



The Game changer of South Coast development

# RAY NKONYENI MUNICIPALITY

---

## TREASURY DEPARTMENT

### MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 JANUARY 2024 (M07)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE

# **IMPLEMENTATION OF THE 2023/2024 BUDGET FOR THE PERIOD ENDING 31 January 2024**

## **1. PURPOSE**

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2023/24 Budget of the Ray Nkonyeni Municipality for the period ending 31 January 2024 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

## **2. AUTHORITY**

Mayor

## **3. LEGAL / STATUTORY REQUIREMENTS**

Municipal Finance Management Act No 56, 2003 Chapter 8, Section 71.

## **4. BACKGROUND**

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

## **5. EXECUTIVE SUMMARY**

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 January 2024 is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Revenue By source
- 5.3 Expenditure by Type
- 5.4 Debtors Age Analysis
- 5.5 Creditors Age Analysis
- 5.6 Capital Expenditure
- 5.7 Transfers and Grants Receipts
- 5.8 Transfers and Grants Expenditure
- 5.9 Salaries Expenditure
- 5.10 Long-term Loans
- 5.11 Performance Indicators
- 5.12 Investment Register

## **6. MAIN TABLES**

6.1. Monthly Budget Statement Summary

6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

6.4. Cash Flow

6.5. Financial Position

## 5.1 Monthly Budget Statement of Financial Performance

This table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and expenditure by type.

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M07 - January

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	486 141	509 406	-	45 007	373 590	370 477	3 113	1%	509 406
Service charges	212 429	245 147	-	20 300	153 839	152 029	1 809	1%	245 147
Investment revenue	10 845	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 845	8 511	-	996	6 577	4 965	1 612	32%	8 511
Other own revenue	406 634	488 043	-	6 561	310 020	284 692	25 328	9%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>72 864</b>	<b>844 026</b>	<b>812 163</b>	<b>31 863</b>	<b>4%</b>	<b>1 251 108</b>
Employee costs	455 419	483 929	-	42 093	278 948	280 794	(1 846)		483 929
Remuneration of Councillors	29 567	31 164	-	2 855	25 866	18 698	7 167		31 164
Depreciation and amortisation	94 294	104 756	-	7 273	50 908	61 055	(10 147)		104 756
Interest	24 062	9 958	-	503	983	5 813	(4 830)		9 958
Inventory consumed and bulk purchases	119 244	168 819	-	10 922	80 179	102 101	(21 922)		168 819
Transfers and subsidies	14 465	13 838	-	17	6 040	6 588	(548)	-8%	13 838
Other expenditure	426 555	440 726	-	39 122	239 580	267 885	(28 304)	-11%	440 726
<b>Total Expenditure</b>	<b>1 163 606</b>	<b>1 253 191</b>	<b>-</b>	<b>102 784</b>	<b>682 504</b>	<b>742 935</b>	<b>(60 431)</b>	<b>-8%</b>	<b>1 253 191</b>
<b>Surplus/(Deficit)</b>	<b>(36 711)</b>	<b>(2 083)</b>	<b>-</b>	<b>(29 920)</b>	<b>161 521</b>	<b>69 228</b>	<b>92 294</b>	<b>133%</b>	<b>(2 083)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	-	61 089	64 078	(2 989)	-5%	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp;</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>	<b>89 305</b>	<b>67%</b>	<b>107 765</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>	<b>89 305</b>	<b>67%</b>	<b>107 765</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>227 317</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>
Capital transfers recognised	155 862	95 520	-	2 229	56 232	58 912	(2 680)	-5%	95 520
Borrowing	6 412	21 452	-	-	-	12 871	(12 871)	-100%	21 452
Internally generated funds	56 641	37 921	-	4 317	19 898	24 128	(4 231)	-18%	37 921
<b>Total sources of capital funds</b>	<b>218 915</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>
<b>Financial position</b>									
Total current assets	735 851	645 023	-	-	924 906	-	-	-	645 023
Total non current assets	2 162 440	2 037 876	-	-	2 187 662	-	-	-	2 037 876
Total current liabilities	395 179	335 379	-	-	379 757	-	-	-	335 379
Total non current liabilities	189 711	158 975	-	-	196 799	-	-	-	158 975
Community wealth/Equity	<b>2 362 744</b>	<b>2 188 546</b>	<b>-</b>	<b>-</b>	<b>2 536 011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 188 546</b>
<b>Cash flows</b>									
Net cash from (used) operating	86 106	86 106	-	(6 464)	218 368	420 189	201 821	48%	86 106
Net cash from (used) investing	(168 358)	(168 358)	-	(8 435)	(89 133)	753 269	842 403	112%	(168 358)
Net cash from (used) financing	(18 414)	(18 414)	-	(3 695)	(24 887)	753 269	778 157	103%	(18 414)
<b>Cash/cash equivalents at the month/year end</b>	<b>30 925</b>	<b>30 925</b>	<b>-</b>	<b>-</b>	<b>104 347</b>	<b>2 058 318</b>	<b>1 953 971</b>	<b>95%</b>	<b>(100 666)</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	67 335	33 069	21 681	24 426	15 331	35 933	14 014	428 195	639 983
<b>Creditors Age Analysis</b>									
Total Creditors	917	3 123	-	5	-	-	-	-	4 045

## 5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 - January

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</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		153 095	182 436	-	14 520	107 372	106 421	951	0	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	-	5 779	46 466	45 608	858	0	62 711
Sale of Goods and Rendering of Services		25 874	9 571	-	1 316	5 847	5 583	264	0	9 571
Agency services		5 341	5 371	-	586	3 364	3 133	231	0	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	-	765	4 581	4 073	508	0	6 982
Interest from Current and Non Current Assets		10 845	8 511	-	996	6 577	4 965	1 612	0	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	-	359	2 803	2 040	763	0	3 498
Licence and permits		596	636	-	69	359	371	(12)	(0)	636
Operational Revenue		3 673	1 106	-	58	430	645	(215)	(0)	1 106
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	-	45 007	373 590	370 477	3 113	0	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	-	32	10 416	18 119	(7 703)	(0)	31 062
Licence and permits		7 734	9 628	-	623	5 762	5 616	146	0	9 628
Transfers and subsidies - Operational		285 417	390 026	-	-	257 809	227 515	30 294	0	390 026
Interest		28 075	30 164	-	2 753	18 144	17 596	549	0	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		25 653	-	-	-	503	-	503	#DIV/0!	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>72 864</b>	<b>844 026</b>	<b>812 163</b>	<b>31 863</b>	<b>4%</b>	<b>1 251 108</b>
<b>Expenditure By Type</b>										
Employee related costs		455 419	483 929	-	42 093	278 948	280 794	(1 846)	(0)	483 929
Remuneration of councillors		29 567	31 164	-	2 855	25 866	18 698	7 167	0	31 164
Bulk purchases - electricity		107 470	158 320	-	10 251	71 844	94 992	(23 148)	(0)	158 320
Inventory consumed		11 774	10 499	-	671	8 335	7 109	1 226	0	10 499
Debt impairment		19 926	-	-	-	-	-	-	-	-
Depreciation and amortisation		94 294	104 756	-	7 273	50 908	61 055	(10 147)	(0)	104 756
Interest		24 062	9 958	-	503	983	5 813	(4 830)	(0)	9 958
Contracted services		211 569	273 776	-	15 745	142 112	166 459	(24 347)	(0)	273 776
Transfers and subsidies		14 465	13 838	-	17	6 040	6 588	(548)	(0)	13 838
Irrecoverable debts written off		27 590	10 513	-	557	3 088	6 133	(3 045)	(0)	10 513
Operational costs		161 955	156 437	-	22 820	95 032	95 293	(261)	(0)	156 437
Losses on Disposal of Assets		5 320	-	-	-	(652)	-	(652)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 163 606</b>	<b>1 253 191</b>	<b>-</b>	<b>102 784</b>	<b>682 504</b>	<b>742 935</b>	<b>(60 431)</b>	<b>-8%</b>	<b>1 253 191</b>
<b>Surplus/(Deficit)</b>		<b>(36 711)</b>	<b>(2 083)</b>	<b>-</b>	<b>(29 920)</b>	<b>161 521</b>	<b>69 228</b>	<b>92 294</b>	<b>0</b>	<b>(2 083)</b>
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	-	-	61 089	64 078	(2 989)	(0)	109 848
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>

