



2023/2024  
FINANCIAL YEAR

# MONTHLY FINANCIAL MONITORING REPORT

M02: 31 August 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.

**YTDB** – Year to Date Budget

**YTDA** – Year to Date Actual

#### **Legislative Framework:**

This report has been prepared in terms of the following enabling legislation:

#### **The Municipal Finance Management Act – Act No. 56 of 2003**

Section 71: Monthly budget statements

**Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations**

## **PART 1 – IN-YEAR REPORT**

### **Section 1 – Resolutions**

These are the resolutions being presented to Council in the monthly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of Section 71 of the Municipal Finance Management Act, Act 56 of 2003 and the Municipal Budget and Reporting Regulations.

Regulation 28 of the Municipal Budget and Reporting Regulations states:

*“The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”*

#### **Recommendations:**

- That Council takes note of the monthly budget statement and supporting documentation for the month ended 31 August 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 August 2023 amounted to **R24,851,907 (YTDA: R117,678,155 and YTDB: R88,050,660)** which represents **5%** of the total adjusted budgeted figure of **R528,303,963 (including Roads)**.

#### **Operating Expenditure by type**

Operating expenditure for the month ended 31 August 2023 amounted to **R35,164,911 (YTDA: R66,415,715 and YTDB: R88,748,000)** with a total adjusted budgeted figure of **R532,490,161 (including Roads)**, the operational expenditure for the month is **7%** of the total budget. The majority of the expenditure relates to Employee and Councillor remuneration costs of R24,686,148 (**70%** of the monthly expenditure).

## **Capital Expenditure**

The adjusted capital budget for the financial year amounts to **R 159,900,075**. Capital expenditure of **R6,594,388** was recorded for the month ended 31 August 2023. The largest item on the capital budget (R143,981,000) is the construction of the regional landfill site and construction commenced to the end of the 2022/2023 financial year.

Refer to page 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 (refer to pages 11 to 13).

### **2.4 Remedial or corrective steps**

Head of Departments 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. Issues have been logged with the service provider's helpdesk for system issues.

## **Conclusion**

Detailed analysis of the municipal performance for the month ended 31 August 2023 is presented under the different sections of the report.

## Section 3 – In-year budget statement tables

### 3.1 Monthly budget statements

#### 3.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Garden Route - Table C1 Monthly Budget Statement Summary - M02 August

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	37 688	37 688	-	-	6 281	(6 281)	-100%	37 688
Investment revenue	-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	-	212 004	212 290	3 473	80 384	35 382	45 003	127%	212 290
Other own revenue	-	268 245	268 245	19 352	35 267	44 707	(9 440)	-21%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>517 937</b>	<b>518 223</b>	<b>22 825</b>	<b>115 651</b>	<b>86 370</b>	<b>29 281</b>	<b>34%</b>	<b>518 223</b>
Employee costs	-	300 666	300 766	23 688	46 779	50 128	(3 349)	-7%	300 766
Remuneration of Councillors	-	14 216	14 216	998	1 990	2 369	(380)	-16%	14 216
Depreciation and amortisation	-	5 106	5 106	451	902	851	51	6%	5 106
Interest	-	8 820	8 820	124	124	1 470	(1 346)	-92%	8 820
Inventory consumed and bulk purchases	-	51 861	51 361	2 868	5 555	8 143	(2 588)	-32%	51 361
Transfers and subsidies	-	2 501	2 687	123	119	448	(329)	-73%	2 687
Other expenditure	-	149 034	149 534	6 912	10 946	25 339	(14 393)	-57%	149 534
<b>Total Expenditure</b>	-	<b>532 204</b>	<b>532 490</b>	<b>35 165</b>	<b>66 416</b>	<b>88 748</b>	<b>(22 333)</b>	<b>-25%</b>	<b>532 490</b>
<b>Surplus/(Deficit)</b>	-	<b>(14 267)</b>	<b>(14 267)</b>	<b>(12 340)</b>	<b>49 236</b>	<b>(2 378)</b>	<b>51 614</b>	<b>-2170%</b>	<b>(14 267)</b>
Transfers and subsidies - capital (monetary)	-	8 481	10 081	2 000	2 000	1 680	320	19%	10 081
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>(5 786)</b>	<b>(4 186)</b>	<b>(10 340)</b>	<b>51 236</b>	<b>(698)</b>	<b>51 933</b>	<b>-7442%</b>	<b>(4 186)</b>
Share of surplus/ (deficit) of associate	-	-	-	27	27	-	27	#DIV/0!	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>(5 786)</b>	<b>(4 186)</b>	<b>(10 313)</b>	<b>51 262</b>	<b>(698)</b>	<b>51 960</b>	<b>-7446%</b>	<b>(4 186)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>158 300</b>	<b>159 900</b>	<b>6 594</b>	<b>8 693</b>	<b>26 650</b>	<b>(17 957)</b>	<b>-67%</b>	<b>159 900</b>
Capital transfers recognised	-	8 481	10 081	1 153	1 153	1 680	(527)	-31%	10 081
Borrowing	-	143 981	143 981	5 399	5 399	23 997	(18 598)	-78%	143 981
Internally generated funds	-	5 838	5 838	42	2 141	973	1 168	120%	5 838
<b>Total sources of capital funds</b>	-	<b>158 300</b>	<b>159 900</b>	<b>6 594</b>	<b>8 693</b>	<b>26 650</b>	<b>(17 957)</b>	<b>-67%</b>	<b>159 900</b>
<b>Financial position</b>									
Total current assets	-	149 940	162 430		186 013				162 430
Total non current assets	-	482 146	466 852		323 260				466 852
Total current liabilities	-	62 133	57 501		49 703				57 501
Total non current liabilities	-	316 731	312 603		155 546				312 603
Community wealth/Equity	-	253 223	259 178		304 023				259 178
<b>Cash flows</b>									
Net cash from (used) operating	-	(4 936)	(3 151)	(8 351)	(20 164)	(525)	19 638	-3739%	(3 151)
Net cash from (used) investing	-	(158 300)	(159 900)	(6 594)	(8 693)	(26 650)	(17 957)	67%	(159 872)
Net cash from (used) financing	-	143 732	170 309	583	14 495	31 673	17 178	54%	170 945
<b>Cash/cash equivalents at the month/year end</b>	-	<b>101 769</b>	<b>143 662</b>	<b>153 191</b>	<b>153 191</b>	<b>140 901</b>	<b>(12 290)</b>	<b>-9%</b>	<b>175 476</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	-	10 513	794	1 360	574	1 467	8 474	34 518	73 550
<b>Creditors Age Analysis</b>									
Total Creditors	-	1 333	728	108	123	5	41	421	3 230

