



# **GARDEN ROUTE DISTRICT MUNICIPALITY**

**FINANCIAL YEAR 2020 - 2021**

## **MONTHLY FINANCIAL MONITORING REPORT**

**31 JULY 2020**

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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 July 2020.

### **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 2020 amounted to **R 83,218,071** which represents **21.2%** of the total annual budgeted figure of **R 392,172,437 (including Roads)**. The majority of the revenue (R73.1m), related to the first instalment of the equitable share.

#### **Operating Expenditure by type**

Operating expenditure for the month ended 31 July 2020 amounted to **R 24,650,209**, with a total annual budgeted figure of **R 401,232,299 (including Roads)**, the operational expenditure for the month is **6.1%** of the total annual budget. The majority of the expenditure related to Employee and Councillor related cost of **R 20,217,181 (82% of the monthly expenditure)**.

## **Capital Expenditure**

The annual capital budget for the financial year amounts to **R 8,135,000**. There was no capital expenditure for the month ended 31 July 2020.

Refer to pages 15 - 21 for detail on capital budget progress.

### **2.3 Material variances from SDBIP**

Variances and deficiencies are identified in terms of the SDBIP. These are reported on and monitored by the Performance Management Unit, situated in the Office of the Municipal Manager, as applicable.

### **2.4 Remedial or corrective steps**

HODs monitor monthly income and expenditure reports, ensure spending is within budget and is aligned to the IDP's Strategic Goals. Departments invite officials from the BTO office to the respective departmental meetings if assistance is needed with the budget implementation or budget related enquiries. The service provider is in progress of addressing the system related issues. Tickets have been logged with the service provider's helpdesk for system issues.

## **Conclusion**

Detailed analysis of the municipal performance for the month ended 31 July 2020 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	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	12 945	14 091	–	20	20	1 174	(1 154)	-98%	14 091
Transfers and subsidies	73 348	174 269	–	–	–	14 522	(14 522)	-100%	174 269
Other own revenue	273 290	203 812	–	83 198	83 198	16 984	66 214	390%	203 812
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>359 583</b>	<b>392 172</b>	<b>–</b>	<b>83 218</b>	<b>83 218</b>	<b>32 681</b>	<b>50 537</b>	<b>155%</b>	<b>392 172</b>
Employee costs	149 735	239 508	–	19 382	19 382	19 959	(577)	-3%	239 508
Remuneration of Councillors	10 097	13 360	–	835	835	1 113	(278)	-25%	13 360
Depreciation & asset impairment	4 543	3 930	–	389	389	328	62	19%	3 930
Finance charges	–	–	–	–	–	–	–		–
Materials and bulk purchases	3 387	51 197	–	782	782	4 266	(3 485)	-82%	51 197
Transfers and subsidies	1 161	1 230	–	167	167	103	64	62%	1 230
Other expenditure	183 972	92 007	–	3 096	3 096	7 667	(4 571)	-60%	92 007
<b>Total Expenditure</b>	<b>352 894</b>	<b>401 232</b>	<b>–</b>	<b>24 650</b>	<b>24 650</b>	<b>33 436</b>	<b>(8 786)</b>	<b>-26%</b>	<b>401 232</b>
<b>Surplus/(Deficit)</b>	<b>6 690</b>	<b>(9 060)</b>	<b>–</b>	<b>58 568</b>	<b>58 568</b>	<b>(755)</b>	<b>59 323</b>	<b>-7857%</b>	<b>(9 060)</b>
Transfers and subsidies - capital (monetary alloc	–	–	–	–	–	–	–		–
Contributions & Contributed assets	424	–	–	–	–	–	–		–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>7 114</b>	<b>(9 060)</b>	<b>–</b>	<b>58 568</b>	<b>58 568</b>	<b>(755)</b>	<b>59 323</b>	<b>-7857%</b>	<b>(9 060)</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
<b>Surplus/ (Deficit) for the year</b>	<b>7 114</b>	<b>(9 060)</b>	<b>–</b>	<b>58 568</b>	<b>58 568</b>	<b>(755)</b>	<b>59 323</b>	<b>-7857%</b>	<b>(9 060)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>7 763</b>	<b>8 135</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>678</b>	<b>(678)</b>	<b>-100%</b>	<b>8 135</b>
Capital transfers recognised	3 435	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	4 328	8 135	–	–	–	678	(678)	-100%	8 135
<b>Total sources of capital funds</b>	<b>7 763</b>	<b>8 135</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>678</b>	<b>(678)</b>	<b>-100%</b>	<b>8 135</b>
<b>Financial position</b>									
Total current assets	158 711	173 685	–		275 645				173 685
Total non current assets	248 198	314 316	–		251 229				314 316
Total current liabilities	20 253	74 604	–		75 285				74 604
Total non current liabilities	90 666	144 852	–		90 666				144 852
Community wealth/Equity	295 989	268 545	–		360 923				268 545
<b>Cash flows</b>									
Net cash from (used) operating	(51 371)	(3 288)	–	58 568	58 029	(274)	(58 303)	21276%	(3 288)
Net cash from (used) investing	(7 763)	(8 135)	–	(32 213)	(32 213)	(678)	31 535	-4652%	(8 135)
Net cash from (used) financing	–	–	–	–	–	–	–		–
<b>Cash/cash equivalents at the month/year end</b>	<b>110 634</b>	<b>143 131</b>	<b>–</b>	<b>–</b>	<b>212 165</b>	<b>153 603</b>	<b>(58 563)</b>	<b>-38%</b>	<b>174 925</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	1 486	998	671	361	1 487	2 103	3 412	24 205	34 723
<b>Creditors Age Analysis</b>									
Total Creditors	14	612	–	1	2	6	2	24	660

