

CAPE AGULHAS MUNICIPALITY



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

2021/2022

SECTION 71 REPORT FOR THE MONTH ENDED 31 OCTOBER 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.....	7
6. COUNCIL FOCUS AREAS (CASH FLOW / LIQUIDITY).....	8
7. INVESTMENT PORTFOLIO	9
8. EXTERNAL BORROWING PORTFOLIO	10
9. mSCOA IMPLEMENTATION	11
10. DEBTORS MANAGEMENT / INTERVENTIONS	11
11. COST CONTAINMENT REGULATION AND CIRCULAR REQUIREMENTS	13
12. LEGISLATED INFORMATION.....	14
13. 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 October 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 October 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 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.

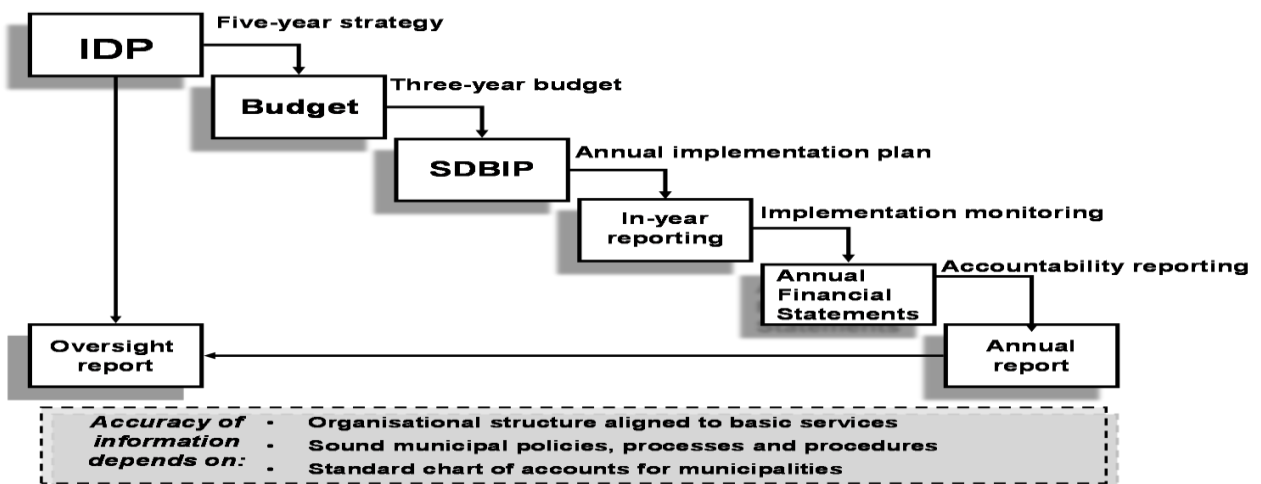
3.1 Budget Process:

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:



The municipality is currently into the new Audit cycle where the 2020/21 Annual Financial statements has been submitted to the Auditor General for audit. The audit process is currently undergoing and has been from the 1st of September 2021.

Currently no major issues have been experienced and the Internal Audit unit of the municipality is administratively in charge of ensuring that all related RFI (Request for Information) and COMAF (Communication of Audit Findings). These requests are adequately communicated to the management staff for ensuring of speedy submission of information to the Audit General's office as required.

4. SUMMARY FINANCIAL PERFORMANCE

Revenue performance

The total revenue for the reporting period ending 31 October 2021 reflects at R142,6m of budgeted revenues of R385,4m. The yearly property rates are payable and due at the end of October 2021. Property rates actual recorded for the period total 56.6% of budgeted revenues of R77,6m. This is in line with the allocation of yearly property rates due for payment at the end of October 2021. The first instalment of the Equitable share allocation was received to date as per payment dates of National Treasury.

Expenditure performance

Total expenditure for the period ended 31 October 2021 totals at R111,83m of the budget of R394,95m. This reflects actual spending of 28% of budgeted amounts. The main contributors to spending, employee related cost and bulk purchases of electricity contributes 76% of total expenditures to date. Administration only account for provisions and non-cash items at year-end. These totals reflect 0% spending to date. Finance charges is also paid periodically in December and June yearly and no spending recorded against these categories of expenses.

