



2022/2023
FINANCIAL YEAR

**MONTHLY
FINANCIAL
MONITORING
REPORT**

M07: 31 January 2023



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 the executive mayor 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 the executive mayor takes note of the monthly budget statement and supporting documentation for the month ended 31 January 2023.

Section 2 – Executive summary

2.1 Introduction

The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances from the Service Delivery and Budget Implementation Plan (SDBIP) and provide any remedial actions or corrective steps to be taken.

2.2 Consolidated Performance

2.2.1 Against Approved Budget

Revenue by source

The total revenue received for the month ended 31 January 2023 amounted to **R22,654,623** which represents **4.5%** of the total adjusted budgeted figure of **R507,251,076 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 31 January 2023 amounted to **R 35,499,227** with a total adjusted budgeted figure of **R513,043,134 (including Roads)**, the operational expenditure for the month is **7%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R22,918,815 (65% of the monthly expenditure)**.

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R 127,797,414**. Capital expenditure of **R71,374** were recorded for the month ended 31 January 2023.

85% of the annual capital budget relates to the construction of the Regional Waste Management Facility and the construction of the fire station. The tender has been awarded for the construction of the regional landfill site, appeal period in process currently. Actual construction is only expected to start towards the end of quarter 3 at which point the total percentage spent of the capital budget will show significant increase. The regional landfill site's budgeted amount has been reduced with the adjustment budget that will serve before council in February. The fire station will commence with construction within the next month. The low expenditure in the first half of the 2022/23 is therefore as expected.

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.

Conclusion

Detailed analysis of the municipal performance for the month ended 31 January 2023 will be presented under the different sections of the report, spending is within the anticipated 8% per month

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 - M07 January

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	–	–	6 515	(6 515)	-100%	11 168
Investment revenue	8 271	9 010	9 010	1 000	4 742	3 005	1 737	58%	9 010
Transfers and subsidies	183 567	228 660	235 521	–	130 498	165 921	(35 423)	-21%	235 521
Other own revenue	204 463	220 312	240 352	21 655	140 368	98 245	42 123	43%	240 352
Total Revenue (excluding capital transfers and contributions)	396 301	469 150	496 051	22 655	275 609	273 686	1 923	(0)	496 051
Employee costs	275 308	288 669	287 202	21 882	168 931	167 169	1 762	1%	287 202
Remuneration of Councillors	11 829	12 542	12 542	1 037	7 544	7 316	227	3%	12 542
Depreciation & asset impairment	4 605	4 986	4 986	348	2 433	2 909	(475)	-16%	4 986
Finance charges	28	73	73	–	–	43	(43)	-100%	73
Inventory consumed and bulk purchases	44 148	51 011	52 489	4 254	24 990	18 548	6 443	35%	52 489
Transfers and subsidies	5 296	1 835	3 675	222	1 650	2 043	(392)	-19%	3 675
Other expenditure	74 405	128 180	152 075	7 757	44 318	73 443	(29 125)	-40%	152 075
Total Expenditure	415 618	487 297	513 043	35 499	249 867	271 470	(21 604)	(0)	513 043
Surplus/(Deficit)	(19 317)	(18 147)	(16 992)	(12 845)	25 742	2 216	23 527	0	(16 992)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	4 000	4 000	–	4 000	2 333	1 667	71%	4 000
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers	191	7 200	7 200	–	–	4 200	(4 200)	-100%	7 200
Surplus/(Deficit) after capital transfers & contributions	(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749	20 993	0	(5 792)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749	20 993	0	(5 792)
Capital expenditure & funds sources									
Capital expenditure	30 208	126 642	127 797	71	2 913	74 358	(71 445)	-96%	127 797
Capital transfers recognised	381	11 200	11 415	–	89	6 651	(6 562)	-99%	11 415
Borrowing	3 617	107 232	107 232	71	533	62 552	(62 019)	-99%	107 232
Internally generated funds	26 210	8 210	9 150	–	2 292	5 156	(2 864)	-56%	9 150
Total sources of capital funds	30 208	126 642	127 797	71	2 913	74 358	(71 445)	-96%	127 797
Financial position									
Total current assets	147 663	283 780	159 358		228 841				159 358
Total non current assets	286 975	431 969	421 586		295 910				421 586
Total current liabilities	53 413	33 460	55 097		35 599				55 097
Total non current liabilities	131 669	376 559	252 395		143 981				252 395
Community wealth/Equity	249 556	305 730	273 451		345 170				273 451
Cash flows									
Net cash from (used) operating	229 875	(12 537)	(11 382)	(12 497)	32 175	6 424	25 752	401%	(11 382)
Net cash from (used) investing	(8 144)	(126 642)	(127 797)	(71)	(2 913)	(74 358)	71 445	-96%	(127 797)
Net cash from (used) financing	–	107 232	107 232	10 018	(31 812)	(31 812)	–	–	107 232
Cash/cash equivalents at the month/year end	391 482	231 095	107 634	119 563	119 563	42 311	–	–	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	16 148	36 632	486	451	378	2 673	3 931	34 720	95 421
Creditors Age Analysis									
Total Creditors	–	145	22	38	38	4	35	584	866

