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RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 MAY 2024 (M11)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2023/2024 BUDGET FOR THE PERIOD ENDING 31 May 2024

1. PURPOSE

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

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

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

4. BACKGROUND

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

5. EXECUTIVE SUMMARY

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

- 5.1 Statement of Financial Performance
- 5.2 Revenue By source
- 5.3 Expenditure by Type
- 5.4 Debtors Age Analysis
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- 5.6 Capital Expenditure
- 5.7 Transfers and Grants Receipts
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- 5.9 Salaries Expenditure
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6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

6.4. Cash Flow

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5.1 Monthly Budget Statement of Financial Performance

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

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M11 - May

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	486 141	509 406	509 406	(188)	508 419	509 406	(987)	0%	509 406
Service charges	212 429	245 147	245 147	17 346	235 194	229 944	5 250	2%	245 147
Investment revenue	10 845	8 511	11 275	1 100	10 883	9 875	1 008	10%	11 275
Transfers and subsidies - Operational	285 417	390 026	390 741	8 305	359 752	357 906	1 846	1%	390 741
Other own revenue	132 063	98 017	151 090	11 948	91 719	132 911	(41 193)	-31%	-
Total Revenue (excluding capital transfers and contributions)	1 126 895	1 251 108	1 307 659	38 511	1 205 967	1 240 042	(34 076)	-3%	1 307 659
Employee costs	455 419	483 929	484 374	40 486	438 502	500 117	(61 614)	-12%	484 374
Remuneration of Councillors	29 567	31 164	40 283	2 883	37 343	40 283	(2 940)	-7%	40 283
Depreciation and amortisation	94 294	104 756	110 770	7 273	79 998	100 375	(20 377)	-20%	110 770
Interest	24 062	9 958	9 960	1	1 464	9 159	(7 695)	-84%	9 960
Inventory consumed and bulk purchases	119 244	168 819	166 558	11 103	128 162	170 397	(42 235)	-25%	166 558
Transfers and subsidies	14 465	13 838	16 030	8 013	15 604	15 374	229	1%	16 030
Other expenditure	426 555	440 726	524 206	66 052	408 082	502 211	(94 129)	-19%	524 206
Total Expenditure	1 163 606	1 253 191	1 352 181	135 811	1 109 156	1 337 916	(228 760)	-17%	1 352 181
Surplus/(Deficit)	(36 711)	(2 083)	(44 522)	(97 300)	96 811	(97 873)	194 684	-199%	(44 522)
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	118 679	11 682	100 718	109 525	(8 807)	-8%	118 679
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & Share of surplus/ (deficit) of associate	150 400	107 765	74 157	(85 619)	197 529	11 652	185 877	1595%	74 157
Surplus/ (Deficit) for the year	150 400	107 765	74 157	(85 619)	197 529	11 652	185 877	1595%	74 157
Capital expenditure & funds sources									
Capital expenditure	-	-	-	-	-	-	-	-	-
Capital transfers recognised	161 075	95 520	103 199	8 189	88 800	103 267	(14 467)	-14%	103 199
Borrowing	6 412	21 452	21 452	-	-	21 452	(21 452)	-100%	21 452
Internally generated funds	44 758	37 921	47 290	3 627	30 501	47 727	(17 225)	-36%	47 290
Total sources of capital funds	212 244	154 893	171 941	11 816	119 301	172 445	(53 144)	-31%	171 941
Financial position									
Total current assets	735 851	645 023	641 156	-	937 141	-	-	-	641 156
Total non current assets	2 162 440	2 037 876	2 058 562	-	2 201 743	-	-	-	2 058 562
Total current liabilities	395 179	335 379	385 805	-	431 609	-	-	-	385 805
Total non current liabilities	189 711	158 975	158 975	-	196 345	-	-	-	158 975
Community wealth/Equity	2 313 400	2 188 546	2 154 938	-	2 510 930	-	-	-	2 154 938
