



2022/2023
FINANCIAL YEAR

MONTHLY FINANCIAL MONITORING REPORT

M05: 30 November 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 November 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 November 2022 amounted to **(R21,265,011)** of the total adjusted budgeted figure of **R505,851,076 (including Roads)**. An amount of **R29,428,058** was transferred from revenue to the debtor system for the Department of Public Works monthly claims, this will be cleared in December 2022. Below is a summary of the total November month income.

Summary of November month income	
Nov Roads Expenditure Claim	15 288 972,01
Other income	5 259 023,61
Actual income November month	20 547 995,62
<i>Correction JNL for Roads expenditure claim against debtors</i>	- 41 813 006,94
Total net effect on November month I&E strings	- 21 265 011,32

The total net effect of the correcting debtors journals add up to the year to date actual income received.

Operating Expenditure by type

Operating expenditure for the month ended 30 November 2022 amounted to **R 52,256,790** with a total adjusted budgeted figure of **R511,643,134 (including Roads)**, the operational expenditure for the month is **10.0%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R37,575,286 (72% of the monthly expenditure)**. Bonuses were paid to the majority of the staff in November 2022.

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R 127,797,414**. Capital expenditure of **R1,773,862** were recorded for the month ended 30 November 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 November 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 - M05 November

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	–	–	4 653	(4 653)	-100%	11 168
Investment revenue	–	9 010	9 010	1 442	3 648	1 543	2 105	136%	9 010
Transfers and subsidies	–	228 660	234 121	1 098	73 501	101 297	(27 795)	-27%	234 121
Other own revenue	–	220 312	240 352	(23 805)	67 259	74 879	(7 620)	-10%	240 352
Total Revenue (excluding capital transfers and contributions)	–	469 150	494 651	(21 265)	144 409	182 371	(37 963)	(0)	494 651
Employee costs	–	288 669	287 102	36 533	122 409	118 959	3 450	3%	287 102
Remuneration of Councillors	–	12 542	12 542	1 042	5 452	5 226	226	4%	12 542
Depreciation & asset impairment	–	4 986	4 986	348	1 738	2 078	(340)	-16%	4 986
Finance charges	–	73	73	–	–	31	(31)	-100%	73
Inventory consumed and bulk purchases	–	51 011	52 890	4 291	19 690	13 701	5 989	44%	52 890
Transfers and subsidies	–	1 835	2 375	282	956	989	(33)	-3%	2 375
Other expenditure	–	128 180	151 674	9 761	33 010	53 879	(20 869)	-39%	151 674
Total Expenditure	–	487 297	511 643	52 257	183 255	194 862	(11 607)	(0)	511 643
Surplus/(Deficit)	–	(18 147)	(16 992)	(73 522)	(38 846)	(12 490)	(26 356)	(0)	(16 992)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	4 000	4 000	–	2 000	1 667	333	20%	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	–	–	3 000	(3 000)	-100%	7 200
Surplus/(Deficit) after capital transfers & contributions	–	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)	(29 022)	(0)	(5 792)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	–	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)	(29 022)	(0)	(5 792)
Capital expenditure & funds sources									
Capital expenditure	–	126 642	127 797	1 814	2 367	53 225	(50 858)	(0)	127 797
Capital transfers recognised	–	11 200	11 415	40	89	4 745	(4 656)	-98%	11 415
Borrowing	–	107 232	107 232	–	–	44 680	(44 680)	-100%	107 232
Internally generated funds	–	8 210	9 150	1 774	2 278	3 800	(1 522)	-40%	9 150
Total sources of capital funds	–	126 642	127 797	1 814	2 367	53 225	(50 858)	(0)	127 797
Financial position									
Total current assets	–	283 780	159 358		160 281				159 358
Total non current assets	–	431 969	421 585		294 632				421 585
Total current liabilities	–	33 460	55 098		41 080				55 098
Total non current liabilities	–	376 559	252 395		143 981				252 395
Community wealth/Equity	–	305 730	273 452		269 852				273 452
Cash flows									
Net cash from (used) operating	–	(12 537)	(11 382)	(73 193)	(35 154)	(8 410)	(5 902)	70%	(11 382)
Net cash from (used) investing	–	(126 642)	(127 797)	(16 222)	(16 816)	(53 225)	(47 038)	88%	(127 797)
Net cash from (used) financing	–	107 232	107 232	–	–	17 843	17 843	100%	107 232
Cash/cash equivalents at the month/year end	–	231 095	107 634	–	93 044	98 266	(35 097)	-36%	107 634
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	16 515	555	384	2 682	327	512	3 594	34 348	58 916
Creditors Age Analysis									
Total Creditors	971	338	188	4	2	64	156	453	2 175