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) - M07 January

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		221 855	285 116	292 917	3 901	156 940	195 684	(38 744)	-20%	292 917
Executive and council		220 980	284 542	292 343	3 826	156 168	195 654	(39 486)	-20%	292 343
Finance and administration		875	574	574	75	772	30	742	2475%	574
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8 440	8 175	8 175	3 160	5 889	5 548	341	6%	8 175
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		8 134	7 761	7 761	3 139	5 668	5 320	349	7%	7 761
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		306	414	414	21	221	228	(7)	-3%	414
<i>Economic and environmental services</i>		166 063	174 784	193 884	15 594	116 780	71 827	44 952	63%	193 884
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		165 982	174 659	193 759	15 594	116 738	71 751	44 987	63%	193 759
Environmental protection		80	125	125	-	42	76	(34)	-45%	125
<i>Trading services</i>		-	12 275	12 275	-	-	7 160	(7 160)	-100%	12 275
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	12 275	12 275	-	-	7 160	(7 160)	-100%	12 275
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	396 358	480 350	507 251	22 655	279 609	280 219	(611)	0%	507 251
Expenditure - Functional										
<i>Governance and administration</i>		138 320	183 489	183 779	10 477	78 313	105 029	(26 716)	-25%	183 779
Executive and council		48 486	51 514	50 484	3 930	23 514	26 508	(2 994)	-11%	50 484
Finance and administration		87 078	129 055	130 390	6 325	52 990	76 836	(23 846)	-31%	130 390
Internal audit		2 756	2 919	2 905	222	1 809	1 685	124	7%	2 905
<i>Community and public safety</i>		83 854	89 679	90 127	7 224	49 525	50 359	(834)	-2%	90 127
Community and social services		9 004	7 917	8 266	554	4 119	4 787	(668)	-14%	8 266
Sport and recreation		11 768	13 387	13 747	921	6 798	7 660	(862)	-11%	13 747
Public safety		26 063	28 916	28 654	2 366	15 029	15 389	(360)	-2%	28 654
Housing		-	-	-	-	-	-	-	-	-
Health		37 019	39 460	39 460	3 383	23 579	22 522	1 056	5%	39 460
<i>Economic and environmental services</i>		188 785	197 403	222 411	17 530	119 344	106 955	12 389	12%	222 411
Planning and development		16 743	16 302	20 419	1 455	12 665	11 891	774	7%	20 419
Road transport		168 568	177 203	198 082	15 825	104 564	92 848	11 716	13%	198 082
Environmental protection		3 474	3 898	3 910	250	2 116	2 216	(100)	-5%	3 910
<i>Trading services</i>		2 178	14 051	14 051	115	1 115	7 860	(6 745)	-86%	14 051
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 178	14 051	14 051	115	1 115	7 860	(6 745)	-86%	14 051
<i>Other</i>		2 482	2 676	2 676	153	1 570	1 268	302	24%	2 676
Total Expenditure - Functional	3	415 618	487 297	513 043	35 499	249 867	271 470	(21 604)	-8%	513 043
Surplus/ (Deficit) for the year		(19 261)	(6 947)	(5 792)	(12 845)	29 742	8 749	20 993	240%	(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) - M07 January