General

Forecasting of the actual performance for revenue and expenditure items needs to be reviewed to ensure that the performance reflect the operational procedures and processes as planned. The BTO office is in the process of reviewing the cashflow forecasting information to align the actuals with planned performance. These improvements should reflect with the reporting periods going forward.

Capital performance

Capital performance to date amounts to R2,459m. There are already current capital commitments of R6,4m which will improve capital spending within the next reporting cycle. Numerous Capital items already concluded the tendering process during the firsts quarter. Most of these tenders is currently in appeal process.

The municipal aim is to achieve the 40% spending in terms of MIG grant conditions. This should be achieved before the end of December 2021.

The top 10 capital projects budgeted account for 66% of budget with spending of R1.2m reported at end of October 2021. These projects currently represent the biggest risk to the municipal capital spending and should be monitored.

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 (43%)

The performance for investment revenues reflects positively to date. This is due to funds not used for operational performance invested for the year to date as part of the cash flow projections. The municipal practice currently is to invest funds for periods less than 90 days with the four major banks as per the investment policy. Interest received recognised to date is R760 324.49

Other own revenue (-39%)

Other own revenues consist of Fines income from the Traffic services department, Rental of facilities and equipment, license and permits, agency services as well as other ad-hoc revenue items.

Traffic department is currently in process of implementing a new fine management system. The pandemic as well as the implementation of AARTO impacted the performance relating to fines management of the department. This is a significant contributor to the municipal underperformance relating to Other revenues. The rental of facilities is seasonal with the bulk of the income received over the December and easter holiday periods.

As previously mentioned under expenditures the review of the cashflow projections is underway and finalisation of this process will improve year to date reporting going forward.

Expenditure items

Employee cost (-13%)

The variance relating to the Employee related cost is mostly due to vacant post budgeted from the start of the financial year, but only filled as per the Recruitment and selection policy of the municipality. The municipality also budgeted for non-cash items and the review of projections needs to be finalised to ensure more accurate year to date projections.

Employee related cost is the one of the biggest components of budgeted expenditures and identify as one of the major risk areas of municipal sustainability. Escalating amounts can significantly impact the available cash for other expenditures. Administration is in process of analysing and reviewing the cost category to ensure budget is within the national norms.

Finance charges (-100%)

The finance charges represent the cost associated with the finance charges related to post employee benefits as well as finance charges, related to the external financing. The municipality pay external loans during December and June yearly. To date nothing has been recorded against the expenditure category.

Review of the cashflow projections needs to be implemented to ensure more accurate information reflected year to date.

Transfers and subsidies (-37%)

Represents transfers made to community organizations in support of welfare and other community projects. This is mainly done on an application basis and managed by the office of the Executive Mayor. Spending is only recorded as and when these applications are received and processed by the committee.

Other expenditures (-31%)

Other expenditure is well below budget to date amount. The impact of Covid 19 on operations should not be underestimated even though we are currently at Level 1. Spending should gradually pick up as within the next coming months in the financial year.

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 Oct 2021	Movements for the month			Balance as at 31 Oct 2021	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
<i>Municipality</i>							
<i>YTD</i>					-		
<i>Standard Bank</i>	20 000 000	20 000 000	25 000 000		25 000 000	78 010	319 808
<i>FNB</i>	-	-	-		-	-	-
<i>ABSA (CRR)</i>	30 000 000	30 000 000	-		-	61 397	112 562
<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>	-	-	20 000 000		20 000 000	28 849	194 548
<i>Investec</i>	-				-	-	-
	-				-		
BANK DEPOSITS	53 789 000	50 000 000	45 000 000	-	48 789 000	168 257	883 690