The above revenue by source and expenditure by type can be explained in detail as per the table below:

## Revenue

This table provides an overview of the monthly actual, year to date actual and year to date Budget of Exchange and Non-Exchange Revenue and details explained below.

**KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 - January**

Description	Ref	Budget Year 2023/24								
		2022/23 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</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		153 095	182 436	-	14 520	107 372	106 421	951	0	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	-	5 779	46 466	45 608	858	0	62 711
Sale of Goods and Rendering of Services		25 874	9 571	-	1 316	5 847	5 583	264	0	9 571
Agency services		5 341	5 371	-	586	3 364	3 133	231	0	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	-	765	4 581	4 073	508	0	6 982
Interest from Current and Non Current Assets		10 845	8 511	-	996	6 577	4 965	1 612	0	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	-	359	2 803	2 040	763	0	3 498
Licence and permits		596	636	-	69	359	371	(12)	(0)	636
Operational Revenue		3 673	1 106	-	58	430	645	(215)	(0)	1 106
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	-	45 007	373 590	370 477	3 113	0	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	-	32	10 416	18 119	(7 703)	(0)	31 062
Licence and permits		7 734	9 628	-	623	5 762	5 616	146	0	9 628
Transfers and subsidies - Operational		285 417	390 026	-	-	257 809	227 515	30 294	0	390 026
Interest		28 075	30 164	-	2 753	18 144	17 596	549	0	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		25 653	-	-	-	503	-	503	#DIV/0!	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>72 864</b>	<b>844 026</b>	<b>812 163</b>	<b>31 863</b>	<b>4%</b>	<b>1 251 108</b>

## Revenue from Exchange Transactions

### Service charges - Electricity

The YTD Actual for electricity billing for the period ended 31 January 2024 is R107.4 million while the YTD Budget is R106.4 million. There is a positive variance of R951 thousand between the YTD actual and YTD budget. Electricity sales are expected to decline as the budget for unit's purchase will be reduced in the adjustment budget and it is expected that at year end the actual performance will be in line the current budget.

### Service charges – Waste Management

The overall YTD actual billing for refuse removals is R46.5 million and the YTD Budget billing is R45.6 million, which indicates a positive variance of R858 thousand. This overperformance is attributed to an increase annual billing in property rates and the current performance is expected to be in line with the current annual budget.

### **Sale of goods and Rendering of Services**

The YTD actual amounts to R5.8 million with a YTD budget of R5.6 million. The R264 thousand positive variances attributed to an increase in asset management sale of docs agency service insurance claim.

### **Agency Services**

Agency services comprise of driver's license application, learners license application and renewal fees, this is the commission earned by the municipality on the services performed by the municipality on behalf of the Department of transport and third parties on payroll section. The annual projected revenue is R5.4 million, the YTD actual is R3.3 million vs the YTD budget of R3.1 million showing a positive variance of R231 thousand variance.

### **Interest earned from receivables**

The YTD budget amounts to R4.1 million compared to the YTD actual amount of R4.6 million, YTD actual showing a positive variance of R508 thousand variance. YTD actual performance is in line with budgeted projections.

### **Interest from Investments**

The YTD actual is R6.6 million and a YTD budget of R4.9 million. This shows a positive variance since there was more interest earned from the investment accounts. Adjustments will be made during the adjustment budget process.

### **Rental from fixed assets**

Rental of facilities amounts annual budget is R3.5 million, this is the rental of fixed asset revenue such as halls, airport hangers, skip hire and garages. The YTD actuals for the rental of facilities is R2.8 million compared to YTD budget of R2 million, resulting to a R763 thousand positive variance. This indicates that more rental revenue was collected than anticipated. Adjustments will be made during the adjustment budget process.

### **Licenses and Permits**

Licenses and permits for exchange revenue actuals to date amounts to R359 thousand with a YTD budget of R371 thousand resulting in a negative variance of R12 thousand.

## **Revenue from non-exchange transactions**

### **Property Rates**

Property rates comprise of multiple categories under the jurisdiction of Ray Nkonyeni Municipality, the bulk revenue is billed on three categories: Residential properties, Business and Commercial properties as well as State owned properties. The annual budget for Property rates is R509.4 million and the YTD actual billing is R373.6 million, compared to the YTD budget of R370.5 million and a positive variance of R3.1 million due to the application of annual rate payers for public benefit organizations, residential properties, and state-owned entities.

### **Fines**

Fines, Penalties, and forfeits are derived from Building fines, illegal connections, overdue books, and the bulk budget being on traffic fines and the total budget being R31 million. The YTD actual is R10.4 million compared to a YTD budget of R18.1 million. The variance is mainly caused by low fines issued and the budget amount will be revised in adjustment budget.

### **Licenses and Permits**

Licenses and permits for non-exchange revenue performance to date amount to R5.8 million with a YTD budget of R5.6 million. The YTD actual revenue mainly comprises of motor vehicle licenses with the budget of R8.7 million and the actual of R5.3million.

### **Transfers and Subsidies -Operational**

The YTD as of 31 January 2024 for operational grant recognized /received to date amounts to R257.8 million, YTD Budget is R227.5 million with a variance of R30.2 million as operational conditional grants are recognized as revenue when conditions being met as per the set guidelines which results in the YTD variance.

### **Interest on Property Rates**

The YTD actual amounts to R18.1 million compared to YTD budget of R17.6 million. The item is in line with budget projections.

### **Total Revenue**

The YTD Actual revenue excluding capital transfers is R844 million for the period ending 31 January 2024, YTD Budget is R812 million, the variance is caused by the differences within the different revenue streams as stated above and how they have been performing.



