



2022/2023
FINANCIAL YEAR

MONTHLY FINANCIAL MONITORING REPORT

M02: 31 August 2022



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 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 August 2022.

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 August 2022 amounted to **R50,089,476** which represents **10%** of the total adjusted budgeted figure of **R485,810,961 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 31 August 2022 amounted to **R 31,830,230** with a total adjusted budgeted figure of **R492,543,134 (including Roads)**, the operational expenditure for the month is **6.0%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R22,282,720 (70% of the monthly expenditure)**.

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R 126,857,299**. Capital expenditure of **R194,612** were recorded for the month ended 31 August 2022.

Refer to page 14 & 15 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 August 2022 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 - M02 August

Description	2021/22	Budget Year							
	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	–	11 168	11 168	–	–	1 861	(1 861)	-100%	11 168
Investment revenue	8 271	9 010	9 010	779	779	322	458	142%	9 010
Transfers and subsidies	183 567	228 660	234 121	1 727	70 903	87 905	(17 001)	-19%	234 121
Other own revenue	204 463	220 312	220 312	45 843	48 806	13 635	35 171	258%	220 312
Total Revenue (excluding capital transfers and contributions)	396 301	469 150	474 611	48 350	120 489	103 723	16 766	16%	474 611
Employee costs	275 308	288 669	288 731	21 265	42 956	48 089	(5 132)	-11%	288 731
Remuneration of Councillors	11 829	12 542	12 542	1 018	2 375	2 090	284	14%	12 542
Depreciation & asset impairment	4 605	4 986	4 986	348	695	831	(136)	-16%	4 986
Finance charges	28	73	73	–	–	12	(12)	-100%	73
Inventory consumed and bulk purchases	44 148	51 011	51 286	3 309	6 201	3 526	2 675	76%	51 286
Transfers and subsidies	5 296	1 835	2 185	249	279	343	(64)	-19%	2 185
Other expenditure	74 405	128 180	132 739	5 642	8 711	16 519	(7 808)	-47%	132 739
Total Expenditure	415 618	487 297	492 543	31 830	61 217	71 410	(10 193)	-14%	492 543
Surplus/(Deficit)	(19 317)	(18 147)	(17 932)	16 520	59 272	32 313	26 959	83%	(17 932)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	4 000	4 000	1 739	1 739	667	1 072	161%	4 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers	191	7 200	7 200	–	–	1 200	(1 200)	-100%	7 200
Surplus/(Deficit) after capital transfers & contributions	(19 126)	(6 947)	(6 732)	18 259	61 011	34 179	26 832	79%	(6 732)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(19 126)	(6 947)	(6 732)	18 259	61 011	34 179	26 832	79%	(6 732)
Capital expenditure & funds sources									
Capital expenditure	26 307	126 642	126 857	195	195	21 138	(20 943)	-99%	126 857
Capital transfers recognised	381	11 200	11 415	–	–	1 903	(1 903)	-100%	11 415
Borrowing	3 617	107 232	107 232	195	195	17 872	(17 677)	-99%	107 232
Internally generated funds	22 309	8 210	8 210	–	–	1 363	(1 363)	-100%	8 210
Total sources of capital funds	26 307	126 642	126 857	195	195	21 138	(20 943)	-99%	126 857
Financial position									
Total current assets	147 663	283 780	159 329		213 514				159 329
Total non current assets	286 975	431 969	420 645		296 082				420 645
Total current liabilities	53 413	33 460	55 097		37 355				55 097
Total non current liabilities	131 669	376 559	252 395		143 987				252 395
Community wealth/Equity	249 556	305 730	272 482		328 253				272 482
Cash flows									
Net cash from (used) operating	271 359	(12 537)	(12 322)	18 606	61 706	(2 054)	63 760	-3105%	(12 322)
Net cash from (used) investing	(8 144)	(126 642)	(126 857)	(80 296)	(80 296)	(21 138)	(18 018)	85%	(126 857)
Net cash from (used) financing	–	107 232	107 232	–	–	17 872	–		107 232
Cash/cash equivalents at the month/year end	432 966	231 095	110 111	167 365	167 365	136 739			110 111
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	2 147	461	669	328	364	1 757	2 146	33 579	41 451
Creditors Age Analysis									
Total Creditors	217	88	1 040	4	–	–	132	454	1 934