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		221 115	284 542	292 343	3 826	156 168	195 654	(39 486)	-20,2%	292 343
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		8	-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		867	574	574	73	770	30	740	2470,3%	574
Vote 6 - Corporate Services (cont)		-	-	-	-	-	-	-	-	-
Vote 7 - Community Services		306	414	414	21	221	228	(7)	-3,2%	414
Vote 8 - Community Services (cont)		80	12 400	12 400	-	42	7 236	(7 194)	-99,4%	12 400
Vote 9 - Planning and Economic Development		-	-	-	1	1	-	1	#DIV/0!	-
Vote 10 - Planning and Economic Development (cont)		4 763	3 015	3 015	1 041	2 916	1 610	1 306	81,1%	3 015
Vote 11 - Planning and Economic Development(cont2)		3 371	4 746	4 746	2 098	2 753	3 710	(957)	-25,8%	4 746
Vote 12 - Roads		165 982	174 659	193 759	15 594	116 738	71 751	44 987	62,7%	193 759
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	396 492	480 350	507 251	22 655	279 609	280 219	(611)	-0,2%	507 251
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		55 068	56 625	56 635	4 404	27 532	30 511	(2 979)	-9,8%	56 635
Vote 2 - Office of the Municipal Manager (cont)		6 326	6 208	6 198	455	3 771	3 597	174	4,8%	6 198
Vote 3 - Financial Services		18 395	20 275	20 269	1 628	12 067	12 223	(156)	-1,3%	20 269
Vote 4 - Financial Services (cont)		5 525	5 902	5 908	448	3 650	3 441	209	6,1%	5 908
Vote 5 - Corporate Services		16 093	54 827	55 106	992	8 872	31 535	(22 663)	-71,9%	55 106
Vote 6 - Corporate Services (cont)		24 572	26 371	26 742	1 619	14 969	16 027	(1 057)	-6,6%	26 742
Vote 7 - Community Services		48 451	51 577	51 938	4 238	29 990	29 753	237	0,8%	51 938
Vote 8 - Community Services (cont)		30 589	45 657	45 395	2 648	17 575	24 753	(7 178)	-29,0%	45 395
Vote 9 - Planning and Economic Development		16 728	17 965	20 621	1 332	12 807	11 793	1 014	8,6%	20 621
Vote 10 - Planning and Economic Development (cont)		22 365	21 210	22 522	1 523	12 253	12 985	(732)	-5,6%	22 522
Vote 11 - Planning and Economic Development(cont2)		2 939	3 478	3 628	387	1 817	2 005	(188)	-9,4%	3 628
Vote 12 - Roads		98 845	101 065	122 389	10 526	69 888	62 778	7 110	11,3%	122 389
Vote 13 - Roads (cont)		69 723	76 138	75 693	5 299	34 676	30 070	4 606	15,3%	75 693
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	415 618	487 297	513 043	35 499	249 867	271 470	(21 604)	-8,0%	513 043
Surplus/ (Deficit) for the year	2	(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749	20 993	240,0%	(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) - M07 January

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	-	-	6 515	(6 515)	-100%	11 168
Rental of facilities and equipment		1 039	2 469	2 469	146	609	1 476	(867)	-59%	2 469
Interest earned - external investments		8 271	9 010	9 010	1 000	4 742	3 005	1 737	58%	9 010
Interest earned - outstanding debtors		2 751	3 180	3 180	370	2 188	1 821	367	20%	3 180
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licences and permits		80	125	125	-	42	76	(34)	-45%	125
Agency services		183 028	189 287	209 328	16 763	124 947	80 545	44 402	55%	209 328
Transfers and subsidies		183 567	228 660	235 521	-	130 498	165 921	(35 423)	-21%	235 521
Other revenue		17 556	22 711	22 711	4 377	12 584	12 846	(262)	-2%	22 711
Gains		8	2 540	2 540	-	-	1 482	(1 482)	-100%	2 540
Total Revenue (excluding capital transfers and contributions)		396 301	469 150	496 051	22 655	275 609	273 686	1 923	(0)	496 051
Expenditure By Type										
Employee related costs		275 308	288 669	287 202	21 882	168 931	167 169	1 762	1%	287 202
Remuneration of councillors		11 829	12 542	12 542	1 037	7 544	7 316	227	3%	12 542
Debt impairment		5 976	1 560	1 560	-	-	910	(910)	-100%	1 560
Depreciation & asset impairment		4 605	4 986	4 986	348	2 433	2 909	(475)	-16%	4 986
Finance charges		28	73	73	-	-	43	(43)	-100%	73
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		44 148	51 011	52 489	4 254	24 990	18 548	6 443	35%	52 489
Contracted services		20 812	79 177	82 163	2 411	13 358	45 063	(31 705)	-70%	82 163
Transfers and subsidies		5 296	1 835	3 675	222	1 650	2 043	(392)	-19%	3 675
Other expenditure		47 465	47 370	68 279	5 292	30 951	27 428	3 523	13%	68 279
Losses		152	73	73	55	9	42	(33)	-79%	73
Total Expenditure		415 618	487 297	513 043	35 499	249 867	271 470	(21 604)	(0)	513 043
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(19 317)	(18 147)	(16 992)	(12 845)	25 742	2 216	23 527	0	(16 992)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	4 000	4 000	-	4 000	2 333	1 667	0	4 000
Transfers and subsidies - capital (in-kind - all)		134	-	-	-	-	-	-		-
		57	7 200	7 200	-	-	4 200	(4 200)	(0)	7 200
Surplus/(Deficit) after capital transfers & contributions		(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749	20 993	0	(5 792)
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749			(5 792)
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749			(5 792)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		(19 126)	(6 947)	(5 792)	(12 845)	29 742	8 749			(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 R145,982 for the month ended 31 January 2023.

