MAYORAL COMMITTEE **21 OCTOBER 2026**

COUNCIL **21 OCTOBER 2026**

1. REPORT: SECTION 52 – RESPONSIBILITIES OF MAYOR / *VERSLAG: ARTIKEL 52 VERANTWOORDELIKHEDE VAN DIE BURGEMEESTER* / INGXELO: U MHLATHI 52 - UXANDUVA LUKA SODOLOPHU

(6/18/7)

14 October 2026

REPORT FROM THE EXECUTIVE MAYOR (ALD M KRUGER)

2. PURPOSE OF THE REPORT

The report is tabled to Council in terms of Section 52(d) as required in terms of the Municipal Finance Management Act 56 of 2003 (MFMA).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

According to the MFMA Section 52(d) the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

5. RECOMMENDATION

5.1.1 That Council notes the quarterly report on the implementation of the budget and the financial affairs of the municipality for the year to date and the quarter ending 30 September 2026.

AANBEVELING

5.1.2 Dat die Raad kennis neem van die kwartaalverslag rakende die implementering van die begroting en die finansiële posisie van die munisipaliteit vir die jaar tot datum en die kwartaal geëinding 30 September 2026.

ISINDULULO

5.1.3 Sesokuba iBhunga lithathele ingqalelo ingxelo yarhoqo ngekota ngokumiselwa kolwabiwo-mali kunye nemicimbi yezemali zomasipala zonyaka uzakuthi ga ngoku kunye nexesha eliphela ngomhla 30 kweyoMsintsi 2026.

6. DISCUSSION / CONTENTS

6.1 BACKGROUND

Section 52 (d)

The mayor of a municipality –

Must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

6.2 FINANCIAL IMPLICATIONS

As contained in the attached report.

6.3 LEGAL IMPLICATIONS

The following legislation applies:

1. Municipal Finance Management Act, No 56 of 2003, section 52
2. Municipal Budget and Reporting Regulations, 17 April 2009

6.4 STAFF IMPLICATION

None

6.5 PREVIOUS / RELEVANT COUNCIL RESOLUTIONS

The report is tabled to Council on a quarterly basis in terms of Section 52(d) of the MFMA.

6.6 RISK IMPLICATIONS

There are no foreseen risks.

ANNEXURE

Section 52 Report

Garden Route
DISTRICT MUNICIPALITY | UMASIPALA WESITHILI | DISTRIKSMUNISIPALITEIT









2026/2027

MFMA SECTION 52 - QUARTERLY FINANCIAL AND PERFORMANCE MANAGEMENT REPORT

Quarter 1

30 September 2026

Garden Route District Municipality
Head Office: 54 York Street, George, 6530
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Table of Contents

Glossary 6

Legislative Framework 8

PART 1 – IN YEAR REPORT

Section 1 – Mayor's report 9

Section 2 – Resolutions 11

Section 3 – Executive summary 11

Section 4 – In-year budget statement tables 14

PART 2 - SUPPORTING DOCUMENTATION

Section 5 – Debtors analysis 31

Section 6 – Creditors analysis 32

Section 7 – Investment portfolio analysis 32

Section 8 – Allocation and grant receipts and expenditure 33

Section 9 – Councillor and board member allowances and employee benefits 35

Section 10 – Material variances to the service delivery and budget implementation plan 36

Section 11 – Capital programme performance 36

Section 12 – Withdrawals 38

Section 13 – Municipal Manager's quality certificate 39

PART 3 – SERVICE DELIVERY AND BUDGET IMPLEMENTATION 40

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.

Adjustments Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual 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. Annual 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.

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 new standard 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 principal 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.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In the Garden Route District this means the different Departments within the municipality.

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

1. Section 52: Quarterly budget statements

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

PART 1 – IN-YEAR REPORT

SECTION 1 – MAYOR'S REPORT

Honourable Speaker, leaders of the opposition, honourable members of the Garden Route District Council on both sides of the house, the municipal manager and his executive management team, staff members, members of the media, interest groups and the citizens of the Garden Route District. I would like to express a warm welcome to you all.

Herewith an executive summary of the performance of the Council for the first quarter ending 30 September 2026. The actual and budgeted figures reported includes the Roads Operational Budget.

These figures are presented in terms of Section 52 of the MFMA.

Revenue by source

The total revenue received by source for the first quarter amounts to **R135,444,923**, against an adjusted budget of **R377,575,427 (YTDB: R127,649,950)**. This represents **36%** recording of revenue for the first quarter.

Majority of the revenue received for the first quarter relates to Transfers and Subsidies revenue (63%), which include the first instalment of Equitable Share to the amount of R80,604,000. Majority of the Operational Revenue relates to the Roads function (23%). The other 14% of revenue received was derived from interest revenue, rental revenue and sales of goods and services.

Operating Expenditure by source

For the first quarter of the financial year, the municipality recorded expenditure performance of **R91,244,651** against an adjusted budget of **R371,521,420 (YTDB: R80,339,564)**, representing **25%** of expenditure for the first quarter. The expenditure as reflected is for both the GRDM and the Roads department.

The salary related expenditure for the first quarter was **R70,841,040** to an adjusted budget of **R222,169,252 (YTDB: R49,879,679)**, representing **32%** of the budget. **78%** of the total quarterly expenditure incurred was for employee related cost. The Roads function is performed on a month-to-month basis until the transfer to DOI is finalised. The apparent

variance is due to the method used by the financial system to calculate the Year-to-Date Budget (YTDB). While the roads budget is phased up to October 2026 (four months), the system calculates the YTDB as the total annual budget divided by 12 and multiplied by 3 months, resulting in a lower YTDB amount than the actual budget allocation for the period.

The councillor remuneration expenditure for the first quarter amounts to **R3,542,499** to an adjusted budget of **R14,627,354 (YTDB: R3,232,556)**, representing **24%** of the budget which is in line with the quarterly expectation.

Spending on contracted services was **R3,716,788** in the first quarter representing **7%** spending of an adjusted budget of **R53,584,049 (YTDB: R9,570,547)**. Majority relates to landfill site contracted services being less than anticipated to date.

Spending on operational costs was **R10,348,895** for the first quarter, representing **18%** spending of an adjusted budget of **R56,964,542 (YTDB: R12,068,633)**. Operational costs are expected to increase in the ensuing months as procurement processes are concluded.

Capital Expenditure

The approved adjusted capital budget for the 2026/27 financial year totals **R69,987,388**. The largest expenditure item on the capital budget (R63,933,388) is the construction of the regional landfill site. Construction commenced to the end of the 2022/2023 financial year.

For the first quarter, capital expenditure was **R26,733,955** with orders to the amount of **R38,040,577** issued as at the end of September 2026. The total capital expenditure (including orders) as at 30 September 2026 is **R64,774,532,** representing **93%** spending of an adjusted budget of R69,987,388.

Refer to detailed capital expenditure performance under Section 11.

SECTION 2 – RESOLUTIONS

Municipal Financial Management Act, 56 of 2003 - SECTION 52: General responsibilities of the mayor

This is the resolution being presented to Council in the quarterly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of section 52 of the Municipal Finance Management Act 56 of 2003.

RECOMMENDATION:

1. That Council notes the quarterly report on the implementation of the budget and the financial affairs of the municipality for the year to date and the quarter ending 30 September 2026.

SECTION 3 – EXECUTIVE SUMMARY

3.1 Introduction

These figures are presented in terms of section 52(d) of the MFMA. The information is presented for the first quarter ending 30 September 2026.

3.2 Consolidated performance

3.2.1 Against annual budget (adjusted)

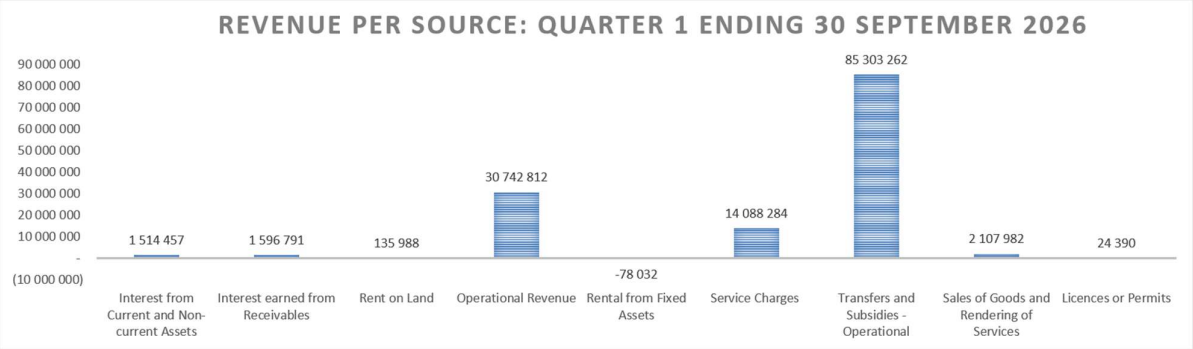
The actual and budgeted figures reported includes the Roads function.

Revenue by source

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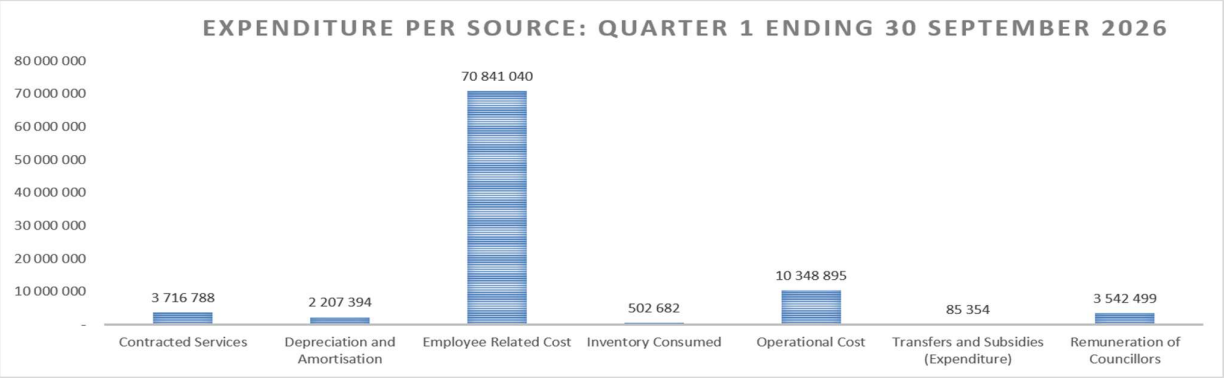
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Operating Expenditure by type

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Refer to detailed capital expenditure performance under Section 11.

