



2020/2021
FINANCIAL YEAR

MONTHLY FINANCIAL MONITORING REPORT

M03: 30 SEPTEMBER 2020



Garden Route District Municipality
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Glossary:

Adjusted 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 Adjusted 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. Adjusted 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 approved 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 30 September 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 Adjusted Budget

Revenue by source

The total revenue received for the month ended 30 September 2020 amounted to **R17,792,061** which represents **4.4%** of the total adjusted budgeted figure of **R400,711,513 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 30 September 2020 amounted to **R28,167,708**, with a total adjusted budgeted figure of **R409,771,375 (including Roads)**, the operational expenditure for the month is **6.8%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R20,206,626 (72% of the monthly expenditure)**.

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R8,135,000**. The total capital expenditure for the month ended 30 September 2020 amounts to **R4,192,809** which represents **52%** of the total adjusted capital budget.

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. Variances above 10% are briefly explained under the revenue by source and expenditure by type sections below.

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 30 September 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 - M03 September

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
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	12 945	14 091	14 091	243	526	3 523	(2 997)	-85%	14 091
Transfers and subsidies	73 348	174 269	34 019	1 712	3 230	8 505	(5 275)	-62%	34 019
Other own revenue	273 290	203 812	352 601	15 837	101 566	88 150	13 416	15%	352 601
Total Revenue (excluding capital transfers and contributions)	359 583	392 172	400 712	17 792	105 322	100 178	5 144	5%	400 712
Employee costs	149 735	239 508	241 015	19 413	58 300	60 254	(1 954)	-3%	241 015
Remuneration of Councillors	10 097	13 360	13 360	793	2 420	3 340	(920)	-28%	13 360
Depreciation & asset impairment	4 543	3 930	3 930	392	1 171	983	188	19%	3 930
Finance charges	–	–	–	–	–	–	–		–
Materials and bulk purchases	3 387	51 197	51 605	2 134	4 262	12 901	(8 640)	-67%	51 605
Transfers and subsidies	1 161	1 230	1 230	15	182	308	(126)	-41%	1 230
Other expenditure	183 972	92 007	98 631	5 420	14 133	24 658	(10 524)	-43%	98 631
Total Expenditure	352 894	401 232	409 771	28 167	80 467	102 443	(21 976)	-21%	409 771
Surplus/(Deficit)	6 690	(9 060)	(9 060)	(10 375)	24 855	(2 265)	27 120	-1197%	(9 060)
Transfers and subsidies - capital (monetary alloc	–	–	–	–	–	–	–		–
Contributions & Contributed assets	424	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)	27 120	-1197%	(9 060)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)	27 120	-1197%	(9 060)
Capital expenditure & funds sources									
Capital expenditure	7 763	8 135	8 135	4 193	4 193	2 034	2 159	106%	8 135
Capital transfers recognised	3 435	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	4 328	8 135	8 135	4 193	4 193	2 034	2 159	106%	8 135
Total sources of capital funds	7 763	8 135	8 135	4 193	4 193	2 034	2 159	106%	8 135
Financial position									
Total current assets	158 711	173 685	173 685		203 317				173 685
Total non current assets	248 198	314 316	314 316		255 134				314 316
Total current liabilities	20 253	74 604	74 604		42 274				74 604
Total non current liabilities	90 666	144 852	144 852		78 839				144 852
Community wealth/Equity	295 989	268 545	268 545		337 337				268 545
Cash flows									
Net cash from (used) operating	(51 371)	(3 288)	(3 288)	(10 375)	24 855	(822)	(25 677)	3123%	(3 288)
Net cash from (used) investing	(7 763)	(8 135)	(8 135)	(36 725)	(36 725)	(2 034)	34 691	-1706%	(8 135)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	110 634	143 131	143 131	–	185 449	151 699	(33 750)	-22%	185 895
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	(13)	1 207	2 019	918	530	336	5 997	24 547	35 541
Creditors Age Analysis									
Total Creditors	138	81	218	595	3	1	8	24	1 069