### 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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>208 430</b>	<b>217 258</b>	<b>-</b>	<b>75 460</b>	<b>75 460</b>	<b>18 105</b>	<b>57 356</b>	<b>317%</b>	<b>217 258</b>
Executive and council		207 582	217 030	-	75 460	75 460	18 086	57 375	317%	217 030
Finance and administration		848	228	-	-	-	19	(19)	-100%	228
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>6 415</b>	<b>9 330</b>	<b>-</b>	<b>24</b>	<b>24</b>	<b>778</b>	<b>(754)</b>	<b>-97%</b>	<b>9 330</b>
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6 021	8 656	-	1	1	721	(720)	-100%	8 656
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		393	674	-	22	22	56	(34)	-60%	674
<i><b>Economic and environmental services</b></i>		<b>144 927</b>	<b>165 584</b>	<b>-</b>	<b>7 734</b>	<b>7 734</b>	<b>13 799</b>	<b>(6 065)</b>	<b>-44%</b>	<b>165 584</b>
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		144 851	165 473	-	7 736	7 736	13 789	(6 053)	-44%	165 473
Environmental protection		76	111	-	(2)	(2)	9	(11)	-124%	111
<i><b>Trading services</b></i>		<b>236</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		236	-	-	-	-	-	-	-	-
<i><b>Other</b></i>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>360 008</b>	<b>392 172</b>	<b>-</b>	<b>83 218</b>	<b>83 218</b>	<b>32 681</b>	<b>50 537</b>	<b>155%</b>	<b>392 172</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>113 858</b>	<b>129 207</b>	<b>-</b>	<b>11 714</b>	<b>11 714</b>	<b>10 767</b>	<b>947</b>	<b>9%</b>	<b>-</b>
Executive and council		37 979	49 017	-	5 901	5 901	4 085	1 816	44%	-
Finance and administration		73 727	77 489	-	5 621	5 621	6 457	(836)	-13%	-
Internal audit		2 152	2 702	-	192	192	225	(33)	-15%	-
<i><b>Community and public safety</b></i>		<b>77 975</b>	<b>85 264</b>	<b>-</b>	<b>3 069</b>	<b>3 069</b>	<b>7 105</b>	<b>(4 036)</b>	<b>-57%</b>	<b>-</b>
Community and social services		11 334	12 914	-	494	494	1 076	(582)	-54%	-
Sport and recreation		11 470	13 494	-	486	486	1 125	(639)	-57%	-
Public safety		24 475	26 063	-	266	266	2 172	(1 906)	-88%	-
Housing		-	-	-	-	-	-	-	-	-
Health		30 696	32 793	-	1 824	1 824	2 733	(909)	-33%	-
<i><b>Economic and environmental services</b></i>		<b>155 392</b>	<b>179 235</b>	<b>-</b>	<b>9 569</b>	<b>9 569</b>	<b>14 936</b>	<b>(5 367)</b>	<b>-36%</b>	<b>-</b>
Planning and development		7 393	7 087	-	471	471	591	(119)	-20%	-
Road transport		144 851	168 818	-	9 012	9 012	14 068	(5 056)	-36%	-
Environmental protection		3 149	3 330	-	86	86	278	(192)	-69%	-
<i><b>Trading services</b></i>		<b>3 565</b>	<b>4 606</b>	<b>-</b>	<b>185</b>	<b>185</b>	<b>384</b>	<b>(199)</b>	<b>-52%</b>	<b>-</b>
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3 565	4 606	-	185	185	384	(199)	-52%	-
<i><b>Other</b></i>		<b>2 104</b>	<b>2 773</b>	<b>-</b>	<b>113</b>	<b>113</b>	<b>231</b>	<b>(118)</b>	<b>-51%</b>	<b>-</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>352 894</b>	<b>401 085</b>	<b>-</b>	<b>24 650</b>	<b>24 650</b>	<b>33 424</b>	<b>(8 774)</b>	<b>-26%</b>	<b>-</b>
<b>Surplus/ (Deficit) for the year</b>		<b>7 114</b>	<b>(8 912)</b>	<b>-</b>	<b>58 568</b>	<b>58 568</b>	<b>(743)</b>	<b>59 311</b>	<b>-7986%</b>	<b>392 172</b>