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) - M05 November

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>		-	285 116	291 517	4 675	89 311	119 595	(30 283)	-25%	291 517
Executive and council		-	284 542	290 943	4 606	89 023	119 565	(30 542)	-26%	290 943
Finance and administration		-	574	574	68	288	119 565	(30 542)	-26%	574
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	8 175	8 175	440	1 977	1 126	851	76%	8 175
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	7 761	7 761	399	1 798	976	822	84%	7 761
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	414	414	41	179	150	29	20%	414
<i>Economic and environmental services</i>		-	174 784	193 884	(26 379)	55 120	61 203	(6 083)	-10%	193 884
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	174 659	193 759	(26 387)	55 089	61 139	(6 050)	-10%	193 759
Environmental protection		-	125	125	8	31	64	(33)	-52%	125
<i>Trading services</i>		-	12 275	12 275	-	-	5 114	(5 114)	-100%	12 275
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	12 275	12 275	-	-	5 114	(5 114)	-100%	12 275
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	480 350	505 851	(21 265)	146 409	187 038	(40 629)	-22%	505 851
Expenditure - Functional										
<i>Governance and administration</i>		-	183 489	183 539	13 883	56 669	75 141	(18 472)	-25%	183 539
Executive and council		-	51 514	50 684	3 314	16 389	18 271	(1 882)	-10%	50 684
Finance and administration		-	129 055	129 950	10 153	38 940	55 685	(16 746)	-30%	129 950
Internal audit		-	2 919	2 905	417	1 340	1 184	156	13%	2 905
<i>Community and public safety</i>		-	89 679	90 006	10 076	35 845	36 083	(238)	-1%	90 006
Community and social services		-	7 917	8 205	824	2 921	3 500	(579)	-17%	8 205
Sport and recreation		-	13 387	13 687	1 405	4 979	5 253	(275)	-5%	13 687
Public safety		-	28 916	28 654	2 881	10 876	11 219	(343)	-3%	28 654
Housing		-	-	-	-	-	-	-	-	-
Health		-	39 460	39 460	4 965	17 069	16 111	959	6%	39 460
<i>Economic and environmental services</i>		-	197 403	221 372	27 750	88 788	77 040	11 749	15%	221 372
Planning and development		-	16 302	19 419	4 858	9 814	7 986	1 828	23%	19 419
Road transport		-	177 203	198 082	22 400	77 436	67 520	9 917	15%	198 082
Environmental protection		-	3 898	3 871	493	1 538	1 533	4	0%	3 871
<i>Trading services</i>		-	14 051	14 051	292	850	5 642	(4 791)	-85%	14 051
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	14 051	14 051	292	850	5 642	(4 791)	-85%	14 051
<i>Other</i>		-	2 676	2 676	255	1 102	957	145	15%	2 676
Total Expenditure - Functional	3	-	487 297	511 643	52 257	183 255	194 862	(11 607)	-6%	511 643
Surplus/ (Deficit) for the year		-	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)	(29 022)	371%	(5 792)

