

CAPE AGULHAS MUNICIPALITY



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

2021/2022

**SECTION 52 REPORT FOR THE QUARTER
ENDING 31 MARCH 2022**
(Section 71 report incorporated)

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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 March 2022**.

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 **quarterly report for the 3rd quarter ending 31 March 2022** and supporting documentation for the consolidated period be 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.

1. INTRODUCTION

2.1 PURPOSE

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

2.2 STRATEGIC OBJECTIVE

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

2.3 BACKGROUND

Section 71 of the MFMA and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” necessitate that specific financial particular be reported on and in the format prescribed, hence this report to meet legislative compliance.

“Section 52(d) of the MFMA states that, the executive mayor of a municipality must within 30 days of the end of each quarter submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

However, section 71 of the MFMA states that, the accounting officer of a municipality must by no later than **10 working days after the end of each month** submit to the mayor of the municipality and the relevant treasury a statement in the prescribed format on the implementation of the municipality’s approved budget”.

“Section 28 of the Government Notice 32141, the monthly budget statement of a municipality must be in the format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act”.

Section 54 of the MFMA requires the Mayor to consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

3. MAYOR'S SUMMARY

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

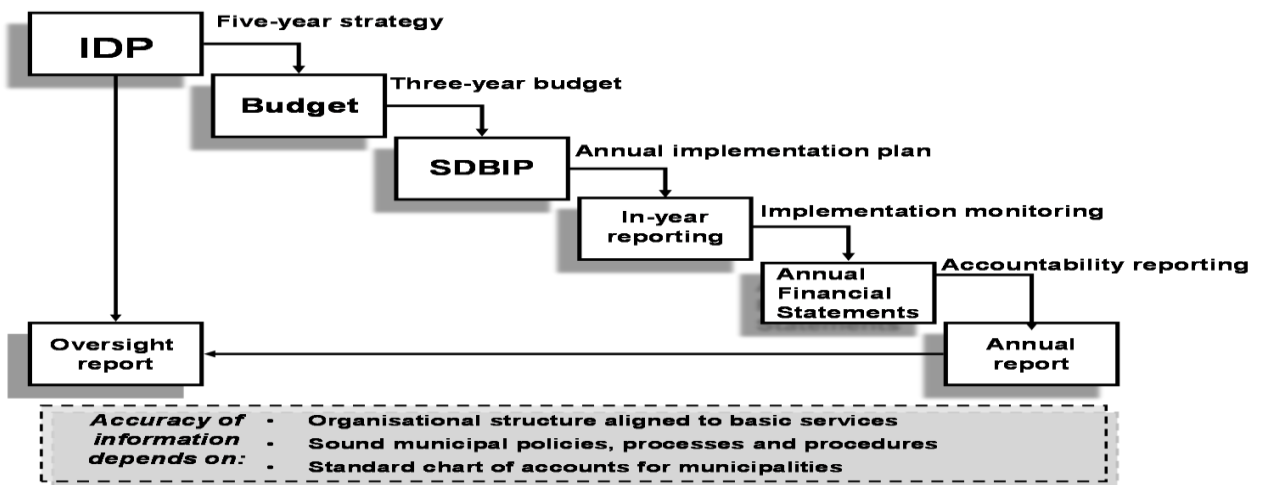
3.1 Budget Process:

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:



Council has approved the Draft Budget and Revised IDP process for the 2022/23 financial year. Public presentations at the different wards will be conducted during the months of April and May to inform, but also to get input from the public regarding the budget.

4. SUMMARY FINANCIAL PERFORMANCE

Revenue performance

Total revenue for the period ending 31 March 2022 reports at R294,8mm of a revised budget of R390,6m, which is equal to 79.12% of budget amount received. Service charges the biggest contributor to the municipal revenue budget totals R169,191m from a revised total of R224,411. That represents 75.4% of budgeted revenues. The municipal performance relating to grant funding is below par, with variances reported. This can probably mainly be attributed to the recognition of revenue leg not being complete in total to date. Spending of grant funding is all per project plans and these are regularly communicated by user department to the relevant sections.

