



2023/2024  
FINANCIAL YEAR

# MONTHLY FINANCIAL MONITORING REPORT

M06: 31 December 2023



**Garden Route District Municipality**  
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## **Glossary:**

**Annual 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 December 2023.

### **Section 2 – Executive summary**

#### **2.1 Introduction**

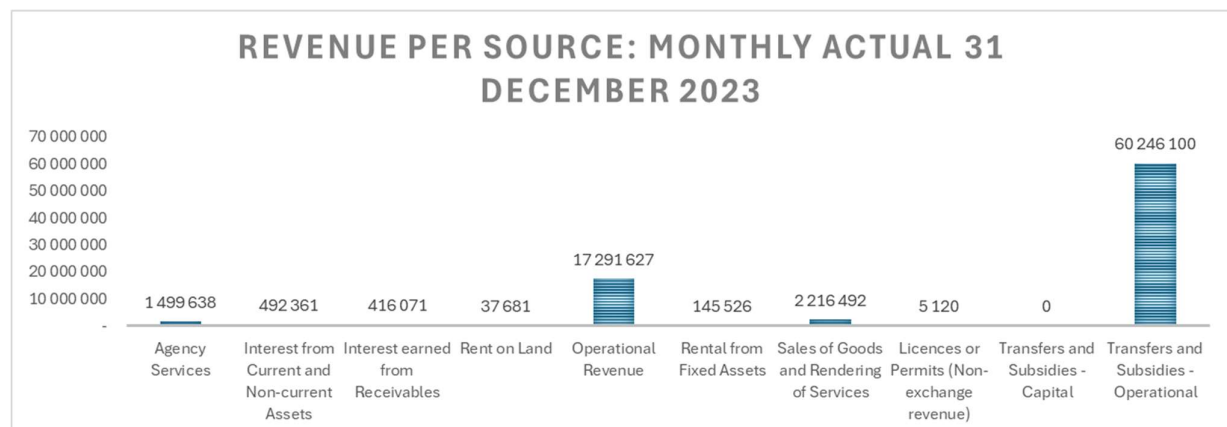
The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality’s consolidated performance in terms of the budget, indicate any material variances from the Service Delivery and Budget Implementation Plan (SDBIP) and provide any remedial actions or corrective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

#### **2.2 Consolidated Performance**

##### **2.2.1 Against Approved Budget**

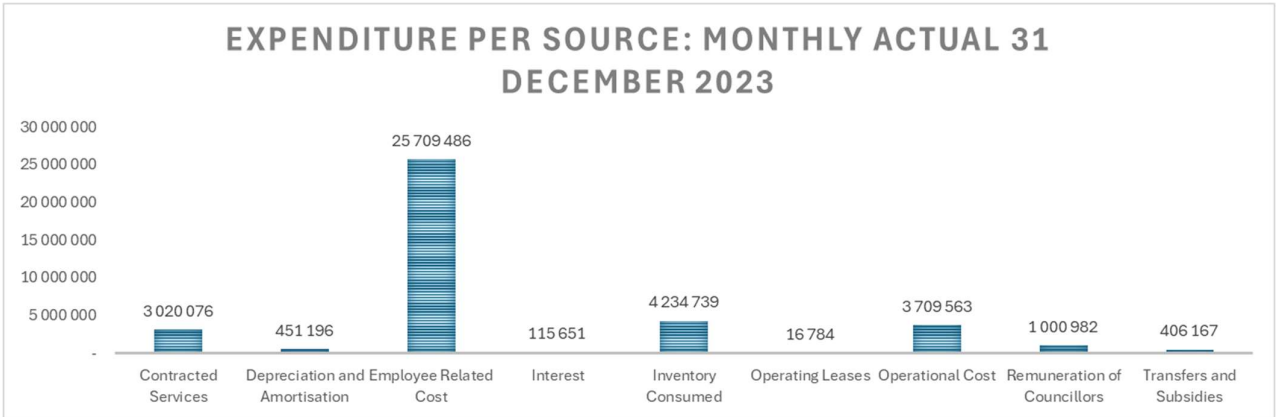
#### **Revenue by source**

The total revenue received for the month ended 31 December 2023 amounted to **R82,350,615 (YTDA: R270,569,133 and YTDB: R264,899,603)** which represents **16%** of the total adjusted budgeted figure of **R530,804,000 (including Roads)**.



**Operating Expenditure by type**

Operating expenditure for the month ended 31 December 2023 amounted to **R38,664,645 (YTDA: R229,728,184 and YTDB: R266,231,680)** with a total adjusted budgeted figure of **R532,490,000 (including Roads)**. The operational expenditure for the month is **7%** of the total budget. Most of the expenditure relates to Employee and Councillor remuneration costs of R26,710,468 (**69%** of the monthly expenditure).



## Capital Expenditure

The adjusted capital budget for the financial year amounts to **R162,400,075**. Capital expenditure of **R20,743,031 (including orders)** was recorded for the month ended 31 December 2023. The largest item on the capital budget (R143,981,000) is the construction of the regional landfill site (actual expenditure on the landfill site (including orders): R11,456,334). Construction commenced to the end of the 2022/2023 financial year.

CAPITAL BUDGET SPENDING AS AT 31 DECEMBER 2023						
Number	Capital item	Budget	Expenditure	Orders	Available	% Spent
1	Upgrading of buildings - Retrofitting EEDS	4 000 000	484 921	-	3 515 079	12%
2	Wireless Access Points	35 052	17 052	17 561	439	99%
3	QNAP Backup Storage	72 741	-	-	72 741	0%
4	Monitor	2 477	2 477	-	-	100%
5	Network Equipment	12 000	10 312	-	1 688	86%
6	Inverters	114 730	-	113 432	1 298	99%
7	USB Type-C Port Replicators	8 000	5 480	-	2 520	69%
8	Medical Chair	5 000	4 331	-	669	87%
9	Flood Response Vehicle	2 500 000	-	-	2 500 000	0%
10	Mobile Generator Trailer	73 451	-	-	73 451	0%
11	Mobile Generators	1 526 549	1 526 549	-	0	100%
12	Firestation: George	4 638 075	4 462 938	-	175 137	96%
13	Firestation: George	3 000 000	2 511 449	-	488 551	84%
14	Firefighting Vehicle (bakkie)	981 000	-	-	981 000	0%
15	Vehicle (bakkie)	800 000	-	-	800 000	0%
16	Hazmat Rescue & Fire Equipment	150 000	-	130 195	19 805	87%
17	Hazardous Materials Equipment	500 000	-	-	500 000	0%
18	Landfill Site: PPE	143 981 000	11 287 205	169 129	132 524 666	8%
		<b>162 400 075</b>	<b>20 312 714</b>	<b>430 317</b>	<b>141 657 044</b>	<b>13%</b>
<b>Percentage spent</b>	<b>Colour</b>					
0% - 50%						
51% - 75%						
76% - 100%						

Refer to page 21 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 14 to 19).

### 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 December 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 - M06 December

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	–	–	18 844	(18 844)	-100%	37 688
Investment revenue	10 253	–	–	–	–	–	–	–	–
Transfers and subsidies - Operational	189 810	212 004	212 290	60 246	141 121	106 132	34 989	33%	212 290
Other own revenue	215 857	268 245	268 245	22 105	122 940	134 122	(11 182)	-8%	–
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>415 921</b>	<b>517 937</b>	<b>518 223</b>	<b>82 351</b>	<b>264 061</b>	<b>259 098</b>	<b>4 963</b>	<b>2%</b>	<b>518 223</b>
Employee costs	279 902	300 666	301 604	25 709	152 779	151 216	1 563	1%	301 604
Remuneration of Councillors	12 306	14 216	14 216	1 001	6 543	7 108	(565)	-8%	14 216
Depreciation and amortisation	5 766	5 106	5 106	451	2 707	2 553	154	6%	5 106
Interest	148	8 820	8 820	116	603	4 410	(3 807)	-86%	8 820
Inventory consumed and bulk purchases	51 426	51 861	49 263	4 235	21 506	23 332	(1 826)	-8%	49 263
Transfers and subsidies	4 642	2 501	2 397	406	1 049	1 045	4	0%	2 397
Other expenditure	79 533	149 034	151 084	6 746	44 540	76 567	(32 027)	-42%	151 084
<b>Total Expenditure</b>	<b>433 724</b>	<b>532 204</b>	<b>532 490</b>	<b>38 665</b>	<b>229 728</b>	<b>266 232</b>	<b>(36 503)</b>	<b>-14%</b>	<b>532 490</b>
<b>Surplus/(Deficit)</b>	<b>(17 803)</b>	<b>(14 267)</b>	<b>(14 267)</b>	<b>43 686</b>	<b>34 333</b>	<b>(7 133)</b>	<b>41 466</b>	<b>-581%</b>	<b>(14 267)</b>
Transfers and subsidies - capital (monetary allocations)	3 765	8 481	12 581	–	6 481	6 218	263	4%	12 581
Transfers and subsidies - capital (in-kind)	3 284	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(10 755)</b>	<b>(5 786)</b>	<b>(1 686)</b>	<b>43 686</b>	<b>40 814</b>	<b>(915)</b>	<b>41 729</b>	<b>-4559%</b>	<b>(1 686)</b>
Share of surplus/ (deficit) of associate	108	–	–	–	27	–	27	#DIV/0!	–
<b>Surplus/ (Deficit) for the year</b>	<b>(10 647)</b>	<b>(5 786)</b>	<b>(1 686)</b>	<b>43 686</b>	<b>40 841</b>	<b>(915)</b>	<b>41 756</b>	<b>-4561%</b>	<b>(1 686)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>39 537</b>	<b>158 300</b>	<b>162 400</b>	<b>783</b>	<b>20 313</b>	<b>81 127</b>	<b>(60 815)</b>	<b>-75%</b>	<b>162 400</b>
Capital transfers recognised	3 149	8 481	12 581	–	4 523	6 218	(1 695)	-27%	12 581
Borrowing	18 192	143 981	143 981	769	11 287	71 990	(60 703)	-84%	143 981
Internally generated funds	18 196	5 838	5 838	14	4 503	2 919	1 584	54%	5 838
<b>Total sources of capital funds</b>	<b>39 537</b>	<b>158 300</b>	<b>162 400</b>	<b>783</b>	<b>20 313</b>	<b>81 127</b>	<b>(60 815)</b>	<b>-75%</b>	<b>162 400</b>
<b>Financial position</b>									
Total current assets	173 080	149 940	167 995		155 494				167 995
Total non current assets	314 101	482 146	472 763		330 901				472 763
Total current liabilities	84 581	62 133	74 173		59 668				74 173
Total non current liabilities	135 824	316 731	313 202		155 571				313 202
Community wealth/Equity	266 777	253 223	253 383		271 156				253 383
<b>Cash flows</b>									
Net cash from (used) operating	16 093	(4 936)	(941)	28 360	42 463	(696)	(43 159)	6200%	(941)
Net cash from (used) investing	(26 809)	(158 272)	(162 372)	(783)	(20 313)	(81 127)	(60 814)	75%	(162 372)
Net cash from (used) financing	711	135 455	162 201	(1 175)	13 996	78 124	64 128	82%	170 946
<b>Cash/cash equivalents at the month/year end</b>	<b>132 053</b>	<b>93 520</b>	<b>135 292</b>	<b>–</b>	<b>102 315</b>	<b>132 704</b>	<b>30 389</b>	<b>23%</b>	<b>73 803</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	16 350	19 359	577	551	542	578	8 411	38 068	84 436
<b>Creditors Age Analysis</b>									
Total Creditors	44	333	–	–	–	–	305	421	1 104