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) - M05 November

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	290 943	4 606	89 023	119 565	(30 542)	-25,5%	290 943
Vote 2 - Office of the Municipal Manager (cont)		–	–	–	–	–	–	–	–	–
Vote 3 - Financial Services		–	–	–	–	–	–	–	–	–
Vote 4 - Financial Services (cont)		–	–	–	–	–	–	–	–	–
Vote 5 - Corporate Services		–	574	574	68	288	30	258	861,1%	574
Vote 6 - Corporate Services (cont)		–	–	–	–	–	–	–	–	–
Vote 7 - Community Services		–	414	414	41	179	150	29	19,6%	414
Vote 8 - Community Services (cont)		–	12 400	12 400	8	31	5 178	(5 147)	-99,4%	12 400
Vote 9 - Planning and Economic Development		–	–	–	–	–	–	–	–	–
Vote 10 - Planning and Economic Development (cont)		–	3 015	3 015	293	1 357	660	697	105,6%	3 015
Vote 11 - Planning and Economic Development(cont2)		–	4 746	4 746	106	441	316	125	39,6%	4 746
Vote 12 - Roads		–	174 659	193 759	(26 387)	55 089	61 139	(6 050)	-9,9%	193 759
Vote 13 - Roads (cont)		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	–	480 350	505 851	(21 265)	146 409	187 038	(40 629)	-21,7%	505 851
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		–	56 625	56 635	4 474	19 513	21 214	(1 701)	-8,0%	56 635
Vote 2 - Office of the Municipal Manager (cont)		–	6 208	6 198	845	2 800	2 446	355	14,5%	6 198
Vote 3 - Financial Services		–	20 275	20 280	2 033	8 516	9 267	(751)	-8,1%	20 280
Vote 4 - Financial Services (cont)		–	5 902	5 897	821	2 680	2 413	267	11,1%	5 897
Vote 5 - Corporate Services		–	54 827	54 806	1 655	6 407	22 478	(16 071)	-71,5%	54 806
Vote 6 - Corporate Services (cont)		–	26 371	26 742	2 716	11 709	11 747	(38)	-0,3%	26 742
Vote 7 - Community Services		–	51 577	51 838	6 149	21 407	21 283	125	0,6%	51 838
Vote 8 - Community Services (cont)		–	45 657	45 395	3 526	12 801	17 944	(5 142)	-28,7%	45 395
Vote 9 - Planning and Economic Development		–	17 965	20 681	4 368	9 722	8 492	1 231	14,5%	20 681
Vote 10 - Planning and Economic Development (cont)		–	21 210	21 462	2 985	9 049	8 681	368	4,2%	21 462
Vote 11 - Planning and Economic Development(cont2)		–	3 478	3 628	284	1 213	1 379	(166)	-12,0%	3 628
Vote 12 - Roads		–	101 065	122 349	16 022	51 588	47 431	4 157	8,8%	122 349
Vote 13 - Roads (cont)		–	76 138	75 733	6 378	25 848	20 089	5 759	28,7%	75 733
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	–	487 297	511 643	52 257	183 255	194 862	(11 607)	-6,0%	511 643
Surplus/ (Deficit) for the year	2	–	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)	(29 022)	371,0%	(5 792)

