



2021/2022
FINANCIAL YEAR

MONTHLY FINANCIAL MONITORING REPORT

M01: 31 July 2021



Garden Route District Municipality
Head Office: 54 York Street, George, 6530
Tel: 044 803 1300, **Fax:** 086 555 6303
www.gardenroute.gov.za

Table of Contents	2
Glossary	3
Legislative Framework	4
 PART 1 – IN YEAR REPORT	 5
Section 1 – Resolutions	5
Section 2 – Executive summary	5
Section 3 – In-year budget statement tables	7
 PART 2 – SUPPORTING DOCUMENTATION	 22
Section 4 – Debtor’s analysis	22
Section 5 – Creditors analysis	23
Section 6 – Investment portfolio analysis	23
Section 7 – Allocation and grant receipts and expenditure	24
Section 8 – Expenditure on councillor and staff related expenditure	26
Section 9 – Municipal Manager’s quality certification	27

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 accounting standards 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 July 2021.

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 Approved Budget

Revenue by source

The total revenue received for the month ended 31 July 2021 amounted to **R90,301,603** which represents **21,5%** of the total adjusted budgeted figure of **R420,694,075 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 31 July 2021 amounted to **R27,823,463**, with a total adjusted budgeted figure of **R428,166,027 (including Roads)**, the operational expenditure for the month is **6.5%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R21,139,510 (75.9% of the monthly expenditure)**.

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R76,172,524**. Capital expenditure of **R4,513** were recorded for the month ended 31 July 2021.

Refer to page 15, 16 & 17 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 July 2021 will be presented under the different sections of the report.

Section 3 – In-year budget statement tables

3.1 Monthly budget statements

3.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Garden Route - Table C1 Monthly Budget Statement Summary - M01 July

Description	2020/21	Budget Year 2021/22							
	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	12 091	8 500	–	–	–	708	(708)	-100%	8 500
Transfers and subsidies	34 252	187 375	–	71 590	71 590	15 615	55 975	358%	187 375
Other own revenue	356 179	224 819	–	18 712	18 712	18 735	(23)	-0%	224 819
Total Revenue (excluding capital transfers and contributions)	402 522	420 694	–	90 302	90 302	35 058	55 244	158%	420 694
Employee costs	247 659	260 917	–	20 189	20 189	21 743	(1 554)	-7%	260 917
Remuneration of Councillors	13 360	13 360	–	950	950	1 113	(163)	-15%	13 360
Depreciation & asset impairment	4 987	4 852	–	337	337	404	(67)	-17%	4 852
Finance charges	70	70	–	–	–	6	(6)	-100%	70
Inventory consumed and bulk purchases	51 360	57 894	–	1 168	1 168	4 824	(3 657)	-76%	57 894
Transfers and subsidies	1 851	2 375	–	–	–	198	(198)	-100%	2 375
Other expenditure	96 908	88 698	–	5 179	5 179	7 391	(2 212)	-30%	88 698
Total Expenditure	416 194	428 166	–	27 823	27 823	35 681	(7 857)	-22%	428 166
Surplus/(Deficit)	(13 672)	(7 472)	–	62 478	62 478	(623)	63 101	-10134%	(7 472)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(13 672)	(7 472)	–	62 478	62 478	(623)	63 101	-10134%	(7 472)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(13 672)	(7 472)	–	62 478	62 478	(623)	63 101	-10134%	(7 472)
Capital expenditure & funds sources									
Capital expenditure	14 096	76 173	–	5	5	6 348	(6 343)	-100%	76 173
Capital transfers recognised	4 161	–	–	–	–	–	–	–	–
Borrowing	–	60 000	–	–	–	5 000	(5 000)	-100%	60 000
Internally generated funds	9 935	16 173	–	5	5	1 348	(1 343)	-100%	16 173
Total sources of capital funds	14 096	76 173	–	5	5	6 348	(6 343)	-100%	76 173
Financial position									
Total current assets	173 685	195 152	–	–	233 835	–	–	–	195 152
Total non current assets	314 316	334 418	–	–	277 430	–	–	–	334 418
Total current liabilities	37 449	65 748	–	–	50 229	–	–	–	65 748
Total non current liabilities	144 852	195 506	–	–	125 852	–	–	–	195 506
Community wealth/Equity	305 700	268 316	–	–	335 185	–	–	–	268 316
Cash flows									
Net cash from (used) operating	(11 114)	(7 472)	–	117 788	117 788	(623)	(118 411)	19017%	(7 472)
Net cash from (used) investing	366	(76 173)	–	(48 936)	(48 936)	(6 348)	42 588	-671%	(76 173)
Net cash from (used) financing	–	60 000	–	–	–	5 000	5 000	100%	60 000
Cash/cash equivalents at the month/year end	159 020	164 643	–	–	215 706	186 317	(29 389)	-16%	123 209
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	106	1 481	360	758	394	584	6 179	28 919	38 782
Creditors Age Analysis									
Total Creditors	616	4 555	1 247	87	37	8	187	391	7 128

