



The Game changer of South Coast development

# TREASURY DEPARTMENT

## MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT as at 31 December 2023

Prepared By: Budget and Treasury Office (Budget and Reporting Section)

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## **1. EXECUTIVE SUMMARY**

### **1.1. BACKGROUND**

In terms Section 72 of the municipal finance management act No. 56 of 2003 (MFMA) requires that the accounting officer of a municipality must by 25 January each year assess the performance of the municipality during the first half of the financial year.

The Draft Budget 2023/24 was noted by Council of Ray Nkonyeni Municipality before the 31 March 2023 for public and stakeholder consultation. Few meetings were held in the municipal area, radio station. The annual budget was then presented in the council meeting for council approval on 30 May 2023.

The 2023/24 budget was prepared in accordance with the National Treasury guidelines as outlined in MFMA Circular No.122, MFMA Circular No. 123 and Provincial Treasury Circular PT/MF 08 OF 2022/23 as well as municipal budgeting and reporting regulations and considering the following: -

- The medium-term strategic planning of the municipality.
- MSCOA regulations.
- The role of Local Government in achieving the National outcomes.
- The State of the Nation Address by the President.
- The five Government Priorities.
- National Development Plan.
- National Budget Speech 2023.
- The Division of Revenue Allocations as per the Division of Revenue Act (DORA)
- Provincial Gazette.

### **1.2. CHALLENGES IN THE IMPLEMENTATION OF 2022/23 BUDGET**

The following challenges have been experienced since the adoption of the budget for implementation: -

- Under recovery of revenue billed
- Collection of long outstanding debtors
- Implementing Funding Segment of the mSCOA segments

### **1.3. INTERVENTIONS**

- Strengthened the implementation of debt collection policy.
- Advertise projects before the start of financial year after the budget approval.
- Adopt procurement plan before the start of the financial year.
- Finalizes appointment of contractors.
- Incentives given to customers for settling of accounts like interest written off.

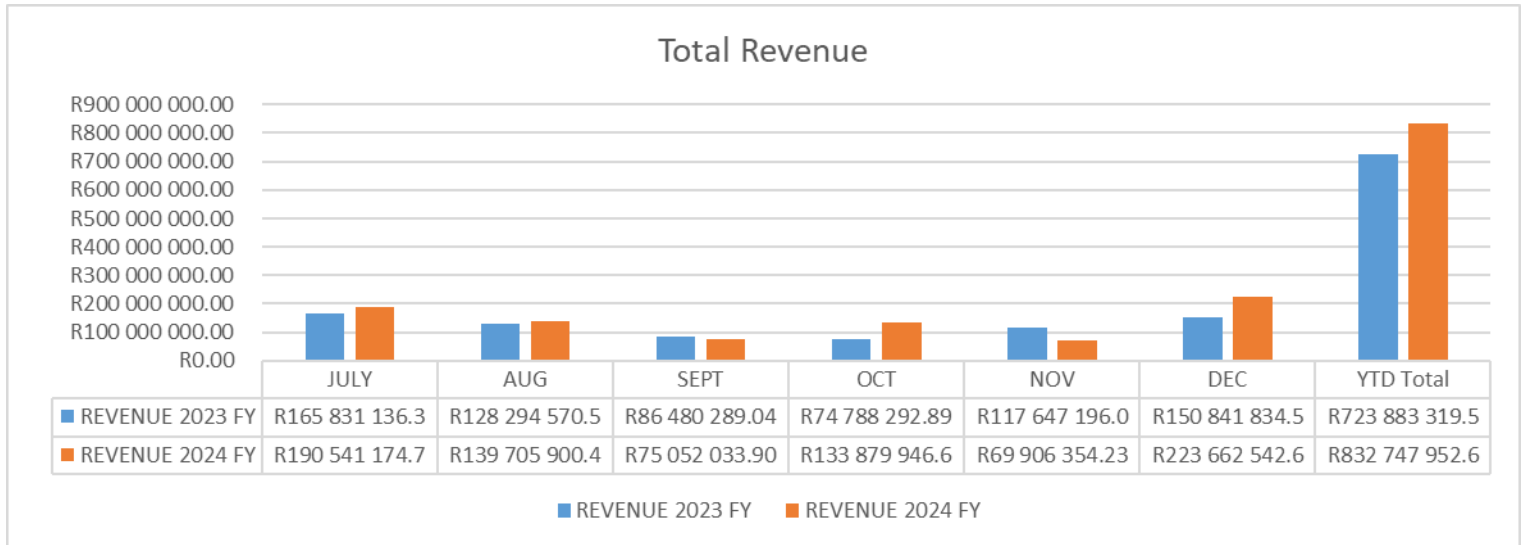
### **1.4. FINANCIAL PERFORMANCE OVERVIEW**

Financial overview on the mid-year assessment for the 2023/24 financial year will be based on the performance outcome from the 1<sup>st</sup> of July 2023- 31<sup>st</sup> of December 2023 on the bases of actual versus budgeted outcomes. In addition, a comparison of the actual outcomes for the previous years mid-year

performance versus the current year mid-year performance to determine an increase or decrease in performance.

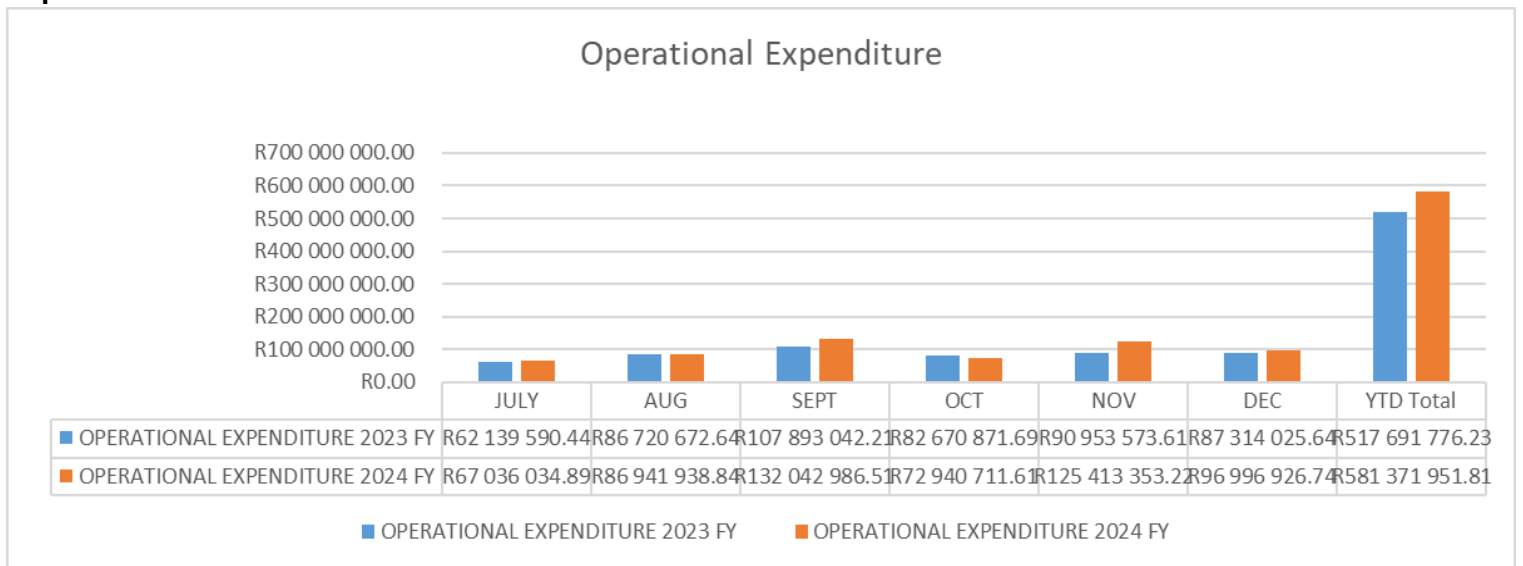
The following chart analysis in comparing a July- December actual Performance for the previous financial year 2023 mid-year performance and the current financial year mid-year performance.

**Revenue**



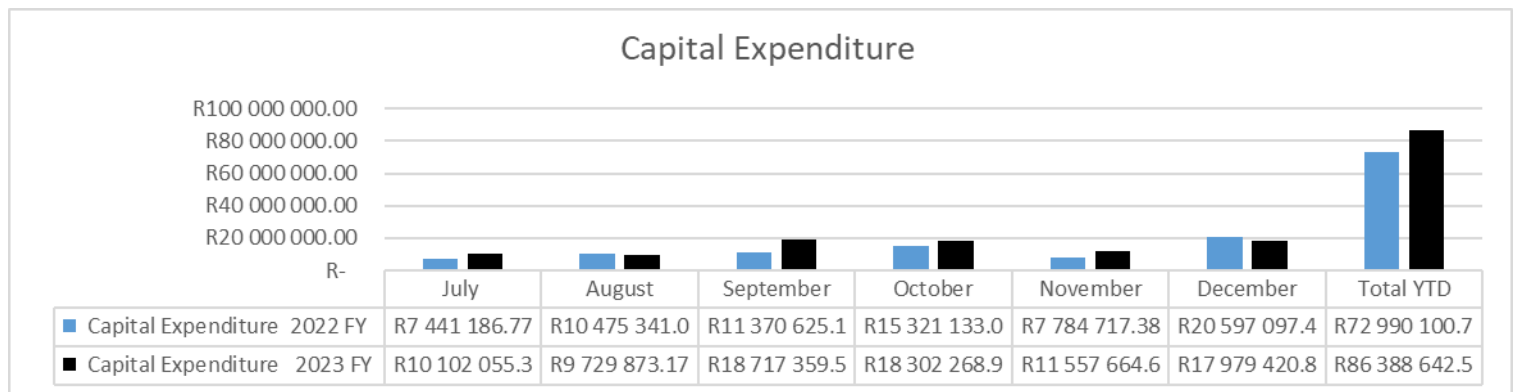
There is an overall 15 % increase in revenue for the 2024 financial year mid-year performance in comparison to the 2023 financial year.

**Expenditure**



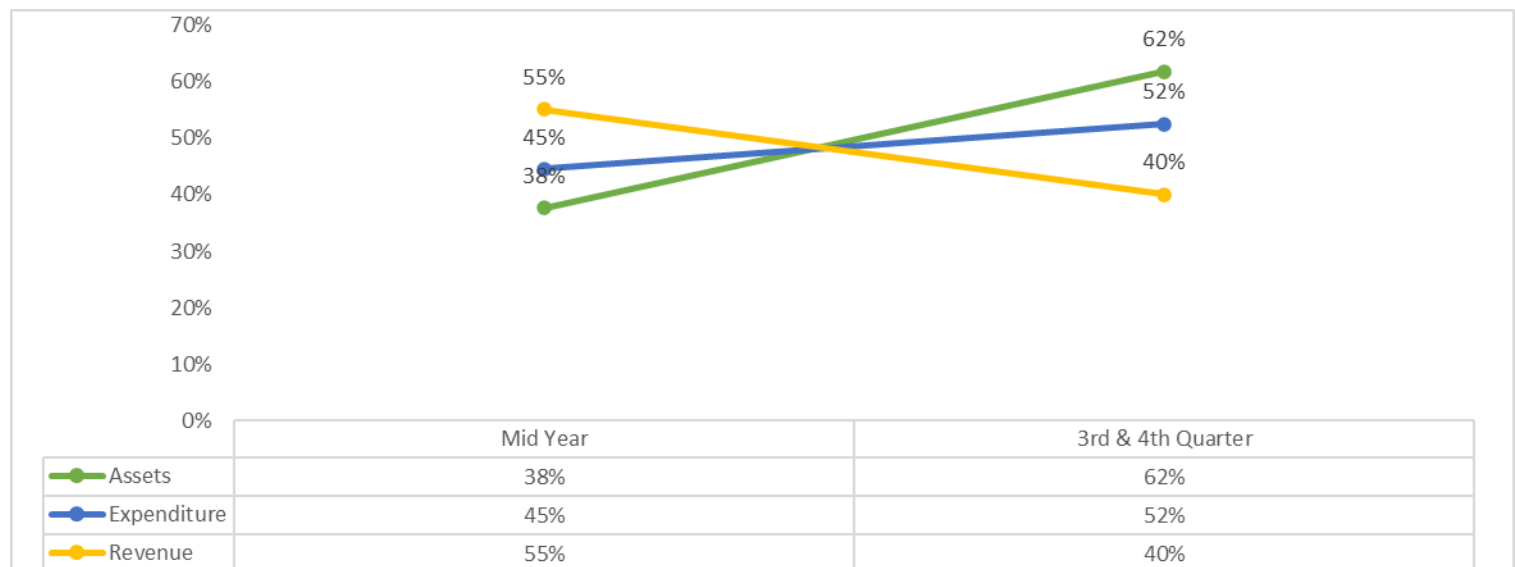
There is an overall 12 % increase in expenditure for the 2024 financial year mid-year performance in comparison to the 2023 financial year.

