

CAPE AGULHAS MUNICIPALITY



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

2020/2021

**SECTION 71 REPORT FOR THE MONTH
ENDED 31 AUGUST 2021**

TABLE OF CONTENTS

To The Executive Mayor	3
1. INTRODUCTION	4
3. MAYOR'S SUMMARY	5
4. SUMMARY FINANCIAL PERFORMANCE.....	6
5. VARIANCE ANALYSIS BASED ON C1 BUDGET SUMMARY.....	6
6. COUNCIL FOCUS AREAS (CASH FLOW / LIQUIDITY).....	6
7. INVESTMENT PORTFOLIO	7
8. EXTERNAL BORROWING PORTFOLIO	8
9. mSCOA IMPLEMENTATION	9
10. DEBTORS MANAGEMENT / INTERVENTIONS	9
11. COST CONTAINMENT REGULATION AND CIRCULAR REQUIREMENTS	11
12. COVID FUNDING DETAILS	12
13. LEGISLATED INFORMATION.....	13
14. QUALITY CERTIFICATE.....	20

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 August 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 August 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.

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 particulars 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.

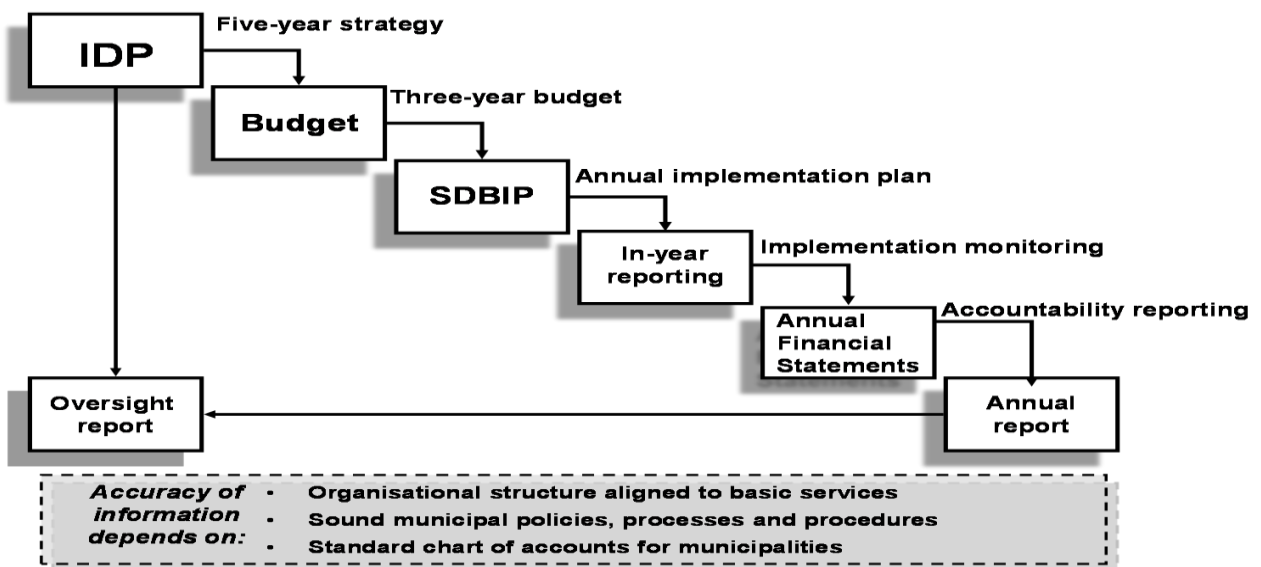
3.1 Budget Process:

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:

- o Reporting on the previous year budget;
- o Current year budget implementation; and
- o 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 2019/20 financial year. Numerous administrative processes and improvements were identified and this needs to be accounted for to ensure improvement in operations. An Audit action plan will be compiled and implemented to ensure the outcomes and recommendation of the Auditor General is taking into account with the future reporting cycles.

4. SUMMARY FINANCIAL PERFORMANCE

Revenue performance

Limited information is available, and the municipality will only report extensively in the following months to come. Budgeted revenue excluding capital transfers is R385,4m and performance to date is recorded at R95,15m.

Expenditure performance

Expenditure performance of R29,8m recorded for the month and R46.6m for the year to date. More meaningful reporting will follow in the coming months as it is only the second month in the new financial year.