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

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:

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

Description	Ref	2020/21	Budget Year 2021/22							
		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>		230 331	236 045	-	73 686	73 686	19 670	54 016	275%	236 045
Executive and council		230 104	234 304	-	73 621	73 621	19 525	54 096	277%	234 304
Finance and administration		228	1 741	-	65	65	145	(80)	-55%	1 741
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6 606	5 812	-	175	175	484	(309)	-64%	5 812
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6 256	5 422	-	156	156	452	(296)	-65%	5 422
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		350	390	-	19	19	33	(13)	-40%	390
<i>Economic and environmental services</i>		165 584	178 836	-	16 440	16 440	14 903	1 537	10%	178 836
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		165 473	178 718	-	16 432	16 432	14 893	1 539	10%	178 718
Environmental protection		111	118	-	8	8	10	(2)	-17%	118
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	402 522	420 694	-	90 302	90 302	35 058	55 244	158%	420 694
Expenditure - Functional										
<i>Governance and administration</i>		135 527	138 000	-	9 774	9 774	11 500	(1 726)	-15%	106 276
Executive and council		52 858	50 582	-	2 279	2 279	4 215	(1 936)	-46%	50 582
Finance and administration		79 953	84 933	-	7 276	7 276	7 078	199	3%	53 209
Internal audit		2 715	2 485	-	218	218	207	11	5%	2 485
<i>Community and public safety</i>		88 563	80 872	-	5 936	5 936	6 739	(803)	-12%	80 872
Community and social services		14 616	7 804	-	819	819	650	169	26%	7 804
Sport and recreation		12 639	12 512	-	734	734	1 043	(309)	-30%	12 512
Public safety		26 761	25 100	-	1 804	1 804	2 092	(288)	-14%	25 100
Housing		-	-	-	-	-	-	-	-	-
Health		34 547	35 456	-	2 580	2 580	2 955	(375)	-13%	35 456
<i>Economic and environmental services</i>		182 370	203 424	-	11 786	11 786	16 952	(5 166)	-30%	203 424
Planning and development		9 706	19 390	-	1 122	1 122	1 616	(494)	-31%	19 390
Road transport		169 326	180 758	-	10 439	10 439	15 063	(4 624)	-31%	180 758
Environmental protection		3 339	3 277	-	225	225	273	(48)	-18%	3 277
<i>Trading services</i>		6 612	3 209	-	204	204	267	(64)	-24%	3 209
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		6 612	3 209	-	204	204	267	(64)	-24%	3 209
<i>Other</i>		3 121	2 661	-	123	123	222	(99)	-44%	2 661
Total Expenditure - Functional	3	416 194	428 166	-	27 823	27 823	35 681	(7 857)	-22%	396 443
Surplus/ (Deficit) for the year		(13 672)	(7 472)	-	62 478	62 478	(623)	63 101	-10134%	24 251