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) - M02 August

Description	Ref	2021/22	Budget Year 2022/23							
		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>		221 855	285 116	290 577	34 718	77 374	95 345	(17 971)	-19%	290 577
Executive and council		220 980	284 542	290 003	34 601	77 235	95 345	(18 110)	-19%	290 003
Finance and administration		875	574	574	117	139	-	139	#DIV/0!	574
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8 440	8 175	8 175	(113)	603	83	520	626%	8 175
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		8 134	7 761	7 761	(125)	534	33	500	1501%	7 761
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		306	414	414	12	69	50	20	39%	414
<i>Economic and environmental services</i>		166 063	174 784	174 784	15 484	44 251	8 116	36 135	445%	174 784
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		165 982	174 659	174 659	15 475	44 234	8 110	36 124	445%	174 659
Environmental protection		80	125	125	9	17	6	11	172%	125
<i>Trading services</i>		-	12 275	12 275	-	-	2 046	(2 046)	-100%	12 275
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	12 275	12 275	-	-	2 046	(2 046)	-100%	12 275
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	396 358	480 350	485 811	50 089	122 228	105 590	16 639	16%	485 811
Expenditure - Functional										
<i>Governance and administration</i>		138 320	183 489	183 839	10 822	19 781	30 665	(10 884)	-35%	183 839
Executive and council		48 486	51 514	51 514	3 380	5 978	7 741	(1 763)	-23%	51 514
Finance and administration		87 078	129 055	129 405	7 201	13 333	22 443	(9 110)	-41%	129 405
Internal audit		2 756	2 919	2 919	241	470	481	(11)	-2%	2 919
<i>Community and public safety</i>		83 854	89 679	89 679	6 381	12 470	14 137	(1 667)	-12%	89 679
Community and social services		9 004	7 917	8 178	536	1 049	1 528	(479)	-31%	8 178
Sport and recreation		11 768	13 387	13 387	853	1 603	1 813	(210)	-12%	13 387
Public safety		26 063	28 916	28 654	2 015	3 825	4 462	(637)	-14%	28 654
Housing		-	-	-	-	-	-	-	-	-
Health		37 019	39 460	39 460	2 977	5 992	6 334	(342)	-5%	39 460
<i>Economic and environmental services</i>		188 785	197 403	202 299	14 358	28 391	24 107	4 284	18%	202 299
Planning and development		16 743	16 302	19 419	1 193	2 535	3 083	(549)	-18%	19 419
Road transport		168 568	177 203	178 982	12 861	25 310	20 427	4 883	24%	178 982
Environmental protection		3 474	3 898	3 898	305	546	597	(50)	-8%	3 898
<i>Trading services</i>		2 178	14 051	14 051	130	298	2 196	(1 898)	-86%	14 051
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 178	14 051	14 051	130	298	2 196	(1 898)	-86%	14 051
<i>Other</i>		2 482	2 676	2 676	140	278	306	(28)	-9%	2 676
Total Expenditure - Functional	3	415 618	487 297	492 543	31 830	61 217	71 410	(10 193)	-14%	492 543
Surplus/ (Deficit) for the year		(19 261)	(6 947)	(6 732)	18 259	61 011	34 179	26 832	79%	(6 732)