## 5.3 Expenditure by Type

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 - January

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		455 419	483 929	-	42 093	278 948	280 794	(1 846)	(0)	483 929
Remuneration of councillors		29 567	31 164	-	2 855	25 866	18 698	7 167	0	31 164
Bulk purchases - electricity		107 470	158 320	-	10 251	71 844	94 992	(23 148)	(0)	158 320
Inventory consumed		11 774	10 499	-	671	8 335	7 109	1 226	0	10 499
Debt impairment		19 926	-	-	-	-	-	-	-	-
Depreciation and amortisation		94 294	104 756	-	7 273	50 908	61 055	(10 147)	(0)	104 756
Interest		24 062	9 958	-	503	983	5 813	(4 830)	(0)	9 958
Contracted services		211 569	273 776	-	15 745	142 112	166 459	(24 347)	(0)	273 776
Transfers and subsidies		14 465	13 838	-	17	6 040	6 588	(548)	(0)	13 838
Irrecoverable debts written off		27 590	10 513	-	557	3 088	6 133	(3 045)	(0)	10 513
Operational costs		161 955	156 437	-	22 820	95 032	95 293	(261)	(0)	156 437
Losses on Disposal of Assets		5 320	-	-	-	(652)	-	(652)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 163 606</b>	<b>1 253 191</b>	<b>-</b>	<b>102 784</b>	<b>682 504</b>	<b>742 935</b>	<b>(60 431)</b>	<b>-8%</b>	<b>1 253 191</b>

### Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R278.9 million as of 31 January 2024 which comprises of salaries, bonuses and various allowances amongst other items that are directly attributable to employee remuneration. Remuneration of councillors YTD actuals are sitting at R25.9 million. Employee-related cost is further detailed under table 5.9 Salaries Expenditure Details.

### Contracted Services

Contracted services are made up of various operational projects such as Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 31 January 2024 amounts to R142.1 million, the YTD Budget is R166.5 million. The R24.3 million variance is due to a delay in the implementation of road maintenance projects which expenditure has begun from the month of November which will account for the variance in upcoming months as the projects continue.

### Inventory Consumed

YTD Inventory consumed amounts to R8.3 million as of 31 January 2024 with the YTD Budget being R7.1 million. The consumption of inventory is higher than budget projections. The variance in inventory consumed will be adjusted accordingly in the adjustment budget.

## Depreciation and Amortization

The YTD actual for this item has been calculated for the quarter as R50.9 million compared to the YTD budget of R61.1 million. The variance between the budgeted figure and the actual figure is due to depreciation being accounted for on assets that are currently in use, and the budget being based on additional assets planned to be procured during the financial year.

## Transfers and Subsidies

Transfers and subsidies relate to donations made by the municipality to fund local economic development such as SMME development, Cooperative's development, and poverty alleviation projects with the jurisdiction of Ray Nkonyeni Municipality. The YTD actual for January 2024 stands at R6 million with a YTD budget of R6.6 million. The annual budget for transfers and subsidies is R13.8 million.

## Overall expenditure budget

The overall expenditure YTD Actual is R682.5 million, YTD Budget is R742.9 million. There is R60.4 million variance, due to the trends of different types of expenditure as explained above such as transfers and subsidies and contracted services which reflect a large variance compared to YTD budget.

## Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). The YTD Surplus excluding capital transfers is R161 million compared to the YTD Budget surplus of R69.2 million due to the performance of the various line items detailed above.

## 5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 - January

Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 DYS-1 Yr	Over 1Yr	Total			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	14	5	14	17	20	3	28	973	1 074	1 041	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	17 687	7 067	2 815	1 977	1 128	893	797	12 997	45 361	17 792	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	39 962	18 952	13 098	17 200	9 513	27 514	8 403	244 571	379 214	307 201	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 766	3 130	2 271	1 897	1 677	4 542	1 454	48 555	69 293	58 126	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	3 538	3 447	3 314	3 137	2 888	2 810	2 785	110 177	132 096	121 797	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	368	467	168	198	105	171	546	10 922	12 945	11 942	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>67 335</b>	<b>33 069</b>	<b>21 681</b>	<b>24 426</b>	<b>15 331</b>	<b>35 933</b>	<b>14 014</b>	<b>428 195</b>	<b>639 983</b>	<b>517 899</b>	<b>-</b>	<b>-</b>
<b>2022/23 - totals only</b>		<b>61 198</b>	<b>29 525</b>	<b>18 805</b>	<b>17 924</b>	<b>13 929</b>	<b>36 692</b>	<b>40 856</b>	<b>348 438</b>	<b>567 368</b>	<b>457 839</b>	<b>-</b>	<b>-</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2 499	957	973	6 346	647	12 810	597	31 806	56 636	52 207	-	-
Commercial	2300	25 095	11 180	5 917	5 072	3 452	5 215	3 477	79 646	139 054	96 862	-	-
Households	2400	39 740	20 932	14 790	13 007	11 232	17 908	9 939	316 734	444 283	368 820	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>67 334</b>	<b>33 069</b>	<b>21 681</b>	<b>24 426</b>	<b>15 331</b>	<b>35 933</b>	<b>14 013</b>	<b>428 185</b>	<b>639 972</b>	<b>517 889</b>	<b>-</b>	<b>-</b>

Details on the consumer debtors are presented under revenue section report and detailed presentation is done by the revenue management.

## 5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 - January

Description	NT Code	Budget Year 2023/24								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
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	917	3 123	-	5	-	-	-	-	4 045	11
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>917</b>	<b>3 123</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 045</b>	<b>11</b>

Details on outstanding creditors are presented under expenditure section report and detailed presentation is done by the expenditure management.

