



GARDEN ROUTE DISTRICT MUNICIPALITY

FINANCIAL YEAR 2019 - 2020

MONTHLY FINANCIAL MONITORING REPORT

31 JULY 2019

Table of Contents	1
Glossary	2
Legislative Framework	3
 PART 1 – IN YEAR REPORT	 4
Section 1 – Resolutions	4
Section 2 – Executive summary	4
Section 3 – In-year budget statement tables	6
 PART 2 – SUPPORTING DOCUMENTATION	
Section 4 – Debtor’s analysis	20
Section 5 – Creditors analysis	21
Section 6 – Investment portfolio analysis	21
Section 7 – Allocation and grant receipts and expenditure	22
Section 8 – Expenditure on councillor and staff related expenditure	24
Section 9 – Municipal Manager’s quality certification	25

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 July 2019.
- That Council takes note that the municipality could not generate a C-Schedule from the financial system. The municipality populated the C-Schedule manually based on data directly extracted from the financial system for the month ended 31 July 2019.

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.

2.2 Consolidated Performance

2.2.1 Against Annual Budget (adjusted)

Revenue by source

The total revenue received for the month ended 31 July 2019 amounted to **R 67,571,664** which represents **16%** of the total annual budgeted figure of **R 417,320,000**. As it is the beginning of the financial year, the municipality received the first instalment of the equitable share which amounts to **R 65,571,000** and that related to the majority of revenue for the month.

Operating Expenditure by type

Operating expenditure for the month, ended 31 July 2019 amounted to **R 20,894,688**, with a total annual budgeted figure of **R 418,656,000**; the operational expenditure is **5%** of the total annual budget. The majority of the expenditure related to Employee and Councillor related cost of **R 12,108,151 (58% of the monthly expenditure)**.

Capital Expenditure

The annual capital budget for the financial year amounts to **R 6,923,000**. The capital expenditure for the month ended 31 July 2019 amounted to **R 0**. User departments are continuously reminded to improve planning and ensure compliance with supply chain regulations when procuring capital items.

Refer to pages 14 - 16 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.

Conclusion

Detailed analysis of the municipal performance for the month ended 31 July 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 - M01 July

Description	2018/19	Budget Year 2019/20							
	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	15 715	16 893	–	–	–	1 408	(1 408)	-100%	16 893
Transfers and subsidies	172 435	165 426	–	65 571	65 571	13 786	51 786	376%	165 426
Other own revenue	214 495	235 001	–	2 001	2 001	19 583	(17 583)	-90%	235 001
Total Revenue (excluding capital transfers and contributions)	402 645	417 320	–	67 572	67 572	34 777	32 795	94%	417 320
Employee costs	140 534	144 964	–	11 260	11 260	12 080	(820)	-7%	144 964
Remuneration of Councillors	11 933	12 828	–	848	848	1 069	(221)	-21%	12 828
Depreciation & asset impairment	3 172	3 477	–	377	377	290	87	30%	3 477
Finance charges	–	–	–	–	–	–	–		–
Materials and bulk purchases	36	4 084	–	32	32	340	(309)	-91%	4 084
Transfers and subsidies	–	1 965	–	35	35	164	(129)	-79%	1 965
Other expenditure	242 728	251 339	–	8 343	8 343	20 945	(12 601)	-60%	251 339
Total Expenditure	398 403	418 656	–	20 895	20 895	34 888	(13 993)	-40%	418 656
Surplus/(Deficit)	4 242	(1 336)	–	46 677	46 677	(111)	46 788	-42020%	(1 336)
Transfers and subsidies - capital (monetary alloc	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	4 242	(1 336)	–	46 677	46 677	(111)	46 788	-42020%	(1 336)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	4 242	(1 336)	–	46 677	46 677	(111)	46 788	-42020%	(1 336)
Capital expenditure & funds sources									
Capital expenditure	10 623	6 923	–	–	–	577	(577)	-100%	6 923
Capital transfers recognised	4 000	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	6 623	6 923	–	–	–	577	(577)	-100%	6 923
Total sources of capital funds	10 623	6 923	–	–	–	577	(577)	-100%	6 923
Financial position									
Total current assets	196 625	178 550	–		214 283				178 550
Total non current assets	307 314	292 602	–		295 085				292 602
Total current liabilities	102 393	82 034	–		53 235				82 034
Total non current liabilities	137 987	86 240	–		137 987				86 240
Community wealth/Equity	263 560	302 878	–		318 146				302 878
Cash flows									
Net cash from (used) operating	13 793	(755)	–	46 677	46 677	(63)	(46 740)	74314%	(755)
Net cash from (used) investing	(9 258)	366	–	(1 681)	(1 681)	30	1 711	5618%	366
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	174 303	169 379	–	–	190 915	169 735	(21 180)	-12%	145 530
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	(514)	1 185	650	665	346	12 062	2 803	13 562	30 759
Creditors Age Analysis									
Total Creditors	24	111	41	25	134	2	155	120	612