CAPITAL BUDGET SPENDING AS AT 30 SEPTEMBER 2026							
Number	**Description**	**Funding source**	**Budget**	**Expenditure**	**Orders**	**Available**	**% Spent**
1	Borehole Water Pump (Calitzdorp Hot Springs)	Own revenue	21 604	21 603	-	1	100%
2	Printers	Own revenue	18 000	-	-	18 000	0%
3	Furniture / Equipment (Insurance Refunds)	Own revenue	145 000	-	-	145 000	0%
4	LDV Off Road 4x4 vehicle	Grant	1 000 000	-	735 468	264 532	74%
5	10 000 Litre Water Tanker Trailer	Grant	1 500 000	-	-	1 500 000	0%
6	Laminating Machine: MHS: Klein Karoo	Own revenue	4 000	1 449	-	2 551	36%
7	Microwaves	Own revenue	5 000	4 261	-	739	85%
8	Hard Drive Docking Station	Own revenue	1 998	-	1 998	1	100%
9	Finger Scanners	Own revenue	28 000	-	-	28 000	0%
10	Magnetic Locks	Own revenue	3 200	-	-	3 200	0%
11	No touch exit buttons	Own revenue	2 000	-	-	2 000	0%
12	Security Doors	Own revenue	27 600	-	-	27 600	0%
13	Impact Drill	Own revenue	2 095	-	2 095	-	100%
14	Laptops	Own revenue	283 865	-	62 634	221 231	22%
15	Network Switch	Own revenue	9 083	-	9 083	0	100%
16	External Hard Drive	Own revenue	2 555	-	2 554	1	100%
17	Building of Disaster Management Store	Grant	3 000 000	-	-	3 000 000	0%
18	Landfill Site: PPE	Borrowing	63 933 388	26 706 642	37 226 746	0	100%
			69 987 388	**26 733 955**	**38 040 577**	**5 212 856**	**93%**

3.3 Material variances from SDBIP

Attached to this report as Annexure is the SDBIP report for the first quarter ending 30 September 2026.

Management of the SDBIP and achievement of actuals against KPI targets are done via the Performance Management Section.

3.4 Conclusion

Detailed analysis of the municipal performance for the first quarter ending 30 September 2026 will be presented under the different sections of the report. More information regarding the municipal performance and explanations will be provided below.

SECTION 4 – IN-YEAR BUDGET STATEMENT TABLES

4.1 Monthly budget statement

4.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Garden Route - Table C1 Monthly Budget Statement Summary - Q1 First Quarter

Description	2025/26	Budget Year 2026/27							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	29 040	29 040	14 088	14 088	7 260	6 828	94%	29 040
Investment revenue	–	7 931	7 931	780	1 514	1 983	(468)	-24%	7 931
Transfers and subsidies - Operational	–	223 544	224 146	659	85 303	90 550	(5 247)	(0)	224 146
Other own revenue	–	62 391	110 958	4 125	34 539	27 107	7 432	27%	110 958
Total Revenue (excluding capital transfers and contributions)	**–**	**322 907**	**372 075**	**19 653**	**135 445**	**126 900**	**8 545**	**7%**	**372 075**
Employee costs	–	185 758	222 169	23 833	70 841	49 880	20 961	42%	222 169
Remuneration of Councillors	–	14 627	14 627	1 154	3 542	3 233	310	10%	14 627
Depreciation, amortisation and impairment	–	8 064	8 064	563	2 207	2 016	191	9%	8 064
Interest, Dividends and Rent on Land	–	88	88	–	–	22	(22)	-100%	88
Inventory consumed and bulk purchases	–	3 053	4 821	266	503	612	(110)	-18%	4 821
Transfers and subsidies	–	769	1 146	85	85	423	(338)	-80%	1 146
Other expenditure	–	109 992	120 606	5 174	14 066	24 154	(10 088)	-42%	120 606
Total Expenditure	**–**	**322 353**	**371 521**	**31 075**	**91 245**	**80 340**	**10 905**	**14%**	**371 521**
Surplus/(Deficit)	**–**	**554**	**554**	**(11 422)**	**44 200**	**46 560**	**(2 360)**	**-5%**	**554**
Transfers and subsidies - capital (monetary	–	2 500	5 500	–	–	750	(750)	-100%	5 500
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**-7%**	**6 054**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**-7%**	**6 054**
Capital expenditure & funds sources									
Capital expenditure	**–**	**66 987**	**69 987**	**13 841**	**26 734**	**33 582**	**(6 848)**	**-20%**	**69 987**
Capital transfers recognised	–	2 500	5 500	–	–	3 250	(3 250)	-100%	5 500
Borrowing	–	63 933	63 933	13 815	26 707	29 931	(3 224)	-11%	63 933
Internally generated funds	**–**	**554**	**554**	**26**	**27**	**401**	**(374)**	**-93%**	**554**
Total sources of capital funds	**–**	**66 987**	**69 987**	**13 841**	**26 734**	**33 582**	**(6 848)**	**-20%**	**69 987**
Financial position									
Total current assets	–	186 727	186 356		187 043				186 356
Total non current assets	–	352 844	356 617		411 069				356 617
Total current liabilities	–	63 197	63 393		206 595				63 393
Total non current liabilities	–	261 941	261 926		166 319				261 926
Community wealth/Equity	**–**	**214 433**	**217 654**		**225 197**				**217 654**
Cash flows									
Net cash from (used) operating	–	(18 375)	(14 971)	(48 538)	(70 676)	42 300	112 975	267%	(14 971)
Net cash from (used) investing	–	(1 711)	(44 711)	(15 889)	(31 293)	(27 263)	4 030	-15%	(44 711)
Net cash from (used) financing	–	14 112	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**–**	**133 195**	**14 240**	**26 938**	**(10 604)**	**88 959**	**99 563**	**112%**	**31 683**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	27 757	10 120	22 133	8 293	17 687	6 111	8 140	58 296	158 537
Creditors Age Analysis									
Total Creditors	201	77	–	–	1	–	–	813	1 093

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

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		–	**149 838**	**154 363**	**1 639**	**52 048**	**57 835**	(5 788)	-10%	**154 363**
Executive and council		–	67 891	68 344	808	28 827	28 468	359	1%	68 344
Finance and administration		–	81 947	86 019	831	23 221	29 368	(6 147)	-21%	86 019
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	**85 861**	**89 007**	**482**	**29 441**	**32 384**	(2 943)	-9%	**89 007**
Community and social services		–	12 429	15 575	23	3 981	4 776	(795)	-17%	15 575
Sport and recreation		–	8 279	8 279	296	456	1 601	(1 145)	-72%	8 279
Public safety		–	28 493	28 493	30	10 046	10 946	(900)	-8%	28 493
Housing		–	–	–	–	–	–	–		–
Health		–	36 660	36 660	132	14 958	15 061	(103)	-1%	36 660
Economic and environmental services		–	**46 343**	**90 841**	**3 444**	**37 048**	**25 935**	11 114	43%	**90 841**
Planning and development		–	42 232	42 232	597	6 881	12 718	(5 837)	-46%	42 232
Road transport		–	3 940	48 437	2 823	30 112	13 194	16 918	128%	48 437
Environmental protection		–	171	171	23	55	22	33	148%	171
Trading services		–	**41 876**	**41 876**	**14 088**	**16 288**	**10 870**	**5 417**	50%	**41 876**
Energy sources		–	–	–	–	–	–	–		–
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	41 876	41 876	14 088	16 288	10 870	5 417	50%	41 876
Other	4	–	**1 489**	**1 489**	**–**	**620**	**625**	**(5)**	**-1%**	**1 489**
Total Revenue - Functional	2	–	**325 407**	**377 575**	**19 653**	**135 445**	**127 650**	**7 795**	**6%**	**377 575**
Expenditure - Functional										
Governance and administration		–	**165 189**	**165 189**	**10 412**	**35 467**	**34 462**	1 005	3%	**165 189**
Executive and council		–	65 572	65 572	3 115	12 380	13 595	(1 215)	-9%	65 572
Finance and administration		–	95 770	95 770	6 933	22 077	19 967	2 110	11%	95 770
Internal audit		–	3 847	3 847	365	1 010	900	109	12%	3 847
Community and public safety		–	**89 462**	**89 609**	**6 386**	**18 706**	**20 609**	(1 903)	-9%	**89 609**
Community and social services		–	10 975	11 122	785	2 218	2 562	(344)	-13%	11 122
Sport and recreation		–	9 831	9 831	571	1 599	2 166	(567)	-26%	9 831
Public safety		–	27 493	27 493	1 879	5 796	6 514	(718)	-11%	27 493
Housing		–	–	–	–	–	–	–		–
Health		–	41 163	41 163	3 152	9 093	9 367	(274)	-3%	41 163
Economic and environmental services		–	**25 921**	**74 943**	**12 851**	**33 768**	**17 460**	16 308	93%	**74 943**
Planning and development		–	17 659	17 659	2 162	3 684	3 563	121	3%	17 659
Road transport		–	3 940	52 962	10 366	29 037	12 819	16 218	127%	52 962
Environmental protection		–	4 322	4 322	323	1 047	1 078	(31)	-3%	4 322
Trading services		–	**40 292**	**40 292**	**1 356**	**2 957**	**7 495**	**(4 538)**	-61%	**40 292**
Energy sources		–	–	–	–	–	–	–		–
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	40 292	40 292	1 356	2 957	7 495	(4 538)	-61%	40 292
Other		–	**1 489**	**1 489**	**69**	**347**	**313**	**34**	**11%**	**1 489**
Total Expenditure - Functional	3	–	**322 353**	**371 521**	**31 075**	**91 245**	**80 340**	**10 905**	**14%**	**371 521**
Surplus/ (Deficit) for the year		–	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**-0,065739**	**6 054**

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.