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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		207 582	217 030	-	75 460	75 460	18 086	57 375	317,2%	217 030
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		848	228	-	-	-	19	(19)	-100,0%	228
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		393	674	-	22	22	56	(34)	-60,3%	674
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		6 021	8 656	-	1	1	721	(720)	-99,8%	8 656
Vote 9 - Waste Management		236	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		76	111	-	(2)	(2)	111	(113)	-102,0%	111
Vote 14 - Roads Agency Function		144 851	165 473	-	7 736	7 736	13 789	(6 053)	-43,9%	165 473
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	360 008	392 172	-	83 218	83 218	32 783	50 435	153,8%	392 172
Expenditure by Vote	1									
Vote 1 - Executive and Council		40 928	52 598	-	6 177	6 177	4 383	1 793	40,9%	52 598
Vote 2 - Budget and Treasury Office		21 844	23 630	-	1 731	1 731	1 969	(238)	-12,1%	23 630
Vote 3 - Corporate Services		40 538	42 386	-	3 196	3 196	3 532	(336)	-9,5%	42 386
Vote 4 - Planning and Development		22 663	23 512	-	1 229	1 229	1 959	(731)	-37,3%	23 512
Vote 5 - Public Safety		30 670	33 222	-	550	550	2 769	(2 218)	-80,1%	33 222
Vote 6 - Health		33 216	34 993	-	2 000	2 000	2 916	(916)	-31,4%	34 993
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		11 470	13 494	-	486	486	1 125	(639)	-56,8%	13 494
Vote 9 - Waste Management		3 565	4 885	-	185	185	407	(222)	-54,7%	4 885
Vote 10 - Roads Transport		-	3 345	-	-	-	279	(279)	-100,0%	3 345
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		3 149	3 330	-	86	86	278	(192)	-69,2%	3 330
Vote 14 - Roads Agency Function		144 851	165 473	-	9 012	9 012	13 789	(4 777)	-34,6%	165 473
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	352 894	400 867	-	24 650	24 650	33 406	(8 755)	-26,2%	400 867
Surplus/ (Deficit) for the year	2	7 114	(8 695)	-	58 568	58 568	(623)	59 190	-9508,1%	(8 695)

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.

### 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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Rental of facilities and equipment		1 142	1 614		82	82	135	(53)	-39%	1 614
Interest earned - external investments		12 945	14 091		20	20	1 174	(1 154)	-98%	14 091
Interest earned - outstanding debtors		3 234	3 710		519	519	309	210	68%	3 710
Dividends received		-	-				-	-		-
Fines, penalties and forfeits		-	-				-	-		-
Licences and permits		76	111		(2)	(2)	9	(11)	-124%	111
Agency services		163 461	184 673		9 025	9 025	15 389	(6 365)	-41%	184 673
Transfers and subsidies		73 348	174 269				14 522	(14 522)	-100%	174 269
Other revenue		105 378	13 704		73 575	73 575	1 142	72 433	6343%	13 704
Gains on disposal of PPE								-		-
Total Revenue (excluding capital transfers and contributions)		359 583	392 172	-	83 218	83 218	32 681	50 537	155%	392 172
Expenditure By Type										
Employee related costs		149 735	239 508		19 382	19 382	19 959	(577)	-3%	239 508
Remuneration of councillors		10 097	13 360		835	835	1 113	(278)	-25%	13 360
Debt impairment		1 198	1 841		-		153	(153)	-100%	1 841
Depreciation & asset impairment		4 543	3 930		389	389	328	62	19%	3 930
Finance charges		-	-				-	-		-
Bulk purchases		-	-				-	-		-
Other materials		3 387	51 197		782	782	4 266	(3 485)	-82%	51 197
Contracted services		13 201	32 272		634	634	2 689	(2 055)	-76%	32 272
Transfers and subsidies		1 161	1 230		167	167	103	64	62%	1 230
Other expenditure		169 573	57 894		2 461	2 461	4 824	(2 363)	-49%	57 894
Loss on disposal of PPE							-	-		-
Total Expenditure		352 894	401 232	-	24 650	24 650	33 436	(8 786)	-26%	401 232
Surplus/(Deficit)		6 690	(9 060)	-	58 568	58 568	(755)	59 323	(0)	(9 060)
Transfers and subsidies - capital (primarily infrastructure) (National / Provincial and District)								-		
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		424						-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		7 114	(9 060)	-	58 568	58 568	(755)			(9 060)
Taxation								-		
Surplus/(Deficit) after taxation		7 114	(9 060)	-	58 568	58 568	(755)			(9 060)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		7 114	(9 060)	-	58 568	58 568	(755)			(9 060)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		7 114	(9 060)	-	58 568	58 568	(755)			(9 060)