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

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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>		232 272	217 702	-	67 276	67 276	18 142	49 134	271%	217 702
Executive and council		231 601	216 981	-	67 276	67 276	18 082	49 194	272%	216 981
Finance and administration		671	721	-	-	-	60	(60)	-100%	721
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8 041	8 856	-	257	257	738	(481)	-65%	8 856
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		7 820	8 406	-	211	211	701	(490)	-70%	8 406
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		221	450	-	47	47	38	9	25%	450
<i>Economic and environmental services</i>		162 333	160 105	-	38	38	13 342	(13 304)	-100%	160 105
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		162 000	160 000	-	-	-	13 333	(13 333)	-100%	160 000
Environmental protection		333	105	-	38	38	9	30	339%	105
<i>Trading services</i>		-	30 657	-	-	-	2 555	(2 555)	-100%	30 657
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	30 657	-	-	-	2 555	(2 555)	-100%	30 657
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	402 645	417 320	-	67 572	67 572	34 777	32 795	94%	417 320
Expenditure - Functional										
<i>Governance and administration</i>		123 554	126 483	-	5 445	5 445	10 540	(5 095)	-48%	126 483
Executive and council		44 144	45 692	-	2 283	2 283	3 808	(1 524)	-40%	45 692
Finance and administration		76 860	78 090	-	3 035	3 035	6 507	(3 473)	-53%	78 090
Internal audit		2 550	2 702	-	127	127	225	(98)	-43%	2 702
<i>Community and public safety</i>		90 298	79 377	-	5 745	5 745	6 615	(870)	-13%	79 377
Community and social services		20 403	9 814	-	956	956	818	138	17%	9 814
Sport and recreation		12 767	13 225	-	974	974	1 102	(128)	-12%	13 225
Public safety		27 288	25 301	-	1 611	1 611	2 108	(497)	-24%	25 301
Housing		-	-	-	-	-	-	-	-	-
Health		29 841	31 037	-	2 203	2 203	2 586	(383)	-15%	31 037
<i>Economic and environmental services</i>		178 859	176 200	-	9 357	9 357	14 683	(5 326)	-36%	176 200
Planning and development		8 640	9 147	-	1 257	1 257	762	495	65%	9 147
Road transport		166 635	163 468	-	7 852	7 852	13 622	(5 770)	-42%	163 468
Environmental protection		3 585	3 585	-	248	248	299	(51)	-17%	3 585
<i>Trading services</i>		5 018	33 470	-	154	154	2 789	(2 636)	-94%	33 470
Energy sources		-	-	-	-	-	-	-	-	-
Water management		10	10	-	154	154	1	153	17969%	10
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5 008	33 460	-	-	-	2 788	(2 788)	-100%	33 460
<i>Other</i>		674	3 126	-	194	194	261	(67)	-26%	3 126
Total Expenditure - Functional	3	398 403	418 656	-	20 895	20 895	34 888	(13 993)	-40%	418 656
Surplus/ (Deficit) for the year		4 242	(1 336)	-	46 677	46 677	(111)	46 788	-42020%	(1 336)

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. In Table C3, Financial Performance is reported by municipal vote:

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) - M01 July

Vote Description	Ref	2018/19	Budget Year 2019/20							
		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		232 074	216 981	-	67 276	67 276	18 082	49 194	272,1%	216 981
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		198	721	-	-	-	60	(60)	-100,0%	721
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		221	450	-	47	47	38	9	24,7%	450
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		7 820	8 406	-	211	211	701	(490)	-69,9%	8 406
Vote 9 - Waste Management		-	30 657	-	-	-	2 555	(2 555)	-100,0%	30 657
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		333	105	-	38	38	9	30	338,7%	105
Vote 14 - Roads Agency Function		162 000	160 000	-	-	-	13 333	(13 333)	-100,0%	160 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	402 645	417 320	-	67 572	67 572	34 777	32 795	94,3%	417 320
Expenditure by Vote	1									
Vote 1 - Executive and Council		46 981	51 456	-	2 276	2 276	4 288	(2 012)	-46,9%	51 456
Vote 2 - Budget and Treasury Office		24 519	21 608	-	496	496	1 801	(1 305)	-72,5%	21 608
Vote 3 - Corporate Services		41 210	42 339	-	2 433	2 433	3 528	(1 096)	-31,1%	42 339
Vote 4 - Planning and Development		22 739	24 234	-	1 738	1 738	2 019	(281)	-13,9%	24 234
Vote 5 - Public Safety		41 369	32 060	-	2 280	2 280	2 672	(392)	-14,7%	32 060
Vote 6 - Health		33 581	33 212	-	2 444	2 444	2 768	(324)	-11,7%	33 212
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		12 767	13 225	-	974	974	1 102	(128)	-11,6%	13 225
Vote 9 - Waste Management		5 008	33 460	-	154	154	2 788	(2 635)	-94,5%	33 460
Vote 10 - Roads Transport		4 225	3 468	-	-	-	289	(289)	-100,0%	3 468
Vote 11 - Waste Water Management		(7)	10	-	-	-	1	(1)	-100,0%	10
Vote 12 - Water		18	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		3 585	3 585	-	248	248	299	(51)	-17,0%	3 585
Vote 14 - Roads Agency Function		162 410	160 000	-	7 852	7 852	13 333	(5 481)	-41,1%	160 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	398 403	418 656	-	20 895	20 895	34 888	(13 993)	-40,1%	418 656
Surplus/ (Deficit) for the year	2	4 242	(1 336)	-	46 677	46 677	(111)	46 788	#####	(1 336)

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 integration of the Roads Agency function into the budget of Garden Route DM reflects under the Roads Transport municipal function above.

A journal was passed to include the Roads Agency function expenditure for the month ended 31 July 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) - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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								-		
Rental of facilities and equipment		3 846	1 593		153	153	133	20	15%	1 593
Interest earned - external investments		15 715	16 893				1 408	(1 408)	-100%	16 893
Interest earned - outstanding debtors		897	964		587	587	80	507	631%	964
Dividends received		-	-				-	-		-
Fines, penalties and forfeits		-	-				-	-		-
Licences and permits		333	105		38	38	9	30	339%	105
Agency services		21 062	23 015				1 918	(1 918)	-100%	23 015
Transfers and subsidies		172 435	165 426		65 571	65 571	13 786	51 786	376%	165 426
Other revenue		184 358	205 672		1 222	1 222	17 139	(15 917)	-93%	205 672
Gains on disposal of PPE		4 000	3 652				304	(304)	-100%	3 652
Total Revenue (excluding capital transfers and contributions)		402 645	417 320	-	67 572	67 572	34 777	32 795	94%	417 320
Expenditure By Type										
Employee related costs		140 534	144 964		11 260	11 260	12 080	(820)	-7%	144 964
Remuneration of councillors		11 933	12 828		848	848	1 069	(221)	-21%	12 828
Debt impairment		1 601	1 721				143	(143)	-100%	1 721
Depreciation & asset impairment		3 172	3 477		377	377	290	87	30%	3 477
Finance charges		-	-				-	-		-
Bulk purchases		-	-				-	-		-
Other materials		36	4 084		32	32	340	(309)	-91%	4 084
Contracted services		50 354	46 505		19	19	3 875	(3 857)	-100%	46 505
Transfers and subsidies		-	1 965		35	35	164	(129)	-79%	1 965
Other expenditure		190 773	203 113		8 325	8 325	16 926	(8 601)	-51%	203 113
Loss on disposal of PPE							-	-		-
Total Expenditure		398 403	418 656	-	20 895	20 895	34 888	(13 993)	-40%	418 656
Surplus/(Deficit)		4 242	(1 336)	-	46 677	46 677	(111)	46 788	(0)	(1 336)
Transfers and subsidies - capital (monetary allocations)										
(National / Provincial and District)								-		
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		4 242	(1 336)	-	46 677	46 677	(111)			(1 336)
Taxation								-		
Surplus/(Deficit) after taxation		4 242	(1 336)	-	46 677	46 677	(111)			(1 336)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		4 242	(1 336)	-	46 677	46 677	(111)			(1 336)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		4 242	(1 336)	-	46 677	46 677	(111)			(1 336)