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

This table reflects the operating budget (Financial Performance) in the standard classifications that is the Government Finance Statistics Functions and Sub-function. The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services. In Table C3, Financial Performance is reported by municipal vote:

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		-	275 990	265 854	8 155	87 046	44 309	42 737	96%	265 854
Executive and council		-	274 960	256 982	7 732	86 211	42 830	43 381	101%	256 982
Finance and administration		-	1 029	8 873	423	835	1 479	(644)	-44%	8 873
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	15 036	23 686	362	669	3 948	(3 279)	-83%	23 686
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	14 597	14 154	263	540	2 359	(1 819)	-77%	14 154
Public safety		-	-	9 094	54	58	1 516	(1 458)	-96%	9 094
Housing		-	-	-	-	-	-	-	-	-
Health		-	439	439	45	71	73	(2)	-2%	439
<b>Economic and environmental services</b>		-	195 060	198 431	16 334	29 963	33 072	(3 109)	-9%	198 431
Planning and development		-	-	3 371	379	761	562	199	35%	3 371
Road transport		-	194 878	194 878	15 942	29 182	32 480	(3 297)	-10%	194 878
Environmental protection		-	183	183	13	20	30	(11)	-35%	183
<b>Trading services</b>		-	40 332	40 332	-	-	6 722	(6 722)	-100%	40 332
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	40 332	40 332	-	-	6 722	(6 722)	-100%	40 332
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	526 418	528 304	24 852	117 678	88 051	29 627	34%	528 304
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		-	182 063	182 249	12 467	22 797	30 375	(7 577)	-25%	182 249
Executive and council		-	55 515	55 515	3 124	5 572	9 252	(3 680)	-40%	55 515
Finance and administration		-	123 362	123 548	9 107	16 737	20 591	(3 855)	-19%	123 548
Internal audit		-	3 186	3 186	237	489	531	(42)	-8%	3 186
<b>Community and public safety</b>		-	91 305	91 333	5 952	11 515	15 162	(3 647)	-24%	91 333
Community and social services		-	8 016	8 116	548	1 065	1 353	(288)	-21%	8 116
Sport and recreation		-	14 322	14 322	607	1 252	2 387	(1 135)	-48%	14 322
Public safety		-	28 546	28 546	1 870	3 527	4 758	(1 231)	-26%	28 546
Housing		-	-	-	-	-	-	-	-	-
Health		-	40 421	40 349	2 928	5 672	6 665	(993)	-15%	40 349
<b>Economic and environmental services</b>		-	218 159	218 231	16 319	31 387	36 432	(5 044)	-14%	218 231
Planning and development		-	18 300	18 300	1 200	2 462	3 050	(588)	-19%	18 300
Road transport		-	195 904	195 904	14 834	28 308	32 651	(4 342)	-13%	195 904
Environmental protection		-	3 955	4 027	285	617	731	(114)	-16%	4 027
<b>Trading services</b>		-	38 047	38 047	320	513	6 341	(5 828)	-92%	38 047
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	38 047	38 047	320	513	6 341	(5 828)	-92%	38 047
<b>Other</b>		-	2 630	2 630	106	203	438	(235)	-54%	2 630
<b>Total Expenditure - Functional</b>	3	-	532 204	532 490	35 165	66 416	88 748	(22 333)	-25%	532 490
<b>Surplus/ (Deficit) for the year</b>		-	(5 786)	(4 186)	(10 313)	51 262	(698)	51 960	-7446%	(4 186)