### **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 2020 amounts to R 81,791. The resorts were closed after the outbreak of the COVID 19 in South Africa and the declaration of a national disaster.

#### **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. Interest on external investments for the month ended 31 July 2020 amounts to R 20,140, the investment balance of the municipality amounted to R197m for the month ended 31 July 2020 and was invested for a period longer than 30 days to optimize interest received on investments.

#### **Interest raised – Outstanding debtors**

The interest on outstanding debtors for the month of 31 July 2020 amounts to R 518,693. Majority of the debtors are firefighting debtors.

#### **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 6% on any additional allocations. The revenue from agency services was R 9,024,589 for the month ended 31 July 2020

#### 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 73,116,000 for the Equitable Share was received during July 2020.

#### Other revenue / Sundry income

Other revenue reflects an amount of R 73,575,051 for the month ended 31 July 2020. Other revenue consists mostly of the following: Fire Services and Health Services. The equitable share of R73.1m is mapped under 'Other revenue' by National Treasury and therefore it was reported as such.

#### 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 2020 amounted to R 20,217,181 of an annual budgeted amount R 252,867,911 that represents 8% of the budgeted amount and 82% of the monthly expenditure.

#### Debt Impairment / Depreciation and asset impairment

Depreciation recorded for the month ended 31 July 2020 amounts to R 389,071.

These items account for non-cash budgeted items. The fixed asset register module must still be implemented at Garden Route DM by the service provider of the financial system. The municipality are awaiting the service provider to implement the new fixed asset management system as the previous asset management system provider (Market Demand) terminated its services under the mSCOA contract. Phoenix had to develop a new asset register (at no additional cost to municipalities, as this was an mSCOA requirement when National Treasury awarded the transversal tender for financial systems). Garden Route DM must first test the new proposed asset register extensively to ensure it meets the requirements of mSCOA and

GRAP and fully integrates seamlessly and correctly with the financial system before it can be implemented.

#### Other materials

Other materials consists of all inventory consumed purchases for materials and supplies and amounts to R 781,662 for the month ended 31 July 2020 against an annual budgeted amount of R 51,197,175.

#### Contracted services

The contracted services for the month ended 31 July 2020 amounts to R 634,288 against an annual budgeted amount of R 32,272,200.

#### Transfers and subsidies

The municipality recorded transfer and subsidies to the amount of R 166,550 for the month ended 31 July 2020.

#### Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R 2,461,457 for month ended 31 July 2020.

The other expenditure consists of the following:

- Operating costs
- Operating Projects (own funds)

### 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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-		-
Vote 2 - Budget and Treasury Office		19	-	-	-	-	-	-		-
Vote 3 - Corporate Services		1 231	-	-	-	-	-	-		-
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		-	-	-	-	-	-	-		-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>1 251</b>	-	-	-	-	-	-		-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		70	5 030	-	-	-	419	(419)	-100%	5 030
Vote 2 - Budget and Treasury Office		1	-	-	-	-	-	-		-
Vote 3 - Corporate Services		97	1 575	-	-	-	131	(131)	-100%	1 575
Vote 4 - Planning and Development		14	30	-	-	-	3	(3)	-100%	30
Vote 5 - Public Safety		3 775	-	-	-	-	-	-		-
Vote 6 - Health		2 255	-	-	-	-	-	-		-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 8 - Sport and Recreation		245	1 500	-	-	-	125	(125)	-100%	1 500
Vote 9 - Waste Management		27	-	-	-	-	-	-		-
Vote 10 - Roads Transport		-	-	-	-	-	-	-		-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-		-
Vote 12 - Water		-	-	-	-	-	-	-		-
Vote 13 - Environment Protection		28	-	-	-	-	-	-		-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-		-
Vote 15 - Electricity		-	-	-	-	-	-	-		-
<b>Total Capital single-year expenditure</b>	4	<b>6 512</b>	<b>8 135</b>	-	-	-	<b>678</b>	<b>(678)</b>	<b>-100%</b>	<b>8 135</b>
<b>Total Capital Expenditure</b>		<b>7 763</b>	<b>8 135</b>	-	-	-	<b>678</b>	<b>(678)</b>	<b>-100%</b>	<b>8 135</b>