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:

The income for rental of facilities and equipment reported for the month ended 31 July 2019 amounts to R152 888.

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 were recorded for the month ended 31 July 2019, the municipality made investments to the amount of R186m during the month of July 2019.

Interest raised – Outstanding debtors

The interest on outstanding debtors for the month of 31 July 2019 amounts to R587 302.

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. There was no revenue recorded in respect of the Agency Services for the month ended 31 July 2019.

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 65,571,000 for the Equitable Share was received during July 2019.

Other revenue / Sundry income

Other revenue reflects an amount of R1,260,000 for the month ended 31 July 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 July 2019 amounted to R 12,108,150 of an annual budgeted amount of R 157,792,000 that represents 8% of the budgeted amount and 58% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

The depreciation amounts to R376,584 for the month ended 31 July 2019.

Other materials

Other materials consists of all inventory consumed purchases for materials and supplies and amounts to R31 606 for the month end 31 July 2019 against an annual budgeted amount of R4 084 000.

Contracted services

The contracted services for the month 31 July 2019 amounts to R18 769 against an annual budgeted amount of R 46,505,000.

Transfers and subsidies

The total for transfer and subsidies amounts to R34 900.00 for the month ended 31 July 2019 against an annual budget of R 1,965,000.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R 8,325,000 for month ended 31 July 2019.

The other expenditure consists of the following:

- Operating costs
- Operating Projects (own funds)
- Contributions to provisions (Accounted for with compilation of AFS)
- Actuarial Loss (Accounted for with compilation of AFS)
- Roads expenditure

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) - M01 July

Vote Description	Ref	2018/19	Budget Year 2019/20							
		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		30	500	-	-	-	42	(42)	-100%	500
Vote 2 - Budget and Treasury Office		42	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		2 428	1 503	-	-	-	125	(125)	-100%	1 503
Vote 4 - Planning and Development		37	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		4 713	2 000	-	-	-	167	(167)	-100%	2 000
Vote 6 - Health		2 343	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		1 000	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		30	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	10 623	4 003	-	-	-	334	(334)	-100%	4 003
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	70	-	-	-	6	(6)	-100%	70
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	400	-	-	-	33	(33)	-100%	400
Vote 6 - Health		-	2 300	-	-	-	192	(192)	-100%	2 300
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		-	150	-	-	-	13	(13)	-100%	150
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	2 920	-	-	-	243	(243)	-100%	2 920
Total Capital Expenditure		10 623	6 923	-	-	-	577	(577)	-100%	6 923

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 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.
071201240008	1	Steel Shelves	1308	50 000,00		4 166,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071206240002	2	Evacuation Chair	1305	20 000,00		1 666,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
072204300001	3	Upgrading of Council Buildings	2204	500 000,00		41 666,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104104	4	Laptops	1307	132 000,00		11 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104109	5	Qnap File Server	1307	36 000,00		3 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104110	6	Projector/s	1307	30 000,00		2 500,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104111	7	Scanners	1307	19 000,00		1 583,33	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104113	8	24 Inch Monitors	1307	6 000,00		500,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104116	9	Insurance Claims	1307	50 000,00		4 166,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104117	10	High Spec PC Communication	1307	30 000,00		2 500,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104118	11	Printer HP black/white	1307	11 000,00		916,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104119	12	Printer HP 4 in One	1307	29 000,00		2 416,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.