Cash flows									
Net cash from (used) operating	45 732	95 608	197 333	(1 301)	317 901	189 835	(128 066)	-67%	197 333
Net cash from (used) investing	242 572	(168 358)	(192 400)	(15 102)	(138 916)	(161 114)	(22 198)	14%	(192 400)
Net cash from (used) financing	(31 987)	(18 414)	32 117	(5 744)	(45 878)	(24 605)	21 272	-86%	32 117
Cash/cash equivalents at the month/year end	388 010	40 427	168 641	-	247 359	135 707	(111 652)	-82%	151 301
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 - May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Revenue - Functional										
<i>Governance and administration</i>		821 236	840 943	855 049	4 442	840 649	817 308	23 341	3%	855 049
Executive and council		260 646	285 237	285 237	-	284 824	261 467	23 357	9%	285 237
Finance and administration		560 589	555 706	569 812	4 442	555 825	555 840	(16)	0%	569 812
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		31 754	19 203	55 838	524	9 078	53 884	(44 806)	-83%	55 838
Community and social services		17 215	16 243	16 984	52	611	15 386	(14 775)	-96%	16 984
Sport and recreation		28	34	63	1	55	53	2	3%	63
Public safety		149	150	279	8	139	234	(95)	-41%	279
Housing		14 362	2 775	38 513	463	8 273	38 211	(29 938)	-78%	38 513
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		223 166	242 674	256 341	26 041	206 582	235 890	(29 308)	-12%	256 341
Planning and development		166 632	113 160	125 950	12 163	105 118	116 511	(11 393)	-10%	125 950
Road transport		56 148	129 172	130 049	13 862	101 164	119 065	(17 901)	-15%	130 049
Environmental protection		386	342	342	17	299	314	(15)	-5%	342
<i>Trading services</i>		237 286	257 557	258 456	19 129	249 827	241 900	7 928	3%	258 456
Energy sources		163 931	183 943	184 602	17 586	173 548	169 108	4 440	3%	184 602
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		73 355	73 613	73 855	1 543	76 279	72 791	3 488	5%	73 855
<i>Other</i>	4	565	579	653	56	550	586	(37)	-6%	653
Total Revenue - Functional	2	1 314 006	1 360 956	1 426 338	50 193	1 306 685	1 349 567	(42 882)	-3%	1 426 338
Expenditure - Functional										
<i>Governance and administration</i>		501 973	378 091	427 087	32 954	330 707	417 601	(86 895)	-21%	427 087
Executive and council		46 247	64 817	72 933	4 291	60 891	70 210	(9 318)	-13%	72 933
Finance and administration		409 888	268 751	312 495	25 536	234 437	307 283	(72 846)	-24%	312 495
Internal audit		45 838	44 523	41 659	3 128	35 378	40 109	(4 731)	-12%	41 659
<i>Community and public safety</i>		127 992	137 737	171 165	38 260	166 701	168 690	(1 990)	-1%	171 165
Community and social services		38 497	61 441	61 154	5 791	63 282	59 122	4 160	7%	61 154
Sport and recreation		5 074	5 274	5 382	440	4 741	5 384	(642)	-12%	5 382
Public safety		53 184	52 947	58 165	4 407	52 645	57 720	(5 075)	-9%	58 165
Housing		31 238	18 075	46 464	27 622	46 033	46 464	(432)	-1%	46 464
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		214 547	356 280	365 314	35 049	295 377	364 766	(69 389)	-19%	365 314
Planning and development		41 941	45 114	51 991	11 135	43 029	51 829	(8 800)	-17%	51 991
Road transport		147 045	285 539	283 301	21 892	227 322	285 168	(57 846)	-20%	283 301
Environmental protection		25 562	25 622	30 022	2 021	25 025	27 768	(2 743)	-10%	30 022
<i>Trading services</i>		313 305	375 233	383 319	29 039	312 186	381 504	(69 318)	-18%	383 319
Energy sources		142 294	194 314	189 461	13 081	143 351	193 541	(50 190)	-26%	189 461
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		171 011	180 920	193 858	15 958	168 835	187 963	(19 128)	-10%	193 858
<i>Other</i>		5 789	5 850	5 296	509	4 186	5 354	(1 168)	-22%	5 296
Total Expenditure - Functional	3	1 163 606	1 253 191	1 352 181	135 811	1 109 156	1 337 916	(228 760)	-17%	1 352 181
Surplus/ (Deficit) for the year		150 400	107 765	74 157	(85 619)	197 529	11 652	185 877	1595%	74 157