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.
71018103001	1	Land	1018	5 000 000,00		416 666,67	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.
71110240001	2	Office Chair	1018	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.
71307102403	3	Upgrade outdated Disaster Recovery Hardware	1307	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.
71307102418	4	Replace Access Control and Time and Attendance devices to ha	1307	240 000,00		20 000,00	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.
71307102422	5	Additional Laptops (15)	1307	225 000,00		18 750,00	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.
71307104107	6	Replace outdated Access Points	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.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.
71307104118	7	Printers	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.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.
71308102201	8	Pool Vehicle	1308	300 000,00		25 000,00	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.
71314410001	9	Big Scanner Machine and Projector	1314	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.
71316102401	10	Ergonomic Chairs for employees with special needs	1316	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.
71316103101	11	Fire Alarm System (Mission street): OHS	1316	250 000,00		20 833,33	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.
71316240001	12	Evacuation Chairs	1316	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.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.
71402240001	13	Furniture: LED/Tourism	1402	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.
72205160001	14	Callitdorp Spa Roof's	2205	1 500 000,00		125 000,00	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.
Totals				8 135 000,00	0,00	677 916,67				
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 2020										
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	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		144 849	143 131		168 812	143 131
Call investment deposits		–	–		97 000	–
Consumer debtors		10 863	–		8 072	–
Other debtors		269	23 956		(2 077)	23 956
Current portion of long-term receivables			3 867			3 867
Inventory		2 731	2 731		3 838	2 731
<b>Total current assets</b>		<b>158 711</b>	<b>173 685</b>	<b>–</b>	<b>275 645</b>	<b>173 685</b>
<b>Non current assets</b>						
Long-term receivables			59 705			59 705
Investments		27	27		27	27
Investment property		86 108	86 108		85 989	86 108
Investments in Associate						
Property, plant and equipment		159 923	166 336		163 503	166 336
Biological						
Intangible		2 139	2 139		1 710	2 139
Other non-current assets						
<b>Total non current assets</b>		<b>248 198</b>	<b>314 316</b>	<b>–</b>	<b>251 229</b>	<b>314 316</b>
<b>TOTAL ASSETS</b>		<b>406 909</b>	<b>488 001</b>	<b>–</b>	<b>526 874</b>	<b>488 001</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Borrowing		698			698	–
Consumer deposits		1 052			638	–
Trade and other payables		1 199	37 449		59 373	37 449
Provisions		17 304	37 155		14 575	37 155
<b>Total current liabilities</b>		<b>20 253</b>	<b>74 604</b>	<b>–</b>	<b>75 285</b>	<b>74 604</b>
<b>Non current liabilities</b>						
Borrowing		28	28		28	28
Provisions		90 638	144 823		90 638	144 823
<b>Total non current liabilities</b>		<b>90 666</b>	<b>144 852</b>	<b>–</b>	<b>90 666</b>	<b>144 852</b>
<b>TOTAL LIABILITIES</b>		<b>110 920</b>	<b>219 456</b>	<b>–</b>	<b>165 951</b>	<b>219 456</b>
<b>NET ASSETS</b>	<b>2</b>	<b>295 989</b>	<b>268 545</b>	<b>–</b>	<b>360 923</b>	<b>268 545</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		264 663	249 572		329 597	249 572
Reserves		31 326	18 973		31 326	18 973
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>295 989</b>	<b>268 545</b>	<b>–</b>	<b>360 923</b>	<b>268 545</b>