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.
071307104120	13	Printer HP Colour	1307	9 000,00		750,00	Not started yet	Not started yet	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.
071307104121	14	Office Automation	1307	418 468,00		34 872,33	Not started yet	Not started yet	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.
071307103001	15	Upgrade Server Room for hosting purposes	1307	110 000,00		9 166,67	Not started yet	Not started yet	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.
071307104002	16	ICT Furniture	1307	50 000,00		4 166,67	Not started yet	Not started yet	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.
071806103101	17	Plett Office Building	1806	2 300 000,00		191 666,67	Not started yet	Not started yet	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.
072305230001	18	Hazmat Rescue & Fire Equipment Equipment	2305	400 000,00		33 333,33	Not started yet	Not started yet	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.
072305300001	19	New Fire Station/Training Academy (CRR Funding)	2305	2 000 000,00		166 666,67	Not started yet	Not started yet	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.
074403230001	20	Home Composting Containers (Pilot Project) 100 x R 800.00	4403	80 000,00		6 666,67	Not started yet	Not started yet	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.
074403230002	21	Vermi-Composting Holders and Red Wiggler Worms (Pilot Project)	4403	40 000,00		3 333,33	Not started yet	Not started yet	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.
074403230003	22	Recycling Mascot	4403	30 000,00		2 500,00	Not started yet	Not started yet	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.
071307104001	23	Fireproof Safe (800x625x500)	1307	14 500,00		1 208,33	Not started yet	Not started yet	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.
071307104101	24	Morpho Sigma Lite Biometric Devices	1307	105 000,00		8 750,00	Not started yet	Not started yet	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.

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.
071307104102	25	UniFi Cloud Key Gen2 Plus	1307	5 000,00		416,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104103	26	UniFi Security Gateway	1307	6 000,00		500,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104105	27	Desktops	1307	120 000,00		10 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307103901	28	MS Office	1307	200 000,00		16 666,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104106	29	8 Port Switches	1307	15 000,00		1 250,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104107	30	Ubiquiti UNIFI AC Pro Access Points	1307	19 200,00		1 600,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104108	31	16 Port Switches	1307	32 500,00		2 708,33	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104112	32	Voice Recorder	1307	4 000,00		333,33	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104114	33	HD Infrared IP Dome Camera (Spack)	1307	11 000,00		916,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
071307104115	34	Replacing ICT Capital Equipment beyond economical repairs	1307	40 000,00		3 333,33	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
Totals				6 922 668,00	0,00	576 889,00				
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 July 2019										
		Total Commitments		0						

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		174 303	169 379		190 915	169 379
Call investment deposits		–	–			–
Consumer debtors		–	–		–	–
Other debtors		16 205	2 312		16 521	2 312
Current portion of long-term receivables		3 550	3 324		4 108	3 324
Inventory		2 568	3 536		2 739	3 536
Total current assets		196 625	178 550	–	214 283	178 550
Non current assets						
Long-term receivables		61 508	63 353		57 733	63 353
Investments		26	26		26	26
Investment property		84 677	83 831		85 318	83 831
Investments in Associate						
Property, plant and equipment		159 740	143 644		151 012	143 644
Biological						
Intangible		1 363	1 748		996	1 748
Other non-current assets						
Total non current assets		307 314	292 602	–	295 085	292 602
TOTAL ASSETS		503 940	471 152	–	509 368	471 152
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing		857	–		857	
Consumer deposits						
Trade and other payables		71 843	51 753		47 098	51 753
Provisions		29 692	30 281		5 280	30 281
Total current liabilities		102 393	82 034	–	53 235	82 034
Non current liabilities						
Borrowing		591	1 462		591	1 462
Provisions		137 396	84 778		137 396	84 778
Total non current liabilities		137 987	86 240	–	137 987	86 240
TOTAL LIABILITIES		240 380	168 274	–	191 222	168 274
NET ASSETS	2	263 560	302 878	–	318 146	302 878
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		235 253	271 173		286 441	271 173
Reserves		28 307	31 705		31 705	31 705
TOTAL COMMUNITY WEALTH/EQUITY	2	263 560	302 878	–	318 146	302 878