8. EXTERNAL BORROWING PORTFOLIO

Name of municipality									
<u>SUMMARY OF EXTERNAL LOANS FOR MONTH</u>									
Lending Institution	Loan Number	Loan start date	Loan settlement date	Loan Amount	Repayment installment	Balance 01 October 21	Interest Capitalised October 21	Repayments October 21	Balance 31 October 21
ABSA - Infrastr. (Old Nostra)	3044713107	30 June 2016	30 June 2026	1 200 000,00	200 389,14	758 043,00		-	758 043,00
ABSA - Various	3046537820	06 July 2017	30 June 2027	2 400 000,00	385 310,66	1 704 857,00		-	1 704 857,00
Nedbank - Infrastructure Medium Term	INFRA 4	27 June 2019	30 June 2024	4 120 000,00	1 034 895,46	2 472 000,00		-	2 472 000,00
Nedbank - Infrastructure Long Term	INFRA 2	26 June 2018	30 June 2028	7 000 000,00	1 189 186,37	4 900 000,00		-	4 900 000,00
Nedbank	Asset Finance	26 June 2019	30 June 2024	2 880 000,00	723 422,07	1 728 000,00		-	1 728 000,00
Nedbank - Infrastructure	INFRA 1	26 June 2018	30 June 2023	3 000 000,00	701 338,85	1 200 000,00		-	1 200 000,00
Nedbank - Infrastructure	INFRA 3	27 June 2019	30 June 2029	10 000 000,00	1 769 003,84	8 000 000,00		-	8 000 000,00
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	-	-	4 800 000,00
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	-	-	2 318 000,00
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	-	-	27 082 000,00
Total						54 962 900,00	-	-	54 962 900,00

9. mSCOA IMPLEMENTATION

Summarised progress on the implementation of mSCOA and actions required.

The implementation of mSCOA is continuously as new development is legislated and implemented by National treasury. The municipality is currently processing transaction on V6.5 of mSCOA chart and this is reviewed and updated by National Treasury on an yearly basis.

Numerous modules and requirements is implemented as become due and to date the administration can report the following relating to mSCOA.

- Transaction on all relevant legislation of the mSCOA segments.
- Extracting of database strings from the financial system
- Extracting of the C schedule reports from the system (November 2021)

10. DEBTORS MANAGEMENT / INTERVENTIONS

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 October 2021 totals **92.34%** that is below the National norm of 95%. The municipality is currently also experiencing challenging with the collection of debts. This is due to the impact of the Covid pandemic as well as the effect of the economic decline in the local economy. This will have an impact on the cash resources going forward if not addressed. The impact of the yearly property rates collected in October 2021 also significantly boost the collection rate. This will going forward be neutralised and monitoring of the performance needs to be prioritised.

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

Debt older than 1-year accounts for **26.35%** of outstanding debts. The total for this category is **R18.6m** of the totals outstanding debt. This is the showing improvement due to the implementation of credit control.

DEBTORS AGE ANALYSIS

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
Debtors Age Analysis By Customer Group									
Organs of State	- 328 763	309 190	220 625	242 022	740 907	83 735	464 903	1 116 427	2 849 046
Commercial	6 164 725	1 396 389	965 804	952 847	572 608	2 623 051	749 663	506 030	13 931 117
Households	11 492 183	5 161 422	3 495 992	6 073 501	1 811 340	1 661 065	7 140 281	16 957 057	53 792 841
Other	- 735	903	903	19 063	6 952	327	2 054	34 043	63 510
Total By Customer Group	17 327 410	6 867 904	4 683 324	7 287 433	3 131 807	4 368 178	8 356 901	18 613 557	70 636 514
	24,53%	9,72%	6,63%	10,32%	4,43%	6,18%	11,83%	26,35%	100,00%

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 OCTOBER 2021								
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	159 438,61	-	-	868 668,01	6 623 131,99	11,6%
<i>Use of RME contractors</i>	9 632 900,00	1 026 385,24	495 329,83	-	-	1 521 715,07	8 111 184,93	15,8%
<i>Travel and subsistence</i>	329 500,00	30 053,93	22 135,36	-	-	52 189,29	277 310,71	15,8%
<i>Domestic accommodation</i>	206 100,00	23 546,31	2 538,00	-	-	26 084,31	180 015,69	12,7%
<i>Sponsorship, events and catering</i>	204 800,00	27 121,91	19 820,68	-	-	46 942,59	157 857,41	22,9%
<i>Communication</i>	382 300,00	25 629,59	9 468,00	-	-	35 097,59	347 202,41	9,2%
<i>Other related expenditures</i>	1 037 100,00	101 695,47	66 244,54	-	-	167 940,01	869 159,99	16,2%
Total	19 284 500,00	1 943 661,85	774 975,02	-	-	2 718 636,87	16 565 863,13	14,1%

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.