Interest earned – External Investments:

Reflects the interest earned in respect of surplus funds not immediately needed in the operations of the municipality over the short-term period. Interest on external investments for the month ended 31 January 2023 amounts to R1,000,000.

Interest raised – Outstanding debtors.

The interest on outstanding debtors for the month of 31 January 2023 amounts to R369,992.

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 that is equal to the expenditure incurred under the MoA with the WC Department of Transport and Public Works. R45.9m was recorded in December 2022 in order to ensure the full expenditure for the first half of the year is included in the revenue also. In addition, a 12% Admin fee is received on the original allocation and 6% on any additional allocations for this function. An admin fee from agency services was recorded for the month ended 31 January 2023 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. 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. The municipality received the second instalment of the Equitable Share to the

amount of R56,997,000 during the month of 31 December 2022. The municipality received no income from the grants for the month end 31 January 2023.

Other revenue / Sundry income

Other revenue reflects an amount of R4,376,572 for the month ended 31 January 2023. Other revenue mostly consists of Fire Services and Health Services.

Expenditure by Type

Expenditure by type reflects the operational budget per main type/category of expenditure.

Employee Related cost / Remuneration of councillors.

Remuneration related expenditure (councillors and staff) for the month ended 31 January 2023 amounted to R22,918,815 of an adjusted budgeted amount R299,744,752 that represents 8% of the budgeted amount and 65% of the monthly expenditure.

Debt Impairment / Depreciation and asset impairment

Depreciation of R347,618 was recognised in January 2023.

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 consist of all inventory consumed purchases for materials and supplies and amounts to R4,254,033 for the month ended 31 January 2023 against an adjusted budgeted amount of R52,488,908.

Contracted services

The contracted services for the month ended 31 January 2023 amounts to R2,410,818 against an adjusted budgeted amount of R82,163,297, relating mostly to the aerial support for firefighting section.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 31 January 2023 amounts to R221,537 against an adjusted budgeted amount of R3,675,200.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R5,291,696 for month ended 31 January 2023.

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) - M07 January

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		10	30	30	-	13	30	(17)	-57%	30
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		19	30	30	-	9	18	(9)	-51%	30
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		30	30	30	-	5	18	(12)	-69%	30
Vote 6 - Corporate Services (cont)		16	250	250	-	194	147	47	32%	250
Vote 7 - Community Services		26	6 890	6 890	-	550	4 019	(3 469)	-86%	6 890
Vote 8 - Community Services (cont)		3 617	107 382	107 382	71	628	62 640	(62 011)	-99%	107 382
Vote 9 - Planning and Economic Development		33	7 230	7 445	-	89	4 335	(4 246)	-98%	7 445
Vote 10 - Planning and Economic Development (cont)		7 344	4 800	5 740	-	1 425	3 153	(1 728)	-55%	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	11 096	126 642	127 797	71	2 913	74 358	(71 445)	-96%	127 797
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		(862)	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		376	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services (cont)		3 533	-	-	-	-	-	-	-	-
Vote 7 - Community Services		732	-	-	-	-	-	-	-	-
Vote 8 - Community Services (cont)		368	-	-	-	-	-	-	-	-
Vote 9 - Planning and Economic Development		1	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)		15	-	-	-	-	-	-	-	-
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-	-	-
Vote 12 - Roads		5 463	-	-	-	-	-	-	-	-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		9 486	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	19 112	-	-	-	-	-	-	-	-
Total Capital Expenditure		30 208	126 642	127 797	71	2 913	74 358	(71 445)	-96%	127 797

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

SCOA config	Nr	Project description	Adjusted budget R'	YTD Expenditure R'	Status of project	Any challenges identified that is resulting in delays?
71120006635	1	Office furniture: Office MM	30 000	12 905	Order Issued to Supplier	No challenges anticipated
71010110001	2	Upgrading of buildings - Retrofitting EEDS	4 000 000		In Process	No challenges anticipated
71010190001	3	Fresh Produce Market	315 000		In Process	No challenges anticipated
71204240001	4	Office equipment: CFO	30 000	8 632	Order Issued to Supplier	No challenges anticipated
71207230002	5	Replacing ICT Capital Equipment beyond economical repairs	0		Capital Funding unbundled to the necessary items needed.	Budget reallocated
71301240001	6	Office furniture: Exec Manager Corporate Services	26 500	5 477	Order Issued to Supplier	No challenges anticipated
71120006639	7	Office Furniture & Equipment: Man Planning&Dev	30 000		Order Issued to Supplier	No challenges anticipated
71403103104	8	Donated Properties - 2 x Wilderness	1 200 000		In Process	Dependent upon legal processes. No cash implications if transactions is finalised in 2023/24 only
71403103105	9	Donated Properties - King George Park	1 000 000		In Process	
71403103106	10	Donated Properties - Heatherlands	2 500 000		In Process	
71403103107	11	Donated Properties - Fresh Produce	2 500 000		In Process	
71602230001	12	Mosselbay JOC equipment	1 000 000	473 099	Order Issued to Supplier	No challenges anticipated
71801240001	13	Office of the executive manager Community: office equipment	30 000	3 355	Order Issued to Supplier	No challenges anticipated
71801310001	14	Firestation: George	5 860 000	73 896	Order Issued to Supplier	Project does show delays - no risk of loss to GRDM as project is not grant funded. New estimate to be updated with Feb 2023 adjustment budget.
72305230001	15	Hazmat Rescue & Fire Equipment	150 000	95 608	Order Issued to Supplier	No challenges anticipated