## Capital Expenditure



There is an overall 18% increase in capital expenditure for the 2024 financial year mid-year performance in comparison to the 2023 financial year because of increased capital funding and implementation of new capital projects in the aid of service delivery.

## Previous year performance trends



The table above shows the previous financial year's mid-year performance as well as the performance in the 3<sup>rd</sup> and 4<sup>th</sup> quarter. This therefore provides an indication based on prior year trends on the anticipated performance, in assets acquisition and expenditure it increased in the last 2 quarters, but the revenue decreased. These trends will be the bases for the adjustment budget in February to ensure a funded and realistic budget for the municipality.

The table below shows the actual performance as the mid-year assessment versus the projected year to date performance.

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - Half Year

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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	-	92 852	92 852	91 218	1 634	2%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	-	40 687	40 687	39 907	780	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	-	4 531	4 531	4 786	(255)	-5%	9 571
Agency services		5 341	5 371	-	2 778	2 778	2 686	92	3%	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	-	3 816	3 816	3 491	326	9%	6 982
Interest from Current and Non Current Assets		10 845	8 511	-	5 581	5 581	4 256	1 326	31%	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	-	2 444	2 444	1 749	695	40%	3 498
Licence and permits		596	636	-	290	290	318	(28)	-9%	636
Operational Revenue		3 673	1 106	-	372	372	553	(181)	-33%	1 106
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	-	328 583	328 583	324 167	4 416	1%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	-	10 384	10 384	15 531	(5 147)	-33%	31 062
Licence and permits		7 734	9 628	-	5 139	5 139	4 814	325	7%	9 628
Transfers and subsidies - Operational		285 417	390 026	-	257 809	257 809	195 013	62 796	32%	390 026
Interest		28 075	30 164	-	15 391	15 391	15 082	309	2%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		25 653	-	-	503	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>771 162</b>	<b>771 162</b>	<b>703 570</b>	<b>67 592</b>	<b>10%</b>	<b>1 251 108</b>

### **Total operational revenue**

Total operating revenue amounts to R 771.2 million for the period starting from July 2023 to December 2023 with the YTD budgeted of R703.6 million and a variance of R67.6 million overall, which is in line with the projected revenue for the first half of the financial year in terms of the total budgeted operational revenue. Total operating revenue is broken down below for each line item.

### **Service Charges-Electricity**

The actual billing for the electricity is R92.9 million for the period ended 31 December 2023 against the year to date budget of R91.2 million. There is a variance of 2% between the year to date actual and year to date budget, which amounts to positive R1.6 million. Electricity billing will be monitored and adjusted accordingly during the adjustment budget process in February.

### **Service Charges- Refuse**

The year to date actual billing for refuse removals is R40.7 million for the first half of the financial year with the year to date budget of R39.9 million. The variance is R780 thousand which is 2%, comparing the actual against the year to date budget. The variance is caused by the annual billing of the cutomers that changed from being billed monthly to annual billing that was not catered for in the budget process.

## Property rates

The actual billing of the property rates for the period ending 31 December amounts to R 328.6 million against the budget of R324.2 million. The 1% variance is caused by the change made by the customers for being billed monthly to the annual billing, and monthly billing budget will be corrected in the adjustment budget to cater the increased of the annual billing.

## Investment revenue

Total investments revenue (Interest from Current and Non-Current Assets) as at end of December 2023 amounts to R5.6 million which is 31% more than the anticipated revenue at this period. The municipality received more funds for different grants in the second quarter of the financial and year, hence why the municipality generated more interest. The performance mainly depend on the cash coverage ratio of the municipality, that shows that ratio has improved from the previous financial year. That means the municipality can invest funds for to accumulate the interest. The required cash coverage is 3 months and the current cash coverage for the municipality the month of December is sitting at 1.18 months, that shows an improvement when comparing it to mid performance of the last financial year which was 0.74 months.

## Transfers and Subsidies

The year to date transfers and subsidies revenue amounts to R257.8 million and R61.1 million for both operational and capital respectively. The variance of the operational transfers and subsidies is at the positive 32%, meaning the municipality has recognised more revenue than it was anticipated, whereas the capital transfers and subsidies is at the positive 11%.

## Fines, penalties and forfeits

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 year to date actual is R10.4 million compared to a year to date budget of R15.5 million. The variance is mainly caused by low fines issued and the budget amount will be revised in adjustment budget.

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - Half Year

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		455 419	484 629	–	236 855	236 855	234 389	2 466	1%	484 629
Remuneration of councillors		29 567	31 164	–	23 011	23 011	15 582	7 429	48%	31 164
Bulk purchases - electricity		107 470	162 706	–	61 594	61 594	81 353	(19 760)	-24%	162 706
Inventory consumed		11 774	11 265	–	7 663	7 663	6 534	1 130	17%	11 265
Debt impairment		(29 418)	–	–	–	–	–	–	–	–
Depreciation and amortisation		94 294	106 706	–	43 635	43 635	53 353	(9 718)	-18%	106 706
Interest		24 062	9 958	–	480	480	4 979	(4 499)	-90%	9 958
Contracted services		211 569	272 493	–	126 368	126 368	140 429	(14 061)	-10%	272 493
Transfers and subsidies		14 465	14 888	–	6 024	6 024	5 760	264	5%	14 888
Irrecoverable debts written off		27 590	10 513	–	2 531	2 531	5 257	(2 725)	-52%	10 513
Operational costs		161 955	152 083	–	72 211	72 211	78 679	(6 468)	-8%	152 083
Losses on Disposal of Assets		5 320	–	–	(652)	(652)	–	(652)	#DIV/0!	–
Other Losses		197	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>1 114 263</b>	<b>1 256 406</b>	<b>–</b>	<b>579 720</b>	<b>579 720</b>	<b>626 314</b>	<b>(46 594)</b>	<b>-7%</b>	<b>1 256 406</b>

### **Total expenditure**

Total operational expenditure is R579.7 million which is 7% less than the year to date budget of R626.3 million. The negative R46.6 million variance is attributed the expenditure line items below.

### **Employee cost and Councillor's remuneration**

Employee cost amounts to R236.9 million and that is 1% more than the year to date budget of R234.4 million. The difference is caused by the bonus line item as the employees are not getting the bonus on the same month, but that will be covered throughout the financial year. Items with the employee costs will be reviewed and adjust accordingly during the adjustment budget. The councillors' remuneration year to date actual amounts to R23.0 million with the variance of 48% more than the year to date budget. The variance in council remuneration was due to COGTA upgrading council remuneration to a new task grade. The council's remuneration is expected to be adjusted by R9.6 million in the adjustment budget to accommodate the upgrade.

### **Depreciation and asset Impairment**

The year to date actual for depreciation has been calculated for the period ending 31 December 2023 is R43.6 million compared to the year to date budget of R53.4 million. The variance between the budgeted figure and the actual figure is due to depreciation of the anticipated additions on the Property Plant and Equipment that are not yet acquired or transferred from Work in progress.

### **Finance charges**

Finance charges cost is 480 thousand, which is 90% less than the year to date budget of R4.9 million. The budget was prepared including the interest that will be incurred on the last withdrawal of R21.5 million from DBSA loan. The withdrawal is not yet done and the adjustment as per the amortisation schedule will be done on this line item during the adjustment process in February.

### **Inventory Consumed and bulk purchases**

Inventory consumed amounts to R7.7 million as of 31 December 2023 with the year to date budget being R6.5 million. This reflects a variance of R1.1 million more. Inventory budget was straight lined across the 12 months of the financial year and will be a variance as consumption differs.

### **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 December 2023 stands at R6 million with a YTD budget of R5.7 million. The annual budget for transfers and subsidies is R14.8 million.





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BUDGET AND TREASURY OFFICE

**BUDGET IMPLEMENTATION REPORT AND  
WITHDRAWALS  
FROM MUNICIPAL BANK ACCOUNTS IN TERMS OF  
S71, S72, S52 AND S11  
OF THE MFMA PERIOD – ENDED:  
31 December 2023**

# RAY NKONYENI MUNICIPALTY BUDGET AND TREASURY DEPARTMENT Month-ended: - 31 December 2023

## 2. Budget Implementation Report

### 2.1. Executive Summary

This report is based upon financial information available at the time of preparation. The provisional financial result for the month ended 31 December 2023 is summarized below.

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M06 - Half Year

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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	-	328 583	328 583	324 167	4 416	1%	509 406
Service charges	212 429	245 147	-	133 539	133 539	131 125	2 414	2%	245 147
Investment revenue	10 845	8 511	-	5 581	5 581	4 266	1 326	31%	8 511
Transfers and subsidies - Operational	285 417	390 026	-	257 809	257 809	195 013	62 796	32%	390 026
Other own revenue	132 063	98 017	-	45 649	45 649	49 008	(3 359)	-7%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>771 162</b>	<b>771 162</b>	<b>703 570</b>	<b>67 592</b>	<b>10%</b>	<b>1 251 108</b>
Employee costs	455 419	484 629	-	236 855	236 855	234 389	2 466	1%	484 629
Remuneration of Councillors	29 567	31 164	-	23 011	23 011	15 582	7 429	48%	31 164
Depreciation and amortisation	94 294	106 706	-	43 635	43 635	53 353	(9 718)	-18%	106 706
Interest	24 062	9 958	-	480	480	4 979	(4 499)	-90%	9 958
Inventory consumed and bulk purchases	119 244	173 972	-	69 257	69 257	87 887	(18 630)	-21%	173 972
Transfers and subsidies	14 465	14 888	-	6 024	6 024	5 760	264	5%	14 888
Other expenditure	377 212	435 089	-	200 459	200 459	224 364	(23 906)	-11%	435 089
<b>Total Expenditure</b>	<b>1 114 263</b>	<b>1 256 406</b>	<b>-</b>	<b>579 720</b>	<b>579 720</b>	<b>626 314</b>	<b>(46 594)</b>	<b>-7%</b>	<b>1 256 406</b>
<b>Surplus/(Deficit)</b>	<b>12 632</b>	<b>(5 298)</b>	<b>-</b>	<b>191 442</b>	<b>191 442</b>	<b>77 255</b>	<b>114 186</b>	<b>148%</b>	<b>(5 298)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	61 089	61 089	54 924	6 165	11%	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>contributions</b>	<b>199 743</b>	<b>104 550</b>	<b>-</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>	<b>120 352</b>	<b>91%</b>	<b>104 550</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>199 743</b>	<b>104 550</b>	<b>-</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>	<b>120 352</b>	<b>91%</b>	<b>104 550</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>227 317</b>	<b>116 319</b>	<b>-</b>	<b>69 583</b>	<b>69 583</b>	<b>60 164</b>	<b>9 419</b>	<b>16%</b>	<b>116 319</b>
Capital transfers recognised	155 862	95 520	-	54 003	54 003	47 760	6 243	13%	95 520
Borrowing	6 412	-	-	-	-	-	-	-	-
Internally generated funds	56 641	20 799	-	15 580	15 580	12 404	3 176	26%	20 799
<b>Total sources of capital funds</b>	<b>218 915</b>	<b>116 319</b>	<b>-</b>	<b>69 583</b>	<b>69 583</b>	<b>60 164</b>	<b>9 419</b>	<b>16%</b>	<b>116 319</b>
<b>Financial position</b>									
Total current assets	735 851	681 213	-	-	987 287	-	-	-	681 213
Total non current assets	2 162 440	1 997 352	-	-	2 188 388	-	-	-	1 997 352
Total current liabilities	395 179	303 486	-	-	412 506	-	-	-	303 486
Total non current liabilities	189 711	191 699	-	-	197 237	-	-	-	191 699
Community wealth/Equity	<b>2 313 400</b>	<b>2 185 331</b>	<b>-</b>	<b>-</b>	<b>2 565 931</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 185 331</b>
<b>Cash flows</b>									
Net cash from (used) operating	32 103	108 651	-	224 832	224 832	98 225	(126 606)	-129%	108 651
Net cash from (used) investing	242 572	(139 110)	-	(80 698)	(80 698)	(71 395)	9 303	-13%	(139 110)
Net cash from (used) financing	(31 987)	(27 127)	-	(21 192)	(21 192)	(13 563)	7 629	-56%	(27 127)
<b>Cash/cash equivalents at the month/year end</b>	<b>374 381</b>	<b>74 005</b>	<b>-</b>	<b>-</b>	<b>237 193</b>	<b>144 858</b>	<b>(92 335)</b>	<b>-64%</b>	<b>56 665</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	66 606	35 733	27 644	16 905	40 184	14 600	21 270	#####	636 680
<b>Creditors Age Analysis</b>									
Total Creditors	1 273	12	5	-	-	-	-	0%	1 290

### 2.2. Statement of financial performance

The statement of financial performance is shown in table C4, is prepared on the prescribed budget format, detailing revenue by source and expenditure by type.