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

DC4 Garden Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Office of the Municipal Manager	1	-	274 960	256 982	7 732	86 211	42 830	43 381	101,3%	256 982
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	6 358	368	740	1 060	(320)	-30,2%	6 358
Vote 4 - Financial Services (cont)		-	-	-	(1)	(0)	-	(0)	#DIV/0!	-
Vote 5 - Corporate Services		-	1 029	1 473	56	95	245	(150)	-61,1%	1 473
Vote 6 - Corporate Services (cont)		-	-	1 042	-	-	174	(174)	-100,0%	1 042
Vote 7 - Community Services		-	439	439	45	71	73	(2)	-2,2%	439
Vote 8 - Community Services (cont)		-	40 515	49 609	66	74	8 268	(8 194)	-99,1%	49 609
Vote 9 - Planning and Economic Development		-	-	-	1	4	-	4	#DIV/0!	-
Vote 10 - Planning and Economic Development (cont)		-	7 612	10 540	611	1 191	1 757	(565)	-32,2%	10 540
Vote 11 - Planning and Economic Development(cont2)		-	6 985	6 985	32	109	1 164	(1 055)	-90,6%	6 985
Vote 12 - Roads		-	194 878	194 878	15 942	29 182	32 480	(3 297)	-10,2%	194 878
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	<b>526 418</b>	<b>528 304</b>	<b>24 852</b>	<b>117 678</b>	<b>88 051</b>	<b>29 627</b>	<b>33,6%</b>	<b>528 304</b>
<b>Expenditure by Vote</b>										
Vote 1 - Office of the Municipal Manager	1	-	63 758	63 758	3 794	6 742	10 626	(3 884)	-36,6%	63 758
Vote 2 - Office of the Municipal Manager (cont)		-	6 734	6 734	524	1 056	1 122	(67)	-5,9%	6 734
Vote 3 - Financial Services		-	22 124	22 124	1 577	2 892	3 687	(796)	-21,6%	22 124
Vote 4 - Financial Services (cont)		-	6 511	6 511	514	1 042	1 085	(43)	-4,0%	6 511
Vote 5 - Corporate Services		-	37 456	37 641	1 790	3 887	6 273	(2 387)	-38,0%	37 641
Vote 6 - Corporate Services (cont)		-	29 874	29 875	2 757	4 632	4 980	(348)	-7,0%	29 875
Vote 7 - Community Services		-	52 804	52 832	3 777	7 325	8 745	(1 420)	-16,2%	52 832
Vote 8 - Community Services (cont)		-	69 242	69 314	2 403	4 528	11 612	(7 085)	-61,0%	69 314
Vote 9 - Planning and Economic Development		-	20 176	20 176	1 761	3 059	3 363	(304)	-9,0%	20 176
Vote 10 - Planning and Economic Development (cont)		-	23 326	23 326	1 275	2 606	3 888	(1 282)	-33,0%	23 326
Vote 11 - Planning and Economic Development(cont2)		-	4 296	4 296	159	340	716	(376)	-52,5%	4 296
Vote 12 - Roads		-	124 074	124 074	10 370	19 229	20 679	(1 450)	-7,0%	124 074
Vote 13 - Roads (cont)		-	71 830	71 830	4 464	9 079	11 972	(2 893)	-24,2%	71 830
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>532 204</b>	<b>532 490</b>	<b>35 165</b>	<b>66 416</b>	<b>88 748</b>	<b>(22 333)</b>	<b>-25,2%</b>	<b>532 490</b>
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>(5 786)</b>	<b>(4 186)</b>	<b>(10 313)</b>	<b>51 262</b>	<b>(698)</b>	<b>51 960</b>	<b>-7445,9%</b>	<b>(4 186)</b>