PART B

12. LEGISLATED INFORMATION

Choose name from list - Table C1 Monthly Budget Statement Summary - M04 October

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	3 396	44 061	25 892	18 169	70%	77 675
Service charges	-	224 411	224 411	16 994	75 950	74 804	1 147	2%	224 411
Investment revenue	-	2 405	2 405	594	1 148	802	346	43%	2 405
Transfers and subsidies	-	50 084	50 084	219	15 129	16 695	(1 566)	-9%	50 084
Other own revenue	-	30 829	30 829	1 774	6 313	10 276	(3 963)	-39%	30 829
Total Revenue (excluding capital transfers and contributions)	-	385 404	385 404	22 977	142 601	128 468	14 133	11%	385 404
Employee costs	-	160 777	160 777	12 526	46 882	53 592	(6 710)	-13%	160 777
Remuneration of Councillors	-	6 212	6 212	444	1 799	2 071	(272)	-13%	6 212
Depreciation & asset impairment	-	11 823	11 823	983	3 962	3 941	20	1%	11 823
Finance charges	-	12 044	12 044	-	-	4 015	(4 015)	-100%	12 044
Inventory consumed and bulk purchases	-	135 039	135 039	13 226	43 406	45 013	(1 607)	-4%	135 039
Transfers and subsidies	-	2 646	2 646	53	553	882	(329)	-37%	2 646
Other expenditure	-	66 411	66 411	4 380	15 228	22 137	(6 909)	-31%	66 411
Total Expenditure	-	394 952	394 952	31 613	111 830	131 651	(19 821)	-15%	394 952
Surplus/(Deficit)	-	(9 548)	(9 548)	(8 635)	30 772	(3 183)	33 954	-1067%	(9 548)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	21 563	21 563	715	1 239	7 188	(5 949)	-83%	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	(7 920)	32 010	4 005	28 005	699%	12 015
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	12 015	12 015	(7 920)	32 010	4 005	28 005	699%	12 015
Capital expenditure & funds sources									
Capital expenditure	-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873
Capital transfers recognised	-	21 563	21 563	118	1 356	7 188	(5 831)	-81%	21 563
Borrowing	-	15 010	15 010	65	442	5 003	(4 562)	-91%	15 010
Internally generated funds	-	17 301	17 301	216	661	5 767	(5 106)	-89%	17 301
Total sources of capital funds	-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873
Financial position									
Total current assets	158 184	94 748	94 748		190 720				155 235
Total non current assets	526 114	574 962	574 962		524 637				574 962
Total current liabilities	87 486	73 214	73 214		84 272				73 214
Total non current liabilities	149 709	144 064	144 064		151 972				144 064
Community wealth/Equity	447 103	452 431	452 431		479 114				512 919
Cash flows									
Net cash from (used) operating	-	20 941	20 941	13 785	28 345	13 204	(15 140)	-115%	20 941
Net cash from (used) investing	-	(51 371)	(51 371)	(398)	(2 459)	(17 957)	(15 497)	86%	(51 371)
Net cash from (used) financing	-	9 245	9 245	50	96	124	29	23%	9 245
Cash/cash equivalents at the month/year end	-	27 530	27 530	-	135 183	44 086	(91 097)	-207%	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) - M04 October

