

FREE STATE PROVINCE



2nd Quarterly Current Expenditure,
Conditional Grant and Capital
Expenditure Report for 2007/08

Free State Department of Agriculture

Presented by:
Tshepiso Ramakarane
Head of the Department



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Conditional Grant and Capital
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Audit outcomes 2006/07

- | | |
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| <ul style="list-style-type: none">• Qualified Audit findings:▫ No audit trail to system on veriments▫ Housing guarantees▫ Assets | <ul style="list-style-type: none">• Action plan to address findings:▫ Internal controls already implemented and audited by internal audit▫ Monthly reconciliations compiled to ensure correct information in financial statements▫ Investigations are performed to rectify records |
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Overview of the Departmental Budget

Programme	2006/07 (R'000)	2007/08 (R'000)	2008/09 (R'000)	2009/10 (R'000)
Programme 1 Equitable Share	75 643	92 847	99 491	106 006
Programme 2: Equitable Share	13 064	13 985	16 565	18 882
Conditional Grants (Landcare & IEA)	10 581	13 270	23 628	25 113
Programme 3: Equitable Share	49 292	49 380	53 653	59 682
Conditional Grants (CASP)	25 306	38 084	39 912	43 909
Programme 4: Equitable Share	26 045	28 705	33 759	38 531
Programme 5: Equitable Share	19 017	21 077	22 818	25 378
Programme 6: -Equitable Share	2 425	4 068	4 797	5 520
Programme 7: -Equitable Share	10 770	12 088	14 046	15 861
Total	232 143	273 444	308 669	338 882.5

Trends in Equitable Share and Conditional Grants

	2006/07 (R'000)	2007/08 (R'000)	Increase (R'000)	% Increase
Equitable Share	197 256	222 090	24 834	12.6
Conditional Grants				
-CASP	25 306	38 084	12 778	50.5
-LandCare	2 909	3 270	361	12.4
-Disaster Funding	6 672	-	(6 672)	(100)
-IEA	-	10 000	10 000	-
Total	232 143	273 444	41 301	17.8

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2007/08 Allocated Budget and Roll-Over Funds (R'000)

Grant	Allocated Budget	2006/07 Roll-Over Request	Adjustment to Budget	Total Available Budget
<i>CASP</i>	38 084	-	-	38 084
<i>Land Care</i>	3 270	147	-	3 270
IEA	10 000	-	-	10 000
<i>Agricultural Disaster Management</i>	-	3 417	-	-
TOTAL	51 354	3 564	-	51 354

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2007/08 Transfer of grants from National (R'000)

Grant	A	M	J	J	A	S	O	N	D	J	F	M
<i>CASP</i>	3 808	-	-	13 330	-	-	-	-	-	-	-	-
<i>IEA</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>LC</i>	327	-	-	1 145	-	-	-	-	-	-	-	-
TOTAL	4 135	-	-	14 475	-	-	-	-	-	-	-	-

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Overview of Departmental Spending to September 2007

Programme	Full year Budget (R'000)	YTD Exp (R'000)	Variance (R'000)	% Spent (Benchmark 50%)
Administration	92 847	51 431	41 416	55
Sustainable Resource Management	27 255	8 765	18 490	32
Farmer Support & Development	87 464	40 469	46 995	46
Veterinary Services	28 705	15 105	13 600	53
Research, Technology & Development Services	21 077	9 962	11 115	47
Agricultural Economics	4 008	982	3 026	25
Structured Agricultural Training	12 088	5 135	6 953	43
Total	273 444	131 849	141 595	48

Overview of Departmental Spending to September 2007

Economic classification	Full year Budget (R'000)	YTD Exp (R'000)	Variance (R'000)	% Spent (Benchmark 50%)
Compensation	157 886	73 724	84 162	47
Goods & Services	89 198	36 332	52 866	41
Transfer payments	7 340	3 237	4 103	44
Provinces & municipalities	52	4	48	7
Departmental accounts	137	-	137	-
Public corporations & private enterprises	2 000	-	2 000	-
Transfers to households	5 151	3 233	1 918	63
Payments for capital assets	19 020	18 556	464	98
Buildings & fixed structures	12 453	11 505	948	92
Machinery & equipment	6 507	6 992	(485)	107
Cultivated assets	55	54	1	97
Software	5	5	-	100
Total	273 444	131 849	141 595	48

Overview of Departmental Spending to September 2007

(excluding conditional grants)

Programme	Full year Budget (R'000)	YTD Exp (R'000)	Variance (R'000)	% Spent (Benchmark 50%)
Administration	92 847	51 431	41 416	55
Sustainable Resource Management	13 985	5 042	8 943	36
Farmer Support & Development	49 380	22 279	27 101	45
Veterinary Services	28 705	15 105	13 600	53
Research, Technology & Development Services	21 077	9 962	11 115	47
Agricultural Economics	4 008	982	3 026	25
Structured Agricultural Training	12 088	5 135	6 953	43
Total	222 090	109 488	112 602	49

2007/08 Budget and Expenditure on grants to September 2007

Conditional Grant	Full year Budget (R'000)	YTD Expenditure (R'000)	Variance (R'000)	% Budget Spent (Benchmark = 50%)
<i>CASP</i>	38 084	18 190	19 894	47.8
<i>IEA</i>	10 000	2 464	7 536	24.6
<i>Land Care</i>	3 270	1 259	2 011	38.5
<i>Agricultural Disaster Management</i>	-	448 *	(448)	-
TOTAL	51 354	22 361	28 993	43.5

*R948 000 – R500 000 (Own Contribution) = R448 000 against roll-over funds still to be appropriated

