



**GARDEN ROUTE DISTRICT
MUNICIPALITY**

FINANCIAL YEAR 2018 - 2019

**MONTHLY FINANCIAL MONITORING
REPORT**

31 JANUARY 2019

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Glossary:

Annual Budget – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

Adjustment Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.

Allocations (Transfers – see DORA) – Money received from Provincial or National Government.

Budget Related Policy (ies) – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings - for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services and to compensate loss of RSC levies.

Fruitless and Wasteful Expenditure – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.

MFMA – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

mSCOA – Municipal Standard Chart of Accounts

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure –The day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the Rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budgeted estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised Expenditure – Generally, spending without, or in excess of, an Approved Budget.

Virement – A transfer of funds within a vote.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In Garden Route District, this means the different GFS classification the budget is divided.

Legislative Framework:

This report has been prepared in terms of the following enabling legislation:

The Municipal Finance Management Act – Act No. 56 of 2003

Section 71: Monthly budget statements

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations

PART 1 – IN-YEAR REPORT

Section 1 – Resolutions

These are the resolutions being presented to Council in the monthly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of Section 71 of the Municipal Finance Management Act, Act 56 of 2003 and the Municipal Budget and Reporting Regulations.

Regulation 28 of the Municipal Budget and Reporting Regulations states:

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

Recommendations:

- That Council takes note of the monthly budget statement and supporting documentation for the month ended 31 January 2019.
- That Council takes note of the continuation of challenges faced relating to the financial system and credibility of data.

Section 2 – Executive summary

2.1 Introduction

The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality’s consolidated performance in terms of the budget, indicate any material variances from the Service Delivery and Budget Implementation Plan (SDBIP) and provide any remedial actions or corrective steps to be taken.

Most of the southern towns of the Garden Route District have bulk water in storage to address their current water demand, at least until the first winter rains. The northern parts of the Garden Route District are not looking good at the moment. Currently, the towns Calitzdorp and Zoar in the Kannaland Municipal area do not have a secondary water supply apart from their bulk storage dams.

On the 17th of January 2019 the GRDM Head of Disaster Centre, Mr Gerhard Otto, joined the Kannaland Mayor, Cllr Magdalene Barry and Kannaland Municipal Manager, Mr Reynold Stevens in a meeting with Zoar community leaders to discuss the urgency of the town’s water situation as well as to inform community leaders that drastic steps would have to be taken to reduce the town’s water demand. Later on the same day, the GRDM Municipal Manager, Mr Monde Stratu and GRDM Executive Management met with the Kannaland Municipal Manager and his team to discuss the assistance required from the GRDM.

At the GRDM Council Meeting on 21 January 2019, the following was resolved:

- The GRDM Council has approved the purchasing of 20 x 5000-liter water tanks and cement retainer blocks to be used to erect platforms for these tanks at a cost of R120 000.00.
- Rent of 34 000 litre water tanker for a period of three months to assist with the filling of these tanks as well as tanks previously placed at water-stressed communities in the rural Kannaland Municipal areas will be paid at a cost of R240 000.00.
- The purchasing of 20-litre water containers will be distributed to households in Zoar to be used during water shedding at a total cost of R140 000.00.

A second adjustments budget for the 2018/19 financial year will be tabled on 25 February 2019 to account for the adjustments above as well as other adjustments.

2.2 Consolidated Performance

2.2.1 Against Annual Budget (original)

Revenue by source

The total revenue received for the month ended 31 January 2019 amounted to **R 55,403,539** (excluding Roads budget), with a total annual adjusted budgeted figure of **R 263,652,000** representing a 21% of annual revenue.

Operating Expenditure by type

Operating expenditure for the month, ended 31 January 2019 amounted to **R 16,542,315**, with a total annual budgeted figure of **R 257,375,000** (excluding Roads budget); the operational expenditure is 6.4% of the total annual adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R 11,430,000. (69% of the monthly expenditure)**

Capital Expenditure

The capital budget for the financial year amounts to **R 9,303,378**. The capital expenditure for the month ended 31 January 2019 amounted to **R 47,886**. User departments are continuously reminded to improve planning and ensure compliance with supply chain regulations when procuring capital items. Adjustments will be made to the capital budget with the adjustment budget that will be tabled at Council on 25 February 2019.

Refer to pages 14, 15, 16 & 17 for detail on capital budget progress.

2.3 Material variances from SDBIP

Variances and deficiencies will be identified in terms of the SDBIP and will be reported on by the Performance Management Unit, situated in the Office of the Municipal Manager.

2.4 Remedial or corrective steps

HOD's must monitor monthly income and expenditure reports, ensure spending is within budget and aligned to the IDP's Strategic Goals. The municipality will continue to engage with the vendor in order to find solutions to all system related challenges experienced.

A Western Cape Vesta User Group meeting was held on the 21st & 22nd of January 2019 in Worcester. Representatives from Garden Route District Municipality has attended the User Group meeting.

Organisational change management remains a challenge to really adopt and accept the mSCOA environment and there are plans to provide more training and awareness to achieve the objective of the mSCOA reform. The financial department has included a project of R50 000 for a Financial changes awareness campaign for the 2018/19 budget and have applied for funding from Provincial Treasury for mSCOA and upskilling of staff.

2.5 Conclusion

Detailed analysis of the municipal performance for the month ended 31 January 2019 will be presented under the different sections of the report.