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

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

DC4 Garden Route - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	Budget Year 2023/24								Full Year Forecast
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity								-	0%	
Service charges - Water								-	0%	
Service charges - Waste Water Management								-	0%	
Service charges - Waste management		-	37 688	37 688	-	-	6 281	(6 281)	-100%	37 688
Sale of Goods and Rendering of Services		-	26 779	26 779	327	644	4 463	(3 819)	-86%	26 779
Agency services		-	214 389	21 239	1 500	2 999	3 540	(541)	-15%	21 239
Interest								-	0%	
Interest earned from Receivables		-	3 371	3 708	412	826	618	208	34%	3 708
Interest from Current and Non Current Assets		-	10 134	10 134	751	751	1 689	(938)	-56%	10 134
Dividends								-	0%	
Rent on Land		-	627	627	35	75	104	(29)	-28%	627
Rental from Fixed Assets		-	3 377	3 377	142	247	563	(316)	-56%	3 377
Licence and permits								-	0%	
Operational Revenue		-	9 386	202 199	16 172	29 708	33 700	(3 992)	-12%	202 199
<b>Non-Exchange Revenue</b>										
Property rates								-	0%	
Surcharges and Taxes		-	-	-	-	-	-	-	0%	-
Fines, penalties and forfeits								-	0%	
Licence and permits		-	183	183	12	16	30	(14)	-47%	183
Transfers and subsidies - Operational		-	212 004	212 290	3 473	80 384	35 382	45 003	127%	212 290
Interest								-	0%	
Fuel Levy								-	0%	
Operational Revenue								-	0%	
Gains on disposal of Assets								-	0%	
Other Gains		-	-	-	-	-	-	-	0%	-
Discontinued Operations								-	0%	
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	517 937	518 223	22 825	115 651	86 370	29 281	34%	518 223
<b>Expenditure By Type</b>										
Employee related costs		-	300 666	300 766	23 688	46 779	50 128	(3 349)	-7%	300 766
Remuneration of councillors		-	14 216	14 216	998	1 990	2 369	(380)	-16%	14 216
Bulk purchases - electricity								-	0%	
Inventory consumed		-	51 861	51 361	2 868	5 555	8 143	(2 588)	-32%	51 361
Debt impairment		-	-	-	-	-	-	-	0%	-
Depreciation and amortisation		-	5 106	5 106	451	902	851	51	6%	5 106
Interest		-	8 820	8 820	124	124	1 470	(1 346)	-92%	8 820
Contracted services		-	81 910	81 969	1 987	2 747	13 711	(10 964)	-80%	81 969
Transfers and subsidies		-	2 501	2 687	123	119	448	(329)	-73%	2 687
Irrecoverable debts written off		-	2 100	2 100	-	-	350	(350)	-100%	2 100
Operational costs		-	64 950	65 390	4 942	8 235	11 266	(3 031)	-27%	65 390
Losses on Disposal of Assets		-	-	-	-	-	-	-	0%	-
Other Losses		-	75	75	(17)	(35)	12	(48)	-384%	75
<b>Total Expenditure</b>		-	532 204	532 490	35 165	66 416	88 748	(22 333)	-25%	532 490
<b>Surplus/(Deficit)</b>		-	(14 267)	(14 267)	(12 340)	49 236	(2 378)	51 614	-2170%	(14 267)
Transfers and subsidies - capital (monetary allocations)										
		-	8 481	10 081	2 000	2 000	1 680	320	19%	10 081
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	0%	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	(5 786)	(4 186)	(10 340)	51 236	(698)			(4 186)
Income Tax										
<b>Surplus/(Deficit) after income tax</b>		-	(5 786)	(4 186)	(10 340)	51 236	(698)			(4 186)
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		-	(5 786)	(4 186)	(10 340)	51 236	(698)			(4 186)
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions		-	-	-	27	27	-			-
<b>Surplus/ (Deficit) for the year</b>		-	(5 786)	(4 186)	(10 313)	51 262	(698)			(4 186)

## **Revenue by Source**

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

### Sales of Goods and Rendering of Services:

The income for rental of facilities and equipment reported for the month ended 31 August 2023 amounts to R327,319 (YTDA: R644,000 and YTDB: R4,463,000).

### Agency services

The municipality performs an agency function on behalf of the Department of Transport – Roads department. Monthly agency fees are collected from the department. 12% Admin fee is received on the original allocation and 6% on any additional allocations. Revenue from agency services was recorded for the month ended 31 August 2023 to the amount of R1,499,637 ( YTDA: R2,999,000 and YTDB: R3,540,000)

### Interest earned from Receivables / Outstanding debtors

The interest on outstanding debtors for the month of 31 August 2023 amounts to R412,326 (YTDA: R826,000 and YTDB: R618,000).

### Interest earned from Current and Non-Current Assets / 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. No interest was recorded as at 31 August 2023.

### Rent on Land

The income received from rental on land amounts to R39,932 for the month ended 31 August 2023 (YTD: R52,000).

### Rental from Fixed Assets of facilities and equipment

The income for rental of facilities and equipment reported for the month ended 31 August 2023 amounts to R141,787 (YTDA: R247,000 and YTDB: R563,000).

### Operational Revenue

Operational revenue reflects an amount of R16,172,421 for the month ended 31 August 2023 (YTDA: R29,708,000 and YTDB: R33,700,000). Operational revenue mostly consists of the following: Administrative handling fees and Staff Recoveries.

#### Licences and permits

The income received for licences and permits for the month ended 31 August 2023 amounts to R11,875 (YTDA: R16,000 and YTDB: R30,000).

#### 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 R74,305,000 (Total allocation R178,333,000) for the Equitable Share and R1,560,000 for Safety Implementation Grant (WOSA) was received during July 2023, this is the total grant allocation received in full. The municipality also received R1,046,000 in respect of the SETA funding (Skills Mecca) during July 2023 as per the SLA. The municipality received R1,000,000 for the FMG, the first instalment of R545,000 for the EPWP Grant, R1,928,000 for the Rural Roads Assets Management Grant and R2,000,000 for the Energy Efficiency and Demand Side Management Grant, during the month of August 2023, from National Treasury.

#### Expenditure by Type

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

#### Employee Related cost / Remuneration of councillors

Remuneration related expenditure (councillors and staff) for the month ended 31 August 2023 amounted to R24,686,148 (YTDA: R48,769,000 and YTDB: R52,497,000) of a adjusted budgeted amount R314,981,530 that represents 8% of the total budgeted amount and 70% of the monthly expenditure.

#### Inventory Consumed

Other materials consists of all inventory consumed purchases for materials and supplies amounts to R2,868,432 (YTDA: R5,555,000 and YTDB: R8,143,000) for the month ended 31 August 2023 against a total adjusted budgeted amount of R51,360,557.

#### Debt Impairment / Depreciation and amortisation.

Depreciation of R451,195 was recognised in August 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 (Phoenix) of the financial system. The Asset Verification module has been implemented – the GRAP implementation testing will be performed during the 2023/2024 financial year.