### 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) - M06 December

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>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		240 643	275 990	268 354	63 126	163 768	134 091	29 677	22%	268 354
Executive and council		238 879	274 960	259 482	62 294	160 561	129 655	30 906	24%	259 482
Finance and administration		1 763	1 029	8 873	831	3 207	4 436	(1 229)	-28%	8 873
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		9 762	15 036	23 686	2 187	5 191	11 843	(6 652)	-56%	23 686
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		9 382	14 597	14 154	2 149	4 666	7 077	(2 411)	-34%	14 154
Public safety		—	—	9 094	16	305	4 547	(4 242)	-93%	9 094
Housing		—	—	—	—	—	—	—	—	—
Health		380	439	439	22	220	219	0	0%	439
<i>Economic and environmental services</i>		172 672	195 060	198 431	17 038	101 610	99 216	2 395	2%	198 431
Planning and development		—	—	3 371	416	2 315	1 685	629	37%	3 371
Road transport		172 594	194 878	194 878	16 615	99 245	97 439	1 806	2%	194 878
Environmental protection		78	183	183	7	51	91	(41)	-44%	183
<i>Trading services</i>		—	40 332	40 332	—	—	20 166	(20 166)	-100%	40 332
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	40 332	40 332	—	—	20 166	(20 166)	-100%	40 332
<i>Other</i>	<b>4</b>	—	—	—	—	—	—	—	—	—
<b>Total Revenue - Functional</b>	<b>2</b>	<b>423 077</b>	<b>526 418</b>	<b>530 804</b>	<b>82 351</b>	<b>270 569</b>	<b>265 316</b>	<b>5 253</b>	<b>2%</b>	<b>530 804</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		145 063	182 063	182 249	11 757	77 625	91 116	(13 491)	-15%	182 249
Executive and council		50 821	55 515	55 515	3 389	21 509	27 757	(6 249)	-23%	55 515
Finance and administration		91 397	123 362	123 548	8 103	54 468	61 765	(7 298)	-12%	123 548
Internal audit		2 846	3 186	3 186	265	1 649	1 593	56	4%	3 186
<i>Community and public safety</i>		81 518	91 305	91 333	7 940	41 280	45 626	(4 346)	-10%	91 333
Community and social services		6 644	8 016	8 116	850	3 865	4 054	(189)	-5%	8 116
Sport and recreation		11 458	14 322	14 322	894	5 004	7 161	(2 157)	-30%	14 322
Public safety		27 355	28 546	28 546	2 879	13 173	14 273	(1 100)	-8%	28 546
Housing		—	—	—	—	—	—	—	—	—
Health		36 061	40 421	40 349	3 318	19 238	20 138	(900)	-4%	40 349
<i>Economic and environmental services</i>		202 446	218 159	218 231	18 507	107 866	109 151	(1 286)	-1%	218 231
Planning and development		20 239	18 300	18 300	1 305	8 592	9 150	(558)	-6%	18 300
Road transport		178 721	195 904	195 904	16 857	97 325	97 952	(627)	-1%	195 904
Environmental protection		3 486	3 955	4 027	345	1 948	2 049	(101)	-5%	4 027
<i>Trading services</i>		2 057	38 047	38 047	339	1 947	19 023	(17 076)	-90%	38 047
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		2 057	38 047	38 047	339	1 947	19 023	(17 076)	-90%	38 047
<i>Other</i>		2 639	2 630	2 630	121	1 010	1 315	(305)	-23%	2 630
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>433 724</b>	<b>532 204</b>	<b>532 490</b>	<b>38 665</b>	<b>229 728</b>	<b>266 232</b>	<b>(36 503)</b>	<b>-14%</b>	<b>532 490</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(10 647)</b>	<b>(5 786)</b>	<b>(1 686)</b>	<b>43 686</b>	<b>40 841</b>	<b>(915)</b>	<b>41 756</b>	<b>-4561%</b>	<b>(1 686)</b>

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

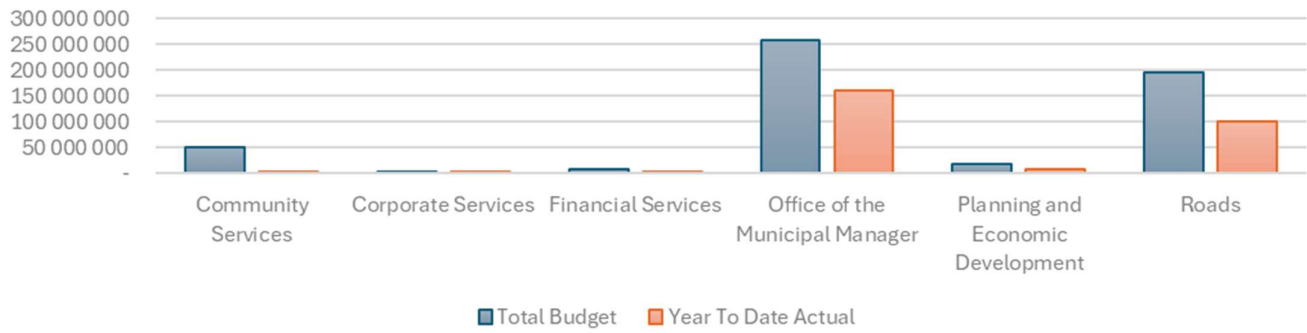
DC4 Garden Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote 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>										
<b>Revenue by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		238 879	274 960	259 482	62 294	160 561	129 655	30 906	23,8%	259 482
Vote 2 - Office of the Municipal Manager (cont)		—	—	—	—	—	—	—	—	—
Vote 3 - Financial Services		(4)	—	6 358	330	1 998	3 179	(1 181)	-37,1%	6 358
Vote 4 - Financial Services (cont)		—	—	—	—	(0)	—	(0)	#DIV/0!	—
Vote 5 - Corporate Services		1 764	1 029	1 473	501	802	736	66	8,9%	1 473
Vote 6 - Corporate Services (cont)		—	—	1 042	—	402	521	(119)	-22,8%	1 042
Vote 7 - Community Services		380	439	439	22	220	219	0	0,2%	439
Vote 8 - Community Services (cont)		78	40 515	49 609	21	341	24 804	(24 463)	-98,6%	49 609
Vote 9 - Planning and Economic Development		4	—	—	2	20	—	20	#DIV/0!	—
Vote 10 - Planning and Economic Development (cont)		5 701	7 612	10 540	1 308	5 300	5 270	30	0,6%	10 540
Vote 11 - Planning and Economic Development(cont2)		3 681	6 985	6 985	1 257	1 680	3 493	(1 812)	-51,9%	6 985
Vote 12 - Roads		172 594	194 878	194 878	16 615	99 245	97 439	1 806	1,9%	194 878
Vote 13 - Roads (cont)		—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—
<b>Total Revenue by Vote</b>	2	<b>423 077</b>	<b>526 418</b>	<b>530 804</b>	<b>82 351</b>	<b>270 569</b>	<b>265 316</b>	<b>5 253</b>	<b>2,0%</b>	<b>530 804</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		58 788	63 758	63 758	3 888	27 476	31 879	(4 403)	-13,8%	63 758
Vote 2 - Office of the Municipal Manager (cont)		6 265	6 734	6 734	523	3 551	3 367	184	5,5%	6 734
Vote 3 - Financial Services		17 787	22 124	22 124	1 655	9 932	11 062	(1 130)	-10,2%	22 124
Vote 4 - Financial Services (cont)		5 803	6 511	6 511	686	3 492	3 255	237	7,3%	6 511
Vote 5 - Corporate Services		19 658	37 456	37 703	2 203	12 044	18 874	(6 830)	-36,2%	37 703
Vote 6 - Corporate Services (cont)		23 395	29 874	29 813	1 512	14 144	14 876	(732)	-4,9%	29 813
Vote 7 - Community Services		46 997	52 804	52 832	4 740	25 110	26 375	(1 265)	-4,8%	52 832
Vote 8 - Community Services (cont)		31 715	69 242	69 314	3 396	16 446	34 693	(18 247)	-52,6%	69 314
Vote 9 - Planning and Economic Development		18 107	20 176	20 176	1 376	8 812	10 088	(1 276)	-12,6%	20 176
Vote 10 - Planning and Economic Development (cont)		23 424	23 326	23 326	1 709	10 375	11 663	(1 288)	-11,0%	23 326
Vote 11 - Planning and Economic Development(cont2)		3 221	4 296	4 296	118	1 021	2 148	(1 127)	-52,5%	4 296
Vote 12 - Roads		114 056	124 074	124 074	10 706	66 239	62 037	4 202	6,8%	124 074
Vote 13 - Roads (cont)		64 508	71 830	71 830	6 152	31 086	35 915	(4 829)	-13,4%	71 830
Vote 14 -		—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—
<b>Total Expenditure by Vote</b>	2	<b>433 724</b>	<b>532 204</b>	<b>532 490</b>	<b>38 665</b>	<b>229 728</b>	<b>266 232</b>	<b>(36 503)</b>	<b>-13,7%</b>	<b>532 490</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(10 647)</b>	<b>(5 786)</b>	<b>(1 686)</b>	<b>43 686</b>	<b>40 841</b>	<b>(915)</b>	<b>41 756</b>	<b>-4561,5%</b>	<b>(1 686)</b>