3. BUDGET IMPLEMENTATION							
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		116%	2023/24 Projected 2
					Actual Capital Expenditure	69 583 000	
					Budget Capital Expenditure	60 164 000	
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		93%	2023/24 Projected 2
					Actual Operating Expenditure	579 720 000	
					Budget Operating Expenditure	626 314 000	
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		110%	2023/24 Projected 2
					Actual Operating Revenue	771 162 000	
					Budget Operating Revenue	703 570 000	
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		102%	2023/24 Projected 2
					Actual Service Charges and Property Rates Revenue	462 122 000	
					Budget Service Charges and Property Rates Revenue	455 292 000	

The above table provides an indication of based on treasury norms on the implementation of the budget as at midyear, based on the information above, shows that the overall operational revenue shows that it billed or recognised revenue more than the anticipation and the norm is 95%-100% but the municipality is sitting at 116%. Service charges and property rates are just 2% more than the required norm. Operational expenditure is 2% below the budgeted projections and capital expenditure is 16% more than the required norm. The variances that have contributed to the budget implementation being have been listed below and explained in Table SC1.

The major operating revenue variances against budget are:

- Service Charges
- Rental of facilities and equipment
- Interest on investment and outstanding debtors
- Fines, penalties, and forfeits
- Licenses and permits
- Transfers and grants
- Other revenue

The major operating expenditure variances against budget are:

- Depreciation and impairment
- Finance Charges
- Inventory consumed
- Transfers and grants
- Contracted services
- Other Expenditure

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - Half Year

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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	–	92 852	92 852	91 218	1 634	2%	182 436
Service charges - Water		–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–
Service charges - Waste management		59 334	62 711	–	40 687	40 687	39 907	780	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	–	4 531	4 531	4 786	(255)	-5%	9 571
Agency services		5 341	5 371	–	2 778	2 778	2 686	92	3%	5 371
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		6 461	6 982	–	3 816	3 816	3 491	326	9%	6 982
Interest from Current and Non Current Assets		10 845	8 511	–	5 581	5 581	4 256	1 326	31%	8 511
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		4 686	3 498	–	2 444	2 444	1 749	695	40%	3 498
Licence and permits		596	636	–	290	290	318	(28)	-9%	636
Operational Revenue		3 673	1 106	–	372	372	553	(181)	-33%	1 106
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	–	328 583	328 583	324 167	4 416	1%	509 406
Surcharges and Taxes		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		23 969	31 062	–	10 384	10 384	15 531	(5 147)	-33%	31 062
Licence and permits		7 734	9 628	–	5 139	5 139	4 814	325	7%	9 628
Transfers and subsidies - Operational		285 417	390 026	–	257 809	257 809	195 013	62 796	32%	390 026
Interest		28 075	30 164	–	15 391	15 391	15 082	309	2%	30 164
Fuel Levy		–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–
Other Gains		25 653	–	–	503	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>771 162</b>	<b>771 162</b>	<b>703 570</b>	<b>67 592</b>	<b>10%</b>	<b>1 251 108</b>
<b>Expenditure By Type</b>										
Employee related costs		455 419	484 629	–	236 855	236 855	234 389	2 466	1%	484 629
Remuneration of councillors		29 567	31 164	–	23 011	23 011	15 582	7 429	48%	31 164
Bulk purchases - electricity		107 470	162 706	–	61 594	61 594	81 353	(19 760)	-24%	162 706
Inventory consumed		11 774	11 265	–	7 663	7 663	6 534	1 130	17%	11 265
Debt impairment		(29 418)	–	–	–	–	–	–	–	–
Depreciation and amortisation		94 294	106 706	–	43 635	43 635	53 353	(9 718)	-18%	106 706
Interest		24 062	9 958	–	480	480	4 979	(4 499)	-90%	9 958
Contracted services		211 569	272 493	–	126 368	126 368	140 429	(14 061)	-10%	272 493
Transfers and subsidies		14 465	14 888	–	6 024	6 024	5 760	264	5%	14 888
Irrecoverable debts written off		27 590	10 513	–	2 531	2 531	5 257	(2 725)	-52%	10 513
Operational costs		161 955	152 083	–	72 211	72 211	78 679	(6 468)	-8%	152 083
Losses on Disposal of Assets		5 320	–	–	(652)	(652)	–	(652)	#DIV/0!	–
Other Losses		197	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>1 114 263</b>	<b>1 256 406</b>	<b>–</b>	<b>579 720</b>	<b>579 720</b>	<b>626 314</b>	<b>(46 594)</b>	<b>-7%</b>	<b>1 256 406</b>
<b>Surplus/(Deficit)</b>		<b>12 632</b>	<b>(5 298)</b>	<b>–</b>	<b>191 442</b>	<b>191 442</b>	<b>77 255</b>	<b>114 186</b>	<b>148%</b>	<b>(5 298)</b>
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	–	61 089	61 089	54 924	6 165	11%	109 848
Transfers and subsidies - capital (in-kind)		1 490	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>
Income Tax		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after income tax</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>

### 2.3. Capital expenditure

The capital expenditure report shown in Table C5 has been prepared based on the format required to be lodged electronically with National Treasury and it's categorized by municipal function segment.

Total capital expenditure amounts to R69.6 million and year to date budget of R60.2 million. Municipality has spent 16% more than the year to date budget.

**KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 - Half Year**

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Actual	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD Budget	YTD Variance	YTD %	Full Year Forecast
<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	-	998	998	3 801	(2 802)	-74%	3 801
Vote 3 - Internal Audit		676	200	-	157	157	100	57	57%	200
Vote 4 - Community and Social Services		(1 903)	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		(8 021)	4 340	-	393	393	2 254	(1 861)	-83%	4 340
Vote 7 - Housing		229	180	-	51	51	90	(39)	-44%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		121 372	93 990	-	56 943	56 943	46 995	9 948	21%	93 990
Vote 10 - Road Transport		77 794	11 809	-	10 401	10 401	5 924	4 477	76%	11 809
Vote 11 - Environment Protection		389	-	-	189	189	-	189	#DIV/0!	-
Vote 12 - Energy Sources		13 778	2 000	-	-	-	1 000	(1 000)	-100%	2 000
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	-	-	452	452	-	452	#DIV/0!	-
<b>Total Capital single-year expenditure</b>	4	227 317	116 319	-	69 583	69 583	60 164	9 419	16%	116 319
<b>Total Capital Expenditure</b>		227 317	116 319	-	69 583	69 583	60 164	9 419	16%	116 319
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		20 039	4 001	-	1 155	1 155	3 901	(2 746)	-70%	4 001
Executive and council		320	-	-	-	-	-	-	-	-
Finance and administration		19 043	3 801	-	998	998	3 801	(2 802)	-74%	3 801
Internal audit		676	200	-	157	157	100	57	57%	200
<b>Community and public safety</b>		(9 844)	4 520	-	444	444	2 344	(1 900)	-81%	4 520
Community and social services		(1 903)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(8 170)	4 340	-	393	393	2 254	(1 861)	-83%	4 340
Housing		229	180	-	51	51	90	(39)	-44%	180
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		199 682	105 798	-	67 533	67 533	52 919	14 613	28%	105 798
Planning and development		121 350	93 990	-	56 943	56 943	46 995	9 948	21%	93 990
Road transport		77 943	11 809	-	10 401	10 401	5 924	4 477	76%	11 809
Environmental protection		389	-	-	189	189	-	189	#DIV/0!	-
<b>Trading services</b>		18 283	2 000	-	452	452	1 000	(548)	-55%	2 000
Energy sources		13 778	2 000	-	-	-	1 000	(1 000)	-100%	2 000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	-	-	452	452	-	452	#DIV/0!	-
Other		(843)	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	227 317	116 319	-	69 583	69 583	60 164	9 419	16%	116 319
<b>Funded by:</b>										
National Government		125 344	93 781	-	54 003	54 003	46 890	7 113	15%	93 781
Provincial Government		30 518	1 739	-	-	-	870	(870)	-100%	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		155 862	95 520	-	54 003	54 003	47 760	6 243	13%	95 520
<b>Borrowing</b>	6	6 412	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		56 641	20 799	-	15 580	15 580	12 404	3 176	26%	20 799
<b>Total Capital Funding</b>		218 915	116 319	-	69 583	69 583	60 164	9 419	16%	116 319

## 2.4. Cash Flow statement

Cash flow statement show positive balance on the Municipal bank accounts of R237.2 million as at the 31 December 2023, that shows a slightly declined compared to balance as at 31 December 2022 of R239.8 million. The municipality has a collection rate of 90% as of 31 December 2023 to billed revenue and that is 5% decrease compared to 31 December 2022, however the municipality has maintained an average of 74.3% for the first half of the 2023/24 financial year. The Municipality currently has a 1.18 months cash coverage for its operations, with revenue enhancement strategies and expenditure management strategies in place to ensure a continued increase to reach a target of 3 months cash coverage for operations.

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M06 - Half Year

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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		462 432	483 936	-	243 168	243 168	241 968	1 200	0%	483 936
Service charges		232 464	232 890	-	131 564	131 564	116 445	15 119	13%	232 890
Other revenue		86 694	26 628	-	39 728	39 728	13 314	26 414	198%	26 628
Transfers and Subsidies - Operational		291 700	392 240	-	245 482	245 482	219 387	26 094	12%	392 240
Transfers and Subsidies - Capital		184 599	109 848	-	110 334	110 334	73 232	37 102	51%	109 848
Interest		10 332	8 511	-	5 006	5 006	4 256	750	18%	8 511
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(1 234 796)	(1 120 556)	-	(549 971)	(549 971)	(559 637)	9 666	-2%	(1 120 556)
Interest		(1 324)	(9 958)	-	(479)	(479)	(4 979)	4 499	-90%	(9 958)
Transfers and Subsidies		-	(14 888)	-	-	-	(5 760)	5 760	-100%	(14 888)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>32 103</b>	<b>108 651</b>	<b>-</b>	<b>224 832</b>	<b>224 832</b>	<b>98 225</b>	<b>(126 606)</b>	<b>-129%</b>	<b>108 651</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		242 572	(139 110)	-	(80 698)	(80 698)	(71 395)	(9 303)	13%	(139 110)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>242 572</b>	<b>(139 110)</b>	<b>-</b>	<b>(80 698)</b>	<b>(80 698)</b>	<b>(71 395)</b>	<b>9 303</b>	<b>-13%</b>	<b>(139 110)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		(31 987)	(27 127)	-	(21 192)	(21 192)	(13 563)	(7 629)	56%	(27 127)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(31 987)</b>	<b>(27 127)</b>	<b>-</b>	<b>(21 192)</b>	<b>(21 192)</b>	<b>(13 563)</b>	<b>7 629</b>	<b>-56%</b>	<b>(27 127)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>242 688</b>	<b>(57 586)</b>	<b>-</b>	<b>122 941</b>	<b>122 941</b>	<b>13 267</b>			<b>(57 586)</b>
Cash/cash equivalents at beginning:		131 693	131 591	-		114 251	131 591			114 251
Cash/cash equivalents at month/year end:		374 381	74 005	-		237 193	144 858			56 665

### CONSUMERS - SUMMARY - 2023/24 (COLLECTION RATE)

	July	August	September	October	November	December	Totals
Billing	71 719 975.76	133 041 961.38	70 645 889.48	82 147 945.92	65 917 154.07	72 458 590.79	495 931 517.40
Receipts	-32 771 072.06	-54 226 775.45	-79 361 837.61	- 69 438 301.75	- 67 299 268.65	- 65 452 521.19	-368 549 776.71
Balance O/S	38 948 903.70	78 815 185.93	-8 715 948.13	12 709 644.17	-1 382 114.58	7 006 069.60	127 381 740.69
% O/S	54%	59%	-12%	15%	-2%	10%	26%
<b>% Collected</b>	<b>45.69%</b>	<b>40.76%</b>	<b>112.34%</b>	<b>84.53%</b>	<b>102.10%</b>	<b>90.33%</b>	<b>74.31%</b>
AV COLLECTED							
actual	collected for July =		46%				
	average collected for July to Aug =		42%				
	average collected for July to Sept =		60%				
	average collected for July to Oct =		66%				
	average collected for July to Nov =		72%				
	average collected for July to Dec =		74%				

## 2.6. Outstanding Debtors

The debtors report in Table SC3 has been prepared based on the format required to be lodged electronically with National Treasury and categorized by municipal votes. The summary report indicates the following below. The total debtors amount to R636.7 million, and there is an increase of R 127.8 million compared to balance as at 30 June 2023.