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

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

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									
Revenue - Functional										
<i>Governance and administration</i>		208 430	217 258	225 797	3 839	83 484	56 449	27 034	48%	225 797
Executive and council		207 582	217 030	225 569	3 839	83 484	56 392	27 091	48%	225 569
Finance and administration		848	228	228	—	—	57	(57)	-100%	228
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		6 415	9 330	9 330	162	207	2 333	(2 126)	-91%	9 330
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		6 021	8 656	8 656	135	138	2 164	(2 026)	-94%	8 656
Public safety		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Health		393	674	674	26	69	168	(100)	-59%	674
<i>Economic and environmental services</i>		144 927	165 584	165 584	13 792	21 632	41 396	(19 764)	-48%	165 584
Planning and development		—	—	—	—	—	—	—	—	—
Road transport		144 851	165 473	165 473	13 792	21 627	41 368	(19 741)	-48%	165 473
Environmental protection		76	111	111	—	4	28	(23)	-84%	111
<i>Trading services</i>		236	—	—	—	—	—	—	—	—
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		236	—	—	—	—	—	—	—	—
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	360 008	392 172	400 712	17 792	105 322	100 178	5 144	5%	400 712
Expenditure - Functional										
<i>Governance and administration</i>		113 858	129 355	130 527	9 045	30 776	32 632	(1 856)	-6%	130 527
Executive and council		37 979	49 165	49 987	2 162	10 692	12 497	(1 805)	-14%	49 987
Finance and administration		73 727	77 489	77 789	6 681	19 485	19 447	38	0%	77 789
Internal audit		2 152	2 702	2 751	203	599	688	(89)	-13%	2 751
<i>Community and public safety</i>		77 975	85 264	86 071	6 917	15 684	21 518	(5 834)	-27%	86 071
Community and social services		11 334	12 914	12 994	1 017	2 188	3 249	(1 061)	-33%	12 994
Sport and recreation		11 470	13 494	13 494	729	1 844	3 374	(1 530)	-45%	13 494
Public safety		24 475	26 063	26 063	2 153	4 569	6 516	(1 947)	-30%	26 063
Housing		—	—	—	—	—	—	—	—	—
Health		30 696	32 793	33 520	3 018	7 084	8 380	(1 296)	-15%	33 520
<i>Economic and environmental services</i>		155 392	179 235	183 364	11 846	31 726	45 841	(14 115)	-31%	183 364
Planning and development		7 393	7 087	7 157	585	1 427	1 789	(362)	-20%	7 157
Road transport		144 851	168 818	172 877	11 037	29 782	43 219	(13 437)	-31%	172 877
Environmental protection		3 149	3 330	3 330	224	517	833	(315)	-38%	3 330
<i>Trading services</i>		3 565	4 606	7 106	235	1 925	1 776	149	8%	7 106
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		3 565	4 606	7 106	235	1 925	1 776	149	8%	7 106
<i>Other</i>		2 104	2 773	2 703	124	356	676	(320)	-47%	2 703
Total Expenditure - Functional	3	352 894	401 233	409 771	28 167	80 467	102 443	(21 976)	-21%	409 771
Surplus/ (Deficit) for the year		7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)	27 120	-1197%	(9 060)