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

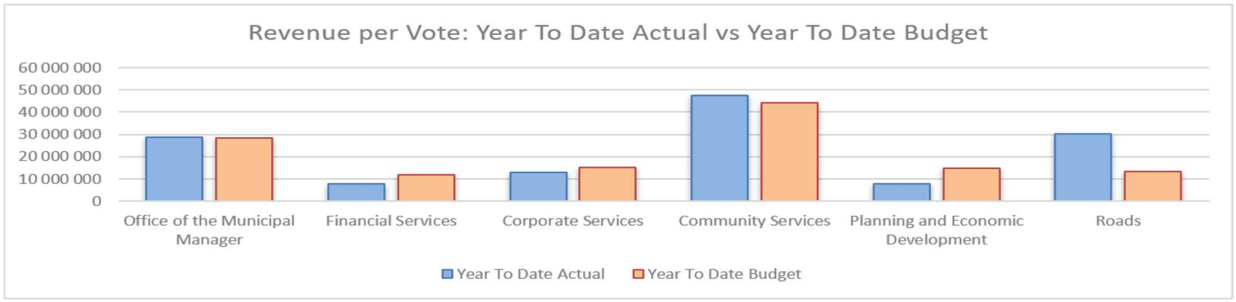
DC4 Garden Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

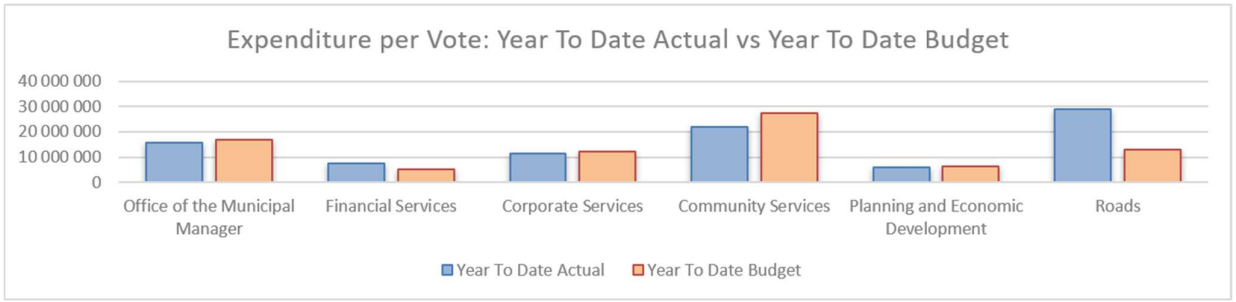
Vote Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		–	67 891	68 344	808	28 827	28 468	359	1,3%	68 344
Vote 2 - Office of the Municipal Manager (cont)		–	–	–	–	–	–	–		–
Vote 3 - Financial Services		–	31 291	33 327	505	7 806	11 837	(4 031)	-34,1%	33 327
Vote 4 - Financial Services (cont)		–	–	–	–	–	–	–		–
Vote 5 - Corporate Services		–	34 891	36 927	316	9 179	12 627	(3 448)	-27,3%	36 927
Vote 6 - Corporate Services (cont)		–	10 104	10 104	10	3 877	2 526	1 351	53,5%	10 104
Vote 7 - Community Services		–	53 520	56 520	156	21 298	22 178	(880)	-4,0%	56 520
Vote 8 - Community Services (cont)		–	71 770	71 916	14 141	26 389	21 875	4 513	20,6%	71 916
Vote 9 - Planning and Economic Development		–	1 489	1 489	–	620	625	(5)	-0,8%	1 489
Vote 10 - Planning and Economic Development (cont)		–	8 223	8 223	843	3 525	2 586	939	36,3%	8 223
Vote 11 - Planning and Economic Development(cont2)		–	42 289	42 289	50	3 811	11 733	(7 922)	-67,5%	42 289
Vote 12 - Roads		–	3 940	48 437	2 823	30 112	13 194	16 918	128,2%	48 437
Vote 13 - Roads (cont)		–	–	–	–	–	–	–		–
Vote 14 - Community Services (cont 2)		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**–**	**325 407**	**377 575**	**19 653**	**135 445**	**127 650**	**7 795**	**6,1%**	**377 575**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		–	70 456	70 456	3 376	13 265	14 661	(1 396)	-9,5%	70 456
Vote 2 - Office of the Municipal Manager (cont)		–	8 706	8 706	802	2 315	2 061	254	12,3%	8 706
Vote 3 - Financial Services		–	19 027	19 027	2 070	5 747	3 957	1 790	45,2%	19 027
Vote 4 - Financial Services (cont)		–	5 192	5 192	555	1 683	1 097	586	53,4%	5 192
Vote 5 - Corporate Services		–	25 499	25 499	1 209	3 445	5 894	(2 448)	-41,5%	25 499
Vote 6 - Corporate Services (cont)		–	31 105	31 105	2 826	7 870	6 153	1 717	27,9%	31 105
Vote 7 - Community Services		–	56 069	56 069	4 294	12 368	12 362	6	0,1%	56 069
Vote 8 - Community Services (cont)		–	71 980	72 127	3 452	9 495	14 944	(5 449)	-36,5%	72 127
Vote 9 - Planning and Economic Development		–	2 888	2 888	(608)	741	663	78	11,8%	2 888
Vote 10 - Planning and Economic Development (cont)		–	15 925	15 925	1 021	2 807	3 380	(572)	-16,9%	15 925
Vote 11 - Planning and Economic Development(cont2)		–	11 566	11 566	1 711	2 470	2 349	121	5,2%	11 566
Vote 12 - Roads		–	3 940	38 922	7 191	20 777	9 389	11 388	121,3%	38 922
Vote 13 - Roads (cont)		–	–	14 040	3 175	8 260	3 431	4 830	140,8%	14 040
Vote 14 - Community Services (cont 2)		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**–**	**322 353**	**371 521**	**31 075**	**91 245**	**80 340**	**10 905**	**13,6%**	**371 521**
Surplus/ (Deficit) for the year	2	**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**-6,6%**	**6 054**

Revenue and expenditure reflect the operating performance per municipal vote.

Expenditure per municipal vote is distributed to ensure that the municipal expenditure reflects the functions where expenditure is allocated. This is done to ensure implementation of the Integrated Development Plan (IDP) and for Annual Reporting.

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


Revenue per Vote: Year To Date Actual vs Year To Date Budget
60 000 000
50 000 000
40 000 000
30 000 000
20 000 000
10 000 000
0
Office of the Municipal Manager
Financial Services
Corporate Services
Community Services
Planning and Economic Development
Roads
Year To Date Actual
Year To Date Budget


Expenditure per Vote: Year To Date Actual vs Year To Date Budget
40 000 000
30 000 000
20 000 000
10 000 000
0
Office of the Municipal Manager
Financial Services
Corporate Services
Community Services
Planning and Economic Development
Roads
Year To Date Actual
Year To Date Budget

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

DC4 Garden Route - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water								–		
Service charges - Waste Water Management								–		
Service charges - Waste management		–	29 040	29 040	14 088	14 088	7 260	6 828	94%	29 040
Sale of Goods and Rendering of Services		–	24 561	24 561	462	2 108	5 610	(3 502)	-62%	24 561
Agency services		–	–	4 525	–	–	1 131	(1 131)	-100%	4 525
Interest								–		
Interest earned from Receivables		–	8 033	8 033	489	1 597	1 908	(312)	-16%	8 033
Interest from Current and Non Current Assets		–	7 931	7 931	780	1 514	1 983	(468)	-24%	7 931
Dividends								–		
Rent on Land		–	736	736	37	136	184	(48)	-26%	736
Rental from Fixed Assets		–	1 739	1 739	(262)	(78)	435	(513)	-118%	1 739
Licence and permits		–	171	171	12	24	22	2	11%	171
Special rating levies								–		
Construction Contract Revenue								–		
Development Charges								–		
Operational Revenue		–	1 875	45 918	3 387	30 743	11 498	19 245	167%	45 918
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		–	–	–	–	–	–	–		–
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		–	223 544	224 146	659	85 303	90 550	(5 247)	-6%	224 146
Interest								–		
Fuel Levy								–		
Operational Revenue								–		
Gains on disposal of Fixed and Intangible Assets		–	25 276	25 276	–	9	6 319	(6 310)	-100%	25 276
Other Gains		–	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**–**	**322 907**	**372 075**	**19 653**	**135 445**	**126 900**	**8 545**	**7%**	**372 075**
Expenditure By Type										
Employee related costs		–	185 758	222 169	23 833	70 841	49 880	20 961	42%	222 169
Remuneration of councillors		–	14 627	14 627	1 154	3 542	3 233	310	10%	14 627
Bulk purchases - electricity								–		
Inventory consumed		–	3 053	4 821	266	503	612	(110)	-18%	4 821
Debt impairment		–	4 000	4 000	–	–	1 000	(1 000)	-100%	4 000
Depreciation, amortisation and impairment		–	8 064	8 064	563	2 207	2 016	191	9%	8 064
Interest, Dividends and Rent on Land		–	88	88	–	–	22	(22)	-100%	88
Contracted services		–	52 569	53 584	1 881	3 717	9 571	(5 854)	-61%	53 584
Transfers and subsidies		–	769	1 146	85	85	423	(338)	-80%	1 146
Irrecoverable debts written off		–	3 000	3 000	–	–	750	(750)	-100%	3 000
Operational costs		–	47 366	56 965	3 293	10 349	12 069	(1 720)	-14%	56 965
Disposal of Fixed and Intangible Assets		–	172	172	–	–	43	(43)	-100%	172
Other Losses		–	2 885	2 885	–	–	721	(721)	-100%	2 885
Total Expenditure		**–**	**322 353**	**371 521**	**31 075**	**91 245**	**80 340**	**10 905**	**14%**	**371 521**
Surplus/(Deficit)		**–**	**554**	**554**	**(11 422)**	**44 200**	**46 560**	**(2 360)**	**(0)**	**554**
Transfers and subsidies - capital (monetary allocations)		–	2 500	5 500	–	–	750	(750)	**(0)**	5 500
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**(0)**	**6 054**
Income Tax								–		
Surplus/(Deficit) after income tax		**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**(0)**	**6 054**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	(3 110)	(0)	**6 054**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**–**	**3 054**	**6 054**	**(11 422)**	**44 200**	**47 310**	**(3 110)**	**(0)**	**6 054**

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 year-to-date revenue compared to the year-to-date budget:

Revenue	Year To Date Actual (YTDA)	Year To Date Budget (YTDB)	YTDA/YTDB	Comment
Interest from Current and Non-current Assets	1 514 457	1 982 820	76%	Interest as derived from the bank balance and investments/ call accounts at maturity date. Lower cash balances available resulted in lower interest received.
Interest earned from Receivables	1 596 791	1 908 327	84%	Interest on overdue debtor accounts lower than anticipated to date.
Rent on Land	135 988	183 966	74%	Based on lease agreements entered into for the rental of the municipality's land. Properties section is in process of reviewing all lease agreements and ensuring market-related rent is received.
Operational Revenue	30 742 812	11 498 033	267%	Majority relates to the Roads reimbursive revenue allocation as received from the Department of Infrastructure. The revenue is based on actual expenditure incurred. The Roads function is performed on a month-to-month basis until the transfer to DOI is finalised. The apparent variance is due to the method used by the financial system to calculate the Year-to-Date Budget (YTDB). While the roads budget is phased up to October 2026 (four months), the system calculates the YTDB as the total annual budget divided by 12 and multiplied by 3 months, resulting in a lower YTDB amount than the actual budget allocation for the period.
Rental from Fixed Assets	(78 032)	434 658	-18%	Based on lease agreements entered into for the rental of the municipality's buildings. Properties section is in process of reviewing all lease agreements and ensuring market-related rent is received. A journal was processed which resulted in the negative revenue reflected. Further corrections will be processed to correct the year-to-date amount.
Sales of Goods and Rendering of Services	2 107 982	5 609 861	38%	Majority relates to income from Camping and Fire Services revenue being less than anticipated to date. There have not been any major fires to date and camping revenue is expected to increase during the holiday seasons.
Service Charges	14 088 284	7 260 000	194%	A correction journal will be processed to correct the revenue incorrectly allocated under Service Charges.
Licences or Permits	24 390	21 990	111%	Monetary difference is not significant.
Transfers and Subsidies - Operational	85 303 262	90 550 077	94%	Recognition of grant revenue based on the expenditure incurred as well as the equitable share grant received to date. Majority relates to the receipt of the equitable share grant.
Grand Total	**135 435 935**	**119 449 732**	**113%**	

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

The Interest from Current and Non-current Assets for the first quarter ended 30 September 2026 amounts to R1,514,457 (YTDB: R1,982,820). This relates to interest as derived from the bank balance and investments/ call accounts at maturity date. Lower cash balances available resulted in lower interest received.

Interest earned from Receivables / Outstanding debtors:

The interest on outstanding debtors for the first quarter ended 30 September 2026 amounts to R1,596,791 (YTDB: R1,908,327). Interest on overdue debtor accounts were lower than anticipated to date.

Rent on Land:

The income received from rental on land amounts to R135,988 for the first quarter ended 30 September 2026 (YTDB: R183,966). The revenue is based on rental agreements entered; the property and legal section are in process of reviewing all lease agreements to ensure market related revenue is received from all rental land/ properties.

Operational Revenue:

Operational revenue reflects an amount of R30,742,812 for the first quarter ended 30 September 2026 (YTDB: R11,498,033). Majority relates to the Roads revenue allocation as received from the Department of Infrastructure. The revenue is based on actual expenditure incurred.

The Roads function is performed on a month-to-month basis until the transfer to DOI is finalised. The apparent variance is due to the method used by the financial system to calculate the Year-to-Date Budget (YTDB). While the roads budget is phased up to October 2026 (four months), the system calculates the YTDB as the total annual budget divided by 12 and multiplied by 3 months, resulting in a lower YTDB amount than the actual budget allocation for the period.

Rental from Fixed Assets of facilities and equipment:

The income for rental of facilities and equipment reported for the first quarter ended 30 September 2026 amounts to -R261,888 (YTDB: R434,658). The revenue is based on rental agreements entered; the property and legal section are in process of reviewing all lease agreements to ensure market related revenue is received from all rental land/ properties.

A journal was processed which resulted in the negative revenue reflected. Further corrections will be processed to correct the year-to-date amount.

Sales of Goods and Rendering of Services:

The income for Sales of Goods and Rendering of Services reported for the first quarter ended 30 September 2026 amounts to R2,107,982 (YTDB: R5,609,861). Majority relates to income from Camping and Fire Services revenue being less than anticipated to date. There have not been any major fires to date and camping revenue is expected to increase during the holiday seasons.

Transfers recognised:

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Act's respectively; as well as allocations received from National Departmental Agencies such as SETA/ NSF funding.

For conditional grants, the revenue is recognised to the extent that expenditure is incurred in accordance with grant conditions. Unconditional grants such as the equitable share are immediately recognised as revenue on receipt.

The first tranche payment of the equitable share grant was received in July 2026 and amounts to R80,604,000.

The following conditional grant allocations have been received to date:

1. Fire Services Capacity Building Grant of R1,000,000 during July 2026.
2. Rural Roads Assets Management Systems Grant (R2,070,000); Financial Management Grant (R1,200,000) and Expanded Public Works Programme Grant (R444,000) during August 2026

Expenditure by Type

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

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

Expenditure	Year To Date Actual (YTDA)	Year To Date Budget (YTDB)	YTDA/YTDB	Comment
Contracted Services	3 716 788	9 570 547	39%	The following Contracted Services sub-categories were less than anticipated to date: - Contractors - Outsourced Services Majority relates to landfill site contracted services less than anticipated to date.
Depreciation and Amortisation	2 207 394	2 016 096	109%	Depreciation and amortisation based on the municipality's asset base during the reporting period.
Employee Related Cost	70 841 040	49 879 679	142%	The Roads function is performed on a month-to-month basis until the transfer to DOI is finalised. The apparent variance is due to the method used by the financial system to calculate the Year-to-Date Budget (YTDB). While the roads budget is phased up to October 2026 (four months), the system calculates the YTDB as the total annual budget divided by 12 and multiplied by 3 months, resulting in a lower YTDB amount than the actual budget allocation for the period.
Inventory Consumed	502 682	612 263	82%	The following Inventory Consumed sub-category was less than anticipated to date: - Consumables
Operational Cost	10 348 895	12 068 633	86%	Majority relates to External Computer Service being less than anticipated to date.
Remuneration of Councillors	3 542 499	3 232 556	110%	YTDA and YTDB is aligned.
Transfers and Subsidies (Expenditure)	85 354	423 494	20%	Grants paid as per business plans.
Grand Total	**91 244 652**	**77 803 268**	**117%**	

Contracted services:

The contracted services for the first quarter ended 30 September 2026 amounts to R3,716,788 (YTDB: R9,570,547). The following Contracted Services sub-categories were less than anticipated to date: Contractors and Outsourced services.

Majority relates to landfill site contracted services being less than anticipated to date.

Depreciation and amortisation:

Depreciation and amortisation for the first quarter ended 30 September 2026 amounts to R2,207,394 (YTDB: R2,016,096). Depreciation and amortisation are based on the municipality's asset base during the reporting period.

These items account for non-cash budgeted items. The fixed asset register (FAR) is being implemented at Garden Route DM by the service provider of the financial system. The Asset Verification module has been implemented with the GRAP implementation testing performed for certain areas. Templates were populated for the import of the Excel FAR into the Electronic FAR. Reconciliations were performed on the data and various set-ups done to movement accounts, etc.

Employee Related cost / Remuneration of councillors:

Remuneration related expenditure (councillors and staff) for the first quarter ended 30 September 2026 amounted to R74,383,539 (YTDB: R53,112,235) and represents 82% of the total quarterly expenditure.

The Roads function is performed on a month-to-month basis until the transfer to DOI is finalised. The apparent variance is due to the method used by the financial system to calculate the Year-to-Date Budget (YTDB). While the roads budget is phased up to October 2026 (four months), the system calculates the YTDB as the total annual budget divided by 12 and multiplied by 3 months, resulting in a lower YTDB amount than the actual budget allocation for the period.

Inventory Consumed:

This item consists of all inventories consumed, purchases for materials and supplies; and amounts to R502,682 (YTDB: R612,263) for the first quarter ended 30 September 2026.

The Inventory Consumed costs is less than that of prior years as most of the expenditure was incurred by the Roads department.

Operational costs:

Operational costs for the first quarter ended 30 September 2026 amounts to R10,348,895 (YTDB: R12,068,633).

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

1. External Audit fees
2. Travel and Subsistence
3. Operating Projects
4. Bank Charges
5. Advertisements
6. Telephone costs
7. Municipal Accounts
8. Software licenses

9. Internet fees

Transfers and subsidies:

The transfers and subsidies expenditure for the first quarter ended 30 September 2026 amounts to R85,354 (YTDB: R423,494). This relates to grants paid as per business plans.

4.1.5 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) - Q1 First Quarter

Vote Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Office of the Municipal Manager (cont)		–	–	–	–	–	–	–		–
Vote 3 - Financial Services		–	150	150	4	4	–	4	#DIV/0!	150
Vote 4 - Financial Services (cont)		–	–	–	–	–	–	–		–
Vote 5 - Corporate Services		–	–	–	–	–	–	–		–
Vote 6 - Corporate Services (cont)		–	400	400	22	22	400	(378)	-95%	400
Vote 7 - Community Services		–	1 504	4 504	–	1	2 251	(2 250)	-100%	4 504
Vote 8 - Community Services (cont)		–	64 933	64 933	13 815	26 707	30 931	(4 224)	-14%	64 933
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 - Community Services (cont 2)		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	**66 987**	**69 987**	**13 841**	**26 734**	**33 582**	**(6 848)**	**-20%**	**69 987**
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Office of the Municipal Manager (cont)		–	–	–	–	–	–	–		–
Vote 3 - Financial Services		–	–	–	–	–	–	–		–
Vote 4 - Financial Services (cont)		–	–	–	–	–	–	–		–
Vote 5 - Corporate Services		–	–	–	–	–	–	–		–
Vote 6 - Corporate Services (cont)		–	–	–	–	–	–	–		–
Vote 7 - Community Services		–	–	–	–	–	–	–		–
Vote 8 - Community Services (cont)		–	–	–	–	–	–	–		–
Vote 9 - Planning and Economic Development		–	–	–	–	–	–	–		–
Vote 10 - Planning and Economic Development (cont)		–	–	–	–	–	–	–		–
Vote 11 - Planning and Economic Development(cont2)		–	–	–	–	–	–	–		–
Vote 12 - Roads		–	–	–	–	–	–	–		–
Vote 13 - Roads (cont)		–	–	–	–	–	–	–		–
Vote 14 - Community Services (cont 2)		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	–	–	–	–	–	–		–
Total Capital Expenditure		–	**66 987**	**69 987**	**13 841**	**26 734**	**33 582**	**(6 848)**	**-20%**	**69 987**
Capital Expenditure - Functional Classification										
Governance and administration		–	**550**	**550**	**26**	**26**	**400**	(374)	-94%	**550**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	550	550	26	26	400	(374)	-94%	550
Internal audit								–		
Community and public safety		–	**2 504**	**5 504**	**–**	**1**	**3 251**	(3 250)	-100%	**5 504**
Community and social services		–	1 500	4 500	–	–	2 250	(2 250)	-100%	4 500
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	1 000	1 000	–	–	1 000	(1 000)	-100%	1 000
Housing								–		
Health		–	4	4	–	1	1	0	45%	4
Economic and environmental services		–	–	–	–	–	–	–		–
Planning and development		–	–	–	–	–	–	–		–
Road transport								–		
Environmental protection								–		
Trading services		–	**63 933**	**63 933**	**13 815**	**26 707**	**29 931**	(3 224)	-11%	**63 933**
Energy sources								–		
Water management								–		
Waste water management								–		
Waste management		–	63 933	63 933	13 815	26 707	29 931	(3 224)	-11%	63 933
Other								–		
Total Capital Expenditure - Functional Classification	3	–	**66 987**	**69 987**	**13 841**	**26 734**	**33 582**	**(6 848)**	**-20%**	**69 987**
Funded by:										
National Government		–	–	–	–	–	–	–		–
Provincial Government		–	2 500	5 500	–	–	3 250	(3 250)	-100%	5 500
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		–	**2 500**	**5 500**	**–**	**–**	**3 250**	**(3 250)**	**-100%**	**5 500**
Borrowing	6	–	63 933	63 933	13 815	26 707	29 931	(3 224)	-11%	63 933
Internally generated funds		–	554	554	26	27	401	(374)	-93%	554
Total Capital Funding		–	**66 987**	**69 987**	**13 841**	**26 734**	**33 582**	**(6 848)**	**-20%**	**69 987**