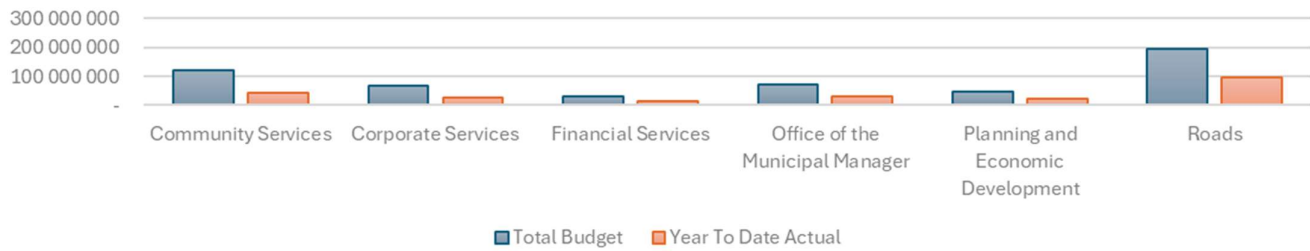
Reporting per municipal vote provide details on the spread of spending over the various functions of council. Revenue is mainly budgeted under the Executive and Council function and therefore most of the revenue will be reflected under this function. The integration of the Roads Agency function into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

Refer to the charts below indicating the revenue and expenditure per vote (total budgeted amount vs year-to-date actual amount):

### Revenue per Vote: Total Budget vs Year To Date Actual



### Expenditure per Vote: Total Budget vs Year To Date Actual



### 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) - M06 December

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										
Revenue										
Exchange Revenue										
Service charges - Electricity								-	0%	
Service charges - Water								-	0%	
Service charges - Waste Water Management								-	0%	
Service charges - Waste management		-	37 688	37 688	-	-	18 844	(18 844)	-100%	37 688
Sale of Goods and Rendering of Services		15 181	26 779	26 779	2 216	4 998	13 390	(8 391)	-63%	26 779
Agency services		188 140	214 389	21 239	1 500	8 998	10 619	(1 622)	-15%	21 239
Interest								-	0%	
Interest earned from Receivables		4 189	3 371	3 708	416	2 477	1 854	623	34%	3 708
Interest from Current and Non Current Assets		10 253	10 134	10 134	492	4 198	5 067	(869)	-17%	10 134
Dividends								-	0%	
Rent on Land		573	627	627	38	226	313	(87)	-28%	627
Rental from Fixed Assets		1 315	3 377	3 377	146	812	1 688	(877)	-52%	3 377
Licence and permits								-	0%	
Operational Revenue		6 385	9 386	202 199	17 292	101 196	101 100	96	0%	202 199
Non-Exchange Revenue										
Property rates								-	0%	
Surcharges and Taxes		-	-	-	-	-	-	-	0%	-
Fines, penalties and forfeits								-	0%	
Licence and permits		78	183	183	5	36	91	(55)	-61%	183
Transfers and subsidies - Operational		189 810	212 004	212 290	60 246	141 121	106 132	34 989	33%	212 290
Interest								-	0%	
Fuel Levy								-	0%	
Operational Revenue								-	0%	
Gains on disposal of Assets								-	0%	
Other Gains		(4)	-	-	-	-	-	-	0%	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)										
		415 921	517 937	518 223	82 351	264 061	259 098	4 963	2%	518 223
Expenditure By Type										
Employee related costs		279 902	300 666	301 604	25 709	152 779	151 216	1 563	1%	301 604
Remuneration of councillors		12 306	14 216	14 216	1 001	6 543	7 108	(565)	-8%	14 216
Bulk purchases - electricity								-	0%	
Inventory consumed		51 426	51 861	49 263	4 235	21 506	23 332	(1 826)	-8%	49 263
Debt impairment		6 577	-	-	-	-	-	-	0%	-
Depreciation and amortisation		5 766	5 106	5 106	451	2 707	2 553	154	6%	5 106
Interest		148	8 820	8 820	116	603	4 410	(3 807)	-86%	8 820
Contracted services		32 200	81 910	80 280	3 020	14 676	39 325	(24 649)	-63%	80 280
Transfers and subsidies		4 642	2 501	2 397	406	1 049	1 045	4	0%	2 397
Irrecoverable debts written off		2 160	2 100	2 100	-	-	1 050	(1 050)	-100%	2 100
Operational costs		38 407	64 950	68 630	3 726	29 896	36 155	(6 258)	-17%	68 630
Losses on Disposal of Assets		136	-	-	-	-	-	-	0%	-
Other Losses		53	75	75	-	(33)	37	(70)	-187%	75
Total Expenditure										
		433 724	532 204	532 490	38 665	229 728	266 232	(36 503)	-14%	532 490
Surplus/(Deficit)										
		(17 803)	(14 267)	(14 267)	43 686	34 333	(7 133)	41 466	-581%	(14 267)
Transfers and subsidies - capital (monetary allocations)		3 765	8 481	12 581	-	6 481	6 218	263	4%	12 581
Transfers and subsidies - capital (in-kind)		3 284	-	-	-	-	-	-	0%	-
Surplus/(Deficit) after capital transfers & contributions										
		(10 755)	(5 786)	(1 686)	43 686	40 814	(915)			(1 686)
Income Tax								-	-	
Surplus/(Deficit) after income tax										
		(10 755)	(5 786)	(1 686)	43 686	40 814	(915)			(1 686)
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality										
		(10 755)	(5 786)	(1 686)	43 686	40 814	(915)			(1 686)
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions		108	-	-	-	27	-			-
Surplus/ (Deficit) for the year										
		(10 647)	(5 786)	(1 686)	43 686	40 841	(915)			(1 686)

## Revenue by Source

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

Refer to the below comparison of the revenue for the current month compared to the prior year comparative month:

Revenue	Monthly actual - December 2023	Monthly actual - December 2022	Percentage increase/ (decrease)	Comment
Agency Services	1 499 637,68	47 226 086,29	-97%	Roads reimbursive revenue was included under
Interest from Current and Non-current Assets	492 361,03	94 112,70	423%	Money invested for longer period of time in 2023 to
Interest earned from Receivables	416 070,67	343 957,00	21%	Increased outstanding debtor accounts resulted in
Rent on Land	37 681,11	46 403,37	-19%	Immaterial monetary decrease
Operational Revenue	17 291 626,64	759 457,37	2177%	Roads reimbursive revenue was not included under Operational revenue in December 2022 but under Agency fees. The Roads department incurs expenditure through GRDM, which is then recovered by GRDM under operational revenue. The revenue is Lease agreements renewed from the prior year which led to an increase in revenue in 2023
Rental from Fixed Assets	145 525,83	95 769,90	52%	Significant decrease in fire services due to no major fires during December 2023 compared to December
Sales of Goods and Rendering of Services	2 216 492,05	2 971 743,03	-25%	Licences or Permits (Non-exchange revenue)
Licences or Permits (Non-exchange revenue)	5 119,58	10 902,72	-53%	Immaterial monetary decrease
Transfers and Subsidies - Capital	-	2 000 000,00	-100%	Grants received as per grant payment schedule
Transfers and Subsidies - Operational	60 246 100,00	56 997 000,00	6%	Grants received as per grant payment schedule
<b>Grand Total</b>	<b>82 350 614,59</b>	<b>110 545 432,38</b>	<b>-26%</b>	

Refer to the below comparison of the year-to-date revenue compared to the year-to-date budget:

Revenue	Year To Date Actual (YTDA) - December 2023	Year To Date Budget (YTDB) - December 2023	YTDA/YTDB	Comment
Agency Services	8 997 826,08	10 619 498,00	85%	In line with expectations
Intercompany/ Parent Subsidiary Transactions	26 875,00	-	YTDB was R0 but revenue was recognised	Immaterial
Interest from Current and Non-current Assets	4 197 656,32	5 066 798,00	83%	In line with expectations
Interest earned from Receivables	2 477 431,16	1 853 940,00	134%	Increased outstanding debtor accounts resulted in higher than expected interest in 2023
Rent on Land	226 086,66	313 327,00	72%	Rental agreements to be renewed, in process
Operational Revenue	101 195 572,68	101 099 590,00	100%	In line with expectations
Rental from Fixed Assets	811 601,73	1 688 434,00	48%	Rental agreements to be renewed, in process
Sales of Goods and Rendering of Services	4 998 438,51	13 389 575,00	37%	Majority of fire fighting fees are received during high season December - March
Service Charges - Waste Management	-	18 844 082,00	0%	Landfill site not yet operational
Licences or Permits (Non-exchange revenue)	35 835,69	91 282,00	39%	Licenses/permits issued by EHP
Transfers and Subsidies - Capital	6 481 000,00	5 801 109,00	112%	Grants received as per transfer payment agreement
Transfers and Subsidies - Operational	141 120 809,62	106 131 968,00	133%	Grants received as per transfer payment agreement
<b>Grand Total</b>	<b>270 569 133,45</b>	<b>264 899 603,00</b>	<b>102%</b>	

## Sales of Goods and Rendering of Services:

The income for Sales of Goods and Rendering of Services reported for the month ended 31 December 2023 amounts to R2,216,492 (YTDA: R4,998,439 and YTDB: R13,389,575). Majority of the income for this item consists of camping fees from resorts. The shortfall in YTDA vs YTDB is due to a lower occupancy rate than anticipated on the revenue from camping fees and fire services. Camping fees has however increased (as anticipated) by 216% from November 2023 (R651,670) to December 2023 (R2,061,145) due to the holiday season influx. The possibility of increases in fire services during the high fire season (December – March) are also likely, as these are the typical high fire months.

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 December 2023 to the amount of R1,499,638 (YTDA: R8,997,826 and YTDB: R10,619,498). The YTDA amount is in line with the YTDB amount.

Interest earned from Receivables / Outstanding debtors:

The interest on outstanding debtors for the month ended 31 December 2023 amounts to R416,071 (YTDA: R2,477,431 and YTDB: R1,853,950). The YTDA interest amount is more than the YTDB amount which means that higher than expected debtors are not paying their overdue accounts on a timely basis. Debtor system is in process with debt collection procedures as per policy.

Interest earned from Current and Non-Current Assets / External Investments:

This reflects the interest earned in respect of surplus funds not immediately needed in the operations of the municipality over the short-term period. The interest for the month of 31 December 2023 amounts to R492,361 (YTDA: R4,197,656 and YTDB: R5,066,798). Funds are invested for longer periods to maximise revenue from investments. The YTDA amount is in line with the YTDB amount.

Rent on Land:

The income received from rental on land amounts to R37,681 for the month ended 31 December 2023 (YTDA: R226,087 and YTDB: R313,327). The Legal and Property sections are in process with rental contract renewals/ new renewal contracts, of which higher income is expected once the contracts have been concluded.

Rental from Fixed Assets of facilities and equipment:

The income for rental of facilities and equipment reported for the month ended 31 December 2023 amounts to R145,526 (YTDA: R811,602 and YTDB: R1,688,434).

