



2022/2023
FINANCIAL YEAR

**MONTHLY
FINANCIAL
MONITORING
REPORT**

M03: 30 September 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 30 September 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 30 September 2022 amounted to **R15,330,960** which represents **3%** of the total adjusted budgeted figure of **R485,810,961 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 30 September 2022 amounted to **R 35,315,904** with a total adjusted budgeted figure of **R492,543,134 (including Roads)**, the operational expenditure for the month is **7.0%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R22,668,754 (64%** of the monthly expenditure).

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R 126,857,299**. Capital expenditure of **R157,530** were recorded for the month ended 30 September 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 30 September 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 - M03 September

Description	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									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	11 168	11 168	-	-	2 792	(2 792)	-100%	11 168
Investment revenue	-	9 010	9 010	522	1 302	533	769	144%	9 010
Transfers and subsidies	-	228 660	234 121	-	70 903	93 676	(22 773)	-24%	234 121
Other own revenue	-	220 312	220 312	14 548	63 354	30 591	32 763	107%	220 312
Total Revenue (excluding capital transfers and contributions)	-	469 150	474 611	15 070	135 559	127 592	7 968	6%	474 611
Employee costs	-	288 669	288 731	21 641	64 597	72 153	(7 555)	-10%	288 731
Remuneration of Councillors	-	12 542	12 542	1 027	3 402	3 136	266	8%	12 542
Depreciation & asset impairment	-	4 986	4 986	348	1 043	1 247	(204)	-16%	4 986
Finance charges	-	73	73	-	-	18	(18)	-100%	73
Inventory consumed and bulk purchases	-	51 011	51 286	5 219	11 420	6 612	4 808	73%	51 286
Transfers and subsidies	-	1 835	2 185	39	318	436	(118)	-27%	2 185
Other expenditure	-	128 180	132 739	7 042	15 753	25 742	(9 989)	-39%	132 739
Total Expenditure	-	487 297	492 543	35 316	96 533	109 343	(12 810)	-12%	492 543
Surplus/(Deficit)	-	(18 147)	(17 932)	(20 246)	39 026	18 249	20 778	114%	(17 932)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	4 000	4 000	261	2 000	1 000	1 000	100%	4 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers	-	7 200	7 200	-	-	1 800	(1 800)	-100%	7 200
Surplus/(Deficit) after capital transfers & contributions	-	(6 947)	(6 732)	(19 985)	41 026	21 049	19 978	95%	(6 732)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	(6 947)	(6 732)	(19 985)	41 026	21 049	19 978	95%	(6 732)
Capital expenditure & funds sources									
Capital expenditure	-	126 642	126 857	158	352	31 707	(31 355)	-99%	126 857
Capital transfers recognised	-	11 200	11 415	-	-	2 854	(2 854)	-100%	11 415
Borrowing	-	107 232	107 232	85	280	26 808	(26 528)	-99%	107 232
Internally generated funds	-	8 210	8 210	72	72	2 045	(1 973)	-96%	8 210
Total sources of capital funds	-	126 642	126 857	158	352	31 707	(31 355)	-99%	126 857
Financial position									
Total current assets	-	283 780	159 329	-	180 376	-	-	-	159 329
Total non current assets	-	431 969	420 645	-	294 739	-	-	-	420 645
Total current liabilities	-	33 460	55 097	-	37 851	-	-	-	55 097
Total non current liabilities	-	376 559	252 395	-	144 261	-	-	-	252 395
Community wealth/Equity	-	305 730	272 482	-	293 003	-	-	-	272 482
Cash flows									
Net cash from (used) operating	-	(14 037)	(13 822)	(19 595)	42 014	20 665	(12 700)	-61%	(13 822)
Net cash from (used) investing	-	(126 642)	(126 857)	(66 380)	(66 575)	(31 707)	(28 405)	90%	(126 857)
Net cash from (used) financing	-	107 232	107 232	-	-	-	-	-	107 232
Cash/cash equivalents at the month/year end	-	229 595	108 611	142 804	142 804	131 017	(41 105)	-31%	108 611
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	(242)	2 823	366	582	294	339	3 587	33 769	41 518
Creditors Age Analysis									
Total Creditors	289	70	10	878	38	-	137	479	1 901