The approved adjusted capital budget for the 2026/27 financial year totals **R69,987,388**. The largest expenditure item on the capital budget (R63,933,388) is the construction of the regional landfill site. Construction commenced to the end of the 2022/2023 financial year.

For the first quarter, capital expenditure was **R26,733,955** with orders to the amount of **R38,040,577** issued as at the end of September 2026. The total capital expenditure (including orders) as at 30 September 2026 is **R64,774,532,** representing **93%** spending of an adjusted budget of R69,987,388.

Refer to detailed capital expenditure performance under Section 11.

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2025/26	Budget Year 2026/27			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		–	139 087	139 132	64 878	139 132
Short term Investments						
Trade and other receivables from exchange transactions		–	35 924	35 924	104 954	35 924
Receivables from non-exchange transactions		–	–	–	46	–
Current portion of non-current receivables		–	–	–	4 293	–
Inventory		–	–	(0)	57	(0)
VAT Receivable		–	11 615	11 199	15 862	11 199
Other current assets		–	100	100	(3 048)	100
Total current assets		**–**	**186 727**	**186 356**	**187 043**	**186 356**
Non current assets						
Investments		–	16	16	16	16
Investment property		–	65 474	65 474	65 594	65 474
Property, plant and equipment		–	286 675	290 252	348 614	290 252
Biological assets						
Living resources						
Heritage assets						
Intangible assets		–	679	875	1 138	875
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		–	–	–	(4 293)	–
Other non-current assets						
Total non current assets		**–**	**352 844**	**356 617**	**411 069**	**356 617**
TOTAL ASSETS		**–**	**539 571**	**542 973**	**598 112**	**542 973**
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities		–	14 583	14 583	6 199	14 583
Consumer deposits		–	–	–	2 095	–
Trade and other payables from exchange transactions		–	15 695	15 945	21 887	15 945
Trade and other payables from non-exchange transactions		–	1 298	1 223	6 993	1 223
Provision		–	23 600	23 622	33 315	23 622
VAT Payable		–	8 022	8 019	15 588	8 019
Other current liabilities		–	–	–	120 518	–
Total current liabilities		**–**	**63 197**	**63 393**	**206 595**	**63 393**
Non current liabilities						
Financial liabilities		–	150 441	150 441	166 213	150 441
Provision		–	111 500	111 485	106	111 485
Long term portion of trade payables						
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**–**	**261 941**	**261 926**	**166 319**	**261 926**
TOTAL LIABILITIES		**–**	**325 138**	**325 319**	**372 914**	**325 319**
NET ASSETS	2	**–**	**214 433**	**217 654**	**225 197**	**217 654**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		–	163 903	149 688	157 635	149 688
Reserves and funds		–	50 530	67 966	67 562	67 966
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**–**	**214 433**	**217 654**	**225 197**	**217 654**

Financial ratios:

Current Ratio:	(Current Assets / Current Liabilities)			
	Norm: 1.5 - 2.1			
		30 September 2026	**30 June 2026**	
Current Assets		187 042 892	169 261 841	
Current Liabilities		86 077 014	90 277 817	
Current ratio		**2,17**	**1,87**	*times*

Comment

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 30 September 2026, GRDM's current ratio is 2,17 times, which is above the norm.

Net debtor days:	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365			
	Norm: 30 days			
		30 September 2026	**30 June 2026**	
Debtors closing balance after bad debt prov (excl. Roads debtor)		42 263 780	13 316 901	
Billed revenue (excl. Roads claim)		17 163 912	49 645 798	
		899	98	*days*

Comment

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 associcated 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.

Debt to Revenue Ratio:	(Total debt / Total revenue) x 100	
	30 September 2026	
Total debt	171 912 000	
Total revenue annual budget	377 575 427	
	45,53%	

Comment

The purpose of this ratio is to measure GRDM's ability to repay debt. For purposes of the loan agreement with Standard Bank, the Debt to Revenue Ratio must be maintained at a level that is less than or equal to 50% (fifty percent) of revenue.

Total debt constitues 45,43% of total budgeted revenue, which is below the norm of 50% or less as per the loan agreement.

Interest Paid to Total Cost Ratio:	(Interest paid / Total expenditure) x 100	
	30 September 2026	
Interest paid	3 952 676	
Total expenditure	91 244 651	
	4,33%	

Comment

The purpose of this ratio is to measure GRDM's interest paid compared to all expenses incurred. For purposes of the loan agreement with Standard Bank, the Interest paid to total costs must be maintained at a level that is less than or equal to 7,5% (seven-point five percent) of total expenditure.

The interest paid makes up 4,33% of all expenditure incurred, which is below the norm of 7,5% or less as per the loan agreement.

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2025/26	Budget Year 2026/27							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								–		
Service charges		–	21 780	21 780	132	3 778	5 445	(1 667)	-31%	21 780
Other revenue		–	28 821	33 346	1 063	(1 011)	7 704	(8 715)	-113%	33 346
Transfers and Subsidies - Operational		–	223 716	268 360	257	92 557	101 604	(9 047)	-9%	268 360
Transfers and Subsidies - Capital		–	2 500	5 500	–	1 000	750	250	33%	5 500
Interest		–	7 931	7 931	780	1 514	1 983	(468)	-24%	7 931
Dividends								–		
Payments										
Suppliers and employees		–	(302 505)	(351 270)	(48 148)	(164 562)	(75 124)	89 438	-119%	(351 270)
Finance charges		–	(88)	(88)	(2 621)	(3 953)	(22)	3 931	-17892%	(88)
Transfers and Subsidies		–	(531)	(531)	–	–	(39)	(39)	100%	(531)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**–**	**(18 375)**	**(14 971)**	**(48 538)**	**(70 676)**	**42 300**	**112 975**	**267%**	**(14 971)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	65 276	25 276	–	–	6 319	(6 319)	-100%	25 276
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Insurance Refund - Capital								–		
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments								–		
Payments										
Capital assets		–	(66 987)	(69 987)	(15 889)	(31 293)	(33 582)	(2 289)	7%	(69 987)
Retention (Capital)								–		
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(1 711)**	**(44 711)**	**(15 889)**	**(31 293)**	**(27 263)**	**4 030**	**-15%**	**(44 711)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing		–	21 000	–	–	–	–	–		–
Increase (decrease) in consumer deposits								–		
Payments										
Repayment of borrowing		–	(6 888)	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**14 112**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**–**	**(5 974)**	**(59 682)**	**(64 427)**	**(101 969)**	**15 037**			**(59 682)**
Cash/cash equivalents at beginning:		–	139 169	73 922	91 365	91 365	73 922			91 365
Cash/cash equivalents at month/year end:		–	133 195	14 240	26 938	(10 604)	88 959			31 683

The municipal bank balance at 30 September 2026 totals R60,331,572. The call account deposits amount to R5,161,964. Total cash available at month-end is therefore R65,493,536. No surplus funds available for investments.

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

REPORTING MONTH:	30 SEPTEMBER 2026	
Commitments against Cash & Cash Equivalents		
ITEM	**Previous Month R'000**	**Current Month R'000**
Bank balance as at 30 September 2026	**101 923 370**	**60 331 572**
Other Cash & Cash Equivalents: Short term deposits	**-**	**-**
Other Cash & Cash Equivalents: Call accounts	**5 130 548**	**5 161 964**
Total Cash & Cash Equivalents	**107 053 918**	**65 493 536**
LESS:	**131 028 701**	**102 142 154**
Unspent Conditional Grants	7 430 303	6 993 143
Trade Payables	21 063 484	21 887 471
Consumer Deposits	1 806 260	2 094 940
YTD Unspent Capital budget	-	373 686
YTD Unspent Operational budget	-	-
Equitable share received in advance	48 362 400	32 241 600
YTD Unspent Landfill Site Borrowing	52 366 254	38 551 314
Sub total	**-23 974 783**	**-36 648 618**
PLUS:	**85 577 046**	**105 227 997**
VAT Receivable/ (Payable)	-412 520	273 870
Receivable Exchange	21 951 703	42 217 791
Department of Infrastructure	64 037 862	62 736 337
	61 602 263	**68 579 380**
LESS OTHER MATTERS:		
Capital Replacement Reserve	8 809 131	8 809 131
Employee Benefits Reserves	58 753 347	58 753 347
Sub Total	**-5 960 215**	**1 016 902**
LESS: CONTINGENT LIABILITIES	**1 820 000**	**1 820 000**
Labour disputes	1 820 000	1 820 000
Recalculated available cash balance	**-7 780 215**	**-803 098**
Total actual expenditure excluding Roads (expenditure paid and taken into account in cash balance)	**25 002 297**	**20 845 496**

The continued decline in the cash balance should be closely monitored, as it may adversely impact the municipality's ability to meet its obligations when they become due and payable.