## 5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 - January

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>										
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		298	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		19 043	3 801	-	844	1 842	3 801	(1 958)	-52%	3 801
Vote 3 - Internal Audit		676	200	-	-	157	117	40	34%	200
Vote 4 - Community and Social Services		(1 903)	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		(8 021)	4 340	-	-	393	2 630	(2 236)	-85%	4 340
Vote 7 - Housing		229	180	-	-	51	108	(57)	-53%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		121 372	115 220	-	2 158	59 101	70 562	(11 461)	-16%	115 220
Vote 10 - Road Transport		77 794	7 200	-	3 544	13 946	4 340	9 606	221%	7 200
Vote 11 - Environment Protection		389	500	-	-	189	292	(103)	-35%	500
Vote 12 - Energy Sources		13 778	22 952	-	-	-	13 771	(13 771)	-100%	22 952
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	-	-	452	292	160	55%	500
<b>Total Capital single-year expenditure</b>	4	227 317	154 893	-	6 546	76 130	95 912	(19 782)	-21%	154 893
<b>Total Capital Expenditure</b>		<b>227 317</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>20 039</b>	<b>4 001</b>	<b>-</b>	<b>844</b>	<b>1 999</b>	<b>3 917</b>	<b>(1 918)</b>	<b>-49%</b>	<b>4 001</b>
Executive and council		320	-	-	-	-	-	-	-	-
Finance and administration		19 043	3 801	-	844	1 842	3 801	(1 958)	(0)	3 801
Internal audit		676	200	-	-	157	117	40	0	200
<b>Community and public safety</b>		<b>(9 844)</b>	<b>4 520</b>	<b>-</b>	<b>444</b>	<b>2 738</b>	<b>(2 294)</b>	<b>(2 294)</b>	<b>-84%</b>	<b>4 520</b>
Community and social services		(1 903)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(8 170)	4 340	-	-	393	2 630	(2 236)	(0)	4 340
Housing		229	180	-	-	51	108	(57)	(0)	180
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>199 682</b>	<b>122 920</b>	<b>-</b>	<b>5 702</b>	<b>73 235</b>	<b>75 194</b>	<b>(1 959)</b>	<b>-3%</b>	<b>122 920</b>
Planning and development		121 350	115 220	-	2 158	59 101	70 562	(11 461)	(0)	115 220
Road transport		77 943	7 200	-	3 544	13 946	4 340	9 606	0	7 200
Environmental protection		389	500	-	-	189	292	(103)	(0)	500
<b>Trading services</b>		<b>18 283</b>	<b>23 452</b>	<b>-</b>	<b>452</b>	<b>14 063</b>	<b>(13 611)</b>	<b>(13 611)</b>	<b>-97%</b>	<b>23 452</b>
Energy sources		13 778	22 952	-	-	-	13 771	(13 771)	(0)	22 952
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	-	-	452	292	160	0	500
Other		(843)	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>227 317</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>
<b>Funded by:</b>										
National Government		125 344	93 781	-	2 229	56 232	57 869	(1 636)	(0)	93 781
Provincial Government		30 518	1 739	-	-	-	1 043	(1 043)	(0)	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>155 862</b>	<b>95 520</b>	<b>-</b>	<b>2 229</b>	<b>56 232</b>	<b>58 912</b>	<b>(2 680)</b>	<b>-5%</b>	<b>95 520</b>
<b>Borrowing</b>	6	<b>6 412</b>	<b>21 452</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 871</b>	<b>(12 871)</b>	<b>(0)</b>	<b>21 452</b>
Internally generated funds		56 641	37 921	-	4 317	19 898	24 128	(4 231)	(0)	37 921
<b>Total Capital Funding</b>		<b>218 915</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R76.1 million, the YTD budgeted is R96 million and there is R19.8 million variance. R 76.1 million of YTD actuals for capital expenditure, R56 million is funded by national grants, and R19.9 million from internally generated funds

## 5.7 Transfers and Grants Receipts



### KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JAN 2024							
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2:	Expenditure: Capital (Revenue Recognised)/GRAP 2:	Internally Funded	Closing Balance as at	
INTEGRATED URBAN DEVELOPMENT (IUDG)		R 55 500 000	R -	R 43 735 909	R -	R 11 764 090.87	
NEIGHBOURHOOD GRANT	R 1 200 663	R 14 292 000	R -	R 19 003 908	R 3 511 245	R -	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 4 251 751	R 3 775 546	R -	R -	R 476 204.27	
MUNICIPAL DISASTER RESPONSE	R -	R -	R -	R -	R -	R -	
MUNICIPAL DISASTER RECOVERY	R -	R 55 000 000	R 40 365 788	R -	R -	R 14 634 211.79	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589.68	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R 326 519.55	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 299 182	R -	R -	R 1 650 818.46	
MUSEUM GRANT	R -	R 476 000	R 1 625 049	R -	R 936 329	R -	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373.50	
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810.61	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R 2 452 315.18	
<b>TOTAL</b>	<b>R 8 541 271</b>	<b>R 133 469 751</b>	<b>R 46 065 565</b>	<b>R 62 739 817</b>	<b>R 4 447 574</b>	<b>R 37 865 934</b>	

### Transfers and Grants Receipts

The total grants received to date for period ending 31 January 2024 amounts to R133.5 million, which include R55.5 million from Integrated Urban Development Grant, R14.3 million from Neighborhood Development Grant, R4.25 million from EPWP, R1.95 million from FMG, R55 million disaster recovery grant , R 476 thousand from Museum Grant and R2 000 000 from Airport Grant.

### Opening Balances -Grant Register

The total unspent grants as of 30 June 2023 is **R 8 541 271**.

They are shown on the register as the Opening balances. The committee should note that the municipality has applied for a rollover of funds for these grants. Following is the list of the unspent grants:

- Neighborhood Grant – R1 200 663
- Intermodal Facilities Grant – R13 590
- Integrated National Electrification Programme (INEP) – R326 520
- Airport Grant – R3 763 374
- COGTA Electrification Grant – R784 811
- Market Stalls Grant – R2 452 315

## 5.8 Transfers and Grants Expenditure



### KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JAN 2024							
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2	Expenditure: Capital (Revenue Recognised)/GRAP 2	Internally Funded	Closing Balance as at	
INTEGRATED URBAN DEVELOPMENT (IUDG)		R 55 500 000	R -	R 43 735 909	R -	R 11 764 090.87	
NEIGHBOURHOOD GRANT	R 1 200 663	R 14 292 000	R -	R 19 003 908	R 3 511 245	R -	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 4 251 751	R 3 775 546	R -	R -	R 476 204.27	
MUNICIPAL DISASTER RESPONSE	R -	R -	R -	R -	R -	R -	
MUNICIPAL DISASTER RECOVERY	R -	R 55 000 000	R 40 365 788	R -	R -	R 14 634 211.79	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589.68	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R 326 519.55	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 299 182	R -	R -	R 1 650 818.46	
MUSEUM GRANT	R -	R 476 000	R 1 625 049	R -	R 936 329	R -	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373.50	
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810.61	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R 2 452 315.18	
<b>TOTAL</b>	<b>R 8 541 271</b>	<b>R 133 469 751</b>	<b>R 46 065 565</b>	<b>R 62 739 817</b>	<b>R 4 447 574</b>	<b>R 37 865 934</b>	

## Transfers and Grants Expenditure

Grants are monitored monthly, and Grant's register is communicated/ shared with management to ensure effective management of grants and 100% expenditure. As of 31 January 2024, there is R46 065 565 operating expenditure recorded and capital expenditure amounting to R62 739 817.

### Grant's expenditure

- **Integrated Urban Development Grant (IUDG)**

An amount of R55.5 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 January 2024 is R43.74 million and has been spent on various capital projects.

- **Neighborhood Development Partnership Grant**

An amount of R14 292 000 has been received for the Neighborhood Development Partnership Grant together with an unspent amount of R1.2 million from the previous year which the municipality needs to apply for rollover. This is a capital grant and the YTD actual for the period ended 31 January 2024 is R19 million, with R3.5 million being internally funded.