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) - M03 September

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										
Governance and administration		-	285 116	290 577	2 700	80 074	104 657	(24 583)	-23%	290 577
Executive and council		-	284 542	290 003	2 700	79 935	104 657	(24 722)	-24%	290 003
Finance and administration		-	574	574	-	139	-	139	#DIV/0!	574
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	8 175	8 175	386	989	317	672	212%	8 175
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	7 761	7 761	352	886	237	650	275%	7 761
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	414	414	33	103	80	22	28%	414
Economic and environmental services		-	174 784	174 784	12 245	56 496	22 349	34 147	153%	174 784
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	174 659	174 659	12 241	56 475	22 343	34 132	153%	174 659
Environmental protection		-	125	125	4	21	6	15	243%	125
Trading services		-	12 275	12 275	-	-	3 069	(3 069)	-100%	12 275
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	12 275	12 275	-	-	3 069	(3 069)	-100%	12 275
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	480 350	485 811	15 331	137 559	130 392	7 168	5%	485 811
Expenditure - Functional										
Governance and administration		-	183 489	183 839	11 704	31 485	45 329	(13 845)	-31%	183 839
Executive and council		-	51 514	51 514	3 007	8 985	11 237	(2 252)	-20%	51 514
Finance and administration		-	129 055	129 405	8 462	21 795	33 372	(11 577)	-35%	129 405
Internal audit		-	2 919	2 919	235	705	721	(16)	-2%	2 919
Community and public safety		-	89 679	89 679	6 307	18 776	21 515	(2 739)	-13%	89 679
Community and social services		-	7 917	8 178	519	1 569	2 191	(623)	-28%	8 178
Sport and recreation		-	13 387	13 387	833	2 435	2 804	(368)	-13%	13 387
Public safety		-	28 916	28 654	1 659	5 484	6 988	(1 504)	-22%	28 654
Housing		-	-	-	-	-	-	-	-	-
Health		-	39 460	39 460	3 296	9 288	9 532	(244)	-3%	39 460
Economic and environmental services		-	197 403	202 299	17 030	45 422	38 681	6 741	17%	202 299
Planning and development		-	16 302	19 419	1 250	3 785	4 652	(867)	-19%	19 419
Road transport		-	177 203	178 982	15 534	40 845	33 130	7 715	23%	178 982
Environmental protection		-	3 898	3 898	246	792	899	(107)	-12%	3 898
Trading services		-	14 051	14 051	129	427	3 357	(2 931)	-87%	14 051
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	14 051	14 051	129	427	3 357	(2 931)	-87%	14 051
Other		-	2 676	2 676	146	424	460	(36)	-8%	2 676
Total Expenditure - Functional	3	-	487 297	492 543	35 316	96 533	109 343	(12 810)	-12%	492 543
Surplus/ (Deficit) for the year		-	(6 947)	(6 732)	(19 985)	41 026	21 049	19 978	95%	(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) - M03 September