Operational Revenue:

Operational revenue reflects an amount of R17,291,627 for the month ended 31 December 2023 (YTDA: R101,195,573 and YTDB: R101,099,590). The major item included under Operational revenue consists of the Department of Public Transport (Roads section) monthly payments as per the signed MOA. The YTDA amount is in line with the YTDB amount.

Transfers recognised – operational:

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue 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. The municipality received R4,481,000 from Provincial Treasury for the Fire Service Capacity Grant during the month of September 2023.

For the month of October 2023, the municipality did not receive any operational grant funding.

During the month of November 2023, the municipality received R401,940 in respect of the SETA funding.

During December 2023 the municipality received R1,037,100 in respect of the SETA funding and an equitable share portion of R59,209,000.



## Expenditure by Type

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

Refer to the below comparison of the expenditure for the current month compared to the prior year comparative month:

Expenditure	Monthly actual - December 2023	Monthly actual - December 2022	Percentage increase/ (decrease)	Comment
Contracted Services	3 020 075,88	347 979,96	768%	Overall increase in contracted services compared to prior year comparative month
Depreciation and Amortisation	451 195,86	347 618,23	30%	Increase in depreciation due to capital asset purchases
Employee Related Cost	25 709 485,57	24 640 527,90	4%	Immaterial percentage increase
Interest	115 651,41	-	No expenditure incurred in December 2022	Interest paid on borrowings for landfill site
Inventory Consumed	4 234 739,40	1 046 281,40	305%	Increase in materials and supplies consumed in December 2023 compared to December 2022
Operating Leases	16 783,53	14 698,45	14%	Immaterial monetary increase
Operational Cost	3 709 563,36	3 187 919,93	16%	Increase in Roads assets less than capitalisation threshold, Roads management fee and Municipal services from December 2022 to December 2023
Remuneration of Councillors	1 000 982,46	1 055 263,79	-5%	Immaterial percentage decrease
Transfers and Subsidies	406 167,49	472 264,04	-14%	Grants paid as per business plan
<b>Grand Total</b>	<b>38 664 644,96</b>	<b>31 112 553,70</b>	<b>24%</b>	

Refer to the below comparison of the year-to-date revenue compared to the year-to-date budget:

Expenditure	Year To Date Actual (YTDA) - December 2023	Year To Date Budget (YTDB) - December 2023	YTDA/YTDB	Comment
				No expenditure in relation to contracted services for the landfill site, operational tender for regional landfill site is in SCM process stage.
				Under spending in the Training and development section with regards to service providers appointed to provide training services.
				Under spending in Firefighting section with regards to the aerial resources expenditure vote. It is expected that this will increase during high fire season (December – March)
Contracted Services	14 676 456,65	37 944 357,00	39%	In line with expectations
Depreciation and Amortisation	2 707 175,16	2 553 223,00	106%	In line with expectations
Employee Related Cost	152 779 103,45	149 636 366,00	102%	Relates to interest paid on loan for landfill site which is not yet operational
Interest	603 053,95	4 410 190,00	14%	Immaterial monetary decrease - relates to an increase in net realisable value
Inventory	-	37 281,00	-87%	In line with expectations
Inventory Consumed	21 506 221,97	25 022 614,00	86%	Reports to be submitted to council for approval of write-offs
Irrecoverable Debts Written Off	-	650 000,00	0%	In line with expectations
Operating Leases	377 724,54	298 233,00	127%	In line with expectations
Operational Cost	29 518 699,59	37 326 328,00	79%	In line with expectations
Remuneration of Councillors	6 543 345,23	7 107 997,00	92%	In line with expectations
Transfers and Subsidies	1 048 917,11	1 245 091,00	84%	In line with expectations
<b>Grand Total</b>	<b>229 728 184,16</b>	<b>266 231 680,00</b>	<b>86%</b>	

## Employee Related cost / Remuneration of councillors:

Remuneration related expenditure (councillors and staff) for the month ended 31 December 2023 amounted to R26,710,468 (YTDA: R159,322,449 and YTDB: R156,744,363) of an adjusted budget amount of R315,820,000 which represents 59% of the total operating expenditure budget. The Remuneration related expenditure represents 69% of the total monthly expenditure. The YTDA amount is in line with the YTDB amount.

#### Inventory Consumed:

Other materials consist of all inventories consumed, purchases for materials and supplies; and amounts to R4,234,739 (YTDA: R21,506,222 and YTDB: R25,022,614) for the month ended 31 December 2023 against a total adjusted budgeted amount of R49,263,000. The YTDA amount is in line with the YTDB amount.

#### Depreciation and amortisation:

Depreciation and amortisation of R451,196 was recognised in December 2023. (YTDA: R2,707,175 and YTDB: R2,553,223). The YTDA amount is in line with the YTDB amount.

These items account for non-cash budgeted items. The fixed asset register module must 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. Template is being populated for the import of the audited Excel FAR into the Collaborator FAR. Thereafter, reconciliations must be performed on the data and various set-ups done to movement accounts, etc.

#### Contracted services:

The contracted services for the month ended 31 December 2023 amounts to R3,020,076 (YTDA: R14,676,457 and YTDB: R37,944,357) against a total adjusted budget amount of R80,280,000.

Majority of the difference in the YTDA amount compared to the YTDB amount is due to:

- No expenditure in relation to contracted services for the landfill site, operational tender for regional landfill site is in SCM process stage.
- Under spending in the Training and development section with regards to service providers appointed to provide training services.
- Under spending in Firefighting section with regards to the aerial resources expenditure vote. It is expected that this will increase during high fire season (December – March).

#### Transfers and subsidies:

The transfers and subsidies expenditure for the month ended 31 December 2023 amounts to R406,167 (YTDA: R1,048,917 and YTDB: R1,245,091) against a total adjusted budget amount of R2,397,000. The YTDA amount is in line with the YTDB amount.

#### Operational costs:

Operational costs for the month ended 31 December 2023 amounts to R3,726,345 (YTDA: R29,896,424 and YTDB: R37,624,561) against a total adjusted budget amount of R68,630,000.

The operational costs consist of the following (among other):

- Travel and Subsistence
- Operating leases
- 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) - M06 December

Vote Description		Ref	2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2023/24				
						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			-	-	-	-	-	-	-	-	
Vote 2 - Office of the Municipal Manager (cont)			-	-	-	-	-	-	-	-	
Vote 3 - Financial Services			-	-	-	-	-	-	-	-	
Vote 4 - Financial Services (cont)			-	-	-	-	-	-	-	-	
Vote 5 - Corporate Services			-	-	5	-	4	5	(1)	-13%	5
Vote 6 - Corporate Services (cont)			499	250	245	14	35	120	(85)	-71%	245
Vote 7 - Community Services			2 844	8 619	10 219	-	8 501	5 037	3 464	69%	10 219
Vote 8 - Community Services (cont)			18 328	144 631	147 131	769	11 287	73 565	(62 278)	-85%	147 131
Vote 9 - Planning and Economic Development			-	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)			2 970	4 800	4 800	-	485	2 400	(1 915)	-80%	4 800
Vote 11 - Planning and Economic Development(cont2)			-	-	-	-	-	-	-	-	-
Vote 12 - Roads			-	-	-	-	-	-	-	-	-
Vote 13 - Roads (cont)			-	-	-	-	-	-	-	-	-
Vote 14 -			-	-	-	-	-	-	-	-	-
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure		4,7	24 641	158 300	162 400	783	20 313	81 127	(60 815)	-75%	162 400
Single Year expenditure appropriation		2									
Vote 1 - Office of the Municipal Manager			3 870	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager (cont)			-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services			20	-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)			-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services			5	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services (cont)			2 500	-	-	-	-	-	-	-	-
Vote 7 - Community Services			1 587	-	-	-	-	-	-	-	-
Vote 8 - Community Services (cont)			-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Economic Development			62	-	-	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)			3 425	-	-	-	-	-	-	-	-
Vote 11 - Planning and Economic Development(cont2)			-	-	-	-	-	-	-	-	-
Vote 12 - Roads			-	-	-	-	-	-	-	-	-
Vote 13 - Roads (cont)			-	-	-	-	-	-	-	-	-
Vote 14 -			-	-	-	-	-	-	-	-	-
Vote 15 -			3 427	-	-	-	-	-	-	-	-
Total Capital single-year expenditure		4	14 897	-	-	-	-	-	-	-	-
Total Capital Expenditure			39 537	158 300	162 400	783	20 313	81 127	(60 815)	-75%	162 400
Capital Expenditure - Functional Classification											
Governance and administration			12 844	8 869	8 869	14	7 014	4 435	2 579	58%	8 869
Executive and council			6 370	-	-	-	-	-	-	-	-
Finance and administration			6 474	8 869	8 869	14	7 014	4 435	2 579	58%	8 869
Internal audit			-	-	-	-	-	-	-	-	-
Community and public safety			5 337	1 450	5 550	-	1 527	2 702	(1 176)	-44%	5 550
Community and social services			1 329	-	1 600	-	1 527	727	799	110%	1 600
Sport and recreation			3 498	800	800	-	-	400	(400)	-100%	800
Public safety			504	650	3 150	-	-	1 575	(1 575)	-100%	3 150
Housing			-	-	-	-	-	-	-	-	-
Health			7	-	-	-	-	-	-	-	-
Economic and environmental services			3 164	4 000	4 000	-	485	2 000	(1 515)	-76%	4 000
Planning and development			3 164	4 000	4 000	-	485	2 000	(1 515)	-76%	4 000
Road transport			-	-	-	-	-	-	-	-	-
Environmental protection			-	-	-	-	-	-	-	-	-
Trading services			18 192	143 981	143 981	769	11 287	71 990	(60 703)	-84%	143 981
Energy sources			-	-	-	-	-	-	-	-	-
Water management			-	-	-	-	-	-	-	-	-
Waste water management			-	-	-	-	-	-	-	-	-
Waste management			18 192	143 981	143 981	769	11 287	71 990	(60 703)	-84%	143 981
Other			-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification		3	39 537	158 300	162 400	783	20 313	81 127	(60 815)	-75%	162 400
Funded by:											
National Government			2 970	4 000	4 000	-	485	2 000	(1 515)	-76%	4 000
Provincial Government			179	4 481	8 581	-	4 038	4 218	(180)	-4%	8 581
District Municipality			-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm			-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons,			-	-	-	-	-	-	-	-	-
Higher Educ Institutions)			-	-	-	-	-	-	-	-	-
Transfers recognised - capital			3 149	8 481	12 581	-	4 523	6 218	(1 695)	-27%	12 581
Borrowing		6	18 192	143 981	143 981	769	11 287	71 990	(60 703)	-84%	143 981
Internally generated funds			18 196	5 838	5 838	14	4 503	2 919	1 584	54%	5 838
Total Capital Funding			39 537	158 300	162 400	783	20 313	81 127	(60 815)	-75%	162 400