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) - M02 August

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		221 115	284 542	290 003	34 601	77 235	95 345	(18 110)	-19,0%	290 003
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services	8	-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		867	574	574	117	139	-	139	#DIV/0!	574
Vote 6 - Corporate Services (cont)		-	-	-	-	-	-	-	-	-
Vote 7 - Community Services		306	414	414	12	69	50	20	39,4%	414
Vote 8 - Community Services (cont)		80	12 400	12 400	9	17	2 052	(2 035)	-99,2%	12 400
Vote 9 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)		4 763	3 015	3 015	(158)	411	33	377	1131,8%	3 015
Vote 11 - Planning and Economic Development(cont2)		3 371	4 746	4 746	33	123	-	123	#DIV/0!	4 746
Vote 12 - Roads		165 982	174 659	174 659	15 475	44 234	8 110	36 124	445,4%	174 659
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	396 492	480 350	485 811	50 089	122 228	105 590	16 639	15,8%	485 811
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		55 068	56 625	56 625	4 071	7 071	8 604	(1 533)	-17,8%	56 625
Vote 2 - Office of the Municipal Manager (cont)		6 326	6 208	6 208	495	964	962	2	0,2%	6 208
Vote 3 - Financial Services		18 395	20 275	20 275	1 372	2 819	3 443	(625)	-18,1%	20 275
Vote 4 - Financial Services (cont)		5 525	5 902	5 902	485	942	957	(15)	-1,5%	5 902
Vote 5 - Corporate Services		16 093	54 827	54 827	1 276	2 301	8 996	(6 695)	-74,4%	54 827
Vote 6 - Corporate Services (cont)		24 572	26 371	26 721	2 212	4 008	5 175	(1 167)	-22,5%	26 721
Vote 7 - Community Services		48 451	51 577	51 838	3 813	7 494	8 519	(1 024)	-12,0%	51 838
Vote 8 - Community Services (cont)		30 589	45 657	45 395	2 362	4 509	7 080	(2 571)	-36,3%	45 395
Vote 9 - Planning and Economic Development		16 728	17 965	20 981	1 236	2 359	3 686	(1 327)	-36,0%	20 981
Vote 10 - Planning and Economic Development (cont)		22 365	21 210	21 312	1 328	2 930	3 070	(140)	-4,6%	21 312
Vote 11 - Planning and Economic Development(cont2)		2 939	3 478	3 478	319	508	490	19	3,8%	3 478
Vote 12 - Roads		98 845	101 065	102 949	8 430	16 569	13 643	2 926	21,4%	102 949
Vote 13 - Roads (cont)		69 723	76 138	76 033	4 431	8 742	6 784	1 957	28,8%	76 033
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	415 618	487 297	492 543	31 830	61 217	71 410	(10 193)	-14,3%	492 543
Surplus/ (Deficit) for the year	2	(19 126)	(6 947)	(6 732)	18 259	61 011	34 179	26 832	78,5%	(6 732)

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) - M02 August

B04 Garden Route - Table B4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - MoZ August										
Description	Ref	2021/22	Budget Year 2022/23							
		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		-			-		1 861	(1 861)	-100%	11 168
Rental of facilities and equipment		1 039	2 469	2 469	-	196	403	(207)	-51%	2 469
Interest earned - external investments		8 271	9 010	9 010	779	779	322	458	142%	9 010
Interest earned - outstanding debtors		2 751	3 180	3 180	257	545	526	20	4%	3 180
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licences and permits		80	125	125	9	17	6	11	172%	125
Agency services		183 028	189 287	189 287	45 274	46 583	10 624	35 959	338%	189 287
Transfers and subsidies		183 567	228 660	234 121	1 727	70 903	87 905	(17 001)	-19%	234 121
Other revenue		17 556	22 711	22 711	303	1 465	1 654	(188)	-11%	22 711
Gains		8	2 540	2 540	-	-	423	(423)	-100%	2 540
Total Revenue (excluding capital transfers and contributions)		396 301	469 150	474 611	48 350	120 489	103 723	16 766	16%	474 611
Expenditure By Type										
Employee related costs		275 308	288 669	288 731	21 265	42 956	48 089	(5 132)	-11%	288 731
Remuneration of councillors		11 829	12 542	12 542	1 018	2 375	2 090	284	14%	12 542
Debt impairment		5 976	1 560	1 560	-	-	260	(260)	-100%	1 560
Depreciation & asset impairment		4 605	4 986	4 986	348	695	831	(136)	-16%	4 986
Finance charges		28	73	73	-	-	12	(12)	-100%	73
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		44 148	51 011	51 286	3 309	6 201	3 526	2 675	76%	51 286
Contracted services		20 812	79 177	81 010	1 832	2 123	11 065	(8 942)	-81%	81 010
Transfers and subsidies		5 296	1 835	2 185	249	279	343	(64)	-19%	2 185
Other expenditure		47 465	47 370	50 097	3 905	6 686	5 181	1 504	29%	50 097
Losses		152	73	73	(96)	(98)	12	(110)	-906%	73
Total Expenditure		415 618	487 297	492 543	31 830	61 217	71 410	(10 193)	-14%	492 543
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(19 317)	(18 147)	(17 932)	16 520	59 272	32 313	26 959	0	(17 932)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		134	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		57	7 200	7 200	-	-	1 200	(1 200)	(0)	7 200
Surplus/(Deficit) after capital transfers & contributions		(19 126)	(6 947)	(6 732)	18 259	61 011	34 179			(6 732)
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		(19 126)	(6 947)	(6 732)	18 259	61 011	34 179			(6 732)
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		(19 126)	(6 947)	(6 732)	18 259	61 011	34 179			(6 732)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		(19 126)	(6 947)	(6 732)	18 259	61 011	34 179			(6 732)

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 municipality recorded no income for rental of facilities and equipment reported for the month ended 31 August 2022.