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										
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		-	284 542	290 003	2 700	79 935	104 657	(24 722)	-23,6%	290 003
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		-	574	574	-	139	-	139	#DIV/0!	574
Vote 6 - Corporate Services (cont)		-	-	-	-	-	-	-	-	-
Vote 7 - Community Services		-	414	414	33	103	80	22	27,9%	414
Vote 8 - Community Services (cont)		-	12 400	12 400	4	21	3 075	(3 054)	-99,3%	12 400
Vote 9 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)		-	3 015	3 015	291	701	168	533	317,0%	3 015
Vote 11 - Planning and Economic Development(cont2)		-	4 746	4 746	62	185	68	116	170,3%	4 746
Vote 12 - Roads		-	174 659	174 659	12 241	56 475	22 343	34 132	152,8%	174 659
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	480 350	485 811	15 331	137 559	130 392	7 168	5,5%	485 811
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		-	56 625	56 625	3 430	10 501	12 514	(2 013)	-16,1%	56 625
Vote 2 - Office of the Municipal Manager (cont)		-	6 208	6 208	515	1 480	1 445	35	2,4%	6 208
Vote 3 - Financial Services		-	20 275	20 275	1 784	4 603	5 328	(725)	-13,6%	20 275
Vote 4 - Financial Services (cont)		-	5 902	5 902	465	1 407	1 442	(35)	-2,4%	5 902
Vote 5 - Corporate Services		-	54 827	54 827	1 246	3 546	13 486	(9 939)	-73,7%	54 827
Vote 6 - Corporate Services (cont)		-	26 371	26 721	3 271	7 279	7 389	(110)	-1,5%	26 721
Vote 7 - Community Services		-	51 577	51 838	4 113	11 608	12 712	(1 104)	-8,7%	51 838
Vote 8 - Community Services (cont)		-	45 657	45 395	1 955	6 464	10 982	(4 518)	-41,1%	45 395
Vote 9 - Planning and Economic Development		-	17 965	20 981	1 392	3 752	5 465	(1 714)	-31,4%	20 981
Vote 10 - Planning and Economic Development (cont)		-	21 210	21 312	1 400	4 330	4 721	(391)	-8,3%	21 312
Vote 11 - Planning and Economic Development(cont2)		-	3 478	3 478	211	719	731	(12)	-1,6%	3 478
Vote 12 - Roads		-	101 065	102 949	9 704	26 273	22 004	4 269	19,4%	102 949
Vote 13 - Roads (cont)		-	76 138	76 033	5 830	14 572	11 126	3 446	31,0%	76 033
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	487 297	492 543	35 316	96 533	109 343	(12 810)	-11,7%	492 543
Surplus/ (Deficit) for the year	2	-	(6 947)	(6 732)	(19 985)	41 026	21 049	19 978	94,9%	(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) - M03 September

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		-	11 168	11 168	-	-	2 792	(2 792)	-100%	11 168
Rental of facilities and equipment		-	2 469	2 469	16	212	606	(395)	-65%	2 469
Interest earned - external investments		-	9 010	9 010	522	1 302	533	769	144%	9 010
Interest earned - outstanding debtors		-	3 180	3 180	284	829	791	39	5%	3 180
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licences and permits		-	125	125	4	21	6	15	243%	125
Agency services		-	189 287	189 287	13 418	60 001	26 049	33 952	130%	189 287
Transfers and subsidies		-	228 660	234 121	-	70 903	93 676	(22 773)	-24%	234 121
Other revenue		-	22 711	22 711	826	2 291	2 504	(212)	-8%	22 711
Gains		-	2 540	2 540	-	-	635	(635)	-100%	2 540
Total Revenue (excluding capital transfers and contributions)		-	469 150	474 611	15 070	135 559	127 592	7 968	6%	474 611
Expenditure By Type										
Employee related costs		-	288 669	288 731	21 641	64 597	72 153	(7 555)	-10%	288 731
Remuneration of councillors		-	12 542	12 542	1 027	3 402	3 136	266	8%	12 542
Debt impairment		-	1 560	1 560	-	-	390	(390)	-100%	1 560
Depreciation & asset impairment		-	4 986	4 986	348	1 043	1 247	(204)	-16%	4 986
Finance charges		-	73	73	-	-	18	(18)	-100%	73
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		-	51 011	51 286	5 219	11 420	6 612	4 808	73%	51 286
Contracted services		-	79 177	81 010	1 361	3 484	17 354	(13 870)	-80%	81 010
Transfers and subsidies		-	1 835	2 185	39	318	436	(118)	-27%	2 185
Other expenditure		-	47 370	50 097	5 639	12 324	7 980	4 344	54%	50 097
Losses		-	73	73	43	(55)	18	(73)	-402%	73
Total Expenditure		-	487 297	492 543	35 316	96 533	109 343	(12 810)	-12%	492 543
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	4 000	4 000	261	2 000	1 000	1 000	0	4 000
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)		-	7 200	7 200	-	-	1 800	(1 800)	(0)	7 200
Surplus/(Deficit) after capital transfers & contributions		-	(6 947)	(6 732)	(19 985)	41 026	21 049			(6 732)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	(6 947)	(6 732)	(19 985)	41 026	21 049			(6 732)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	(6 947)	(6 732)	(19 985)	41 026	21 049			(6 732)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		-	(6 947)	(6 732)	(19 985)	41 026	21 049			(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 income for rental of facilities and equipment of R15,831 for the month ended 30 September 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 30 September 2022 amounts to R434,380.

Interest raised – Outstanding debtors

The interest on outstanding debtors for the month of 30 September 2022 amounts to R283,910.

