



2020/2021
FINANCIAL YEAR

MONTHLY FINANCIAL MONITORING REPORT

M04: 31 OCTOBER 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 31 October 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 31 October 2020 amounted to **R12,813,599** which represents **3.2%** of the total adjusted budgeted figure of **R400,711,513 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 31 October 2020 amounted to **R27,406,829**, with a total adjusted budgeted figure of **R409,771,375 (including Roads)**, the operational expenditure for the month is **6.7%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R 20,249,278 (74% 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 31 October 2020 amounts to **R57,200** which represents **0.7%** 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 31 October 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 - M04 October

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	341	867	4 697	(3 830)	-82%	14 091
Transfers and subsidies	73 348	174 269	34 019	900	4 130	11 340	(7 210)	-64%	34 019
Other own revenue	273 290	203 812	352 601	11 573	113 139	117 534	(4 395)	-4%	352 601
Total Revenue (excluding capital transfers and contributions)	359 583	392 172	400 712	12 814	118 136	133 571	(15 435)	-12%	400 712
Employee costs	149 735	239 508	241 015	19 472	77 796	80 338	(2 542)	-3%	241 015
Remuneration of Councillors	10 097	13 360	13 360	777	3 197	4 453	(1 256)	-28%	13 360
Depreciation & asset impairment	4 543	3 930	3 930	392	1 563	1 310	253	19%	3 930
Finance charges	-	-	-	-	-	-	-		-
Materials and bulk purchases	3 387	51 197	51 605	2 034	6 296	17 202	(10 906)	-63%	51 605
Transfers and subsidies	1 161	1 230	1 230	150	332	410	(78)	-19%	1 230
Other expenditure	183 972	92 007	98 631	4 581	18 691	32 877	(14 186)	-43%	98 631
Total Expenditure	352 894	401 232	409 771	27 407	107 874	136 590	(28 717)	-21%	409 771
Surplus/(Deficit)	6 690	(9 060)	(9 060)	(14 593)	10 262	(3 020)	13 282	-440%	(9 060)
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-		-
Contributions & Contributed assets	424	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)	13 282	-440%	(9 060)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)	13 282	-440%	(9 060)
Capital expenditure & funds sources									
Capital expenditure	7 763	8 135	8 135	57	4 250	2 712	1 538	57%	8 135
Capital transfers recognised	3 435	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	4 328	8 135	8 135	57	4 250	2 712	1 538	57%	8 135
Total sources of capital funds	7 763	8 135	8 135	57	4 250	2 712	1 538	57%	8 135
Financial position									
Total current assets	158 711	173 685	173 685		190 347				173 685
Total non current assets	248 198	314 316	314 316		218 178				314 316
Total current liabilities	20 253	74 604	74 604		44 342				74 604
Total non current liabilities	90 666	144 852	144 852		78 557				144 852
Community wealth/Equity	295 989	268 545	268 545		285 626				268 545
Cash flows									
Net cash from (used) operating	(51 371)	(3 288)	(3 288)	(14 201)	11 825	(1 096)	(12 921)	1179%	(3 288)
Net cash from (used) investing	(7 763)	(8 135)	(8 135)	(8 188)	(12 380)	(2 712)	9 669	-357%	(8 135)
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	110 634	143 131	143 131	-	184 917	150 747	(34 170)	-23%	174 049
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	684	505	1 128	1 644	914	528	5 857	24 870	36 130
Creditors Age Analysis									
Total Creditors	269	448	71	151	349	24	8	32	1 352