Refer to next page for a detailed 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	4 000 000	484 921	In Process	No challenges anticipated
71207230002	2	Replacing ICT Capital Equipment beyond economical	250 000	0	0	N/A - R0 per the Adjusted budget	No challenges anticipated
71801310001	3	Firestation: George	4 638 075	4 638 075	4 462 938	In Process	Delay in the Fire station project as the Contractor's revised construction program indicated a revised completion date of 30 January 2024.
71801310002	4	Firestation: George	3 000 000	3 000 000	2 511 449	In Process	Delay in the Fire station project as the Contractor's revised construction program indicated a revised completion date of 30 January 2024.
71801330001	5	Firefighting Vehicle (bakkie)	981 000	981 000	0	In Process	No challenges anticipated
73602102302	6	Vehicle (bakkie)	800 000	800 000	0	In Process	No challenges anticipated
72305230001	7	Hazmat Rescue & Fire Equipment	150 000	150 000	0	Order Issued to Supplier	No challenges anticipated
72305230005	8	Hazardous Materials Equipment	500 000	500 000	0	In Process	No challenges anticipated
74402100901	9	Landfill Site: PPE	143 981 000	143 981 000	11 287 205	Order Issued to Supplier	Weekly progress provided to Management Committee and standing agenda item in Council meetings
71207104112	10	Wireless Access Points	0	35 052	17 052	Order Issued to Supplier	No challenges anticipated
71207104144	11	QNAP Backup Storage	0	72 741	0	In Process	No challenges anticipated
71207104145	12	Monitor	0	2 477	2 477	Completed	Completed
71207104165	13	Network Equipment	0	12 000	10 312	In Process	No challenges anticipated
71207104168	14	USB Type-C Port Replicators	0	8 000	5 480	In Process	No challenges anticipated
71207104167	15	Inverters	0	114 730	0	Order Issued to Supplier	No challenges anticipated
71207104080	16	Medical Chair	0	5 000	4 331	Completed	Completed
71602102321	17	Mobile Generators	0	1 526 549	1 526 549	Completed	No challenges anticipated
71801330002	18	Flood Response Vehicle	0	2 500 000	0	In Process	No challenges anticipated
71602102250	19	Mobile Generator Trailer	0	73 451	0	In Process	No challenges anticipated
<b>Totals</b>			<b>158 300 075</b>	<b>162 400 075</b>	<b>20 312 714</b>		

Commitments against capital for the month December 2023				
71207104112	10	Wireless Access Points		17 561,25
71207104167	15	Inverters		113 431,82
72305230001	7	Hazmat Rescue & Fire Equipment		130 194,59
74402100901	9	Landfill Site: PPE		169 129,31
		<b>Total Commitments</b>		<b>430 316,97</b>

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

There is a slight delay of one month in the Fire station project as the Contractor's revised construction program indicated a revised completion date of 30 January 2024.

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

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		135 244	100 110	141 818	102 315	141 818
Trade and other receivables from exchange transactions		(61 746)	16 279	(195 363)	38 620	(195 363)
Receivables from non-exchange transactions		46	–	46	46	46
Current portion of non-current receivables		4 246	4 293	4 293	4 293	4 293
Inventory		3 483	2 979	3 409	3 219	3 409
VAT		5 300	6 060	7 105	7 004	7 105
Other current assets		86 507	20 220	206 687	(3)	206 687
<b>Total current assets</b>		<b>173 080</b>	<b>149 940</b>	<b>167 995</b>	<b>155 494</b>	<b>167 995</b>
<b>Non current assets</b>						
Investments		27	28	28	28	28
Investment property		55 720	64 187	65 948	65 909	65 948
Property, plant and equipment		198 967	355 193	346 225	203 670	346 225
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		675	(26)	474	1 206	474
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		58 711	62 764	60 088	60 088	60 088
Other non-current assets						
<b>Total non current assets</b>		<b>314 101</b>	<b>482 146</b>	<b>472 763</b>	<b>330 901</b>	<b>472 763</b>
<b>TOTAL ASSETS</b>		<b>487 181</b>	<b>632 086</b>	<b>640 758</b>	<b>486 395</b>	<b>640 758</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Financial liabilities		1 099	100	663	663	663
Consumer deposits		711	468	637	1 324	637
Trade and other payables from exchange transactions		59 663	27 928	46 470	15 835	46 470
Trade and other payables from non-exchange transactions		(1 689)	4 588	2 649	4 500	2 649
Provision		25 598	26 843	22 791	30 601	22 791
VAT		(801)	2 207	963	6 746	963
Other current liabilities						
<b>Total current liabilities</b>		<b>84 581</b>	<b>62 133</b>	<b>74 173</b>	<b>59 668</b>	<b>74 173</b>
<b>Non current liabilities</b>						
Financial liabilities		650	170 315	170 892	14 495	170 892
Provision		12 088	12 024	12 085	12 110	12 085
Long term portion of trade payables						
Other non-current liabilities		123 086	134 391	130 224	128 966	130 224
<b>Total non current liabilities</b>		<b>135 824</b>	<b>316 731</b>	<b>313 202</b>	<b>155 571</b>	<b>313 202</b>
<b>TOTAL LIABILITIES</b>		<b>220 405</b>	<b>378 864</b>	<b>387 375</b>	<b>215 239</b>	<b>387 375</b>
<b>NET ASSETS</b>	<b>2</b>	<b>266 777</b>	<b>253 223</b>	<b>253 383</b>	<b>271 156</b>	<b>253 383</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		216 302	200 293	210 492	228 265	210 492
Reserves and funds		50 475	52 930	42 891	42 891	42 891
Other						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>266 777</b>	<b>253 223</b>	<b>253 383</b>	<b>271 156</b>	<b>253 383</b>

### Financial ratios:

<b>Current Ratio:</b>		(Current Assets / Current Liabilities)			
		Norm: 1.5 - 2.1			
			<b>31 December 2023</b>	<b>30 June 2023</b>	
Current Assets			180 248 000	165 471 656	
Current Liabilities			59 668 000	82 598 391	
Current ratio			<b>3,02</b>	<b>2,00</b>	<i>times</i>
<b>Comment</b>					
The purpose of the current ratio is to determine whether GRDM has the ability to pay its short term liabilities					
The norm is 1.5 - 2.1 times. As at 31 December 2023, GRDM's current ratio is 3,02 times, which is higher than the norm.					

<b>Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants):</b>			
	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)		
	Norm: 1-3 months		
		<b>31 December 2023</b>	<b>30 June 2023</b>
Cash and cash equivalents		102 314 825	136 403 451
Unspent conditional grants		- 2 912 134	- 2 649 255
		<b>99 402 691</b>	<b>133 754 196</b>
Total expenditure		229 728 184	429 811 158
Depreciation and Amortisation		- 2 707 175	- 5 766 102
Provision for bad debts		- 46 817 805	- 46 817 805
		<b>180 203 204</b>	<b>377 227 251</b>
Monthly average		15 016 934	31 435 604
Cost cover		<b>6,6</b>	<b>4,3</b> times
<b>Comment</b>			
The purpose of this ratio is to determine the amount of cash available to pay monthly operating expenses.			
The norm is 1-3 months - GRDM is above the norm.			

<b>Net debtor days:</b>		((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365			
		Norm: 30 days			
			<b>31 December 2023</b>	<b>30 June 2023</b>	
Gross debtors closing balance after bad debt prov			38 666 169	17 160 346	
Billed revenue			16 785 490	19 489 635	
			<u>841</u>	<u>321</u> days	
<b>Comment</b>					
This ratio indicates how quick (in days) the municipality is able to receive payment from bills sent out to the public on a monthly basis.					
The main reason for this relates to the complexities and legal challenges associated with billing and payment of fire fighting services in the district.					
GRDM sends out letters of demand and, as applicable, hands over non-paying debtors to the legal department. Proving however where a fire originated from remains a challenge and a protracted legal process.					
GRDM installed a new incident management system in the Disaster Management section, which will greatly strengthen GRDM's ability to prove fire origination, which is expected to result in an improvement regarding receiving payment from fire fighting services debtors.					



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

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		-	37 688	37 688	-	-	18 844	(18 844)	-100%	37 688
Other revenue		(204 127)	54 770	247 920	4 800	110 276	123 960	(13 684)	-11%	247 920
Transfers and Subsidies - Operational		339 196	405 154	212 290	63 684	145 216	106 132	39 085	37%	212 290
Transfers and Subsidies - Capital		6 600	8 481	12 581	-	6 481	6 218	263	4%	12 581
Interest		3 289	10 134	10 134	492	2 257	5 067	(2 810)	-55%	10 134
Dividends								-		
Payments										
Suppliers and employees		(128 864)	(512 343)	(512 733)	(40 616)	(221 767)	(256 507)	(34 740)	14%	(512 733)
Interest		-	(8 820)	(8 820)	-	-	(4 410)	(4 410)	100%	(8 820)
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		16 093	(4 936)	(941)	28 360	42 463	(696)	(43 159)	6200%	(941)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments		27	28	28	-	-	-	-		28
Payments										
Capital assets		(26 836)	(158 300)	(162 400)	(783)	(20 313)	(81 127)	(60 814)	75%	(162 400)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(26 809)	(158 272)	(162 372)	(783)	(20 313)	(81 127)	(60 814)	75%	(162 372)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	143 732	170 309	-	13 912	82 497	(68 585)	-83%	170 309
Increase (decrease) in consumer deposits		711	468	637	(1 059)	687	-	687	#DIV/0!	637
Payments										
Repayment of borrowing		-	(8 745)	(8 745)	(116)	(603)	(4 373)	(3 770)	86%	
NET CASH FROM/(USED) FINANCING ACTIVITIES		711	135 455	162 201	(1 175)	13 996	78 124	64 128	82%	170 946
NET INCREASE/ (DECREASE) IN CASH HELD		(10 005)	(27 753)	(1 111)	26 402	36 146	(3 699)			7 634
Cash/cash equivalents at beginning:		142 058	121 273	136 403	66 169	66 169	136 403			66 169
Cash/cash equivalents at month/year end:		132 053	93 520	135 292		102 315	132 704			73 803

The municipal bank balance at 31 December 2023 totals R23,314,825 and there was short term deposits made of R75 000 000 and call account deposits of R4 000 000. Total cash available at month-end is therefore R102,314,825.