Section 3 – In-year budget statement tables

3.1 Monthly budget statements

3.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Garden Route - Table C1 Monthly Budget Statement Summary - M07 January

Description	2017/18	Budget Year 2018/19							
	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	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	12 084	15 715	-	-	232	9 167	(8 934)	-97%	15 715
Transfers and subsidies	160 545	158 885	18 537	46 325	114 236	92 683	21 553	23%	177 422
Other own revenue	211 471	215 515	-	9 079	23 472	125 717	(102 245)	-81%	215 515
Total Revenue (excluding capital transfers and contributions)	384 100	390 115	18 537	55 404	137 940	227 567	(89 627)	-39%	408 652
Employee costs	128 751	133 669	(871)	10 228	74 055	66 835	7 220	11%	132 798
Remuneration of Councillors	10 815	11 572	-	1 202	6 490	5 786	704	12%	11 572
Depreciation & asset impairment	3 060	3 272	-	-	-	1 636	(1 636)	-100%	3 272
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	185	-	-	-	93	(93)	-100%	185
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	236 793	239 139	15 408	5 112	41 732	119 570	(77 838)	-65%	254 547
Total Expenditure	379 419	387 838	14 537	16 542	122 276	193 919	(71 643)	-37%	402 375
Surplus/(Deficit)	4 681	2 278	4 000	38 863	15 664	33 648	(17 984)	-53%	6 278
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	4 681	2 278	4 000	38 863	15 664	33 648	(17 984)	-53%	6 278
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	4 681	2 278	4 000	38 863	15 664	33 648	(17 984)	-53%	6 278
Capital expenditure & funds sources									
Capital expenditure	4 677	9 303	4 000	48	698	5 427	(4 729)	-87%	13 303
Capital transfers recognised	-	-	4 000	-	-	-	-	-	4 000
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	4 677	9 303	-	48	698	5 427	(4 729)	-87%	9 303
Total sources of capital funds	4 677	9 303	4 000	48	698	5 427	(4 729)	-87%	13 303
Financial position									
Total current assets	178 609	180 332	-	-	165 053	-	-	-	180 332
Total non current assets	293 385	301 107	-	-	284 108	-	-	-	301 107
Total current liabilities	72 878	75 705	(82)	-	59 924	-	-	-	75 623
Total non current liabilities	153 943	163 153	-	-	137 987	-	-	-	163 153
Community wealth/Equity	-	242 582	82	-	251 250	-	-	-	242 664
Cash flows									
Net cash from (used) operating	19 110	3 097	4 000	38 863	15 664	1 549	(14 116)	-912%	7 097
Net cash from (used) investing	(4 677)	(7 938)	(4 000)	(48)	22 066	(5 547)	(27 613)	498%	(11 938)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	14 434	164 927	-	-	49 015	165 769	116 754	70%	6 444
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	99	57	183	20 556	-	-	-	-	20 895
Creditors Age Analysis									
Total Creditors	44	19	41	53	54	51	100	1	364

3.1.2 Table C2: Monthly Budget Statement - Financial Performance (standard classification)

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		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>		229 916	211 013	18 537	52 191	132 316	133 904	(1 588)	-1%	229 550
Executive and council		228 590	209 608	18 537	52 191	132 218	133 084	(866)	-1%	228 145
Finance and administration		1 326	1 405	-	-	98	820	(722)	-88%	1 405
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6 921	8 041	-	2 866	5 230	4 691	539	11%	8 041
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6 713	7 821	-	2 840	5 049	4 562	487	11%	7 821
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		208	221	-	26	181	129	52	40%	221
<i>Economic and environmental services</i>		145 314	145 333	-	347	393	84 777	(84 384)	-100%	145 333
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		145 000	145 000	-	-	-	84 583	(84 583)	-100%	145 000
Environmental protection		314	333	-	347	393	194	199	103%	333
<i>Trading services</i>		1 950	25 728	-	-	-	15 008	(15 008)	-100%	25 728
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1 950	25 728	-	-	-	15 008	(15 008)	-100%	25 728
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	384 100	390 115	18 537	55 404	137 939	238 380	(100 441)	-42%	408 652
Expenditure - Functional										
<i>Governance and administration</i>		114 375	121 256	2 650	9 308	62 740	72 279	(9 538)	-13%	123 906
Executive and council		44 720	49 677	1 200	4 140	26 185	29 678	(3 493)	-12%	50 877
Finance and administration		67 115	69 211	1 450	4 970	35 025	41 219	(6 194)	-15%	70 661
Internal audit		2 540	2 368	-	198	1 530	1 381	149	11%	2 368
<i>Community and public safety</i>		81 927	78 374	10 987	5 790	46 420	52 127	(5 707)	-11%	89 361
Community and social services		11 727	8 596	-	725	6 140	5 014	1 126	22%	8 596
Sport and recreation		12 640	13 677	-	1 430	7 426	7 978	(552)	-7%	13 677
Public safety		27 498	29 149	6 000	1 548	15 581	20 503	(4 922)	-24%	35 149
Housing		-	-	-	-	-	-	-	-	-
Health		30 062	26 953	4 987	2 087	17 273	18 632	(1 359)	-7%	31 940
<i>Economic and environmental services</i>		176 412	161 155	900	1 147	10 363	94 532	(84 169)	-89%	162 055
Planning and development		5 630	9 236	-	948	8 005	5 387	2 618	49%	9 236
Road transport		168 320	148 325	900	-	732	87 048	(86 316)	-99%	149 225
Environmental protection		2 462	3 595	-	199	1 626	2 097	(471)	-22%	3 595
<i>Trading services</i>		3 839	25 738	-	186	1 925	15 014	(13 089)	-87%	25 738
Energy sources		18	18	-	-	-	10	(10)	-100%	18
Water management		3 821	25 720	-	168	1 345	15 003	(13 658)	-91%	25 720
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	18	580	-	580	#DIV/0!	-
<i>Other</i>		2 866	1 314	-	111	827	766	61	8%	1 314
Total Expenditure - Functional	3	379 419	387 837	14 537	16 542	122 275	234 718	(112 443)	-48%	402 374
Surplus/ (Deficit) for the year		4 682	2 278	4 000	38 862	15 664	3 662	12 002	328%	6 278

This table reflects the operating budget (Financial Performance) in the standard classifications that is the Government Finance Statistics Functions and Sub-function. The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services. Table C3, Financial Performance is reported by municipal vote, Table C3.