#### Contracted services

The contracted services for the month ended 31 August 2023 amounts to R1,987,020 (YTDA: R2,747,000 and YTDB: R13,711,000) against a total adjusted budgeted amount of R81,969,174.

#### Transfers and subsidies

The transfers and subsidies expenditure for the month ended 31 August 2023 amounts to R123,000 against a total adjusted budgeted amount of R2,687,081.

#### Other costs

Other expenditure reflects all other expenses not specifically mentioned and amounts to R4,942,035 for month ended 31 August 2023.

The other expenditure consists of the following:

- Travel and Subsistence
- Operating Projects (own funds)
- Bank Charges
- Advertisements
- Telephone costs
- Municipal Accounts
- Software licenses
- Internet fees

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

DC4 Garden Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

Vote Description	Ref	Budget Year 2023/24								
		2022/23	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1	Audited Outcome								
<b>Multi-Year expenditure appropriation</b>	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)		-	250	250	-	-	42	(42)	-100%	250
Vote 7 - Community Services		-	8 619	10 219	979	3 077	1 703	1 374	81%	10 219
Vote 8 - Community Services (cont)		-	144 631	144 631	5 399	5 399	24 105	(18 706)	-78%	144 631
Vote 9 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)		-	4 800	4 800	217	217	800	(583)	-73%	4 800
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-	-	-
Vote 12 - Roads		-	-	-	-	-	-	-	-	-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	158 300	159 900	6 594	8 693	26 650	(17 957)	-67%	159 900
<b>Single Year expenditure appropriation</b>	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 -		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>		-	158 300	159 900	6 594	8 693	26 650	(17 957)	-67%	159 900

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

SCOA config	Nr.	Project description	Original Budget R'000	Adjusted budget R'	YTD Expenditure R'	Status of project	Any challenges identified that is resulting in delays?
71010110001	1	Upgrading of buildings - Retrofitting EEDS	4 000 000,00	4 000 000	217 091	In Process	No challenges anticipated
71207230002	2	Replacing ICT Capital Equipment beyond economical	250 000,00	0		In Process	No challenges anticipated
71801310001	3	Firestation: George	4 638 075,00	4 638 075	2 141 019	Order Issued to Supplier	No challenges anticipated
71801310002	4	Firestation: George	3 000 000,00	3 000 000	936 105	In Process	No challenges anticipated
71801330001	5	Firefighting Vehicle (bakkie)	981 000,00	981 000		In Process	No challenges anticipated
73602102302	6	Vehicle (bakkie)	800 000,00	800 000		In Process	No challenges anticipated
72305230001	7	Hazmat Rescue & Fire Equipment	150 000,00	150 000		In Process	No challenges anticipated
72305230005	8	Hazardous Materials Equipment	500 000,00	500 000		In Process	No challenges anticipated
74402100901	9	Landfill Site: PPE	143 981 000,00	143 981 000	5 398 699	In Process	No challenges anticipated
71207104112	10	Wireless Access Points		20 000		Order Issued to Supplier	No challenges anticipated
71207104144	11	QNAP Backup Storage		68 770		In Process	No challenges anticipated
71207104145	12	Monitor		3 500		Order Issued to Supplier	No challenges anticipated
71207104165	13	Network Equipment		20 000		In Process	No challenges anticipated
71207104166	14	Backup Tape Drive		18 000		In Process	No challenges anticipated
71207104167	15	Inverters		114 730		In Process	No challenges anticipated
71207104080	16	Medical Chair		5 000		In Process	No challenges anticipated
71602102321	17	Mobile Generators		1 600 000		Order Issued to Supplier	No challenges anticipated
<b>Totals</b>			<b>158 300 075</b>	<b>159 900 075</b>	<b>8 692 913</b>		

Project status: If the project is in the SCM process of being procured. Please state in which stage (planning, specification,			
Commitments against capital for the month August 2023			
71801310001	3	Firestation: George	42 493,75
74402100901	9	Landfill Site: PPE	126 276,04
71010110001	1	Upgrading of buildings - Retrofitting EEDS	240 699,68
71207104112	10	Wireless Access Points	17 051,55
71207104145	12	Monitor	2 477,00
71602102321	17	Mobile Generators	1 526 548,90
		<b>Total Commitments</b>	<b>1 955 546,92</b>

The largest item on the capital budget is the construction of the regional landfill site (R143 981 000).