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 30 September 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. The municipality recorded no income for grants received for the month 30 September 2022.

Other revenue / Sundry income

Other revenue reflects an amount of R825,708 for the month ended 30 September 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 30 September 2022 amounted to R22,668,754 of a budgeted amount R301,273,202 that represents 8% of the budgeted amount and 64% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

Depreciation of R347,618 was recognised in September 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 R5,218,518 for the month ended 30 September 2022 against an adjusted budgeted amount of R51,285,574.

Contracted services

The contracted services for the month ended 30 September 2022 amounts to R1,360,596 against an adjusted budgeted amount of R81,010,020.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 30 September 2022 amounts to R39,000 against an adjusted budgeted amount of R2,185,200.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R5,638,624 for month ended 30 September 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) - M03

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		-	30	30	10	10	-	10	#DIV/0!	30
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	30	30	-	-	8	(8)	-100%	30
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		-	30	30	-	-	8	(8)	-100%	30
Vote 6 - Corporate Services (cont)		-	250	250	-	-	62	(62)	-100%	250
Vote 7 - Community Services		-	6 890	6 890	-	-	1 722	(1 722)	-100%	6 890
Vote 8 - Community Services (cont)		-	107 382	107 382	148	342	26 846	(26 503)	-99%	107 382
Vote 9 - Planning and Economic Development		-	7 230	7 445	-	-	1 861	(1 861)	-100%	7 445
Vote 10 - Planning and Economic Development (cont)		-	4 800	4 800	-	-	1 200	(1 200)	-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	-	126 642	126 857	158	352	31 707	(31 355)	-99%	126 857
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services (cont)		-	-	-	-	-	-	-	-	-
Vote 7 - Community Services		-	-	-	-	-	-	-	-	-
Vote 8 - Community Services (cont)		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)		-	-	-	-	-	-	-	-	-
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-	-	-
Vote 12 - Roads		-	-	-	-	-	-	-	-	-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	126 642	126 857	158	352	31 707	(31 355)	-99%	126 857

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

SCOA config	Nr	Project description	Cost centre	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	9 865,00	Order Issued to Supplier	No expected challenges anticipated
71010110001	2	Upgrading of buildings - Retrofitting EEDS	1010	4 000 000,00		In Process	No expected challenges anticipated
71010190001	3	Fresh Produce Market	1010	800 000,00		In Process	No expected challenges anticipated
71204240001	4	Office equipment: CFO	1204	30 000,00		In Process	No expected challenges anticipated
71207230002	5	Replacing ICT Capital Equipment beyond economical repairs	1207	49 500,00		In Process	No expected challenges anticipated
71301240001	6	Office furniture: Exec Manager Corporate Services	1301	26 500,00		Order Issued to Supplier	No expected challenges anticipated
71120006639	7	Office Furniture & Equipment: Man Planning&Dev	1401	30 000,00		In Process	No expected challenges anticipated
71403103104	8	Donated Properties - 2 x Wilderness	1403	1 200 000,00		In Process	No expected challenges anticipated
71403103105	9	Donated Properties - King George Park	1403	1 000 000,00		In Process	No expected challenges anticipated
71403103106	10	Donated Properties - Heatherlands	1403	2 500 000,00		In Process	No expected challenges anticipated
71403103107	11	Donated Properties - Fresh Produce	1403	2 500 000,00		In Process	No expected challenges anticipated
71602230001	12	Mosselbay JOC equipment	1602	1 000 000,00		In Process	No expected challenges anticipated
71801240001	13	Office of the executive manager Community: office equipment	1801	30 000,00		In Process	No expected challenges anticipated
71801310001	14	Firestation: George	1801	5 860 000,00		Order Issued to Supplier	No expected challenges anticipated
72305230001	15	Hazmat Rescue & Fire Equipment	2305	150 000,00	62 492,92	Order Issued to Supplier	No expected challenges anticipated
74402100901	16	Landfill Site: PPE	4402	107 232 299,00	279 784,14	In Process	No expected challenges anticipated
71207230003	17	Routers	1207	8 000,00		Order Issued to Supplier	No expected challenges anticipated
71207230004	18	Network Infrastructure	1207	173 000,00		Order Issued to Supplier	No expected challenges anticipated
71301104031	19	Loud Speakers	1301	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		Order Issued to Supplier	No expected challenges anticipated
71207102463	26	Replacing Urn	1207	1 500,00		Order Issued to Supplier	No expected challenges anticipated
Totals				126 857 299,00	352 142,06		