Expenditure performance

The adjustment budget for the period totals at R398,2m. The expenses recognised for the 9 months under review totals at R258,1m, which is equivalent to 64.8%. Comparing to the budget to date; expenditure should have been spent at 74.9%. Items that influence above-mentioned variances are finance charges, transfers and subsidies and other expenditure. These line items will be monitored and analysed over the last quarter.

Capital performance

Capital performances for the period ending 31 March 2022 totals at R18,4m equivalent to 32.5% of adjustment budget amount of R56,8m. The municipality capital spending is under pressure of meeting targeted projections as well as National Treasury spending recommendation of 95% of budgeted amounts. The biggest capital project on the municipal budget is the Roads Upgrade Bredasdorp (RDP) currently at 54.8% completed. Stringent measures were implemented with continues monitoring of capital spending. All grant funding projects is in the process of being implemented and this pose limited risk on the municipality of not achieving 100% of external capital finance funds. Monitoring of performance should be intensified over the last quarter of the financial year.

5. VARIANCE ANALYSIS BASED ON C4 BUDGET SUMMARY

Analysis of variance on the C4 report with a 10% variance on the performance of the municipality.

Financial Performances

Revenue items

Sanitation and refuse service charges

Positive variances reported with projections that the municipal revised budgeted projections will be achieved.

Rental of facilities and equipment.

Although a significant positive variance is reported, cognizance should be taken of the municipal projections that was reduced with the Mid-year budget and performance assessment process during January. This was done to ensure alignment of revenue projections although improved performance is now evident.

More careful monitoring will be implemented over the last quarter of the financial year.

Interest earned – External investments.

Similar situation as per Rental income with positive variance, although the budget was significantly adjusted downwards with the adjustment budget process.

Fines, penalties and forfeits

As per previous reporting communication these items are only accounted at year-end. This significantly impact the performance to date. This is standard practice to only recognize the funds actually paid during the financial year with gross totals as per budgeted only accounted for at the end of the financial year.

License and permits

Limited insignificant budgeted amounts with negative variance reported at the end of the quarter.

Agency services

Accounting for agency services mostly related to the functions performed on behalf of other organs of state, example Libraries and Traffic licensing. Income is normally based on actual expenditures of these functions.

Transfers and subsidies

The bulk of the transfers related to National and Provincial allocations and the municipality only recognized revenues as and when spending occurred based on the grant funded expenditures. The municipality needs to implement a strategy to ensure that the revenue is recorded on a more continuous basis to improve performance.

Other own revenues

Other revenues not accounted for under any of the above categories. These are mostly the ad-hoc revenues and fluctuate based on needs and performances requirements.

Gains

The municipal propose plan for the selling of the identified property is during April and May. This also reflect on the negative variance to date.

Expenditure items

Remuneration of Councillors

The main reason for this variance is the late elections as well as “smarter” functioning of council operations. Numerous processes that will require in-person attendance in the past is now being conducted via “team meetings” and remote activities. This also contribute in the reduction of cost as reflected.

Finance charges

The finance charges represent the cost associated with post employee benefits, external borrowings, and finance leases. External loans are only payable during December and June yearly. The recognition of finance charges will need to be implemented regularly to ensure more accurate alignment with budgeted amount.

Contracted services

Contracted services are one of the focus areas of the cost containment regulations. National treasuries urge municipality to curb excessive spending on contracted services and ensuring value for money for funds spend is received. This is also one of the municipal focus areas and spending in limited where needed to only essential services. Numerous transactions will also only be accounted for at the end of the financial year and therefor influence total spend.

Transfers and subsidies

Budget is mainly utilized to assist the community with social support programs and funds only spend as per application bases for requested support by community organizations and individuals.

Other expenditures

Other expenditure is well below budget to date amount. The impact of the COVID- 19 on operations should also not be underestimated.

6. COUNCIL FOCUS AREAS (CASH FLOW / LIQUIDITY)

The financial ratios need to be complete and updated in the report. This is also a requirement in terms of the Circular 71 communicated by National Treasury. Administration endeavour due to the impact of available funds to ensure reporting included as part of the quarterly information to Council.

Budget implementation:

Council identified the ratios as focus areas and these ratios will be monitored monthly and action plans developed to ensure the achievement of council's sustainability objectives.

