	<b>-22%</b>	<b>243 720</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	18 126	15 193	3 147	3 562	2 557	3 810	9 618	14 818	70 831
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

**WC033 Cape Agulhas - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December**

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		147 421	134 766	-	18 206	85 212	90 806	(5 593)	-6%	134 766
Executive and council		34 393	33 320	-	11 097	25 004	24 968	36	0%	33 320
Finance and administration		113 028	101 446	-	7 109	60 209	65 838	(5 629)	-9%	101 446
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		12 945	20 536	-	4 040	7 963	11 218	(3 256)	-29%	20 536
Community and social services		6 810	7 298	-	3 098	3 222	2 437	785	32%	7 298
Sport and recreation		5 959	8 311	-	806	4 589	6 428	(1 838)	-29%	8 311
Public safety		-	-	-	-	-	-	-	-	-
Housing		175	4 927	-	135	152	2 354	(2 202)	-94%	4 927
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 967	16 783	-	440	4 548	10 988	(6 440)	-59%	16 783
Planning and development		4 144	2 984	-	89	2 349	2 023	327	16%	2 984
Road transport		3 405	3 249	-	324	1 723	1 774	(52)	-3%	3 249
Environmental protection		2 417	10 551	-	26	475	7 191	(6 715)	-93%	10 551
<i>Trading services</i>		199 669	234 882	-	18 350	113 999	122 632	(8 633)	-7%	234 882
Energy sources		132 651	158 607	-	12 293	76 636	81 182	(4 545)	-6%	158 607
Water management		30 176	40 663	-	2 697	16 608	23 524	(6 916)	-29%	40 663
Waste water management		14 112	14 297	-	1 368	8 568	7 234	1 333	18%	14 297
Waste management		22 729	21 314	-	1 992	12 187	10 691	1 496	14%	21 314
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>370 001</b>	<b>406 967</b>	<b>-</b>	<b>41 036</b>	<b>211 722</b>	<b>235 644</b>	<b>(23 922)</b>	<b>-10%</b>	<b>406 967</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		112 128	112 563	-	10 650	55 911	56 977	(1 065)	-2%	112 563
Executive and council		15 579	15 032	-	1 122	7 703	8 577	(875)	-10%	15 032
Finance and administration		95 043	95 882	-	9 406	47 370	47 573	(203)	0%	95 882
Internal audit		1 506	1 648	-	122	838	826	12	1%	1 648
<i>Community and public safety</i>		31 331	39 126	-	2 526	14 711	17 861	(3 150)	-18%	39 126
Community and social services		11 926	12 559	-	893	5 738	6 449	(711)	-11%	12 559
Sport and recreation		12 535	14 302	-	1 196	6 360	7 336	(977)	-13%	14 302
Public safety		4 028	4 563	-	174	1 019	2 466	(1 447)	-59%	4 563
Housing		2 843	7 702	-	263	1 594	1 609	(15)	-1%	7 702
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		40 803	51 261	-	3 337	18 899	25 672	(6 773)	-26%	51 261
Planning and development		12 124	15 474	-	1 060	6 270	8 069	(1 799)	-22%	15 474
Road transport		20 324	22 084	-	1 824	9 458	10 674	(1 216)	-11%	22 084
Environmental protection		8 355	13 702	-	453	3 171	6 929	(3 758)	-54%	13 702
<i>Trading services</i>		169 168	192 003	-	13 461	86 829	98 094	(11 265)	-11%	192 003
Energy sources		110 190	126 436	-	9 085	61 305	64 873	(3 568)	-5%	126 436
Water management		24 007	24 053	-	1 852	10 955	11 287	(333)	-3%	24 053
Waste water management		12 627	13 039	-	1 096	6 266	6 422	(156)	-2%	13 039
Waste management		22 344	28 475	-	1 428	8 303	15 511	(7 208)	-46%	28 475
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>353 431</b>	<b>394 952</b>	<b>-</b>	<b>29 974</b>	<b>176 351</b>	<b>198 603</b>	<b>(22 252)</b>	<b>-11%</b>	<b>394 952</b>
<b>Surplus/ (Deficit) for the year</b>		<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>	<b>(1 670)</b>	<b>-5%</b>	<b>12 015</b>

WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION	1	39 467	36 170	-	11 040	26 555	26 890	(335)	-1.2%	36 170
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		96 247	87 479	-	5 105	57 297	56 146	1 151	2.1%	87 479
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		12 135	27 429	-	1 310	7 046	17 958	(10 912)	-60.8%	27 429
Vote 4 - ENGINEERING SERVICES DIRECTORATE		80 614	88 222	-	8 122	39 823	50 032	(10 209)	-20.4%	88 222
Vote 5 -		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>228 463</b>	<b>239 300</b>	<b>-</b>	<b>25 577</b>	<b>130 721</b>	<b>151 026</b>	<b>(20 306)</b>	<b>-13.4%</b>	<b>239 300</b>
<b>Expenditure by Vote</b>										
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION	1	38 409	40 822	-	3 074	20 079	21 798	(1 720)	-7.9%	40 822
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		68 800	68 462	-	6 840	33 084	33 483	(399)	-1.2%	68 462
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		40 614	54 773	-	3 251	18 697	25 811	(7 113)	-27.6%	54 773
Vote 4 - ENGINEERING SERVICES DIRECTORATE		61 575	68 632	-	4 818	26 987	34 705	(7 719)	-22.2%	68 632
Vote 5 -		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>209 398</b>	<b>232 689</b>	<b>-</b>	<b>17 983</b>	<b>98 847</b>	<b>115 797</b>	<b>(16 951)</b>	<b>-14.6%</b>	<b>232 689</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>19 064</b>	<b>6 611</b>	<b>-</b>	<b>7 593</b>	<b>31 874</b>	<b>35 229</b>	<b>(3 355)</b>	<b>-9.5%</b>	<b>6 611</b>

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		77 423	77 675	-	4 576	53 097	51 372	1 725	3%	77 675
Service charges - electricity revenue		130 028	155 851	-	12 251	75 905	79 211	(3 307)	-4%	155 851
Service charges - water revenue		30 168	32 960	-	2 697	16 003	15 824	179	1%	32 960
Service charges - sanitation revenue		14 112	14 286	-	1 368	8 564	7 228	1 336	18%	14 286
Service charges - refuse revenue		22 729	21 314	-	1 992	12 187	10 691	1 496	14%	21 314
Rental of facilities and equipment		2 338	1 359	-	(149)	122	501	(378)	-76%	1 359
Interest earned - external investments		3 138	2 405	-	232	1 601	1 185	416	35%	2 405
Interest earned - outstanding debtors		2 190	1 911	-	204	909	1 138	(228)	-20%	1 911
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 437	10 382	-	27	258	7 110	(6 853)	-96%	10 382
Licences and permits		3	116	-	2	80	16	64	405%	116
Agency services		3 405	3 249	-	324	1 723	1 774	(52)	-3%	3 249
Transfers and subsidies		46 733	50 084	-	14 759	30 059	32 189	(2 131)	-7%	50 084
Other revenue		18 990	11 312	-	777	6 531	8 138	(1 607)	-20%	11 312
Gains		535	2 500	-	2	465	1 250	(785)	-63%	2 500
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>354 229</b>	<b>385 404</b>	<b>-</b>	<b>39 060</b>	<b>207 502</b>	<b>217 629</b>	<b>(10 127)</b>	<b>-5%</b>	<b>385 404</b>
<b>Expenditure By Type</b>										
Employee related costs		157 304	160 777	-	13 855	80 208	80 404	(196)	0%	160 777
Remuneration of councillors		5 626	6 212	-	393	2 521	3 105	(584)	-19%	6 212
Debt impairment		6 697	10 159	-	-	-	5 080	(5 080)	-100%	10 159
Depreciation & asset impairment		16 715	11 823	-	983	5 928	5 912	16	0%	11 823
Finance charges		6 972	12 044	-	933	933	3 528	(2 596)	-74%	12 044
Bulk purchases - electricity		95 595	107 467	-	7 808	53 653	56 393	(2 740)	-5%	107 467
Inventory consumed		15 641	27 572	-	1 737	9 270	10 474	(1 204)	-11%	27 572
Contracted services		22 619	26 913	-	904	6 066	13 609	(7 543)	-55%	26 913
Transfers and subsidies		2 987	2 646	-	113	940	1 553	(614)	-40%	2 646
Other expenditure		23 274	29 339	-	3 248	16 834	18 545	(1 711)	-9%	29 339
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>353 431</b>	<b>394 952</b>	<b>-</b>	<b>29 974</b>	<b>176 351</b>	<b>198 603</b>	<b>(22 252)</b>	<b>-11%</b>	<b>394 952</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		798	(9 548)	-	9 086	31 151	19 026	12 126	0	(9 548)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		15 772	21 563	-	1 976	4 220	18 015	(13 795)	(0)	21 563
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>			<b>12 015</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>			<b>12 015</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>			<b>12 015</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>16 570</b>	<b>12 015</b>	<b>-</b>	<b>11 062</b>	<b>35 371</b>	<b>37 041</b>			<b>12 015</b>