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 August 2022 amounts to R244,429.

Interest raised – Outstanding debtors

The interest on outstanding debtors for the month of 31 August 2022 amounts to R256 775.

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 August 2022 to the amount of R1,308,478.

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 R67,361,000 for the Equitable Share was received during July 2022. The municipality received its first instalment of R1,815,000 for the Rural Roads Assets Management Grant during July 2022. The municipality received R1,000,000 for the Financial Management Grant (FMG), R610,000 the first instalment of the EPWP grant and a R2,000,000 for the EEDS grant from the National Treasury for the month end 31 August 2022, VAT were deducted from the income amount and only R1.7 reflects on the income statement, the correction journal will be processed in September 2022 month end.

Other revenue / Sundry income

Other revenue reflects an amount of R303,091 for the month ended 31 August 2022. 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 August 2022 amounted to R22,282,720 of a budgeted amount R301,273,202 that represents 7% of the budgeted amount and 70% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

Depreciation of R347,618 was recognised in August 2022.

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 February 2023.

Other materials

Other materials consists of all inventory consumed purchases for materials and supplies and amounts to R3,309,047 for the month ended 31 August 2022 against an adjusted budgeted amount of R51,285,574. The actual performance is -27% off from the year-to-date budget.

Contracted services

The contracted services for the month ended 31 August 2022 amounts to R1,831,964 against an adjusted budgeted amount of R81,010,020.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 31 August 2022 amounts to R249,050 against an adjusted budgeted amount of R2,185,200.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R3,905,474 for month ended 31 August 2022.

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) - M02 August

Vote Description	Ref	2021/22	Budget Year 2022/23							
		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 - Office of the Municipal Manager		10	30	30	-	-	5	-		30
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-		-
Vote 3 - Financial Services		19	30	30	-	-	5	(5)	-100%	30
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-		-
Vote 5 - Corporate Services		30	30	30	-	-	5	(5)	-100%	30
Vote 6 - Corporate Services (cont)		16	250	250	-	-	42	(42)	-100%	250
Vote 7 - Community Services		26	6 890	6 890	-	-	1 148	(1 148)	-100%	6 890
Vote 8 - Community Services (cont)		3 617	107 382	107 382	195	195	17 897	(17 702)	-99%	107 382
Vote 9 - Planning and Economic Development		33	7 230	7 445	-	-	1 241	(1 241)	-100%	7 445
Vote 10 - Planning and Economic Development (cont)		-	4 800	4 800	-	-	800	(800)	-100%	4 800
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-		-
Vote 12 - Roads		-	-	-	-	-	-	-		-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	3 752	126 642	126 857	195	195	21 143	(20 948)	-99%	126 857
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		(862)	-	-	-	-	-	-		-
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-		-
Vote 3 - Financial Services		-	-	-	-	-	-	-		-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-		-
Vote 5 - Corporate Services		376	-	-	-	-	-	-		-
Vote 6 - Corporate Services (cont)		3 533	-	-	-	-	-	-		-
Vote 7 - Community Services		732	-	-	-	-	-	-		-
Vote 8 - Community Services (cont)		368	-	-	-	-	-	-		-
Vote 9 - Planning and Economic Development		1	-	-	-	-	-	-		-
Vote 10 - Planning and Economic Development (cont)		7 359	-	-	-	-	-	-		-
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-		-
Vote 12 - Roads		5 463	-	-	-	-	-	-		-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		5 585	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	22 555	-	-	-	-	-	-		-
Total Capital Expenditure		26 307	126 642	126 857	195	195	21 143	(20 948)	-99%	126 857