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) - M03 September

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	225 569	3 839	83 484	56 392	27 091	48,0%	225 569
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		848	228	228	-	-	57	(57)	-100,0%	228
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		393	674	674	26	69	168	(100)	-59,1%	674
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		6 021	8 656	8 656	135	138	2 164	(2 026)	-93,6%	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	111	-	4	28	(23)	-84,4%	111
Vote 14 - Roads Agency Function		144 851	165 473	165 473	13 792	21 627	41 368	(19 741)	-47,7%	165 473
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	360 008	392 172	400 712	17 792	105 322	100 178	5 144	5,1%	400 712
Expenditure by Vote	1									
Vote 1 - Executive and Council		40 928	52 598	53 420	2 845	11 899	13 355	(1 456)	-10,9%	53 420
Vote 2 - Budget and Treasury Office		21 844	24 275	24 275	2 012	5 735	6 069	(334)	-5,5%	24 275
Vote 3 - Corporate Services		40 538	42 386	42 736	3 294	10 811	10 684	128	1,2%	42 736
Vote 4 - Planning and Development		22 663	23 512	23 512	1 824	4 507	5 878	(1 370)	-23,3%	23 512
Vote 5 - Public Safety		30 670	33 222	33 302	2 761	5 802	8 326	(2 524)	-30,3%	33 302
Vote 6 - Health		33 216	34 993	35 720	3 206	7 644	8 930	(1 286)	-14,4%	35 720
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		11 470	13 494	13 494	729	1 844	3 374	(1 530)	-45,3%	13 494
Vote 9 - Waste Management		3 565	4 606	7 106	235	1 925	1 776	149	8,4%	7 106
Vote 10 - Roads Transport		-	3 345	7 404	-	-	1 851	(1 851)	-100,0%	7 404
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		3 149	3 330	3 330	224	517	833	(315)	-37,9%	3 330
Vote 14 - Roads Agency Function		144 851	165 473	165 473	11 037	29 782	41 368	(11 586)	-28,0%	165 473
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	352 894	401 233	409 771	28 167	80 467	102 443	(21 976)	-21,5%	409 771
Surplus/ (Deficit) for the year	2	7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)	27 120	-1197,4%	(9 060)

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) - M03 September

B04 Garden Route - Table B4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - M03 September										
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	1 614	82	245	404	(159)	-39%	1 614
Interest earned - external investments		12 945	14 091	14 091	243	526	3 523	(2 997)	-85%	14 091
Interest earned - outstanding debtors		3 234	3 710	3 710	232	1 355	928	428	46%	3 710
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licences and permits		76	111	111	-	4	28	(23)	-84%	111
Agency services		163 461	184 673	184 673	14 961	25 274	46 168	(20 894)	-45%	184 673
Transfers and subsidies		73 348	174 269	34 019	1 712	3 230	8 505	(5 275)	-62%	34 019
Other revenue		105 378	13 704	162 493	562	74 688	40 623	34 065	84%	162 493
Gains on disposal of PPE								-		-
Total Revenue (excluding capital transfers and contributions)		359 583	392 172	400 712	17 792	105 322	100 178	5 144	5%	400 712
Expenditure By Type										
Employee related costs		149 735	239 508	241 015	19 413	58 300	60 254	(1 954)	-3%	241 015
Remuneration of councillors		10 097	13 360	13 360	793	2 420	3 340	(920)	-28%	13 360
Debt impairment		1 198	1 841	1 841		-	460	(460)	-100%	1 841
Depreciation & asset impairment		4 543	3 930	3 930	392	1 171	983	188	19%	3 930
Finance charges		-	-	-		-	-	-	-	-
Bulk purchases		-	-	-		-	-	-	-	-
Other materials		3 387	51 197	51 605	2 134	4 262	12 901	(8 640)	-67%	51 605
Contracted services		13 201	32 272	38 396	1 534	4 092	9 599	(5 507)	-57%	38 396
Transfers and subsidies		1 161	1 230	1 230	15	182	308	(126)	-41%	1 230
Other expenditure		169 573	57 894	58 393	3 885	10 041	14 598	(4 557)	-31%	58 393
Loss on disposal of PPE								-		-
Total Expenditure		352 894	401 232	409 771	28 167	80 467	102 443	(21 976)	-21%	409 771
Surplus/(Deficit)		6 690	(9 060)	(9 060)	(10 375)	24 855	(2 265)	27 120	(0)	(9 060)
Transfers and subsidies - capital (municipality contributions) (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)	(9 060)	(10 375)	24 855	(2 265)			(9 060)
Taxation								-		
Surplus/(Deficit) after taxation		7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)			(9 060)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)			(9 060)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		7 114	(9 060)	(9 060)	(10 375)	24 855	(2 265)			(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 30 September 2020 amounts to R 82,152. The resorts were closed after the outbreak of the COVID 19 in South Africa and the declaration of a national disaster and are result of the performance variance of the actual income versus the budgeted expected year to date. The actual performance is -39% off the year-to-date budget, with the movement to level one and the opening of the economy sector, the expectancy is that the income will rise within next three months.