Commitments against capital for the month September 2022				
71207104112	25	Wireless Access Points	1207	17 386,95
71801310001	14	Firestation: George	1801	73 896,25
72305230001	15	Hazmat Rescue & Fire Equipment	2305	12 246,76
71408400001	24	Office Furniture: Human Settlements	1408	53 002,00
71408104002	21	Fridges: Human Settlements	1408	2 694,79
71408104122	23	Laptops: Human Settlements	1408	35 930,00
71301240001	6	Office furniture: Exec Manager Corporate Services	1301	5 476,52
71207102463	25	Replacing Urn	1207	1 500,00
74402100901	16	Landfill Site: PPE	4402	300 662,08
		Total Commitments		502 795,35

3.1.6 Table C6: Monthly Budget Statement - Financial Position

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

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		–	224 260	102 605	12 804	102 605
Call investment deposits		–	5 000	5 000	130 000	5 000
Consumer debtors		–	4 368	10 181	4 743	10 181
Other debtors		–	42 789	34 197	24 401	34 197
Current portion of long-term receivables		–	4 246	4 293	4 293	4 293
Inventory		–	3 117	3 053	4 134	3 053
Total current assets		–	283 780	159 329	180 376	159 329
Non current assets						
Long-term receivables		–	61 388	62 764	62 764	62 764
Investments		–	27	28	28	28
Investment property		–	57 400	67 525	64 159	67 525
Investments in Associate		–	–	–	–	–
Property, plant and equipment		–	313 383	290 351	166 091	290 351
Biological		–	–	–	–	–
Intangible		–	(228)	(23)	1 696	(23)
Other non-current assets		–	–	–	–	–
Total non current assets		–	431 969	420 645	294 739	420 645
TOTAL ASSETS		–	715 749	579 975	475 115	579 975
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	536	100	100	100
Consumer deposits		–	374	468	2 020	468
Trade and other payables		–	948	27 537	9 003	27 537
Provisions		–	31 602	26 993	26 729	26 993
Total current liabilities		–	33 460	55 097	37 851	55 097
Non current liabilities						
Borrowing		–	236 166	107 238	280	107 238
Provisions		–	140 393	145 157	143 981	145 157
Total non current liabilities		–	376 559	252 395	144 261	252 395
TOTAL LIABILITIES		–	410 019	307 492	182 112	307 492
NET ASSETS	2	–	305 730	272 482	293 003	272 482
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		–	245 217	211 973	240 073	211 973
Reserves		–	60 513	60 509	52 930	60 509
TOTAL COMMUNITY WEALTH/EQUITY	2	–	305 730	272 482	293 003	272 482

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

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

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										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		-	11 168	11 168	-	-	2 792	(2 792)	-100%	11 168
Other revenue		-	81 249	81 249	14 548	63 354	17 890	(183 470)	-1026%	81 249
Transfers and Subsidies - Operational		-	359 315	364 776	-	70 903	105 510	119 270	113%	364 776
Transfers and Subsidies - Capital		-	4 000	4 000	261	2 000	1 000	1 000	100%	4 000
Interest		-	9 010	9 010	522	1 302	533	134	25%	9 010
Dividends								-		
Payments										
Suppliers and employees		-	(477 594)	(482 490)	(34 886)	(95 227)	(106 940)	(78 438)	73%	(482 490)
Finance charges		-	(73)	(73)	-	-	(18)	(18)	100%	(73)
Transfers and Grants		-	(1 112)	(1 462)	(39)	(318)	(101)	(101)	100%	(1 462)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	(14 037)	(13 822)	(19 595)	42 014	20 665	(12 700)	-61%	(13 822)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments					(66 223)	(66 223)		-		
Payments										
Capital assets		-	(126 642)	(126 857)	(158)	(352)	(31 707)	(28 405)	90%	(126 857)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(126 642)	(126 857)	(66 380)	(66 575)	(31 707)	(28 405)	90%	(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	-	-	-	-		107 232
NET INCREASE/ (DECREASE) IN CASH HELD		-	(33 447)	(33 447)	(18 070)	(24 561)	(11 041)			(33 447)
Cash/cash equivalents at beginning:		-	263 042	142 058	142 804	167 365	142 058			142 058
Cash/cash equivalents at month/year end:		-	229 595	108 611		142 804	131 017			108 611

The municipal bank balance at 30 September 2022 totals R12 804 154 and there was short term deposits made of R110 000 000 and call account deposits of R20 000 000. Total cash available at month-end is therefore R142,804,154.