7. INVESTMENT PORTFOLIO

WC033 CAPE AGULHAS MUNICIPALITY								
CASH FLOW INFORMATION IN TERMS OF PROVINCIAL CIRCULAR 10 & 50								
DETAILS	Balance as at 01 Mar 2022	Movements for the month			Balance as at 31 Mar 2022	Interest earned Month	Interest earned Year to date	
		Investments matured	Investments made	Interest capitalised				
Municipality								
<i>Interest Received YTD</i>	-				-			
<i>Standard Bank</i>	-	-	25 000 000		25 000 000	53 973	441 589	
<i>FNB</i>	-	-	-		-	-	-	
<i>ABSA (CRR)</i>	15 000 000	15 000 000	-		-	26 815	231 021	
<i>ABSA (ESKOM Deposit)</i>	1 254 000	-	-		1 254 000	-	-	
<i>ABSA (ESKOM Deposit)</i>	2 535 000	-	-		2 535 000	-	-	
<i>Nedbank</i>	-	-	-		-	-	256 772	
<i>Nedbank (CRR)</i>	30 000 000	30 000 000	15 000 000		15 000 000	90 781	444 274	
<i>Investec</i>	-	-	-		-	-	65 227	
	-				-			
BANK DEPOSITS	48 789 000	45 000 000	40 000 000	-	43 789 000	171 568	1 438 883	

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 March 22	New loans raised	Repayment 31 March 22	Balance 31 March 22
ABSA - Infrastr. (Old Nostra)	3044713107	30 June 2016	30 June 2026	1 200 000,00	200 389,14	664 751,46	-	-	664 751,46
ABSA - Various	3046537820	06 July 2017	30 June 2027	2 400 000,00	385 310,66	1 527 047,07	-	-	1 527 047,07
Nedbank - Infrastructure Medium Term	INFRA 4	27 June 2019	30 June 2024	4 120 000,00	1 034 895,46	2 060 000,00	-	-	2 060 000,00
Nedbank - Infrastructure Long Term	INFRA 2	26 June 2018	30 June 2028	7 000 000,00	1 189 186,37	4 550 000,00	-	-	4 550 000,00
Nedbank	Asset Finance	26 June 2019	30 June 2024	2 880 000,00	723 422,07	1 440 000,00	-	-	1 440 000,00
Nedbank - Infrastructure	INFRA 1	26 June 2018	30 June 2023	3 000 000,00	701 338,85	900 000,00	-	-	900 000,00
Nedbank - Infrastructure	INFRA 3	27 June 2019	30 June 2029	10 000 000,00	1 769 003,84	7 500 000,00	-	-	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	4 600 209,00	-	-	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	1 579 092,00	-	-	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	26 081 420,00	-	-	26 081 420,00
Total					11 960 072,69	50 902 519,53	-	-	50 902 519,53

9. DEBTORS MANAGEMENT / INTERVENTIONS

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
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	3 858 242	1 265 426	704 975	539 156	1 871 047	432 609	2 309 936	3 572 110	14 553 501
Trade and Other Receivables from Exchange Transactions - Electricity	9 885 285	1 353 104	648 542	412 092	1 574 089	382 757	1 271 772	1 297 036	16 824 677
Receivables from Non-exchange Transactions - Property Rates	4 424 663	879 580	515 872	431 713	1 938 619	260 231	3 640 961	3 112 863	15 204 502
Receivables from Exchange Transactions - Waste Water Management	1 484 737	520 854	374 146	329 001	1 017 067	274 065	1 341 148	2 153 776	7 494 794
Receivables from Exchange Transactions - Water Management	2 387 837	704 450	470 891	420 946	1 448 292	360 526	1 880 960	2 813 466	10 487 368
Receivables from Exchange Transactions - Property Rental Debtors	1 461 343	79 543	33 555	33 506	602 580	27 128	1 624 287	291 951	4 153 893
Interest on Arrear Debtor Accounts	331 452	219 771	192 377	175 321	779 955	150 398	837 748	1 055 307	3 742 329
Recoverable unauthorised or irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-
Other	- 3 235 168	66 690	43 869	18 245	254 148	7 264	418 643	655 558	- 1 770 751
Total By Income Source	20 598 391	5 089 418	2 984 227	2 359 980	9 485 797	1 894 978	13 325 455	14 952 067	70 690 313
Debtors Age Analysis By Customer Group									
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
Organs of State	295 336	438 513	274 995	239 328	190 429	161 884	765 240	1 381 224	3 746 949
Commercial	8 172 452	745 449	316 924	212 224	1 453 200	277 042	3 892 203	439 689	15 509 183
Households	12 136 020	3 903 871	2 387 708	1 907 527	7 841 251	1 455 129	8 645 509	13 093 361	51 370 376
Other	- 5 417	1 585	4 600	901	917	923	22 503	37 793	63 805
Total By Customer Group	20 598 391	5 089 418	2 984 227	2 359 980	9 485 797	1 894 978	13 325 455	14 952 067	70 690 313