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 - Half Year

Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	6	15	18	20	3	28	29	945	1 065	1 026	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	16 957	8 895	2 667	1 459	1 091	828	684	12 600	45 180	16 661	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	39 757	20 063	19 363	10 502	31 320	8 856	1 371	247 738	378 971	299 787	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 745	3 179	2 197	1 883	4 742	1 551	6	49 343	68 646	57 525	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	3 483	3 357	3 183	2 927	2 845	2 822	18 929	92 318	129 863	119 841	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	658	224	215	114	183	514	252	10 795	12 955	11 858	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>66 606</b>	<b>35 733</b>	<b>27 644</b>	<b>16 905</b>	<b>40 184</b>	<b>14 600</b>	<b>21 270</b>	<b>413 738</b>	<b>636 680</b>	<b>506 697</b>	-	-
<b>2022/23 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2 426	1 509	6 511	667	15 447	601	911	31 350	59 421	48 975	-	-
Commercial	2300	25 052	12 175	6 347	3 985	5 689	3 606	4 059	77 233	138 146	94 572	-	-
Households	2400	39 129	22 049	14 786	12 253	19 048	10 393	16 301	305 155	439 113	363 149	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>66 606</b>	<b>35 733</b>	<b>27 644</b>	<b>16 905</b>	<b>40 184</b>	<b>14 600</b>	<b>21 270</b>	<b>413 738</b>	<b>636 680</b>	<b>506 697</b>	-	-

## 2.7. Outstanding Creditors

The report has been prepared based on the format required to be lodged electronically with National Treasury. It provides for an aged analysis. The amount owed is for trade creditors amounts to R1.3 million.

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 - Half Year

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1 273	12	5	-	-	-	-	-	-	1 290	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>1 273</b>	<b>12</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 290</b>	<b>-</b>

## 2.8. Investment portfolio

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 - Half Year

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate <sup>1</sup>	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
<b>Municipality</b>														
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.75%			Monthly	10 395	78			10 472
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	669	5			674
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.55%			Monthly	1 111	8			1 119
Standard Bank		MONTHLY	Call Account	Yes	Variable	5.40%			Monthly	353	3			355
Standard Bank		MONTHLY	Call Account	Yes	Variable	5.40%			Monthly	13	0			13
Standard Bank		MONTHLY	Call Account	Yes	Variable	5.40%			Monthly	83	0			83
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	83	0			83
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	1 573	12			1 585
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	156	1			158
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	35 532	265			35 797
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	265	2			267
Standard Bank		MONTHLY	Call Account	Yes	Variable	7.34%			Monthly	12 574	94			12 668
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.75%			Monthly	570	4			574
Investec Bank		MONTHLY	Call Account	Yes	Variable	8.00%			Monthly	10 841	74			10 915
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.60%			Monthly	54	0			54
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	12	0			12
First National Bank		MONTHLY	Call Account	Yes	Variable	6.50%			Monthly	1 219	630	(104 500)	179 500	76 849
First National Bank		MONTHLY	Call Account	Yes	Variable	6.85%			Monthly	3 731	26			3 757
Nedbank		MONTHLY	Call Account	Yes	Variable	7.75%			Monthly	28 033	206		10 000	38 239
Municipality sub-total										107 264	1 408	(104 500)	189 500	193 673
<b>Entities</b>														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2									107 264		(104 500)	189 500	193 673

The Investment register as of 31 December 2022 has the closing balance of R227.8 million, with R6.3 million total interest earned for the month from which R3.7 million was made on primary investment and various investment accounts as shown in the above register including the housing development fund which in not a part of the interest earned shown on the statement of financial performance as this in not revenue generated for the municipality but rather interest earned on unspent housing development funds.

## 2.9. WITHDRAWALS FROM THE MUNICIPAL BANK ACCOUNT IN TERM OF SECTION 11 OF THE MFMA

### 2.9.1. Sub-Section 11 (1) (b) – To defray expenditure authorized in terms of section 11

#### **INFORMATION**

Section 26 – Consequences of failure to approve budget before start of budget year.  
Sub – Section (4) – Until a budget for the municipality is approved in terms of subsection (1) funds for the requirement of the municipality may, with the approval of the MEC for finance in the province, be withdrawn from the municipality's bank account in accordance with subsection (5).

**If applicable, the following information must be attached and included in the report.**

Copy of approval by MEC for finance  
Total of Current and Capital expenditure for that quarter.



**MANAGEMENT RESPONSE**

Budget 2022/23 was approved prior to start of budget year and therefore no further evidence is required.

**2.9.2. Sub-Section 11 (1) (c) – To defray unforeseeable and unavoidable expenditure authorized in terms of section 29 (1).**

**INFORMATION**

Section 29 – Unforeseen and unavoidable expenditure.

Sub – Section (1) – The mayor of a municipality may in emergency or other exceptional circumstances authorize unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.

**If applicable, the following information must be attached and included in the report.**

Copy of authorization by the mayor.

Total of Current and/or Capital expenditure for that quarter.

Detail and reason for the unforeseeable and unavoidable expenditure.

**MANAGEMENT RESPONSE**

There was no unforeseen and unavoidable expenditure authorized by Mayor.

**2.9.3. Sub-Section 11 (1) (d) – In the case of a bank account opened in terms of section 12, to make payments from the account in accordance with sub-section (4) of that section.**

**INFORMATION**

Section 12 – Relief, charitable, trust or other funds.

Sub-Section (4) – Money in a separate account opened in terms of sub-section (2) may be withdrawn from the account without appropriation of an approved budget, but only-

- a) By or on the written authorized of the accounting officer acting in accordance with decisions of the municipal council; and
- b) For the purposes for which, and subject to any conditions on which the fund was established or the money in the fund was donated.

**If applicable, the following information must be attached and included in the report.**

Name of account, type, purpose and amount paid

Detail of payment.

Copy of written authority.

**MANAGEMENT RESPONSE**

There were no funds that were withdrawn from municipal bank account other than the approved budget appropriation of funds.

**2.9.4. Sub-Section 11 (1) (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.**

**INFORMATION**

**If applicable, the following information must be included in the report:**

Total amount of pay over for that quarter and reason.

- a) Money collected by the municipality on behalf of that person or organ of state by agreement.
- b) Any insurance or other payment received by the municipality for that person or organ of state.

**MANAGEMENT RESPONSE**

Nil Return

**2.9.5. Sub-Section 11 (1) (f) – To refund money incorrectly paid into a bank account.**

**MANAGEMENT RESPONSE**

There no funds that were incorrectly received by the municipality in it bank account.

**2.9.6. Sub-Section 11 (1) (g) – To refund guarantees, sureties and security deposit.**

**INFORMATION**

**If applicable, the following information must be included in the report:**

Total amount of refunds for that quarter. (Example)

Guarantees	-	Nil
Sureties	-	Nil
Security Deposit	-	Nil

**MANAGEMENT RESPONSE**

Performance Guarantees	-	Nil
Guarantees	-	Nil
Sureties	-	Nil
Security Deposit	-	Nil

**2.9.7. Sub-Section 11 (1) (h) for cash management and investment purposes in accordance with section 13.**

**MANAGEMENT RESPONSE**

Please see schedule SC5 in respect of investment.

**2.9.8. Sub-section 11 (1)(i) to defray increased expenditure in terms of section 31.**

Information Section 31- shifting of funds between multi appropriations
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When funds for a capital programme are appropriated in terms of section 16(3) for more than one financial year, expenditure for that programme during a financial year may exceed the amount of that year's appropriation for that programme.

**MANAGEMENT RESPONSE**

Nil return

2.9.9. **Sub-section 11 (1) (j) – for such other purposes as may be prescribed.**

**MANAGEMENT RESPONSE**

Nil Return

### 3. IN-YEAR BUDGET STATEMENT TABLES

These report shows financial performance, financial positions, cash flow, capital expenditure, age debtors and creditors as at the 31 December 2023.

#### 3.1. Table C1 – Consolidated Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M06 - Half Year

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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	-	328 583	328 583	324 167	4 416	1%	509 406
Service charges	212 429	245 147	-	133 539	133 539	131 125	2 414	2%	245 147
Investment revenue	10 845	8 511	-	5 581	5 581	4 256	1 326	31%	8 511
Transfers and subsidies - Operational	285 417	390 026	-	257 809	257 809	195 013	62 796	32%	390 026
Other own revenue	132 063	98 017	-	45 649	45 649	49 008	(3 359)	-7%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>-</b>	<b>771 162</b>	<b>771 162</b>	<b>703 570</b>	<b>67 592</b>	<b>10%</b>	<b>1 251 108</b>
Employee costs	455 419	484 629	-	236 855	236 855	234 389	2 466	1%	484 629
Remuneration of Councillors	29 567	31 164	-	23 011	23 011	15 582	7 429	48%	31 164
Depreciation and amortisation	94 294	106 706	-	43 635	43 635	53 353	(9 718)	-18%	106 706
Interest	24 062	9 958	-	480	480	4 979	(4 499)	-90%	9 958
Inventory consumed and bulk purchases	119 244	173 972	-	69 257	69 257	87 887	(18 630)	-21%	173 972
Transfers and subsidies	14 465	14 888	-	6 024	6 024	5 760	264	5%	14 888
Other expenditure	377 212	435 089	-	200 459	200 459	224 364	(23 906)	-11%	435 089
<b>Total Expenditure</b>	<b>1 114 263</b>	<b>1 256 406</b>	<b>-</b>	<b>579 720</b>	<b>579 720</b>	<b>626 314</b>	<b>(46 594)</b>	<b>-7%</b>	<b>1 256 406</b>
<b>Surplus/(Deficit)</b>	<b>12 632</b>	<b>(5 298)</b>	<b>-</b>	<b>191 442</b>	<b>191 442</b>	<b>77 255</b>	<b>114 186</b>	<b>148%</b>	<b>(5 298)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	61 089	61 089	54 924	6 165	11%	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>contributions</b>	<b>199 743</b>	<b>104 550</b>	<b>-</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>	<b>120 352</b>	<b>91%</b>	<b>104 550</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>199 743</b>	<b>104 550</b>	<b>-</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>	<b>120 352</b>	<b>91%</b>	<b>104 550</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>227 317</b>	<b>116 319</b>	<b>-</b>	<b>69 583</b>	<b>69 583</b>	<b>60 164</b>	<b>9 419</b>	<b>16%</b>	<b>116 319</b>
Capital transfers recognised	155 862	95 520	-	54 003	54 003	47 760	6 243	13%	95 520
Borrowing	6 412	-	-	-	-	-	-	-	-
Internally generated funds	56 641	20 799	-	15 580	15 580	12 404	3 176	26%	20 799
<b>Total sources of capital funds</b>	<b>218 915</b>	<b>116 319</b>	<b>-</b>	<b>69 583</b>	<b>69 583</b>	<b>60 164</b>	<b>9 419</b>	<b>16%</b>	<b>116 319</b>
<b>Financial position</b>									
Total current assets	735 851	681 213	-	-	987 287	-	-	-	681 213
Total non current assets	2 162 440	1 997 352	-	-	2 188 388	-	-	-	1 997 352
Total current liabilities	395 179	303 486	-	-	412 506	-	-	-	303 486
Total non current liabilities	189 711	191 699	-	-	197 237	-	-	-	191 699
Community wealth/Equity	<b>2 313 400</b>	<b>2 185 331</b>	<b>-</b>	<b>-</b>	<b>2 565 931</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 185 331</b>
<b>Cash flows</b>									
Net cash from (used) operating	32 103	108 651	-	224 832	224 832	98 225	(126 606)	-129%	108 651
Net cash from (used) investing	242 572	(139 110)	-	(80 698)	(80 698)	(71 395)	9 303	-13%	(139 110)
Net cash from (used) financing	(31 987)	(27 127)	-	(21 192)	(21 192)	(13 563)	7 629	-56%	(27 127)
<b>Cash/cash equivalents at the month/year end</b>	<b>374 381</b>	<b>74 005</b>	<b>-</b>	<b>-</b>	<b>237 193</b>	<b>144 858</b>	<b>(92 335)</b>	<b>-64%</b>	<b>56 665</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	66 606	35 733	27 644	16 905	40 184	14 600	21 270	#####	636 680
<b>Creditors Age Analysis</b>									
Total Creditors	1 273	12	5	-	-	-	-	0%	1 290

### 3.2. Table C2 – Financial Performance (Standard Classification)

KZN216 Ray Nkonyeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 - Half Year