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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates								-		
Service charges								-		
Other revenue		172 185	200 102		82 679	82 679	16 675	66 004	396%	200 102
Government - operating		170 090	174 269		-		14 522	(14 522)	-100%	174 269
Government - capital								-		
Interest		16 264	17 801		539		1 483	(1 483)	-100%	17 801
Dividends								-		
<b>Payments</b>										
Suppliers and employees		(405 126)	(394 231)		(24 484)	(24 484)	(32 853)	(8 369)	25%	(394 231)
Finance charges		-	-				-	-		-
Transfers and Grants		(4 784)	(1 230)		(167)	(167)	(103)	64	-62%	(1 230)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(51 371)</b>	<b>(3 288)</b>	<b>-</b>	<b>58 568</b>	<b>58 029</b>	<b>(274)</b>	<b>(58 303)</b>	<b>21276%</b>	<b>(3 288)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE								-		-
Decrease (Increase) in non-current debtors		-						-		-
Decrease (increase) other non-current receivables			-				-	-		
Decrease (increase) in non-current investments		-	-		(32 213)	(32 213)		(32 213)	#DIV/0!	
<b>Payments</b>										
Capital assets		(7 763)	(8 135)				(678)	(678)	100%	(8 135)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(7 763)</b>	<b>(8 135)</b>	<b>-</b>	<b>(32 213)</b>	<b>(32 213)</b>	<b>(678)</b>	<b>31 535</b>	<b>-4652%</b>	<b>(8 135)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
<b>Payments</b>										
Repayment of borrowing								-		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(59 134)</b>	<b>(11 423)</b>	<b>-</b>	<b>26 355</b>	<b>25 816</b>	<b>(952)</b>			<b>(11 423)</b>
Cash/cash equivalents at beginning:		169 768	154 555			186 349	154 555			186 349
Cash/cash equivalents at month/year end:		110 634	143 131	-		212 165	153 603			174 925

The municipal bank balance at 31 July 2020 totals R 15 165 303.59 and the short term deposits balance was R 197 000 000.00, therefore the total cash and cash equivalents amounts to R 212 165 303.59.

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

<b>REPORTING MONTH: 31 JULY 2020</b>		
<b>Commitments against Cash &amp; Cash Equivalents</b>		
<b>ITEM</b>	<b>Previous Month R'000</b>	<b>Current Month R'000</b>
<b>Bank balance as at 31 July 2020</b>	<b>186 348 885,64</b>	<b>15 165 303,59</b>
<b>Other Cash &amp; Cash Equivalents: Short term deposits</b>	<b>-</b>	<b>197 000 000,00</b>
<b>Total Cash &amp; Cash Equivalents:</b>	<b>186 348 885,64</b>	<b>212 165 303,59</b>
<b>LESS:</b>	<b>141 969 056,52</b>	<b>127 573 464,69</b>
Unspent Conditional Grants	4 488 858,00	4 488 858,00
Provision for staff leave	13 566 381,65	13 566 381,65
Provision for bonus	-	-
Post Retirement Benefits	37 463 916,00	37 463 916,00
Performance Bonus	-	-
Grant received in advance	-	54 837 000,00
Trade Payables	7 753 576,46	7 753 576,46
Unspent Capital budget	660 561,39	677 916,67
Unspent Operational budget	78 035 763,02	8 785 815,92
<b>Sub total</b>	<b>44 379 829,12</b>	<b>84 591 838,90</b>
<b>PLUS:</b>	<b>7 564 900,78</b>	<b>7 564 900,78</b>
VAT Receivable	5 586 883,70	5 586 883,70
Receivable Exchange	1 978 017,08	1 978 017,08
	<b>51 944 729,90</b>	<b>92 156 739,67</b>
<b>LESS OTHER MATTERS:</b>		
Capital Replacement Reserve	31 327 891,00	31 327 891,00
<b>Sub Total</b>	<b>20 616 838,90</b>	<b>60 828 848,67</b>
<b>LESS: CONTINGENT LIABILITIES</b>	<b>10 757 434,15</b>	<b>10 757 434,15</b>
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
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	223 574,84
Portion of Portion 2 of Farm 238, Hooggekraal	431 400,00	431 400,00
Erf 99, Glentana	4 021 781,00	4 021 781,00
Labour disputes: V Blom & Roode	350 000,00	350 000,00
Labour disputes: B Ntozini	70 000,00	70 000,00
<b>Recalculated available cash balance</b>	<b>5 797 099,32</b>	<b>50 071 414,52</b>

## 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 2020/21										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	49	–	–	–	–	–	–	(36)	12	(36)		
Interest on Arrear Debtor Accounts	1810	237	298	250	237	272	252	1 752	1 086	4 384	3 599		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	1 201	700	421	124	1 215	1 851	1 659	23 156	30 326	28 006		
Total By Income Source	2000	1 486	998	671	361	1 487	2 103	3 412	24 205	34 723	31 568	–	–
2019/20 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	128	17	216	18	177	162	302	1 234	2 255	1 893		
Commercial	2300	–	–	–	–	–	–	–	–	–	–		
Households	2400	0	–	–	–	–	–	–	–	0	–		
Other	2500	1 358	981	455	343	1 310	1 941	3 110	22 971	32 468	29 675		
Total By Customer Group	2600	1 486	998	671	361	1 487	2 103	3 412	24 205	34 723	31 568	–	–

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 majority of the firefighting accounts are disputed with regards to the origin of the fire and who is responsible for the payment of the account. The fire section have implemented an electronic system which will assist in the future with disputes.