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) - M05 November

B04 Garden Route - Table B4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - MoS November										
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	-	-	4 653	(4 653)	-100%	11 168
Rental of facilities and equipment		-	2 469	2 469	79	367	196	171	87%	2 469
Interest earned - external investments		-	9 010	9 010	1 442	3 648	1 543	2 105	136%	9 010
Interest earned - outstanding debtors		-	3 180	3 180	323	1 474	1 285	189	15%	3 180
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licences and permits		-	125	125	8	31	64	(33)	-52%	125
Agency services		-	189 287	209 328	(25 216)	60 958	67 598	(6 640)	-10%	209 328
Transfers and subsidies		-	228 660	234 121	1 098	73 501	101 297	(27 795)	-27%	234 121
Other revenue		-	22 711	22 711	1 002	4 429	4 678	(248)	-5%	22 711
Gains		-	2 540	2 540	-	-	1 058	(1 058)	-100%	2 540
Total Revenue (excluding capital transfers and contributions)		-	469 150	494 651	(21 265)	144 409	182 371	(37 963)	-21%	494 651
Expenditure By Type										
Employee related costs		-	288 669	287 102	36 533	122 409	118 959	3 450	3%	287 102
Remuneration of councillors		-	12 542	12 542	1 042	5 452	5 226	226	4%	12 542
Debt impairment		-	1 560	1 560	-	-	650	(650)	-100%	1 560
Depreciation & asset impairment		-	4 986	4 986	348	1 738	2 078	(340)	-16%	4 986
Finance charges		-	73	73	-	-	31	(31)	-100%	73
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		-	51 011	52 890	4 291	19 690	13 701	5 989	44%	52 890
Contracted services		-	79 177	81 815	4 943	10 599	32 037	(21 437)	-67%	81 815
Transfers and subsidies		-	1 835	2 375	282	956	989	(33)	-3%	2 375
Other expenditure		-	47 370	68 226	4 837	22 456	21 162	1 294	6%	68 226
Losses		-	73	73	(19)	(46)	30	(76)	-251%	73
Total Expenditure		-	487 297	511 643	52 257	183 255	194 862	(11 607)	-6%	511 643
Surplus/(Deficit)		-	(18 147)	(16 992)	(73 522)	(38 846)	(12 490)	(26 356)	0	(16 992)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	4 000	4 000	-	2 000	1 667	333	0	4 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		-	7 200	7 200	-	-	3 000	(3 000)	(0)	7 200
Surplus/(Deficit) after capital transfers & contributions		-	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)			(5 792)
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		-	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)			(5 792)
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		-	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)			(5 792)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		-	(6 947)	(5 792)	(73 522)	(36 846)	(7 824)			(5 792)

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 R78,500 for the month ended 30 November 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 November 2022 amounts to R1,441,565.

Interest raised – Outstanding debtors

The interest on outstanding debtors for the month of 30 November 2022 amounts to R322,518.

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 November 2022 to the amount of R1,308,478. During November 2022 an adjustment budget was tabled in council for approval, additional R19m was allocated by Province to the roads department.

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. The amount of R1,500,000 was received for Safety Initiative Implementation Plan during the month of October 2022. The municipality received the second instalment to the amount of R1,098,000 for the EPWP grant during the month of 30 November 2022.

Other revenue / Sundry income

Other revenue reflects an amount of R1,009,962 for the month ended 30 November 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 November 2022 amounted to R37,575,286 of an adjusted budgeted amount R299,644,752 that represents 13% of the budgeted amount and 72% of the monthly expenditure. During the month of 30 November 2022 the majority of the staff received their bonus payment for the year and the minority will receive payment with the December salary run.

Debt Impairment / Depreciation and asset impairment

Depreciation of R347,618 was recognised in November 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 R4,291,146 for the month ended 30 November 2022 against an adjusted budgeted amount of R52,889,908.

Contracted services

The contracted services for the month ended 30 November 2022 amounts to R4,942,718 against an adjusted budgeted amount of R81,814,822.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 30 November 2022 amounts to R281,510 against an adjusted budgeted amount of R2,375,200.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R4,837,280 for month ended 30 November 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) - M05

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	3	13	-	13	#DIV/0!	30
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-		-
Vote 3 - Financial Services		-	30	30	9	9	13	(4)	-31%	30
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-		-
Vote 5 - Corporate Services		-	30	30	-	5	13	(7)	-56%	30
Vote 6 - Corporate Services (cont)		-	250	250	175	194	104	90	86%	250
Vote 7 - Community Services		-	6 890	6 890	2	76	2 871	(2 795)	-97%	6 890
Vote 8 - Community Services (cont)		-	107 382	107 382	121	557	44 743	(44 186)	-99%	107 382
Vote 9 - Planning and Economic Development		-	7 230	7 445	40	89	3 091	(3 002)	-97%	7 445
Vote 10 - Planning and Economic Development (cont)		-	4 800	5 740	1 425	1 425	2 392	(967)	-40%	5 740
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	127 797	1 774	2 367	53 225	(50 858)	-96%	127 797
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	127 797	1 774	2 367	53 225	(50 858)	-96%	127 797