3.1.3 Table C3: Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

DC4 Garden Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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		229 035	210 080	18 537	52 191	132 218	133 360	(1 142)	-0,9%	228 617
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		880	933	-	-	98	544	(446)	-82,0%	933
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		208	221	-	26	181	129	52	40,3%	221
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		6 713	7 821	-	2 840	5 049	4 562	487	10,7%	7 821
Vote 9 - Waste Management		1 950	25 728	-	-	-	15 008	(15 008)	-100,0%	25 728
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		314	333	-	347	393	194	199	102,7%	333
Vote 14 - Roads Agency Function		145 000	145 000	-	-	-	84 583	(84 583)	-100,0%	145 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	384 100	390 115	18 537	55 404	137 939	238 380	(100 441)	-42,1%	408 652
Expenditure by Vote	1									
Vote 1 - Executive and Council		47 274	48 199	1 200	4 120	27 851	28 816	(965)	-3,3%	49 399
Vote 2 - Budget and Treasury Office		20 362	19 830	1 450	2 062	12 304	12 413	(109)	-0,9%	21 280
Vote 3 - Corporate Services		39 345	42 835	-	2 943	21 422	24 987	(3 564)	-14,3%	42 835
Vote 4 - Planning and Development		16 688	19 357	-	1 408	11 434	11 292	143	1,3%	19 357
Vote 5 - Public Safety		35 010	34 829	6 000	1 925	18 905	23 817	(4 911)	-20,6%	40 829
Vote 6 - Health		33 479	31 454	4 987	2 271	18 649	21 257	(2 608)	-12,3%	36 441
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		12 640	13 677	-	1 430	7 426	7 978	(552)	-6,9%	13 677
Vote 9 - Waste Management		3 821	25 720	-	185	1 925	15 003	(13 079)	-87,2%	25 720
Vote 10 - Roads Transport		3 320	3 325	900	-	732	2 465	(1 732)	-70,3%	4 225
Vote 11 - Waste Water Management		-	18	-	-	-	10	(10)	-100,0%	18
Vote 12 - Water		18	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		2 461	3 595	-	199	1 626	2 097	(471)	-22,4%	3 595
Vote 14 - Roads Agency Function		165 000	145 000	-	-	-	84 583	(84 583)	-100,0%	145 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	379 419	387 838	14 537	16 542	122 276	234 719	(112 443)	-47,9%	402 375
Surplus/ (Deficit) for the year	2	4 681	2 278	4 000	38 861	15 664	3 662	12 002	327,7%	6 278

Reporting per municipal vote provide details on the spread of spending over the various functions of council. Revenue is mainly budgeted under the Executive and Council function and therefore the majority of the revenue will be reflected under this function. The consolidation of the Roads Agency function into the budget of Garden Route DM reflects under the Roads Transport municipal function above.

No reporting on the operations in terms of the Roads Agency function is included in the report, the Roads income and expenditure is integrated into Garden Route's Annual Financial Statements after year end (30 June 2019). Currently no reporting due to system challenges experienced. Once the system challenges are resolved with the vendor, the municipality will aim to incorporate the Roads Agency Function's reporting on a monthly basis instead of after year-end. The year to date expenditure of Roads Agency function amounts to R76 285 159.70 and results in the total year to date expenditure of **R198 560 159.70**, representing **49.34%** spending to date if the Roads Agency function expenditure were to integrate. The revenue received for Roads Agency function amounts to R76 285 159.70 to date and the total revenue **R214 224 159.70** representing **52.42%** for the year to date 31 January 2019.

3.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

DC4 Garden Route - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		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								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Service charges - other								-		
Rental of facilities and equipment	3 507	2 718				1 586	(1 586)	-100%	2 718	
Interest earned - external investments	12 084	15 715				232	9 167	(8 934)	-97%	15 715
Interest earned - outstanding debtors	846	897					523	(523)	-100%	897
Dividends received								-		
Fines, penalties and forfeits								-		
Licences and permits	314	333					194	(194)	-100%	333
Agency services	15 300	19 022			5 043	5 043	11 096	(6 053)	-55%	19 022
Transfers and subsidies	160 545	158 885	18 537	46 325	114 236	92 683	21 553	23%	177 422	
Other revenue	191 504	189 390		4 036	18 428	110 477	(92 049)	-83%	189 390	
Gains on disposal of PPE		3 156					1 841	(1 841)	-100%	3 156
Total Revenue (excluding capital transfers and contributions)		384 100	390 115	18 537	55 404	137 940	227 567	(89 627)	-39%	408 652
Expenditure By Type										
Employee related costs	128 751	133 669	(871)	10 228	74 055	66 835	7 220	11%	132 798	
Remuneration of councillors	10 815	11 572		1 202	6 490	5 786	704	12%	11 572	
Debt impairment	1 522	1 601				800	(800)	-100%	1 601	
Depreciation & asset impairment	3 060	3 272				1 636	(1 636)	-100%	3 272	
Finance charges										
Bulk purchases										
Other materials		185				93	(93)	-100%	185	
Contracted services	23 330	60 636	14 537	1 622	14 552	30 318	(15 766)	-52%	75 173	
Transfers and subsidies										
Other expenditure	211 942	176 903	871	3 490	27 179	88 451	(61 272)	-69%	177 774	
Loss on disposal of PPE										
Total Expenditure		379 419	387 838	14 537	16 542	122 276	193 919	(71 643)	-37%	402 375
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)										
(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		4 681	2 278	4 000	38 863	15 664	33 648	(17 984)	(0)	6 278
Taxation										
Surplus/(Deficit) after taxation		4 681	2 278	4 000	38 863	15 664	33 648			6 278
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		4 681	2 278	4 000	38 863	15 664	33 648			6 278
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		4 681	2 278	4 000	38 863	15 664	33 648			6 278

Revenue by Source

Revenue by source explains the types of income budgeted for and the performance of these items individually.