PART 2 – SUPPORTING DOCUMENTATION

SECTION 5 – DEBTORS ANALYSIS

Supporting Table SC2

DC4 Garden Route - Supporting Table SC2 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description	NT Code	Budget Year 2026/27											
R thousands		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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
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	296	304	297	297	291	288	2 039	16 049	19 860	18 964	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	27 461	9 816	21 835	7 997	17 396	5 823	6 101	42 236	138 665	79 553	–	–
Total By Income Source	**2000**	**27 757**	**10 120**	**22 133**	**8 293**	**17 687**	**6 111**	**8 140**	**58 296**	**158 537**	**98 527**	**–**	**–**
2025/26 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	8	89	38	38	58	283	245	5 157	5 915	5 781	–	–
Commercial	2300	11 373	9 829	21 534	8 058	17 414	5 590	2 293	39 343	115 432	72 697	–	–
Households	2400	–	–	–	–	–	–	–	–	–	–	–	–
Other	2500	16 376	203	561	197	216	238	5 602	13 796	37 189	20 050	–	–
Total By Customer Group	**2600**	**27 757**	**10 120**	**22 133**	**8 293**	**17 687**	**6 111**	**8 140**	**58 296**	**158 537**	**98 527**	**–**	**–**

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.

SECTION 6 – CREDITORS ANALYSIS

Supporting Table SC4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2026/27									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	201	77	–	–	1	–	–	813	1 093	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Medical Aid deductions	0950									–	
Total By Customer Type	1000	201	77	–	–	1	–	–	813	1 093	–

The municipality is required to submit creditors aged analysis data strings monthly.

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 7 – INVESTMENT PORTFOLIO ANALYSIS

7.1 Investment monitoring information

		Movements for the month					
	Balance as at 1 September 2026	Investments matured	Investments made	Interest capitalised	Balance as at 30 September 2026	Interest earned Month	Interest earned Year to date
Garden Route District Municipality							
Standard Bank	-	-	-	-	-	-	-
ABSA	-	-	-	-	-	-	-
African Bank	-	-	-	-	-	-	-
BANK DEPOSITS	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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. Due to the declining cash balances, no surplus funds were available for investment.

SECTION 8 – ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

8.1 Supporting Table SC18

DC4 Garden Route - Supporting Schedule SC18 Monthly Budget Statement - Transfers and Grant Receipts - Q1 First Quarter

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	199 381	199 415	414	81 018	84 970	(3 952)	-4,7%	199 415
Local Government Equitable Share		–	193 449	193 449	–	80 604	81 249	(645)	-0,8%	193 449
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		–	1 200	1 200	51	51	1 200	(1 149)	-95,8%	1 200
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Expanded Public Works Programme Integrated Grant		–	1 774	1 774	108	108	443	(335)	-75,6%	1 774
Rural Road Asset Management Systems Grant		–	2 958	2 992	255	255	2 078	(1 824)	-87,7%	2 992
Provincial Government:		–	1 230	1 376	–	–	37	(37)	-100,0%	1 376
Capacity Building		–	1 230	1 376	–	–	37	(37)	-100,0%	1 376
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	–	200 611	200 791	414	81 018	85 007	(3 989)	-4,7%	200 791
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Provincial Government:		–	2 500	5 500	–	–	750	(750)	-100,0%	5 500
Infrastructure		–	–	–	–	–	–	–		–
Infrastructure		–	–	–	–	–	–	–		–
Capacity Building		–	2 500	5 500	–	–	750	(750)	-100,0%	5 500
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	–	2 500	5 500	–	–	750	(750)	-100,0%	5 500
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	203 111	206 291	414	81 018	85 757	(4 739)	-5,5%	206 291

8.2 Supporting Table SC19

DC4 Garden Route - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - Q1 First Quarter

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	**195 770**	**196 155**	**14 415**	**44 536**	**42 135**	**2 401**	**5,7%**	**196 155**
Local Government Equitable Share		–	189 838	190 189	14 122	43 829	41 010	2 818	6,9%	190 189
Energy efficiency and demand side management grant		–	–	–	–	–	–	–		–
Local government financial management grant		–	1 200	1 200	17	69	109	(40)	-36,9%	1 200
Municipal systems improvement grant		–	–	–	–	–	–	–		–
Public transport network grant		–	–	–	–	–	–	–		–
Expanded public works programme integrated grant		–	1 774	1 774	139	247	444	(196)	-44,3%	1 774
Regional bulk infrastructure grant								–		
Rural roads assets management systems grant		–	2 958	2 992	137	392	572	(181)	-31,6%	2 992
Provincial Government:		–	**2 412**	**51 547**	**10 243**	**28 682**	**12 474**	**16 208**	**129,9%**	**51 547**
Infrastructure		–	–	48 567	10 229	28 641	12 142	16 499	135,9%	48 567
Capacity Building		–	2 412	2 980	14	41	332	(292)	-87,8%	2 980
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	**21 751**	**21 751**	**1 045**	**2 456**	**3 372**	(916)	-27,2%	**21 751**
Other Grants Received (Monetary)		–	**21 751**	**21 751**	**1 045**	**2 456**	**3 372**	(916)	-27,2%	**21 751**
Other Grants Received (In Kind)		–	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:		–	**219 933**	**269 453**	**25 702**	**75 674**	**57 981**	**17 693**	**30,5%**	**269 453**
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Provincial Government:		–	–	–	–	–	–	–		–
Infrastructure								–		
Capacity Building		–	2 500	5 500	–	–	3 250	(3 250)		5 500
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Other Grants Received (Monetary)		–	–	–	–	–	–	–		–
Other Grants Received (In Kind)		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	–	–	–	–	–	–		–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	**219 933**	**269 453**	**25 702**	**75 674**	**57 981**	**17 693**	**30,5%**	**269 453**

SECTION 9 – COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

Supporting Table SC22

DC4 Garden Route - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

Summary of Employee and Councillor remuneration	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Basic Salary		–	10 050	10 050	795	2 430	2 194	236	11%	10 050
Cell phone Allowance		–	1 045	1 045	80	252	264	(13)	-5%	1 045
Motor Vehicle Allowance		–	1 055	1 055	30	91	257	(167)	-65%	1 055
Travelling Allowance		–	1 742	1 742	203	628	405	223	55%	1 742
Total Allowances and Service Related Benefits		-	13 893	13 893	1 108	3 401	3 121	280	9%	13 893
Social Contributions										
Medial Aid Benefits		–	146	146	14	40	35	5	13%	146
Pension Fund Contributions		–	588	588	31	102	76	26	34%	588
Total Social Contributions		-	734	734	46	142	112	30	27%	734
Total Councillors		-	14 627	14 627	1 154	3 542	3 233	310	10%	14 627
% increase	4									
Senior Managers of the Municipality	2									
Salaries and Allowances										
Basic Salary		–	5 179	5 179	271	2 735	993	1 742	175%	5 179
Bonuses		–	1 411	1 411	–	–	167	(167)	-100%	1 411
Allowance								–		
Accommodation, Travel and Incidental								–		
Cellular and Telephone	3	–	273	273	–	34	68	(34)	-50%	273
Housing Benefits	3	–	106	106	5	15	27	(12)	-44%	106
Non-pensionable								–		
Travel or Motor Vehicle	3	–	2 923	2 923	358	1 099	416	683	164%	2 923
Voluntary Work										
Total Allowance		-	3 303	3 303	363	1 148	511	637	125%	3 303
Service Related Benefits										
Acting	3	–	114	114	5	5	28	(23)	-81%	114
Leave Pay	3	–	–	–	5	5	–	5	#DIV/0!	–
Total Service Related Benefits		-	114	114	10	10	28	(18)	-64%	114
Total Salaries and Allowances		-	10 007	10 007	644	3 893	1 700	2 193	129%	10 007
Social Contributions										
Bargaining Council		–	0	0	0	0	0	0	69%	0
Group Life Insurance		–	121	121	8	27	30	(3)	-11%	121
Medical		–	261	261	18	61	50	11	22%	261
Pension		–	452	452	49	146	86	60	69%	452
Unemployment Insurance		–	9	9	0	1	2	(1)	-69%	9
Total Social Contributions		-	843	843	75	234	168	67	40%	843
Sub Total - Senior Managers of Municipality		-	10 850	10 850	719	4 127	1 868	2 259	121%	10 850
% increase	4									
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		–	97 257	121 421	16 138	46 569	28 080	18 488	66%	121 421
Bonuses		–	9 616	9 659	60	208	311	(102)	-33%	9 659
Allowance										
Accommodation, Travel and Incidental								–		
Cellular and Telephone	3	–	95	107	11	38	20	18	88%	107
Housing Benefits	3	–	1 401	1 842	197	598	453	145	32%	1 842
Non-pensionable								–		
Travel or Motor Vehicle	3	–	10 727	11 892	1 067	3 211	2 875	337	12%	11 892
Voluntary Work								–		
Total Allowance		-	12 223	13 841	1 275	3 847	3 347	499	15%	13 841
Service Related Benefits										
Acting	3	–	424	450	136	182	147	35	24%	450
Bonus	3	–	100	100	–	–	8	(8)	-100%	100
Leave Pay	3	–	3 613	3 700	164	434	922	(488)	-53%	3 700
Long Service Award		–	745	745	–	127	186	(59)	-32%	745
Overtime		–	2 738	2 910	399	548	656	(108)	-16%	2 910
Scarcity	3							–		
Standby Allowance	3	–	1 370	1 370	80	201	257	(56)	-22%	1 370
Long Term Service Award		–	–	27	–	27	27	(0)	0%	27
Total Service Related Benefits		-	8 990	9 302	779	1 520	2 203	(684)	-31%	9 302
Total Salaries and Allowances		-	128 086	154 223	18 253	52 143	33 942	18 202	54%	154 223
Social Contributions										
Bargaining Council		–	39	82	8	22	28	(6)	-22%	82
Group Life Insurance		–	2 800	3 456	346	1 039	836	202	24%	3 456
Medical		–	17 588	21 766	1 947	5 823	5 287	536	10%	21 766
Pension		–	18 999	23 979	2 455	7 380	5 963	1 417	24%	23 979
Unemployment Insurance		–	635	1 050	106	307	265	42	16%	1 050
Total Social Contributions		-	40 061	50 335	4 862	14 571	12 380	2 191	18%	50 335
Post-retirement Benefit	6									
Medical		–	6 762	6 762	–	–	1 691	(1 691)	-100%	6 762
Total Post-retirement Benefit		-	6 762	6 762	-	-	1 691	(1 691)		6 762
Costs Capitalised to PPE								–		
Sub Total - Other Municipal Staff		-	174 909	211 320	23 114	66 714	48 012	18 702		211 320
% increase	4									
Total Parent Municipality		-	200 386	236 797	24 987	74 384	53 112	21 271	40%	236 797
TOTAL SALARY, ALLOWANCES & BENEFITS		-	200 386	236 797	24 987	74 384	53 112	21 271		236 797
% increase	4									
TOTAL MANAGERS AND STAFF	5,7	-	185 758	222 169	23 833	70 841	49 880	20 961		222 169

Remuneration related expenditure (councillors and staff) for the first quarter ending 30 September 2026 amount to R74,383,539 (YTDB: R53,112,235) (**82%** of total quarterly expenditure).