- **Expanded Public Works Programme**

An amount of R4 251 751 has been received for the EPWP grant. This is an operational grant and the YTD actual for the period ended 31 January 2024 is R3 775 546.

- **Finance Management Grant**

An amount of R1 950 000 has been received for the FMG grant. This is an operational grant and the YTD actual for the period ended 31 January 2024 is R299 182.

- **Museum Subsidy Grant**

An amount of R476 000 has been received for the museum grant. This is an operational grant and the YTD actual for the period ended 31 January 2024 is R1 625 049, with R936 329 being internally funded.

- **Disaster Recovery Grant**

An amount of R55 000 000 has been received for the disaster grant. This is an operational grant and the YTD actual for the period ended 31 January 2024 is R40 365 788.

## 5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 - January

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		-	19 040	-	1 553	17 832	11 424	6 408	56%	19 040
Pension and UIF Contributions		-	758	-	63	439	455	(16)	-3%	758
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	2 815	-	256	1 722	1 689	33	2%	2 815
Housing Allowances		-	5 953	-	729	4 121	3 572	549	15%	5 953
Other benefits and allowances		-	2 599	-	254	1 752	1 559	193	12%	2 599
<b>Sub Total - Councillors</b>		-	31 164	-	2 855	25 866	18 698	7 167	38%	31 164
% increase	4		#DIV/0!							#DIV/0!
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3 690	3 946	-	205	1 686	2 367	(681)	-29%	3 946
Pension and UIF Contributions		146	192	-	8	46	115	(69)	-60%	192
Medical Aid Contributions		198	230	-	4	43	138	(96)	-69%	230
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		960	1 059	-	-	-	635	(635)	-100%	1 059
Motor Vehicle Allowance		838	1 060	-	61	380	636	(256)	-40%	1 060
Cellphone Allowance		87	114	-	6	39	69	(30)	-44%	114
Housing Allowances		2 655	3 275	-	111	919	1 965	(1 046)	-53%	3 275
Other benefits and allowances		1	1	-	0	0	0	(0)	-42%	1
Payments in lieu of leave		327	332	-	8	(159)	199	(358)	-180%	332
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		76	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		8 978	10 209	-	402	2 954	6 125	(3 172)	-52%	10 209
% increase	4		13.7%							13.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		274 917	289 060	-	24 763	168 600	173 384	(4 784)	-3%	289 060
Pension and UIF Contributions		50 977	50 460	-	4 461	30 597	30 276	321	1%	50 460
Medical Aid Contributions		20 094	20 668	-	1 824	12 182	12 401	(219)	-2%	20 668
Overtime		21 821	18 985	-	4 418	13 551	11 391	2 160	19%	18 985
Performance Bonus		22 443	22 473	-	930	14 827	13 484	1 343	10%	22 473
Motor Vehicle Allowance		18 911	18 975	-	1 660	11 702	11 385	316	3%	18 975
Cellphone Allowance		1 021	1 007	-	82	583	604	(21)	-3%	1 007
Housing Allowances		4 152	4 059	-	285	1 976	2 436	(459)	-19%	4 059
Other benefits and allowances		5 224	6 038	-	960	3 446	3 623	(177)	-5%	6 038
Payments in lieu of leave		4 871	22 480	-	1 717	12 723	13 488	(766)	-6%	22 480
Long service awards		4 268	2 751	-	89	2 750	1 650	1 100	67%	2 751
Post-retirement benefit obligations		17 103	15 852	-	425	2 401	-	2 401	#DIV/0!	15 852
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		638	912	-	78	657	547	110	20%	912
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		446 442	473 720	-	41 691	275 994	274 669	1 325	0%	473 720
% increase	4		6.1%							6.1%
<b>Total Parent Municipality</b>		455 419	515 094	-	44 948	304 814	299 493	5 321	2%	515 094

### Councillors Remuneration

The annual budget is R31.16 million with a monthly budget of R2.9 million. The YTD actual performance stands at R25.9 million. The increase in council remuneration was due to COGTA upgrading council remuneration to a new task grade. This will be adjusted for in the adjustment budget.



## Senior Managers of the Municipality

The head of departments on the municipality including the Municipal manager are classified under this subheading with a YTD actual of R2.9 million and a YTD budget of R6.1 million. The variance is attributed to the vacant post of senior management.

## Other Municipal Staff

The annual budget is R474.4 million with a monthly budget of R42 million. The YTD actual of R276 million is in line with the YTD budget of R275million for this item.

## 5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY  
LONG TERM LOANS REGISTER : 31 JANUARY 2024



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING		LOAN		INTEREST		LOAN		CLOSING	
				BALANCE	01 January 2024	ADVANCE	INTEREST	PAID	REPAYMENT	BALANCE	31 January 2024		
				R						R		R	
DBSA	9.36%	31-Mar-31	61007684	-R	10 647 036.07			-R	248 458.07	R	515 281.23	-R	10 380 212.91
DBSA	12.67%	22-Nov-30	61007761	-R	7 711 087.73			-R	243 541.08	R	414 268.04	-R	7 540 360.77
<b>TOTAL DBSA LOANS</b>				-R	<b>18 358 123.80</b>	R	-	-R	<b>491 999.15</b>	R	<b>929 549.27</b>	-R	<b>17 920 573.68</b>
<b>TOTAL LOANS</b>				-R	<b>18 358 123.80</b>	R	-	-R	<b>491 999.15</b>	R	<b>929 549.27</b>	-R	<b>17 920 573.68</b>

The municipality currently has a structured unsecured loan with the Development Bank of Southern Africa (DBSA), The Municipality entered into a loan agreement for the funding of Capital infrastructure projects, in the 2020/21 financial year the first drawdown of R3.5 million was received, as well as the second drawdown of R8.47, as well as the third drawdown of R7.9 million and current loan balance outstanding is R17.9 million as of 31 January 2024. The municipality is still able to make loan repayments as and when they fall due. The capital projects funded by borrowings in the 2023/24 financial year have been funded by a portion of unspent borrowing. The loan agreement from DBSA is spread across four years funding various capital projects the application was made at the end of last financial year and was received on the 1<sup>st</sup> month of the financial year.

### ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

PROJECTS TO BE INCLUDED IN RNLM BUDGET	Year			Totals	Year		Total
	1	2	3		4		
Electricity Meters Replacement	3,000,000	2,000,000	2,000,000	7,000,000			
Network infrastructure studies	500,000						
Electrical Cables Replacement	-	1,000,000	500,000	1,500,000			
Mini-substations Replacement	-	1,000,000	1,000,000	2,000,000			
Inter-switches (RMU) Replacement	-	1,000,000	1,000,000	2,000,000			
11kV Interconnector - Marburg to Port Shepstone Substation	-	-	-	-		14,500,000.00	
Memorial & Reynolds Sw/Sta Refurbishment & Replace Switchgear	-	3,476,000	3,476,000	6,952,000		6,952,000.00	
						-	
<b>Totals</b>	<b>R 3,500,000.00</b>	<b>R 8,476,000.00</b>	<b>R 7,976,000.00</b>	<b>R 19,952,000.00</b>		<b>21,452,000.00</b>	<b>41,404,000.00</b>

## 5.11 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M07 - January

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.5%	9.2%	0.0%	0.1%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		2.8%	13.8%	0.0%	0.0%	28.2%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		14.6%	14.0%	0.0%	13.3%	14.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	186.2%	192.3%	0.0%	243.6%	192.3%
Liquidity Ratio	Monetary Assets/Current Liabilities		28.9%	12.1%	0.0%	49.2%	12.1%
<b>Revenue Management</b>							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		41.6%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		40.4%	38.7%	0.0%	33.0%	38.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.1%	15.5%	0.0%	10.6%	15.5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.5%	9.2%	0.0%	0.1%	3.3%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational						

The above table gives an overview of the financial indicators of the municipality for the period ended 31 January 2024 and the indicators are broken down below.

### **Borrowing Management**

The outstanding amount in the loan from DBSA is currently sitting at R17 920 573.68 as of 31 January 2024.

### **Liquidity**

**Current Ratio:** is calculated by a total of Current Assets/ Current Liabilities.

**Budgeted Current Ratio:** R645 023 000/R335 379 000=**1.92:1**

**Actual Current Ratio as of 31 January 2024:** R924 906 000/R379 757 000 = **2.44:1**

The current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations. A good ratio is R1.5-R2 for every R1 owed. The budget showed a R1.92: R1 ratio and the actual ratio as of 31 January 2024 is: R2.44: R1 which is above the norm.

**Acid test Ratio:** Current Assets- Inventory/Current Liabilities.

**Budgeted Acid test Ratio:** (R645 023 000-R2 559 000)/R335 379 000=**1.91:1**

**Actual Acid test Ratio as 31 January 2024:**(R924 906 000-R12 186 000)/R379 757 000 = **2.40:1**

The acid-test ratio, commonly known as the quick ratio, uses an organization’s balance sheet data as an indicator of whether it has sufficient short-term assets to cover its short-term liabilities. The acid-test ratio disregards current assets that are difficult to quickly liquidate such as inventory. The acid-test ratio may not give a reliable picture of an organization’s financial condition if the municipality has accounts receivable that take longer than usual to collect or current liabilities that are due but have no immediate payment needed. A good ratio is R1 for every R1 owed. Both budgeted and actual to date acid test ratio are more than R1:R1 which shows that the municipality would be able to pay it short term liabilities with its easily liquidated short term assets.

## 5.12 Investment Register

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 - January

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
<b>Municipality</b>														
STANDARD BANK - CALL -378692984011										10 472	69			10 541
STANDARD BANK - CALL -378692984003										674	4			679
STANDARD BANK - CALL -378692984004										1 119	7			1 126
STANDARD BANK - CALL -378692984005										355	2			358
STANDARD BANK - CALL -378692984006										13	0			13
STANDARD BANK - CALL -378692984007										83	0			83
STANDARD BANK - CALL -378692984008										83	0			83
STANDARD BANK - CALL -378692984009										1 585	10			1 595
STANDARD BANK - CALL -378692984010										158	1			159
STANDARD BANK - CALL -378692984012										35 797	235			36 031
STANDARD BANK - CALL -378692984013										267	2			269
STANDARD BANK - CALL -378692984014										12 668	83			12 751
STANDARD BANK - CALL -378692984015										574	4			578
INVESTEC - CALL-74873852518										10 915	74			10 989
STANDARD BANK-CALL-378692984016										54	0			54
STANDARD BANK-CALL-378692984017										12	0			12
FNB - CALL-62726614151										76 849	694	45 500	(70 000)	53 043
FNB-74873852518										3 757	26			3 782
NEDBANK-37881000791										38 239	252			38 491
<b>Municipality sub-total</b>										<b>193 673</b>	<b>1 464</b>	<b>45 500</b>	<b>(70 000)</b>	<b>170 636</b>

The Investment register as of 31 January 2024 has the closing balance of R170 million, with R1.5 million total interest earned for the month from which R694 thousand was made on primary investment and various investment accounts as shown in the above register.

## 6.1 Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M07 - January

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	486 141	509 406	-	45 007	373 590	370 477	3 113	1%	509 406
Service charges	212 429	245 147	-	20 300	153 839	152 029	1 809	1%	245 147
Investment revenue	10 845	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 845	8 511	-	996	6 577	4 965	1 612	32%	8 511
Other own revenue	406 634	488 043	-	6 561	310 020	284 692	25 328	9%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>72 864</b>	<b>844 026</b>	<b>812 163</b>	<b>31 863</b>	<b>4%</b>	<b>1 251 108</b>
Employee costs	455 419	483 929	-	42 093	278 948	280 794	(1 846)		483 929
Remuneration of Councillors	29 567	31 164	-	2 855	25 866	18 698	7 167		31 164
Depreciation and amortisation	94 294	104 756	-	7 273	50 908	61 055	(10 147)		104 756
Interest	24 062	9 958	-	503	983	5 813	(4 830)		9 958
Inventory consumed and bulk purchases	119 244	168 819	-	10 922	80 179	102 101	(21 922)		168 819
Transfers and subsidies	14 465	13 838	-	17	6 040	6 588	(548)	-8%	13 838
Other expenditure	426 555	440 726	-	39 122	239 580	267 885	(28 304)	-11%	440 726
<b>Total Expenditure</b>	<b>1 163 606</b>	<b>1 253 191</b>	<b>-</b>	<b>102 784</b>	<b>682 504</b>	<b>742 935</b>	<b>(60 431)</b>	<b>-8%</b>	<b>1 253 191</b>
<b>Surplus/(Deficit)</b>	<b>(36 711)</b>	<b>(2 083)</b>	<b>-</b>	<b>(29 920)</b>	<b>161 521</b>	<b>69 228</b>	<b>92 294</b>	<b>133%</b>	<b>(2 083)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	-	61 089	64 078	(2 989)	-5%	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; Share of surplus/ (deficit) of associate</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>	<b>89 305</b>	<b>67%</b>	<b>107 765</b>
<b>Surplus/ (Deficit) for the year</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>	<b>89 305</b>	<b>67%</b>	<b>107 765</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>227 317</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>
Capital transfers recognised	155 862	95 520	-	2 229	56 232	58 912	(2 680)	-5%	95 520
Borrowing	6 412	21 452	-	-	-	12 871	(12 871)	-100%	21 452
Internally generated funds	56 641	37 921	-	4 317	19 898	24 128	(4 231)	-18%	37 921
<b>Total sources of capital funds</b>	<b>218 915</b>	<b>154 893</b>	<b>-</b>	<b>6 546</b>	<b>76 130</b>	<b>95 912</b>	<b>(19 782)</b>	<b>-21%</b>	<b>154 893</b>
<b>Financial position</b>									
Total current assets	735 851	645 023	-		924 906				645 023
Total non current assets	2 162 440	2 037 876	-		2 187 662				2 037 876
Total current liabilities	395 179	335 379	-		379 757				335 379
Total non current liabilities	189 711	158 975	-		196 799				158 975
Community wealth/Equity	<b>2 362 744</b>	<b>2 188 546</b>	<b>-</b>		<b>2 536 011</b>				<b>2 188 546</b>
<b>Cash flows</b>									
Net cash from (used) operating	86 106	86 106	-	(6 464)	218 368	420 189	201 821	48%	86 106
Net cash from (used) investing	(168 358)	(168 358)	-	(8 435)	(89 133)	753 269	842 403	112%	(168 358)
Net cash from (used) financing	(18 414)	(18 414)	-	(3 695)	(24 887)	753 269	778 157	103%	(18 414)
<b>Cash/cash equivalents at the month/year end</b>	<b>30 925</b>	<b>30 925</b>	<b>-</b>	<b>-</b>	<b>104 347</b>	<b>2 058 318</b>	<b>1 953 971</b>	<b>95%</b>	<b>(100 666)</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	67 335	33 069	21 681	24 426	15 331	35 933	14 014	428 195	639 983
<b>Creditors Age Analysis</b>									
Total Creditors	917	3 123	-	5	-	-	-	-	4 045