SCOA config	Nr	Project description	Adjusted budget R'	YTD Expenditure R'	Status of project	Any challenges identified that is resulting in delays?
74402100901	16	Landfill Site: PPE	107 232 299	532 864	In Process	Project does show delays - no risk of loss to GRDM as project is not grant funded. New estimate to be updated with Feb 2023 adjustment budget.
71207230003	17	Routers	33 026	20 565	Order Issued to Supplier	No challenges anticipated
71207230004	18	Network Infrastructure	166 987	152 267	Order Issued to Supplier	No challenges anticipated
71301104031	19	Loud Speakers	3 500		In Process	No challenges anticipated
71408102304	20	Banners: Human Settlements	15 000		Order Issued to Supplier	No challenges anticipated
71408104002	21	Fridges: Human Settlements	20 000		Order Issued to Supplier	No challenges anticipated
71408104103	22	IT Equipment: Human Settlements	50 000		Order Issued to Supplier	No challenges anticipated
71408104122	23	Laptops: Human Settlements	50 000	35 930	Order Issued to Supplier	No challenges anticipated
71408400001	24	Office Furniture: Human Settlements	80 000	53 002	Order Issued to Supplier	No challenges anticipated
71207104112	25	Wireless Access Points	17 390	17 387	Completed	No challenges anticipated
71207102463	26	Replacing Urn	1 500	1 500	Completed	No challenges anticipated
71207104145	27	Monitor	2 195	2 195	Completed	No challenges anticipated
72205160001	28	Hot Springs Thatch Roofs	1 425 115	1 424 700	Completed	No challenges anticipated
71207104173	29	USB Port Replicator	4 779	0	Order Issued to Supplier	No challenges anticipated
71207102310	30	Backup Power System	24 123	0	In Process	No challenges anticipated
Totals			127 797 414	2 913 383		

Project status: If the project is in the SCM process of being procured. Please state in which			
Commitments against capital for the month January 2023			
71010110001	2	Upgrading of buildings - Retrofitting EEDS	1 083 250,00
71204240001	4	Office equipment: CFO	11 720,00
71207230003	17	Routers	12 460,00
71207230004	18	Network Infrastructure	14 720,10
71120006639	7	Office Furniture & Equipment: Man Planning&Dev	20 268,08
71408104002	21	Fridges: Human Settlements	2 694,79
71408400001	24	Office Furniture: Human Settlements	13 849,24
71602230001	12	Mosselbay JOC equipment	520 664,20
71801240001	13	Office of the executive manager Community: office equipment	16 451,61
72305230001	15	Hazmat Rescue & Fire Equipment	11 745,00
74402100901	16	Landfill Site: PPE	218 878,75
71207104173	29	USB Port Replicator	4 778,26
		Total Commitments	1 931 480,03

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	Year ID actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		140 851	224 260	102 634	9 563	102 634
Call investment deposits		276	5 000	5 000	110 000	5 000
Consumer debtors		11 152	4 368	10 181	58 247	10 181
Other debtors		(12 083)	42 789	34 197	41 962	34 197
Current portion of long-term receivables		4 341	4 246	4 293	4 293	4 293
Inventory		3 126	3 117	3 053	4 776	3 053
Total current assets		147 663	283 780	159 358	228 841	159 358
Non current assets						
Long-term receivables		54 321	61 388	62 764	62 764	62 764
Investments		27	27	28	28	28
Investment property		64 207	57 400	67 525	64 122	67 525
Investments in Associate		–	–	–	–	–
Property, plant and equipment		166 881	313 383	291 291	167 477	291 291
Biological		–	–	–	–	–
Intangible		1 538	(228)	(23)	1 518	(23)
Other non-current assets		–	–	–	–	–
Total non current assets		286 975	431 969	421 586	295 910	421 586
TOTAL ASSETS		434 638	715 749	580 944	524 751	580 944
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(213)	536	100	100	100
Consumer deposits		406	374	468	789	468
Trade and other payables		32 954	948	27 537	7 981	27 537
Provisions		20 265	31 602	26 993	26 729	26 993
Total current liabilities		53 413	33 460	55 097	35 599	55 097
Non current liabilities						
Borrowing		725	236 166	107 238	–	107 238
Provisions		130 944	140 393	145 157	143 981	145 157
Total non current liabilities		131 669	376 559	252 395	143 981	252 395
TOTAL LIABILITIES		185 082	410 019	307 492	179 580	307 492
NET ASSETS	2	249 556	305 730	273 451	345 170	273 451
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		191 854	245 217	212 943	292 241	212 943
Reserves		57 702	60 513	60 509	52 930	60 509
TOTAL COMMUNITY WEALTH/EQUITY	2	249 556	305 730	273 451	345 170	273 451