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

REPORTING MONTH: 30 SEPTEMBER 2022		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 August 2022	27 364 995,37	12 804 154,42
Other Cash & Cash Equivalents: Short term deposits	120 000 000,00	110 000 000,00
Other Cash & Cash Equivalents: Call accounts	20 000 000,00	20 000 000,00
Total Cash & Cash Equivalents:	167 364 995,37	142 804 154,42
LESS:	84 359 615,17	86 709 510,39
Unspent Conditional Grants	7 460 842,00	7 460 842,00
Provision for staff leave	23 367 198,00	23 367 198,00
Provision for bonus	8 685 239,00	8 685 239,00
Post Retirement Benefits	24 535 000,00	24 535 000,00
Performance Bonus	1 409 384,00	1 409 384,00
Grant received in advance	-	-
Trade Payables	-	-
YTD Unspent Capital budget	9 727 883,17	9 722 882,00
YTD Unspent Operational budget	9 174 069,00	11 528 965,39
Sub total	83 005 380,20	56 094 644,03
PLUS:	9 083 243,00	9 083 243,00
VAT Receivable	1 751 533,00	1 751 533,00
Receivable Exchange	7 331 710,00	7 331 710,00
	92 088 623,20	65 177 887,03
LESS OTHER MATTERS:		
Capital Replacement Reserve	18 765 298,00	18 765 298,00
Employee Benefits Reserves	34 169 029,00	34 169 029,00
Sub Total	39 154 296,20	12 243 560,03
LESS: CONTINGENT LIABILITIES	4 622 115,00	4 622 115,00
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Portion of Portion 2 of Farm 238, Hooggekraal	32 115,00	32 115,00
Erf 99, Glentana	-	-
Labour disputes	90 000,00	90 000,00
Recalculated available cash balance	34 532 181,20	7 621 445,03
Total monthly commitments	9 537 858,64	6 675 643,96

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

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

Description	NT Code	Budget Year 2022/23									Total over 90 days	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				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	14 April 1903										-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	23 July 1903										-	-		
Receivables from Non-exchange Transactions - Property Rates	31 October 1903										-	-		
Receivables from Exchange Transactions - Waste Water Management	08 February 1904										-	-		
Receivables from Exchange Transactions - Waste Management	18 May 1904										-	-		
Receivables from Exchange Transactions - Property Rental Debtors	26 August 1904	-	-	-	-	-	-	-	11	11	11			
Interest on Arrear Debtor Accounts	14 December 1904	295	280	261	257	244	245	1 503	5 949	9 035	8 199			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	24 December 1904	-	-	-	-	-	-	-	-	-	-			
Other	14 March 1905	(537)	2 544	104	325	50	94	2 084	27 809	32 472	30 361			
Total By Income Source	22 June 1905	(242)	2 823	366	582	294	339	3 587	33 769	41 518	38 571	-	-	
2021/22 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	08 January 1906	(25)	37	16	107	14	14	111	2 132	2 407	2 379			
Commercial	18 April 1906	-	-	-	-	-	-	-	-	-	-			
Households	27 July 1906	2	-	-	-	-	-	-	-	2	-			
Other	04 November 1906	(219)	2 787	349	475	280	325	3 476	31 637	39 109	36 192			
Total By Customer Group	12 February 1907	(242)	2 823	366	582	294	339	3 587	33 769	41 518	38 571	-	-	

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

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

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

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

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2022/23									Total	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			
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	289	70	10	878	38		137	479	1 901		
Auditor General	0800									-		
Other	0900									-		
Total By Customer Type	26 September 1902	289	70	10	878	38	-	137	479	1 901	-	

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

The reasons for long outstanding creditors include invoices not submitted by suppliers or unresolved disputes on certain invoices.

The municipality are continuously working towards resolving outstanding disputes on invoices and obtaining outstanding invoices.