The above table provides a concise overview of the monthly actual, year to date actual of the operating expenditure, capital expenditure, and age analysis. The full year forecast as seen the table above takes in the account the original budget less the YTD budget plus the YTD actual, this therefore gives a projection based on the YTD performance on how the municipality will perform for the financial year in terms of the original budget

## 6.2 Statement of Financial Performance (Revenue and Expenditure)

Agency services	5 341	5 371	-	566	5 364	5 133	231	0	5 371
Interest	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	6 461	6 982	-	765	4 581	4 073	508	0	6 982
Interest from Current and Non Current Assets	10 845	8 511	-	996	6 577	4 965	1 612	0	8 511
Dividends	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	4 686	3 498	-	359	2 803	2 040	763	0	3 498
Licence and permits	596	636	-	69	359	371	(12)	0	636
Operational Revenue	3 673	1 106	-	58	430	645	(215)	(0)	1 106
<b>Non-Exchange Revenue</b>									
Property rates	486 141	509 406	-	45 007	373 590	370 477	3 113	0	509 406
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	23 969	31 062	-	32	10 416	18 119	(7 703)	(0)	31 062
Licence and permits	7 734	9 628	-	623	5 762	5 616	146	0	9 628
Transfers and subsidies - Operational	285 417	390 026	-	-	257 809	227 515	30 294	0	390 026
Interest	28 075	30 164	-	2 753	18 144	17 596	549	0	30 164
Fuel Levy	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-
Other Gains	25 653	-	-	-	503	-	503	#DIV/0!	-
Discontinued Operations	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>72 864</b>	<b>844 026</b>	<b>812 163</b>	<b>31 863</b>	<b>4%</b>	<b>1 251 108</b>
<b>Expenditure By Type</b>									
Employee related costs	455 419	483 929	-	42 093	278 948	280 794	(1 846)	(0)	483 929
Remuneration of councillors	29 567	31 164	-	2 855	25 866	18 698	7 167	0	31 164
Bulk purchases - electricity	107 470	158 320	-	10 251	71 844	94 992	(23 148)	(0)	158 320
Inventory consumed	11 774	10 499	-	671	8 335	7 109	1 226	0	10 499
Debt impairment	19 926	-	-	-	-	-	-	-	-
Depreciation and amortisation	94 294	104 756	-	7 273	50 908	61 055	(10 147)	(0)	104 756
Interest	24 062	9 958	-	503	983	5 813	(4 830)	(0)	9 958
Contracted services	211 569	273 776	-	15 745	142 112	166 459	(24 347)	(0)	273 776
Transfers and subsidies	14 465	13 838	-	17	6 040	6 588	(548)	(0)	13 838
Irrecoverable debts written off	27 590	10 513	-	557	3 088	6 133	(3 045)	(0)	10 513
Operational costs	161 955	156 437	-	22 820	95 032	95 293	(261)	(0)	156 437
Losses on Disposal of Assets	5 320	-	-	-	(652)	-	(652)	#DIV/0!	-
Other Losses	197	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>1 163 606</b>	<b>1 253 191</b>	<b>-</b>	<b>102 784</b>	<b>682 504</b>	<b>742 935</b>	<b>(60 431)</b>	<b>-8%</b>	<b>1 253 191</b>
<b>Surplus/(Deficit)</b>	<b>(36 711)</b>	<b>(2 083)</b>	<b>-</b>	<b>(29 920)</b>	<b>161 521</b>	<b>69 228</b>	<b>92 294</b>	<b>0</b>	<b>(2 083)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	-	61 089	64 078	(2 989)	(0)	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>
Income Tax	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>150 400</b>	<b>107 765</b>	<b>-</b>	<b>(29 920)</b>	<b>222 611</b>	<b>133 306</b>			<b>107 765</b>

The table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and Expenditure by Type for the period ended 31 January 2024. The full year forecast provides a guideline in terms of overall performance, and it gives an overview of whether the municipality will be able to spend as per budget.

### 6.3 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 - January

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		298	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		19 043	3 801	-	844	1 842	3 801	(1 958)	-52%	3 801
Vote 3 - Internal Audit		676	200	-	-	157	117	40	34%	200
Vote 4 - Community and Social Services		(1 903)	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		(8 021)	4 340	-	-	393	2 630	(2 236)	-85%	4 340
Vote 7 - Housing		229	180	-	-	51	108	(57)	-53%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		121 372	115 220	-	2 158	59 101	70 562	(11 461)	-16%	115 220
Vote 10 - Road Transport		77 794	7 200	-	3 544	13 946	4 340	9 606	221%	7 200
Vote 11 - Environment Protection		389	500	-	-	189	292	(103)	-35%	500
Vote 12 - Energy Sources		13 778	22 952	-	-	-	13 771	(13 771)	-100%	22 952
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	-	-	452	292	160	55%	500
<b>Total Capital single-year expenditure</b>	4	227 317	154 893	-	6 546	76 130	95 912	(19 782)	-21%	154 893
<b>Total Capital Expenditure</b>		227 317	154 893	-	6 546	76 130	95 912	(19 782)	-21%	154 893
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		20 039	4 001	-	844	1 999	3 917	(1 918)	-49%	4 001
Executive and council		320	-	-	-	-	-	-	-	-
Finance and administration		19 043	3 801	-	844	1 842	3 801	(1 958)	(0)	3 801
Internal audit		676	200	-	-	157	117	40	0	200
<b>Community and public safety</b>		(9 844)	4 520	-	-	444	2 738	(2 294)	-84%	4 520
Community and social services		(1 903)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(8 170)	4 340	-	-	393	2 630	(2 236)	(0)	4 340
Housing		229	180	-	-	51	108	(57)	(0)	180
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		199 682	122 920	-	5 702	73 235	75 194	(1 959)	-3%	122 920
Planning and development		121 350	115 220	-	2 158	59 101	70 562	(11 461)	(0)	115 220
Road transport		77 943	7 200	-	3 544	13 946	4 340	9 606	0	7 200
Environmental protection		389	500	-	-	189	292	(103)	(0)	500
<b>Trading services</b>		18 283	23 452	-	-	452	14 063	(13 611)	-97%	23 452
Energy sources		13 778	22 952	-	-	-	13 771	(13 771)	(0)	22 952
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	-	-	452	292	160	0	500
<b>Other</b>		(843)	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	227 317	154 893	-	6 546	76 130	95 912	(19 782)	-21%	154 893
<b>Funded by:</b>										
National Government		125 344	93 781	-	2 229	56 232	57 869	(1 636)	(0)	93 781
Provincial Government		30 518	1 739	-	-	-	1 043	(1 043)	(0)	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Depart Agencies,		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		155 862	95 520	-	2 229	56 232	58 912	(2 680)	-5%	95 520
<b>Borrowing</b>	6	6 412	21 452	-	-	-	12 871	(12 871)	(0)	21 452
<b>Internally generated funds</b>		56 641	37 921	-	4 317	19 898	24 128	(4 231)	(0)	37 921
<b>Total Capital Funding</b>		218 915	154 893	-	6 546	76 130	95 912	(19 782)	-21%	154 893