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 - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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		214 495	230 385		2 001	2 001	19 199	(17 198)	-90%	230 385
Government - operating		172 435	165 426		65 571	65 571	13 786	51 786	376%	165 426
Government - capital		-	-			-		-		
Interest		15 715	16 893				1 408	(1 408)	-100%	16 893
Dividends								-		
Payments										
Suppliers and employees		(388 852)	(411 494)		(20 860)	(20 860)	(34 291)	(13 431)	39%	(411 494)
Finance charges						-		-		
Transfers and Grants			(1 965)		(35)	(35)	(164)	(129)	79%	(1 965)
NET CASH FROM/(USED) OPERATING ACTIVITIES		13 793	(755)	-	46 677	46 677	(63)	(46 740)	74314%	(755)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		3 156	3 652				304	(304)	-100%	3 652
Decrease (Increase) in non-current debtors		-	3 636				303	(303)	-100%	3 636
Decrease (increase) other non-current receivables		(1 791)	-					-		
Decrease (increase) in non-current investments		-	-		(1 681)	(1 681)	-	(1 681)	#DIV/0!	
Payments										
Capital assets		(10 623)	(6 923)				(577)	(577)	100%	(6 923)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9 258)	366	-	(1 681)	(1 681)	30	1 711	5618%	366
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		4 535	(389)	-	44 996	44 996	(32)			(389)
Cash/cash equivalents at beginning:		169 768	169 768			145 919	169 768			145 919
Cash/cash equivalents at month/year end:		174 303	169 379	-		190 915	169 735			145 530

The municipal bank balance at 31 July 2019 totals R 4 915 523.25 and the short term deposits made amounts to R186 000 000.00, therefore the total cash and cash equivalents amounts to R190 915 523.25.

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

REPORTING MONTH: 31 JULY 2019		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 July 2019	145 919 273,31	4 915 523,25
Other Cash & Cash Equivalents: Short term deposits	-	186 000 000,00
Total Cash & Cash Equivalents:	145 919 273,31	190 915 523,25
LESS:	103 398 436,41	133 288 855,76
Unspent Conditional Grants	5 706 996,76	5 706 996,76
Provision for staff leave	10 405 047,00	10 405 047,00
Provision for bonus	3 640 218,00	3 640 218,00
Post Retirement Benefits	37 463 916,00	37 463 916,00
Performance Bonus	432 599,00	432 599,00
Grant received in advance	-	49 178 250,00
Trade Payables	11 891 829,00	11 891 829,00
Unspent Capital budget	768 159,35	577 000,00
Unspent Operational budget	33 089 671,30	13 993 000,00
Sub total	42 520 836,90	57 626 667,49
PLUS:	5 297 152,00	5 297 152,00
VAT Receivable	340 852,00	340 852,00
Receivable Exchange	4 956 300,00	4 956 300,00
Equitable Share Debtor to be paid		
	47 817 988,90	62 923 819,49
LESS OTHER MATTERS:		
Capital Replacement Reserve	33 878 931,27	37 355 931,27
Sub Total	13 939 057,63	25 567 888,22
LESS: CONTINGENT LIABILITIES	6 160 678,31	6 332 413,15
Theunis Barnard	38 231,00	38 231,00
I Gerber	21 840,00	
A de Wet	614 675,00	614 675,00
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
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
Combined summons between Brenda Kraft and Garden Route DM	415 264,31	415 264,31
Isivuno Auctioneers: Summons		223 574,84
Labour disputes: V Blom & Roode	500 000,00	350 000,00
Labour disputes: B Ntozini		70 000,00
Labour disputes: N Ndabeni	-	50 000,00
Recalculated available cash balance	7 778 379,32	19 235 475,07