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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	-	-	6 515	(6 515)	-100%	11 168
Other revenue		(7 890)	81 249	101 289	21 655	140 368	47 911	92 458	193%	101 289
Transfers and Subsidies - Operational		357 672	360 815	367 676	-	130 498	212 886	(82 388)	-39%	367 676
Transfers and Subsidies - Capital		-	4 000	4 000	-	4 000	2 333	1 667	71%	4 000
Interest		2 978	9 010	9 010	1 000	4 742	3 005	1 737	58%	9 010
Dividends								-		
Payments										
Suppliers and employees		(122 886)	(477 594)	(501 690)	(34 930)	(245 783)	(264 838)	19 055	-7%	(501 690)
Finance charges		-	(73)	(73)	-	-	(43)	43	-100%	(73)
Transfers and Grants		-	(1 112)	(2 762)	(222)	(1 650)	(1 345)	(305)	23%	(2 762)
NET CASH FROM/(USED) OPERATING ACTIVITIES		229 875	(12 537)	(11 382)	(12 497)	32 175	6 424	25 752	401%	(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								-		
Payments										
Capital assets		(8 144)	(126 642)	(127 797)	(71)	(2 913)	(74 358)	71 445	-96%	(127 797)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 144)	(126 642)	(127 797)	(71)	(2 913)	(74 358)	71 445	-96%	(127 797)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	107 232	107 232				-		107 232
Increase (decrease) in consumer deposits					10 018	(31 812)	(31 812)	-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	107 232	107 232	10 018	(31 812)	(31 812)	-		107 232
NET INCREASE/ (DECREASE) IN CASH HELD		221 730	(31 947)	(31 947)	(2 550)	(2 550)	(99 747)			(31 947)
Cash/cash equivalents at beginning:		169 752	263 042	139 581	122 113	122 113	142 058			139 581
Cash/cash equivalents at month/year end:		391 482	231 095	107 634	119 563	119 563	42 311			107 634

The municipal bank balance on 31 January 2023 totals R9 562 550 and there were short term deposits made of R90 000 000 and call account deposits of R20 000 000. Total cash available at month-end is therefore R119,562,550.

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

REPORTING MONTH: 31 JANUARY 2023		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 31 December 2022	17 112 915,12	9 562 550,10
Other Cash & Cash Equivalents: Short term deposits	95 000 000,00	90 000 000,00
Other Cash & Cash Equivalents: Call accounts	10 000 000,00	20 000 000,00
Total Cash & Cash Equivalents:	122 112 915,12	119 562 550,10
LESS:	95 872 281,13	91 759 582,53
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	9 150 000,00	6 858 527,86
YTD Unspent Operational budget	21 264 618,13	19 443 391,67
Sub total	26 240 633,99	27 802 967,57
PLUS:	56 385 424,52	58 146 411,00
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	47 302 181,52	49 063 168,00
	82 626 058,51	85 949 378,57
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	29 691 731,51	33 015 051,57
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	25 069 616,51	28 392 936,57
Total monthly commitments	3 204 692,81	2 863 592,46

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

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-ex change Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	12	19	18	18	17	17	101	430	634	584	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	16 136	36 613	468	433	361	2 656	3 830	34 290	94 787	41 569	-	-	-	-
Total By Income Source	2000	16 148	36 632	486	451	378	2 673	3 931	34 720	95 421	42 154	-	-	-	-
2021/22 - totals only															
Debtors Age Analysis By Customer Group															
Organs of State	2200	(60)	43	18	18	23	36	155	2 194	2 428	2 427	-	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	2	-	-	-	-	-	-	-	2	-	-	-	-	-
Other	2500	16 207	36 589	468	433	355	2 637	3 776	32 526	92 991	39 727	-	-	-	-
Total By Customer Group	2600	16 148	36 632	486	451	378	2 673	3 931	34 720	95 421	42 154	-	-	-	-

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.