WC033 Cape Agulhas - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		3 577	2 376	-	196	782	1 025	(243)	-24%	2 376
Executive and council		37	18	-	-	-	-	-	-	18
Finance and administration		3 540	2 359	-	196	782	1 025	(243)	-24%	2 359
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		2 068	2 848	-	6	592	540	52	10%	2 848
Community and social services		63	69	-	-	13	50	(37)	-75%	69
Sport and recreation		1 980	2 280	-	3	576	340	236	70%	2 280
Public safety		23	499	-	3	3	150	(147)	-98%	499
Housing		2	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		10 563	20 224	-	1 979	3 615	8 563	(4 948)	-58%	20 224
Planning and development		1 473	1 116	-	3	992	400	592	148%	1 116
Road transport		9 090	18 643	-	1 976	2 622	8 163	(5 540)	-68%	18 643
Environmental protection		-	465	-	-	-	-	-	-	465
<b>Trading services</b>		41 810	28 425	-	1 989	3 301	10 466	(7 165)	-68%	28 425
Energy sources		6 148	10 084	-	1 989	2 656	2 978	(322)	-11%	10 084
Water management		1 927	3 450	-	-	-	1 154	(1 154)	-100%	3 450
Waste water management		29 982	11 950	-	-	644	6 333	(5 689)	-90%	11 950
Waste management		3 753	2 942	-	-	-	-	-	-	2 942
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>58 018</b>	<b>53 873</b>	<b>-</b>	<b>4 171</b>	<b>8 290</b>	<b>20 594</b>	<b>(12 304)</b>	<b>-60%</b>	<b>53 873</b>
<b>Funded by:</b>										
National Government		12 840	20 748	-	1 976	3 228	11 006	(7 778)	-71%	20 748
Provincial Government		2 253	815	-	-	991	400	591	148%	815
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>15 093</b>	<b>21 563</b>	<b>-</b>	<b>1 976</b>	<b>4 220</b>	<b>11 406</b>	<b>(7 187)</b>	<b>-63%</b>	<b>21 563</b>
<b>Borrowing</b>	<b>6</b>	<b>31 181</b>	<b>14 760</b>	<b>-</b>	<b>1 989</b>	<b>2 512</b>	<b>3 885</b>	<b>(1 373)</b>	<b>-35%</b>	<b>14 760</b>
<b>Internally generated funds</b>		<b>11 745</b>	<b>17 551</b>	<b>-</b>	<b>206</b>	<b>1 557</b>	<b>5 302</b>	<b>(3 745)</b>	<b>-71%</b>	<b>17 551</b>
<b>Total Capital Funding</b>		<b>58 018</b>	<b>53 873</b>	<b>-</b>	<b>4 171</b>	<b>8 290</b>	<b>20 594</b>	<b>(12 304)</b>	<b>-60%</b>	<b>53 873</b>

WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		(8 893)	37 516	-	(5 527)	37 516
Call investment deposits		118 254	118 254	-	118 254	118 254
Consumer debtors		38 117	19 003	-	49 205	19 003
Other debtors		10 592	13 477	-	5 038	13 477
Current portion of long-term receivables		3	3	-	3	3
Inventory		1 565	(33 215)	-	1 767	(33 215)
<b>Total current assets</b>		<b>159 638</b>	<b>155 039</b>	<b>-</b>	<b>168 740</b>	<b>155 039</b>
<b>Non current assets</b>						
Long-term receivables		154	129	-	155	129
Investments		-	-	-	-	-
Investment property		40 320	42 498	-	40 315	42 498
Investments in Associate		-	-	-	-	-
Property, plant and equipment		481 153	523 805	-	483 546	523 805
Biological		-	-	-	-	-
Intangible		4 486	4 198	-	4 486	4 198
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>526 114</b>	<b>570 630</b>	<b>-</b>	<b>528 503</b>	<b>570 630</b>
<b>TOTAL ASSETS</b>		<b>685 752</b>	<b>725 669</b>	<b>-</b>	<b>697 243</b>	<b>725 669</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		8 000	6 027	-	(560)	6 027
Consumer deposits		6 095	5 589	-	6 215	5 589
Trade and other payables		58 434	27 851	-	43 453	27 851
Provisions		13 810	12 748	-	13 757	12 748
<b>Total current liabilities</b>		<b>86 339</b>	<b>52 214</b>	<b>-</b>	<b>62 864</b>	<b>52 214</b>
<b>Non current liabilities</b>						
Borrowing		46 963	103 982	-	47 001	103 982
Provisions		105 327	107 995	-	104 903	107 995
<b>Total non current liabilities</b>		<b>152 290</b>	<b>211 978</b>	<b>-</b>	<b>151 904</b>	<b>211 978</b>
<b>TOTAL LIABILITIES</b>		<b>238 628</b>	<b>264 192</b>	<b>-</b>	<b>214 768</b>	<b>264 192</b>
<b>NET ASSETS</b>	2	<b>447 124</b>	<b>461 477</b>	<b>-</b>	<b>482 474</b>	<b>461 477</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		408 534	421 477	-	444 045	421 477
Reserves		37 500	35 000	-	37 500	35 000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>446 034</b>	<b>456 477</b>	<b>-</b>	<b>481 545</b>	<b>456 477</b>

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		41 873	81 609	-	4 609	48 243	28 422	19 821	70%	81 609
Service charges		140 241	222 273	-	19 663	116 268	110 385	5 883	5%	222 273
Other revenue		7 568	26 001	-	1 105	8 388	8 720	(332)	-4%	26 001
Transfers and Subsidies - Operational		20 780	49 084	-	2 337	26 790	16 595	10 196	61%	49 084
Transfers and Subsidies - Capital		1 461	20 763	-	-	5 769	3 548	2 221	63%	20 763
Interest								-		
Dividends								-		
<b>Payments</b>										
Suppliers and employees		-	(246 159)	-	(44 741)	(142 226)	(117 391)	24 836	-21%	(246 159)
Finance charges								-		
Transfers and Grants								-		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>211 923</b>	<b>153 571</b>	<b>-</b>	<b>(17 026)</b>	<b>63 232</b>	<b>50 279</b>	<b>(12 953)</b>	<b>-26%</b>	<b>153 571</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		79	(2 500)	-	2	4 100	(1 250)	5 350	-428%	(2 500)
Decrease (increase) in non-current receivables		154	129	-	0	0	-	0	#DIV/0!	129
Decrease (increase) in non-current investments								-		
<b>Payments</b>										
Capital assets		(46 385)	(53 873)	-	(4 717)	(8 777)	(20 594)	(11 816)	57%	(53 873)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(46 152)</b>	<b>(56 244)</b>	<b>-</b>	<b>(4 715)</b>	<b>(4 677)</b>	<b>(21 844)</b>	<b>(17 167)</b>	<b>79%</b>	<b>(56 244)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing		34 200	36 902	-	-	-	-	-		36 902
Increase (decrease) in consumer deposits								-		
<b>Payments</b>										
Repayment of borrowing		154	129	-	0	0	-	(0)	#DIV/0!	129
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>34 354</b>	<b>37 032</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>#DIV/0!</b>	<b>37 032</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>200 125</b>	<b>134 359</b>	<b>-</b>	<b>(21 741)</b>	<b>58 555</b>	<b>28 436</b>			<b>134 359</b>
Cash/cash equivalents at beginning:		73 088	90 476	109 361	109 361	109 361	109 361			109 361
Cash/cash equivalents at month/year end:		273 214	224 835	109 361		167 916	137 796			243 720

WC033 Cape Agulhas - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2020/21	Budget Year 2021/22			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.0%	6.0%	0.0%	0.5%	4.6%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		73.0%	27.4%	0.0%	84.1%	27.4%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		25.4%	30.2%	0.0%	18.7%	30.2%
Gearing	Long Term Borrowing/ Funds & Reserves		125.2%	297.1%	0.0%	125.3%	297.1%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	184.9%	296.9%	0.0%	268.4%	296.9%
Liquidity Ratio	Monetary Assets/Current Liabilities		126.7%	298.3%	0.0%	179.3%	298.3%
<b>Revenue Management</b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		13.8%	8.5%	0.0%	26.2%	8.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		44.4%	41.7%	0.0%	38.7%	41.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6.7%	6.2%	0.0%	0.4%	4.7%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