The age analysis for debtors reported that a total of R70.6m of debt is outstanding for the reporting period.

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 collection for the month of March 2022 totals 96.79% that is slightly above the National norm of 95%.

Analysis of the debtor's book of the municipality reflects the following:

10. 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.

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.

Total cost saving disclosure in the In-year report - 31 March 2022								
COST CONTAINMENT IN-YEAR REPORT								
MEASURES	APPROVED BUDGET	Q1 - 30 Sept	Q2 - 31 Dec	Q3 - 31 Mrch	Q4 - June	YTD TOTAL	SAVINGS	% Spent
<i>Use of Consultants</i>	7 491 800,00	709 229,40	683 375,45	232 900,13	-	1 625 504,98	5 866 295,02	21,7%
<i>Use of RME contractors</i>	9 632 900,00	1 026 385,24	1 499 077,62	1 054 656,25	-	3 580 119,11	6 052 780,89	37,2%
<i>Travel and subsistence</i>	329 500,00	30 053,93	45 595,45	60 221,40	-	135 870,78	193 629,22	41,2%
<i>Domestic accommodation</i>	206 100,00	23 546,31	47 642,66	19 112,78	-	90 301,75	115 798,25	43,8%
<i>Sponsorship, events and catering</i>	204 800,00	27 121,91	52 648,63	30 241,09	-	110 011,63	94 788,37	53,7%
<i>Communication</i>	382 300,00	25 629,59	54 436,61	22 338,96	-	102 405,16	279 894,84	26,8%
<i>Other related expenditures</i>	1 037 100,00	101 695,47	179 355,74	159 461,08	-	440 512,29	596 587,71	42,5%
Total	19 284 500,00	1 943 661,85	2 562 132,16	1 578 931,69	-	6 084 725,70	13 199 774,30	31,6%

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

12. SECTION 11 (4) MFMA WITHDRAWALS

 PROVINCIAL TREASURY Withdrawals from Municipal Bank Accounts In accordance with Section 11, Sub-section 1 (b) to (j) 			
NAME OF MUNICIPALITY:	CAPE AGULHAS MUNICIPALITY		
MUNICIPAL DEMARCATION CODE:	WC033		
QUARTER ENDED:	31 March 2022		
MFMA section 11. (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) to defray expenditure authorised in terms of section 26(4); (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1); (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; (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 - (i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or (ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state; (f) to refund money incorrectly paid into a bank account; (g) to refund guarantees, sureties and <i>security</i> deposits; (h) for cash management and <i>investment</i> purposes in accordance with section 13; (i) to defray increased expenditure in terms of section 31; or (j) for such other purposes as may be <i>prescribed</i> . (4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> - (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) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	Amount	Reason for withdrawal	
			Payment of Operational and Capital expenditures.
		Not Applicable	
		None	None
		None	None
		None	None
		None	None
		None	None
		None	None
		None	None
		None	None
		R120m	Q3 consolidated investments (Roll-over)
		None	None
	None	None	
	Name and Surname:	EO PHILLIPS	
	Rank/Position:	Municipal Manager	
	Signature:		
Tel number	Fax number	Email Address	
028 425 5500		shauns@capeagulhas.gov.za	
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.			