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										
<i>Governance and administration</i>		-	134 766	134 766	4 468	61 009	44 922	16 087	36%	134 766
Executive and council		-	33 320	33 320	-	13 907	11 107	2 800	25%	33 320
Finance and administration		-	101 446	101 446	4 468	47 103	33 815	13 287	39%	101 446
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	31 087	31 087	1 081	3 759	10 362	(6 603)	-64%	31 087
Community and social services		-	7 298	7 298	26	97	2 433	(2 336)	-96%	7 298
Sport and recreation		-	8 311	8 311	956	3 223	2 770	453	16%	8 311
Public safety		-	10 551	10 551	87	423	3 517	(3 094)	-88%	10 551
Housing		-	4 927	4 927	13	16	1 642	(1 626)	-99%	4 927
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6 233	6 233	572	2 339	2 078	261	13%	6 233
Planning and development		-	2 984	2 984	228	1 570	995	576	58%	2 984
Road transport		-	3 249	3 249	345	768	1 083	(315)	-29%	3 249
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	234 882	234 882	17 727	76 733	78 294	(1 561)	-2%	234 882
Energy sources		-	158 607	158 607	11 521	51 596	52 869	(1 273)	-2%	158 607
Water management		-	40 663	40 663	2 843	11 003	13 554	(2 551)	-19%	40 663
Waste water management		-	14 297	14 297	1 371	5 857	4 766	1 091	23%	14 297
Waste management		-	21 314	21 314	1 991	8 276	7 105	1 171	16%	21 314
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	406 967	406 967	23 849	143 840	135 656	8 184	6%	406 967
Expenditure - Functional										
<i>Governance and administration</i>		-	112 610	112 610	9 255	34 449	37 537	(3 088)	-8%	112 610
Executive and council		-	15 032	15 032	850	5 415	5 011	404	8%	15 032
Finance and administration		-	95 930	95 930	8 286	28 532	31 977	(3 444)	-11%	95 930
Internal audit		-	1 648	1 648	119	502	599	(47)	-9%	1 648
<i>Community and public safety</i>		-	52 828	52 828	2 880	10 497	17 609	(7 112)	-40%	52 828
Community and social services		-	12 559	12 559	885	3 542	4 186	(644)	-15%	12 559
Sport and recreation		-	14 305	14 305	1 021	3 483	4 768	(1 285)	-27%	14 305
Public safety		-	18 262	18 262	727	2 549	6 087	(3 538)	-58%	18 262
Housing		-	7 702	7 702	247	923	2 567	(1 645)	-64%	7 702
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	33 971	33 971	2 166	8 268	11 324	(3 055)	-27%	33 971
Planning and development		-	11 842	11 842	705	2 835	3 947	(1 112)	-28%	11 842
Road transport		-	22 084	22 084	1 461	5 433	7 361	(1 928)	-26%	22 084
Environmental protection		-	45	45	-	-	15	(15)	-100%	45
<i>Trading services</i>		-	192 003	192 003	17 040	57 746	64 001	(6 255)	-10%	192 003
Energy sources		-	126 436	126 436	12 746	42 282	42 145	137	0%	126 436
Water management		-	24 053	24 053	1 697	6 860	8 018	(1 158)	-14%	24 053
Waste water management		-	13 039	13 039	939	3 749	4 346	(597)	-14%	13 039
Waste management		-	28 475	28 475	1 658	4 855	9 492	(4 637)	-49%	28 475
<i>Other</i>		-	3 540	3 540	272	870	1 180	(311)	-26%	3 540
Total Expenditure - Functional	3	-	394 952	394 952	31 613	111 830	131 651	(19 821)	-15%	394 952
Surplus/ (Deficit) for the year		-	12 015	12 015	(7 764)	32 010	4 005	28 005	699%	12 015

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04

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										
Vote 1 - Executive and Council	1	-	36 563	36 563	159	14 984	12 188	2 796	22,9%	36 563
Vote 2 - Financial Services & ICT		-	87 479	87 479	4 312	46 323	29 160	17 164	58,9%	87 479
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	34 335	34 335	1 428	4 550	11 445	(6 894)	-60,2%	34 335
Vote 5 - Engineering Services		-	248 590	248 590	17 950	77 982	82 863	(4 881)	-5,9%	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	23 849	143 840	135 656	8 184	6,0%	406 967
Expenditure by Vote										
Vote 1 - Executive and Council	1	-	47 206	47 206	3 269	14 270	15 735	(1 466)	-9,3%	47 206
Vote 2 - Financial Services & ICT		-	68 462	68 462	5 971	20 026	22 821	(2 795)	-12,2%	68 462
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	62 834	62 834	3 601	13 406	20 945	(7 538)	-36,0%	62 834
Vote 5 - Engineering Services		-	216 450	216 450	18 772	64 128	72 150	(8 022)	-11,1%	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	31 613	111 830	131 651	(19 821)	-15,1%	394 952
Surplus/ (Deficit) for the year	2	-	12 015	12 015	(7 764)	32 010	4 005	28 005	699,3%	12 015