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Reasons for Under-Expenditure

- Conditional Grant:
 - CASP
 - LandCare
 - IEA
- Reasons:
 - Poor project management
 - SCM capacity
 - Technical capacity
 - Rain
 - Technical capacity
 - Public Works Delays

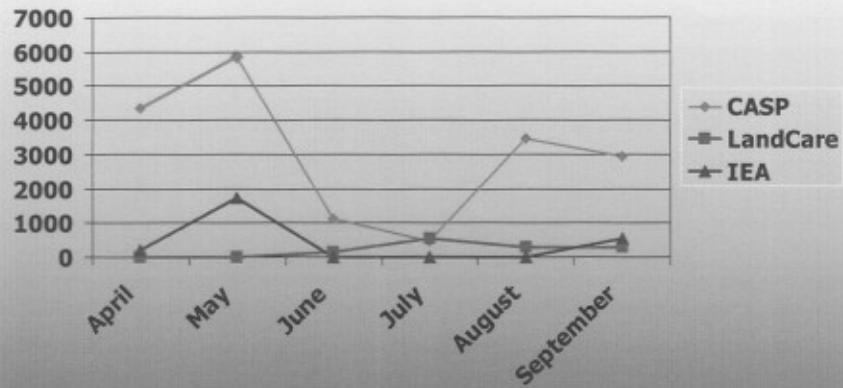
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2007/08 Monthly Grant Expenditure up to September 2007 (R'000)

Grant	A	M	J	J	A	S	O	N	D	J	F	M	Total
CASP	4 358	5 861	1 126	448	3 458	2 939	0	0	0	0	0	0	18 190
IEA	198	1 729	-	-	-	537	0	0	0	0	0	0	2 464
LC	-	-	138	548	282	291	0	0	0	0	0	0	1 259
ADM	-	-	-	-	-	-	0	0	0	0	0	0	0
TOTAL	4 556	7 590	1 264	996	3 740	3 767	0	0	0	0	0	0	21 913
TOTAL per Q		13 410			8 503								

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**2007/08 Monthly Grant Expenditure up to September 2007
(R'000)**

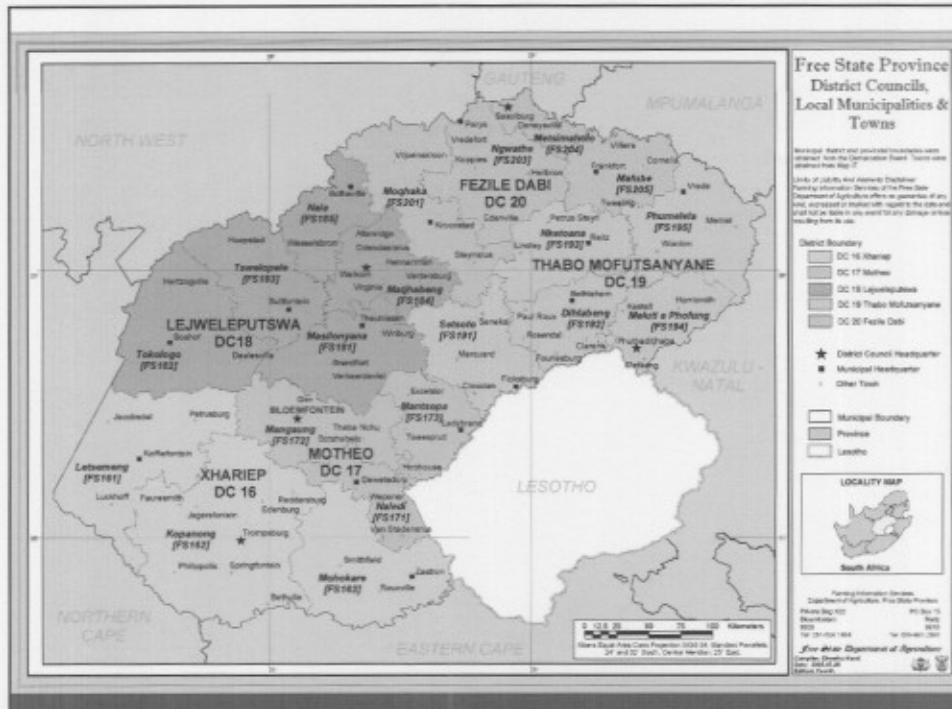


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Outstanding Commitments

Unpaid commitments as on 30 September 2007:	(R'000)
– Voted funds:	6 785
– CASP:	8 176
– Land Care:	868
– Disaster Management:	482
– IEA	622

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2007/08 CASP Physical Progress – September 2007

Project Status	Number of Gazetted Projects	No of Spill-Over Projects	No of New Projects
No Progress	42	3	5
Tender Process	2	0	0
1 – 25% Progress	48	6	0
26 – 50% Progress	18	4	0
51 – 75% Progress	2	8	0
76 – 99% Progress	10	0	0
100% Completed	5	9	0
Handed Over to Beneficiaries	0	0	0
TOTAL	127	30	5

Fezile Dabi

Bophelo ke Matla (Sasolburg)



Itekeng Poultry (Deneysville)



Lema u Vune (Sasolburg)



SA Free State Farming (Parys)



Xhariep

Oppermansgronde
(Koffiefontein)



Oppermansgronde
(Koffiefontein)



Boiteko
(Jacobsdal)



Oppermansgronde
(Koffiefontein)



Motheo

Woodbridge (Thaba Nchu)



Kotoko Tannery (Bloemfontein)



Postereno Farming (Hobhouse)



Lejweleputswa

Ithabeleng (Virginia)



Waya Waya (Brandfort)