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

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

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	3 388	86 872	75 266	11 606	15%	225 797
Executive and council		207 582	217 030	225 569	3 388	86 872	75 190	11 682	16%	225 569
Finance and administration		848	228	228	-	-	76	(76)	-100%	228
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6 415	9 330	9 330	256	463	3 110	(2 648)	-85%	9 330
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6 021	8 656	8 656	224	362	2 885	(2 524)	-87%	8 656
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		393	674	674	32	101	225	(124)	-55%	674
<i>Economic and environmental services</i>		144 927	165 584	165 584	9 170	30 802	55 195	(24 393)	-44%	165 584
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		144 851	165 473	165 473	9 152	30 780	55 158	(24 378)	-44%	165 473
Environmental protection		76	111	111	17	22	37	(15)	-41%	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	12 814	118 136	133 571	(15 435)	-12%	400 712
Expenditure - Functional										
<i>Governance and administration</i>		113 858	129 355	130 527	8 316	39 091	43 509	(4 418)	-10%	130 527
Executive and council		37 979	49 165	49 987	2 228	12 920	16 662	(3 743)	-22%	49 987
Finance and administration		73 727	77 489	77 789	5 878	25 363	25 930	(566)	-2%	77 789
Internal audit		2 152	2 702	2 751	209	809	917	(109)	-12%	2 751
<i>Community and public safety</i>		77 975	85 264	86 071	6 491	22 175	28 690	(6 516)	-23%	86 071
Community and social services		11 334	12 914	12 994	1 099	3 286	4 331	(1 045)	-24%	12 994
Sport and recreation		11 470	13 494	13 494	802	2 646	4 498	(1 852)	-41%	13 494
Public safety		24 475	26 063	26 063	1 788	6 357	8 688	(2 331)	-27%	26 063
Housing		-	-	-	-	-	-	-	-	-
Health		30 696	32 793	33 520	2 802	9 885	11 173	(1 288)	-12%	33 520
<i>Economic and environmental services</i>		155 392	179 235	183 364	12 191	43 917	61 121	(17 204)	-28%	183 364
Planning and development		7 393	7 087	7 157	1 039	2 466	2 386	80	3%	7 157
Road transport		144 851	168 818	172 877	10 895	40 677	57 626	(16 949)	-29%	172 877
Environmental protection		3 149	3 330	3 330	257	774	1 110	(336)	-30%	3 330
<i>Trading services</i>		3 565	4 606	7 106	247	2 172	2 369	(196)	-8%	7 106
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3 565	4 606	7 106	247	2 172	2 369	(196)	-8%	7 106
<i>Other</i>		2 104	2 773	2 703	163	518	901	(383)	-42%	2 703
Total Expenditure - Functional	3	352 894	401 233	409 771	27 407	107 874	136 590	(28 717)	-21%	409 771
Surplus/ (Deficit) for the year		7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)	13 282	-440%	(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) - M04 October

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	3 388	86 872	75 190	11 682	15,5%	225 569
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		848	228	228	-	-	76	(76)	-100,0%	228
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		393	674	674	32	101	225	(124)	-55,1%	674
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		6 021	8 656	8 656	224	362	2 885	(2 524)	-87,5%	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	17	22	37	(15)	-41,4%	111
Vote 14 - Roads Agency Function		144 851	165 473	165 473	9 152	30 780	55 158	(24 378)	-44,2%	165 473
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	360 008	392 172	400 712	12 814	118 136	133 571	(15 435)	-11,6%	400 712
Expenditure by Vote	1									
Vote 1 - Executive and Council		40 928	52 598	53 420	2 652	14 550	17 807	(3 256)	-18,3%	53 420
Vote 2 - Budget and Treasury Office		21 844	24 275	24 275	1 871	7 606	8 092	(485)	-6,0%	24 275
Vote 3 - Corporate Services		40 538	42 386	42 736	3 087	13 898	14 245	(347)	-2,4%	42 736
Vote 4 - Planning and Development		22 663	23 512	23 512	2 258	6 765	7 837	(1 072)	-13,7%	23 512
Vote 5 - Public Safety		30 670	33 222	33 302	2 339	8 141	11 101	(2 960)	-26,7%	33 302
Vote 6 - Health		33 216	34 993	35 720	2 999	10 643	11 907	(1 263)	-10,6%	35 720
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		11 470	13 494	13 494	802	2 646	4 498	(1 852)	-41,2%	13 494
Vote 9 - Waste Management		3 565	4 606	7 106	247	2 172	2 369	(196)	-8,3%	7 106
Vote 10 - Roads Transport		-	3 345	7 404	-	-	2 468	(2 468)	-100,0%	7 404
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		3 149	3 330	3 330	257	774	1 110	(336)	-30,3%	3 330
Vote 14 - Roads Agency Function		144 851	165 473	165 473	10 895	40 677	55 158	(14 481)	-26,3%	165 473
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	352 894	401 233	409 771	27 407	107 874	136 590	(28 717)	-21,0%	409 771
Surplus/ (Deficit) for the year	2	7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)	13 282	-439,8%	(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) - M04 October