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		821 236	840 943	-	565 706	565 706	489 936	75 770	15%	840 943
Executive and council		260 646	285 237	-	213 515	213 515	142 619	70 897	50%	285 237
Finance and administration		560 589	555 706	-	352 191	352 191	347 318	4 873	1%	555 706
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		31 754	19 203	-	2 012	2 012	9 601	(7 589)	-79%	19 203
Community and social services		17 215	16 243	-	357	357	8 122	(7 765)	-96%	16 243
Sport and recreation		28	34	-	29	29	17	12	71%	34
Public safety		149	150	-	82	82	75	7	9%	150
Housing		14 362	2 775	-	1 544	1 544	1 388	156	11%	2 775
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		223 166	242 674	-	121 944	121 944	121 337	607	1%	242 674
Planning and development		166 632	113 160	-	63 726	63 726	56 580	7 147	13%	113 160
Road transport		56 148	129 172	-	58 018	58 018	64 586	(6 568)	-10%	129 172
Environmental protection		386	342	-	199	199	171	28	16%	342
<i>Trading services</i>		237 286	257 557	-	142 295	142 295	137 330	4 965	4%	257 557
Energy sources		163 931	183 943	-	93 786	93 786	91 972	1 815	2%	183 943
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		73 355	73 613	-	48 509	48 509	45 358	3 150	7%	73 613
<i>Other</i>	4	565	579	-	295	295	290	5	2%	579
<b>Total Revenue - Functional</b>	2	1 314 006	1 360 956	-	832 251	832 251	758 494	73 757	10%	1 360 956
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		452 629	377 091	-	182 061	182 061	180 619	1 441	1%	377 091
Executive and council		46 247	62 817	-	38 734	38 734	31 408	7 325	23%	62 817
Finance and administration		360 545	274 431	-	125 243	125 243	129 290	(4 046)	-3%	274 431
Internal audit		45 838	39 843	-	18 083	18 083	19 921	(1 838)	-9%	39 843
<i>Community and public safety</i>		127 992	136 697	-	76 286	76 286	69 603	6 683	10%	136 697
Community and social services		38 497	61 291	-	32 416	32 416	31 112	1 305	4%	61 291
Sport and recreation		5 074	5 274	-	2 467	2 467	2 761	(294)	-11%	5 274
Public safety		53 184	52 057	-	28 529	28 529	26 693	1 835	7%	52 057
Housing		31 238	18 075	-	12 874	12 874	9 037	3 836	42%	18 075
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		214 547	356 507	-	154 800	154 800	178 176	(23 375)	-13%	356 507
Planning and development		41 941	44 164	-	20 390	20 390	20 398	(8)	0%	44 164
Road transport		147 045	287 507	-	119 877	119 877	144 447	(24 570)	-17%	287 507
Environmental protection		25 562	24 835	-	14 533	14 533	13 331	1 203	9%	24 835
<i>Trading services</i>		313 305	380 462	-	164 461	164 461	195 091	(30 630)	-16%	380 462
Energy sources		142 294	198 700	-	75 943	75 943	99 350	(23 407)	-24%	198 700
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		171 011	181 762	-	88 518	88 518	95 741	(7 223)	-8%	181 762
<i>Other</i>		5 789	5 650	-	2 113	2 113	2 825	(712)	-25%	5 650
<b>Total Expenditure - Functional</b>	3	1 114 263	1 256 406	-	579 720	579 720	626 314	(46 594)	-7%	1 256 406
<b>Surplus/ (Deficit) for the year</b>		199 743	104 550	-	252 531	252 531	132 179	120 352	91%	104 550

### 3.3. Table C3 – Revenue and Expenditure by municipal vote

KZN216 Ray Nkonyeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 - Half Year

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Revised Outturn	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD Budget	YTD variance	YTD variance %	Full Year Estimate
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Mayor and Council		260 646	285 237	–	213 515	213 515	142 619	70 897	49.7%	285 237
Vote 2 - Finance and Administration		560 589	555 706	–	352 191	352 191	347 318	4 873	1.4%	555 706
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–
Vote 4 - Community and Social Services		17 215	16 098	–	357	357	8 049	(7 692)	-95.6%	16 098
Vote 5 - Sport and Recreation		28	–	–	29	29	–	29	#DIV/0!	–
Vote 6 - Public Safety		25 279	33 156	–	10 635	10 635	16 578	(5 943)	-35.9%	33 156
Vote 7 - Housing		14 362	2 214	–	1 544	1 544	1 107	437	39.5%	2 214
Vote 8 - Health		–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		166 632	113 160	–	63 726	63 726	56 580	7 147	12.6%	113 160
Vote 10 - Road Transport		31 018	96 166	–	47 465	47 465	48 083	(617)	-1.3%	96 166
Vote 11 - Environment Protection		386	342	–	199	199	171	28	16.3%	342
Vote 12 - Energy Sources		163 931	183 943	–	93 786	93 786	91 972	1 815	2.0%	183 943
Vote 13 - Other		565	579	–	295	295	290	5	1.9%	579
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		73 355	73 613	–	48 509	48 509	45 358	3 150	6.9%	73 613
<b>Total Revenue by Vote</b>	2	<b>1 314 006</b>	<b>1 360 216</b>	<b>–</b>	<b>832 251</b>	<b>832 251</b>	<b>758 124</b>	<b>74 127</b>	<b>9.8%</b>	<b>1 360 216</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Mayor and Council		44 958	60 994	–	37 929	37 929	30 497	7 432	24.4%	60 994
Vote 2 - Finance and Administration		315 903	226 611	–	99 924	99 924	105 380	(5 456)	-5.2%	226 611
Vote 3 - Internal Audit		90 480	87 663	–	43 403	43 403	43 831	(428)	-1.0%	87 663
Vote 4 - Community and Social Services		38 576	61 541	–	32 663	32 663	31 237	1 426	4.6%	61 541
Vote 5 - Sport and Recreation		5 074	5 074	–	2 345	2 345	2 641	(296)	-11.2%	5 074
Vote 6 - Public Safety		98 921	106 464	–	49 803	49 803	54 536	(4 733)	-8.7%	106 464
Vote 7 - Housing		31 238	18 075	–	12 874	12 874	9 037	3 836	42.4%	18 075
Vote 8 - Health		–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		43 229	45 987	–	21 195	21 195	21 310	(115)	-0.5%	45 987
Vote 10 - Road Transport		101 229	232 850	–	98 356	98 356	116 479	(18 123)	-15.6%	232 850
Vote 11 - Environment Protection		25 562	24 835	–	14 533	14 533	13 331	1 203	9.0%	24 835
Vote 12 - Energy Sources		142 294	198 700	–	75 943	75 943	99 350	(23 407)	-23.6%	198 700
Vote 13 - Other		5 789	5 650	–	2 113	2 113	2 825	(712)	-25.2%	5 650
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		171 011	181 762	–	88 518	88 518	95 741	(7 223)	-7.5%	181 762
<b>Total Expenditure by Vote</b>	2	<b>1 114 263</b>	<b>1 256 206</b>	<b>–</b>	<b>579 598</b>	<b>579 598</b>	<b>626 194</b>	<b>(46 596)</b>	<b>-7.4%</b>	<b>1 256 206</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>199 743</b>	<b>104 010</b>	<b>–</b>	<b>252 653</b>	<b>252 653</b>	<b>131 930</b>	<b>120 723</b>	<b>91.5%</b>	<b>104 010</b>

### 3.4. Table C4 – Financial Performance (Revenue and Expenditure)

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - Half Year

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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	–	92 852	92 852	91 218	1 634	2%	182 436
Service charges - Water		–	–	–	–	–	–	–	–	–
Service charges - Waste Water Management		–	–	–	–	–	–	–	–	–
Service charges - Waste management		59 334	62 711	–	40 687	40 687	39 907	780	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	–	4 531	4 531	4 786	(255)	-5%	9 571
Agency services		5 341	5 371	–	2 778	2 778	2 686	92	3%	5 371
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		6 461	6 982	–	3 816	3 816	3 491	326	9%	6 982
Interest from Current and Non Current Assets		10 845	8 511	–	5 581	5 581	4 256	1 326	31%	8 511
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		4 686	3 498	–	2 444	2 444	1 749	695	40%	3 498
Licence and permits		596	636	–	290	290	318	(28)	-9%	636
Operational Revenue		3 673	1 106	–	372	372	553	(181)	-33%	1 106
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	–	328 583	328 583	324 167	4 416	1%	509 406
Surcharges and Taxes		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		23 969	31 062	–	10 384	10 384	15 531	(5 147)	-33%	31 062
Licence and permits		7 734	9 628	–	5 139	5 139	4 814	325	7%	9 628
Transfers and subsidies - Operational		285 417	390 026	–	257 809	257 809	195 013	62 796	32%	390 026
Interest		28 075	30 164	–	15 391	15 391	15 082	309	2%	30 164
Fuel Levy		–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–
Other Gains		25 653	–	–	503	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>771 162</b>	<b>771 162</b>	<b>703 570</b>	<b>67 592</b>	<b>10%</b>	<b>1 251 108</b>
<b>Expenditure By Type</b>										
Employee related costs		455 419	484 629	–	236 855	236 855	234 389	2 466	1%	484 629
Remuneration of councillors		29 567	31 164	–	23 011	23 011	15 582	7 429	48%	31 164
Bulk purchases - electricity		107 470	162 706	–	61 594	61 594	81 353	(19 760)	-24%	162 706
Inventory consumed		11 774	11 265	–	7 663	7 663	6 534	1 130	17%	11 265
Debt impairment		(29 418)	–	–	–	–	–	–	–	–
Depreciation and amortisation		94 294	106 706	–	43 635	43 635	53 353	(9 718)	-18%	106 706
Interest		24 062	9 958	–	480	480	4 979	(4 499)	-90%	9 958
Contracted services		211 569	272 493	–	126 368	126 368	140 429	(14 061)	-10%	272 493
Transfers and subsidies		14 465	14 888	–	6 024	6 024	5 760	264	5%	14 888
Irrecoverable debts written off		27 590	10 513	–	2 531	2 531	5 257	(2 725)	-52%	10 513
Operational costs		161 955	152 083	–	72 211	72 211	78 679	(6 468)	-8%	152 083
Losses on Disposal of Assets		5 320	–	–	(652)	(652)	–	(652)	#DIV/0!	–
Other Losses		197	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>1 114 263</b>	<b>1 256 406</b>	<b>–</b>	<b>579 720</b>	<b>579 720</b>	<b>626 314</b>	<b>(46 594)</b>	<b>-7%</b>	<b>1 256 406</b>
<b>Surplus/(Deficit)</b>		<b>12 632</b>	<b>(5 298)</b>	<b>–</b>	<b>191 442</b>	<b>191 442</b>	<b>77 255</b>	<b>114 186</b>	<b>148%</b>	<b>(5 298)</b>
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	–	61 089	61 089	54 924	6 165	11%	109 848
Transfers and subsidies - capital (in-kind)		1 490	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>
Income Tax		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after income tax</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>		<b>199 743</b>	<b>104 550</b>	<b>–</b>	<b>252 531</b>	<b>252 531</b>	<b>132 179</b>			<b>104 550</b>