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	12 905,00	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	315 000,00		In Process	No expected challenges anticipated
71204240001	4	Office equipment: CFO	1204	30 000,00	8 632,44	In Process	No expected challenges anticipated
71207230002	5	Replacing ICT Capital Equipment beyond economical repairs	1207	34 000,00		In Process	No expected challenges anticipated
71301240001	6	Office furniture: Exec Manager Corporate Services	1301	26 500,00	5 476,52	Order Issued to Supplier	No expected challenges anticipated
71120006639	7	Office Furniture & Equipment: Man Planning&Dev	1401	30 000,00		Order Issued to Supplier	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	1 643,48	Order Issued to Supplier	No expected challenges anticipated
71801310001	14	Firestation: George	1801	5 860 000,00	73 896,25	Order Issued to Supplier	No expected challenges anticipated
72305230001	15	Hazmat Rescue & Fire Equipment	2305	150 000,00	95 608,38	Order Issued to Supplier	No expected challenges anticipated

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?
74402100901	16	Landfill Site: PPE	4402	107 232 299,00	461 490,38	In Process	No expected challenges anticipated
71207230003	17	Routers	1207	20 570,00	20 565,22	Completed	No expected challenges anticipated
71207230004	18	Network Infrastructure	1207	166 987,00	152 266,90	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	35 930,00	Order Issued to Supplier	No expected challenges anticipated
71408400001	24	Office Furniture: Human Settlements	1408	80 000,00	53 002,00	Order Issued to Supplier	No expected challenges anticipated
71207104112	25	Wireless Access Points	1207	17 390,00	17 386,95	Completed	No expected challenges anticipated
71207102463	26	Replacing Urn	1207	1 500,00	1 500,00	Completed	No expected challenges anticipated
71207104145	27	Monitor	1207	2 195,00	2 195,00	Completed	No expected challenges anticipated
72205160001	28	Hot Springs Thatch Roofs	2205	1 425 115,00	1 424 700,00	Completed	No expected challenges anticipated
71207104173	29	USB Port Replicator	1207	7 358,00	0,00	In Process	No expected challenges anticipated
Totals				127 797 414,00	2 367 198,52		

Commitments against capital for the month November 2022				
71207230004	18	Network Infrastructure	1207	14 720,10
71120006639	7	Office Furniture & Equipment: Man Planning&Dev	1401	20 268,08
71408104002	21	Fridges: Human Settlements	1408	2 694,79
71408400001	24	Office Furniture: Human Settlements	1408	2 934,74
71602230001	12	Mosselbay JOC equipment	1602	993 763,20
71801240001	13	Office of the executive manager Community: office equipment	1801	1 712,06
74402100901	16	Landfill Site: PPE	4402	218 878,75
		Total Commitments		1 254 971,72

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearID actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		–	224 260	102 634	28 044	102 634
Call investment deposits		–	5 000	5 000	65 000	5 000
Consumer debtors		–	4 368	10 181	17 137	10 181
Other debtors		–	42 789	34 197	40 802	34 197
Current portion of long-term receivables		–	4 246	4 293	4 293	4 293
Inventory		–	3 117	3 053	5 004	3 053
Total current assets		–	283 780	159 358	160 281	159 358
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	64 150	67 525
Investments in Associate		–	–	–	–	–
Property, plant and equipment		–	313 383	291 291	166 039	291 291
Biological		–	–	–	–	–
Intangible		–	(228)	(23)	1 651	(23)
Other non-current assets		–	–	–	–	–
Total non current assets		–	431 969	421 585	294 632	421 585
TOTAL ASSETS		–	715 749	580 944	454 913	580 944
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	536	100	100	100
Consumer deposits		–	374	468	2 694	468
Trade and other payables		–	948	27 537	11 557	27 537
Provisions		–	31 602	26 993	26 729	26 993
Total current liabilities		–	33 460	55 098	41 080	55 098
Non current liabilities						
Borrowing		–	236 166	107 238	–	107 238
Provisions		–	140 393	145 157	143 981	145 157
Total non current liabilities		–	376 559	252 395	143 981	252 395
TOTAL LIABILITIES		–	410 019	307 493	185 061	307 493
NET ASSETS	2	–	305 730	273 451	269 852	273 451
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		–	245 217	212 943	216 922	212 943
Reserves		–	60 513	60 509	52 930	60 509
TOTAL COMMUNITY WEALTH/EQUITY	2	–	305 730	273 452	269 852	273 452