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 30 September 2020 amounts to R243,163, the investment balance of the municipality amounted to R171m for the month ended 30 September 2020 and was invested for a period longer than 30 days to optimize interest received on investments. The actual performance is -85% off the year-to-date budget as a result of bulk of investments that have not matured yet, it is invested for more than 30 days, and the interest will only be realised on the date of maturity hence the reason for the under performance against budgeted amount versus actual year-to-date.

Interest raised – Outstanding debtors

The interest on outstanding debtors for the month of 30 September 2020 amounts to R232,245. 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 R1,288,406 for the month ended 30 September 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. The Local Government Finance Management grant of R1,000,000 and the first instalment of R518,000 for Expanded Public Works Programme was received during August 2020. The municipality received its first instalment of R 1,712,000 for the Rural Roads Assets Management Grant during September 2020. The fuel levy share budgeted amount were moved to

other revenue, the municipality received instalments as per agreement and are the performance for year to date in line with budgeted expected amounts.

Other revenue / Sundry income

Other revenue reflects an amount of R 561,726 for the month ended 30 September 2020. Other revenue mostly consists of the following: Fire Services and Health Services.

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 30 September 2020 amounted to R20,206,626 of an adjusted budgeted amount R254,374,911 that represents 8% of the budgeted amount and 72% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

Depreciation recorded for the month ended 30 September 2020 amounts to R392,374.

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 2,133,705 for the month ended 30 September 2020 against an adjusted budgeted amount of R51,605,496. The municipality were closed since lockdown and gradually returned to work as the lockdown level were eased. The actual performance is -67% off the year-to-date budget, since the country moved to level 1 and most employees coming back to work, the procurement of goods and services are expected to increase over the next 2 months.

Contracted services

The contracted services for the month ended 30 September 2020 amounts to R 1,534,279 against an adjusted budgeted amount of R38,396,116. The municipality were closed since lockdown and gradually returned to work as the lockdown level were eased. The actual performance is -57% lower than the year-to-date budget, since the country moved to level 1 and most employees coming back to work, the procurement of goods and services are expected to increase over the next 2 months.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 30 September 2020 amounts to R15,000 against an adjusted budgeted amount of R 1,230 000. The municipality were closed since lockdown and gradually returned to work as the lockdown level were eased. The actual performance is -41% off the year-to-date budget, since the country moved to level 1 and most employees coming back to work, the procurement of goods and services are expected to increase over the next 2 months.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R3,885,384 for month ended 30 September 2020. The municipality were closed since lockdown and gradually returned to work as the lockdown level were eased. The actual performance is -31% off the year-to-date budget, since the country moved to level 1 and most employees coming back to work, the procurement of goods and services are expected to increase over the next 2 months.

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) - M03
September

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	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		–	5 000	5 000	3 965	3 965	1 250	2 715	217%	5 000
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		–	1 500	1 500	–	–	375	(375)	-100%	1 500
Vote 9 - Waste Management		–	–	–	–	–	–	–		–
Vote 10 - Roads Transport		–	–	–	–	–	–	–		–
Vote 11 - Waste Water Management		–	–	–	–	–	–	–		–
Vote 12 - Water		–	–	–	–	–	–	–		–
Vote 13 - Environment Protection		–	–	–	–	–	–	–		–
Vote 14 - Roads Agency Function		–	–	–	–	–	–	–		–
Vote 15 - Electricity		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	1 251	6 500	6 500	3 965	3 965	1 625	2 340	144%	6 500
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		70	30	30	–	–	8	(8)	-100%	30
Vote 2 - Budget and Treasury Office		1	–	–	–	–	–	–		–
Vote 3 - Corporate Services		97	1 575	1 575	226	226	394	(168)	-43%	1 575
Vote 4 - Planning and Development		14	30	30	2	2	8	(5)	-73%	30
Vote 5 - Public Safety		3 775	–	–	–	–	–	–		–
Vote 6 - Health		2 255	–	–	–	–	–	–		–
Vote 7 - Community and Social Services		–	–	–	–	–	–	–		–
Vote 8 - Sport and Recreation		245	–	–	–	–	–	–		–
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		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	6 512	1 635	1 635	228	228	409	(181)	-44%	1 635
Total Capital Expenditure		7 763	8 135	8 135	4 193	4 193	2 034	2 159	106%	8 135