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	326	538	(212)	-39%	1 614
Interest earned - external investments		12 945	14 091	14 091	341	867	4 697	(3 830)	-82%	14 091
Interest earned - outstanding debtors		3 234	3 710	3 710	487	1 842	1 237	606	49%	3 710
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licences and permits		76	111	111	17	22	37	(15)	-41%	111
Agency services		163 461	184 673	184 673	10 301	35 574	61 558	(25 983)	-42%	184 673
Transfers and subsidies		73 348	174 269	34 019	900	4 130	11 340	(7 210)	-64%	34 019
Other revenue		105 378	13 704	162 493	685	75 374	54 164	21 209	39%	162 493
Gains on disposal of PPE								-		-
Total Revenue (excluding capital transfers and contributions)		359 583	392 172	400 712	12 814	118 136	133 571	(15 435)	-12%	400 712
Expenditure By Type										
Employee related costs		149 735	239 508	241 015	19 472	77 796	80 338	(2 542)	-3%	241 015
Remuneration of councillors		10 097	13 360	13 360	777	3 197	4 453	(1 256)	-28%	13 360
Debt impairment		1 198	1 841	1 841	-	-	614	(614)	-100%	1 841
Depreciation & asset impairment		4 543	3 930	3 930	392	1 563	1 310	253	19%	3 930
Finance charges		-	-	-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		3 387	51 197	51 605	2 034	6 296	17 202	(10 906)	-63%	51 605
Contracted services		13 201	32 272	38 396	965	5 057	12 799	(7 741)	-60%	38 396
Transfers and subsidies		1 161	1 230	1 230	150	332	410	(78)	-19%	1 230
Other expenditure		169 573	57 894	58 393	3 616	13 633	19 464	(5 831)	-30%	58 393
Loss on disposal of PPE								-		
Total Expenditure		352 894	401 232	409 771	27 407	107 874	136 590	(28 717)	-21%	409 771
Surplus/(Deficit)		6 690	(9 060)	(9 060)	(14 593)	10 262	(3 020)	13 282	(0)	(9 060)
Transfers and subsidies - capital (monetary - all)								-		
(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)	(14 593)	10 262	(3 020)			(9 060)
Taxation								-		
Surplus/(Deficit) after taxation		7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)			(9 060)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)			(9 060)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		7 114	(9 060)	(9 060)	(14 593)	10 262	(3 020)			(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 October 2020 amounts to R81,856. 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% of 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 two months over the festive period.

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 October 2020 amounts to R341 014, the investment balance of the municipality amounted to R180m for the month ended 31 October 2020 and was invested for a period longer than 30 days to optimize interest received on investments. The actual performance is -82% 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 31 October 2020 amounts to R487,298. 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 R10,300,648 for the month ended 31 October 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 R73,116,000 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 R1,712,000 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. The municipality received R900,000 for Integrated Transport Planning from Provincial Treasury during October 2020.

Other revenue / Sundry income

Other revenue reflects an amount of R685,392 for the month ended 31 October 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 31 October 2020 amounted to R20,249,278 of an adjusted budgeted amount R254,374,911 that represents 8% of the budgeted amount and 74% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

Depreciation recorded for the month ended 31 October 2020 amounts to R392,378.