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

DC4 Garden Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

Vote Description	Ref	2020/21	Budget Year 2021/22							
		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		230 104	234 304	–	73 621	73 621	19 525	54 096	277,1%	234 304
Vote 2 - Budget and Treasury Office		–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services		228	1 741	–	65	65	145	(80)	-55,4%	1 741
Vote 4 - Planning and Development		–	–	–	–	–	–	–	–	–
Vote 5 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 6 - Health		350	390	–	19	19	33	(13)	-40,4%	390
Vote 7 - Community and Social Services		–	–	–	–	–	–	–	–	–
Vote 8 - Sport and Recreation		6 256	5 422	–	156	156	452	(296)	-65,5%	5 422
Vote 9 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 10 - Roads Transport		–	–	–	–	–	–	–	–	–
Vote 11 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 12 - Water		–	–	–	–	–	–	–	–	–
Vote 13 - Environment Protection		111	118	–	8	8	10	(2)	-17,5%	118
Vote 14 - Roads Agency Function		165 473	178 718	–	16 432	16 432	14 893	1 539	10,3%	178 718
Vote 15 - Electricity		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	402 522	420 694	–	90 302	90 302	35 058	55 244	157,6%	420 694
Expenditure by Vote	1									
Vote 1 - Executive and Council		55 795	54 394	–	2 772	2 772	4 533	(1 761)	-38,8%	54 394
Vote 2 - Budget and Treasury Office		25 236	24 007	–	1 557	1 557	2 001	(443)	-22,2%	24 007
Vote 3 - Corporate Services		44 399	49 126	–	4 631	4 631	4 094	537	13,1%	49 126
Vote 4 - Planning and Development		27 898	30 006	–	1 857	1 857	2 501	(643)	-25,7%	30 006
Vote 5 - Public Safety		34 204	32 904	–	2 623	2 623	2 742	(119)	-4,3%	32 904
Vote 6 - Health		36 747	37 973	–	2 781	2 781	3 164	(384)	-12,1%	37 973
Vote 7 - Community and Social Services		–	–	–	–	–	–	–	–	–
Vote 8 - Sport and Recreation		12 639	12 512	–	734	734	1 043	(309)	-29,6%	12 512
Vote 9 - Waste Management		6 612	3 209	–	204	204	267	(64)	-23,8%	3 209
Vote 10 - Roads Transport		3 853	3 378	–	–	–	282	(282)	-100,0%	3 378
Vote 11 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 12 - Water		–	–	–	–	–	–	–	–	–
Vote 13 - Environment Protection		3 339	3 277	–	225	225	273	(48)	-17,6%	3 277
Vote 14 - Roads Agency Function		165 473	177 380	–	10 439	10 439	14 782	(4 342)	-29,4%	177 380
Vote 15 - Electricity		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	416 194	428 166	–	27 823	27 823	35 681	(7 857)	-22,0%	428 166
Surplus/ (Deficit) for the year	2	(13 672)	(7 472)	–	62 478	62 478	(623)	63 101	#####	(7 472)

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

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

DC4 Garden Route - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

B04 Garden Route - Table B4 Monthly Performance (Revenue and expenditure) - Mof City										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates							-			
Service charges - electricity revenue							-			
Service charges - water revenue							-			
Service charges - sanitation revenue							-			
Service charges - refuse revenue							-			
Rental of facilities and equipment		3 614	3 829		119	119	319	(200)	-63%	3 829
Interest earned - external investments		12 091	8 500		-	-	708	(708)	-100%	8 500
Interest earned - outstanding debtors		3 710	2 970		242	242	248	(5)	-2%	2 970
Dividends received		-	-				-	-		-
Fines, penalties and forfeits		-	-				-	-		-
Licences and permits		111	118		8	8	10	(2)	-17%	118
Agency services		184 673	195 834		17 677	17 677	16 320	1 358	8%	195 834
Transfers and subsidies		34 252	187 375		71 590	71 590	15 615	55 975	358%	187 375
Other revenue		164 071	22 067		664	664	1 839	(1 174)	-64%	22 067
Gains								-		
Total Revenue (excluding capital transfers and contributions)		402 522	420 694	-	90 302	90 302	35 058	55 244	158%	420 694
Expenditure By Type										
Employee related costs		247 659	260 917		20 189	20 189	21 743	(1 554)	-7%	260 917
Remuneration of councillors		13 360	13 360		950	950	1 113	(163)	-15%	13 360
Debt impairment		1 841	1 500		-	-	125	(125)	-100%	1 500
Depreciation & asset impairment		4 987	4 852		337	337	404	(67)	-17%	4 852
Finance charges		70	70		-	-	6	(6)	-100%	70
Bulk purchases - electricity		-	-				-	-		-
Inventory consumed		51 360	57 894		1 168	1 168	4 824	(3 657)	-76%	57 894
Contracted services		34 749	29 457		462	462	2 455	(1 993)	-81%	29 457
Transfers and subsidies		1 851	2 375		-	-	198	(198)	-100%	2 375
Other expenditure		60 318	57 740		4 717	4 717	4 812	(95)	-2%	57 740
Losses								-		-
Total Expenditure		416 194	428 166	-	27 823	27 823	35 681	(7 857)	-22%	428 166
Surplus/(Deficit)		(13 672)	(7 472)	-	62 478	62 478	(623)	63 101	(0)	(7 472)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		(13 672)	(7 472)	-	62 478	62 478	(623)			(7 472)
Taxation								-		
Surplus/(Deficit) after taxation		(13 672)	(7 472)	-	62 478	62 478	(623)			(7 472)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(13 672)	(7 472)	-	62 478	62 478	(623)			(7 472)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(13 672)	(7 472)	-	62 478	62 478	(623)			(7 472)

Revenue by Source

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

Rental of facilities and equipment:

The income for rental of facilities and equipment reported for the month ended 31 July 2021 amounts to R119,256.

Interest earned – External Investments:

Reflects the interest earned in respect of surplus funds not immediately needed in the operations of the municipality over the short-term period. Interest on external investments for the month ended 31 July 2021 amounts to R0.00.

Interest raised – Outstanding debtors

The interest on outstanding debtors for the month of 31 July 2021 amounts to R242,445.