Administration is continuously monitoring the spending of the municipality.

Capital performance

Capital performance to date amounts to R1 258m. Implementation of other projects will commence over the next few months with capital budget for the year R53 873m.

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.

6. COUNCIL FOCUS AREAS (CASH FLOW / LIQUIDITY)

The financial ratios need to be complete in accordance with the Annual Financial Statements for 30 June 2021. This will be done and reported to Provincial Treasury. This is also a requirement in terms of the Circular 71 communicated by National Treasury.

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								
		Movements for the month			Balance as at 31 Aug 2021	Interest earned	Interest earned	
DETAILS	Balance as at 01 Aug 2021	Investments matured	Investments made	Interest capitalised				Month
<i>Municipality</i>								
<i>YTD</i>					-			
<i>Standard Bank</i>	25,000,000	-	-		25,000,000	90,462	164,846	
<i>FNB</i>	-	-	-		-	-	-	
<i>ABSA</i>	-	-	-		-	-	-	
<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>	34,200,000	-	-		34,200,000	128,386	256,772	
<i>Nedbank (CRR)</i>	20,000,000	-	-		20,000,000	67,890	134,055	
<i>Investec</i>	-				-		-	
	-				-			
BANK DEPOSITS	82,989,000	-	-	-	82,989,000	286,739	555,672	

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 Amount	Balance 01 Aug 21	New loans raised 31 Aug 2021	Interest Capitalised Aug 21	Repayments Aug 21	Balance 31 Aug 21	Settlement Date
DBSA 1268/B48		-			-	-	
ABSA - Sewerage Truck	729,252.74	91,070.48			91,070.48	-	30-06-2021
ABSA - Nissan NP 300	180,076.99	22,660.71			22,660.71	-	30-06-2021
ABSA - Roller and Jet Cleaner	319,060.53	39,958.02			39,958.02	-	30-06-2021
ABSA - Infrastr. (Old Nostra)	1,200,000.00	814,241.63			109,267.56	704,974.07	30-06-2026
ABSA - Rotary Broom	250,560.19	27,030.47			27,030.47	-	30-06-2021
ABSA - Various	2,400,000.00	1,807,501.95			92,676.00	1,714,825.95	30-06-2027
Nedbank - Asset Finance	5,000,000.00	833,333.34			833,333.34	-	30-06-2021
Nedbank - Infrastructure Medium Term	4,120,000.00	2,884,000.00			412,000.00	2,472,000.00	30-06-2024
Nedbank - Infrastructure Long Term	7,000,000.00	5,250,000.00			350,000.00	4,900,000.00	30-06-2028
Asset - Finance	2,880,000.00	2,016,000.00			288,000.00	1,728,000.00	30-06-2024
Infrastructure	3,000,000.00	1,500,000.00			300,000.00	1,200,000.00	30-06-2023
Infrastructure	10,000,000.00	8,500,000.00			500,000.00	8,000,000.00	30-06-2029
Std Bank - Motor Vehicle Fleet			4,800,000.00	-	-	4,800,000.00	30-06-2024
Std Bank - New and Upgrade Infrastructure			2,318,000.00	-	-	2,318,000.00	30-06-2026
Std Bank - New and Upgrade Infrastructure			27,082,000.00	-	-	27,082,000.00	30-06-2031
Total		23,785,796.60	34,200,000.00	-	3,065,996.58	54,919,800.02	-

9. mSCOA IMPLEMENTATION

Summarised progress on the implementation of mSCOA and actions required.

With the compilation of the new budget the municipality will be required to ensure that a more formal steering committee are being implemented again.

The implementation plan also needs to be reviewed and updated to ensure more focussed attention can be given to ensure compliance with the latest financial reforms introduced by National Treasury.

10. DEBTORS MANAGEMENT / INTERVENTIONS

The age analysis for debtors reported that a total of **R91m** 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 August 2021 totals 98.34% that is above the National norm of 95%. The impact of the handing over of outstanding debt to the service provider is visible in the improvement of the debt collection ratio reported.

The effect of the Covid 19 pandemic and the subsequent log-downs are showing signs of filtering through the municipal collecting rates.