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 31 January 2024.

## 6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M07 - January

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		483 936	483 936	-	45 485	288 653	282 296	6 357	2%	483 936
Service charges		232 890	232 890	-	22 430	153 994	101 100	52 894	52%	232 890
Other revenue		26 628	26 628	-	9 620	49 349	-	49 349	#DIV/0!	26 628
Transfers and Subsidies - Operational		390 290	390 290	-	1 123	246 605	-	246 605	#DIV/0!	390 290
Transfers and Subsidies - Capital		109 848	109 848	-	-	110 334	34 753	75 581	217%	109 848
Interest		8 511	8 511	-	946	5 951	-	5 951	#DIV/0!	8 511
Dividends		-	-	-	-	-	2 040	(2 040)	-100%	-
<b>Payments</b>										
Suppliers and employees		(1 156 039)	(1 156 039)	-	(85 565)	(635 536)	-	(635 536)	#DIV/0!	(1 156 039)
Interest		(9 958)	(9 958)	-	(503)	(982)	-	(982)	#DIV/0!	(9 958)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>86 106</b>	<b>86 106</b>	<b>-</b>	<b>(6 464)</b>	<b>218 368</b>	<b>420 189</b>	<b>201 821</b>	<b>48%</b>	<b>86 106</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	680 037	(680 037)	-100%	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	73 232	(73 232)	-100%	-
<b>Payments</b>										
Capital assets		(168 358)	(168 358)	-	(8 435)	(89 133)	-	(89 133)	#DIV/0!	(168 358)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(168 358)</b>	<b>(168 358)</b>	<b>-</b>	<b>(8 435)</b>	<b>(89 133)</b>	<b>753 269</b>	<b>842 403</b>	<b>112%</b>	<b>(168 358)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	753 269	(753 269)	-100%	-
<b>Payments</b>										
Repayment of borrowing		(18 414)	(18 414)	-	(3 695)	(24 887)	-	(24 887)	#DIV/0!	(18 414)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(18 414)</b>	<b>(18 414)</b>	<b>-</b>	<b>(3 695)</b>	<b>(24 887)</b>	<b>753 269</b>	<b>778 157</b>	<b>103%</b>	<b>(18 414)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(100 666)</b>	<b>(100 666)</b>	<b>-</b>	<b>(18 594)</b>	<b>104 347</b>	<b>1 926 727</b>			<b>(100 666)</b>
Cash/cash equivalents at beginning:		131 591	131 591	-	-	-	131 591			-
Cash/cash equivalents at month/year end:		30 925	30 925	-	-	104 347	2 058 318			(100 666)

A cash flow statement provides data regarding all cash inflows a municipality receives from its ongoing operations and external investment sources.

## 6.5 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M07 - January

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		114 251	40 427	–	186 729	40 427
Trade and other receivables from exchange transactions		110 482	143 554	–	138 547	143 554
Receivables from non-exchange transactions		353 515	333 984	–	420 379	333 984
Current portion of non-current receivables		–	–	–	–	–
Inventory		5 564	2 559	–	12 186	2 559
VAT		147 570	121 348	–	162 595	121 348
Other current assets		4 469	3 151	–	4 469	3 151
<b>Total current assets</b>		<b>735 851</b>	<b>645 023</b>	<b>–</b>	<b>924 906</b>	<b>645 023</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		354 869	307 811	–	354 869	307 811
Property, plant and equipment		1 804 872	1 726 164	–	1 830 290	1 726 164
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		2 210	2 205	–	2 210	2 205
Intangible assets		489	1 697	–	293	1 697
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>2 162 440</b>	<b>2 037 876</b>	<b>–</b>	<b>2 187 662</b>	<b>2 037 876</b>
<b>TOTAL ASSETS</b>		<b>2 898 291</b>	<b>2 682 899</b>	<b>–</b>	<b>3 112 567</b>	<b>2 682 899</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		17 369	28 891	–	(7 518)	28 891
Consumer deposits		35 315	32 846	–	36 774	32 846
Trade and other payables from exchange transactions		147 675	112 595	–	126 791	112 595
Trade and other payables from non-exchange transactions		37 945	46 376	–	68 829	46 376
Provision		39 844	35 473	–	12 887	35 473
VAT		112 191	74 576	–	137 155	74 576
Other current liabilities		4 839	4 622	–	4 839	4 622
<b>Total current liabilities</b>		<b>395 179</b>	<b>335 379</b>	<b>–</b>	<b>379 757</b>	<b>335 379</b>
<b>Non current liabilities</b>						
Financial liabilities		43 628	16 435	–	50 716	16 435
Provision		47 192	41 487	–	47 192	41 487
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		98 891	101 052	–	98 891	101 052
<b>Total non current liabilities</b>		<b>189 711</b>	<b>158 975</b>	<b>–</b>	<b>196 799</b>	<b>158 975</b>
<b>TOTAL LIABILITIES</b>		<b>584 890</b>	<b>494 353</b>	<b>–</b>	<b>576 556</b>	<b>494 353</b>
<b>NET ASSETS</b>	2	<b>2 313 400</b>	<b>2 188 546</b>	<b>–</b>	<b>2 536 011</b>	<b>2 188 546</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2 362 744	2 188 546	–	2 536 011	2 188 546
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2 362 744</b>	<b>2 188 546</b>	<b>–</b>	<b>2 536 011</b>	<b>2 188 546</b>

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 31 January 2024. Total assets are R3.1 billion over the total liabilities of R577 million this therefore mean the municipality is still able to meet its financial obligations.