Rental of facilities and equipment:

There were no income for rental of facilities and equipment reported for the month ended 31 January 2019. Due to system challenges experienced, income per line item could not be updated, rental income was therefore included under 'Other income'. The legal and planning and development section is in process of entering into new contracts for rental of certain properties.

Interest earned – External Investments:

Reflects the interest earned in respect of surplus funds not immediately needed in the operations of the municipality over the short-term period. No interest on external investments was recorded for the month ended 31 January 2019, as investments were invested for a period longer than a month.

Interest raised – Outstanding debtors

There was no interest on outstanding debtors for the month of 31 January 2019; this is due to the challenges experienced with the new financial system on the Income module and backlog in income allocations.

Agency services

The municipality performs an agency function on behalf of the Department of Transport – Roads department. Monthly agency fees are collected from the department. 12% Admin fee is received on the original allocation and 3% on any additional allocations. The revenue received in respect of the Agency Services for the month of 31 January 2019 amounts to R5 043 478 (4 months).

Transferred recognised – operational

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenues Act's respectively. The first instalment of R 63,015,000 for the Equitable Share was received during July 2018. An amount of R256,000 for EPWP Grant were received as first instalment during August, R1,483,000 were also received from Provincial Treasury for the Fire Service Capacity Building Grant, R1,698,000 as first instalment of the Rural Roads Asset Management Grant and R1,000,000 were received from National Treasury for the Finance Management Grant. R459 000 was received during November 2018 in respect of the EPWP Grant. The municipality received R900 000 during December 2018 for the

Integrated Transport Planning Grant, but could only include it at end of January 2019 due to challenges with the system. The second instalment of R45 425 000 for the Equitable share were received during January 2019, however National Treasury subtracted the amount of R4 987 000 from the second instalment, with regards to the unspent Energy Efficiency and Demand Side Management Grant (EEDSG), which were to be paid back to the revenue fund as approval was not given for the rollover of this grant. Correcting journals will be processed against the respective income vote number at end of February 2019 and the budget will be adjusted with the adjustment budget.

Other revenue / Sundry income

Other revenue reflects an amount of R 3,279,000 for the month ended 31 January 2019. Other revenue consists of the following: Interest on current account, resorts income and rental of facilities and equipment.

Expenditure by Type

Expenditure by type reflects the operational budget per main type/category of expenditure.

Employee Related cost / Remuneration of councillors

Remuneration related expenditure (councillors and staff) for the month ended 31 January 2019 amounted to

R 11,430,000 of a budgeted amount of R 144,370,000 that represents 7.9% of the budgeted amount and 69% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

These items account for non-cash budgeted items. The asset management system are not fully integrated with the financial system yet and depreciation journals will be processed at the end of the financial year or as soon as the integration issues are resolved.

Finance charges

The municipality has no outstanding loans and it is not envisioned that Council will take up any new loans.

Contracted services

The contracted services for the month 31 January 2019 amounts to **R 1,622,000** against an adjusted budgeted amount of **R 75,173,000** that represents 2.16% of the budgeted amount, this relates mainly to the aerial firefighting services rendered.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R 3,490,000 for month ended 31 January 2019.

The other expenditure consists of the following:

- Repairs and Maintenance
- Operating Projects (own funds)
- General expenses
- Contributions to provisions (Accounted for with compilation of AFS)
- Actuarial Loss (Accounted for with compilation of AFS)
- Roads consolidation at year-end

3.1.5 Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

DC4 Garden Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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		421	30	-	1	32	17	14	83%	30
Vote 2 - Budget and Treasury Office		-	42	-	-	10	25	(14)	-59%	42
Vote 3 - Corporate Services		1 633	1 368	-	9	489	798	(309)	-39%	1 368
Vote 4 - Planning and Development		64	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		1 319	5 790	4 000	-	14	3 378	(3 364)	-100%	9 790
Vote 6 - Health		31	43	-	-	57	25	32	128%	43
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		1 100	2 000	-	38	96	1 167	(1 071)	-92%	2 000
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		109	30	-	-	-	18	(18)	-100%	30
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	4 677	9 303	4 000	48	698	5 427	(4 729)	-87%	13 303
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		-	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		4 677	9 303	4 000	48	698	5 427	(4 729)	-87%	13 303

Refer to next page for detail breakdown of the capital expenditure:

SCOA config	Nr	Project description	Cost centre	Original Budget R'000	YTD Expenditure R'	Year to date Budg	Status of the project	At what stage is each project currently	Any challenges identified that is resulting in delays?	What measures are in place to remedy the existing challenges.
071201240006	1	Filing Cabinet (4 Drawers)	1302	R 3 500,00	R 3 243,48	2 041,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071207230001	2	Upgrading of Roads Link	1207	R 25 000,00	R 25 000,00	14 583,33	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071207390001	3	Risk Management System	1207	R 500 000,00		291 666,67	In Process	Formal tender closed on 11 January 2019, currently at evaluation process, tender planned to be awarded in February 2019	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071207240001	4	Laptop	1207	R 152 571,00	R 152 570,55	88 999,75	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
072305220001	5	Water Tankers (CRR)	2305	R 1 550 000,00		904 166,67	In Process	Tender Awarded	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071201240007	6	Portable Voice recorders	1302	R 7 000,00		4 083,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071201240008	7	Steel Shelves	1308	R 24 000,00	R 22 897,71	14 000,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071203240001	9	Chairs	1203	R 15 000,00	R 10 050,00	8 750,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071203240002	10	Chair	1203	R 5 000,00		2 916,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071203240003	11	Visitors Chairs	1203	R 6 000,00		3 500,00	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071203240004	12	Desk	1203	R 5 000,00		2 916,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071203240005	13	Chair	1203	R 5 000,00		2 916,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071203240006	14	Visitors Chairs	1203	R 6 000,00		3 500,00	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071206240001	15	Office Chairs (Recruitment and Selection)	1305	R 10 000,00		5 833,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071206240002	16	Evacuation Chair (OHS)	1305	R 30 000,00		17 500,00	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071207230002	17	Replacing ICT Capital Equipment beyond economical repairs	1207	R 50 000,00	R 16 205,98	29 166,67	In Process	Spending will occur continuously through the year as the need for replacing equipment realise	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
072305230002	19	Two Way Radio Repeater	2305	R 50 000,00		29 166,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
072502240001	20	3x Notice Boards	1803	R 4 500,00		2 625,00	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
072502240002	21	3 Drawer Desk	1805	R 4 300,00		2 508,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
072502240003	22	Desk shell lockable top drawer	1805	R 3 871,00		2 258,08	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071209240002	23	CANON BATTERIES	1311	R 3 000,00	R 1 940,00	1 750,00	In Process	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071209240003	24	CANON CAMERA Canon 6D	1311	R 17 000,00	R 12 813,91	9 916,67	In Process	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
071209240004	25	LAMINATING MACHINE	1311	R 2 800,00	R 946,91	1 633,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.