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. Revenue from agency services was recorded for the month ended 31 July 2021 to the amount of R17,677,307.

Transfers 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 R69,855,000 for the Equitable Share was received during July 2021. The municipality received its first instalment of R1,735,000 for the Rural Roads Assets Management Grant during July 2021.

Other revenue / Sundry income

Other revenue reflects an amount of R664,482 for the month ended 31 July 2021. 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 July 2021 amounted to R21,139,510 of an adjusted budgeted amount R261,613,547 that represents 8.1% of the budgeted amount and 47.8% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

Depreciation of R336,589 was recognised in July 2021.

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. The Asset Verification module has been implemented – the GRAP implementation testing will be done in September 2021.

Other materials

Other materials consists of all inventory consumed purchases for materials and supplies and amounts to R1,167,635 for the month ended 31 July 2021 against an adjusted budgeted amount of R57,893,925. The actual performance is 2.02% off from the year-to-date budget.

Contracted services

The contracted services for the month ended 31 July 2021 amounts to R462,242 against an adjusted budgeted amount of R29,457,418.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 31 July 2021 amounts to R0.00. The municipality were closed since lockdown and gradually returned to work as the lockdown level were eased. The actual performance is -15% lower than the year-to-date budget.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R4,717,061 for month ended 31 July 2021. The municipality gradually returned to work as the lockdown level were eased.

The other expenditure consists of the following:

- Operating costs
- Operating Projects (own funds)

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

DC4 Garden Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote Description	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		4 013	—	—	—	—	—	—	—	—
Vote 2 - Budget and Treasury Office		—	—	—	—	—	—	—	—	—
Vote 3 - Corporate Services		—	1 500	—	5	5	125	(120)	-96%	1 500
Vote 4 - Planning and Development		—	—	—	—	—	—	—	—	—
Vote 5 - Public Safety		—	200	—	—	—	17	(17)	-100%	200
Vote 6 - Health		—	7 000	—	—	—	583	(583)	-100%	7 000
Vote 7 - Community and Social Services		—	—	—	—	—	—	—	—	—
Vote 8 - Sport and Recreation		3 000	—	—	—	—	—	—	—	—
Vote 9 - Waste Management		—	60 000	—	—	—	5 000	(5 000)	-100%	60 000
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	7 013	68 700	—	5	5	5 725	(5 720)	-100%	68 700
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		355	30	—	—	—	3	(3)	-100%	30
Vote 2 - Budget and Treasury Office		86	30	—	—	—	3	(3)	-100%	30
Vote 3 - Corporate Services		2 461	5 130	—	—	—	428	(428)	-100%	5 130
Vote 4 - Planning and Development		179	90	—	—	—	8	(8)	-100%	90
Vote 5 - Public Safety		30	—	—	—	—	—	—	—	—
Vote 6 - Health		50	63	—	—	—	5	(5)	-100%	63
Vote 7 - Community and Social Services		—	—	—	—	—	—	—	—	—
Vote 8 - Sport and Recreation		2 522	2 130	—	—	—	178	(178)	-100%	2 130
Vote 9 - Waste Management		—	—	—	—	—	—	—	—	—
Vote 10 - Roads Transport		1 400	—	—	—	—	—	—	—	—
Vote 11 - Waste Water Management		—	—	—	—	—	—	—	—	—
Vote 12 - Water		—	—	—	—	—	—	—	—	—
Vote 13 - Environment Protection		—	—	—	—	—	—	—	—	—
Vote 14 - Roads Agency Function		—	—	—	—	—	—	—	—	—
Vote 15 - Electricity		—	—	—	—	—	—	—	—	—
Total Capital single-year expenditure	4	7 083	7 473	—	—	—	623	(623)	-100%	7 473
Total Capital Expenditure		14 096	76 173	—	5	5	6 348	(6 343)	-100%	76 173
Capital Expenditure - Functional Classification										
Governance and administration		6 915	13 750	—	5	5	1 146	(1 141)	-100%	13 750
Executive and council		4 424	30	—	—	—	3	(3)	-100%	30
Finance and administration		2 483	13 720	—	5	5	1 143	(1 139)	-100%	13 720
Internal audit		9	—	—	—	—	—	—	—	—
Community and public safety		5 602	2 363	—	—	—	197	(197)	-100%	2 363
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		5 522	2 130	—	—	—	178	(178)	-100%	2 130
Public safety		30	200	—	—	—	17	(17)	-100%	200
Housing		—	—	—	—	—	—	—	—	—
Health		50	33	—	—	—	3	(3)	-100%	33
Economic and environmental services		1 579	60	—	—	—	5	(5)	-100%	60
Planning and development		179	60	—	—	—	5	(5)	-100%	60
Road transport		1 400	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		—	60 000	—	—	—	5 000	(5 000)	-100%	60 000
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	60 000	—	—	—	5 000	(5 000)	-100%	60 000
Other		—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Functional Classification	3	14 096	76 173	—	5	5	6 348	(6 343)	-100%	76 173
Funded by:										
National Government		1 661	—	—	—	—	—	—	—	—
Provincial Government		—	—	—	—	—	—	—	—	—
District Municipality		—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		2 500	—	—	—	—	—	—	—	—
Transfers recognised - capital		4 161	—	—	—	—	—	—	—	—
Borrowing	6	9 935	16 173	—	5	5	1 348	(1 343)	-100%	16 173
Internally generated funds		—	—	—	—	—	—	—	—	—
Total Capital Funding		14 096	76 173	—	5	5	6 348	(6 343)	-100%	76 173