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 R2,034,019 for the month ended 31 October 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 -63% 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 31 October 2020 amounts to R 965,090 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 -60% 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 31 October 2020 amounts to R150,000 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 -19% 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 R3,616,064 for month ended 31 October 2020. The municipality were closed since lockdown and gradually returned to work as the lockdown level were eased. The actual performance is -30% 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) - M04 October

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	47	4 012	1 667	2 345	141%	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	–	–	500	(500)	-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	47	4 012	2 167	1 845	85%	6 500
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		70	30	30	–	–	10	(10)	-100%	30
Vote 2 - Budget and Treasury Office		1	–	–	–	–	–	–		–
Vote 3 - Corporate Services		97	1 575	1 575	10	236	525	(289)	-55%	1 575
Vote 4 - Planning and Development		14	30	30	–	2	10	(8)	-79%	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	10	238	545	(307)	-56%	1 635
Total Capital Expenditure		7 763	8 135	8 135	57	4 250	2 712	1 538	57%	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	1 640 000,00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. 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		10 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307102403	3	Upgrade outdated Disaster Recovery Hardware	1307	317 300,00		105 766,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307102418	4	Replace Access Control and Time and Attendance devices to ha	1307	282 163,00	19 130,40	94 054,33	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. 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	66 612,33	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307104107	6	Replace outdated Access Points	1307	10 300,00	10 260,87	3 433,33	Completed	Completed	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307104118	7	Printers	1307	29 700,00		9 900,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71308102201	8	Pool Vehicle	1308	300 000,00		100 000,00	In Process	Order issued to supplier	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71314410001	9	Big Scanner Machine and Projector	1314	30 000,00		10 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71316102401	10	Ergonomic Chairs for employees with special needs	1316	50 000,00		16 666,67	In Process	Order issued to supplier	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71316103101	11	Fire Alarm System (Mission street): OHS	1316	250 000,00		83 333,33	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71316240001	12	Evacuation Chairs	1316	20 000,00	6 903,04	6 666,67	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. 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	10 000,00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. 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		500 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307104119	15	24 prt Gigabyte POE injectors	1307	11 970,00		3 990,00	In Process	Order issued to supplier	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307104120	16	QNAP 8-Bay NAS	1307	43 730,00		14 576,67	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71307104121	17	Insurance / Uneconomical to repair	1307	30 000,00		10 000,00	Not started yet	Not started yet	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
71018104102	18	Upgrading of Multimedia Council Chambers	1018	80 000,00	46 940,00	26 666,67	In Process	Order issued to supplier	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
Totals				8 135 000,00	4 250 009,63	2 711 666,67				
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 October 2020										
71307104119	15	24 prt Gigabyte POE injectors	1307		13 760,00					
71307104120	16	QNAP 8-Bay NAS	1307		49 221,15					
71307104121	17	Insurance / Uneconomical to repair	1307		5 750,00					
71308102201	8	Pool Vehicle	1308		244 234,26					
71316102401	10	Ergonomic Chairs for employees with special needs	1316		16 593,35					
71402240001	13	Furniture: LED/Tourism	1402		25 408,08					
		Total Commitments			354 967,84					

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M04 October

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	2 598	143 131
Call investment deposits		–	–	–	180 000	–
Consumer debtors		10 863	–	–	4 768	–
Other debtors		269	23 956	23 956	(455)	23 956
Current portion of long-term receivables			3 867	3 867		3 867
Inventory		2 731	2 731	2 731	3 436	2 731
Total current assets		158 711	173 685	173 685	190 347	173 685
Non current assets						
Long-term receivables			59 705	59 705		59 705
Investments		27	27	27	26	27
Investment property		86 108	86 108	86 108	54 145	86 108
Investments in Associate						
Property, plant and equipment		159 923	166 336	166 336	162 492	166 336
Biological						
Intangible		2 139	2 139	2 139	1 515	2 139
Other non-current assets						
Total non current assets		248 198	314 316	314 316	218 178	314 316
TOTAL ASSETS		406 909	488 001	488 001	408 524	488 001
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing		698			223	–
Consumer deposits		1 052			1 347	–
Trade and other payables		1 199	37 449	37 449	27 321	37 449
Provisions		17 304	37 155	37 155	15 450	37 155
Total current liabilities		20 253	74 604	74 604	44 342	74 604
Non current liabilities						
Borrowing		28	28	28	169	28
Provisions		90 638	144 823	144 823	78 388	144 823
Total non current liabilities		90 666	144 852	144 852	78 557	144 852
TOTAL LIABILITIES		110 920	219 456	219 456	122 899	219 456
NET ASSETS	2	295 989	268 545	268 545	285 626	268 545
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		264 663	249 572	249 572	220 340	249 572
Reserves		31 326	18 973	18 973	65 285	18 973
TOTAL COMMUNITY WEALTH/EQUITY	2	295 989	268 545	268 545	285 626	268 545