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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 Source											
Property rates			77 675	77 675	3 396	44 061	25 892	18 169	70%	77 675	
Service charges - electricity revenue			155 851	155 851	11 333	51 361	51 950	(589)	-1%	155 851	
Service charges - water revenue			32 960	32 960	2 300	10 459	10 987	(527)	-5%	32 960	
Service charges - sanitation revenue			14 286	14 286	1 371	5 854	4 762	1 092	23%	14 286	
Service charges - refuse revenue			21 314	21 314	1 991	8 276	7 105	1 171	16%	21 314	
Rental of facilities and equipment			1 359	1 359	65	196	453	(257)	-57%	1 359	
Interest earned - external investments			2 405	2 405	594	1 148	802	346	43%	2 405	
Interest earned - outstanding debtors			1 911	1 911	117	496	637	(141)	-22%	1 911	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			10 382	10 382	40	204	3 461	(3 256)	-94%	10 382	
Licences and permits			116	116	-	78	39	40	102%	116	
Agency services			3 249	3 249	345	768	1 083	(315)	-29%	3 249	
Transfers and subsidies			50 084	50 084	219	15 129	16 695	(1 566)	-9%	50 084	
Other revenue			11 312	11 312	1 207	4 568	3 771	797	21%	11 312	
Gains			2 500	2 500	-	3	833	(830)	-100%	2 500	
Total Revenue (excluding capital transfers and contributions)			-	385 404	385 404	22 977	142 601	128 468	14 133	11%	385 404
Expenditure By Type											
Employee related costs			160 777	160 777	12 526	46 882	53 592	(6 710)	-13%	160 777	
Remuneration of councillors			6 212	6 212	444	1 799	2 071	(272)	-13%	6 212	
Debt impairment			10 159	10 159	-	-	3 386	(3 386)	-100%	10 159	
Depreciation & asset impairment			11 823	11 823	983	3 962	3 941	20	1%	11 823	
Finance charges			12 044	12 044	-	-	4 015	(4 015)	-100%	12 044	
Bulk purchases - electricity			107 467	107 467	11 194	37 775	35 822	1 953	5%	107 467	
Inventory consumed			27 572	27 572	2 032	5 631	9 191	(3 559)	-39%	27 572	
Contracted services			26 913	26 913	1 440	3 680	8 971	(5 291)	-59%	26 913	
Transfers and subsidies			2 646	2 646	53	553	882	(329)	-37%	2 646	
Other expenditure			29 339	29 339	2 941	11 549	9 780	1 769	18%	29 339	
Losses			-	-	-	-	-	-	-	-	
Total Expenditure			-	394 952	394 952	31 613	111 830	131 651	(19 821)	-15%	394 952
Surplus/(Deficit)			-	(9 548)	(9 548)	(8 635)	30 772	(3 183)	33 954	(0)	(9 548)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			21 563	21 563	715	1 239	7 188	(5 949)	(0)	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	(7 920)	32 010	4 005		12 015	
Taxation			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation			-	12 015	12 015	(7 920)	32 010	4 005		12 015	
Attributable to minorities			-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality			-	12 015	12 015	(7 920)	32 010	4 005		12 015	
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year			-	12 015	12 015	(7 920)	32 010	4 005		12 015	

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04
October

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	-	-	569	(569)	-100%	1 708
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	370	370	-	58	123	(65)	-53%	370
Vote 5 - Engineering Services		-	30 347	30 347	97	1 206	10 116	(8 910)	-88%	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	97	1 264	10 808	(9 544)	-88%	32 425
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	1 074	1 074	20	543	358	185	52%	1 074
Vote 2 - Financial Services & ICT		-	564	564	66	92	188	(96)	-51%	564
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	3 056	3 056	149	494	1 019	(525)	-52%	3 056
Vote 5 - Engineering Services		-	16 755	16 755	66	66	5 585	(5 519)	-99%	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	301	1 195	7 149	(5 954)	-83%	21 448
Total Capital Expenditure		-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873
Capital Expenditure - Functional Classification										
Governance and administration		-	2 376	2 376	87	117	792	(675)	-85%	2 376
Executive and council		-	18	18	-	-	6	(6)	-100%	18
Finance and administration		-	2 359	2 359	87	117	786	(669)	-85%	2 359
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3 309	3 309	128	527	1 103	(576)	-52%	3 309
Community and social services		-	65	65	11	11	22	(10)	-48%	65
Sport and recreation		-	2 280	2 280	116	515	760	(245)	-32%	2 280
Public safety		-	964	964	-	-	321	(321)	-100%	964
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	19 589	19 589	110	1 010	6 530	(5 520)	-85%	19 589
Planning and development		-	886	886	9	532	295	237	80%	886
Road transport		-	18 643	18 643	100	477	6 214	(5 737)	-92%	18 643
Environmental protection		-	60	60	-	-	20	(20)	-100%	60
Trading services		-	28 425	28 425	63	794	9 475	(8 681)	-92%	28 425
Energy sources		-	10 084	10 084	1	189	3 361	(3 172)	-94%	10 084
Water management		-	11 150	11 150	61	605	3 717	(3 112)	-84%	11 150
Waste water management		-	4 250	4 250	-	-	1 417	(1 417)	-100%	4 250
Waste management		-	2 942	2 942	-	-	981	(981)	-100%	2 942
Other		-	174	174	11	11	58	(47)	-81%	174
Total Capital Expenditure - Functional Classification	3	-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873
Funded by:										
National Government		-	20 748	20 748	97	812	6 916	(6 104)	-88%	20 748
Provincial Government		-	815	815	21	544	272	272	100%	815
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	21 563	21 563	118	1 356	7 188	(5 831)	-81%	21 563
Borrowing	6	-	15 010	15 010	65	442	5 003	(4 562)	-91%	15 010
Internally generated funds		-	17 301	17 301	216	661	5 767	(5 106)	-89%	17 301
Total Capital Funding		-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04
October