PART B

13. LEGISLATED INFORMATION

WC033 Cape Agulhas - Table C1 Monthly Budget Statement Summary - M09 March

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
R thousands									
Financial Performance									
Property rates	77 423	77 675	77 675	4 617	66 867	64 589	2 278	4%	77 675
Service charges	197 038	224 411	226 588	18 063	169 191	170 608	(1 416)	-1%	226 588
Investment revenue	3 138	2 405	2 405	270	2 867	1 879	988	53%	2 405
Transfers and subsidies	46 733	50 084	57 365	8 562	39 502	43 931	(4 429)	-10%	57 365
Other own revenue	29 897	30 829	26 615	3 136	16 381	28 083	(11 702)	-42%	26 615
Total Revenue (excluding capital transfers and contributions)	354 229	385 404	390 647	34 649	294 809	309 090	(14 281)	-5%	390 647
Employee costs	157 304	160 777	160 742	12 571	118 457	120 598	(2 141)	-2%	160 742
Remuneration of Councillors	5 626	6 212	6 212	388	3 685	4 658	(973)	-21%	6 212
Depreciation & asset impairment	16 715	11 823	11 823	982	8 877	8 868	9	0%	11 823
Finance charges	6 972	12 044	11 019	-	933	8 034	(7 101)	-88%	11 019
Inventory consumed and bulk purchases	111 236	135 039	140 758	9 775	92 881	101 778	(8 896)	-9%	140 758
Transfers and subsidies	2 987	2 646	2 319	44	1 472	2 160	(689)	-32%	2 319
Other expenditure	52 590	66 411	65 406	2 920	31 832	52 313	(20 481)	-39%	65 406
Total Expenditure	353 431	394 952	398 279	26 681	258 136	298 409	(40 272)	-13%	398 279
Surplus/(Deficit)	798	(9 548)	(7 632)	7 968	36 672	10 681	25 991	243%	(7 632)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	15 772	21 563	26 071	2 445	6 712	18 515	###	-64%	26 071
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)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	16 570	12 015	18 439	10 413	43 384	29 196	14 188	49%	18 439
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	16 570	12 015	18 439	10 413	43 384	29 196	14 188	49%	18 439
Capital expenditure & funds sources									
Capital expenditure	68 227	53 873	26 401	2 111	6 735	40 281	(33 546)	-83%	26 401
Capital transfers recognised	24 418	21 563	24 513	3 771	10 568	20 148	(9 580)	-48%	24 513
Borrowing	40 169	14 760	14 900	1 117	4 854	8 695	(3 840)	-44%	14 900
Internally generated funds	18 958	17 551	17 409	581	3 028	11 438	(8 412)	-74%	17 409
Total sources of capital funds	83 545	53 873	56 821	5 449	18 448	40 281	(21 833)	-54%	56 821
Financial position									
Total current assets	163 246	155 039	76 460	-	185 496	-	-	-	76 460
Total non current assets	491 474	570 630	573 766	-	535 714	-	-	-	573 766
Total current liabilities	66 684	52 214	36 252	-	79 246	-	-	-	36 252
Total non current liabilities	132 212	211 978	153 742	-	151 477	-	-	-	153 742
Community wealth/Equity	454 794	456 477	452 232	-	489 555	-	-	-	452 232
Cash flows									
Net cash from (used) operating	192 336	153 571	(3 969)	16 054	86 477	126 865	40 388	32%	(3 969)
Net cash from (used) investing	(46 145)	(56 244)	(60 667)	(7 017)	(15 132)	(42 156)	(27 024)	64%	(60 667)
Net cash from (used) financing	34 200	36 902	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	253 479	224 706	44 724	-	180 706	194 070	13 364	7%	44 724
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	20 598	5 089	2 984	2 360	9 486	1 895	13 325	14 952	70 690
Creditors Age Analysis									
Total Creditors	-	2	-	-	-	-	-	-	2