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

Revenue

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

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 - May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	182 436	17 399	171 500	167 233	4 267	3%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	(53)	63 694	62 711	983	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	45 184	1 542	15 603	44 348	(28 745)	-65%	45 184
Agency services		5 341	5 371	6 248	541	5 420	5 581	(162)	-3%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	782	7 657	7 419	239	3%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	1 100	10 883	9 875	1 008	10%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	366	3 978	4 314	(335)	-8%	4 975
Licence and permits		596	636	637	49	560	583	(24)	-4%	637
Operational Revenue		3 673	1 106	1 230	51	887	1 107	(220)	-20%	1 230
Non-Exchange Revenue										
Property rates		486 141	509 406	509 406	(188)	508 419	509 406	(987)	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	4 556	19 130	31 929	(12 799)	-40%	34 529
Licence and permits		7 734	9 628	9 628	1 180	8 513	8 825	(313)	-4%	9 628
Transfers and subsidies - Operational		285 417	390 026	390 741	8 305	359 752	357 906	1 846	1%	390 741
Interest		28 075	30 164	30 164	2 881	29 468	27 650	1 818	7%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	-	503	503	0	0%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	1 307 659	38 511	1 205 967	1 240 042	(34 076)	-3%	1 307 659

Revenue from Exchange Transactions

Service charges - Electricity.

The YTD Actual for electricity billing for the period ended 31 May 2024 is R171.5 million while the YTD Budget is R167million. There is a positive variance of R4 million between the YTD actual and YTD budget. YTD Electricity consumption has attributed to electricity revenue exceeding projections by 3% which can be attributed by various factors such as the introduction of smart meters which have led to more accurate reading of units consumed.

Service charges – Waste Management

The overall YTD actual billing for refuse removals is R63.6 million and the YTD Budget billing is R62.7million, waste management revenue has been in line with the projected budget for 2023/2024 financial year, with the correct classification of residential, commercial and industrial tariffs has led to a 2 % variance above the projected revenue.

Sale of goods and Rendering of Services

The YTD actual amounts to R15.6 million with a YTD budget of R44.3million, the negative variance of R28.7 million is mainly attributed to the allocation of the R30 million the municipality received from the department of human settlement for the settlement of a legal claim against the Masinenge slum clearance project, the allocation of the R30 million will be done in the month of June and reported for accordingly.

Agency Services

Agency services comprise of driver's license application, learners license application and renewal fees, this is the commission earned by the municipality on the services performed by the municipality on behalf of the Department of transport and third parties on payroll section. The annual projected revenue is R6.2million, the YTD actual is R5.49 million vs the YTD budget of R5.5million showing a negative variance of R162 thousand variance.

Interest earned from receivables.

The YTD budget amounts to R7.4 million compared to the YTD actual amount of R7.6 million, YTD actual showing a positive variance of R239 thousand variance. YTD actual performance is in line with budgeted projections.

Interest from Investments

The YTD actual is R10.8 million and a YTD budget of R9.8. This shows a positive variance of R1 million since there was more interest earned from investment and this also indicates good performance in markets.

Rental from fixed assets

Rental of facilities amounts annual budget is R4.9 million, this is the rental of fixed asset revenue such as halls, airport hangers, skip hire and garages. The YTD actuals for the rental of facilities is R3.9 million compared to YTD budget of R4.3million, resulting to a R335 thousand negative variance. This indicates that less rental revenue was collected than anticipated.

Licenses and Permits

Licenses and permits for exchange revenue actuals to date amounts to R560 thousand with a YTD budget of R583 thousand resulting in a negative variance of R24 thousand.

Revenue from non-exchange transactions

Property Rates

Property rates comprise of multiple categories under the jurisdiction of Ray Nkonyeni Municipality, the bulk revenue is billed on three categories: Residential properties, Business and Commercial properties as well as State owned properties. The annual budget for Property rates is R509.4 million and the YTD actual billing is R508.4 million, compared to the YTD budget of R509.4 million and a negative variance of R987 thousand for the 2023/24 financial year as property rates are billed over 10 months from July – April each year. The variance is in line with the projected property rates billing across the various property categories and tariffs.