The municipality are required to submit debtors aged analysis data strings on a monthly basis. Currently the debtor section initiated debt collection processes and will report quarterly to the financial services committee on the debt collection process.

## 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 2020/21									Prior year
		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	totals for chart (same period)
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	14	612	–	1	2	6	2	24	660	
Auditor General	0800	–	–	–	–	–	–	–	–	–	
Other	0900	–	–	–	–	–	–	–	–	–	
Total By Customer Type	1000	14	612	–	1	2	6	2	24	660	–

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 2020	Movements for the month			Balance as at 31 July 2020	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
<b>Garden Route District Municipality</b>							
Interest Received YTD	-				-		
Standard Bank	-	-12 000 000,00	82 000 000,00		70 000 000,00	6 164,38	6 164,38
Investec Bank	-	-12 000 000,00	12 000 000,00		-	6 164,38	6 164,38
ABSA	-		70 000 000,00		70 000 000,00		-
Nedbank	-		57 000 000,00		57 000 000,00		-
FNB	-	-12 000 000,00	12 000 000,00			7 811,50	7 811,50
Standard Bank - Bank Guarantee investment investment	-				-	-	-
<b>BANK DEPOSITS</b>	-	-36 000 000,00	233 000 000,00	-	197 000 000,00	20 140,26	20 140,26

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.

	Balance as at 01 July 2020	Movements for the month			Balance as at 31 July 2020	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
<b>Garden Route District Municipality</b>							
Interest Received YTD	-				-		
Standard Bank	-	-12 000 000,00	82 000 000,00		70 000 000,00	6 164,38	6 164,38
Investec Bank	-	-12 000 000,00	12 000 000,00		-	6 164,38	6 164,38
ABSA	-		70 000 000,00		70 000 000,00		-
Nedbank	-		57 000 000,00		57 000 000,00		-
FNB	-	-12 000 000,00	12 000 000,00			7 811,50	7 811,50
Standard Bank - Bank Guarantee investment investment	-				-	-	-
<b>BANK DEPOSITS</b>	-	-36 000 000,00	233 000 000,00	-	197 000 000,00	20 140,26	20 140,26

## 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	2019/20	Budget Year 2020/21							
		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	168 297	–	73 116	73 116	14 025	59 576	424,8%	168 297
Local Government Equitable Share		151 237	162 480		73 116	73 116	13 540	59 576	440,0%	162 480
Finance Management		1 000	1 000				83			1 000
Municipal Systems Improvement		–	300				25			300
EPWP Incentive		1 021	2 072				173			2 072
NT - Rural Roads Asset Management Systems		2 425	2 445				204			2 445
Fire Service Capacity Building Grant		1 483								–
Other transfers and grants [insert description]								–		
								–		
								–		
								–		
								–		
Provincial Government:		14 810	3 400	–	–	–	283	(250)	-88,2%	3 400
PT - Integrated Transport Plan		1 800	900				75	(75)	-100,0%	900
PT - WC Support Grant		1 450	400				33			400
PT - Disaster Management Grant		10 000					–	–		–
PT - WC Support Grant		360					–	–		–
PT - Safety Plan Implementation (WOSA)		1 200	2 100				175	(175)	-100,0%	2 100
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
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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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b><u>Operating expenditure of Transfers and Grants</u></b>										
National Government:		161 684	168 297	–	274	274	14 025	(13 750)	-98,0%	168 297
Local Government Equitable Share		157 370	162 480				13 540	(13 540)	-100,0%	162 480
Finance Management		1 000	1 000		74	74	83	(9)	-10,8%	1 000
Municipal Systems Improvement		–	300				25	(25)	-100,0%	300
EPWP Incentive		1 629	2 072		200	200	173	27	15,9%	2 072
NT - Rural Roads Asset Management Systems			2 445				204	(204)	-100,0%	2 445
Fire Service Capacity Building Grant		1 685						–		–
Other transfers and grants [insert description]								–		
Provincial Government:		14 810	3 400	–	–	–	283	(283)	-100,0%	3 400
PT - Integrated Transport Plan		1 800	900				75	(75)	-100,0%	900
PT - Disaster Management Grant		10 000	400				33	(33)	-100,0%	400
PT - WC Support Grant		1 450						–		
PT - Safety Plan Implementation (WOSA)		1 200	2 100				175	(175)	-100,0%	2 100
Other transfers and grants [insert description]		360						–		
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]								–		
Total operating expenditure of Transfers and Grants:		176 494	171 697	–	274	274	14 308	(14 034)	-98,1%	171 697
<b><u>Capital expenditure of Transfers and Grants</u></b>										
National Government:		–	–	–	–	–	–	–	–	–
								–		
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	–	–	–	–	–	–	–	–
								–		
								–		
District Municipality:		–	–	–	–	–	–	–	–	–
								–		
								–		
Other grant providers:		–	–	–	–	–	–	–	–	–
								–		
								–		
Total capital expenditure of Transfers and Grants		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		176 494	171 697	–	274	274	14 308	(14 034)	-98,1%	171 697