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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	11 085	111 296	67 776	43 520	64%	203 329
Government - operating		170 090	174 269	179 581	900	4 130	59 860	(55 730)	-93%	179 581
Government - capital								-		
Interest		16 264	17 801	17 801	828	2 710	5 934	(3 224)	-54%	17 801
Dividends								-		
Payments										
Suppliers and employees		(405 126)	(394 231)	(402 770)	(26 864)	(105 979)	(134 257)	(28 277)	21%	(402 770)
Finance charges		-	-					-		
Transfers and Grants		(4 784)	(1 230)	(1 230)	(150)	(332)	(410)	(78)	19%	(1 230)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(51 371)	(3 288)	(3 288)	(14 201)	11 825	(1 096)	(12 921)	1179%	(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		-	-		(8 130)	(8 130)		(8 130)	#DIV/0!	
Payments										
Capital assets		(7 763)	(8 135)	(8 135)	(57)	(4 250)	(2 712)	1 538	-57%	(8 135)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7 763)	(8 135)	(8 135)	(8 188)	(12 380)	(2 712)	9 669	-357%	(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)	(22 388)	(556)	(3 808)			(11 423)
Cash/cash equivalents at beginning:		169 768	154 555	154 555		185 473	154 555			185 473
Cash/cash equivalents at month/year end:		110 634	143 131	143 131		184 917	150 747			174 049

The municipal bank balance at 31 October 2020 totals R4 917 161.94 and the short term deposits balance was R180 000 000.00, therefore the total cash and cash equivalents amounts to R184,917,161.94.

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

REPORTING MONTH: 31 OCTOBER 2020		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 October 2020	14 472 689,09	4 917 161,94
Other Cash & Cash Equivalents: Short term deposits	171 000 000,00	180 000 000,00
Total Cash & Cash Equivalents:	185 472 689,09	184 917 161,94
LESS:	105 099 008,96	100 856 997,37
Unspent Conditional Grants	5 207 021,15	5 207 021,15
Provision for staff leave	13 904 229,27	13 904 229,27
Provision for bonus	5 055 265,03	3 924 018,00
Post Retirement Benefits	37 463 916,00	37 463 916,00
Performance Bonus	-	1 131 246,00
Grant received in advance	18 279 000,00	9 139 500,00
Trade Payables	3 189 869,61	16 375 546,00
Unspent Capital budget	-	2 711 667,00
Unspent Operational budget	21 999 707,90	10 999 853,95
Sub total	80 373 680,13	84 060 164,57
PLUS:	874 427,16	10 158 539,00
VAT Receivable	250 000,00	2 148 048,00
Receivable Exchange	624 427,16	8 010 491,00
	81 248 107,29	94 218 703,57
LESS OTHER MATTERS:		
Capital Replacement Reserve	31 704 864,67	31 856 144,00
Employee Benefits Reserves		33 429 212,00
Sub Total	49 543 242,62	28 933 347,57
LESS: CONTINGENT LIABILITIES	10 757 434,15	7 503 441,00
Theunis Barnard	38 231,00	-
I Gerber	21 840,00	-
A de Wet	614 675,00	-
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Banger Car Hire	18 800,00	-
Combined summons between George Municipality, Garden Route DM and D Stoffels	20 836,00	-
Combined summons between G Brown and Garden Route DM	31 032,00	-
Combined summons between Brenda Kraft and Garden Route DM	415 264,31	-
Isivuno Auctioneers: Summons	223 574,84	-
Portion of Portion 2 of Farm 238, Hooggekraal	431 400,00	353 441,00
Erf 99, Glentana	4 021 781,00	-
Labour disputes	420 000,00	2 650 000,00
Recalculated available cash balance	38 785 808,47	21 429 906,57