### 3.5. Table C5 – Capital Expenditure by Municipal vote and GFS

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 - Half Year

Vote Description	Ref	2022/23	Budget Year 2023/24				YearTD Budget	YTD Budget	YTD %	Full Year Forecast
		Actual	Original Budget	Adjusted Budget	Mid Year	YearTD actual				
<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	-	998	998	3 801	(2 802)	-74%	3 801
Vote 3 - Internal Audit		676	200	-	157	157	100	57	57%	200
Vote 4 - Community and Social Services		(1 903)	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		(8 021)	4 340	-	393	393	2 254	(1 861)	-83%	4 340
Vote 7 - Housing		229	180	-	51	51	90	(39)	-44%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		121 372	93 990	-	56 943	56 943	46 995	9 948	21%	93 990
Vote 10 - Road Transport		77 794	11 809	-	10 401	10 401	5 924	4 477	76%	11 809
Vote 11 - Environment Protection		389	-	-	189	189	-	189	#DIV/0!	-
Vote 12 - Energy Sources		13 778	2 000	-	-	-	1 000	(1 000)	-100%	2 000
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	-	-	452	452	-	452	#DIV/0!	-
<b>Total Capital single-year expenditure</b>	4	227 317	116 319	-	69 583	69 583	60 164	9 419	16%	116 319
<b>Total Capital Expenditure</b>		227 317	116 319	-	69 583	69 583	60 164	9 419	16%	116 319
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		20 039	4 001	-	1 155	1 155	3 901	(2 746)	-70%	4 001
Executive and council		320	-	-	-	-	-	-	-	-
Finance and administration		19 043	3 801	-	998	998	3 801	(2 802)	-74%	3 801
Internal audit		676	200	-	157	157	100	57	57%	200
<b>Community and public safety</b>		(9 844)	4 520	-	444	444	2 344	(1 900)	-81%	4 520
Community and social services		(1 903)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(8 170)	4 340	-	393	393	2 254	(1 861)	-83%	4 340
Housing		229	180	-	51	51	90	(39)	-44%	180
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		199 682	105 798	-	67 533	67 533	52 919	14 613	28%	105 798
Planning and development		121 350	93 990	-	56 943	56 943	46 995	9 948	21%	93 990
Road transport		77 943	11 809	-	10 401	10 401	5 924	4 477	76%	11 809
Environmental protection		389	-	-	189	189	-	189	#DIV/0!	-
<b>Trading services</b>		18 283	2 000	-	452	452	1 000	(548)	-55%	2 000
Energy sources		13 778	2 000	-	-	-	1 000	(1 000)	-100%	2 000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	-	-	452	452	-	452	#DIV/0!	-
Other		(843)	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	227 317	116 319	-	69 583	69 583	60 164	9 419	16%	116 319
<b>Funded by:</b>										
National Government		125 344	93 781	-	54 003	54 003	46 890	7 113	15%	93 781
Provincial Government		30 518	1 739	-	-	-	870	(870)	-100%	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		155 862	95 520	-	54 003	54 003	47 760	6 243	13%	95 520
<b>Borrowing</b>	6	6 412	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		56 641	20 799	-	15 580	15 580	12 404	3 176	26%	20 799
<b>Total Capital Funding</b>		218 915	116 319	-	69 583	69 583	60 164	9 419	16%	116 319



### 3.6. Table C6 – Financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M06 - Half Year

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	83 383	–	218 159	83 383
Trade and other receivables from exchange transactions		110 482	143 554	–	137 084	143 554
Receivables from non-exchange transactions		353 515	333 984	–	454 246	333 984
Current portion of non-current receivables		–	–	–	–	–
Inventory		5 564	(4 207)	–	11 790	(4 207)
VAT		147 570	121 348	–	161 538	121 348
Other current assets		4 469	3 151	–	4 469	3 151
<b>Total current assets</b>		<b>735 851</b>	<b>681 213</b>	<b>–</b>	<b>987 287</b>	<b>681 213</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		354 869	307 811	–	354 869	307 811
Property, plant and equipment		1 804 872	1 685 640	–	1 830 986	1 685 640
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		2 210	2 205	–	2 210	2 205
Intangible assets		489	1 697	–	323	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>1 997 352</b>	<b>–</b>	<b>2 188 388</b>	<b>1 997 352</b>
<b>TOTAL ASSETS</b>		<b>2 898 291</b>	<b>2 678 565</b>	<b>–</b>	<b>3 175 674</b>	<b>2 678 565</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		17 369	(12 546)	–	(3 823)	(12 546)
Consumer deposits		35 315	32 846	–	36 796	32 846
Trade and other payables from exchange transactions		147 675	117 189	–	125 023	117 189
Trade and other payables from non-exchange transactions		37 945	51 326	–	69 004	51 326
Provision		39 844	35 473	–	47 013	35 473
VAT		112 191	74 576	–	133 655	74 576
Other current liabilities		4 839	4 622	–	4 839	4 622
<b>Total current liabilities</b>		<b>395 179</b>	<b>303 486</b>	<b>–</b>	<b>412 506</b>	<b>303 486</b>
<b>Non current liabilities</b>						
Financial liabilities		43 628	49 160	–	51 154	49 160
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>191 699</b>	<b>–</b>	<b>197 237</b>	<b>191 699</b>
<b>TOTAL LIABILITIES</b>		<b>584 890</b>	<b>495 184</b>	<b>–</b>	<b>609 743</b>	<b>495 184</b>
<b>NET ASSETS</b>	2	<b>2 313 400</b>	<b>2 183 381</b>	<b>–</b>	<b>2 565 931</b>	<b>2 183 381</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2 313 400	2 185 331	–	2 565 931	2 185 331
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2 313 400</b>	<b>2 185 331</b>	<b>–</b>	<b>2 565 931</b>	<b>2 185 331</b>

### 3.7. Table C7 – Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M06 - Half Year

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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		462 432	483 936	–	243 168	243 168	241 968	1 200	0%	483 936
Service charges		232 464	232 890	–	131 564	131 564	116 445	15 119	13%	232 890
Other revenue		86 694	26 628	–	39 728	39 728	13 314	26 414	198%	26 628
Transfers and Subsidies - Operational		291 700	392 240	–	245 482	245 482	219 387	26 094	12%	392 240
Transfers and Subsidies - Capital		184 599	109 848	–	110 334	110 334	73 232	37 102	51%	109 848
Interest		10 332	8 511	–	5 006	5 006	4 256	750	18%	8 511
Dividends		–	–	–	–	–	–	–		–
<b>Payments</b>										
Suppliers and employees		(1 234 796)	(1 120 556)	–	(549 971)	(549 971)	(559 637)	9 666	-2%	(1 120 556)
Interest		(1 324)	(9 958)	–	(479)	(479)	(4 979)	4 499	-90%	(9 958)
Transfers and Subsidies		–	(14 888)	–	–	–	(5 760)	5 760	-100%	(14 888)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>32 103</b>	<b>108 651</b>	<b>–</b>	<b>224 832</b>	<b>224 832</b>	<b>98 225</b>	<b>(126 606)</b>	<b>-129%</b>	<b>108 651</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
<b>Payments</b>										
Capital assets		242 572	(139 110)	–	(80 698)	(80 698)	(71 395)	(9 303)	13%	(139 110)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>242 572</b>	<b>(139 110)</b>	<b>–</b>	<b>(80 698)</b>	<b>(80 698)</b>	<b>(71 395)</b>	<b>9 303</b>	<b>-13%</b>	<b>(139 110)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
<b>Payments</b>										
Repayment of borrowing		(31 987)	(27 127)	–	(21 192)	(21 192)	(13 563)	(7 629)	56%	(27 127)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(31 987)</b>	<b>(27 127)</b>	<b>–</b>	<b>(21 192)</b>	<b>(21 192)</b>	<b>(13 563)</b>	<b>7 629</b>	<b>-56%</b>	<b>(27 127)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>242 688</b>	<b>(57 586)</b>	<b>–</b>	<b>122 941</b>	<b>122 941</b>	<b>13 267</b>			<b>(57 586)</b>
Cash/cash equivalents at beginning:		131 693	131 591	–		114 251	131 591			114 251
Cash/cash equivalents at month/year end:		374 381	74 005	–		237 193	144 858			56 665

## 4. Supporting Documents

### 4.1. Table SC1 – Explanation of material variances

KZN216 Ray Nkonyeni - Supporting Table SC1 Material variance explanations - M06 - Half Year

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b>Revenue</b>			
	Sale of Good and Rendering of Services	-255000.00	The year to date actual amounts to R4.5 million with a year to date budget of R4.8 million. The R255 thousand negative variances attributed to seasonal revenue streams such as beach parking as we were anticipating higher revenue due to festive season but there weren't as many tourists as expected.	This will be corrected in the adjustment budget.
	Interest earned from Receivables	326000.00	The year to date budget amounts to R3.5 million compared to the year to date actual amount of R3.8 million, YTD actual showing a positive variance of R326 thousand variance. This is caused by the increased on the debtors balances.	Enhancement of revenue collection
	Interest from Current and Non Current Assets	1326000.00	The year to date actual is R5.6 million and a year to date budget of R4.3 million. This shows a positive variance since there was more interest earned than the investment accounts of the investment accounts. The variances is caused by the change in the interest rates.	This will be corrected in the adjustment budget.
	Rental from Fixed Assets	695000.00	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 year to date actuals for the rental of facilities is R2.4 million compared to year to date budget of R1.7 million, resulting to a R695 thousand positive variance. The variance is due to that the peak season is in December for hiring the community halls.	The expenditure will align as the peak season is over.
	Licence and permits- Exchange Revenue	-28000.00	Licenses and permits for exchange revenue actuals to date amounts to R290 thousand with a year to date budget of R318 thousand resulting in a negative variance of R28 thousand.	This will be corrected in the adjustment budget.
	Fines, penalties and forfeits	-5147000.00	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 year to date actual is R10.4 million compared to a year to date budget of R15.5 million. The variance is mainly caused by low fines issued and the budget amount will be revised in adjustment budget.	This item will be adjusted accordingly on the adjustment budget.
	Licence and permits- Non-exchange Revenue	325000.00	Licenses and permits for non-exchange revenue performance to date amount to R5.1 million with a year to date budget of R4.8 million. The year to date actual revenue mainly comprises of motor vehicle licenses with the budget of R8.7 million and the actual of R4.7 million.	This is in line with the budget.
	Transfers and subsidies - Operational		The year to date as of 31 December 2023 for operational grant recognized /received to date amounts to R257.8 million, year to date Budget is R195 million with a variance of R62 million as operational conditional grants are recognized as revenue when conditions being met as per the set guidelines which results in the year to date variance. The disaster projects delayed and that has the major contribution in the variance.	
2	<b>Expenditure By Type</b>			
	Remuneration of councillors	7 429 000	The increase in council remuneration was due to COGTA upgrading council remuneration to a new task grade.	This will be corrected in the adjustment budget.
	Bulk purchases	- 19 760 000	The year to date actuals for the Bulk purchases is sitting at R61.6 million against the year to date budget of R 81.4 million.	This will be corrected in the adjustment budget.
	Depreciation and amortisation	- 9 718 000	The year to date actual for this item has been calculated for the period is R43.6 million compared to the year to date budget of R53.4 million. The variance between the budgeted figure and the actual figure is due to depreciation being calculated for on assets Finance charges cost is 480 thousand, which is 90% less than the year to date budget of R4.9 million. The budget was prepared including the interest that will be incurred on the last withdrawal of R21.5 million from DBSA loan. The withdrawal is not yet done and the adjustment will be done on this line item during the adjustment process in February.	More assets to be acquired and transfer from work in progress then the depreciation amount will increase
	Interest	- 4 499 000		This will be corrected in the adjustment budget.
3	<b>Capital Expenditure</b>			
	Governance and Administration	- 2 746 000.00	The variance is due to the furniture and computers that are not yet procured.	The procurement process will be done on the second half of the financial year.

KZN216 Ray Nkonyeni - Supporting Table SC1 Material variance explanations - M06 - Half Year

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
5	Community and Public Safety	2 344 000.00	The municipality has received grants funds to be able to do more of the grants funded projects.	Actual will align with the budget in the second half of the financial year as more of the grants funds had already utilised.
	Economic and environmental services	- 1 900 000.00	The variance is due to the furniture and computers that are not yet procured.	The procurement process will be done on the second half of the financial year.
	Trading services	- 548 000.00	The variance is due to the furniture and computers that are not yet procured.	The procurement process will be done on the second half of the financial year.
	<b>Cash Flow</b>			
	Other revenue	26 414 000	The municipality collected more than the anticipated budget by R26.4 million.	The municipality will adjust accordingly.
	Transfer and Subsidies- Capital	37 102 000	This line item shows that the municipality has received more money as it was anticipated.  Finance charges cost is 480 thousand, which is 90% less than the year to date budget of R4.9 million. The budget was prepared including the interest that will be incurred on the last withdrawal of R21.5 million from DBSA loan. The withdrawal is not yet done and the adjustment will be done on this line item during the adjustment process in February.	On the budget process the second tranche of IUDG was budgeted to be received in the 3rd quarter.  This will be corrected in the adjustment budget.
	Interest Expenses	4 499 000	This line item shows that there is no expenditure paid, whereas there are expenses showing under C4, on the Statement of Financial Performance. This is due to the segments combination and alignment.	This will be corrected in the adjustment budget.
Transfer and Subsidies	5 760 000			

4.2. Table SC2 – Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 - Half Year

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Adjusted Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-0.7%	9.3%	0.0%	0.1%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		2.8%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		14.9%	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%	224.5%	0.0%	239.3%	224.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		28.9%	27.5%	0.0%	52.9%	27.5%
<b>Revenue Management</b>							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing		41.6%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >						
<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%	30.7%	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%	9.3%	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						