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2019/20											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	Total over 90 days			
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-exchange 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	(16)	-	-	-	-	-	-	(31)	(47)	(31)			
Interest on Arrear Debtor Accounts	1810	295	264	265	258	258	-	-	1 303	2 643	1 820			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-			
Other	1900	(793)	921	385	407	88	12 062	2 803	12 290	28 162	27 649			
Total By Income Source	2000	(514)	1 185	650	665	346	12 062	2 803	13 562	30 759	29 437	-	-	-
2018/19 - totals only										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	(100)	545	96	230	63	268	889	2 264	4 255	3 714			
Commercial	2300	(414)	640	554	435	282	11 794	1 914	11 298	26 504	25 723			
Households	2400									-	-			
Other	2500									-	-			
Total By Customer Group	2600	(514)	1 185	650	665	346	12 062	2 803	13 562	30 759	29 437	-	-	-

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.

The municipality are required to submit debtors aged analysis data strings on a monthly basis.

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description R thousands	NT Code	Budget Year 2019/20									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	Total	
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	24	111	41	25	134	2	155	120	612	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	24	111	41	25	134	2	155	120	612	-

The municipality are required to submit creditors aged analysis data strings on a monthly basis.

The reason for long outstanding creditors are due to invoices not submitted by either suppliers or user departments, other reasons also include disputes on certain invoices.

The municipality are continuously working towards resolving outstanding disputes on invoices and obtaining outstanding invoices.

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Balance as at 01 July 2019	Movements for the month		Balance as at 31 July 2019	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made			
Eden district municipality						
<i>Interest Received YTD</i>				-		-
<i>Standard Bank</i>		-	-62 000 000,00	62 000 000,00	-	-
<i>FNB</i>	-	-	-16 000 000,00	16 000 000,00	-	-
<i>ABSA</i>		-	-36 000 000,00	36 000 000,00	-	-
<i>Nedbank</i>		-	-62 000 000,00	62 000 000,00	-	-
<i>Investec Bank</i>	-	-	-10 000 000,00	10 000 000,00		-
BANK DEPOSITS	-	-	-186 000 000,00	186 000 000,00	-	-

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 - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		157 166	162 568	–	65 571	65 571	13 547	52 457	387,2%	162 568
Local Government Equitable Share		151 237	157 370		65 571	65 571	13 114	52 457	400,0%	157 370
Finance Management		1 000	1 000				83			1 000
Municipal Systems Improvement		–								
EPWP Incentive		1 021	1 629				136			1 629
NT - Rural Roads Asset Management Systems		2 425	2 569				214			2 569
Fire Service Capacity Building Grant	3	1 483						–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		14 810	2 859	–	–	–	238	(215)	-90,2%	2 859
PT - Integrated Transport Plan		1 800	900				75	(75)	-100,0%	900
PT - WC Support Grant		1 450	280				23			280
PT - Disaster Management Grant		10 000						–		
PT - WC Support Grant		360	379				32	(32)	-100,0%	379
PT - Safety Plan Implementation (WOSA)	4	1 200	1 300				108	(108)	-100,0%	1 300
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Operating Transfers and Grants	5	171 976	165 427	–	65 571	65 571	13 786	52 242	379,0%	165 427

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 - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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:		157 166	162 568	–	285	285	13 547	(13 262)	-97,9%	162 568
Local Government Equitable Share		151 237	157 370				13 114	(13 114)	-100,0%	157 370
Finance Management		1 000	1 000				83	(83)	-100,0%	1 000
Municipal Systems Improvement		–					–			–
EPWP Incentive		1 021	1 629		285	285	136	150	110,3%	1 629
NT - Rural Roads Asset Management Systems		2 425	2 569				214	(214)	-100,0%	2 569
Fire Service Capacity Building Grant		1 483					–	–		–
Other transfers and grants [insert description]										
Provincial Government:		13 910	2 859	–	–	–	238	(238)	-100,0%	2 859
PT - Integrated Transport Plan		900	900				75	(75)	-100,0%	900
PT - Disaster Management Grant		1 450	280				23	(23)	-100,0%	280
PT - WC Support Grant		10 000					–	–		–
PT - Safety Plan Implementation (WOSA)		360	379				32	(32)	-100,0%	379
Other transfers and grants [insert description]		1 200	1 300				108	(108)	-100,0%	1 300
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total operating expenditure of Transfers and Grants:		171 076	165 427	–	285	285	13 786	(13 500)	-97,9%	165 427

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.