Fines

Fines, Penalties, and forfeits are derived from Building fines, illegal connections, overdue books, and the bulk budget being on traffic fines and the total budget being R34.5 million. The YTD actual is R19.1million compared to a YTD budget of R31.9 million. The variance of 12.7 million is mainly caused by low fines issued, as fines are issued based on infringements of by-laws and traffic violations.

Licenses and Permits

Licenses and permits for non-exchange revenue performance to date amount to R8.5 million with a YTD budget of R8.8 million. This revenue line item is in line with projected revenue from licenses and permits.

Transfers and Subsidies -Operational

The YTD as of 31May 2024 for operational grant recognized /received to date amounts to R359.7million, YTD Budget is R357.9million with a positive variance of R1.8 million as operational conditional grants are recognized as revenue when conditions being met as per the set guidelines which results in the YTD variance.

Interest on Property Rates

The YTD actual amounts to R29.4million compared to YTD budget of R27.6 million. Property rates billing for the 2024 financial year has been in line with the budget, collection of property rates versus billing has led to an increase in interest charges as collection of property rates is less than the budgeted collection percentage of 95%,

Total Revenue

The YTD Actual revenue excluding capital transfers is R1.2 billion for the period ending 31 May 2024, YTD Budget is R1.2 billion, total revenue is in line with budget projections.

5.3 Expenditure by Type

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 - May

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		455 419	483 929	484 374	40 486	438 502	500 117	(61 614)	-12%	484 374
Remuneration of councillors		29 567	31 164	40 283	2 883	37 343	40 283	(2 940)	-7%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	10 929	115 718	157 820	(42 102)	-27%	153 320
Inventory consumed		11 774	10 499	13 238	173	12 444	12 577	(133)	-1%	13 238
Debt impairment		19 926	-	32 571	-	-	24 428	(24 428)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	7 273	79 998	100 375	(20 377)	-20%	110 770
Interest		24 062	9 958	9 960	1	1 464	9 159	(7 695)	-84%	9 960
Contracted services		211 569	273 776	281 878	26 954	231 990	277 015	(45 025)	-16%	281 878
Transfers and subsidies		14 465	13 838	16 030	8 013	15 604	15 374	229	1%	16 030
Irrecoverable debts written off		27 590	10 513	10 013	332	4 995	9 304	(4 308)	-46%	10 013
Operational costs		161 955	156 437	199 744	38 766	172 500	191 464	(18 964)	-10%	199 744
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
Total Expenditure		1 163 606	1 253 191	1 352 181	135 811	1 109 156	1 337 916	(228 760)	-17%	1 352 181

Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R438 million as of 31 May 2024 which comprises of salaries, bonuses and various allowances amongst other items that are directly attributable to employee remuneration. Remuneration of councilors YTD actuals are sitting at R37.3 million. Employee-related cost is further detailed under table 5.9 Salaries Expenditure Details.

Contracted Services

Contracted services are made up of various operational projects such as Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 31 May 2024 amounts to R231 million, the YTD Budget is R277 million. The variance in contracted services is largely attributed to the disaster management as R60 million has been spent of the R82 million budget with projects aimed to be finalized by year end which will ensure the grant has been fully spent and have contracted services expenditure be in line with the planned expenditure.

Inventory Consumed

YTD Inventory consumed amounts to R12.4 million as of 31 May 2024 with the YTD Budget being R12.5 million with a negative variance of R133 thousands. The consumption of inventory is in line with budget projection.

Depreciation and Amortization

The YTD actual for this item has been calculated at R79.9 million compared to the YTD budget of R100.3 million. The variance between the budgeted figure and the actual figure is due to depreciation being accounted for on assets that are currently in use, and the budget being based on additional assets planned to be procured during the financial year.

Transfers and Subsidies

Transfers and subsidies relate to donations made by the municipality to fund local economic development such as SMME development, Cooperative's development, and poverty alleviation projects with the jurisdiction of Ray Nkonyeni Municipality. The YTD actual for May 2024 stands at R15.6 million with a YTD budget of R15.3 million which is in line with the planned expenditure for transfers and subsidies.