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

SCOA config	Nr	Project description	Cost centre	Adjusted budget R'	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	4 920 000,00	3 964 879,32	1 230 000,00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects. 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		7 500,00	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	317 300,00		79 325,00	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.
71307102418	4	Replace Access Control and Time and Attendance devices to ha	1307	282 163,00	19 130,40	70 540,75	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects. 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	199 837,00	199 836,00	49 959,25	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307104107	6	Replace outdated Access Points	1307	10 300,00		2 575,00	In Process	Order issued to supplier	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	29 700,00		7 425,00	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		75 000,00	In Process	Order issued to supplier	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		7 500,00	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		12 500,00	In Process	Order issued to supplier	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		62 500,00	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.
71316240001	12	Evacuation Chairs	1316	20 000,00	6 903,04	5 000,00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects. 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	2 060,00	7 500,00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
72205160001	14	Calitzdorp Spa Roof's	2205	1 500 000,00		375 000,00	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.
71307104119	15	24 prt Gigabyte POE injectors	1307	11 970,00		2 992,50	In Process	Order issued to supplier	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.
71307104120	16	QNAP 8-Bay NAS	1307	43 730,00		10 932,50	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.
71307104121	17	Insurance / Uneconomical to repair	1307	30 000,00		7 500,00	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.
71018104102	18	Upgrading of Multimedia Council Chambers	1018	80 000,00		20 000,00	In Process	Order issued to supplier	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	4 192 808,76	2 033 750,00				
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 September 2020										
71307104119	15	24 prt Gigabyte POE injectors	1307	11 965,22						
71018104102	18	Upgrading of Multimedia Council Chambers	1018	46 940,00						
71307104107	6	Replace outdated Access Points	1307	10 260,87						
71308102201	8	Pool Vehicle	1308	212 377,62						
71316102401	10	Ergonomic Chairs for employees with special needs	1316	14 429,00						
71402240001	13	Furniture: LED/Tourism	1402	9 014,86						
		Total Commitments		304 987,57						

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		144 849	143 131	143 131	24 812	143 131
Call investment deposits		–	–	–	171 000	–
Consumer debtors		10 863	–	–	4 252	–
Other debtors		269	23 956	23 956	(14)	23 956
Current portion of long-term receivables			3 867	3 867		3 867
Inventory		2 731	2 731	2 731	3 267	2 731
Total current assets		158 711	173 685	173 685	203 317	173 685
Non current assets						
Long-term receivables			59 705	59 705		59 705
Investments		27	27	27	27	27
Investment property		86 108	86 108	86 108	85 970	86 108
Investments in Associate						
Property, plant and equipment		159 923	166 336	166 336	167 494	166 336
Biological						
Intangible		2 139	2 139	2 139	1 642	2 139
Other non-current assets						
Total non current assets		248 198	314 316	314 316	255 134	314 316
TOTAL ASSETS		406 909	488 001	488 001	458 451	488 001
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing		698			217	–
Consumer deposits		1 052			829	–
Trade and other payables		1 199	37 449	37 449	25 551	37 449
Provisions		17 304	37 155	37 155	15 677	37 155
Total current liabilities		20 253	74 604	74 604	42 274	74 604
Non current liabilities						
Borrowing		28	28	28	451	28
Provisions		90 638	144 823	144 823	78 388	144 823
Total non current liabilities		90 666	144 852	144 852	78 839	144 852
TOTAL LIABILITIES		110 920	219 456	219 456	121 113	219 456
NET ASSETS	2	295 989	268 545	268 545	337 337	268 545
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		264 663	249 572	249 572	305 995	249 572
Reserves		31 326	18 973	18 973	31 342	18 973
TOTAL COMMUNITY WEALTH/EQUITY	2	295 989	268 545	268 545	337 337	268 545