### 3.1.6 Table C6: Monthly Budget Statement - Financial Position

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

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	Year ID actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		-	100 110	141 818	153 191	141 818
Trade and other receivables from exchange transactions		-	16 279	5 911	16 985	5 911
Receivables from non-exchange transactions		-	-	46	46	46
Current portion of non-current receivables		-	4 293	4 293	4 293	4 293
Inventory		-	2 979	3 409	2 332	3 409
VAT		-	6 060	6 954	9 165	6 954
Other current assets		-	20 220	0	-	0
<b>Total current assets</b>		-	<b>149 940</b>	<b>162 430</b>	<b>186 013</b>	<b>162 430</b>
<b>Non current assets</b>						
Investments		-	28	28	28	28
Investment property		-	64 187	64 084	65 935	64 084
Property, plant and equipment		-	355 193	342 240	195 865	342 240
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		-	(26)	412	1 344	412
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		-	62 764	60 088	60 088	60 088
Other non-current assets						
<b>Total non current assets</b>		-	<b>482 146</b>	<b>466 852</b>	<b>323 260</b>	<b>466 852</b>
<b>TOTAL ASSETS</b>		-	<b>632 086</b>	<b>629 282</b>	<b>509 273</b>	<b>629 282</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Financial liabilities		-	100	100	663	100
Consumer deposits		-	468	636	1 686	636
Trade and other payables from exchange transactions		-	27 928	26 931	20 143	26 931
Trade and other payables from non-exchange transactions		-	4 588	2 576	2 649	2 576
Provision		-	26 843	26 317	22 791	26 317
VAT		-	2 207	941	1 771	941
Other current liabilities						
<b>Total current liabilities</b>		-	<b>62 133</b>	<b>57 501</b>	<b>49 703</b>	<b>57 501</b>
<b>Non current liabilities</b>						
Financial liabilities		-	170 315	170 315	14 495	170 315
Provision		-	12 024	12 064	12 085	12 064
Long term portion of trade payables						
Other non-current liabilities		-	134 391	130 224	128 966	130 224
<b>Total non current liabilities</b>		-	<b>316 731</b>	<b>312 603</b>	<b>155 546</b>	<b>312 603</b>
<b>TOTAL LIABILITIES</b>		-	<b>378 864</b>	<b>370 104</b>	<b>205 250</b>	<b>370 104</b>
<b>NET ASSETS</b>	2	-	<b>253 223</b>	<b>259 178</b>	<b>304 023</b>	<b>259 178</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		-	200 293	206 262	261 132	206 262
Reserves and funds		-	52 930	52 915	42 891	52 915
Other						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	-	<b>253 223</b>	<b>259 178</b>	<b>304 023</b>	<b>259 178</b>



### 3.1.7 Table C7: Monthly Budget Statement - Cash Flow

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

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates										
Service charges		-	37 688	37 688	-	-	6 281	(6 281)	-100%	37 688
Other revenue		-	54 770	247 920	18 628	34 543	41 320	(6 777)	-16%	247 920
Transfers and Subsidies - Operational		-	405 154	212 290	3 473	80 384	35 382	45 003	127%	212 290
Transfers and Subsidies - Capital		-	8 481	10 081	2 000	2 000	1 680	320	19%	10 081
Interest		-	10 134	10 134	751	751	1 689	(938)	-56%	10 134
Dividends										
<b>Payments</b>										
Suppliers and employees		-	(512 343)	(512 443)	(33 079)	(112 677)	(85 407)	27 270	-32%	(512 443)
Interest		-	(8 820)	(8 820)	(124)	(124)	(1 470)	(1 346)	92%	(8 820)
Transfers and Subsidies					-	(25 041)	-	25 041	0%	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>(4 936)</b>	<b>(3 151)</b>	<b>(8 351)</b>	<b>(20 164)</b>	<b>(525)</b>	<b>19 638</b>	<b>-373%</b>	<b>(3 151)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE										
Decrease (increase) in non-current receivables										
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		-	(158 300)	(159 900)	(6 594)	(8 693)	(26 650)	(17 957)	67%	(159 900)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>(158 300)</b>	<b>(159 900)</b>	<b>(6 594)</b>	<b>(8 693)</b>	<b>(26 650)</b>	<b>(17 957)</b>	<b>67%</b>	<b>(159 900)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing		-	143 732	170 309	583	14 495	31 673	(17 178)	-54%	170 309
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing										
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>143 732</b>	<b>170 309</b>	<b>583</b>	<b>14 495</b>	<b>31 673</b>	<b>17 178</b>	<b>54%</b>	<b>170 309</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			<b>(19 504)</b>	<b>7 258</b>	<b>(14 362)</b>	<b>(14 362)</b>	<b>4 497</b>			<b>7 258</b>
Cash/cash equivalents at beginning:		-	121 273	136 403	167 553	167 553	136 403			136 403
Cash/cash equivalents at month/year end:		-	101 769	143 662	153 191	153 191	140 901			143 662

The municipal bank balance at 31 August 2023 totals R44 190 921 and there was short term deposits made of R85 000 000 and call account deposits of R24 000 000. Total cash available at month-end is therefore R153,190,921.