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

SCOA config	Nr	Project description	Cost centre	Original Budget R'000	Adjusted budget R'	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	30 000,00		Order Issued to Supplier	No expected challenges anticipated
71010110001	2	Upgrading of buildings - Retrofitting EEDS	1010	4 000 000,00	4 000 000,00		In Process	No expected challenges anticipated
71010190001	3	Fresh Produce Market	1010	800 000,00	800 000,00		In Process	No expected challenges anticipated
71204240001	4	Office equipment: CFO	1204	30 000,00	30 000,00		In Process	No expected challenges anticipated
71207230002	5	Replacing ICT Capital Equipment beyond economical repairs	1207	51 000,00	51 000,00		In Process	No expected challenges anticipated
71301240001	6	Office furniture: Exec Manager Corporate Services	1301	26 500,00	26 500,00		Order Issued to Supplier	No expected challenges anticipated
71120006639	7	Office Furniture & Equipment: Man Planning&Dev	1401	30 000,00	30 000,00		In Process	No expected challenges anticipated
71403103104	8	Donated Properties - 2 x Wilderness	1403	1 200 000,00	1 200 000,00		In Process	No expected challenges anticipated
71403103105	9	Donated Properties - King George Park	1403	1 000 000,00	1 000 000,00		In Process	No expected challenges anticipated
71403103106	10	Donated Properties - Heatherlands	1403	2 500 000,00	2 500 000,00		In Process	No expected challenges anticipated
71403103107	11	Donated Properties - Fresh Produce	1403	2 500 000,00	2 500 000,00		In Process	No expected challenges anticipated
71602230001	12	Mosselbay JOC equipment	1602	1 000 000,00	1 000 000,00		In Process	No expected challenges anticipated
71801240001	13	Office of the executive manager Community: office equipment	1801	30 000,00	30 000,00		In Process	No expected challenges anticipated
71801310001	14	Firestation: George	1801	5 860 000,00	5 860 000,00		In Process	No expected challenges anticipated
72305230001	15	Hazmat Rescue & Fire Equipment	2305	150 000,00	150 000,00		Order Issued to Supplier	No expected challenges anticipated
74402100901	16	Landfill Site: PPE	4402	107 232 299,00	107 232 299,00	194 611,76	In Process	No expected challenges anticipated
71207230003	17	Routers	1207	8 000,00	8 000,00		Order Issued to Supplier	No expected challenges anticipated
71207230004	18	Network Infrastructure	1207	173 000,00	173 000,00		Order Issued to Supplier	No expected challenges anticipated
71301104031	19	Loud Speakers	1301	3 500,00	3 500,00		Order Issued to Supplier	No expected challenges anticipated
71408102304	20	Banners: Human Settlements	1408		15 000,00		Order Issued to Supplier	No expected challenges anticipated
71408104002	21	Fridges: Human Settlements	1408		20 000,00		Order Issued to Supplier	No expected challenges anticipated
71408104103	22	IT Equipment: Human Settlements	1408		50 000,00		Order Issued to Supplier	No expected challenges anticipated
71408104122	23	Laptops: Human Settlements	1408		50 000,00		Order Issued to Supplier	No expected challenges anticipated
71408400001	24	Office Furniture: Human Settlements	1408		80 000,00		Order Issued to Supplier	No expected challenges anticipated
71207104112	25	Wireless Access Points	1207	18 000,00	18 000,00		Order Issued to Supplier	No expected challenges anticipated
Totals				126 642 299,00	126 857 299,00	194 611,76		

Commitments against capital for the month August 2022				
71204240001	4	Office equipment: CFO	1204	9 865,00
71301240001	6	Office furniture: Exec Manager Corporate Services	1301	5 476,52
72305230001	15	Hazmat Rescue & Fire Equipment	2305	74 739,68
74402100901	16	Landfill Site: PPE	4402	330 163,13
		Total Commitments		420 244,33