Council also reviewed the Indigent support policy (Masakhane) and the policy is in its full year of being implemented. The biggest change on the policy is the reviewed of the calculation of household income. Historically the income of only the registered owners of the properties was considered in the determining of the indigent level of support. This change to the combined income of all household as main contribution factor of income levels. The effect of these changes still needs to be assessed and this will be done after the first quarter of implementation.

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 Customer Group									
Organs of State	676,524	474,717	1,004,764	160,298	128,469	128,208	626,375	1,202,688	4,402,043
Commercial	8,179,256	3,859,252	709,972	2,692,899	215,357	193,494	388,877	1,004,803	17,243,910
Households	14,906,920	22,552,416	2,520,422	2,115,963	1,648,675	1,304,195	7,005,006	17,427,690	69,481,287
Other	2,561	19,328	2,098	327	356	351	1,940	38,367	65,328
Total By Customer Group	23,765,261	26,905,713	4,237,256	4,969,487	1,992,857	1,626,248	8,022,198	19,673,548	91,192,568
	26.06%	29.50%	4.65%	5.45%	2.19%	1.78%	8.80%	21.57%	100.00%

Services debtors	19,409,877	6,243,007	2,206,790	2,018,885	1,305,361	1,041,433	5,498,789	12,447,954	50,172,096
Property rates	4,514,150	20,231,645	1,097,537	1,237,303	331,459	254,723	1,054,532	5,161,477	33,882,826
Other debtors	- 158,766	431,061	932,929	1,713,299	356,037	330,092	1,468,877	2,064,117	7,137,646
	23,765,261	26,905,713	4,237,256	4,969,487	1,992,857	1,626,248	8,022,198	19,673,548	91,192,568

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.

Will be updated with the next reporting cycle.

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. COVID FUNDING DETAILS

The following table reflect the municipal projects identified and spending in terms of the Disaster management items as budgeted:

Will be updated with the next reporting cycle.

The implementation of these projects should address the impact of the Covid pandemic on the community and these projects should be carefully monitored to ensure that the benefits are targeted to the relevant areas as identified.

PART B

13. LEGISLATED INFORMATION

Choose name from list - Table C1 Monthly Budget Statement Summary - M02 August

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	-	77,675	77,675	4,611	36,031	12,946	23,085	178%	77,675
Service charges	-	224,411	224,411	20,718	41,504	37,402	4,102	11%	224,411
Investment revenue	-	2,405	2,405	251	510	401	110	27%	2,405
Transfers and subsidies	-	50,084	50,084	-	13,871	13,896	(25)	-0%	50,084
Other own revenue	-	30,829	30,829	2,184	3,234	5,138	(1,905)	-37%	30,829
Total Revenue (excluding capital transfers and contributions)	-	385,404	385,404	27,764	95,150	69,782	25,367	36%	385,404
Employee costs	-	160,777	160,777	11,364	22,418	26,796	(4,378)	-16%	160,777
Remuneration of Councillors	-	6,212	6,212	444	910	1,035	(125)	-12%	6,212
Depreciation & asset impairment	-	11,823	11,823	985	1,970	1,971	(1)	-0%	11,823
Finance charges	-	12,044	12,044	-	-	2,007	(2,007)	-100%	12,044
Inventory consumed and bulk purchases	-	135,039	135,039	14,200	14,408	22,506	(8,098)	-36%	135,039
Transfers and subsidies	-	2,646	2,646	322	331	441	(110)	-25%	2,646
Other expenditure	-	66,411	66,411	2,486	6,558	11,069	(4,511)	-41%	66,411
Total Expenditure	-	394,952	394,952	29,801	46,595	65,825	(19,230)	-29%	394,952
Surplus/(Deficit)	-	(9,548)	(9,548)	(2,038)	48,554	3,957	44,597	1127%	(9,548)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	21,563	21,563	523	523	3,594	###	-85%	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)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	12,015	12,015	(1,515)	49,077	7,551	41,527	550%	12,015
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	12,015	12,015	(1,515)	49,077	7,551	41,527	550%	12,015
Capital expenditure & funds sources									
Capital expenditure	-	53,873	53,873	894	1,258	8,979	(7,720)	-86%	53,873
Capital transfers recognised	-	21,563	21,563	867	880	3,594	(2,714)	-76%	21,563
Borrowing	-	15,010	15,010	-	352	2,502	(2,150)	-86%	15,010
Internally generated funds	-	17,301	17,301	27	27	2,883	(2,857)	-99%	17,301
Total sources of capital funds	-	53,873	53,873	894	1,258	8,979	(7,720)	-86%	53,873
Financial position									
Total current assets	158,184	94,748	94,748		196,360				155,235
Total non current assets	526,114	574,962	574,962		525,403				574,962
Total current liabilities	87,486	73,214	73,214		73,293				73,214
Total non current liabilities	149,709	144,064	144,064		152,290				144,064
Community wealth/Equity	447,103	452,431	452,431		496,181				512,919
Cash flows									
Net cash from (used) operating	-	20,941	20,941	6,961	11,693	18,543	6,850	37%	20,941
Net cash from (used) investing	-	(51,371)	(51,371)	(894)	(1,259)	(8,978)	(7,720)	86%	(51,371)
Net cash from (used) financing	-	9,245	9,245	7	23	62	39	62%	9,245
Cash/cash equivalents at the month/year end	-	27,530	27,530	-	119,660	58,342	(61,318)	-105%	88,017
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August