SECTION 10 – MATERIAL VARIANCES TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The measurement of performance of the Municipality in terms of the implementation of the Service Delivery and Budget Implementation plan is reported in the indicated section below.

SECTION 11 – CAPITAL PROGRAMME PERFORMANCE

The table below provides information on capital budget spending:

SCOA config	No.	Project description	Cost centre	Original Budget R'	Adjusted budget R'	YTD Expenditure R'	Status of project	Any challenges identified that is resulting in delays?
71207102307	1	Borehole Water Pump (Calitzdorp Hot Springs)		30 000	21 604	21 603	Completed	Completed
71207104168	2	External Hard Drive		-	2 555	-	Orders issued to Supplier	No Challenges anticipated
71213102466	3	Furniture / Equipment (Insurance Refunds)		150 000	145 000	-	Not Started	No Challenges anticipated
71601103310	4	LDV Off Road 4x4 vehicle		1 000 000	1 000 000	-	Orders issued to Supplier	No Challenges anticipated
71602153033	5	10 000 Litre Water Tanker Trailer		1 500 000	1 500 000	-	Not Started	No Challenges anticipated
72305230006	6	Laminating Machine: MHS: Klein Karoo		4 000	4 000	1 449	In progress	No Challenges anticipated
71213149015	7	Microwaves		-	5 000	4 261	Completed	Completed
71601103126	8	Building of Disaster Management Store		-	3 000 000		Not Started	No Challenges anticipated
71207104133	9	Printers		-	18 000	-	Not Started	No Challenges anticipated
71207104134	10	Hard Drive Docking Station		-	1 998	-	Orders issued to Supplier	No Challenges anticipated
71207104135	11	Finger Scanners		-	28 000	-	Not Started	No Challenges anticipated
71207104136	12	Magnetic Locks		-	3 200	-	Not Started	No Challenges anticipated
71207104137	13	No touch exit buttons		-	2 000	-	Not Started	No Challenges anticipated
71207104138	14	Security Doors		-	27 600	-	Not Started	No Challenges anticipated
71207104139	15	Impact Drill		-	2 095	-	Orders issued to Supplier	No Challenges anticipated
71207104166	16	Laptops		-	283 865	-	Orders issued to Supplier	No Challenges anticipated
71207104167	17	Network Switch		-	9 083	-	Orders issued to Supplier	No Challenges anticipated
71207230002	18	Replacing ICT Capital Equipment beyond economical		370 000	-	-	N/A	N/A
74402100901	19	Landfill Site: PPE		63 933 388	63 933 388	26 706 642	Orders issued to Supplier	Weekly progress provided to Management Committee.
Totals				**66 987 388**	**69 987 388**	**26 733 955**		

Commitments against capital for the month September 2026						
74402100901	18	Landfill Site: PPE				37 226 746
71207104134	10	Hard Drive Docking Station				1 998
71601103310	4	LDV Off Road 4x4 vehicle				735 468
71207104139	15	Impact Drill				2 095
71207104166	16	Laptops				62 634
71207104167	17	Network Switch				9 083
71207104168	2	External Hard Drive				2 554
	Total Commitments					**38 040 577**

SECTION 12 – WITHDRAWALS

PROVINCIAL TREASURY
Withdrawals from Municipal Bank Accounts
In accordance with Section 11, Sub-section 1 (b) to (j)

NAME OF MUNICIPALITY:	GARDEN ROUTE DISTRICT MUNICIPALITY	
MUNICIPAL DEMARCATION CODE:	DC4	
QUARTER ENDED:	30-Sep-26	
	Amount	**Reason for withdrawal**
MFMA section 11. (1) Only the *accounting officer* or the *chief financial officer* of a *municipality*, or any other senior financial *official* of the *municipality* acting on the written authority of the *accounting officer* may withdraw money or authorise the withdrawal of money from any of the *municipality*'s bank accounts, and may do so only -		
(b) to defray expenditure authorised in terms of section 26(4);	none	
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);	none	
(d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section;	none	
(e) to pay over to a person or organ of state money received by the *municipality* on behalf of that person or organ of state, including -	none	
(i) money collected by the *municipality* on behalf of that person or organ of state by agreement; or	none	
(ii) any insurance or other payments received by the *municipality* for that person or organ of state;	none	
(f) to refund money incorrectly paid into a bank account;	none	
(g) to refund guarantees, sureties and *security* deposits;	none	
(h) for cash management and *investment* purposes in accordance with section 13;	R 0,00	Investments made for Q1
(i) to defray increased expenditure in terms of section 31; or		
(j) for such other purposes as may be *prescribed*.	R 153 172 951,74	Quarter 1 Withdrawals
(4) The *accounting officer* must within 30 days after the end of each *quarter* -	**Name and Surname:**	N Raisa-Mandu
(a) table in the *municipal council* a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that *quarter*; and	**Rank/Position:**	Municipal Manager (Acting)
(b) submit a copy of the report to the relevant *provincial treasury* and the *Auditor-General*.	**Signature:**	

Tel number	**Fax number**	**Email Address**
0448031340		geraldine@grdm.gov.za

The completed form must reach Mr Edwin Nkuna at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 8662, Fax 021 483 8623, Email: enkuna@pgwc.gov.za on or before the 15th of the month following the end of each quarter.

SECTION 13 – MUNICIPAL MANAGER'S QUALITY CERTIFICATE

54 York Street,
George
Western Cape
6529

PO Box 12,
George,
Western Cape
6530

Tel: 044 803 1300
Fax: 086 555 6303
E-mail: info@gardenroute.gov.za
www.gardenroute.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek
Reference: 6/1/1 – 26/27
Date: 07 October 2026

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, NTHABELENG RAISA-MLANDU, 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 quarter ended **30 September 2026,** has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

Print Name NTHABELENG RAISA-MLANDU

Acting Accounting Officer of **GARDEN ROUTE DISTICT MUNICIPALITY (DC4).**

Signature

Date 2026/10/09

PART 3 – SERVICE DELIVERY AND BUDGET IMPLEMENTATION



PERFORMANCE MANAGEMENT

Quarter 1

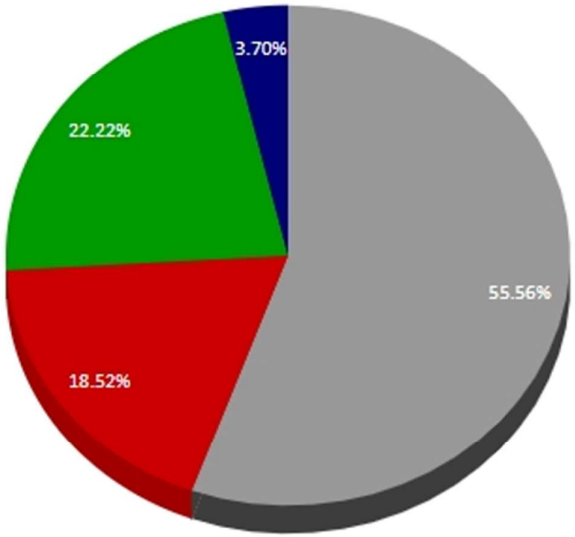
July – September 2026

Top Layer KPI Report

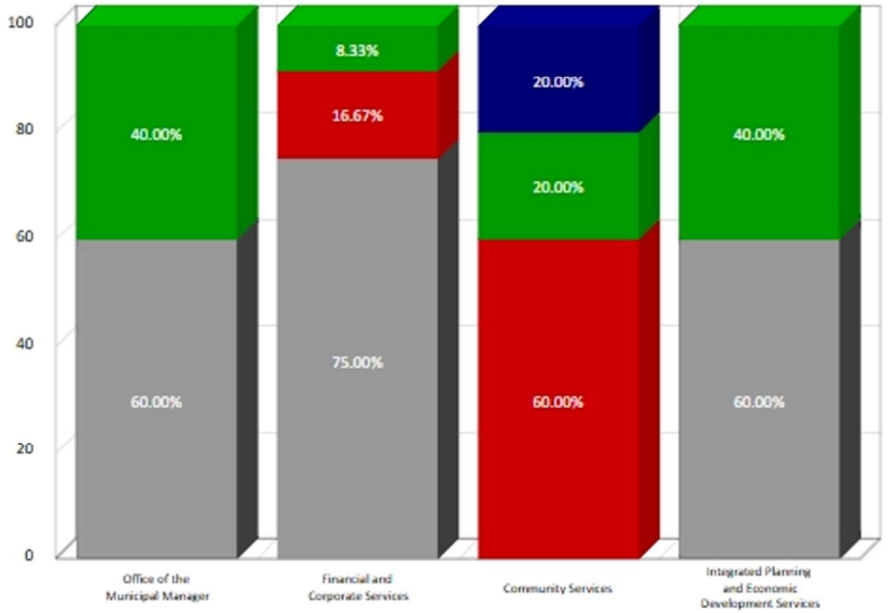
Quarter ending September 2026 - Quarter ending September 2026

Report drawn on 15 October 2026 at 13:28

Garden Route District Municipality



Responsible Directorate



	Garden Route District Municipality	Responsible Directorate					
		Office of the Municipal Manager	Financial and Corporate Services	Community Services	Integrated Planning and Economic Development Services	Roads and Transport Planning Services	[Unspecified]
Not Yet Applicable	15 (55.56%)	3 (60.00%)	9 (75.00%)	-	3 (60.00%)	-	-
Not Met	5 (18.52%)	-	2 (16.67%)	3 (60.00%)	-	-	-
Almost Met	-	-	-	-	-	-	-
Met	6 (22.22%)	2 (40.00%)	1 (8.33%)	1 (20.00%)	2 (40.00%)	-	-
Well Met	-	-	-	-	-	-	-
Extremely Well Met	1 (3.70%)	-	-	1 (20.00%)	-	-	-
Did Not Occur	-	-	-	-	-	-	-
Not Yet Updated	-	-	-	-	-	-	-
Under Review	-	-	-	-	-	-	-
Total:	27	5	12	5	5	-	-
	100%	18.52%	44.44%	18.52%	18.52%	-	-