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges								-		
Other revenue		172 185	200 102	203 329	15 605	100 211	50 832	49 379	97%	203 329
Government - operating		170 090	174 269	179 581	1 712	3 230	44 895	(41 665)	-93%	179 581
Government - capital							-	-		-
Interest		16 264	17 801	17 801	475	1 881	4 450	(2 569)	-58%	17 801
Dividends							-	-		
Payments										
Suppliers and employees		(405 126)	(394 231)	(402 770)	(28 152)	(80 262)	(100 692)	(20 431)	20%	(402 770)
Finance charges		-	-			-	-	-		-
Transfers and Grants		(4 784)	(1 230)	(1 230)	(15)	(182)	(308)	(126)	41%	(1 230)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(51 371)	(3 288)	(3 288)	(10 375)	24 879	(822)	(25 701)	3126%	(3 288)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		-
Decrease (Increase) in non-current debtors		-						-		-
Decrease (increase) other non-current receivables			-				-	-		
Decrease (increase) in non-current investments		-	-		(32 532)	(32 532)		(32 532)	#DIV/0!	
Payments										
Capital assets		(7 763)	(8 135)	(8 135)	(4 193)	(4 193)	(2 034)	2 159	-106%	(8 135)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7 763)	(8 135)	(8 135)	(36 725)	(36 725)	(2 034)	34 691	-1706%	(8 135)
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		(59 134)	(11 423)	(11 423)	(47 100)	(11 846)	(2 856)			(11 423)
Cash/cash equivalents at beginning:		169 768	154 555	154 555		197 318	154 555			197 318
Cash/cash equivalents at month/year end:		110 634	143 131	143 131		185 473	151 699			185 895

The municipal bank balance at 30 September 2020 totals R14 472 689.09 and the short term deposits balance was R171 000 000.00, therefore the total cash and cash equivalents amounts to R185 472 689.09.

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

REPORTING MONTH: 30 SEPTEMBER 2020		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 30 September 2020	12 318 272,90	14 472 689,09
Other Cash & Cash Equivalents: Short term deposits	185 000 000,00	171 000 000,00
Total Cash & Cash Equivalents:	197 318 272,90	185 472 689,09
LESS:	119 097 098,53	105 099 008,96
Unspent Conditional Grants	5 312 075,69	5 207 021,15
Provision for staff leave	13 904 229,27	13 904 229,27
Provision for bonus	5 055 265,03	5 055 265,03
Post Retirement Benefits	37 463 916,00	37 463 916,00
Performance Bonus	-	-
Grant received in advance	36 558 000,00	18 279 000,00
Trade Payables	3 452 081,04	3 189 869,61
Unspent Capital budget	1 355 833,33	-
Unspent Operational budget	15 995 698,17	21 999 707,90
Sub total	78 221 174,37	80 373 680,13
PLUS:	874 427,16	874 427,16
VAT Receivable	250 000,00	250 000,00
Receivable Exchange	624 427,16	624 427,16
	79 095 601,53	81 248 107,29
LESS OTHER MATTERS:		
Capital Replacement Reserve	31 704 864,67	31 704 864,67
Sub Total	47 390 736,86	49 543 242,62
LESS: CONTINGENT LIABILITIES	10 757 434,15	10 757 434,15
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
Recalculated available cash balance	36 633 302,71	38 785 808,47