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

SCOA config	Nr	Project description	Cost centre	Original Budget R'000	YTD Expenditure R'	Status of the project	Any challenges identified that is resulting in delays?
71120006635	1	Office furniture: Office MM	1001	30 000,00		In Process	No expected challenges anticipated
71204240001	2	Office equipment: CFO	1204	30 000,00		Order Issued to Supplier	No expected challenges anticipated
71207230002	3	Replacing ICT Capital Equipment beyond economical repairs	1207	1 472 000,00		In Process	No expected challenges anticipated
71207230004	4	ICT Infrastructure	1207	4 500 000,00		In Process	No expected challenges anticipated
71301240001	5	Office furniture: Exec Manager Corporate Services	1301	30 000,00		In Process	No expected challenges anticipated
71307104125	6	Monitors	1307	28 000,00	4 513,04	Order Issued to Supplier	No expected challenges anticipated
71308230001	7	Hygiene Equipment	1308	600 000,00		In Process	No expected challenges anticipated
71120006639	8	Office Furniture & Equipment: Man Planning&Dev	1401	30 000,00		In Process	No expected challenges anticipated
71402400001	9	Air Conditioner	1402	20 000,00		In Process	No expected challenges anticipated
71408400001	10	Office Furniture: Human Settlements	1408	40 000,00		In Process	No expected challenges anticipated
71801240001	11	Office of the executive manager Community: office equipment	1801	30 000,00		In Process	No expected challenges anticipated
71801310001	12	Firestation: Mosselbay	1801	7 000 000,00		In Process	No expected challenges anticipated
72502006589	13	Mosselbay EHP	1802	0,00		In Process	No expected challenges anticipated
71804310001	14	ODN EHP shadenet insurance	1804	6 164,00		In Process	No expected challenges anticipated
71805102408	15	Laminator - Insurance claim	1805	5 000,00		In Process	No expected challenges anticipated

SCOA config	Nr	Project description	Cost centre	Original Budget R'000	YTD Expenditure R'	Status of the project	Any challenges identified that is resulting in delays?
71805104010	16	Blinds - Insurance claim	1805	5 500,00		In Process	No expected challenges anticipated
71805104155	17	IT Equipment - Insurance claim	1805	12 060,00		In Process	No expected challenges anticipated
71806240001	18	Knysna EHP insurance claims	1806	3 800,00		In Process	No expected challenges anticipated
72205160001	19	Calitzdorp Spa Roof's	2205	2 000 000,00		In Process	No expected challenges anticipated
72205230001	20	Power Tools	2205	80 000,00		In Process	No expected challenges anticipated
72205230002	21	Wet Fuel Generator	2205	50 000,00		In Process	No expected challenges anticipated
72305230001	22	Hazmat Rescue & Fire Equipment	2305	200 000,00		In Process	No expected challenges anticipated
74402100901	23	Landfill Site: PPE	4402	60 000 000,00		In Process	No expected challenges anticipated
Totals				76 172 524,00	4 513,04		

Project status: If the project is in the SCM process of being procured. Please state in which stage (planning, specification, advertising, etc)				
Commitments against capital for the month July 2021				
71204240001	2	Office equipment: CFO	1204	16 331,38
71307104125	6	Monitors	1307	25 566,80
		Total Commitments		41 898,18