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Budget Year 2020/21													
Description	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dye-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Ex change Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Ex change Transactions - Electricity	1300	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Non-ex change Transactions - Property Rates	1400	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Ex change Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Ex change Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Ex change Transactions - Property Rental Debtors	1700	–	–	0	60	–	–	–	(48)	12	12	–	–
Interest on Arrear Debtor Accounts	1810	232	231	225	234	296	246	1 749	1 797	5 009	4 321	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	451	274	903	1 349	618	283	4 109	23 121	31 108	29 479	–	–
Total By Income Source	2000	684	505	1 128	1 644	914	528	5 857	24 870	36 130	33 813	–	–
2019/20 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	(58)	103	58	252	17	216	339	1 226	2 152	2 049	–	–
Commercial	2300	–	–	–	–	–	–	–	–	–	–	–	–
Households	2400	(1)	0	–	–	–	–	–	–	(1)	–	–	–
Other	2500	743	402	1 071	1 392	897	313	5 518	23 644	33 980	31 764	–	–
Total By Customer Group	2600	684	505	1 128	1 644	914	528	5 857	24 870	36 130	33 813	–	–

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 - M04 October

Description	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	269	419	71	151	349	24	8	32	1 323	
Auditor General	0800	-	-	-	-	-	-	-	-	-	
Other	0900	-	29	-	-	-	-	-	-	29	
Total By Customer Type	1000	269	448	71	151	349	24	8	32	1 352	

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 October 2020	Movements for the month			Balance as at 31 October 2020	Interest earned	Interest earned
		Investments matured	Investments made	Interest capitalised			
						Month	Year to date
Garden Route District Municipality							
Interest Received YTD	-				-		
Standard Bank	57 000 000,00	-7 000 000,00	10 000 000,00		60 000 000,00	79 061,64	176 675,33
Investec Bank	-		10 000 000,00		10 000 000,00		25 972,60
ABSA	57 000 000,00	-7 000 000,00			50 000 000,00	86 279,51	140 118,14
Nedbank	57 000 000,00	-7 000 000,00	10 000 000,00		60 000 000,00	85 515,07	109 290,13
FNB	-				-		15 623,00
Standard Bank - Bank Guarantee investment							
investment	-				-	-	-
BANK DEPOSITS	171 000 000,00	-21 000 000,00	30 000 000,00	-	180 000 000,00	250 856,22	467 679,20

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 - M04 October

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	174 093	–	76 346	58 031	17 880	30,8%	174 093
Local Government Equitable Share		151 237	162 480	165 707		73 116	55 236	17 880	32,4%	165 707
Finance Management		1 000	1 000	1 000	–	1 000	333			1 000
Municipal Systems Improvement		–	300	300			100			300
EPWP Incentiv e		1 021	2 072	2 072	–	518	691			2 072
NT - Rural Roads Asset Management Systems		2 425	2 445	5 014	–	1 712	1 671			5 014
Fire Service Capacity Building Grant	3	1 483						–		–
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		14 810	3 400	6 143	900	900	2 048	(898)	-43,8%	6 143
PT - Integrated Transport Plan		1 800	900	2 390	900	900	797	103	12,9%	2 390
PT - WC Support Grant		1 450	400	750			250			750
PT - Disaster Management Grant		10 000		80			27	(27)	-100,0%	80
PT - WC Support Grant	4	360		–			–	–		–
PT - Safety Plan Implementation (WOSA)		1 200	2 100	2 923			974	(974)	-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	900	77 246	60 079	16 983	28,3%	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 - M04 October