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

<b>REPORTING MONTH: 31 AUGUST 2023</b>		
<b>Commitments against Cash &amp; Cash Equivalents</b>		
<b>ITEM</b>	<b>Previous Month R'000</b>	<b>Current Month R'000</b>
<b>Bank balance as at 31 August 2023</b>	<b>58 553 435,34</b>	<b>44 190 920,68</b>
<b>Other Cash &amp; Cash Equivalents: Short term deposits</b>	<b>85 000 000,00</b>	<b>85 000 000,00</b>
<b>Other Cash &amp; Cash Equivalents: Call accounts</b>	<b>24 000 000,00</b>	<b>24 000 000,00</b>
<b>Total Cash &amp; Cash Equivalents:</b>	<b>167 553 435,34</b>	<b>153 190 920,68</b>
<b>LESS:</b>	<b>124 614 562,89</b>	<b>123 802 286,54</b>
Unspent Conditional Grants	7 460 842,00	8 556 754,00
Provision for staff leave	23 367 198,00	21 672 994,00
Provision for bonus	8 685 239,00	9 485 086,00
Post Retirement Benefits	24 535 000,00	30 198 700,00
Performance Bonus	1 409 384,00	956 188,00
Grant received in advance	-	-
Trade Payables	-	-
YTD Unspent Capital budget	3 739 000,00	3 697 000,00
YTD Unspent Operational budget	55 417 899,89	49 235 564,54
<b>Sub total</b>	<b>42 938 872,45</b>	<b>29 388 634,14</b>
<b>PLUS:</b>	<b>35 336 500,00</b>	<b>44 879 505,00</b>
VAT Receivable	1 751 533,00	4 109 640,00
Receivable Exchange	7 331 710,00	15 147 042,00
Department of Transport and Public Works	26 253 257,00	25 622 823,00
	<b>78 275 372,45</b>	<b>74 268 139,14</b>
<b>LESS OTHER MATTERS:</b>		
Capital Replacement Reserve	18 765 298,00	17 822 749,00
Employee Benefits Reserves	34 169 029,00	34 169 029,00
<b>Sub Total</b>	<b>25 341 045,45</b>	<b>22 276 361,14</b>
<b>LESS: CONTINGENT LIABILITIES</b>	<b>4 622 115,00</b>	<b>4 500 000,00</b>
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Portion of Portion 2 of Farm 238, Hooggekraal	32 115,00	-
Labour disputes	90 000,00	-
<b>Recalculated available cash balance</b>	<b>20 718 930,45</b>	<b>17 776 361,14</b>
<b>Total actual August 2023 expenditure excluding Roads (expenditure paid and taken into account in cash balance)</b>	<b>18 154 819,70</b>	<b>19 365 365,00</b>

## PART 2 – SUPPORTING DOCUMENTATION

### Section 4 – Debtors' analysis

#### Supporting Table SC3

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

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
<b>Debtors Age Analysis by Income Source</b>														
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	-	-	-	-	-	-	-	11	11	11	-	-	-
Interest on Arrear Debtor Accounts	1810	409	413	411	388	379	354	2 089	7 472	11 914	10 682	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	15 440	10 100	384	972	196	1 113	6 385	27 035	61 625	35 701	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>15 849</b>	<b>10 513</b>	<b>794</b>	<b>1 360</b>	<b>574</b>	<b>1 467</b>	<b>8 474</b>	<b>34 518</b>	<b>73 550</b>	<b>46 394</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2022/23 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	38	33	122	85	23	22	496	2 232	3 052	2 858	-	-	-
Commercial	2300	15 743	10 480	672	1 276	551	1 445	7 978	32 286	70 431	43 535	-	-	-
Households	2400	2	-	-	-	-	-	-	-	2	-	-	-	-
Other	2500	66	-	-	-	-	-	-	-	66	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>15 849</b>	<b>10 513</b>	<b>794</b>	<b>1 360</b>	<b>574</b>	<b>1 467</b>	<b>8 474</b>	<b>34 518</b>	<b>73 550</b>	<b>46 394</b>	<b>-</b>	<b>-</b>	<b>-</b>

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 is required to submit debtors aged analysis data strings on a monthly basis.

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

## Section 5 – Creditors' analysis

### Supporting Table C4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2023/24									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		
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	472	1 333	728	108	123	5	41	421	3 230	-	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>472</b>	<b>1 333</b>	<b>728</b>	<b>108</b>	<b>123</b>	<b>5</b>	<b>41</b>	<b>421</b>	<b>3 230</b>	<b>-</b>	

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

## Section 6 – Investment portfolio analysis

### 6.1 Investment monitoring information

	Balance as at 01 August 2023	Movements for the month		Balance as at 31 August 2023	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made			
<b>Garden Route District Municipality</b>						
Standard Bank	32 000 000,00			32 000 000,00		-
ABSA	32 500 000,00			32 500 000,00		-
Nedbank	20 500 000,00			20 500 000,00		-
<b>BANK DEPOSITS</b>	<b>85 000 000,00</b>	<b>-</b>	<b>-</b>	<b>85 000 000,00</b>	<b>-</b>	<b>-</b>

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. Monies were invested in short term deposits.