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Balance as at 01 September 2022	Movements for the month		Balance as at 30 September 2022	Interest earned	Interest earned
		Investments matured	Investments made			
					Month	Year to date
Garden Route District Municipality						
Standard Bank	60 000 000,00	-20 000 000,00	15 000 000,00	55 000 000,00	223 114,52	349 196,71
ABSA	24 000 000,00		6 000 000,00	30 000 000,00		-
Nedbank	20 000 000,00	-12 000 000,00	9 000 000,00	17 000 000,00	128 100,82	200 544,66
FNB	16 000 000,00	-8 000 000,00		8 000 000,00	83 164,93	129 067,40
BANK DEPOSITS	120 000 000,00	-40 000 000,00	30 000 000,00	110 000 000,00	434 380,27	678 808,77

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

Section 7 – Allocation and grant receipts and expenditure

7.1 Supporting Table C6

DC4 Garden Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	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:										
Operating Transfers and Grants										
National Government:		-	181 160	182 938	-	70 786	82 506	(11 720)	-14,2%	182 938
Local Government Equitable Share		-	172 721	172 721	-	67 361	76 980	(9 619)	-12,5%	172 721
Energy Efficiency and Demand Side Management Grant		-	1 000	1 000	-	-	250	(250)	-100,0%	1 000
Expanded Public Works Programme Integrated Grant		-	2 440	2 440	-	610	610	-	-	2 440
Infrastructure Skills Development Grant		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		-	1 000	1 000	-	1 000	1 000	-	-	1 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	1 405	1 405	-	-	1 405	(1 405)	-100,0%	1 405
Public Transport Network Grant		-	-	1 778	-	-	445	(445)	-100,0%	1 778
Rural Road Asset Management Systems Grant		-	2 594	2 594	-	1 815	1 816	(1)	-0,1%	2 594
Provincial Government:		-	6 500	10 183	-	-	921	(921)	-100,0%	10 183
Capacity Building		-	6 500	10 183	-	-	921	(921)	-100,0%	10 183
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	41 000	41 000	-	117	10 250	(10 133)	-98,9%	41 000
Other Grants Received		-	41 000	41 000	-	117	10 250	(10 133)	-98,9%	41 000
Total Operating Transfers and Grants	5	-	228 660	234 121	-	70 903	93 676	(22 773)	-24,3%	234 121
Capital Transfers and Grants										
National Government:		-	4 000	4 000	261	2 000	1 000	1 000	100,0%	4 000
Energy Efficiency and Demand Side Management Grant		-	4 000	4 000	261	2 000	1 000	1 000	100,0%	4 000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	7 200	7 200	-	-	1 800	(1 800)	-100,0%	7 200
Other Grants Received		-	7 200	7 200	-	-	1 800	(1 800)	-100,0%	7 200
Total Capital Transfers and Grants	5	-	11 200	11 200	261	2 000	2 800	(800)	-28,6%	11 200
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	239 860	245 321	261	72 903	96 476	(23 573)	-24,4%	245 321

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

7.2 Supporting Table C7

DC4 Garden Route - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	8 439	8 812	342	890	670	220	32,8%	8 812
Energy Efficiency and Demand Side Management Grant		-	1 000	1 000	-	-	250	(250)	-100,0%	1 000
Expanded Public Works Programme Integrated Grant		-	2 440	2 440	175	440	610	(170)	-27,8%	2 440
Local Government Financial Management Grant		-	1 000	1 000	53	158	250	(92)	-36,7%	1 000
Municipal Systems Improvement Grant		-	1 405	-	-	-	(1 054)	1 054	-100,0%	-
Rural Road Asset Management Systems Grant		-	2 594	2 594	114	292	170	122	72,1%	2 594
Public Transport Network Grant		-	-	1 778	-	-	445	(445)	-100,0%	1 778
		-	-	-	-	-	-	-	-	-
Provincial Government:		-	179 655	183 122	15 893	41 733	34 628	7 106	20,5%	183 122
Infrastructure		-	173 155	173 155	15 420	40 553	32 511	8 042	24,7%	173 155
Capacity Building		-	6 500	9 968	472	1 181	2 117	(936)	-44,2%	9 968
Other grant providers:		-	-	74	64	64	74	(10)	-13,0%	74
Expenditure on Other Grants		-	-	74	64	64	74	(10)	-13,0%	74
Total operating expenditure of Transfers and Grants:		-	188 094	192 009	16 299	42 688	35 372	7 316	20,7%	192 009
Capital expenditure of Transfers and Grants										
National Government:		-	4 000	4 000	-	-	1 000	(1 000)	-100,0%	4 000
Energy Efficiency and Demand Side Management Grant		-	4 000	4 000	-	-	1 000	(1 000)	-100,0%	4 000
Provincial Government:		-	-	215	-	-	54	(54)	-100,0%	215
Capacity Building		-	-	215	-	-	54	(54)	-100,0%	215
Other grant providers:		-	7 200	7 200	-	-	1 800	(1 800)	-100,0%	7 200
Expenditure on Other Grants		-	7 200	7 200	-	-	1 800	(1 800)	-100,0%	7 200
Total capital expenditure of Transfers and Grants		-	11 200	11 415	-	-	2 854	(2 854)	-100,0%	11 415
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	199 294	203 424	16 299	42 688	38 226	4 462	11,7%	203 424