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		140 851	224 260	102 605	27 365	102 605
Call investment deposits		276	5 000	5 000	140 000	5 000
Consumer debtors		11 152	4 368	10 181	3 573	10 181
Other debtors		(12 083)	42 789	34 197	33 850	34 197
Current portion of long-term receivables		4 341	4 246	4 293	4 293	4 293
Inventory		3 126	3 117	3 053	4 433	3 053
Total current assets		147 663	283 780	159 329	213 514	159 329
Non current assets						
Long-term receivables		54 321	61 388	62 764	62 764	62 764
Investments		27	27	28	28	28
Investment property		64 207	57 400	67 525	64 176	67 525
Investments in Associate		–	–	–	–	–
Property, plant and equipment		166 881	313 383	290 351	168 265	290 351
Biological		–	–	–	–	–
Intangible		1 538	(228)	(23)	848	(23)
Other non-current assets		–	–	–	–	–
Total non current assets		286 975	431 969	420 645	296 082	420 645
TOTAL ASSETS		434 638	715 749	579 975	509 596	579 975
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(213)	536	100	100	100
Consumer deposits		406	374	468	833	468
Trade and other payables		32 954	948	27 537	9 892	27 537
Provisions		20 265	31 602	26 993	26 531	26 993
Total current liabilities		53 413	33 460	55 097	37 355	55 097
Non current liabilities						
Borrowing		725	236 166	107 238	5	107 238
Provisions		130 944	140 393	145 157	143 981	145 157
Total non current liabilities		131 669	376 559	252 395	143 987	252 395
TOTAL LIABILITIES		185 082	410 019	307 492	181 342	307 492
NET ASSETS	2	249 556	305 730	272 482	328 253	272 482
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		191 854	245 217	211 973	267 744	211 973
Reserves		57 702	60 513	60 509	60 509	60 509
TOTAL COMMUNITY WEALTH/EQUITY	2	249 556	305 730	272 482	328 253	272 482

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2021/22	Budget Year 2022/23							
		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		-	11 168	11 168	-	-	1 861	(1 861)	-100%	11 168
Other revenue		36 880	81 249	81 249	45 586	48 261	13 542	34 719	256%	81 249
Transfers and Subsidies - Operational		359 995	360 815	366 276	1 727	70 903	61 046	9 857	16%	366 276
Transfers and Subsidies - Capital		-	4 000	4 000	1 739	1 739	667	1 072	161%	4 000
Interest		2 978	9 010	9 010	1 036	1 325	1 502	(177)	-12%	9 010
Dividends								-		
Payments										
Suppliers and employees		(128 494)	(477 594)	(482 490)	(31 234)	(60 243)	(80 415)	20 172	-25%	(482 490)
Finance charges		-	(73)	(73)	-	-	(12)	12	-100%	(73)
Transfers and Grants		-	(1 112)	(1 462)	(249)	(279)	(244)	(35)	14%	(1 462)
NET CASH FROM/(USED) OPERATING ACTIVITIES		271 359	(12 537)	(12 322)	18 606	61 706	(2 054)	63 760	-3105%	(12 322)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments					(80 101)	(80 101)		-		
Payments										
Capital assets		(8 144)	(126 642)	(126 857)	(195)	(195)	(21 138)	20 943	-99%	(126 857)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 144)	(126 642)	(126 857)	(80 296)	(80 296)	(21 138)	(18 018)	85%	(126 857)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	107 232	107 232	-	-	-	-		107 232
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	107 232	107 232	-	-	17 872	(17 872)	-100%	107 232
NET INCREASE/ (DECREASE) IN CASH HELD		263 215	(31 947)	(31 947)	(1 222)	(18 590)	(5 319)			(31 947)
Cash/cash equivalents at beginning:		169 752	263 042	142 058	167 365	185 955	142 058			142 058
Cash/cash equivalents at month/year end:		432 966	231 095	110 111		167 365	136 739			110 111

The municipal bank balance at 31 August 2022 totals R27 364 995 and there was short term deposits made of R120 000 000 and call account deposits of R20 000 000. Total cash available at month-end is therefore R167,364,995.

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

REPORTING MONTH: 31 AUGUST 2022		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 August 2022	5 954 851,06	27 364 995,37
Other Cash & Cash Equivalents: Short term deposits	160 000 000,00	120 000 000,00
Other Cash & Cash Equivalents: Call accounts	20 000 000,00	20 000 000,00
Total Cash & Cash Equivalents:	185 954 851,06	167 364 995,37
LESS:	59 911 500,49	84 359 615,17
Unspent Conditional Grants	5 319 072,08	7 460 842,00
Provision for staff leave	23 281 235,68	23 367 198,00
Provision for bonus	6 776 192,73	8 685 239,00
Post Retirement Benefits	24 535 000,00	24 535 000,00
Performance Bonus	-	1 409 384,00
Grant received in advance	-	-
Trade Payables	-	-
YTD Unspent Capital budget	-	9 727 883,17
YTD Unspent Operational budget	-	9 174 069,00
Sub total	126 043 350,57	83 005 380,20
PLUS:	8 962 219,53	9 083 243,00
VAT Receivable	1 937 602,53	1 751 533,00
Receivable Exchange	7 024 617,00	7 331 710,00
	135 005 570,10	92 088 623,20
LESS OTHER MATTERS:		
Capital Replacement Reserve	21 456 752,01	18 765 298,00
Employee Benefits Reserves	34 124 774,00	34 169 029,00
Sub Total	79 424 044,09	39 154 296,20
LESS: CONTINGENT LIABILITIES	5 503 377,00	4 622 115,00
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Portion of Portion 2 of Farm 238, Hooggekraal	353 441,00	32 115,00
Erf 99, Glentana	197 936,00	-
Labour disputes	452 000,00	90 000,00
Recalculated available cash balance	73 920 667,09	34 532 181,20
Total monthly commitments	2 448 917,00	9 537 858,64