SCOA config	Nr	Project description	Cost centre	Original Budget R'000	YTD Expenditure R'	Year to date Budge	Status of the project	At what stage is each project currently	Any challenges identified that is resulting in delays?	What measures are in place to remedy the existing challenges.
072109240001	26	Water Cooler/Dispensers	2109	R 5 000,00	R 4 086,96	2 916,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072109230001	27	Conference Speaker / recording system with 12 mics	2109	R 80 000,00		46 666,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072109240002	28	Chairs	2109	R 12 000,00	R 7 800,00	7 000,00	In Process	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072109240003	29	Small fridge	2109	R 3 000,00	R 1 735,00	1 750,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072109240004	30	Kettle	2109	R 200,00		116,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072204300001	31	Upgrading of Council Buildings	2204	R 1 951 000,00	R 96 083,67	1 138 083,33	In Process	Tender loaded on Collaborator	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072305300001	32	New Fire Station/ Training Academy (CRR Funding)	2305	R 3 000 000,00		1 750 000,00	Not Started	The project will not realise this financial year, and project postponed till next financial year	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240004	33	ICT Technicians	1207	R 6 997,00		4 081,58	In Process	Additional funds transferred - procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207390002	34	MS Office	1207	R 141 957,00		82 808,25	In Process	Part of formal tender process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240005	35	Printer HP Black/White	1207	R 9 909,00		5 780,25	In Process	Additional funds transferred - procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240006	36	Printer HP 4 in One	1207	R 23 197,00	R 13 779,00	13 531,58	In Process	Additional funds transferred - procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240007	37	Printer HP Colour	1207	R 5 965,00		3 479,58	In Process	Additional funds transferred - procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071208240001	38	Chair	1208	R 5 000,00	R 3 350,00	2 916,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071209240001	39	CHAIRS	1311	R 7 000,00	R 6 536,77	4 083,33	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207230003	40	Insurance claims	1207	R 20 000,00		11 666,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240003	41	Personal Computers	1207	R 139 205,00	R 139 204,19	81 202,92	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072305220002	42	LDV - 1x Skid Unit & 1x Command Unit (CRR)	2305	R 550 000,00		320 833,33	In Process	Tender Awarded	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072305290001	43	Hazmat suits - Level A	2305	R 160 000,00		93 333,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072305290002	44	Thermal Imaging Camera	2305	R 80 000,00		46 666,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072305230001	45	Hazmat Rescue & Fire Equipment Equipment	2305	R 300 000,00		175 000,00	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071110240001	46	Office Chair	1018	R 10 000,00		5 833,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071110240002	47	Two Visitors chairs - PA of the Deputy Mayor	1003	R 10 000,00		5 833,33	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071201240001	48	Filing Cabinet	1301	R 6 500,00	R 5 291,30	3 791,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071201240002	49	Highback Chair Bonded Leather - Personal Assistant	1301	R 5 000,00	R 3 800,00	2 916,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071201240003	50	Desk	1302	R 3 000,00	R 2 465,22	1 750,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.

SCOA config	Nr	Project description	Cost centre	Original Budget R'000	YTD Expenditure R'	Year to date Budget	Status of the project	At what stage is each project currently	Any challenges identified that is resulting in delays?	What measures are in place to remedy the existing challenges.
071201240004	51	Highback Chair Bonded Leather	1302	R 10 000,00	R 8 462,56	5 833,33	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071201240005	52	Visitor Chairs Leather	1302	R 5 000,00	R 3 652,17	2 916,67	Completed	Completed	No expected challenges anticipated	Finance Department was informed that the goods will be delivered by 30 June 2018 but due to mentioned challenges the furniture is not yet in our possession. The furniture that was
072502240004	53	Highback swivel chair	1805	R 944,00		550,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072502240005	54	2 x Saver Arm chair	1805	R 1 183,00		690,08	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072502240006	55	1 x Conference Table & 10 x Saver arm chair	1805	R 24 176,00		14 102,67	In Process	In process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
072502240007	56	3 High back office desk chairs	1804	R 4 104,00	R 3 717,15	2 394,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071307102401	58	Sound System (IDP)	1307	R 29 000,00	R 29 000,00	16 916,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240011	59	Portable Printer	1207	R 3 319,00	R 3 319,00	1 936,08	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240012	60	Wireless Access Points	1207	R 23 484,00	R 23 484,00	13 699,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240013	61	Voice Recorder	1207	R 4 000,00		2 333,33	In Process	Additional funds transferred - procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
073305230002	62	Aluminium Tables	1018	R 15 000,00	R 9 600,00	8 750,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240008	63	Projector	1207	R 14 910,00		8 697,50	In Process	Additional funds transferred - procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240009	64	Heavy Duty Printer	1207	R 13 102,00	R 13 101,05	7 642,83	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240010	65	Scanners	1207	R 38 684,00	R 38 683,48	22 565,67	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071805102801	66	Security Fence Mosselbay Office	1805	R 30 000,00	R 26 043,48	17 500,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071206006600	67	Vacuum Cleaner	1308	R 17 000,00	R 6 408,00	9 916,67	In Process	Procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071210006631	68	Tea Trolleys: Auxilliary Services	1308	R 3 000,00	R -	1 750,00	In Process	Procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071207240014	69	Laptop - Manager P&D and LED	1207	R 49 000,00	R -	28 583,33	In Process	Procurement in process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
071308102409	70	Fridge	1308	R 3 000,00	R 2 520,87	1 750,00	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
Totals				9 303 378,00	697 792,41	5 426 970,50			No expected challenges anticipated	