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	1									
Revenue - Functional										
Governance and administration		-	134,766	134,766	5,765	51,829	28,009	23,820	85%	134,766
Executive and council		-	33,320	33,320	13	13,884	11,102	2,782	25%	33,320
Finance and administration		-	101,446	101,446	5,752	37,945	16,908	21,038	124%	101,446
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	31,087	31,087	598	922	5,181	(4,259)	-82%	31,087
Community and social services		-	7,298	7,298	19	37	1,216	(1,179)	-97%	7,298
Sport and recreation		-	8,311	8,311	524	689	1,385	(696)	-50%	8,311
Public safety		-	10,551	10,551	56	196	1,758	(1,562)	-89%	10,551
Housing		-	4,927	4,927	-	-	821	(821)	-100%	4,927
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	6,233	6,233	1,194	1,393	1,039	354	34%	6,233
Planning and development		-	2,984	2,984	879	1,058	497	561	113%	2,984
Road transport		-	3,249	3,249	315	335	542	(207)	-38%	3,249
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	234,882	234,882	20,730	41,528	39,147	2,381	6%	234,882
Energy sources		-	158,607	158,607	13,490	27,531	26,434	1,097	4%	158,607
Water management		-	40,663	40,663	2,940	5,883	6,777	(894)	-13%	40,663
Waste water management		-	14,297	14,297	1,839	3,434	2,383	1,051	44%	14,297
Waste management		-	21,314	21,314	2,461	4,680	3,552	1,127	32%	21,314
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	406,967	406,967	28,287	95,673	73,376	22,297	30%	406,967
Expenditure - Functional										
Governance and administration		-	112,610	112,610	7,067	15,734	18,768	(3,034)	-16%	112,610
Executive and council		-	15,032	15,032	1,095	1,907	2,505	(598)	-24%	15,032
Finance and administration		-	95,930	95,930	5,862	13,598	15,988	(2,390)	-15%	95,930
Internal audit		-	1,648	1,648	110	229	275	(46)	-17%	1,648
Community and public safety		-	52,828	52,828	2,638	4,931	8,805	(3,874)	-44%	52,828
Community and social services		-	12,559	12,559	974	1,827	2,093	(266)	-13%	12,559
Sport and recreation		-	14,305	14,305	799	1,485	2,384	(899)	-38%	14,305
Public safety		-	18,262	18,262	645	1,180	3,044	(1,863)	-61%	18,262
Housing		-	7,702	7,702	220	438	1,284	(845)	-66%	7,702
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	33,971	33,971	1,946	3,878	5,662	(1,783)	-31%	33,971
Planning and development		-	11,842	11,842	688	1,406	1,974	(568)	-29%	11,842
Road transport		-	22,084	22,084	1,258	2,473	3,681	(1,208)	-33%	22,084
Environmental protection		-	45	45	-	-	7	(7)	-100%	45
Trading services		-	192,003	192,003	17,956	21,665	32,000	(10,335)	-32%	192,003
Energy sources		-	126,436	126,436	13,818	14,738	21,073	(6,335)	-30%	126,436
Water management		-	24,053	24,053	1,836	3,039	4,009	(969)	-24%	24,053
Waste water management		-	13,039	13,039	1,029	1,733	2,173	(440)	-20%	13,039
Waste management		-	28,475	28,475	1,273	2,155	4,746	(2,591)	-55%	28,475
Other		-	3,540	3,540	195	386	590	(204)	-35%	3,540
Total Expenditure - Functional	3	-	394,952	394,952	29,801	46,595	65,825	(19,230)	-29%	394,952
Surplus/ (Deficit) for the year		-	12,015	12,015	(1,515)	49,077	7,551	41,527	550%	12,015