3.1.6 Table C6: Monthly Budget Statement - Financial Position

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

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		143 131	164 643		10 353	164 643
Call investment deposits					205 000	
Consumer debtors					6 574	
Other debtors		23 956	24 106		3 795	24 106
Current portion of long-term receivables		3 867	3 733		4 293	3 733
Inventory		2 731	2 669		3 820	2 669
Total current assets		173 685	195 152	–	233 835	195 152
Non current assets						
Long-term receivables		59 705	52 945		52 945	52 945
Investments		27	27		26	27
Investment property		86 108	51 682		54 071	51 682
Investments in Associate						
Property, plant and equipment		166 336	227 652		169 144	227 652
Biological						
Intangible		2 139	2 113		1 245	2 113
Other non-current assets						
Total non current assets		314 316	334 418	–	277 430	334 418
TOTAL ASSETS		488 001	529 570	–	511 266	529 570
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft						
Borrowing					223	
Consumer deposits					339	
Trade and other payables		37 449	31 478		24 408	31 478
Provisions			34 270		25 258	34 270
Total current liabilities		37 449	65 748	–	50 229	65 748
Non current liabilities						
Borrowing		28	60 000		793	60 000
Provisions		144 823	135 506		125 059	135 506
Total non current liabilities		144 852	195 506	–	125 852	195 506
TOTAL LIABILITIES		182 301	261 254	–	176 080	261 254
NET ASSETS	2	305 700	268 316	–	335 185	268 316
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		286 727	201 063		269 900	201 063
Reserves		18 973	67 253		65 285	67 253
TOTAL COMMUNITY WEALTH/EQUITY	2	305 700	268 316	–	335 185	268 316

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2020/21	Budget Year 2021/22							
		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		204 407	221 849		18 469	18 469	18 487	(18)	0%	221 849
Transfers and Subsidies - Operational		179 813	187 375		71 590	71 590	15 615	55 975	358%	187 375
Transfers and Subsidies - Capital		-	-				-	-		
Interest		15 801	11 470		242	242	956	(713)	-75%	11 470
Dividends								-		
Payments										
Suppliers and employees		(409 171)	(428 096)		27 486	27 486	(35 675)	(63 161)	177%	(428 096)
Finance charges		-	(70)		-	-	(6)	(6)	100%	(70)
Transfers and Grants		(1 965)	-				-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		(11 114)	(7 472)	-	117 788	117 788	(623)	(118 411)	19017%	(7 472)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		3 652	-					-		
Decrease (increase) in non-current receivables		3 636	-					-		
Decrease (increase) in non-current investments		-	-		(48 931)	(48 931)		(48 931)	#DIV/0!	
Payments										
Capital assets		(6 923)	(76 173)		(5)	(5)	(6 348)	(6 343)	100%	(76 173)
NET CASH FROM/(USED) INVESTING ACTIVITIES		366	(76 173)	-	(48 936)	(48 936)	(6 348)	42 588	-671%	(76 173)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing			60 000				5 000	(5 000)	-100%	60 000
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	60 000	-	-	-	5 000	5 000	100%	60 000
NET INCREASE/ (DECREASE) IN CASH HELD		(10 748)	(23 644)	-	68 853	68 853	(1 970)			(23 644)
Cash/cash equivalents at beginning:		169 768	188 287		146 853	146 853	188 287			146 853
Cash/cash equivalents at month/year end:		159 020	164 643	-		215 706	186 317			123 209

The municipal bank balance at 31 July 2021 totals R5 714 767 and there was short term deposits made of R200 000 000 and call account deposits of R10 000 000. Total cash available at month-end is therefore 215,714,767

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

REPORTING MONTH: 31 JULY 2021		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 July 2021	146 853 223,26	5 714 767,55
Other Cash & Cash Equivalents: Short term deposits	-	210 000 000,00
Total Cash & Cash Equivalents:	146 853 223,26	215 714 767,55
LESS:	82 212 708,54	137 207 099,49
Unspent Conditional Grants	5 207 021,15	6 601 468,22
Provision for staff leave	13 904 229,27	13 904 229,27
Provision for bonus	3 924 018,00	3 924 018,00
Post Retirement Benefits	37 463 916,00	37 463 916,00
Performance Bonus	1 131 246,00	1 131 246,00
Grant received in advance		
Trade Payables	8 217 278,12	6 317 222,00
YTD Unspent Capital budget	-	5 500 000,00
YTD Unspent Operational budget	12 365 000,00	62 365 000,00
Sub total	64 640 514,72	78 507 668,06
PLUS:	10 158 539,00	8 272 694,00
VAT Receivable	2 148 048,00	1 248 077,00
Receivable Exchange	8 010 491,00	7 024 617,00
	74 799 053,72	86 780 362,06
LESS OTHER MATTERS:		
Capital Replacement Reserve	31 856 144,00	31 856 144,00
Employee Benefits Reserves	33 429 212,00	33 429 212,00
Sub Total	9 513 697,72	21 495 006,06
LESS: CONTINGENT LIABILITIES	7 701 377,00	7 701 377,00
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Portion of Portion 2 of Farm 238, Hooggekraal	353 441,00	353 441,00
Erf 99, Glentana	197 936,00	197 936,00
Labour disputes	2 650 000,00	2 650 000,00
Recalculated available cash balance	1 812 320,72	13 793 629,06
Total monthly commitments	17 740 166,67	18 272 371,67