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M05 November

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	-	-	4 653	(4 653)	-100%	11 168
Other revenue		-	81 249	101 289	(23 805)	67 259	30 092	(208 958)	-694%	101 289
Transfers and Subsidies - Operational		-	360 815	366 276	1 098	73 501	144 811	81 087	56%	366 276
Transfers and Subsidies - Capital		-	4 000	4 000	-	2 000	1 667	333	20%	4 000
Interest		-	9 010	9 010	1 442	3 648	1 543	(650)	-42%	9 010
Dividends								-		
Payments										
Suppliers and employees		-	(477 594)	(501 590)	(51 646)	(180 606)	(190 594)	(138 160)	72%	(501 590)
Finance charges		-	(73)	(73)	-	-	(31)	(31)	100%	(73)
Transfers and Grants		-	(1 112)	(1 462)	(282)	(956)	(552)	(552)	100%	(1 462)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	(12 537)	(11 382)	(73 193)	(35 154)	(8 410)	(5 902)	70%	(11 382)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments					(14 449)	(14 449)		-		
Payments										
Capital assets		-	(126 642)	(127 797)	(1 774)	(2 367)	(53 225)	(47 038)	88%	(127 797)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(126 642)	(127 797)	(16 222)	(16 816)	(53 225)	(47 038)	88%	(127 797)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	107 232	107 232	-	-	17 843	(17 843)	-100%	107 232
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	107 232	107 232	-	-	17 843	17 843	100%	107 232
NET INCREASE/ (DECREASE) IN CASH HELD		-	(31 947)	(31 947)	(89 415)	(51 969)	(43 792)			(31 947)
Cash/cash equivalents at beginning:		-	263 042	139 581	-	145 014	142 058			139 581
Cash/cash equivalents at month/year end:		-	231 095	107 634		93 044	98 266			107 634

The municipal bank balance at 30 November 2022 totals R28 044 425 and there was short term deposits made of R55 000 000 and call account deposits of R10 000 000. Total cash available at month-end is therefore R93,044,425.

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

REPORTING MONTH: 30 NOVEMBER 2022		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 30 November 2022	10 013 893,81	28 044 425,32
Other Cash & Cash Equivalents: Short term deposits	125 000 000,00	55 000 000,00
Other Cash & Cash Equivalents: Call accounts	10 000 000,00	10 000 000,00
Total Cash & Cash Equivalents:	145 013 893,81	93 044 425,32
LESS:	86 956 479,57	78 397 941,83
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	8 027 136,00	7 333 339,00
YTD Unspent Operational budget	13 471 680,57	5 606 939,83
Sub total	58 057 414,24	14 646 483,49
PLUS:	9 083 243,00	50 896 252,64
VAT Receivable	1 751 533,00	1 751 533,00
Receivable Exchange	7 331 710,00	7 331 710,00
Department of Transport and Public Works		41 813 009,64
	67 140 657,24	65 542 736,13
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	14 206 330,24	12 608 409,13
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	9 584 215,24	7 986 294,13
Total monthly commitments	5 192 956,15	6 383 334,20

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

DC4 Garden Route - Supporting Table SC3 monthly Budget statement - aged debtors - mid November														
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	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	11	18	17	17	16	15	97	403	595	549	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	16 504	537	367	2 664	311	497	3 497	33 944	58 321	40 913	-	-	-
Total By Income Source	2000	16 515	555	384	2 682	327	512	3 594	34 348	58 916	41 462	-	-	-
2021/22 - totals only										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	(61)	18	23	36	16	61	104	2 167	2 365	2 385	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	2	-	-	-	-	-	-	-	2	-	-	-	-
Other	2500	16 575	537	361	2 645	311	451	3 490	32 181	56 549	39 077	-	-	-
Total By Customer Group	2600	16 515	555	384	2 682	327	512	3 594	34 348	58 916	41 462	-	-	-