WC033 Cape Agulhas - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

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
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		147 421	134 786	141 323	16 900	114 028	116 170	(2 141)	-2%	141 323
Executive and council		34 393	33 320	33 320	8 322	33 326	33 320	6	0%	33 320
Finance and administration		113 028	101 446	108 003	8 578	80 703	82 850	(2 147)	-3%	108 003
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		12 945	20 536	26 810	589	9 898	15 299	(5 603)	-37%	26 810
Community and social services		6 810	7 298	7 648	66	3 358	4 536	(1 178)	-26%	7 648
Sport and recreation		5 959	8 311	8 311	485	6 145	8 364	(2 219)	-27%	8 311
Public safety		-	-	-	-	-	-	-	-	-
Housing		175	4 927	10 851	18	192	2 398	(2 205)	-92%	10 851
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 987	16 783	11 496	785	6 434	15 321	(8 887)	-58%	11 496
Planning and development		4 144	2 984	3 696	422	3 110	2 574	536	21%	3 696
Road transport		3 405	3 249	3 249	280	2 631	2 941	(310)	-11%	3 249
Environmental protection		2 417	10 551	4 551	63	692	9 805	(9 113)	-93%	4 551
<i>Trading services</i>		199 689	234 882	237 090	18 881	171 362	180 816	(9 454)	-5%	237 090
Energy sources		132 651	158 607	158 557	12 021	113 430	121 233	(7 803)	-6%	158 557
Water management		30 176	40 663	38 213	3 499	26 886	32 682	(5 796)	-18%	38 213
Waste water management		14 112	14 297	17 272	1 377	12 910	10 889	2 021	19%	17 272
Waste management		22 729	21 314	23 047	1 964	18 136	16 012	2 124	13%	23 047
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	370 001	406 967	416 718	37 094	301 520	327 605	(26 085)	-8%	416 718
Expenditure - Functional										
<i>Governance and administration</i>		112 128	112 583	115 003	7 887	78 985	85 278	(6 292)	-7%	115 003
Executive and council		15 579	15 032	14 825	1 110	10 990	11 870	(881)	-7%	14 825
Finance and administration		95 043	95 882	98 545	6 652	66 779	72 160	(5 381)	-7%	98 545
Internal audit		1 506	1 648	1 634	125	1 217	1 248	(31)	-2%	1 634
<i>Community and public safety</i>		31 331	39 126	45 174	2 552	23 507	26 559	(3 053)	-11%	45 174
Community and social services		11 926	12 559	12 681	887	8 328	9 460	(1 133)	-12%	12 681
Sport and recreation		12 535	14 302	14 568	1 174	10 514	11 065	(551)	-5%	14 568
Public safety		4 028	4 563	4 305	214	2 292	3 616	(1 324)	-37%	4 305
Housing		2 843	7 702	13 621	277	2 373	2 418	(45)	-2%	13 621
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		40 803	51 281	47 084	2 919	27 539	39 177	(11 639)	-30%	47 084
Planning and development		12 124	15 474	15 109	992	9 203	12 136	(2 932)	-24%	15 109
Road transport		20 324	22 084	21 900	1 469	13 758	16 700	(2 943)	-18%	21 900
Environmental protection		8 355	13 702	10 075	459	4 578	10 341	(5 763)	-56%	10 075
<i>Trading services</i>		189 188	192 003	191 017	13 324	128 105	147 394	(19 289)	-13%	191 017
Energy sources		110 190	126 436	125 629	9 107	89 330	97 130	(7 799)	-8%	125 629
Water management		24 007	24 053	24 037	1 713	16 373	18 079	(1 706)	-9%	24 037
Waste water management		12 627	13 039	13 035	904	9 228	9 901	(673)	-7%	13 035
Waste management		22 344	28 475	28 316	1 600	13 173	22 285	(9 111)	-41%	28 316
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	353 431	394 952	398 279	26 681	258 136	298 409	(40 272)	-13%	398 279
Surplus/ (Deficit) for the year		16 570	12 015	18 439	10 413	43 384	29 196	14 188	49%	18 439