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

<b>REPORTING MONTH: 31 DECEMBER 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>
Bank balance as at 31 December 2023	30 168 797,49	23 314 824,70
Other Cash & Cash Equivalents: Short term deposits	35 000 000,00	75 000 000,00
Accrued interest on investments	1 646 284,26	-
Other Cash & Cash Equivalents: Call accounts	4 000 000,00	4 000 000,00
<b>Total Cash &amp; Cash Equivalents:</b>	<b>70 815 081,75</b>	<b>102 314 824,70</b>
<b>LESS:</b>	<b>82 982 604,63</b>	<b>73 512 607,27</b>
Unspent Conditional Grants	16 887 631,63	2 912 133,70
Provision for staff leave	21 672 994,00	21 672 994,00
Provision for bonus	7 490 011,00	7 490 011,00
Post Retirement Benefits	10 731 300,00	10 731 300,00
Performance Bonus	956 188,00	956 188,00
Trade Payables	-	-
YTD Unspent Capital budget	1 349 769,37	1 335 484,73
YTD Unspent Operational budget	23 894 710,63	28 414 495,84
<b>Sub total</b>	<b>-12 167 522,88</b>	<b>28 802 217,43</b>
<b>PLUS:</b>	<b>60 818 946,13</b>	<b>58 947 638,20</b>
VAT Receivable	7 851 000,00	7 004 000,00
Receivable Exchange	17 160 346,00	17 160 346,00
Department of Transport and Public Works	35 807 600,13	34 783 292,20
	<b>48 651 423,25</b>	<b>87 749 855,63</b>
<b>LESS OTHER MATTERS:</b>		
Capital Replacement Reserve	4 133 051,00	4 133 051,00
Employee Benefits Reserves	38 762 712,00	38 762 712,00
<b>Sub Total</b>	<b>5 755 660,25</b>	<b>44 854 092,63</b>
<b>LESS: CONTINGENT LIABILITIES</b>	<b>4 500 000,00</b>	<b>4 500 000,00</b>
Theunis Barnard	-	-
F du Toit (Vicbay Theft)	-	-
Hoogbaard	-	-
I Gerber	-	-
A de Wet	-	-
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Portion of Portion 2 of Farm 238, Hooggekraal	-	-
Labour disputes	-	-
<b>Recalculated available cash balance</b>	<b>1 255 660,25</b>	<b>40 354 092,63</b>
<b>Total actual December 2023 expenditure excluding Roads (expenditure paid and taken into account in cash balance)</b>	<b>29 850 336,22</b>	<b>22 181 607,49</b>

## PART 2 – SUPPORTING DOCUMENTATION

### Section 4 – Debtors' analysis

#### Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

DCU Garden Route - Supporting Table 3C3 monthly Budget statement - aged debtors - 30th December														
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts L.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Non-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	412	412	411	414	413	410	2 518	8 530	13 520	12 285	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	15 939	18 947	166	137	129	168	5 893	29 528	70 905	35 854	–	–	–
Total By Income Source	2000	16 350	19 359	577	551	542	578	8 411	38 068	84 436	48 151	–	–	–
2022/23 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	(18)	26	26	27	26	33	618	2 347	3 084	3 050	–	–	–
Commercial	2300	16 326	19 192	476	458	476	543	7 780	35 585	80 836	44 842	–	–	–
Households	2400	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	2500	43	140	75	66	40	1	14	137	516	258	–	–	–
Total By Customer Group	2600	16 350	19 359	577	551	542	578	8 411	38 068	84 436	48 151	–	–	–

Long outstanding debtors which mainly consists 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 is required to submit debtors age analysis data strings monthly.

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

## Debt owing by Government Institutions

Total debt owing by government institutions to the Garden Route DM is summarised as follows as at 31 December 2023:

CURRENT	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	O
Debt outstanding	- 14,48	16 651 734,22	18 854 773,10	152 106,27	14 380 992,47	50 039 591,58	

Refer to the below table depicting the name of the government institution owing debt, aging, amount outstanding and process followed:

ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account
38900002	BITOU MUNISIPALITEIT	0	340,24	340,24	340,24	31054,38	32 075,10	Contributions Task	29 693,42	2 38
84000151	BITOU MUNICIPALITY	0	0	0	0	0	-	Fire Debtor	-	
84000210	BITOU MUNICIPALITY	0	385,58	385,58	385,58	38193,69	39 350,43	Shopsteward	33 650,86	5 69
84000557	BITOU MUNICIPALITY	0	929,72	61443,29	228,29	20608,62	83 209,92	MMC Contribution Recovery	81 138,75	2 07
		-	1 655,54	62 169,11	954,11	89 856,69	154 635,45		144 483,03	10 15
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account
39001127	GEORGE MUNICIPALITY	-	3 748,59	3 748,59	3 748,59	463 978,00	475 223,77	Fire Debtor	327 149,75	148 07
39001128	GEORGE MUNICIPALITY	-	46,06	46,06	46,06	5 995,39	6 133,57	Fire Debtor	4 019,75	2 11
84000166	GEORGE MUNICIPALITY	-	24,18	24,18	24,18	3 147,06	3 219,60	Fire Debtor	2 110,00	1 10
84000287	GEORGE MUNICIPALITY	-	-	-	-	-	-	Collab Licence Fee	-	
84000319	GEORGE MUNICIPALITY	-	-	-	-	-	-	Waste Management	-	
84000554	GEORGE MUNICIPALITY	-	2 077,80	181 335,00	-	-	183 412,80	MMC Contribution Recovery to	181 335,00	2 07
84000618	GEORGE MUNICIPALITY	-	25,62	25,62	25,62	2 458,64	2 535,50	Fire Debtor	2 235,97	29
84000673	GEORGE MUNICIPALITY	-	60,98	60,98	60,98	5 624,55	5 807,49	Fire Debtor	5 624,55	18
84000674	GEORGE MUNICIPALITY	- 14,48	-	-	-	-	14,48	Fire Debtor	-	1
84000783	GEORGE MUNICIPALITY	-	283,23	24 717,85	-	-	25 001,08	Fire Debtor	24 717,85	28
		- 14,48	6 266,46	209 958,28	3 905,43	481 203,64	701 319,33		547 192,87	154 12
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account
37000815	MUNISIPALITEIT HESSEQUA	-	-	-	-	-	-	Fire Debtor	-	
37001113	HESSEQUA MUNICIPALITY	-	2 095,51	2 095,51	2 095,51	265 113,89	271 400,42	Fire Debtor	182 880,54	88 51
38000507	MUNISIPALITEIT HESSEQUA	-	491,43	-	-	-	491,43	Rental of Facilities	-	49
38900005	HESSEQUA MUNISIPALITEIT	-	-	-	-	0,01	0,01	Contributions Task	0,01	
39001111	HESSEQUA MUNICIPALITY	-	43,05	43,05	43,05	5 603,95	5 733,10	Fire Debtor	3 757,39	1 97
84000153	HESSEQUA MUNICIPALITY	-	-	-	-	-	-	Health Certificates	3 529,81	3 52
84000534	HESSEQUA MUNICIPALITY	-	80,72	80,72	80,72	8 376,89	8 619,05	Fire Debtor	7 044,30	1 57
84000543	HESSEQUA MUNICIPALITY	-	2 190,82	2 190,82	2 190,82	225 853,60	232 426,06	Fire Debtor	191 198,80	41 22
84000548	HESSEQUA MUNICIPALITY	-	57,71	57,71	57,71	5 949,09	6 122,22	Fire Debtor	5 036,25	1 08
84000657	HESSEQUA MUNICIPALITY	-	11 098,44	11 098,44	39 109,13	1 004 114,46	1 065 420,47	Fire Debtor	940 255,44	125 16
		-	16 057,68	15 566,25	43 576,94	1 515 011,89	1 590 212,76		1 333 702,54	256 51

ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
37000669	KANNALAND MUNISIPALITEIT	-	-	-	-	-	-	Fire Debtor	-	-	No
37001111	KANNALAND MUNISIPALITEIT	-	10 067,59	10 067,59	10 067,59	1 265 386,77	1 295 589,54	Fire Debtor	878 626,39	416 963,15	IGR Process initiated for signature
38200060	MUNISIPALITEIT KANNALAND	-	354,13	354,13	354,13	31 968,64	33 031,03	Collab Licence Fee	30 906,25	2 124,78	IGR Process initiated for signature
38900006	KANNALAND MUNISIPALITEIT	-	936,14	936,14	936,14	105 232,85	108 041,27	Contributions Task	81 699,27	26 342,00	IGR Process initiated for signature
39001130	KANNALAND MUNICIPALITY	-	86,11	86,11	86,11	11 208,05	11 466,38	Fire Debtor	7 514,80	3 951,58	IGR Process initiated for signature
39001131	KANNALAND MUNICIPALITY	-	218,39	218,39	218,39	26 047,08	26 702,25	Fire Debtor	19 059,04	7 643,21	IGR Process initiated for signature
84000213	KANNALAND MUNICIPALITY	-	1 001,31	1 001,31	1 001,31	122 961,56	125 965,49	Shopsteward	87 386,59	38 578,90	IGR Process initiated for signature
84000271	KANNALAND MUNICIPALITY	-	639,62	639,62	639,62	83 255,06	85 173,92	Health Certificates	55 821,24	29 352,68	IGR Process initiated for signature
84000276	KANNALAND	-	1 062,40	1 062,40	1 062,40	124 301,01	127 488,21	Collab Licence Fee	92 718,75	34 769,46	IGR Process initiated for signature
84000323	KANNALAND MUNICIPALITY	-	563,72	563,72	563,72	71 706,27	73 397,43	Waste Management	49 197,01	24 200,42	IGR Process initiated for signature
84000533	KANNALAND MUNICIPALITY	-	149,16	149,16	149,16	15 166,20	15 613,68	Fire Debtor	13 017,86	2 595,82	IGR Process initiated for signature
84000597	KANNALAND MUNICIPALITY	-	616,02	616,02	616,02	59 256,44	61 104,50	Fire Debtor	53 762,04	7 342,46	IGR Process initiated for signature
84000624	KANNALAND MUNICIPALITY	-	68,45	68,45	68,45	6 379,28	6 584,63	Fire Debtor	5 973,56	611,07	IGR Process initiated for signature
84000690	KANNALAND MUNICIPALITY	-	57,14	57,14	57,14	5 214,94	5 386,36	Fire Debtor	4 986,38	399,98	IGR Process initiated for signature
		-	15 820,18	15 820,18	15 820,18	1 928 084,15	1 975 544,69		1 380 669,18	594 875,51	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
38900007	KNYSNA MUNISIPALITEIT	-	91,56	91,56	91,56	8 356,71	8 631,39	Contributions Task	7 990,47	640,92	No
84000214	KNYSNA MUNICIPALITY	-	150,06	150,06	150,06	13 546,71	13 996,89	Shopsteward	13 096,53	900,36	No
84000711	KNYSNA MUNICIPALITY	-	357,33	31 185,00	-	243,51	31 785,84	MMC Contribution Recovery	31 185,00	600,84	N/A - awaiting payment
		-	598,95	31 426,62	241,62	22 146,93	54 414,12		52 272,00	2 142,12	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
37000809	MOSELBAY MUNICIPALITY	-	-	-	-	-	-	Fire Debtor	-	-	N/A
84000215	MOSELBAY MUNICIPALITY	-	-	-	178,18	572,74	750,92	Shopsteward	-	750,92	No
84000274	MOSELBAY MUNICIPALITY	-	-	-	354,13	354,13	708,26	Collab Licence Fee	-	708,26	No
84000555	MOSEL BAY MUNICIPALITY	-	913,17	79 695,00	-	-	80 608,17	MMC Contribution Recovery to	79 695,00	913,17	No
		-	913,17	79 695,00	532,31	926,87	82 067,35		79 695,00	2 372,35	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
37000687	MUNISIPALITEIT OUDTSHOORN	-	-	-	-	-	-	Fire Debtor	-	-	N/A
38900010	OUTDUSHOORN MUNISIPALITEIT	-	-	-	-	639,85	639,85	Contributions Task	-	639,85	N/A - interest for write-off
84000486	OUTDUSHOORN MUNICIPALITY	-	11 210,79	11 210,79	11 210,79	1 222 994,77	1 256 627,14	Fire Debtor	978 395,78	278 231,36	IGR approval obtained & files submitted for recovery
84000556	OUTDUSHOORN MUNICIPALITY	-	555,84	48 510,00	-	-	49 065,84	Fire Debtor	48 510,00	555,84	N/A - awaiting payment
84000636	OUTDUSHOORN MUNICIPALITY	-	2 774,97	2 774,97	2 774,97	263 773,50	272 098,41	Fire Debtor	242 179,20	29 919,21	IGR approval obtained & files submitted for recovery
		-	14 541,60	62 495,76	13 985,76	1 487 408,12	1 578 431,24		1 269 084,98	309 346,26	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
38900011	PRINCE ALBERT MUNISIPALITEIT	-	42,30	42,30	42,30	3 861,11	3 988,01	Contributions Task	3 691,91	296,10	No
		-	42,30	42,30	42,30	3 861,11	3 988,01		3 691,91	296,10	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
37000924	ESKOM HOLDINGS SOC LTD	-	6 306,87	6 306,87	6 306,87	936 349,94	955 270,55	Fire Debtor	550 418,12	404 852,43	N/A include in debt write-off report
37001073	ESKOM HOLDINGS SOC LTD	-	215,27	215,27	215,27	32 601,91	33 247,72	Fire Debtor	18 786,95	14 460,77	N/A include in debt write-off report
84000288	ESKOM HOLDINGS	-	40 175,80	40 175,80	40 175,80	5 226 067,34	5 346 594,74	Fire Debtor	3 506 251,54	1 840 343,20	Yes
84000381	ESKOM	-	18 213,06	18 213,06	18 213,06	2 183 910,87	2 238 550,05	Fire Debtor	1 589 503,01	649 047,04	Yes
		-	64 911,00	64 911,00	64 911,00	8 378 930,06	8 573 663,06		5 664 959,62	2 908 703,44	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000576	SAN PARKS	-	1 858,02	1 858,02	1 858,02	184 653,02	190 227,08	Fire Debtor	162 154,11	28 072,97	No - discussion in process with institution
		-	1 858,02	1 858,02	1 858,02	184 653,02	190 227,08		162 154,11	28 072,97	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000527	SANRAL	-	48,43	48,43	48,43	5 059,58	5 204,87	Fire Debtor	4 226,58	978,29	IGR approval obtained & files submitted for recovery
		-	48,43	48,43	48,43	5 059,58	5 204,87		4 226,58	978,29	

ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000404	LT COL XOTYENI	-	27,77	27,77	27,77	3 248,08	3 331,39	Fire Debtor	2 423,50	907,89	IGR approval obtained & files submitted for recovery
84000541	SA POLICE SERVICE	-	52,10	52,10	52,10	5 370,69	5 526,99	Fire Debtor	4 546,59	980,40	IGR approval obtained & files submitted for recovery
84000688	LADISMITH POLICE STATION	-	11,35	11,35	11,35	1 036,19	1 070,24	Fire Permit Debtor	990,79	79,45	IGR approval obtained & files submitted for recovery
		-	91,22	91,22	91,22	9 654,96	9 928,62		7 960,88	1 967,74	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000603	WESTERN CAPE PROVINCIAL GOVERN	-	16 483 037,47	18 300 254,73	-	-	34 783 292,20	Roads Debtor WCPG DPWT	34 783 292,20	-	No - Roads Agency Debtor for monthly claims to Province
		-	16 483 037,47	18 300 254,73	-	-	34 783 292,20		34 783 292,20	-	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000600	DIST ROADS ENGINEER TPW	-	-	-	-	-	-	Fire Debtor	-	-	No - discussion in process with institution
84000615	PROVINCIAL ROADS WORKS	-	1 120,15	1 120,15	1 120,15	106 679,73	110 040,18	Fire Debtor	97 758,08	12 282,10	No - discussion in process with institution
84000764	DISTRICT ROADS ENGINEER	-	38,13	38,13	3 327,84	-	3 404,10	Fire Debtor	-	3 404,10	No - discussion in process with institution
		-	1 158,28	1 158,28	4 447,99	106 679,73	113 444,28		97 758,08	15 686,20	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
38800002	DEPARTEMENT GESONDHEID	-	38 042,96	7 586,96	-	-	45 629,92	Medical Debtor	42 239,84	3 390,08	No - monthly medical recovery claims
		-	38 042,96	7 586,96	-	-	45 629,92		42 239,84	3 390,08	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000572	DFFE	-	1 226,88	1 226,88	1 226,88	121 929,79	125 610,43	Fire Debtor	107 073,36	18 537,07	No - discussion in process with institution
84000629	DFFE	-	342,24	342,24	342,24	32 135,28	33 162,00	Fire Debtor	29 867,80	3 294,20	No - discussion in process with institution
		-	1 569,12	1 569,12	1 569,12	154 065,07	158 772,43		136 941,16	21 831,27	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
84000475	CALITZDORP HIGH	-	121,84	121,84	121,84	13 450,65	13 816,17	Fire Debtor	10 632,90	3 183,27	No
		-	121,84	121,84	121,84	13 450,65	13 816,17		10 632,90	3 183,27	
ACCNO	NAME	CURRENT	31-60 days	61-90 days	91-120 days	120+ days	Total due by 31 December 2023	Debtor Type:	Original Capital: levied	Interest on account:	IGR Process:
38200071	PETRO SA PTY LTD	-	5 000,00	-	-	-	5 000,00	Health Certificates	5 000,00	-	N/A - awaiting payment
		-	5 000,00	-	-	-	5 000,00		5 000,00	-	

## Section 5 – Creditors' analysis

### Supporting Table C4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2023/24								Total
		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	
<b>R thousands</b>										
<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	44	333	-	-	-	-	305	421	1 104
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>44</b>	<b>333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305</b>	<b>421</b>	<b>1 104</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 December 2023	Movements for the month			Balance as at 31 December 2023	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
<b>Garden Route District Municipality</b>							
Standard Bank	7 000 000,00	-	20 000 000,00		27 000 000,00	-	1 023 345,21
ABSA	17 500 000,00	-	12 000 000,00		29 500 000,00	-	1 243 162,33
Nedbank	10 500 000,00	-	8 000 000,00		18 500 000,00	-	768 630,84
<b>BANK DEPOSITS</b>	<b>35 000 000,00</b>	<b>-</b>	<b>40 000 000,00</b>	<b>-</b>	<b>75 000 000,00</b>	<b>-</b>	<b>3 035 138,38</b>

The municipality invests surplus funds 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 for longer periods to maximise investment revenue.

## 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 - M06 December

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>Operating Transfers and Grants</b>										
National Government:		180 655	185 267	185 267	59 209	136 987	92 634	44 353	47,9%	185 267
Local Government Equitable Share		172 721	178 333	178 333	59 209	133 514	89 167	44 347	49,7%	178 333
Energy Efficiency and Demand Side Management Grant		1 000	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant		2 440	2 180	2 180	–	545	1 090	(545)	-50,0%	2 180
Local Government Financial Management Grant		1 000	1 000	1 000	–	1 000	500	500	100,0%	1 000
Municipal Systems Improvement Grant		–	1 000	1 000	–	–	500	(500)	-100,0%	1 000
Public Transport Network Grant		900	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		2 594	2 754	2 754	–	1 928	1 377	551	40,0%	2 754
Provincial Government:		8 938	6 560	6 846	–	1 560	3 410	(1 850)	-54,3%	6 846
Capacity Building		8 938	6 560	6 846	–	1 560	3 410	(1 850)	-54,3%	6 846
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		117	20 177	20 177	1 037	2 574	10 089	(7 515)	-74,5%	20 177
Other Grants Received		117	20 177	20 177	1 037	2 574	10 089	(7 515)	-74,5%	20 177
<b>Total Operating Transfers and Grants</b>	5	189 710	212 004	212 290	60 246	141 121	106 132	34 989	33,0%	212 290
<b>Capital Transfers and Grants</b>										
National Government:		3 765	4 000	4 000	–	2 000	2 000	(0)	0,0%	4 000
Energy Efficiency and Demand Side Management Grant		3 765	4 000	4 000	–	2 000	2 000	(0)	0,0%	4 000
Provincial Government:		–	4 481	8 581	–	4 481	4 218	263	6,2%	8 581
Infrastructure		–	4 481	4 481	–	4 481	2 240	2 241	100,0%	4 481
Capacity Building		–	–	4 100	–	–	1 977	(1 977)	-100,0%	4 100
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		3 284	–	–	–	–	–	–	–	–
[insert description]		3 284	–	–	–	–	–	–	–	–
<b>Total Capital Transfers and Grants</b>	5	7 049	8 481	12 581	–	6 481	6 218	263	4,2%	12 581
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	196 759	220 485	224 871	60 246	147 602	112 350	35 252	31,4%	224 871