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

Supporting Table C8

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

Summary of Employee and Councillor remuneration	Ref	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	12 459	12 459	645	2 213	3 115	(902)	-29%	12 459
Pension and UIF Contributions		-	10	10	33	99	2	97	4032%	10
Medical Aid Contributions		-	54	54	20	56	14	42	313%	54
Motor Vehicle Allowance		-	-	-	160	495	-	495	#DIV/0!	-
Cellphone Allowance		-	20	20	80	248	5	243	4908%	20
Housing Allowances		-	-	-	64	192	-	192	#DIV/0!	-
Other benefits and allowances		-	-	-	25	100	-	100	#DIV/0!	-
Sub Total - Councillors		-	12 542	12 542	1 027	3 402	3 136	266	8%	12 542
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality										
Basic Salaries and Wages		-	6 119	6 119	471	1 324	1 530	(205)	-13%	6 119
Pension and UIF Contributions		-	1 178	1 178	68	188	295	(107)	-36%	1 178
Medical Aid Contributions		-	63	63	18	48	16	32	204%	63
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	606	606	-	-	151	(151)	-100%	606
Motor Vehicle Allowance		-	527	527	74	210	132	78	59%	527
Cellphone Allowance		-	114	114	68	68	29	40	138%	114
Housing Allowances		-	-	-	32	89	-	89	#DIV/0!	-
Other benefits and allowances		-	-	-	2	6	-	6	#DIV/0!	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	8 608	8 608	733	1 932	2 152	(220)	-10%	8 608
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages		-	172 635	172 697	13 756	41 179	43 144	(1 965)	-5%	172 697
Pension and UIF Contributions		-	29 522	29 522	2 399	7 180	7 380	(201)	-3%	29 522
Medical Aid Contributions		-	26 646	26 646	2 038	6 099	6 662	(563)	-8%	26 646
Overtime		-	6 693	6 693	322	885	1 673	(788)	-47%	6 693
Performance Bonus		-	12 374	12 374	96	602	3 094	(2 492)	-81%	12 374
Motor Vehicle Allowance		-	10 498	10 498	918	2 928	2 624	303	12%	10 498
Cellphone Allowance		-	124	124	10	31	31	0	0%	124
Housing Allowances		-	3 137	3 137	207	619	784	(165)	-21%	3 137
Other benefits and allowances		-	10 444	10 444	642	1 912	2 611	(699)	-27%	10 444
Payments in lieu of leave		-	1 213	1 213	459	1 230	303	927	306%	1 213
Long service awards		-	80	80	-	-	20	(20)	-100%	80
Post-retirement benefit obligations		-	6 694	6 694	-	-	1 674	(1 674)	-100%	6 694
Sub Total - Other Municipal Staff		-	280 061	280 123	20 908	62 665	70 001	(7 335)	-10%	280 123
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality		-	301 212	301 273	22 669	67 999	75 288	(7 289)	-10%	301 273

Remuneration related expenditure for the month ended 30 September 2022 amounted to R22,668,754.

Section 9 – Municipal manager’s quality certification



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek
Reference: 6/1/1 – 22/23
Date: 10 October 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 **30 September 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 

Date 11/10/2022