## Section 7 – Allocation and grant receipts and expenditure

### 7.1 Supporting Table C6

DC4 Garden Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:		-	185 267	185 267	3 473	77 778	30 878	46 900	151,9%	185 267
Local Government Equitable Share		-	178 333	178 333	-	74 305	29 722	44 583	150,0%	178 333
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant		-	2 180	2 180	545	545	363	182	50,0%	2 180
Infrastructure Skills Development Grant		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		-	1 000	1 000	1 000	1 000	167	833	500,0%	1 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	1 000	1 000	-	-	167	(167)	-100,0%	1 000
Rural Road Asset Management Systems Grant		-	2 754	2 754	1 928	1 928	459	1 469	320,0%	2 754
Provincial Government:		-	6 560	6 846	-	1 560	1 141	419	36,7%	6 846
Capacity Building		-	6 560	6 846	-	1 560	1 141	419	36,7%	6 846
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	20 177	20 177	-	1 046	3 363	(2 317)	-68,9%	20 177
Other Grants Received		-	20 177	20 177	-	1 046	3 363	(2 317)	-68,9%	20 177
Total Operating Transfers and Grants	5	-	212 004	212 290	3 473	80 384	35 382	45 003	127,2%	212 290
<b>Capital Transfers and Grants</b>										
National Government:		-	4 000	4 000	2 000	2 000	667	1 333	200,0%	4 000
Energy Efficiency and Demand Side Management Grant		-	4 000	4 000	2 000	2 000	667	1 333	200,0%	4 000
Provincial Government:		-	4 481	6 081	-	-	1 014	(1 014)	-100,0%	6 081
Infrastructure		-	4 481	4 481	-	-	747	(747)	-100,0%	4 481
Infrastructure		-	-	-	-	-	-	-	-	-
Capacity Building		-	-	1 600	-	-	267	(267)	-100,0%	1 600
Total Capital Transfers and Grants	5	-	8 481	10 081	2 000	2 000	1 680	320	19,0%	10 081
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	220 485	222 371	5 473	82 384	37 062	45 322	122,3%	222 371

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

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

### Supporting Table C8

DC4 Garden Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	2022/23		Budget Year 2023/24						
		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
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		–	11 153	11 153	597	1 196	1 859	(663)	-36%	11 153
Pension and UIF Contributions		–	263	263	29	58	44	14	33%	263
Medical Aid Contributions		–	162	162	18	36	27	9	33%	162
Motor Vehicle Allowance		–	1 251	1 251	159	323	209	115	55%	1 251
Cellphone Allowance		–	627	627	80	161	105	57	54%	627
Housing Allowances		–	478	478	64	128	80	48	60%	478
Other benefits and allowances		–	281	281	51	87	47	40	86%	281
<b>Sub Total - Councillors</b>		–	<b>14 216</b>	<b>14 216</b>	<b>998</b>	<b>1 990</b>	<b>2 369</b>	<b>(380)</b>	<b>-16%</b>	<b>14 216</b>
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		–	6 223	6 223	461	922	1 037	(115)	-11%	6 223
Pension and UIF Contributions		–	2 093	2 093	66	131	349	(217)	-62%	2 093
Medical Aid Contributions		–	220	220	20	41	37	4	10%	220
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	777	777	–	–	129	(129)	-100%	777
Motor Vehicle Allowance		–	908	908	70	139	151	(13)	-8%	908
Cellphone Allowance		–	207	207	11	23	35	(12)	-34%	207
Housing Allowances		–	392	392	22	44	65	(22)	-33%	392
Other benefits and allowances		–	22	22	1	3	4	(1)	-27%	22
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	4	4	–	–	1	–	–	4
In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		–	<b>10 846</b>	<b>10 846</b>	<b>651</b>	<b>1 302</b>	<b>1 808</b>	<b>(506)</b>	<b>-28%</b>	<b>10 846</b>
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		–	177 307	177 407	14 968	29 886	29 568	318	1%	177 407
Pension and UIF Contributions		–	30 745	30 745	2 499	4 979	5 124	(145)	-3%	30 745
Medical Aid Contributions		–	26 234	26 234	2 164	4 333	4 372	(40)	-1%	26 234
Overtime		–	4 255	4 255	742	1 373	709	664	94%	4 255
Performance Bonus		–	13 309	13 309	79	114	2 218	(2 105)	-95%	13 309
Motor Vehicle Allowance		–	13 787	13 787	1 027	2 061	2 298	(237)	-10%	13 787
Cellphone Allowance		–	131	131	10	20	22	(2)	-9%	131
Housing Allowances		–	2 929	2 929	202	406	488	(82)	-17%	2 929
Other benefits and allowances		–	7 132	7 132	722	1 193	1 189	4	0%	7 132
Payments in lieu of leave		–	5 608	5 608	543	896	935	(39)	-4%	5 608
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	7 163	7 163	–	–	1 194	(1 194)	-100%	7 163
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	1 220	1 220	81	218	203	14	7%	1 220
In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		–	<b>289 820</b>	<b>289 920</b>	<b>23 037</b>	<b>45 477</b>	<b>48 320</b>	<b>(2 843)</b>	<b>-6%</b>	<b>289 920</b>
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Total Parent Municipality</b>		–	<b>314 882</b>	<b>314 982</b>	<b>24 686</b>	<b>48 769</b>	<b>52 497</b>	<b>(3 728)</b>	<b>-7%</b>	<b>314 982</b>

Remuneration related expenditure for the month ended 31 August 2023 amounted to R24,686,148.

**Section 9 – Municipal manager’s quality certification**



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George  
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**OFFICE OF THE MUNICIPAL MANAGER**

Enquiries:	Louise Hoek
Reference:	6/1/1 – 23/24
Date:	14 September 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**

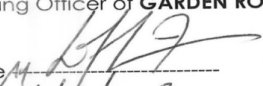
I, L MENZE, the acting accounting officer of **GARDEN ROUTE DISTRICT MUNICIPALITY (DC4)**, hereby certify that the–

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

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

Print Name LUSANDA MENZE

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

Signature 

Date 14/9/2023