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

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

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July														
Description		Budget Year 2021/22												
	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	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 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							60	(48)	12	12			
Interest on Arrear Debtor Accounts	1810	242	233	232	230	230	227	1 513	3 792	6 700	5 992			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-			
Other	1900	(137)	1 249	127	528	164	357	4 605	25 175	32 070	30 830			
Total By Income Source	2000	106	1 481	360	758	394	584	6 179	28 919	38 782	36 835	-	-	
2020/21 - totals only														
										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	(269)	14	14	16	28	135	553	1 428	1 919	2 160			
Commercial	2300	-	-	-	-	-	-	-	-	-	-			
Households	2400	(1)	-	-	-	-	-	0	-	(1)	0			
Other	2500	376	1 468	346	743	366	449	5 626	27 491	36 865	34 675			
Total By Customer Group	2600	106	1 481	360	758	394	584	6 179	28 919	38 782	36 835	-	-	

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

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

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

Currently the debtor section initiated debt collection processes and will report quarterly to the financial services committee on the debt collection process.

Section 5 – Creditors' analysis

Supporting Table C4

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

Budget Year 2021/22												Prior year totals for char (same period)
Description	NT Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total		
R thousands		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year			
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	616	4 555	1 247	87	37	8	187	391	7 128		
Auditor General	0800										-	
Other	0900										-	
Total By Customer Type	1000	616	4 555	1 247	87	37	8	187	391	7 128		

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 July 2021	Movements for the month			Balance as at 30 July 2021	Interest earned	Interest earned
		Investments matured	Investments made	Interest capitalised			
						Month	Year to date
Garden Route District Municipality							
<i>Interest Received YTD</i>	-				-		
<i>Standard Bank</i>	-	-	-95 000 000,00		-95 000 000,00	-	-
<i>Investec Bank</i>	-	-	-		-	-	-
<i>ABSA</i>	-	-	-42 000 000,00		-42 000 000,00	-	-
<i>Nedbank</i>	-	-	-63 000 000,00		-63 000 000,00	-	-
<i>FNB</i>	-	-	-		-	-	-
<i>Standard Bank - Bank Guarantee investment investment</i>	-				-	-	-
BANK DEPOSITS	-	-	-200 000 000,00	-	-200 000 000,00	-	-

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

Section 7 – Allocation and grant receipts and expenditure

7.1 Supporting Table C6

DC4 Garden Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		162 568	177 702	–	71 590	71 590	14 809	55 884	377,4%	177 702
Local Government Equitable Share		157 370	167 653		69 855	69 855	13 971	55 884	400,0%	167 653
Finance Management		1 000	1 000				83			1 000
Municipal Systems Improvement			4 500				375			4 500
EPWP Incentive		1 629	2 071				173			2 071
NT - Rural Roads Asset Management Systems		2 569	2 478		1 735	1 735	207			2 478
Fire Service Capacity Building Grant								–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		2 859	8 473	–	–	–	706	(96)	-13,6%	8 473
PT - Integrated Transport Plan		900	900				75	(75)	-100,0%	900
PT - Municipal Accreditation & Capacity Building Grant		–	5 000				417			5 000
PT - Fire Service Capacity Building Grant		–	–				–	–		–
PT - Financial Management Capacity Building Grant		–	250				21	(21)	-100,0%	250
PT - WC Support Grant		280					–			–
PT - Disaster Management Grant		–					–			–
PT - WC Support Grant		379					–			–
PT - Safety Plan Implementation (WOSA)		1 300	2 323				194			2 323
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Operating Transfers and Grants	5	165 427	186 175	–	71 590	71 590	15 515	55 788	359,6%	186 175

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

7.2 Supporting Table C7

DC4 Garden Route - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

DC4 Garden Route - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July										
Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>EXPENDITURE</u>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		162 568	177 702	–	485	485	14 809	(14 324)	-96,7%	177 702
Local Government Equitable Share		157 370	167 653				13 971	(13 971)	-100,0%	167 653
Finance Management		1 000	1 000		42	42	83	(41)	-49,1%	1 000
Municipal Systems Improvement		–	4 500				375	(375)	-100,0%	4 500
EPWP Incentive		1 629	2 071		443	443	173	270	156,5%	2 071
NT - Rural Roads Asset Management Systems		2 569	2 478				207	(207)	-100,0%	2 478
Fire Service Capacity Building Grant								–		
Other transfers and grants [insert description]								–		
Provincial Government:		2 859	8 473	–	–	–	706	(685)	-97,0%	–
PT - Integrated Transport Plan		900	900				75	(75)	-100,0%	
PT - Fire Service Capacity Building Grant		–	5 000				417	(417)	-100,0%	
PT - Financial Management Capacity Building Grant		–	–				–	–		
PT - WC Support Grant		–	250				21			
PT - WC Support Grant		280					–			
PT - Disaster Management Grant		–					–			
PT - WC Support Grant		379					–			
PT - Safety Plan Implementation (WOSA)		1 300	2 323				194	(194)	-100,0%	
								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total operating expenditure of Transfers and Grants:		165 427	186 175	–	485	485	15 515	(15 009)	-96,7%	177 702