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	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services & ICT		-	1 708	1 708	-	-	569	(569)	-100%	1 708
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	370	370	-	58	123	(65)	-53%	370
Vote 5 - Engineering Services		-	30 347	30 347	97	1 206	10 116	(8 910)	-88%	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	97	1 264	10 808	(9 544)	-88%	32 425
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	1 074	1 074	20	543	358	185	52%	1 074
Vote 2 - Financial Services & ICT		-	564	564	66	92	188	(96)	-51%	564
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Management Services		-	3 056	3 056	149	494	1 019	(525)	-52%	3 056
Vote 5 - Engineering Services		-	16 755	16 755	66	66	5 585	(5 519)	-99%	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	301	1 195	7 149	(5 954)	-83%	21 448
Total Capital Expenditure		-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873
Capital Expenditure - Functional Classification										
Governance and administration		-	2 376	2 376	87	117	792	(675)	-85%	2 376
Executive and council		-	18	18	-	-	6	(6)	-100%	18
Finance and administration		-	2 359	2 359	87	117	786	(669)	-85%	2 359
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3 309	3 309	128	527	1 103	(576)	-52%	3 309
Community and social services		-	65	65	11	11	22	(10)	-48%	65
Sport and recreation		-	2 280	2 280	116	515	760	(245)	-32%	2 280
Public safety		-	964	964	-	-	321	(321)	-100%	964
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	19 589	19 589	110	1 010	6 530	(5 520)	-85%	19 589
Planning and development		-	886	886	9	532	295	237	80%	886
Road transport		-	18 643	18 643	100	477	6 214	(5 737)	-92%	18 643
Environmental protection		-	60	60	-	-	20	(20)	-100%	60
Trading services		-	28 425	28 425	63	794	9 475	(8 681)	-92%	28 425
Energy sources		-	10 084	10 084	1	189	3 361	(3 172)	-94%	10 084
Water management		-	11 150	11 150	61	605	3 717	(3 112)	-84%	11 150
Waste water management		-	4 250	4 250	-	-	1 417	(1 417)	-100%	4 250
Waste management		-	2 942	2 942	-	-	981	(981)	-100%	2 942
Other		-	174	174	11	11	58	(47)	-81%	174
Total Capital Expenditure - Functional Classification	3	-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873
Funded by:										
National Government		-	20 748	20 748	97	812	6 916	(6 104)	-88%	20 748
Provincial Government		-	815	815	21	544	272	272	100%	815
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	21 563	21 563	118	1 356	7 188	(5 831)	-81%	21 563
Borrowing	6	-	15 010	15 010	65	442	5 003	(4 562)	-91%	15 010
Internally generated funds		-	17 301	17 301	216	661	5 767	(5 106)	-89%	17 301
Total Capital Funding		-	53 873	53 873	398	2 459	17 958	(15 499)	-86%	53 873

13. QUALITY CERTIFICATE

NAVRAE: S Stanley
ENQUIRIES:
KONTAKNR: 028 425 5798
CONTACT NO
VERW: 5/3/2021-22 (M04_S71)
REF:
KANTOOR: Bredasdorp
OFFICES:
DATUM: 10 November 2021
DATE



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASTIPALA 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 October 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: 10 November 2021