Project status: If the project is in the SCM process of being procured. Please state in which stage (planning, specification, advertising, etc)

Commitments against capital for the month January 2019							
071110240002	47	Two Visitors chairs - PA of the Deputy Mayor	1003	5287			
071110240001	46	Office Chair	1018	4891			
071207240014	69	Laptop - Manager P&D and LED	1207	46642			
071206240001	15	Office Chairs (Recruitment and Selection)	1305	6846			
071207230002	17	Replacing ICT Capital Equipment beyond economical repairs	1207	5827			
071207240005	35	Printer HP Black\White	1207	9500			
071207240006	36	Printer HP 4 in One	1207	9253			
071207240007	37	Printer HP Colour	1207	5614			
		Total Commitments		93 860			
Total tenders awarded by 31 January 2019 not included in commitments							
				Budget amount	Awarded amount	Awarded item	
072305220001	5	Water Tankers (CRR)	2305	1 550 000,00	2 027 822,60	The procurement of wildland firefighting vehicles has been adjudicated and awarded to TFM Manufacturing for an amount of R2,027,822.60 per vehicle	
072305220002	42	LDV - 1 x Skid Unit & 1 x Command Unit (CRR)	2305	550 000,00			
		Total tenders awarded		2 100 000	2 027 823		

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		169 768	164 927		139 015	164 927
Call investment deposits		-	-			-
Consumer debtors		-	-		-	-
Other debtors		2 181	8 217		17 286	8 217
Current portion of long-term receivables		3 227	3 550		4 108	3 550
Inventory		3 433	3 639		4 644	3 639
Total current assets		178 609	180 332	-	165 053	180 332
Non current assets						
Long-term receivables		59 717	61 508		-	61 508
Investments		26	26		26	26
Investment property		85 712	84 677		78 943	84 677
Investments in Associate						-
Property, plant and equipment		146 146	152 178		146 043	152 178
Agricultural						-
Biological						-
Intangible		1 784	2 717		1 363	2 717
Other non-current assets					57 733	-
Total non current assets		293 385	301 107	-	284 108	301 107
TOTAL ASSETS		471 994	481 439	-	449 161	481 439
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing					857	-
Consumer deposits					127	-
Trade and other payables		44 578	46 012	(82)	50 598	45 930
Provisions		28 300	29 692		8 342	29 692
Total current liabilities		72 878	75 705	(82)	59 924	75 623
Non current liabilities						
Borrowing		-	-		591	
Provisions		153 943	163 153		137 396	163 153
Total non current liabilities		153 943	163 153	-	137 987	163 153
TOTAL LIABILITIES		226 822	238 857	(82)	197 911	238 775
NET ASSETS	2	245 172	242 582	82	251 250	242 664
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			218 064	82	217 371	218 146
Reserves			24 518		33 879	24 518
TOTAL COMMUNITY WEALTH/EQUITY	2	-	242 582	82	251 250	242 664

This table excludes the actual figures for Roads department.

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		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								-		
Service charges								-		
Other revenue		208 325	211 462		9 079	23 472	105 731	(82 259)	-78%	211 462
Government - operating		153 325	158 885	18 537	46 325	114 236	79 443	34 793	44%	177 422
Government - capital		-	-					-		-
Interest		12 930	15 715		-	232	7 857	(7 625)	-97%	15 715
Dividends								-		-
Payments										
Suppliers and employees		(355 470)	(382 965)	(5 887)	(16 542)	(122 276)	(191 483)	(69 207)	36%	(388 852)
Finance charges								-		-
Transfers and Grants				(8 650)				-		(8 650)
NET CASH FROM/(USED) OPERATING ACTIVITIES		19 110	3 097	4 000	38 863	15 664	1 549	(14 116)	-912%	7 097
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			3 156					-		3 156
Decrease (Increase) in non-current debtors			-					-		-
Decrease (increase) other non-current receivables			(1 791)			22 764	(896)	23 660	-2642%	(1 791)
Decrease (increase) in non-current investments			-					-		-
Payments										
Capital assets		(4 677)	(9 303)	(4 000)	(48)	(698)	(4 652)	(3 954)	85%	(13 303)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4 677)	(7 938)	(4 000)	(48)	22 066	(5 547)	(27 613)	498%	(11 938)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		14 434	(4 841)	-	38 815	37 731	(3 999)			(4 841)
Cash/cash equivalents at beginning:			169 768			11 285	169 768			11 285
Cash/cash equivalents at month/year end:		14 434	164 927	-		49 015	165 769			6 444

The municipal bank balance at 31 January 2019 totals R 49 014 674.12

Detailed information regarding commitments against the cash position is tabled below.