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description		Budget Year 2020/21												Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
NT Code	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	0	0	60	-	-	-	-	(48)	12	(48)	-	-	-	
Interest on Arrear Debtor Accounts	1810	232	225	235	296	246	234	1 763	1 553	4 783	4 091	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	(245)	981	1 724	622	285	102	4 235	23 043	30 746	28 286	-	-	-	
Total By Income Source	2000	(13)	1 207	2 019	918	530	336	5 997	24 547	35 541	32 329	-	-	-	
2019/20 - totals only															
Debtors Age Analysis By Customer Group															
Organs of State	2200	(28)	79	252	17	216	18	452	1 136	2 141	1 838	-	-	-	
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	-	
Households	2400	0	0	0	-	-	-	-	-	0	-	-	-	-	
Other	2500	15	1 128	1 767	901	315	318	5 546	23 412	33 400	30 491	-	-	-	
Total By Customer Group	2600	(13)	1 207	2 019	918	530	336	5 997	24 547	35 541	32 329	-	-	-	

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 - M03 September

Description	NT Code	Budget Year 2020/21									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	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	
Bulk Water	0200	–	–	–	–	–	–	–	–	–	
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	
Loan repayments	0600	–	–	–	–	–	–	–	–	–	
Trade Creditors	0700	138	81	218	595	3	1	8	24	1 069	
Auditor General	0800	–	–	–	–	–	–	–	–	–	
Other	0900	–	–	–	–	–	–	–	–	–	
Total By Customer Type	1000	138	81	218	595	3	1	8	24	1 069	–

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

The reasons for long outstanding creditors include invoices not submitted by suppliers or unresolved 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 September 2020	Movements for the month			Balance as at 30 September 2020	Interest earned	Interest earned
		Investments matured	Investments made	Interest capitalised			
Garden Route District Municipality						Month	Year to date
Interest Received YTD	-				-		
Standard Bank	64 000 000,00	-7 000 000,00			57 000 000,00	59 106,85	91 449,31
Investec Bank	-				-		19 808,22
ABSA	64 000 000,00	-7 000 000,00			57 000 000,00	53 838,63	53 838,63
Nedbank	57 000 000,00	-7 000 000,00	-7 000 000,00		57 000 000,00	23 775,06	23 775,06
FNB	-				-		7 811,50
Standard Bank - Bank Guarantee investment							
Investment	-				-	-	-
BANK DEPOSITS	185 000 000,00	-21 000 000,00	-7 000 000,00	-	171 000 000,00	136 720,54	196 682,72

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 - M03 September

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:										
Operating Transfers and Grants	1,2									
National Government:		157 166	168 297	174 093	1 712	76 346	43 523	31 689	72,8%	174 093
Local Government Equitable Share		151 237	162 480	165 707		73 116	41 427	31 689	76,5%	165 707
Finance Management		1 000	1 000	1 000	–	1 000	250			1 000
Municipal Systems Improvement		–	300	300			75			300
EPWP Incentive		1 021	2 072	2 072	–	518	518			2 072
NT - Rural Roads Asset Management Systems		2 425	2 445	5 014	1 712	1 712	1 254			5 014
Fire Service Capacity Building Grant	3	1 483						–		–
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		14 810	3 400	6 143	–	–	1 536	(1 348)	-87,8%	6 143
PT - Integrated Transport Plan		1 800	900	2 390			598	(598)	-100,0%	2 390
PT - WC Support Grant		1 450	400	750			188			750
PT - Disaster Management Grant		10 000		80			20	(20)	-100,0%	80
PT - WC Support Grant		360		–			–			–
PT - Safety Plan Implementation (WOSA)	4	1 200	2 100	2 923			731	(731)	-100,0%	2 923
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Operating Transfers and Grants	5	171 976	171 697	180 236	1 712	76 346	45 059	30 341	67,3%	180 236

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 - M03 September

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Budget Statement - Transfers and grant expenditure - 30 September										