Overall expenditure budget

The overall expenditure YTD Actual is R1.1 billion, YTD Budget is R1.3 billion. There is R228.7 thousand negative variance, due to the trends of different types of expenditure as explained above such as transfers and subsidies and contracted services which reflect a large variance compared to YTD budget.

Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). The YTD Surplus excluding capital transfers is R96.8million compared to the YTD Budget deficit of R97.8 million due to the performance of the various line items detailed above.

5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 - May

Description	NT Code	Budget Year 2023/24									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	1200	9	10	4	9	11	3	13	1 033	1 092	1 069	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	18 536	8 643	1 742	1 482	1 166	912	832	14 698	48 012	19 091	
Receivables from Non-exchange Transactions - Property Rates	1400	1 292	20 137	13 045	10 994	10 029	9 282	8 940	281 978	355 697	321 223	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	
Receivables from Exchange Transactions - Waste Management	1600	9	3 257	2 295	1 966	1 784	1 631	1 546	53 934	66 421	60 861	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	3 689	3 611	3 518	3 439	3 349	3 263	3 147	116 644	140 659	129 842	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	305	281	578	194	104	353	585	10 912	13 313	12 149	
Total By Income Source	2000	23 841	35 939	21 181	18 084	16 444	15 445	15 063	479 198	625 194	544 234	
2022/23 - totals only		19 158	29 741	20 318	16 787	14 970	13 731	73 517	353 504	541 728	472 510	
Debtors Age Analysis By Customer Group												
Organs of State	2200	2 404	1 722	719	660	660	664	683	51 756	59 288	54 424	
Commercial	2300	13 425	12 962	5 429	4 340	3 893	3 605	3 925	85 791	133 370	101 553	
Households	2400	8 012	21 254	15 033	13 084	11 892	11 176	10 454	341 651	432 556	388 257	
Other	2500	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	23 841	35 939	21 181	18 084	16 444	15 445	15 063	479 198	625 194	544 234	

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

5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 - May

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	33	-	-	-	917	(20)	-	5	934	61	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	33	-	-	-	917	(20)	-	5	934	61	

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

5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 - May

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Multi-Year expenditure appropriation	2									
Vote 1 -		-	-	-	-	-	-	-	-	-
Vote 2 -		-	-	-	-	-	-	-	-	-
Vote 3 -		-	-	-	-	-	-	-	-	-
Vote 4 -		-	-	-	-	-	-	-	-	-
Vote 5 -		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 -		-	-	-	-	-	-	-	-	-
Vote 2 -		-	-	-	-	-	-	-	-	-
Vote 3 -		-	-	-	-	-	-	-	-	-
Vote 4 -		-	-	-	-	-	-	-	-	-
Vote 5 -		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	-	-	-	-	-	-	-	-
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		4 934	4 001	4 255	426	3 338	4 288	(950)	-22%	4 255
Executive and council		320	-	27	-	-	27	(27)	-100%	27
Finance and administration		3 938	3 801	4 008	426	3 150	4 058	(908)	-22%	4 008
Internal audit		676	200	220	-	188	203	(15)	-7%	220
<i>Community and public safety</i>		2 072	4 520	1 185	9	517	1 532	(1 014)	-66%	1 185
Community and social services		379	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1 464	4 340	995	9	429	1 373	(943)	-69%	995
Housing		229	180	189	-	88	159	(71)	-45%	189
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		187 788	122 920	144 549	11 333	114 947	144 715	(29 769)	-21%	144 549
Planning and development		109 467	115 220	112 625	10 104	95 232	112 643	(17 411)	-15%	112 625
Road transport		77 943	7 200	31 624	1 230	19 423	31 774	(12 351)	-39%	31 624
Environmental protection		389	500	300	-	292	298	(6)	-2%	300
<i>Trading services</i>		18 283	23 452	21 952	48	499	21 910	(21 411)	-98%	21 952
Energy sources		13 778	22 952	21 452	-	-	21 452	(21 452)	-100%	21 452
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	500	48	499	458	41	9%	500
<i>Other</i>		(843)	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	212 244	154 893	171 941	11 816	119 301	172 445	(53 144)	-31%	171 941
Funded by:										
National Government		130 557	93 781	99 328	8 189	88 800	99 395	(10 595)	-11%	99 328
Provincial Government		30 518	1 739	3 872	-	-	3 872	(3 872)	-100%	3 872
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Transfers recognised - capital		161 075	95 520	103 199	8 189	88 800	103 267	(14 467)	-14%	103 199
Borrowing	6	6 412	21 452	21 452	-	-	21 452	(21 452)	-100%	21 452
Internally generated funds		44 758	37 921	47 290	3 627	30 501	47 727	(17 225)	-36%	47 290
Total Capital Funding		212 244	154 893	171 941	11 816	119 301	172 445	(53 144)	-31%	171 941