Challenges with data strings relating to Grant Reporting:

The funding sources of the conditional grants are not correctly aligned to the respective expenditure votes. The municipality will correct this during the month of August 2019.

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 - M01 July

Summary of Employee and Councillor remuneration	Ref	2018/19	Budget Year 2019/20							
		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)	1									
Basic Salaries and Wages		7 481	11 359		792	792	947	(155)	-16%	11 359
Pension and UIF Contributions		2 408	232		14	14	19	(5)	-27%	232
Medical Aid Contributions		122	75				6	(6)	-100%	75
Motor Vehicle Allowance		1 696	199				17	(17)	-100%	199
Cellphone Allowance		1 125	—		43	43	—	43	#DIV/0!	—
Housing Allowances		1 046	434				36	(36)	-100%	434
Other benefits and allowances		—	528				44	(44)	-100%	528
Sub Total - Councillors		13 877	12 828	—	848	848	1 069	(221)	-21%	12 828
% increase	4		-7,6%							-7,6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 442	5 634		344	344	469	(125)	-27%	5 634
Pension and UIF Contributions		161	—		0	0	—	0	#DIV/0!	—
Medical Aid Contributions		124	256		4	4	21	(17)	-79%	256
Overtime		—	—				—	—	—	—
Performance Bonus		838	—				—	—	—	—
Motor Vehicle Allowance		805	—		62	62	—	62	#DIV/0!	—
Cellphone Allowance		111	—		9	9	—	9	#DIV/0!	—
Housing Allowances		194	—				—	—	—	—
Other benefits and allowances		(211)	—				—	—	—	—
Payments in lieu of leave		—	—				—	—	—	—
Long service awards		—	—				—	—	—	—
Post-retirement benefit obligations		—	—				—	—	—	—
Sub Total - Senior Managers of Municipality		6 464	5 890	—	419	419	491	(71)	-15%	5 890
% increase	4		-8,9%							-8,9%
Other Municipal Staff										
Basic Salaries and Wages		86 899	85 591		6 608	6 608	7 133	(525)	-7%	85 591
Pension and UIF Contributions		13 210	14 463		474	474	1 205	(731)	-61%	14 463
Medical Aid Contributions		10 314	10 904		129	129	909	(779)	-86%	10 904
Overtime		3 045	—		217	217	—	217	#DIV/0!	—
Performance Bonus		—	—				—	—	—	—
Motor Vehicle Allowance		6 906	—		85	85	—	85	#DIV/0!	—
Cellphone Allowance		198	—		6	6	—	6	#DIV/0!	—
Housing Allowances		1 311	—		194	194	—	194	#DIV/0!	—
Other benefits and allowances		2 641	19 685		2 606	2 606	1 640	966	59%	19 685
Payments in lieu of leave		6 064	—				—	—	—	—
Long service awards		—	—				—	—	—	—
Post-retirement benefit obligations		2 866	8 432		520	520	703	(182)	-26%	8 432
Sub Total - Other Municipal Staff		133 454	139 074	—	10 840	10 840	11 589	(749)	-6%	139 074
% increase	4		4,2%							4,2%
Total Parent Municipality		153 795	157 791	—	12 108	12 108	13 149	(1 041)	-8%	157 791

Remuneration related expenditure for the month ended 31 July 2019 amounted to R12 108 150.50.

Section 9 – Municipal manager’s quality certification



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek
Reference: 6/1/1 – 19/20
Date: 14 August 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 JULY 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 municipality could not generate a C-Schedule from the financial system. The municipality populated the C-Schedule manually based on data directly extracted from the financial system for the month ended 31 July 2019.

Print Name MONDE STRATU

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

Signature 

Date 14 AUGUST 2019