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

DC4 Garden Route - Supporting Table SCS Monthly Budget Statement - aged debtors - wuz August													
Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-ex change 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	-	-	-	-	-	-	-	11	11	11	-	-
Interest on Arrear Debtor Accounts	1810	281	264	258	245	246	225	1 490	5 749	8 759	7 955	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	1 866	197	411	83	118	1 531	656	27 819	32 681	30 208	-	-
Total By Income Source	2000	2 147	461	669	328	364	1 757	2 146	33 579	41 451	38 174	-	-
2021/22 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(21)	17	149	14	14	21	104	2 118	2 416	2 272	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	2	0	-	-	-	-	-	-	2	-	-	-
Other	2500	2 167	445	520	314	350	1 736	2 042	31 460	39 033	35 902	-	-
Total By Customer Group	2600	2 147	461	669	328	364	1 757	2 146	33 579	41 451	38 174	-	-

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 - M02 August

DC4 Garden Route - Supporting Table SC4 - monthly Budget Statement - aged creditors - mv2 August											
Description	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	217	88	1 040	4	-	-	132	454	1 934	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	217	88	1 040	4	-	-	132	454	1 934	-

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 August 2022	Movements for the month		Balance as at 31 August 2022	Interest earned	Interest earned
		Investments matured	Investments made			
					Month	Year to date
Garden Route District Municipality						
Standard Bank	80 000 000,00	-20 000 000,00		60 000 000,00	126 082,19	126 082,19
ABSA	24 000 000,00			24 000 000,00		-
Nedbank	32 000 000,00	-12 000 000,00		20 000 000,00	72 443,84	72 443,84
FNB	24 000 000,00	-8 000 000,00		16 000 000,00	45 902,47	45 902,47
BANK DEPOSITS	160 000 000,00	-40 000 000,00	-	120 000 000,00	244 428,50	244 428,50

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 - M02 August

Description	Ref	2021/22	Budget Year 2022/23							
		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:		173 756	181 160	182 938	1 610	70 786	30 490	40 296	132,2%	182 938
Local Government Equitable Share		167 653	172 721	172 721	–	67 361	28 787	38 574	134,0%	172 721
Energy Efficiency and Demand Side Management Grant		–	1 000	1 000	–	–	167	(167)	-100,0%	1 000
Expanded Public Works Programme Integrated Grant		2 071	2 440	2 440	610	610	407	203	50,0%	2 440
Infrastructure Skills Development Grant		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		1 000	1 000	1 000	1 000	1 000	167	833	500,0%	1 000
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	1 405	1 405	–	–	234	(234)	-100,0%	1 405
Public Transport Network Grant		–	–	1 778	–	–	296	(296)	-100,0%	1 778
Rural Road Asset Management Systems Grant		3 032	2 594	2 594	–	1 815	432	1 383	319,8%	2 594
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		9 639	6 500	10 183	–	–	1 697	(1 697)	-100%	10 183
Infrastructure		–	–	–	–	–	–	–	–	–
Capacity Building		9 639	6 500	10 183	–	–	1 697	(1 697)	-100%	10 183
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		172	41 000	41 000	–	–	6 833	(6 833)	-100%	41 000
Other Grants Received		172	41 000	41 000	–	–	6 833	(6 833)	-100,0%	41 000
Total Operating Transfers and Grants	5	183 567	228 660	234 121	1 610	70 786	39 020	31 766	81,4%	234 121
Capital Transfers and Grants										
National Government:		–	4 000	4 000	2 000	2 000	667	1 333	200,0%	4 000
Energy Efficiency and Demand Side Management Grant		–	4 000	4 000	2 000	2 000	667	1 333	200,0%	4 000
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		191	7 200	7 200	–	–	1 200	(1 200)	-100,0%	7 200
Other Grants Received		191	7 200	7 200	–	–	1 200	(1 200)	-100,0%	7 200
Total Capital Transfers and Grants	5	191	11 200	11 200	2 000	2 000	1 867	133	7,1%	11 200
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	183 758	239 860	245 321	3 610	72 786	40 887	31 899	78,0%	245 321