REPORTING MONTH: 31 JANUARY 2019		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 January 2019	11 284 845,72	49 014 674,12
Other Cash & Cash Equivalents: Short term deposits	90 000 000,00	90 000 000,00
LESS:	81 719 916,55	87 096 947,47
Unspent Conditional Grants	10 067 249,43	9 870 855,64
Provision for staff leave	10 425 847,00	10 425 847,00
Post Retirement Benefits	37 463 916,00	37 463 916,00
Performance Bonus	432 599,00	432 599,00
Grant received in advance	-	22 712 500,00
Trade Payables	3 643 940,47	3 723 289,03
Unspent Capital budget	4 001 782,99	2 467 940,80
Unspent Operational budget 7 months	15 684 581,66	
Sub total	19 564 929,17	51 917 726,65
PLUS:	57 436 344,53	12 113 360,13
VAT Receivable	560 412,70	547 682,82
Receivable Exchange	6 463 931,83	6 578 677,31
Equitable Share Debtor to be paid	50 412 000,00	4 987 000,00
	77 001 273,70	64 031 086,77
LESS OTHER MATTERS:		
Capital Replacement Reserve	33 878 931,27	33 878 931,27
Sub Total	43 122 342,43	30 152 155,50
LESS: CONTIGENT LIABILITIES	5 788 685,61	5 788 685,61
Theunis Barnard	38 231,00	38 231,00
I Gerber	21 840,00	21 840,00
A de Wet	614 675,00	614 675,00
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Laurington Sithemile Stone	43 271,61	43 271,61
Banger Car Hire	18 800,00	18 800,00
Combined summons between George Municipality, Garden Route DM and D Stoffels	20 836,00	20 836,00
Combined summons between G Brown and Garden Route DM	31 032,00	31 032,00
Labour disputes: V Blom & Roode	500 000,00	500 000,00
Recalculated available cash balance	37 333 656,82	24 363 469,89

The stores issues and Admin fee of Roads Agency function from 01 June till 31 January 2019 were captured in January 2019, resulting in no unspent portion of the operational budget.

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2018/19									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		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				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200										-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	1300										-	-		
Receivables from Non-ex change Transactions - Property Rates	1400										-	-		
Receivables from Exchange Transactions - Waste Water Management	1500										-	-		
Receivables from Exchange Transactions - Waste Management	1600										-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	42	18	29	316						405	316		
Interest on Arrear Debtor Accounts	1810										-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820										-	-		
Other	1900	57	39	154	20 240						20 491	20 240		
Total By Income Source	2000	99	57	183	20 556	-	-	-	-	-	20 895	20 556	-	-
2017/18 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200										-	-		
Commercial	2300										-	-		
Households	2400	42	18	29	316						405	316		
Other	2500	57	39	154	20 240						20 491	20 240		
Total By Customer Group	2600	99	57	183	20 556	-	-	-	-	-	20 895	20 556	-	-

Long outstanding debtors that mainly consist of old sundry debt and fire accounts, remains a concern for the municipality and management will continue to report in terms of progress made.

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	NT Code	Budget Year 2018/19								Total	Prior year totals for chart (same period)	
		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			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	44	19	41	53	54	51	100	1	364		
Auditor General	0800										-	
Other	0900										-	
Total By Customer Type	1000	44	19	41	53	54	51	100	1	364	-	

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Balance as at 01 January 2019	Movements for the month			Balance as at 31 January 2019	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
Eden district municipality							
<i>Interest Received YTD</i>					-		
<i>Standard Bank</i>	30 000 000,00				30 000 000,00		215 976,99
<i>Investec Bank</i>	30 000 000,00				30 000 000,00		-
<i>ABSA</i>	-				-		211 627,40
<i>Nedbank</i>	30 000 000,00				30 000 000,00		218 506,85
<i>Standard Bank - Bank Guarantee investment</i>	156 035,68				156 850,70	815,02	5 415,65
BANK DEPOSITS	90 156 035,68	-	-	-	90 156 850,70	815,02	651 526,89

The municipality invest surplus funds in order to maximise the interest and to have cash readily available when needed and is done in line with the Cash Management and Investment Policy of council.

Section 7 – Allocation and grant receipts and expenditure

7.1 Supporting Table C6

DC4 Garden Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		151 805	157 166	-	45 425	113 336	65 486	45 425	69,4%	157 166
Local Government Equitable Share		146 055	151 237		45 425	108 440	63 015	45 425	72,1%	151 237
Finance Management		1 250	1 000			1 000	417			1 000
EPWP Incentive		1 280	1 021			715	425			1 021
NT - Rural Roads Asset Management Systems		2 420	2 425			1 698	1 010			2 425
Fire Service Capacity Building Grant		800	1 483			1 483	618			1 483
Energy Efficiency and Demand Management	3			-		-	-	-		-
Other transfers and grants [insert description]										
Provincial Government:		3 520	1 540	12 650	900	900	5 713	(4 092)	-71,6%	14 190
Integrated Transport Planning		900	900	-	900	900	375	525	140,0%	900
WC Support Grant -Finance Support Grant		620	280	1 450			721			1 730
Disaster Manangement Grant		2 000		10 000			4 167	(4 167)	-100,0%	10 000
WC Support Grant	4									
WC Support Grant: HR Capacity Building:Bursary Programme			360				150	(150)	-100,0%	360
PT - Safety Plan Implementation (WOSA)				1 200			300	(300)	-100,0%	1 200
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Operating Transfers and Grants	5	155 325	158 706	12 650	46 325	114 236	71 198	41 333	58,1%	171 356

Performance reporting on grants will be enhanced to ensure compliance with the Division of Revenue Act.