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

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 - Executive and Council		-	36,563	36,563	1,425	15,555	11,642	3,913	33.6%	36,563
Vote 2 - Financial Services & ICT		-	87,479	87,479	4,900	36,854	14,580	22,274	152.8%	87,479
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	34,335	34,335	926	1,281	5,722	(4,442)	-77.6%	34,335
Vote 5 - Engineering Services		-	248,590	248,590	21,036	41,982	41,432	551	1.3%	248,590
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	406,967	406,967	28,287	95,673	73,376	22,297	30.4%	406,967
Expenditure by Vote										
	1									
Vote 1 - Executive and Council		-	47,206	47,206	3,214	6,131	7,868	(1,737)	-22.1%	47,206
Vote 2 - Financial Services & ICT		-	68,462	68,462	3,818	9,596	11,410	(1,815)	-15.9%	68,462
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	62,834	62,834	3,349	6,322	10,472	(4,151)	-39.6%	62,834
Vote 5 - Engineering Services		-	216,450	216,450	19,420	24,547	36,075	(11,528)	-32.0%	216,450
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	394,952	394,952	29,801	46,595	65,825	(19,230)	-29.2%	394,952
Surplus/ (Deficit) for the year	2	-	12,015	12,015	(1,515)	49,077	7,551	41,527	550.0%	12,015

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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			77,675	77,675	4,611	36,031	12,946	23,085	178%	77,675	
Service charges - electricity revenue			155,851	155,851	13,481	27,511	25,975	1,536	6%	155,851	
Service charges - water revenue			32,960	32,960	2,940	5,883	5,493	390	7%	32,960	
Service charges - sanitation revenue			14,286	14,286	1,836	3,430	2,381	1,049	44%	14,286	
Service charges - refuse revenue			21,314	21,314	2,461	4,680	3,552	1,127	32%	21,314	
Rental of facilities and equipment			1,359	1,359	851	1,090	226	863	381%	1,359	
Interest earned - external investments			2,405	2,405	251	510	401	110	27%	2,405	
Interest earned - outstanding debtors			1,911	1,911	(0)	224	318	(95)	-30%	1,911	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			10,382	10,382	56	123	1,730	(1,607)	-93%	10,382	
Licences and permits			116	116	-	78	19	59	303%	116	
Agency services			3,249	3,249	315	335	542	(207)	-38%	3,249	
Transfers and subsidies			50,084	50,084	-	13,871	13,896	(25)	0%	50,084	
Other revenue			11,312	11,312	962	1,383	1,885	(502)	-27%	11,312	
Gains			2,500	2,500	1	1	417	(416)	-100%	2,500	
Total Revenue (excluding capital transfers and contributions)			-	385,404	385,404	27,764	95,150	69,782	25,367	36%	385,404
Expenditure By Type											
Employee related costs			160,777	160,777	11,364	22,418	26,796	(4,378)	-16%	160,777	
Remuneration of councillors			6,212	6,212	444	910	1,035	(125)	-12%	6,212	
Debt impairment			10,159	10,159	-	-	1,693	(1,693)	-100%	10,159	
Depreciation & asset impairment			11,823	11,823	985	1,970	1,971	(1)	0%	11,823	
Finance charges			12,044	12,044	-	-	2,007	(2,007)	-100%	12,044	
Bulk purchases - electricity			107,467	107,467	12,816	12,888	17,911	(5,023)	-28%	107,467	
Inventory consumed			27,572	27,572	1,384	1,520	4,595	(3,075)	-67%	27,572	
Contracted services			26,913	26,913	805	1,349	4,486	(3,136)	-70%	26,913	
Transfers and subsidies			2,646	2,646	322	331	441	(110)	-25%	2,646	
Other expenditure			29,339	29,339	1,681	5,209	4,890	319	7%	29,339	
Losses			-	-	-	-	-	-	-	-	
Total Expenditure			-	394,952	394,952	29,801	46,595	65,825	(19,230)	-29%	394,952
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			(9,548)	(9,548)	(2,038)	48,554	3,957	44,597	0	(9,548)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)			21,563	21,563	523	523	3,594	(3,071)	(0)	21,563	
Transfers and subsidies - capital (in-kind - all)			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions			-	12,015	12,015	(1,515)	49,077	7,551		12,015	
Taxation			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation			-	12,015	12,015	(1,515)	49,077	7,551		12,015	
Attributable to minorities			-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality			-	12,015	12,015	(1,515)	49,077	7,551		12,015	
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year			-	12,015	12,015	(1,515)	49,077	7,551		12,015	