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		161 684	168 297	174 093	533	1 807	58 031	(56 224)	-96,9%	174 093
Local Government Equitable Share		157 370	162 480	165 707			55 236	(55 236)	-100,0%	165 707
Finance Management		1 000	1 000	1 000	58	249	333	(85)	-25,4%	1 000
Municipal Systems Improvement		–	300	300		259	100	159	158,8%	300
EPWP Incentive		1 629	2 072	2 072	475	1 299	691	608	88,1%	2 072
NT - Rural Roads Asset Management Systems			2 445	5 014	–		1 671	(1 671)	-100,0%	5 014
Fire Service Capacity Building Grant		1 685						–		
Other transfers and grants [insert description]								–		
Provincial Government:		14 810	3 400	6 143	–	–	2 048	(2 048)	-100,0%	6 143
PT - Integrated Transport Plan		1 800	900	2 390	–		797	(797)	-100,0%	2 390
PT - Disaster Management Grant		10 000		80	–		27	(27)	-100,0%	80
PT - WC Support Grant		1 450	400	750	–		250	(250)	-100,0%	750
PT - Safety Plan Implementation (WOSA)		1 200	2 100	2 923	–		974	(974)	-100,0%	2 923
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	180 236	533	1 807	60 079	(58 272)	-97,0%	180 236

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 - M04 October

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		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		9 340	11 298	11 298	709	2 913	3 766	(853)	-23%	11 298
Pension and UIF Contributions		54	242	242	8	26	81	(55)	-68%	242
Medical Aid Contributions		49	78	78	8	24	26	(2)	-9%	78
Motor Vehicle Allowance		86	776	776	–	26	259	(233)	-90%	776
Cellphone Allowance		568	515	515	53	209	172	37	22%	515
Housing Allowances		–	451	451	–	–	150	(150)	-100%	451
Other benefits and allowances		–					–	–		
Sub Total - Councillors	4	10 097	13 360	13 360	777	3 197	4 453	(1 256)	-28%	13 360
% increase	3		32,3%	32,3%						32,3%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 442	4 390	4 390	475	1 800	1 463	337	23%	4 390
Pension and UIF Contributions		161	161	1 420	0	14	473	(459)	-97%	1 420
Medical Aid Contributions		124	105	105	4	16	35	(19)	-54%	105
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		838	–	–	–	–	–	–		–
Motor Vehicle Allowance		805	804	804	41	196	268	(72)	-27%	804
Cellphone Allowance		111	142	142	9	36	47	(11)	-24%	142
Housing Allowances		194	–	–	–	–	–	–		–
Other benefits and allowances		(211)	770	770	0	0	257	(256)	-100%	770
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality	4	6 464	6 371	7 630	530	2 063	2 543	(480)	-19%	7 630
% increase	3		-1,4%	18,0%						18,0%
Other Municipal Staff	2									
Basic Salaries and Wages		86 899	147 256	147 924	12 638	52 962	49 308	3 654	7%	147 924
Pension and UIF Contributions		13 210	24 724	23 502	2 194	6 914	7 834	(920)	-12%	23 502
Medical Aid Contributions		10 314	19 854	19 854	1 372	4 784	6 618	(1 834)	-28%	19 854
Overtime		3 045	4 080	4 819	174	812	1 606	(794)	-49%	4 819
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		6 906	9 079	9 079	817	4 106	3 026	1 080	36%	9 079
Cellphone Allowance		198	122	122	9	30	41	(11)	-27%	122
Housing Allowances		1 311	2 351	2 351	199	662	784	(122)	-16%	2 351
Other benefits and allowances		2 641	17 379	17 442	764	2 632	5 814	(3 182)	-55%	17 442
Payments in lieu of leave		6 064	–	–	241	670	–	670	#DIV/0!	–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		2 866	8 292	8 292	533	2 152	2 764	(611)	-22%	8 292
Sub Total - Other Municipal Staff	4	133 454	233 137	233 385	18 942	75 725	77 795	(2 070)	-3%	233 385
% increase	3		74,7%	74,9%						74,9%
Total Parent Municipality		150 014	252 868	254 375	20 249	80 985	84 792	(3 806)	-4%	254 375

Remuneration related expenditure for the month ended 31 October 2020 amounted to R20,249,278.

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: 3 November 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 October 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 October 2020.

Print Name MONDE STRATY

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

Signature 

Date 3/11/2020