WC033 Cape Agulhas - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

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
R thousands										
Revenue by Vote	1									
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION		39 467	36 170	36 883	9 986	36 831	35 814	1 017	2.8%	36 883
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		96 247	87 479	89 383	5 369	74 210	72 239	1 971	2.7%	89 383
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		12 135	27 429	27 353	860	9 822	23 845	(14 024)	-58.8%	27 353
Vote 4 - ENGINEERING SERVICES DIRECTORATE		80 614	88 222	95 133	8 496	62 157	68 527	(6 370)	-9.3%	95 133
Vote 5 -		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	228 463	239 300	248 752	24 712	183 020	200 425	(17 406)	-8.7%	248 752
Expenditure by Vote	1									
Vote 1 - COUNCIL & EXECUTIVE ADMINISTRATION		38 409	40 822	40 530	3 016	28 879	31 651	(2 772)	-8.8%	40 530
Vote 2 - FINANCIAL SERVICES & IT DIRECTORATE		68 800	68 462	70 494	4 523	46 234	51 330	(5 096)	-9.9%	70 494
Vote 3 - MANAGEMENT SERVICES DIRECTORATE		40 614	54 773	57 454	3 117	29 336	38 599	(9 262)	-24.0%	57 454
Vote 4 - ENGINEERING SERVICES DIRECTORATE		61 575	68 632	68 448	4 417	40 817	52 474	(11 658)	-22.2%	68 448
Vote 5 -		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	209 398	232 689	236 926	15 072	145 266	174 053	(28 788)	-16.5%	236 926
Surplus/ (Deficit) for the year	2	19 064	6 611	11 826	9 639	37 754	26 372	11 382	43.2%	11 826

WC033 Cape Agulhas - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

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
R thousands										
Revenue By Source										
Property rates		77 423	77 675	77 675	4 617	66 867	64 589	2 278	4%	77 675
Service charges - electricity revenue		130 028	155 851	155 769	11 544	112 191	118 738	(6 547)	-6%	155 769
Service charges - water revenue		30 168	32 960	30 510	3 179	25 961	24 979	982	4%	30 510
Service charges - sanitation revenue		14 112	14 286	17 261	1 376	12 904	10 880	2 024	19%	17 261
Service charges - refuse revenue		22 729	21 314	23 047	1 964	18 136	16 012	2 124	13%	23 047
Rental of facilities and equipment		2 338	1 359	1 359	1 505	1 800	1 021	779	76%	1 359
Interest earned - external investments		3 138	2 405	2 405	270	2 867	1 879	988	53%	2 405
Interest earned - outstanding debtors		2 190	1 911	1 911	217	1 579	1 697	(118)	-7%	1 911
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 437	10 382	4 382	63	472	9 601	(9 129)	-95%	4 382
Licences and permits		3	116	116	-	82	115	(33)	-29%	116
Agency services		3 405	3 249	3 249	280	2 631	2 941	(310)	-11%	3 249
Transfers and subsidies		46 733	50 084	57 365	8 562	39 502	43 931	(4 429)	-10%	57 365
Other revenue		18 990	11 312	11 599	1 071	9 350	10 832	(1 482)	-14%	11 599
Gains		535	2 500	4 000	-	466	1 875	(1 409)	-75%	4 000
Total Revenue (excluding capital transfers and contributions)		354 229	385 404	390 647	34 649	294 809	309 090	(14 281)	-5%	390 647
Expenditure By Type										
Employee related costs		157 304	160 777	160 742	12 571	118 457	120 598	(2 141)	-2%	160 742
Remuneration of councillors		5 626	6 212	6 212	388	3 685	4 658	(973)	-21%	6 212
Debt impairment		6 697	10 159	6 665	-	-	7 619	(7 619)	-100%	6 665
Depreciation & asset impairment		16 715	11 823	11 823	982	8 877	8 868	9	0%	11 823
Finance charges		6 972	12 044	11 019	-	933	8 034	(7 101)	-88%	11 019
Bulk purchases - electricity		95 595	107 467	107 467	7 851	78 357	82 865	(4 508)	-5%	107 467
Inventory consumed		15 641	27 572	33 291	1 925	14 524	18 913	(4 389)	-23%	33 291
Contracted services		22 619	26 913	28 498	1 494	10 356	19 851	(9 495)	-48%	28 498
Transfers and subsidies		2 987	2 646	2 319	44	1 472	2 160	(689)	-32%	2 319
Other expenditure		23 274	29 339	30 244	1 426	21 476	24 843	(3 367)	-14%	30 244
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		353 431	394 952	398 279	28 681	258 136	298 409	(40 272)	-13%	398 279
Surplus/(Deficit)		798	(9 548)	(7 632)	7 968	36 672	10 681	25 991	0	(7 632)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		15 772	21 563	26 071	2 445	6 712	18 515	(11 803)	(0)	26 071
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)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		16 570	12 015	18 439	10 413	43 384	29 196			18 439
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		16 570	12 015	18 439	10 413	43 384	29 196			18 439
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		16 570	12 015	18 439	10 413	43 384	29 196			18 439
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		16 570	12 015	18 439	10 413	43 384	29 196			18 439