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

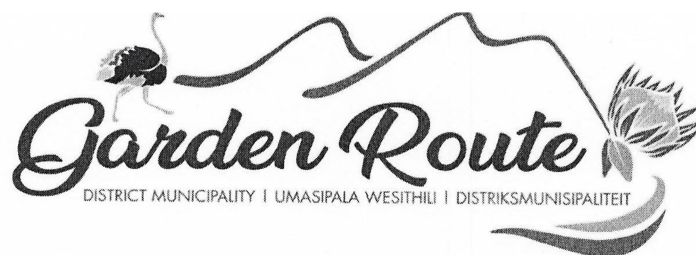
Supporting Table C8

DC4 Garden Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

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
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages			9 340	11 298	11 298	718	2 204	2 825	(620)	-22%	11 298
Pension and UIF Contributions			54	242	242	8	18	60	(42)	-70%	242
Medical Aid Contributions			49	78	78	8	16	19	(4)	-18%	78
Motor Vehicle Allowance			86	776	776	9	26	194	(168)	-87%	776
Cellphone Allowance			568	515	515	51	156	129	28	21%	515
Housing Allowances			–	451	451	–	–	113	(113)	-100%	451
Other benefits and allowances			–					–			
Sub Total - Councillors			10 097	13 360	13 360	793	2 420	3 340	(920)	-28%	13 360
% increase		4		32,3%	32,3%						32,3%
Senior Managers of the Municipality											
Basic Salaries and Wages			4 442	4 390	4 390	473	1 325	1 097	227	21%	4 390
Pension and UIF Contributions			161	161	1 420	14	14	355	(341)	-96%	1 420
Medical Aid Contributions			124	105	105	4	12	26	(14)	-54%	105
Overtime			–	–	–	–	–	–	–		–
Performance Bonus			838	–	–	–	–	–	–		–
Motor Vehicle Allowance			805	804	804	41	154	201	(46)	-23%	804
Cellphone Allowance			111	142	142	9	27	35	(8)	-24%	142
Housing Allowances			194	–	–	–	–	–	–		–
Other benefits and allowances			(211)	770	770	0	0	192	(192)	-100%	770
Payments in lieu of leave			–	–	–	–	–	–	–		–
Long service awards			–	–	–	–	–	–	–		–
Post-retirement benefit obligations			–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality			6 464	6 371	7 630	542	1 533	1 907	(374)	-20%	7 630
% increase		4		-1,4%	18,0%						18,0%
Other Municipal Staff											
Basic Salaries and Wages			86 899	147 256	147 924	12 477	40 323	36 981	3 342	9%	147 924
Pension and UIF Contributions			13 210	24 724	23 502	2 188	4 720	5 876	(1 156)	-20%	23 502
Medical Aid Contributions			10 314	19 854	19 854	1 380	3 413	4 963	(1 551)	-31%	19 854
Overtime			3 045	4 080	4 819	256	638	1 205	(567)	-47%	4 819
Performance Bonus			–	–	–	–	–	–	–		–
Motor Vehicle Allowance			6 906	9 079	9 079	853	3 289	2 270	1 019	45%	9 079
Cellphone Allowance			198	122	122	9	21	31	(10)	-32%	122
Housing Allowances			1 311	2 351	2 351	184	462	588	(125)	-21%	2 351
Other benefits and allowances			2 641	17 379	17 442	855	1 852	4 361	(2 509)	-58%	17 442
Payments in lieu of leave			6 064	–	–	136	430	–	430	#DIV/0!	–
Long service awards			–	–	–	–	–	–	–		–
Post-retirement benefit obligations			2 866	8 292	8 292	533	1 620	2 073	(453)	-22%	8 292
Sub Total - Other Municipal Staff			133 454	233 137	233 385	18 872	56 767	58 346	(1 579)	-3%	233 385
% increase		4		74,7%	74,9%						74,9%
Total Parent Municipality			150 014	252 868	254 375	20 207	60 720	63 594	(2 874)	-5%	254 375

Remuneration related expenditure for the month ended 30 September 2020 amounted to R20,206,626.

Section 9 – Municipal manager’s quality certification



54 York Street,
George
Western Cape
6529

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George,
Western Cape
6530

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www.gardenroute.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Enquiries:	Louise Hoek
Reference:	6/1/1 – 20/21
Date:	12 October 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 **30 September 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 30 September 2020.

Print Name MONDE STRATH

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

Signature 

Date 12/10/2020