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02

August

Vote 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									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services & ICT		-	1,708	1,708	-	-	285	(285)	-100%	1,708
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	370	370	-	-	62	(62)	-100%	370
Vote 5 - Engineering Services		-	30,347	30,347	357	709	5,058	(4,349)	-86%	30,347
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	32,425	32,425	357	709	5,404	(4,695)	-87%	32,425
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	1,074	1,074	510	523	179	344	192%	1,074
Vote 2 - Financial Services & ICT		-	564	564	24	24	94	(70)	-75%	564
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	3,056	3,056	3	3	509	(506)	-99%	3,056
Vote 5 - Engineering Services		-	16,755	16,755	-	-	2,792	(2,792)	-100%	16,755
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	21,448	21,448	537	550	3,575	(3,025)	-85%	21,448
Total Capital Expenditure		-	53,873	53,873	894	1,258	8,979	(7,720)	-86%	53,873
Capital Expenditure - Functional Classification										
Governance and administration		-	2,376	2,376	24	24	396	(372)	-94%	2,376
Executive and council		-	18	18	-	-	3	(3)	-100%	18
Finance and administration		-	2,359	2,359	24	24	393	(369)	-94%	2,359
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3,309	3,309	3	3	552	(549)	-99%	3,309
Community and social services		-	65	65	-	-	11	(11)	-100%	65
Sport and recreation		-	2,280	2,280	3	3	380	(377)	-99%	2,280
Public safety		-	964	964	-	-	161	(161)	-100%	964
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	19,589	19,589	510	875	3,265	(2,390)	-73%	19,589
Planning and development		-	886	886	510	523	148	375	254%	886
Road transport		-	18,643	18,643	-	352	3,107	(2,755)	-89%	18,643
Environmental protection		-	60	60	-	-	10	(10)	-100%	60
Trading services		-	28,425	28,425	357	357	4,738	(4,381)	-92%	28,425
Energy sources		-	10,084	10,084	-	-	1,681	(1,681)	-100%	10,084
Water management		-	11,150	11,150	357	357	1,858	(1,501)	-81%	11,150
Waste water management		-	4,250	4,250	-	-	708	(708)	-100%	4,250
Waste management		-	2,942	2,942	-	-	490	(490)	-100%	2,942
Other		-	174	174	-	-	29	(29)	-100%	174
Total Capital Expenditure - Functional Classification	3	-	53,873	53,873	894	1,258	8,979	(7,720)	-86%	53,873
Funded by:										
National Government		-	20,748	20,748	357	357	3,458	(3,101)	-90%	20,748
Provincial Government		-	815	815	510	523	136	387	285%	815
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	21,563	21,563	867	880	3,594	(2,714)	-76%	21,563
Borrowing	6	-	15,010	15,010	-	352	2,502	(2,150)	-86%	15,010
Internally generated funds		-	17,301	17,301	27	27	2,883	(2,857)	-99%	17,301
Total Capital Funding		-	53,873	53,873	894	1,258	8,979	(7,720)	-86%	53,873