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 - M06 December

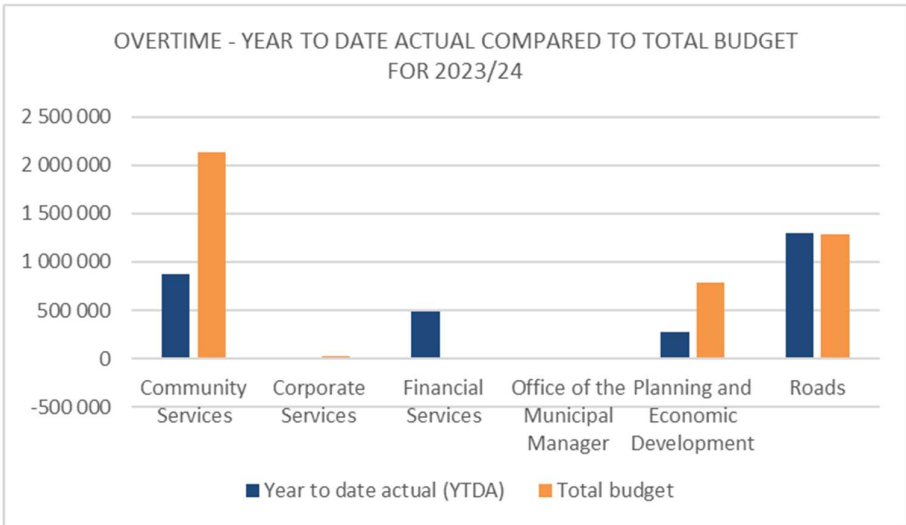
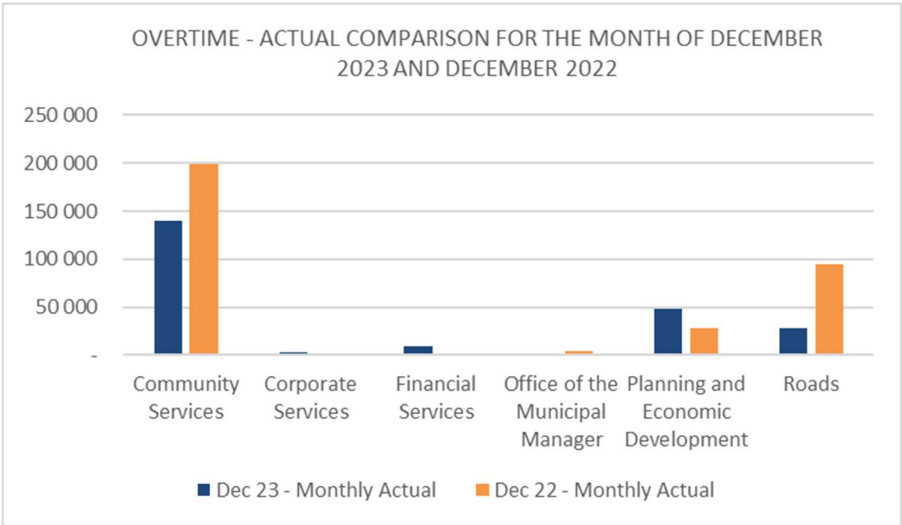
Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		7 666	11 153	11 153	587	4 039	5 577	(1 538)	-28%	11 153
Pension and UIF Contributions		395	263	263	38	196	131	64	49%	263
Medical Aid Contributions		261	162	162	12	89	81	8	10%	162
Motor Vehicle Allowance		2 042	1 251	1 251	162	1 001	626	375	60%	1 251
Cellphone Allowance		1 040	627	627	85	564	314	250	80%	627
Housing Allowances		766	478	478	64	383	239	144	60%	478
Other benefits and allowances		136	281	281	54	272	141	131	93%	281
<b>Sub Total - Councillors</b>		<b>12 306</b>	<b>14 216</b>	<b>14 216</b>	<b>1 001</b>	<b>6 543</b>	<b>7 108</b>	<b>(565)</b>	<b>-8%</b>	<b>14 216</b>
% increase	4		15,5%	15,5%						15,5%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		5 315	6 223	6 223	461	2 676	3 111	(435)	-14%	6 223
Pension and UIF Contributions		(14 048)	2 093	2 093	66	372	1 046	(674)	-64%	2 093
Medical Aid Contributions		269	220	220	20	122	110	11	10%	220
Overtime										
Performance Bonus		511	777	777	472	505	388	117	30%	777
Motor Vehicle Allowance		(1 109)	908	908	70	406	454	(48)	-11%	908
Cellphone Allowance		171	207	207	11	69	104	(35)	-34%	207
Housing Allowances		325	392	392	22	124	196	(72)	-37%	392
Other benefits and allowances		12	22	22	1	8	11	(3)	-27%	22
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		-	-	-	-	-	-	-		-
Entertainment										
Scarcity										
Acting and post related allowance		(383)	4	4	-	(2)	2			4
In kind benefits										
<b>Sub Total - Senior Managers of Municipality</b>		<b>(8 937)</b>	<b>10 846</b>	<b>10 846</b>	<b>1 124</b>	<b>4 280</b>	<b>5 423</b>	<b>(1 143)</b>	<b>-21%</b>	<b>10 846</b>
% increase	4		-221,4%	-221,4%						-221,4%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		168 877	177 307	178 307	14 897	89 313	89 599	(286)	0%	178 307
Pension and UIF Contributions		28 714	30 745	30 745	2 518	14 943	15 373	(429)	-3%	30 745
Medical Aid Contributions		36 587	26 234	26 234	2 076	12 750	13 117	(367)	-3%	26 234
Overtime		5 409	4 255	4 255	229	2 948	2 127	821	39%	4 255
Performance Bonus		19 449	13 309	13 309	1 605	13 541	6 655	6 886	103%	13 309
Motor Vehicle Allowance		13 004	13 787	13 787	1 044	6 355	6 893	(539)	-8%	13 787
Cellphone Allowance		130	131	131	10	60	65	(6)	-9%	131
Housing Allowances		2 427	2 929	2 929	204	1 217	1 464	(247)	-17%	2 929
Other benefits and allowances		9 696	7 132	7 132	1 195	3 939	3 566	374	10%	7 132
Payments in lieu of leave		(4 583)	5 608	5 608	731	2 938	2 804	134	5%	5 608
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		7 677	7 163	7 163	-	-	3 582	(3 582)	-100%	7 163
Entertainment										
Scarcity										
Acting and post related allowance		1 452	1 220	1 158	77	495	548	(53)	-10%	1 158
In kind benefits										
<b>Sub Total - Other Municipal Staff</b>		<b>288 839</b>	<b>289 820</b>	<b>290 758</b>	<b>24 585</b>	<b>148 499</b>	<b>145 793</b>	<b>2 706</b>	<b>2%</b>	<b>290 758</b>
% increase	4		0,3%	0,7%						0,7%
<b>Total Parent Municipality</b>		<b>292 208</b>	<b>314 882</b>	<b>315 820</b>	<b>26 710</b>	<b>159 322</b>	<b>158 324</b>	<b>998</b>	<b>1%</b>	<b>315 820</b>

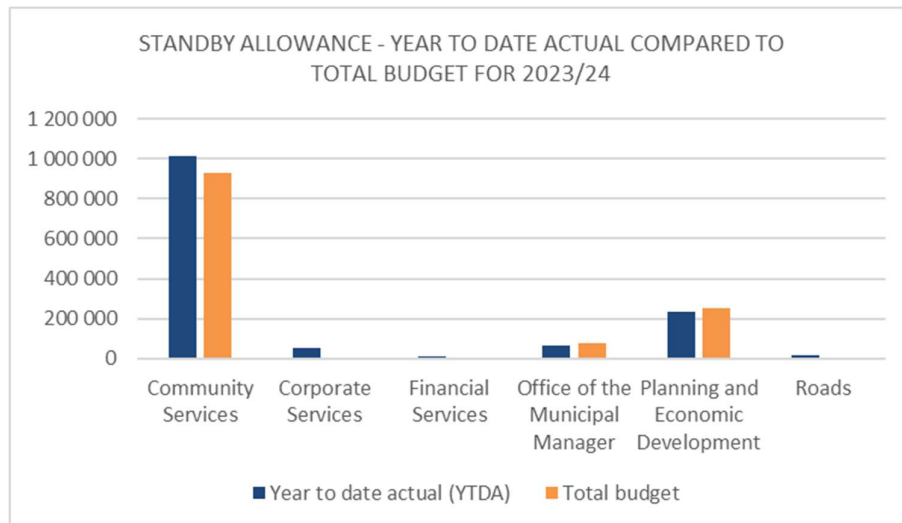
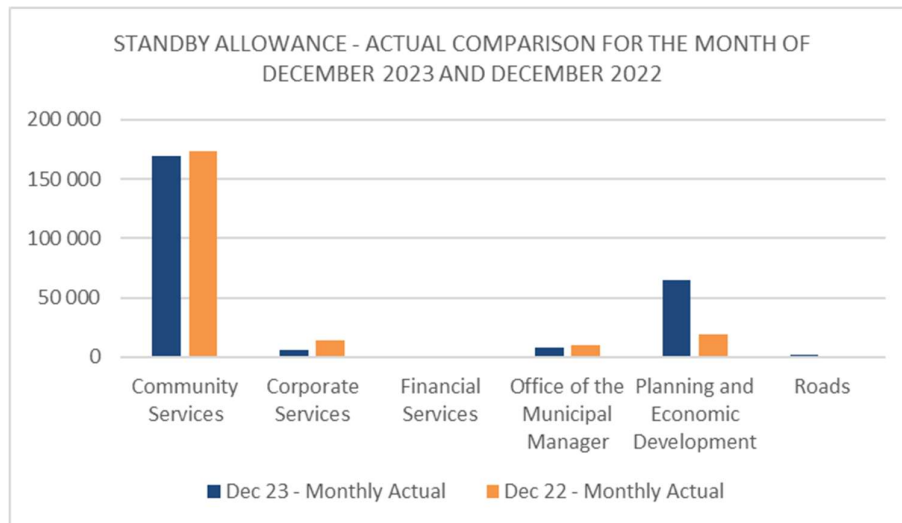
Remuneration related expenditure for the month ended 31 December 2023 amounted to R26,710,468.

The municipality closely monitors overtime and standby allowances to ensure that it is in line with the prior year comparative month and the budgeted amount. This helps keep track of whether the day-to-day functions are executed within normal working hours and will also act as a monitoring tool as to whether the current staff composition is insufficient; of which long periods of excessive overtime/

standby allowance may be an indication that it might be the case. The municipality reports to council monthly on the expenditure on staff benefits as required by the MFMA Section 66.

Refer to the below charts regarding the reporting on the above:





## Section 9 – Municipal manager's quality certification



54 York Street,  
George  
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### OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek  
Reference: 6/1/1 – 23/24  
Date: 15 January 2024

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 December 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   
Date 15/1/2024