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 and GRDM are dependent on it to sustain operations.

## 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	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		9 340	11 298		763	763	942	(178)	-19%	11 298
Pension and UIF Contributions		54	242		5	5	20	(15)	-75%	242
Medical Aid Contributions		49	78		4	4	6	(2)	-36%	78
Motor Vehicle Allowance		86	776		9	9	65	(56)	-87%	776
Cellphone Allowance		568	515		54	54	43	11	27%	515
Housing Allowances		–	451		–	–	38	(38)	-100%	451
Other benefits and allowances		–					–	–		
<b>Sub Total - Councillors</b>		10 097	13 360	–	835	835	1 113	(278)	-25%	13 360
<b>% increase</b>	4		32,3%							32,3%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		4 442	4 390		397	397	366	31	8%	4 390
Pension and UIF Contributions		161	161		0	0	13	(13)	-99%	161
Medical Aid Contributions		124	105		4	4	9	(5)	-54%	105
Overtime		–	–				–	–		–
Performance Bonus		838	–				–	–		–
Motor Vehicle Allowance		805	804		56	56	67	(10)	-16%	804
Cellphone Allowance		111	142		9	9	12	(3)	-24%	142
Housing Allowances		194	–				–	–		–
Other benefits and allowances		(211)	770				64	(64)	-100%	770
Payments in lieu of leave		–	–				–	–		–
Long service awards		–	–				–	–		–
Post-retirement benefit obligations	2	–	–				–	–		–
<b>Sub Total - Senior Managers of Municipality</b>		6 464	6 371	–	466	466	531	(64)	-12%	6 371
<b>% increase</b>	4		-1,4%							-1,4%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		86 899	147 256		14 216	14 216	12 271	1 945	16%	147 256
Pension and UIF Contributions		13 210	24 724		1 326	1 326	2 060	(735)	-36%	24 724
Medical Aid Contributions		10 314	19 854		1 024	1 024	1 654	(630)	-38%	19 854
Overtime		3 045	4 080		169	169	340	(171)	-50%	4 080
Performance Bonus		–	–				–	–		–
Motor Vehicle Allowance		6 906	9 079		699	699	757	(58)	-8%	9 079
Cellphone Allowance		198	122		6	6	10	(4)	-41%	122
Housing Allowances		1 311	2 351		140	140	196	(56)	-28%	2 351
Other benefits and allowances		2 641	17 379		790	790	1 448	(658)	-45%	17 379
Payments in lieu of leave		6 064	–				–	–		–
Long service awards		–	–				–	–		–
Post-retirement benefit obligations	2	2 866	8 292		545	545	691	(146)	-21%	8 292
<b>Sub Total - Other Municipal Staff</b>		133 454	233 137	–	18 916	18 916	19 428	(512)	-3%	233 137
<b>% increase</b>	4		74,7%							74,7%
<b>Total Parent Municipality</b>		150 014	252 868	–	20 217	20 217	21 072	(855)	-4%	252 868

Remuneration related expenditure for the month ended 31 July 2020 amounted to R20,217,181.



## Section 9 – Municipal manager's quality certification



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### OFFICE OF THE MUNICIPAL MANAGER

Enquiries:	Louise Hoek
Reference:	6/1/1 – 20/21
Date:	12 August 2020

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 2020**, 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 2020.

Print Name MONDE SIRATU

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

Signature 

Date 12/8/2020