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M02 August

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		26,213	17,530	17,530	36,671	78,017
Call investment deposits		82,989	10,000	10,000	82,989	10,000
Consumer debtors		39,897	59,817	59,817	68,454	59,817
Other debtors		7,518	5,462	5,462	6,941	5,462
Current portion of long-term receivables		3	3	3	3	3
Inventory		1,565	1,936	1,936	1,302	1,936
Total current assets		158,184	94,748	94,748	196,360	155,235
Non current assets						
Long-term receivables		154	155	155	155	155
Investments		-	-	-	-	-
Investment property		40,320	40,311	40,311	40,318	40,311
Investments in Associate		-	-	-	-	-
Property, plant and equipment		481,153	530,072	530,072	480,444	530,072
Biological		-	-	-	-	-
Intangible		4,486	4,423	4,423	4,486	4,423
Other non-current assets		-	-	-	-	-
Total non current assets		526,114	574,962	574,962	525,403	574,962
TOTAL ASSETS		684,298	669,710	669,710	721,763	730,197
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		8,000	7,365	7,365	8,000	7,365
Consumer deposits		5,533	5,702	5,702	5,556	5,702
Trade and other payables		57,563	43,174	43,174	45,927	43,174
Provisions		16,391	16,973	16,973	13,810	16,973
Total current liabilities		87,486	73,214	73,214	73,293	73,214
Non current liabilities						
Borrowing		46,963	43,236	43,236	46,963	43,236
Provisions		102,746	100,829	100,829	105,327	100,829
Total non current liabilities		149,709	144,064	144,064	152,290	144,064
TOTAL LIABILITIES		237,195	217,278	217,278	225,583	217,278
NET ASSETS	2	447,103	452,431	452,431	496,181	512,919
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		409,603	442,431	442,431	458,681	502,919
Reserves		37,500	10,000	10,000	37,500	10,000
TOTAL COMMUNITY WEALTH/EQUITY	2	447,103	452,431	452,431	496,181	512,919

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M02 August

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			73,791	73,791	11,182	16,126	12,299	3,828	31%	73,791	
Service charges			213,190	213,190	17,683	33,237	35,532	(2,294)	-6%	213,190	
Other revenue			18,662	18,662	1,500	2,200	3,110	(911)	-29%	18,662	
Transfers and Subsidies - Operational			50,084	50,084	4,572	19,309	16,695	2,614	16%	50,084	
Transfers and Subsidies - Capital			21,563	21,563	-	5,769	7,188	(1,419)	-20%	21,563	
Interest			4,220	4,220	317	664	703	(40)	-6%	4,220	
Dividends			-	-	-	-	-	-		-	
Payments											
Suppliers and employees			(351,416)	(351,416)	(27,972)	(65,281)	(56,542)	8,739	-15%	(351,416)	
Finance charges			(6,509)	(6,509)	-	-	-	-		(6,509)	
Transfers and Grants			(2,646)	(2,646)	(322)	(331)	(441)	(110)	25%	(2,646)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	20,941	20,941	6,961	11,693	18,543	6,850	37%	20,941
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			2,500	2,500	-	-	-	-		2,500	
Decrease (increase) in non-current receivables			3	3	(0)	(0)	0	(1)	-173%	3	
Decrease (increase) in non-current investments			-	-	-	-	-	-		-	
Payments											
Capital assets			(53,873)	(53,873)	(894)	(1,258)	(8,979)	(7,720)	86%	(53,873)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(51,371)	(51,371)	(894)	(1,259)	(8,978)	(7,720)	86%	(51,371)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-	-	-	-	-		-	
Borrowing long term/refinancing			15,010	15,010	-	-	-	-		15,010	
Increase (decrease) in consumer deposits			373	373	7	23	62	(39)	-62%	373	
Payments											
Repayment of borrowing			(6,137)	(6,137)	-	-	-	-		(6,137)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	9,245	9,245	7	23	62	39	62%	9,245
NET INCREASE/ (DECREASE) IN CASH HELD			-	(21,185)	(21,185)	6,073	10,458	9,627		(21,185)	
Cash/cash equivalents at beginning:			48,715	48,715		109,202	48,715			109,202	
Cash/cash equivalents at month/year end:			-	27,530	27,530		119,660	58,342		88,017	

14. QUALITY CERTIFICATE

NAVRAE:
ENQUIRIES: S Stanley

KONTAKNR
CONTACT NO 028 425 5798

VERW:
REF: 5/3/2021-22 (M02_S71)

KANTOOR:
OFFICES: Bredasdorp

DATUM
DATE 14 September 2021



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 August 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: 14 September 2021