WC033 Cape Agulhas - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		3 307	3 744	-	246	1 516	1 872	(356)	-19%	3 744
Pension and UIF Contributions		512	721	-	28	260	360	(100)	-28%	721
Medical Aid Contributions		36	66	-	-	3	32	(29)	-91%	66
Motor Vehicle Allowance		1 283	1 193	-	86	460	597	(136)	-23%	1 193
Cellphone Allowance		488	488	-	33	281	244	37	15%	488
Housing Allowances								-		
Other benefits and allowances								-		
<b>Sub Total - Councillors</b>		<b>5 626</b>	<b>6 212</b>	<b>-</b>	<b>393</b>	<b>2 521</b>	<b>3 105</b>	<b>(584)</b>	<b>-19%</b>	<b>6 212</b>
% increase	4		10.4%							10.4%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		4 206	3 593	-	321	2 064	1 797	268	15%	3 593
Pension and UIF Contributions		100	219	-	1	5	109	(104)	-95%	219
Medical Aid Contributions		99	106	-	8	48	53	(5)	-9%	106
Overtime								-		
Performance Bonus		497	443	-	548	548	222	327	147%	443
Motor Vehicle Allowance		284	300	-	25	130	150	(20)	-14%	300
Cellphone Allowance		65	65	-	5	16	32	(17)	-52%	65
Housing Allowances		-	80	-	-	-	40	(40)	-100%	80
Other benefits and allowances		30	22	-	3	15	11	4	33%	22
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>5 281</b>	<b>4 829</b>	<b>-</b>	<b>912</b>	<b>2 826</b>	<b>2 414</b>	<b>412</b>	<b>17%</b>	<b>4 829</b>
% increase	4		-8.6%							-8.6%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		93 151	104 118	-	9 413	49 394	52 075	(2 680)	-5%	104 118
Pension and UIF Contributions		15 865	17 796	-	1 413	8 404	8 898	(494)	-6%	17 796
Medical Aid Contributions		5 290	6 053	-	440	2 628	3 026	(398)	-13%	6 053
Overtime		4 767	3 512	-	326	1 955	1 756	199	11%	3 512
Performance Bonus								-		
Motor Vehicle Allowance		6 113	5 946	-	556	3 301	2 973	328	11%	5 946
Cellphone Allowance		476	484	-	46	242	242	(0)	0%	484
Housing Allowances		901	975	-	68	391	488	(97)	-20%	975
Other benefits and allowances		13 202	13 506	-	530	10 572	6 753	3 819	57%	13 506
Payments in lieu of leave		2 329	-	-	8	48	-	48	#DIV/0!	-
Long service awards		950	687	-	143	447	344	104	30%	687
Post-retirement benefit obligations		8 980	2 871	-	-	-	1 436	(1 436)	-100%	2 871
<b>Sub Total - Other Municipal Staff</b>		<b>152 024</b>	<b>155 948</b>	<b>-</b>	<b>12 943</b>	<b>77 382</b>	<b>77 990</b>	<b>(608)</b>	<b>-1%</b>	<b>155 948</b>
% increase	4		2.6%							2.6%
<b>Total Parent Municipality</b>		<b>162 930</b>	<b>166 989</b>	<b>-</b>	<b>14 248</b>	<b>82 728</b>	<b>83 509</b>	<b>(781)</b>	<b>-1%</b>	<b>166 989</b>

## 14. QUALITY CERTIFICATE

NAVRAE:  
ENQUIRIES: S Stanley

KONTAKNR  
CONTACT NO 028 425 5798

VERW:  
REF: 5/3/2021-22 (M06\_S71/S72)

KANTOOR:  
OFFICES: Bredasdorp

DATUM  
DATE 13 January 2022



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASTPALA WASECAPE AGULHAS

### QUALITY CERTIFICATE

I, **EBEN PHILLIPS** the accounting officer / chief financial officer of **CAPE AGULHAS MUNICIPALITY WC033** (name of municipality), hereby certify that –

(mark as appropriate)

- The monthly budget statements.
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid- year budget and performance assessment

For the month ended **31 December 2021** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name Eben Oliver Phillips

Accounting Officer / Chief Financial Officer of **CAPE AGULHAS MUNICIPALITY WC033** (name and demarcation of municipality)

Signature: 

Date: 13 January 2022