WC033 Cape Agulhas - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		(8 944)	37 516	(86 063)	11 632	(86 063)
Call investment deposits		118 254	118 254	118 254	118 254	118 254
Consumer debtors		45 352	19 003	32 091	49 514	32 091
Other debtors		7 031	13 477	10 610	4 361	10 610
Current portion of long-term receivables		0	3	3	3	3
Inventory		1 552	(33 215)	1 565	1 733	1 565
Total current assets		183 246	155 039	76 480	185 496	76 480
Non current assets						
Long-term receivables		161	129	154	155	154
Investments		-	-	-	-	-
Investment property		40 181	42 498	40 311	40 313	40 311
Investments in Associate		-	-	-	-	-
Property, plant and equipment		446 801	523 805	529 153	490 760	529 153
Biological		-	-	-	-	-
Intangible		4 331	4 198	4 148	4 486	4 148
Other non-current assets		-	-	-	-	-
Total non current assets		491 474	570 630	573 766	535 714	573 766
TOTAL ASSETS		654 720	725 669	650 227	721 210	650 227
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1 973	6 027	8 000	3 940	8 000
Consumer deposits		6 094	5 589	6 095	6 319	6 095
Trade and other payables		47 239	27 851	8 348	55 301	8 348
Provisions		11 377	12 748	13 810	13 686	13 810
Total current liabilities		66 684	52 214	36 252	79 246	36 252
Non current liabilities						
Borrowing		52 990	103 982	47 001	47 001	47 001
Provisions		79 222	107 995	106 741	104 476	106 741
Total non current liabilities		132 212	211 978	153 742	151 477	153 742
TOTAL LIABILITIES		198 897	264 192	189 994	230 723	189 994
NET ASSETS	2	455 823	461 477	460 232	490 487	460 232
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		417 294	421 477	414 732	452 055	414 732
Reserves		37 500	35 000	37 500	37 500	37 500
TOTAL COMMUNITY WEALTH/EQUITY	2	454 794	456 477	452 232	489 555	452 232

WC033 Cape Agulhas - Table C7 Monthly Budget Statement - Cash Flow - M09 March

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
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		41 873	81 609	77 692	4 355	61 243	68 017	(6 774)	-10%	77 692
Service charges		140 241	222 273	251 025	20 546	177 762	167 537	10 225	6%	251 025
Other revenue		7 568	26 001	20 562	1 405	12 178	17 268	(5 090)	-29%	20 562
Transfers and Subsidies - Operational		20 780	49 084	8 978	9 572	37 392	35 109	2 284	7%	8 978
Transfers and Subsidies - Capital		1 461	20 763	-	6 885	15 298	17 748	(2 450)	-14%	-
Interest		-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(19 587)	(246 159)	(362 226)	(26 710)	(217 396)	(178 813)	38 583	-22%	(362 226)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		192 336	153 571	(3 968)	18 054	86 477	126 865	40 388	32%	(3 968)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		79	(2 500)	(4 000)	-	4 102	(1 875)	5 977	-319%	(4 000)
Decrease (increase) in non-current receivables		161	129	154	0	0	-	0	#DIV/0!	154
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(46 385)	(53 873)	(56 821)	(7 017)	(19 234)	(40 281)	(21 047)	52%	(56 821)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(46 145)	(56 244)	(60 667)	(7 017)	(15 132)	(42 156)	(27 024)	64%	(60 667)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		34 200	36 902	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		34 200	36 902	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		180 391	134 230	(64 636)	9 037	71 345	84 709			(64 636)
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:		253 479	224 706	44 724		180 706	194 070			44 724

14. QUALITY CERTIFICATE

NAVRAE: S Stanley
ENQUIRIES:
KONTAKNR: 028 425 5798
CONTACT NO
VERW: 5/3/2021-22 (M09_S71/S52)
REF:
KANTOOR: Bredasdorp
OFFICES:
DATUM: 14 April 2022
DATE



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA 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 March 2022** (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: 14 April 2022