Most 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 has 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 - M07 January

Budget Year 2022/23												Prior year totals for chart (same period)
Description	NT Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total		
R thousands		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	-	145	22	38	38	4	35	584	866	-	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	-	145	22	38	38	4	35	584	866	-	

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 January 2023	Movements for the month		Balance as at 31 January 2023	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made			
Garden Route District Municipality						
Standard Bank	47 500 000,00	-20 000 000,00	17 500 000,00	45 000 000,00	411 521,10	1 756 606,85
ABSA	26 500 000,00	-12 000 000,00	10 500 000,00	25 000 000,00	240 105,21	782 702,48
Nedbank	13 000 000,00		7 000 000,00	20 000 000,00		446 762,46
FNB	8 000 000,00	-8 000 000,00		-	156 716,71	464 661,92
BANK DEPOSITS	95 000 000,00	-40 000 000,00	35 000 000,00	90 000 000,00	808 343,02	3 450 733,71

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 - M07 January

DC4: Garden Route - Supporting Table 300 Monthly Budget Statement - Transfers and grant receipts - M07 January										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		173 756	181 160	182 938	–	128 881	139 179	(10 298)	-7,4%	182 938
Local Government Equitable Share		167 653	172 721	172 721	–	124 358	131 697	(7 339)	-5,6%	172 721
Energy Efficiency and Demand Side Management Grant		–	1 000	1 000	–	–	583	(583)	-100,0%	1 000
Expanded Public Works Programme Integrated Grant		2 071	2 440	2 440	–	1 708	1 708	0	0,0%	2 440
Infrastructure Skills Development Grant								–		
Local Government Financial Management Grant		1 000	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	–	–	970	(970)	-100,0%	1 778
Rural Road Asset Management Systems Grant		3 032	2 594	2 594	–	1 815	1 816	(1)	-0,1%	2 594
Urban Settlement Development Grant								–		
Provincial Government:		9 639	6 500	11 483	–	1 500	2 767	(1 267)	-45,8%	11 483
Capacity Building		9 639	6 500	11 483	–	1 500	2 767	(1 267)	-45,8%	11 483
Other grant providers:		172	41 000	41 000	–	117	23 917	(23 799)	-99,5%	41 000
<i>Other Grants Received</i>		172	41 000	41 000	–	117	23 917	(23 799)	-99,5%	41 000
								–		
Total Operating Transfers and Grants	5	183 567	228 660	235 421	–	130 498	165 863	(35 364)	-21,3%	235 421
Capital Transfers and Grants										
National Government:		–	4 000	4 000	–	4 000	2 333	1 667	71,4%	4 000
Energy Efficiency and Demand Side Management Grant		–	4 000	4 000	–	4 000	2 333	1 667	71,4%	4 000
Other grant providers:		191	7 200	7 200	–	–	4 200	(4 200)	-100,0%	7 200
<i>Other Grants Received</i>		191	7 200	7 200	–	–	4 200	(4 200)	-100,0%	7 200
								–		
Total Capital Transfers and Grants	5	191	11 200	11 200	–	4 000	6 533	(2 533)	-38,8%	11 200
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	183 758	239 860	246 621	–	134 498	172 396	(37 898)	-22,0%	246 621

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 - M07 January

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:		8 926	8 439	8 812	615	3 949	5 219	(1 269)	-24,3%	8 812
Equitable Share								-		
Energy Efficiency and Demand Side Management Grant		-	1 000	1 000	-	83	583	(500)	-85,7%	1 000
Expanded Public Works Programme Integrated Grant		5 387	2 440	2 440	341	1 424	1 423	1	0,0%	2 440
Infrastructure Skills Development Grant		-	-	-	-	-	-	-		-
Integrated City Development Grant								-		
Local Government Financial Management Grant		990	1 000	1 000	45	355	583	(227)	-39,1%	1 000
Municipal Systems Improvement Grant		-	1 405	-	-	-	(585)	585	-100,0%	-
Neighbourhood Development Partnership Grant								-		
Municipal Disaster Recovery Grant								-		
Rural Road Asset Management Systems Grant		2 549	2 594	2 594	230	1 209	2 245	(1 036)	-46,1%	2 594
Public Transport Network Grant		-	-	1 778	-	878	970	(92)	-9,5%	1 778
Provincial Government:		169 627	179 655	202 662	16 275	107 808	94 603	13 205	14,0%	202 662
Infrastructure		166 019	173 155	192 295	15 595	102 161	89 561	12 600	14,1%	192 295
Infrastructure								-		
Capacity Building		3 607	6 500	10 368	680	5 646	5 041	605	12,0%	10 368
Other grant providers:		161	-	74	-	64	74	(10)	-13,0%	74
Expenditure on Other Grants		161	-	74	-	64	74	(10)	-13,0%	74
Total operating expenditure of Transfers and Grants:		178 714	188 094	211 549	16 890	111 822	99 895	11 927	11,9%	211 549
Capital expenditure of Transfers and Grants										
National Government:		-	4 000	4 000	-	-	2 333	(2 333)	-100,0%	4 000
Energy Efficiency and Demand Side Management Grant		-	4 000	4 000	-	-	2 333	(2 333)	-100,0%	4 000
Provincial Government:		-	-	215	-	89	117	(28)	-24,2%	215
Capacity Building		-	-	215	-	89	117			215
Other grant providers:		381	7 200	7 200	-	-	4 200	(4 200)	-100,0%	7 200
Expenditure on Other Grants		381	7 200	7 200	-	-	4 200	(4 200)	-100,0%	7 200
Total capital expenditure of Transfers and Grants		381	11 200	11 415	-	89	6 651	(6 562)	-98,7%	11 415
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		179 095	199 294	222 964	16 890	111 911	106 546	5 365	5,0%	222 964