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 - M05 November

DC4 Garden Route - Supporting Table 3C4 Monthly Budget Statement - aged creditors - m05 November											
Description R thousands	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	
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	971	338	188	4	2	64	156	453	2 175	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	971	338	188	4	2	64	156	453	2 175	-

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 November 2022	Movements for the month		Balance as at 30 November 2022	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made			
Garden Route District Municipality						
Standard Bank	62 500 000,00	-35 000 000,00		27 500 000,00	666 286,85	1 345 085,75
ABSA	34 500 000,00	-18 000 000,00		16 500 000,00	349 604,39	542 597,27
Nedbank	12 000 000,00	-9 000 000,00		3 000 000,00	120 563,01	446 762,46
FNB	16 000 000,00	-8 000 000,00		8 000 000,00	178 877,81	307 945,21
BANK DEPOSITS	125 000 000,00	-70 000 000,00	-	55 000 000,00	1 315 332,06	2 642 390,69

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 - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YID variance	YID variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	181 160	182 938	1 098	71 884	82 874	(10 990)	-13,3%	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	-	-	417	(417)	-100,0%	1 000
Expanded Public Works Programme Integrated Grant		-	2 440	2 440	1 098	1 708	610	1 098	180,0%	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
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Municipal Demarcation Transition Grant		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Public Transport Network Grant		-	-	1 778	-	-	647	(647)	-100,0%	1 778
Rural Road Asset Management Systems Grant		-	2 594	2 594	-	1 815	1 816	(1)	-0,1%	2 594
Urban Settlement Development Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Rehabilitation Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Programme and Project Preparation Support Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	6 500	10 183	-	1 500	1 339	161	12,0%	10 183
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building		-	6 500	10 183	-	1 500	1 339	161	12,0%	10 183
Capacity Building		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Other grant providers:		-	41 000	41 000	-	117	17 083	(16 966)	-99,3%	41 000
Other Grants Received		-	41 000	41 000	-	117	17 083	(16 966)	-99,3%	41 000
Total Operating Transfers and Grants	5	-	228 660	234 121	1 098	73 501	101 297	(27 795)	-27,4%	234 121
Capital Transfers and Grants										
National Government:		-	4 000	4 000	-	2 000	1 667	333	20,0%	4 000
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Urban Settlements Development Grant		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	4 000	4 000	-	2 000	1 667	333	20,0%	4 000
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Public Transport Network Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Other grant providers:		-	7 200	7 200	-	-	3 000	(3 000)	-100,0%	7 200
Other Grants Received		-	7 200	7 200	-	-	3 000	(3 000)	-100,0%	7 200
Total Capital Transfers and Grants	5	-	11 200	11 200	-	2 000	4 667	(2 667)	-57,1%	11 200
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	239 860	245 321	1 098	75 501	105 963	(30 462)	-28,7%	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 - M05 November

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										
<u>EXPENDITURE</u>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		–	8 439	8 812	2 199	3 678	3 809	(130)	-3,4%	8 812
Equitable Share								–		
Energy Efficiency and Demand Side Management Grant		–	1 000	1 000	–	–	417	(417)	-100,0%	1 000
Expanded Public Works Programme Integrated Grant		–	2 440	2 440	242	847	1 017	(170)	-16,7%	2 440
Local Government Financial Management Grant		–	1 000	1 000	34	255	416	(161)	-38,7%	1 000
Municipal Systems Improvement Grant		–	1 405	–	–	–	(820)	820	-100,0%	–
Rural Road Asset Management Systems Grant		–	2 594	2 594	166	820	2 132	(1 312)	-61,5%	2 594
Public Transport Network Grant		–	–	1 778	1 757	1 757	647	1 110	171,6%	1 778
Provincial Government:		–	179 655	202 222	23 323	79 220	68 013	11 207	16,5%	202 222
Infrastructure		–	173 155	192 255	20 312	74 655	64 669	9 986	15,4%	192 255
Capacity Building		–	6 500	9 968	3 011	4 565	3 344	1 221	36,5%	9 968
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	74	–	64	74	(10)	-13,0%	74
Expenditure on Other Grants		–	–	74	–	64	74	(10)	-13,0%	74
Total operating expenditure of Transfers and Grants:		–	188 094	211 109	25 522	82 963	71 896	11 067	15,4%	211 109
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		–	4 000	4 000	–	–	1 667	(1 667)	-100,0%	4 000
Energy Efficiency and Demand Side Management Grant		–	4 000	4 000	–	–	1 667	(1 667)	-100,0%	4 000
Provincial Government:		–	–	215	40	89	78	11	13,8%	215
Capacity Building		–	–	215	40	89	78			215
Other grant providers:		–	7 200	7 200	–	–	3 000	(3 000)	-100,0%	7 200
Expenditure on Other Grants		–	7 200	7 200	–	–	3 000	(3 000)	-100,0%	7 200
Total capital expenditure of Transfers and Grants		–	11 200	11 415	40	89	4 745	(4 656)	-98,1%	11 415