### 4.3. Table SC2 – Performance Indicators calculations

Calculations					
Financial liabilities		43 628	49 160	51 154	
Total Assets		2 896 291	2 678 565	3 175 674	2 678 565
Employee related costs		455 419	484 629	236 855	484 629
Repairs & Maintenance		57 885	193 770	81 884	193 770
Interest (finance charges)		24 062	9 958	480	9 958
Principal paid		31 987	27 127	21 192	27 127
Depreciation		94 294	106 706		31 164
Operating expenditure		1 114 263	1 256 406	579 720	1 256 406
Total Capital Expenditure		227 317	116 319	69 583	69 583
Borrowed funding for capital		6 412			
Debt		345 509	306 181	340 249	306 181
Equity		2 313 400	2 185 331	2 565 931	2 185 331
Reserves and funds					
Borrowing		43 628	49 160	51 154	49 160
Current assets		735 851	681 213	987 287	681 213
Current liabilities		395 179	303 486	412 506	303 486
Monetary assets		114 251	83 383	218 159	83 383
Total Revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	771 162	1 251 108
Transfers and subsidies - Operational		285 417			
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	61 089	109 848
Debt service payments		(21 655)	(18 616)	(21 672)	(37 085)
Outstanding debtors (receivables)		468 465			
Annual services revenue		698 570	754 553	462 122	462 122
Cash + investments	Including LT investments	114 251	83 383	218 159	83 383
Fixed operational expend. (monthly)					
Longstanding debtors outstanding					
Longstanding debtors recovered					
Attorney collections					

### 4.4. Table SC3 & SC4 – Age Debtors & Age Creditors

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 - Half Year

Description	NT Code	Budget Year 2023/24									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr					
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	6	15	18	20	3	28	29	946	1 065	1 026			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	16 957	9 895	2 667	1 459	1 091	828	654	12 600	45 190	16 661			
Receivables from Non-exchange Transactions - Property Rates	1400	39 757	20 063	19 363	10 502	31 320	8 856	1 371	247 738	378 971	299 787			
Receivables from Exchange Transactions - Waste Water Management	1500								0	0	0			
Receivables from Exchange Transactions - Waste Management	1600	5 745	3 179	2 197	1 883	4 742	1 551	6	49 343	68 646	57 525			
Receivables from Exchange Transactions - Property Rental Debtors	1700													
Interest on Arrear Debtor Accounts	1810	3 483	3 357	3 183	2 927	2 845	2 822	18 929	92 318	129 863	119 841			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820													
Other	1900	658	224	215	114	183	514	252	10 796	12 955	11 858			
<b>Total By Income Source</b>	<b>2000</b>	<b>66 606</b>	<b>35 733</b>	<b>27 644</b>	<b>16 905</b>	<b>40 184</b>	<b>14 600</b>	<b>21 270</b>	<b>413 738</b>	<b>636 680</b>	<b>506 697</b>			
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	2 426	1 509	6 511	667	15 447	601	911	31 350	59 421	48 975			
Commercial	2300	25 052	12 175	6 347	3 985	5 689	3 606	4 059	77 233	138 146	94 572			
Households	2400	39 129	22 049	14 786	12 253	19 048	10 393	16 301	305 155	439 113	363 149			
Other	2500													
<b>Total By Customer Group</b>	<b>2600</b>	<b>66 606</b>	<b>35 733</b>	<b>27 644</b>	<b>16 905</b>	<b>40 184</b>	<b>14 600</b>	<b>21 270</b>	<b>413 738</b>	<b>636 680</b>	<b>506 697</b>			

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 - Half Year

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			
<b>R thousands</b>												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100											
Bulk Water	0200											
PAYE deductions	0300											
VAT (output less input)	0400											
Pensions / Retirement deductions	0500											
Loan repayments	0600											
Trade Creditors	0700	1 273	12	5							1 290	
Auditor General	0800											
Other	0900											
<b>Total By Customer Type</b>	<b>1000</b>	<b>1 273</b>	<b>12</b>	<b>5</b>							<b>1 290</b>	

#### 4.5. Table SC5 – Investment Register

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 - Half Year

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	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
		Yrs/Months												
<b>R thousands</b>														
<b>Municipality</b>														
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.75%			Monthly	10 395	78			10 472
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	669	5			674
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.55%			Monthly	1 111	8			1 119
Standard Bank		MONTHLY	Call Account	Yes	Variable	5.40%			Monthly	353	3			355
Standard Bank		MONTHLY	Call Account	Yes	Variable	5.40%			Monthly	13	0			13
Standard Bank		MONTHLY	Call Account	Yes	Variable	5.40%			Monthly	83	0			83
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	83	0			83
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	1 573	12			1 585
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	156	1			158
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	35 532	265			35 797
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	265	2			267
Standard Bank		MONTHLY	Call Account	Yes	Variable	7.34%			Monthly	12 574	94			12 668
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.75%			Monthly	570	4			574
Investec Bank		MONTHLY	Call Account	Yes	Variable	8.00%			Monthly	10 841	74			10 915
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.60%			Monthly	54	0			54
Standard Bank		MONTHLY	Call Account	Yes	Variable	6.45%			Monthly	12	0			12
First National Bank		MONTHLY	Call Account	Yes	Variable	6.50%			Monthly	1 219	630	(104 500)	179 500	76 849
First National Bank		MONTHLY	Call Account	Yes	Variable	6.85%			Monthly	3 731	26			3 757
Nedbank		MONTHLY	Call Account	Yes	Variable	7.75%			Monthly	28 033	206		10 000	38 239
<b>Municipality sub-total</b>										<b>107 264</b>	<b>1 408</b>	<b>(104 500)</b>	<b>189 500</b>	<b>193 673</b>
<b>Entities</b>														
														-
														-
														-
														-
														-
														-
<b>Entities sub-total</b>										<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>										<b>107 264</b>	<b>-</b>	<b>(104 500)</b>	<b>189 500</b>	<b>193 673</b>

#### 4.6. Table SC6 – Transfers and grants receipts

KZN216 Ray Nkonyeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 - Half Year

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		268 672	294 221	-	274 024	274 024	148 933	125 091	84.0%	294 221
Expanded Public Works Programme Integrated Grant		6 076	5 084	-	3 559	3 559	3 389	170	5.0%	5 084
Local Government Financial Management Grant	3	1 950	3 900	-	1 950	1 950	2 925	(975)	-33.3%	3 900
Municipal Disaster Recovery Grant		-	-	-	55 000	55 000	-	55 000	#DIV/0!	-
Equitable Share		260 646	285 237	-	213 515	213 515	142 619	70 897	49.7%	285 237
Provincial Government:		15 096	15 457	-	476	476	15 457	(14 981)	-96.9%	15 457
Provincialization library		12 418	12 418	-	-	-	12 418	(12 418)	-100.0%	12 418
Community Library		2 102	2 563	-	-	-	2 563	(2 563)	-100.0%	2 563
Margate Airport		127	-	-	-	-	-	-	-	-
Museum		449	476	-	476	476	476	(0)	0.0%	476
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>		<b>283 768</b>	<b>309 678</b>	<b>-</b>	<b>274 500</b>	<b>274 500</b>	<b>164 390</b>	<b>110 110</b>	<b>67.0%</b>	<b>309 678</b>
<b>Capital Transfers and Grants</b>										
National Government:		148 692	190 146	-	69 792	69 792	126 764	(56 972)	-44.9%	190 146
Municipal Disaster Relief Grant		11 000	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		5 000	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		46 000	19 000	-	14 292	14 292	12 667	1 625	12.8%	19 000
Integrated Urban Development Grant		81 360	88 848	-	55 500	55 500	59 232	(3 732)	-6.3%	88 848
Integrated National Electrification Programme Grant		5 332	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	82 298	-	-	-	54 865	(54 865)	-100.0%	82 298
Provincial Government:		40 946	2 000	-	5 207	5 207	1 333	3 874	290.5%	2 000
Taxi Rank		30 000	-	-	-	-	-	-	-	-
Margate Airport		4 873	2 000	-	2 000	2 000	1 333	667	50.0%	2 000
Specify (Add grant description)		5 073	-	-	3 207	3 207	-	3 207	#DIV/0!	-
Specify (Add grant description)		1 000	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>		<b>189 638</b>	<b>192 146</b>	<b>-</b>	<b>74 999</b>	<b>74 999</b>	<b>128 097</b>	<b>(53 098)</b>	<b>-41.5%</b>	<b>192 146</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>473 406</b>	<b>501 824</b>	<b>-</b>	<b>349 499</b>	<b>349 499</b>	<b>292 487</b>	<b>57 012</b>	<b>19.5%</b>	<b>501 824</b>

#### 4.7. Table SC7 – Transfers and grants expenditure

KZN216 Ray Nkonyeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 - Half Year

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		8 026	89 332	-	43 836	43 836	44 666	(830)	-1.9%	89 332
Expanded Public Works Programme Integrated Grant		6 076	5 084	-	3 559	3 559	2 542	1 017	40.0%	5 084
Municipal Disaster Relief Grant		(0)	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	3	1 950	1 950	-	258	258	975	(717)	-73.6%	1 950
Municipal Disaster Recovery Grant		-	82 298	-	40 020	40 020	41 149	(1 129)	-2.7%	82 298
Provincial Government:		45 955	15 457	-	-	-	7 728	(7 728)	-100.0%	15 457
Specify (Add grant description)		1 000	-	-	-	-	-	-	-	-
Specify (Add grant description)		12 418	12 418	-	-	-	6 209	(6 209)	-100.0%	12 418
Specify (Add grant description)		2 102	2 563	-	-	-	1 281	(1 281)	-100.0%	2 563
Specify (Add grant description)		29 986	-	-	-	-	-	-	-	-
Specify (Add grant description)		449	476	-	-	-	238	(238)	-100.0%	476
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>		<b>53 981</b>	<b>104 789</b>	<b>-</b>	<b>43 836</b>	<b>43 836</b>	<b>52 395</b>	<b>(8 558)</b>	<b>-16.3%</b>	<b>104 789</b>
<b>Capital Transfers and Grants</b>										
National Government:		157 891	107 848	-	61 089	61 089	53 924	7 165	13.3%	107 848
Municipal Disaster Relief Grant		18 998	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		5 000	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		45 597	19 000	-	19 004	19 004	9 500	9 504	100.0%	19 000
Integrated Urban Development Grant		83 290	88 848	-	42 085	42 085	44 424	(2 339)	-5.3%	88 848
Integrated National Electrification Programme Grant		5 005	-	-	-	-	-	-	-	-
Provincial Government:		12 046	2 000	-	-	-	1 000	(1 000)	-100.0%	2 000
Specify (Add grant description)		4 552	-	-	-	-	-	-	-	-
Specify (Add grant description)		1 237	2 000	-	-	-	1 000	(1 000)	-100.0%	2 000
Specify (Add grant description)		6 257	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>		<b>169 937</b>	<b>109 848</b>	<b>-</b>	<b>61 089</b>	<b>61 089</b>	<b>54 924</b>	<b>6 165</b>	<b>11.2%</b>	<b>109 848</b>
<b>TOTAL EXPENDITURE OF TRANSFERS &amp; GRANTS</b>		<b>223 918</b>	<b>214 637</b>	<b>-</b>	<b>104 926</b>	<b>104 926</b>	<b>107 319</b>	<b>(2 393)</b>	<b>-2.2%</b>	<b>214 637</b>