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 - M07 January

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		7 778	12 459	12 459	625	4 711	7 268	(2 557)	-35%	12 459
Pension and UIF Contributions		370	10	10	32	236	6	231	4117%	10
Medical Aid Contributions		153	54	54	22	151	32	120	381%	54
Motor Vehicle Allowance		1 859	–	–	186	1 169	–	1 169	#DIV/0!	–
Cellphone Allowance		1 035	20	20	80	566	12	555	4805%	20
Housing Allowances		592	–	–	64	447	–	447	#DIV/0!	–
Other benefits and allowances		42	–	–	28	263	–	263	#DIV/0!	–
Sub Total - Councillors		11 829	12 542	12 542	1 037	7 544	7 316	227	3%	12 542
% increase	4		6,0%	6,0%						6,0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 431	6 119	5 269	649	3 425	2 720	705	26%	5 269
Pension and UIF Contributions		(6 755)	1 178	1 178	68	459	687	(228)	-33%	1 178
Medical Aid Contributions		155	63	63	19	121	37	85	230%	63
Overtime								–		
Performance Bonus		(28)	606	606	–	561	353	208	59%	606
Motor Vehicle Allowance		822	527	527	72	499	308	192	62%	527
Cellphone Allowance		81	114	114	11	114	67	47	71%	114
Housing Allowances		321	–	–	32	216	–	216	#DIV/0!	–
Other benefits and allowances		31	–	–	(5)	8	–	8	#DIV/0!	–
Payments in lieu of leave		260	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations								–		
Sub Total - Senior Managers of Municipality		318	8 608	7 758	846	5 404	4 171	1 232	30%	7 758
% increase	4		2604,8%	2337,7%						2337,7%
Other Municipal Staff										
Basic Salaries and Wages		161 970	172 635	172 018	13 759	99 529	100 333	(804)	-1%	172 018
Pension and UIF Contributions		27 817	29 522	29 522	2 399	16 814	17 221	(407)	-2%	29 522
Medical Aid Contributions		33 224	26 646	26 646	2 133	14 322	15 544	(1 221)	-8%	26 646
Overtime		5 550	6 693	6 693	394	2 187	3 904	(1 717)	-44%	6 693
Performance Bonus		10 608	12 374	12 374	28	13 031	7 218	5 813	81%	12 374
Motor Vehicle Allowance		10 474	10 498	10 498	993	6 894	6 124	771	13%	10 498
Cellphone Allowance		129	124	124	10	73	72	0	0%	124
Housing Allowances		2 370	3 137	3 137	198	1 447	1 830	(383)	-21%	3 137
Other benefits and allowances		16 947	10 444	10 444	469	4 821	6 093	(1 272)	-21%	10 444
Payments in lieu of leave		2 231	1 213	1 213	653	4 409	707	3 702	523%	1 213
Long service awards		–	80	80	–	–	47	(47)	-100%	80
Post-retirement benefit obligations		3 671	6 694	6 694	–	–	3 905	(3 905)	-100%	6 694
Sub Total - Other Municipal Staff		274 990	280 061	279 444	21 036	163 528	162 998	530	0%	279 444
% increase	4		1,8%	1,6%						1,6%
Total Parent Municipality		287 137	301 212	299 745	22 919	176 475	174 486	1 989	1%	299 745

Remuneration related expenditure for the month ended 31 January 2023 amounted to R22,918,815.

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 February 2023

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

National Treasury
Local Government Budget Analysis
Private Bag X115
PRETORIA

Sir / Madam

QUALITY CERTIFICATE

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

- ☐ **The monthly budget statement**
- ☐ Quarterly report on the implementation of the budget and financial state of affairs of the municipality
- ☐ Mid- year budget and performance assessment

for the month ended **31 January 2023**, has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

Print Name Monde Stratu

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

Signature [Signature]
Date 13/02/2023