Performance Key:

KPI not applicable = Target not set for the term under review

KPI not Met = 0 %< = Actual/Target< = 74.9%

Almost Met = 75 %< = Actual/Target < = 99.99%

Met = 100% Actual meets Target

KPI Well Met = 100.001% < = Actual/Target < = 149.9%

KPI Extremely Well Met = 150 000 %< = Actual/Target

OFFICE OF THE MUNICIPAL MANAGER										
KPI Ref	**KPI**	**Unit of Measurement**	**Strategic Objective**	**Baseline**	**Quarter ending September 2026**				**Yearly Target**	**Year to Date**
					Target	**Actual**	**R**	**Corrective Measures/ Comment**	**Target**	**Actual**
TL1	Complete 85% of the Risk Based Audit Plan (RBAP) for the 2025/26 financial year by 30 June 2027 [(Number of audits and tasks completed for the period identified in the RBAP/ Number of audits and planned tasks in the RBAP) x 100]	% of the Risk Based Audit Plan completed by 30 June 2027	Good Governance	0%	25%	25%	**G**	-	25%	**25%**
TL2	The percentage of the municipal capital budget spent on capital projects by 30 June 2027 [(Actual amount spent on capital projects /Total amount budgeted for capital projects) x 100]	% of capital budget spent by 30 June 2027	Financial Viability and Sustainability	0%	0	0	**N/A**	-	0%	**N/A**
TL3	Compile and submit the final Oversight Report for 2024/25 to Council by 31 December 2026	Final Oversight Report for 2025/26 submitted to Council for adoption by 31 December 2026	Good Governance	0	0	0	**N/A**	-	0	**N/A**
TL4	Submit an Operation Clean Audit Report (OPCAR) progress report to the Management Public Accounts Committee (MPAC) on a quarterly basis	Number of OPCAR reports submitted to MPAC	Good Governance	0	1	1	**G**	-	1	**1**
TL5	Award 7 external bursaries to qualifying candidates by 31 March 2027	Number of external bursaries awarded by 31 March 2027	Skilled Workforce and Community	0	0	0	**N/A**	-	0	**N/A**

FINANCIAL & CORPORATE SERVICES										
KPI Ref	KPI	Unit of Measurement	Strategic Objective	Baseline	Quarter ending September 2026				Yearly Target	Year to Date
					Target	Actual	R	Corrective Measures/ Comment	Target	Actual
TL6	Achieve cash coverage ratio of 3 months. Financial viability measured in terms of the available cash to cover fixed operating expenditure by 30 June 2025[(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)]	Number of months that available cash is sufficient to cover the monthly operating expenditure	Financial Viability & Sustainability	0	0	0	N/A	-	0	N/A
TL7	Achieve a current ratio of 1.5 (Current assets : Current liabilities) by 30 June 2027	Number of times the Municipality can pay back its short term- liabilities with its short-term assets by 30 June 2027	Financial Viability & Sustainability	0	0	0	N/A	-	0	N/A
TL8	Financial viability measured in terms of the municipality's ability to meet its service debt obligations by 30 June 2025 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100]	% of debt coverage	Financial Viability & Sustainability	0%	0%	0%	N/A	-	0%	N/A
TL9	Compilation of the Annual Financial Statements (AFS) for the 2025/26 financial year and submit to the Auditor- General (AG) by 31 August 2026	Compilation and submission of the AFS to the AG by 31 August 2026	Financial Viability & Sustainability	0	1	1	G		1	1

FINANCIAL & CORPORATE SERVICES										
KPI Ref	**KPI**	**Unit of Measurement**	**Strategic Objective**	**Baseline**	**Quarter ending September 2026**				**Yearly Target**	**Year to Date**
					Target	**Actual**	**R**	**Corrective Measures/ Comment**	**Target**	**Actual**
TL10	Compile the Mid-year Financial Statements for the 2026/27 financial year and submit to Audit and Performance Audit Committee (APAC) by 28 February 2027	Compilation and submission of the Mid-year Financial Statements to APAC by 28 February 2027	Financial Viability & Sustainability	0	**0**	**0**	**N/A**	-	0	**N/A**
TL11	Number of people from employment equity target groups that will be appointed in the three highest levels of management during the 2026/27 financial year in compliance with the municipality's approved employment equity plan (senior officials & managers, professionals, technicians and associate professionals)	Number of people appointed in the three highest levels of management in compliance with the municipality's approved employment equity plan (senior officials & managers, professionals, technicians and associate professionals)	Skilled Workforce and Community	0	**0**	**0**	**N/A**	-	0	**N/A**
TL12	Spend 1% of personnel budget on training by 30 June 2027 [(Actual total training expenditure/total personnel budget) x 100]	% of the personnel budget spent on training by 30 June 2027	Skilled Workforce and Community	0%	**0%**	**0%**	**N/A**	-	0%	**N/A**
TL13	Limit vacancy rate to 10% of budgeted post by 30 June 2027[(Number of funded posts vacant/number of funded posts) x 100]	% vacancy rate	Skilled Workforce and Community	0%	**0%**	0%	**N/A**	-	0%	**N/A**
TL14	Award 9 internal bursaries to qualifying candidates by 31 March 2027	Number of internal bursaries awarded by March 2027	Skilled Workforce and Community	0	**0**	**0**	**N/A**	-	0	**N/A**
TL15	Create training opportunities for EPWP appointees by 30 June 2027	Number of training opportunities created for EPWP appointees by 30 June 2027	Skilled Workforce and Community	0	**0**	**0**	**N/A**	-	0	**N/A**

FINANCIAL & CORPORATE SERVICES										
KPI Ref	**KPI**	**Unit of Measurement**	**Strategic Objective**	**Baseline**	**Quarter ending September 2026**				**Yearly Target**	**Year to Date**
					Target	**Actual**	**R**	**Corrective Measures/ Comment**	**Target**	**Actual**
TL25	Develop and submit a comprehensive Financial Recovery Plan incorporating deficit reduction, revenue enhancement, cost containment and debt recovery measures to Council	Financial Recovery Plan submitted to Council by August 2026	Financial Viability and Sustainability	0	**1**	**0**	**R**	The Special Management Meeting dated 15 October 2026 will discuss the plan which will be submitted at the next Council Meeting	0	**R**
TL26	Report to Council on the review of tariffs where applicable, that reflects the assurance on cost-effective pricing within the core district functions	Report submitted to Council by September 2026	Financial Viability and Sustainability	0%	**1%**	**0%**	**R**	The Department requested the target to be adjusted and submitted in May 2027. The request will be submitted at Council in February 2027 in line with Budget Adjustment	0%	**R**

INTEGRATED PLANNING AND ECONOMIC DEVELOPMENT SERVICES										
KPI Ref	**KPI**	**Unit of Measurement**	**Strategic Objective**	**Baseline**	**Quarter ending September 2026**				**Yearly Target**	**Year to date**
					Target	**Actual**	**R**	**Corrective Measures/Comment**	**Target**	**Actual**
TL16	Report quarterly to Council on the progress in terms of the Growth and Development Strategy initiatives within the district	Number of reports submitted	Good Governance	0	**1**	**1**	**G**	-	1	**G**
TL17	Create job opportunities through the Expanded Public Works Programme (EPWP) for the organisation by 30 June 2027	Number of job opportunities created through the Expanded Public Works Programme (EPWP) by 30 June 2027	Growing an Inclusive District Economy	0	**0**	**0**	**N/A**	-	0	**N/A**
TL18	Compile and submit the Final Annual Report 2025/26 to Council by 31 December 2026	Final Annual Report for 2025/26 submitted to Council by 31 December 2026	Good Governance	0	**0**	**0**	**N/A**	-	0	**N/A**
TL19	Submit the Integrated Development Plan (IDP) for the 2027 - 2032 period to Council by 31 May 2027	IDP Review submitted to Council by 31 May 2027	Good Governance	0	**0**	**0**	**N/A**	-	0	**N/A**
TL27	Report to Council on the review of lease agreements, enforced outstanding rentals and assessment of non-strategic assets for disposal or alternative utilisation	Report submitted to Council by September 2026	Financial Viability and Sustainability	0	**1**	**1**	**G**		1	**G**

COMMUNITY SERVICES										
KPI Ref	KPI	Unit of Measurement	Strategic Objective	Baseline	Quarter ending September 2026				Yearly Target	Year to date
					Target	Actual	R	Corrective Measures/ Comment	Target	Actual
TL20	Quarterly report on the conclusion of the MFMA Sec 33(Regional Waste Management Facility)	Number of reports submitted to Council	Sustainable Environmental Management and Public Safety	0	**1**	0	**R**	The Department will submit 2 reports in the 2nd Quarter to meet the required performance standard	0	**R**
TL21	Execute 4 emergency preparedness exercises and submit reports to the Portfolio Committee by 30 June 2027	Number of reports submitted by 30 June 2027	Sustainable Environmental Management and Public Safety	0	1	0	**R**	That the exercise will be held on 14 Oct 2026 and within the next two months the second quarter exercise will be done, this would be to prepare of the coming festive season.	0	**R**
TL22	Report to Council on the Water Service Authority as per the Section 78 process in terms of the Local Government: Municipal Systems Act, No. 32 of 2000	Number of reports submitted to Council	Sustainable Environmental Management and Public Safety	0	1	0	R	The report wil be submitted to Council in February 2027 for the Adjustment of the KPI and new Council may determine the strategic direction in relation to Water Service Authority (GRDM)	0	**R**
TL23	Execute 4 emission testing (air quality) initiatives by 30 June 2027	Number of emission testing (air quality) initiatives executed by 30 June 2027	Healthy and Socially Stable Communities	0	1	1	**G**		1	**G**
TL24	Spend 95% of the project budget for the Regional Landfill Facility by 30 June 2027	% of project budget spent	Financial Viability and Sustainability	0%	25%	51%	**B**		51%	**B**

	[(Actual amount spent on project /Total amount budgeted for project) x 100]									