7.2 Supporting Table C7

DC4 Garden Route - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		151 805	157 166	-	252	2 243	79 077	(76 834)	-97,2%	157 166
Local Government Equitable Share		146 055	151 237		-	-	75 619	(75 619)	-100,0%	151 237
Finance Management		1 250	1 000		46	679	583	96	16,5%	1 000
EPWP Incentive		1 280	1 021		150	550	596	(45)	-7,6%	1 021
NT - Rural Roads Asset Management Systems		2 420	2 425		-	732	1 415	(682)	-48,2%	2 425
Fire Service Capacity Building Grant		800	1 483		55	268	865	(597)	-69,0%	1 483
Energy Efficiency and Demand Management				-		13	-	13	#DIV/0!	-
Other transfers and grants [insert description]								-		-
Provincial Government:		3 520	1 540	12 650	-	1	7 095	(7 094)	-100,0%	14 190
Integrated Transport Planning		900	900	-	-	-	450	(450)	-100,0%	900
Disaster Management Grant		2 000	-	10 000	-	-	5 000	(5 000)	-100,0%	10 000
WC Support Grant		620	280	1 450	-	-	865	(865)	-100,0%	1 730
WC Support Grant: HR Capacity Building;Bursary Programme			360		-	1	180	(179)	-99,6%	360
PT - Safety Plan Implementation (WOSA)				1 200	-	-	600	(600)	-100,0%	1 200
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
[insert description]								-		
Total operating expenditure of Transfers and Grants:		155 325	158 706	12 650	252	2 244	86 172	(83 928)	-97,4%	171 356

Performance reporting on grants are been done by the Chief Financial Officer in order to comply with the Division of Revenue Act.

The Equitable Share are used for the day to day running of the Municipality for example salaries, own funded projects and contracted services and is therefore unconditional.

Section 8 – Expenditure on councillor and board members allowances and employee benefits

Supporting Table C8

DC4 Garden Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	Ref	2017/18		Budget Year 2018/19						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		6 908	8 947		814	4 585	5 219	(634)	-12%	8 947
Pension and UIF Contributions		261	247		49	236	144	92	64%	247
Medical Aid Contributions		142	52		11	67	30	36	119%	52
Motor Vehicle Allowance		2 312	1 020		108	647	595	52	9%	1 020
Cellphone Allowance		325	664		155	587	387	200	52%	664
Housing Allowances		367	642		65	368	374	(7)	-2%	642
Other benefits and allowances		500								
Sub Total - Councillors		10 815	11 572	-	1 202	6 490	6 750	(261)	-4%	11 572
% increase	4		7,0%							7,0%
Senior Managers of the Municipality										
Basic Salaries and Wages		4 014	5 277		497	3 114	3 078	36	1%	5 277
Pension and UIF Contributions		551	359		75	458	210	249	119%	359
Medical Aid Contributions		139	161		15	108	94	14	14%	161
Overtime		-								
Performance Bonus		554	777			703	453	249	55%	777
Motor Vehicle Allowance		628	772		76	451	450	1	0%	772
Cellphone Allowance		59	83		9	69	48	20	42%	83
Housing Allowances		90	285		31	163	166	(4)	-2%	285
Other benefits and allowances		-	100	(1)	2	42	58	(16)	-28%	99
Payments in lieu of leave		70	77	(77)			(0)	0	-100%	(0)
Long service awards										
Post-retirement benefit obligations										
Sub Total - Senior Managers of Municipality		6 104	7 890	(78)	706	5 106	4 557	549	12%	7 812
% increase	4		29,3%	-101,3%						28,0%
Other Municipal Staff										
Basic Salaries and Wages		71 440	79 891	(1 685)	6 509	42 913	45 620	(2 707)	-6%	79 891
Pension and UIF Contributions		15 225	10 474	(3 279)	1 074	6 400	4 197	2 203	52%	10 474
Medical Aid Contributions		10 067	9 132	(228)	547	3 704	5 194	(1 490)	-29%	9 132
Overtime		2 590	2 985	(35)	343	2 003	1 721	282	16%	2 985
Performance Bonus		-								
Motor Vehicle Allowance		4 940	6 539	(902)	498	3 719	3 288	430	13%	6 539
Cellphone Allowance		115	174	(99)	8	43	44	(1)	-2%	174
Housing Allowances		879	1 397	(268)	73	569	659	(90)	-14%	1 397
Other benefits and allowances		3 557	3 424	6 789	456	2 754	5 958	(3 203)	-54%	3 424
Payments in lieu of leave		5 265	6 064	(6 064)		5 563	0	5 563	#####	0
Long service awards		525			15	127		127	#DIV/0!	
Post-retirement benefit obligations		8 043	5 698	4 978		1 153	6 228	(5 075)	-81%	5 698
Sub Total - Other Municipal Staff		122 646	125 779	(793)	9 522	68 948	72 909	(3 960)	-5%	124 986
% increase	4		2,6%	-100,6%						1,9%
Total Parent Municipality		139 566	145 242	(871)	11 430	80 544	84 216	(3 672)	-4%	144 371

Remuneration related expenditure for the month ended 31 January 2019 amounted to R11 430 000.

Section 9 – Municipal manager’s quality certification



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Johan Stander
Reference: 6/1/1 – 18/19
Date: 14 February 2019

Provincial Treasury
Local Government Budget Analysis
Private Bag X9165
CAPE TOWN
8000

National Treasury
Local Government Budget Analysis
Private Bag X115
PRETORIA

Sir / Madam

QUALITY CERTIFICATE

I, MG STRATU, the accounting officer of **GARDEN ROUTE DISTRICT MUNICIPALITY (DC4)**, hereby certify that the–


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

for the month ended **31 JANUARY 2019**, has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

Disclaimer: Please note that the Section 71 Reporting is subject to changes due to the fact that the Municipality are experiencing challenges with the reporting of M07 January 2019 due to the lack of completeness and credibility of information on the financial system (Phoenix). The municipality populated the C-Schedule manually, and aligned the January 2019 figures to the actual year-to-date figures as reflected on the ledger in order to align with the data strings.

Print Name MONDE STRATU

Accounting Officer of **GARDEN ROUTE DISTICT MUNICIPALITY (DC4).**

Signature 

Date 13-02-2019