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

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 - M02 August

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year1D actual	Year1D budget	Y1D variance	Y1D variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7 778	12 459	12 459	625	1 568	2 076	(509)	-25%	12 459
Pension and UIF Contributions		370	10	10	33	66	2	65	4032%	10
Medical Aid Contributions		153	54	54	18	36	9	27	298%	54
Motor Vehicle Allowance		1 859	-	-	162	335	-	335	#DIV/0!	-
Cellphone Allowance		1 035	20	20	83	167	3	164	4975%	20
Housing Allowances		592	-	-	64	128	-	128	#DIV/0!	-
Other benefits and allowances		42	-	-	33	75	-	75	#DIV/0!	-
Sub Total - Councillors		11 829	12 542	12 542	1 018	2 375	2 090	284	14%	12 542
% increase	4		6,0%	6,0%						6,0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 431	6 119	6 119	474	853	1 020	(167)	-16%	6 119
Pension and UIF Contributions		(6 755)	1 178	1 178	68	120	196	(77)	-39%	1 178
Medical Aid Contributions		155	63	63	15	30	11	19	181%	63
Overtime								-		
Performance Bonus		(28)	606	606	-	-	101	(101)	-100%	606
Motor Vehicle Allowance		822	527	527	74	136	88	48	54%	527
Cellphone Allowance		81	114	114	-	-	19	(19)	-100%	114
Housing Allowances		321	-	-	32	57	-	57	#DIV/0!	-
Other benefits and allowances		31	-	-	2	4	-	4	#DIV/0!	-
Payments in lieu of leave		260	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2							-		
Sub Total - Senior Managers of Municipality		318	8 608	8 608	665	1 199	1 435	(236)	-16%	8 608
% increase	4		2604,8%	2604,8%						2604,8%
Other Municipal Staff										
Basic Salaries and Wages		161 970	172 635	172 697	13 691	27 423	28 749	(1 326)	-5%	172 697
Pension and UIF Contributions		27 817	29 522	29 522	2 393	4 781	4 920	(139)	-3%	29 522
Medical Aid Contributions		33 224	26 646	26 646	2 029	4 061	4 441	(380)	-9%	26 646
Overtime		5 550	6 693	6 693	230	502	1 116	(613)	-55%	6 693
Performance Bonus		10 608	12 374	12 374	44	506	2 062	(1 556)	-75%	12 374
Motor Vehicle Allowance		10 474	10 498	10 498	1 017	2 010	1 750	260	15%	10 498
Cellphone Allowance		129	124	124	10	21	21	0	0%	124
Housing Allowances		2 370	3 137	3 137	206	412	523	(111)	-21%	3 137
Other benefits and allowances		16 947	10 444	10 444	650	1 270	1 741	(471)	-27%	10 444
Payments in lieu of leave		2 231	1 213	1 213	331	772	202	569	282%	1 213
Long service awards		-	80	80	-	-	13	(13)	-100%	80
Post-retirement benefit obligations	2	3 671	6 694	6 694	-	-	1 116	(1 116)	-100%	6 694
Sub Total - Other Municipal Staff		274 990	280 061	280 123	20 600	41 757	46 654	(4 897)	-10%	280 123
% increase	4		1,8%	1,9%						1,9%
Total Parent Municipality		287 137	301 212	301 273	22 283	45 331	50 179	(4 848)	-10%	301 273

Remuneration related expenditure for the month ended 31 August 2022 amounted to R22,282,546.

Section 9 – Municipal manager’s quality certification



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www.gardenroute.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek
Reference: 6/1/1 – 22/23
Date: 12 September 2022

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 August 2022**, has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

Print Name Monde Stratu

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

Signature [Signature]
Date 13/09/2022