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 - M05 November

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)	1									
Basic Salaries and Wages		–	12 459	12 459	616	3 461	5 191	(1 731)	-33%	12 459
Pension and UIF Contributions		–	10	10	39	171	4	167	4177%	10
Medical Aid Contributions		–	54	54	24	106	23	84	373%	54
Motor Vehicle Allowance		–	–	–	166	818	–	818	#DIV/0!	–
Cellphone Allowance		–	20	20	80	406	8	398	4826%	20
Housing Allowances		–	–	–	64	319	–	319	#DIV/0!	–
Other benefits and allowances		–	–	–	54	171	–	171	#DIV/0!	–
Sub Total - Councillors		–	12 542	12 542	1 042	5 452	5 226	226	4%	12 542
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages		–	6 119	5 269	509	2 304	1 700	605	36%	5 269
Pension and UIF Contributions		–	1 178	1 178	68	323	491	(168)	-34%	1 178
Medical Aid Contributions		–	63	63	18	84	26	58	222%	63
Overtime								–		
Performance Bonus		–	606	606	33	33	252	(219)	-87%	606
Motor Vehicle Allowance		–	527	527	72	355	220	135	61%	527
Cellphone Allowance		–	114	114	11	91	48	43	91%	114
Housing Allowances		–	–	–	32	152	–	152	#DIV/0!	–
Other benefits and allowances		–	–	–	2	11	–	11	#DIV/0!	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Municipality		–	8 608	7 758	746	3 354	2 737	617	23%	7 758
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages		–	172 635	171 918	16 300	71 368	71 461	(93)	0%	171 918
Pension and UIF Contributions		–	29 522	29 522	2 416	12 006	12 301	(294)	-2%	29 522
Medical Aid Contributions		–	26 646	26 646	2 029	10 171	11 103	(931)	-8%	26 646
Overtime		–	6 693	6 693	276	1 644	2 789	(1 145)	-41%	6 693
Performance Bonus		–	12 374	12 374	10 774	11 376	5 156	6 220	121%	12 374
Motor Vehicle Allowance		–	10 498	10 498	1 016	4 900	4 374	526	12%	10 498
Cellphone Allowance		–	124	124	10	52	52	0	0%	124
Housing Allowances		–	3 137	3 137	209	1 038	1 307	(269)	-21%	3 137
Other benefits and allowances		–	10 444	10 444	598	3 125	4 352	(1 227)	-28%	10 444
Payments in lieu of leave		–	1 213	1 213	2 097	3 375	505	2 869	568%	1 213
Long service awards		–	80	80	–	–	33	(33)	-100%	80
Post-retirement benefit obligations	2	–	6 694	6 694	–	–	2 789	(2 789)	-100%	6 694
Sub Total - Other Municipal Staff		–	280 061	279 344	35 787	119 055	116 222	2 833	2%	279 344
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality		–	301 212	299 645	37 575	127 860	124 185	3 676	3%	299 645

Remuneration related expenditure for the month ended 30 November 2022 amounted to R37,575,286.

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

Print Name MR MONDE STRATU

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

Signature [Signature]
Date 14/12/2022