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

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

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

Supporting Table C8

DC4 Garden Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		11 298	11 298		949	949	942	7	1%	11 298
Pension and UIF Contributions		242	242		–	–	20	(20)	-100%	242
Medical Aid Contributions		78	78		–	–	6	(6)	-100%	78
Motor Vehicle Allowance		776	776		–	–	65	(65)	-100%	776
Cellphone Allowance		515	–		2	2	–	2	#DNV/0!	
Housing Allowances		451	451		–	–	38	(38)	-100%	451
Other benefits and allowances		–	515		–	–	43	(43)	-100%	515
Sub Total - Councillors		13 360	13 360	–	950	950	1 113	(163)	-15%	13 360
% increase	4		0,0%							0,0%
Senior Managers of the Municipality										
Basic Salaries and Wages		4 390	4 587		474	474	382	91	24%	4 587
Pension and UIF Contributions		161	1 484		0	0	124	(123)	-100%	1 484
Medical Aid Contributions		105	113		5	5	9	(5)	-50%	113
Overtime		–	–		–	–	–	–		
Performance Bonus		–	–		–	–	–	–		
Motor Vehicle Allowance		804	840		41	41	70	(28)	-41%	840
Cellphone Allowance		142	148		9	9	12	(3)	-27%	148
Housing Allowances		–	–		–	–	–	–		
Other benefits and allowances		770	804		–	–	67	(67)	-100%	804
Payments in lieu of leave		–	–		–	–	–	–		
Long service awards		–	–		–	–	–	–		
Post-retirement benefit obligations		–	–		–	–	–	–		
Sub Total - Senior Managers of Municipality		6 371	7 977	–	529	529	665	(136)	-20%	7 977
% increase	4		25,2%							25,2%
Other Municipal Staff										
Basic Salaries and Wages		150 980	160 610		12 993	12 993	13 384	(391)	-3%	160 610
Pension and UIF Contributions		24 725	24 941		2 054	2 054	2 078	(25)	-1%	24 941
Medical Aid Contributions		19 890	21 819		1 877	1 877	1 818	59	3%	21 819
Overtime		4 080	5 011		361	361	418	(56)	-13%	5 011
Performance Bonus		–	–		–	–	–	–		
Motor Vehicle Allowance		9 384	9 909		847	847	826	22	3%	9 909
Cellphone Allowance		122	137		9	9	11	(2)	-17%	137
Housing Allowances		2 463	2 531		844	844	211	633	300%	2 531
Other benefits and allowances		18 195	14 583		489	489	1 215	(727)	-60%	14 583
Payments in lieu of leave		–	4 724		176	176	394	(218)	-55%	4 724
Long service awards		–	90		–	–	8	(8)	-100%	90
Post-retirement benefit obligations		9 942	8 586		–	–	715	(715)	-100%	8 586
Sub Total - Other Municipal Staff		239 781	252 941	–	19 650	19 650	21 078	(1 428)	-7%	252 941
% increase	4		5,5%							5,5%
Total Parent Municipality		259 512	274 277	–	21 130	21 130	22 856	(1 727)	-8%	274 277

Remuneration related expenditure for the month ended 30 June 2021 amounted to R21,190,129.

Section 9 – Municipal manager's quality certification



54 York Street,
George
Western Cape
6529

PO Box 12,
George,
Western Cape
6530

Tel: 044 803 1300
Fax: 086 555 6303
E-mail: info@gardenroute.gov.za
www.gardenroute.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek
Reference: 6/1/1 – 21/22
Date: 13 August 2021

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

National Treasury
Local Government Budget Analysis
Private Bag X115
PRETORIA

Sir / Madam

QUALITY CERTIFICATE

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

- ☐ **The monthly budget statement**
 - ☐ Quarterly report on the implementation of the budget and financial state of affairs of the municipality
 - ☐ Mid- year budget and performance assessment
- for the month ended **31 July 2021**, has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

Print Name Moude Stratu

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

Signature [Signature]
Date 13/8/2021