#### 4.8. Table SC8 – Councillors and Staff Benefits

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 - Half Year

Summary of Employee and Councillor remuneration	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Mid Year	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		26 688	19 040	-	16 279	16 279	9 520	6 759	71%	19 040
Pension and UIF Contributions		-	758	-	376	376	379	(3)	-1%	758
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 880	2 815	-	1 466	1 466	1 408	59	4%	2 815
Housing Allowances		-	5 953	-	3 391	3 391	2 976	415	14%	5 953
Other benefits and allowances		-	2 599	-	1 498	1 498	1 299	198	15%	2 599
<b>Sub Total - Councillors</b>		<b>29 567</b>	<b>31 164</b>	<b>-</b>	<b>23 011</b>	<b>23 011</b>	<b>15 582</b>	<b>7 429</b>	<b>48%</b>	<b>31 164</b>
% increase	4		5.4%							5.4%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 690	3 946	-	1 481	1 481	1 973	(492)	-25%	3 946
Pension and UIF Contributions		146	192	-	39	39	96	(57)	-60%	192
Medical Aid Contributions		198	230	-	38	38	115	(77)	-67%	230
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		960	1 059	-	-	-	529	(529)	-100%	1 059
Motor Vehicle Allowance		838	1 060	-	319	319	530	(211)	-40%	1 060
Cellphone Allowance		87	114	-	33	33	57	(24)	-42%	114
Housing Allowances		2 655	3 275	-	808	808	1 638	(830)	-51%	3 275
Other benefits and allowances		1	1	-	0	0	0	(0)	-39%	1
Payments in lieu of leave		327	332	-	(167)	(167)	166	(333)	-200%	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>		<b>8 978</b>	<b>10 209</b>	<b>-</b>	<b>2 552</b>	<b>2 552</b>	<b>5 105</b>	<b>(2 553)</b>	<b>-50%</b>	<b>10 209</b>
% increase	4		13.7%							13.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		274 917	289 760	-	143 837	143 837	144 880	(1 043)	-1%	289 760
Pension and UIF Contributions		50 977	50 460	-	26 136	26 136	25 230	906	4%	50 460
Medical Aid Contributions		20 094	20 668	-	10 358	10 358	10 334	24	0%	20 668
Overtime		21 821	18 985	-	9 133	9 133	9 492	(359)	-4%	18 985
Performance Bonus		22 443	22 473	-	13 898	13 898	11 236	2 661	24%	22 473
Motor Vehicle Allowance		18 911	18 975	-	10 041	10 041	9 488	553	6%	18 975
Cellphone Allowance		1 021	1 007	-	501	501	503	(2)	0%	1 007
Housing Allowances		4 152	4 059	-	1 691	1 691	2 030	(338)	-17%	4 059
Other benefits and allowances		5 224	6 038	-	2 486	2 486	3 019	(532)	-18%	6 038
Payments in lieu of leave		4 871	22 480	-	11 005	11 005	11 240	(235)	-2%	22 480
Long service awards		4 268	2 751	-	2 661	2 661	1 375	1 286	93%	2 751
Post-retirement benefit obligations		17 103	15 852	-	1 975	1 975	-	1 975	#DIV/0!	15 852
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		638	912	-	579	579	456	123	27%	912
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>446 442</b>	<b>474 420</b>	<b>-</b>	<b>234 304</b>	<b>234 304</b>	<b>229 284</b>	<b>5 019</b>	<b>2%</b>	<b>474 420</b>
% increase	4		6.3%							6.3%
<b>Total Parent Municipality</b>		<b>484 987</b>	<b>515 794</b>	<b>-</b>	<b>259 866</b>	<b>259 866</b>	<b>249 971</b>	<b>9 895</b>	<b>4%</b>	<b>515 794</b>

#### 4.9. Table SC9 – Monthly Budget statement Actuals & Revised targets for cash receipts

KZN216 Ray Nkonyeni - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 - Half Year

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2024/25	Budget Year 2024/24	Budget Year 2025/25
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>																
Property rates		19 097	36 335	55 066	45 420	43 641	43 608	40 328	40 328	40 328	40 328	40 328	40 328	483 936	507 649	531 508
Service charges - Electricity revenue		13 686	16 718	16 743	17 899	17 141	15 620	14 443	14 443	14 443	14 443	14 443	14 443	173 314	181 806	190 351
Service charges - Water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management		3 035	4 964	7 643	6 419	5 977	5 720	4 965	4 965	4 965	4 965	4 965	4 965	59 576	62 495	65 432
Rental of facilities and equipment		281	627	309	443	439	256	291	291	291	291	291	291	3 498	3 669	3 842
Interest earned - external investments		1 123	1 030	765	833	418	837	709	709	709	709	709	709	8 511	8 928	9 348
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		51	215	158	144	120	37	-	-	-	-	-	-	-	-	-
Licences and permits		121	1 953	1 089	1 270	1 028	779	855	855	855	855	855	855	10 263	10 766	11 272
Agency services		445	457	331	443	412	327	448	448	448	448	448	448	5 371	5 634	5 899
Transfers and Subsidies - Operational		118 915	3 223	389	488	3 394	119 073	23 954	23 954	53 082	23 954	23 954	23 954	392 240	325 129	340 410
Other revenue		850	8 260	8 067	4 141	5 627	1 048	625	625	625	625	625	625	7 495	7 863	8 232
<b>Cash Receipts by Source</b>		<b>156 201</b>	<b>72 127</b>	<b>89 486</b>	<b>76 223</b>	<b>77 340</b>	<b>186 211</b>	<b>85 617</b>	<b>85 617</b>	<b>114 745</b>	<b>85 617</b>	<b>85 617</b>	<b>85 617</b>	<b>1 132 195</b>	<b>1 101 342</b>	<b>1 153 106</b>
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National /		49 792	-	2 000	31 000	-	20 000	-	-	36 616	-	-	-	109 848	115 231	120 646
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	7 542	-	-	-	-	-	-	-	-	-
Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>205 993</b>	<b>72 127</b>	<b>91 486</b>	<b>107 223</b>	<b>77 340</b>	<b>213 753</b>	<b>85 617</b>	<b>85 617</b>	<b>151 361</b>	<b>85 617</b>	<b>85 617</b>	<b>85 617</b>	<b>1 242 043</b>	<b>1 216 573</b>	<b>1 273 752</b>
<b>Cash Payments by Type</b>																
Employee related costs		40 639	40 387	39 367	38 769	44 273	39 193	47 096	47 096	47 096	62 948	47 096	-	486 812	510 777	534 784
Remuneration of councillors		-	-	1 588	1 582	6 440	1 899	3 116	3 116	3 116	3 116	3 116	-	31 164	32 691	34 228
Interest		-	-	479	-	-	-	834	834	834	834	834	808	9 958	10 446	10 937
Bulk purchases - Electricity		159	17 976	17 678	11 091	12 625	12 335	16 271	16 271	16 271	16 271	16 271	-	162 706	170 679	178 701
Acquisitions - water & other inventory		1 068	3 720	5 030	2 186	2 016	1 952	-	-	-	-	-	-	-	-	-
Contracted services		10 859	14 425	12 913	19 830	31 916	27 865	26 576	26 576	26 576	26 576	21 901	6 111	277 977	291 598	305 303
Transfers and subsidies - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	-	1 118	1 118	4 486	1 118	1 118	168	14 888	15 617	16 351
Other expenditure		27 190	11 521	13 481	10 495	14 200	10 065	14 321	14 321	14 321	14 321	11 711	4 654	152 519	159 992	167 512
<b>Cash Payments by Type</b>		<b>79 915</b>	<b>88 029</b>	<b>90 536</b>	<b>83 953</b>	<b>111 468</b>	<b>93 309</b>	<b>109 332</b>	<b>109 332</b>	<b>112 700</b>	<b>125 184</b>	<b>102 047</b>	<b>11 741</b>	<b>1 136 023</b>	<b>1 191 800</b>	<b>1 247 815</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		13 176	13 482	14 617	16 881	12 334	10 209	13 502	13 502	13 502	13 502	13 398	308	139 110	145 927	152 785
Repayment of borrowing		3 286	3 219	3 067	3 544	4 177	3 899	2 713	2 713	2 713	2 713	2 713	-	27 127	28 456	29 794
Other Cash Flows/Payments		555	481	1 612	-	386	206	938	938	938	938	938	-	9 378	9 838	10 300
<b>Total Cash Payments by Type</b>		<b>96 931</b>	<b>105 211</b>	<b>109 832</b>	<b>104 379</b>	<b>128 365</b>	<b>107 623</b>	<b>126 485</b>	<b>126 485</b>	<b>129 853</b>	<b>142 337</b>	<b>119 096</b>	<b>12 049</b>	<b>1 311 639</b>	<b>1 376 021</b>	<b>1 440 694</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>109 061</b>	<b>(33 084)</b>	<b>(18 346)</b>	<b>2 845</b>	<b>(51 025)</b>	<b>106 129</b>	<b>(40 868)</b>	<b>(40 868)</b>	<b>21 508</b>	<b>(56 719)</b>	<b>(33 479)</b>	<b>73 568</b>	<b>(69 595)</b>	<b>(159 448)</b>	<b>(166 942)</b>
Cash/cash equivalents at the month/year beginning:		114 251	223 313	190 229	171 883	174 728	123 703	229 832	188 965	148 097	169 605	112 885	79 406	114 251	44 656	(114 791)
Cash/cash equivalents at the month/year end:		223 313	190 229	171 883	174 728	123 703	229 832	188 965	148 097	169 605	112 885	79 406	152 974	44 656	(114 791)	(281 733)

#### 4.10. Table SC12 – Capital expenditure trends & Loan register

KZN216 Ray Nkonyeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 - Half Year

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Mid Year	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July	10 102	412	-	8 910	8 910	412	(8 497)	-2060.8%	8%
August	9 730	11 490	-	12 112	21 021	11 902	(9 119)	-76.6%	18%
September	18 717	11 190	-	12 329	33 350	23 093	(10 258)	-44.4%	29%
October	18 302	11 190	-	16 174	49 525	34 283	(15 242)	-44.5%	43%
November	11 558	14 490	-	9 830	59 355	48 773	(10 582)	-21.7%	51%
December	17 979	11 391	-	10 228	69 583	60 164	(9 419)	-15.7%	60%
January	3 729	11 190	-	-	-	71 354	-	-	-
February	16 991	11 190	-	-	-	82 544	-	-	-
March	24 209	11 190	-	-	-	93 734	-	-	-
April	16 046	11 190	-	-	-	104 924	-	-	-
May	13 533	11 086	-	-	-	116 011	-	-	-
June	66 420	308	-	-	-	116 319	-	-	-
<b>Total Capital expenditure</b>	<b>227 317</b>	<b>116 319</b>	<b>-</b>	<b>69 583</b>					

RAY NKONYENI MUNICIPALITY  
LONG TERM LOANS REGISTER : 31 DECEMBER 2023



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 December 2023	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE 31 December 2023
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	-R 10 647 036.07					-R 10 647 036.07
DBSA	12.67%	22-Nov-30	61007761	-R 7 711 087.73					-R 7 711 087.73
<b>TOTAL DBSA LOANS</b>				<b>-R 18 358 123.80</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>-R 18 358 123.80</b>
<b>TOTAL LOANS</b>				<b>-R 18 358 123.80</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>-R 18 358 123.80</b>
Prepared by: Aphelele Tobo				Date: 10 January 2024					
Reviewed by: Gcinile Kubheka				Date: 10 January 2024					

The municipality has two loan accounts from DBSA with an outstanding balance as of 31 December 2023 of R18.4 million.

## 5. SDBIP MID-YEAR PERFORMANCE REPORT

### PERFORMANCE ANALYSIS: 2023/2024

The mid-year report suggests that the municipality is continuously striving to achieve the goals entrenched in the Service Delivery Budget Implementation Plan (SDBIP). This report demonstrates that the municipality implements effective monitoring and evaluation mechanisms that consistently keep track of the organization's performance and thus ensures that the service delivery is achieved.

The quarter 1 and 2 reports of the year 2023-2024 illustrates a slight incline from of quarter 1 and quarter 2 of the previous year (2022-23). The municipality has 175 Key Performance Indicator (KPIs) targeted for quarter 1 and quarter 2 and the municipality was able to achieve 170 targets and 5 targets were not achieved.

The municipality has achieved a collection rate of 74% for the period under review. The Q2 target for the percentage of collection rate was set at 65% and the actual achievement rate for Q2 in 2022/2023 was 74%.

The following graph illustrates the Service Delivery and Budget Implementation Plan results for the first half of the financial period 1 July 2023 – 31 December 2023 which measures the municipality's overall performance by its individual Departments and by National Key Performance Areas (KPIs).

### PERFORMANCE BASED ON MUNICIPALITY NATIONAL KEY PERFORMANCE AREAS:

National Key Performance Areas	Mid-Year results (Q1&Q2)				Previous Financial Year
	2023-24				2022-23
	No. of targets	No. Achieved	No. not achieved	% Achieved	% Achieved
Municipal Transformation & Organisational Development	15	15	0	100%	100%
Service Delivery	21	18	3	86%	96%
Local Economic Development	10	10	0	100%	83%
Good Governance & Public Participation	85	85	0	100%	93%
Municipal Financial Viability & Financial Management	22	20	2	91%	91%
Cross Cutting Issues	22	22	0	100%	100%
<b>Total</b>	<b>175</b>	<b>170</b>	<b>5</b>	<b>97%</b>	<b>94%</b>

**PERFORMANCE BASED ON MUNICIPALITY NATIONAL KEY PERFORMANCE AREAS:**

National Key Performance Areas	Mid-Year results (Q1&Q2)				Previous Financial Year
	2022-23				2021-22
	No. of targets	No. Achieved	No. not achieved	% Achieved	% Achieved
Municipal Transformation & Organisational Development	17	17	0	100%	88%
Service Delivery	23	22	1	96%	96%
Local Economic Development	12	10	2	83%	94%
Good Governance & Public Participation	92	86	6	93%	86%
Municipal Financial Viability & Financial Management	22	20	2	91%	80%
Cross Cutting Issues	20	20	0	100%	100%
<b>Total</b>	<b>186</b>	<b>175</b>	<b>11</b>	<b>94%</b>	<b>89%</b>