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R119.3 million, the YTD budgeted is R172.4 million and there is R53.1 million negative variance. R119.3 million of YTD actuals for capital expenditure, R88.8million is funded by national grants, and R30.5million from internally generated funds.

5.7 Transfers and Grants Receipts

RAY NKONYENI MUNICIPALITY		KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER					
KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER		MAY 2024					
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2	Expenditure: Capital (Revenue Recognised)/GRAP 2	Internally Funded	Closing Balance as at	
INTEGRATED URBAN DEVELOPMENT (IUDG)	R -	R 88 848 000	R -	R 75 296 189	R -	R 13 551 811.19	
NEIGHBOURHOOD GRANT	R 1 200 663	R 24 178 000	R -	R 27 527 185	R 2 148 522	R -	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 5 084 000	R 6 198 009	R -	R 1 114 009	R -	
MUNICIPAL DISASTER RECOVERY	R -	R 82 298 000	R 68 282 054	R -	R -	R 14 015 945.82	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589.68	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R 326 519.55	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 1 756 845	R -	R -	R 193 154.84	
PROVINCIALIZATION OF LIBRARY GRANT	R -	R 12 418 000	R 23 596 352	R -	R 11 178 352	R -	
CYBER CADET GRANT	R -	R 324 000	R 2 026 623	R -	R 2 160 884	R -	
COMMUNITY LIBRARIES GRANT (MOB)	R -	R 1 524 000	R 225 000	R -	R -	R 1 299 000.00	
MUSEUM GRANT	R -	R 476 000	R 2 530 000	R -	R 2 054 000	R -	
MODULAR LIBRARIES GRANT	R -	R 715 000	R 712 596	R -	R -	R 2 403.67	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373.50	
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810.61	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R 2 452 315.18	
TOTAL	R 8 541 271	R 219 815 000	R 105 327 479	R 102 823 373	R 18 655 767	R 38 402 924	

Transfers and Grants Receipts

The total grants received to date for period ending 31 May 2024 amounts to R219 million, which include R88.8 million from Integrated Urban Development Grant, R24.1 million from Neighborhood Development Grant, R5 million from EPWP, R1.95 million from FMG, R82.3 million disaster recovery grant, R 476 thousand from Museum Grant, R2 million from Airport Grant, R715 thousand from MODULAR LIBRARIES GRANT libraries grant (MOB), R1 5 million received from Community libraries grant (MOB) and R324 000 received from Cyber Cadet grant and R12 418 000 received from Provincialization of Library Grant.

Opening Balances -Grant Register

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

They are shown on the register as the Opening balances. Following is the list of the unspent grants:

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

5.8 Transfers and Grants Expenditure

RAY NKONYENI MUNICIPALITY		KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER					
KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER MAY 2024		Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2	Expenditure: Capital (Revenue Recognised)/GRAP 2	Internally Funded	Closing Balance as at
INTEGRATED URBAN DEVELOPMENT (IUDG)	R	-	R 88 848 000	R -	R 75 296 189	R -	R 13 551 811.19
NEIGHBOURHOOD GRANT	R	1 200 663	R 24 178 000	R -	R 27 527 185	R 2 148 522	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R	-	R 5 084 000	R 6 198 009	R -	R 1 114 009	
MUNICIPAL DISASTER RECOVERY	R	-	R 82 298 000	R 68 282 054	R -	R -	R 14 015 945.82
INTERMODAL FACILITIES GRANT	R	13 590	R -	R -	R -	R -	R 13 589.68
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R	326 520	R -	R -	R -	R -	R 326 519.55
FINANCIAL MANAGEMENT GRANT (FMG)	R	-	R 1 950 000	R 1 756 845	R -	R -	R 193 154.84
PROVINCIALIZATION OF LIBRARY GRANT	R	-	R 12 418 000	R 23 596 352	R -	R 11 178 352	
CYBER CADET GRANT	R	-	R 324 000	R 2 026 623	R -	R 2 160 884	R -
COMMUNITY LIBRARIES GRANT (MOB)	R	-	R 1 524 000	R 225 000	R -	R -	R 1 299 000.00
MUSEUM GRANT	R	-	R 476 000	R 2 530 000	R -	R 2 054 000	R -
MODULAR LIBRARIES GRANT	R	-	R 715 000	R 712 596	R -	R -	R 2 403.67
AIRPORT GRANT	R	3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373.50
COGTA ELECT GRANT	R	784 811	R -	R -	R -	R -	R 784 810.61
MARKET STALLS GRANT	R	2 452 315	R -	R -	R -	R -	R 2 452 315.18
TOTAL	R	6 541 271	R 219 815 000	R 105 327 479	R 102 823 373	R 18 655 767	R 38 402 924

Transfers and Grants Expenditure

Grants are monitored monthly, and Grant's register is communicated/ shared with management to ensure effective management of grants and 100% expenditure. As of 31 May 2024, there is R105 327 479 operating expenditure recorded and capital expenditure amounting to R102 823 373.

Grant's expenditure

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

An amount of R88.8 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 May 2024 is R75 296 189 million and has been spent on various capital projects.

- **Neighborhood Development Partnership Grant**

An amount of R24 178 000 has been received for the Neighborhood Development Partnership Grant together with an unspent amount of R1.2 million from the previous year which the municipality needs to apply for rollover. This is a capital grant and the YTD actual for the period ended 31 May 2024 is R27.5 million, with R2.1 million being internally funded.

- **Expanded Public Works Programme**

An amount of R5 084 000 has been received for the EPWP grant. This is an operational grant and the YTD actual for the period ended 31 May 2024 is R6 198 009, with R1 114 009 being internally funded.

- **Finance Management Grant**

An amount of R1 950 000 has been received for the FMG grant. This is an operational grant and the YTD actual for the period ended 31 May 2024 is R1 756 845.

- **Museum Subsidy Grant**

An amount of R476 000 has been received for the museum grant. This is an operational grant and the YTD actual for the period ended 31 May 2024 is R2 530 000 with R2 054 000 being internally funded.

- **Disaster Recovery Grant**

An amount of R82 298 000 has been received for the disaster grant. This is an operational grant and the YTD actual for the period ended 31 May 2024 is R68 282 054.

- **Provincialization of Library Grant**

An amount of R12 418 000 has been received for Provincialization of Library Grant. This is an operational grant and the YTD actual for the period of 31 May 2024 is R23 596 352, with R11 178 352 being internally funded.

- **Cyber Cadet Grant**

An amount of R324 000 has been received for Cyber Cadet Grant. This is an operational grant and the YTD actual for the period of 31 May 2024 is R2 026 623, with R2 160 884 being internally funded.

- **Community Libraries Grant**

An amount of R1 524 000 has been received for Community Libraries Grant. This is an operational grant and the YTD actual for the period of 31 May 2024 is R 225 000.

- **Modular Libraries Grant**

An amount of R715 000 has been received for Modular Libraries Grant. This is an operational grant and the YTD actual for the period of 31 May 2024 is R 712 596.

5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 - May

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		26 688	19 040	27 782	1 584	24 208	27 782	(3 574)	-13%	27 782
Pension and UIF Contributions		–	758	758	67	694	758	(64)	-8%	758
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		2 880	2 815	3 192	256	2 746	3 192	(446)	-14%	3 192
Housing Allowances		–	5 953	5 953	728	6 934	5 953	981	16%	5 953
Other benefits and allowances		–	2 599	2 599	248	2 762	2 599	163	6%	2 599
Sub Total - Councillors		29 567	31 164	40 283	2 883	37 343	40 283	(2 940)	-7%	40 283
% increase	4		5.4%	36.2%						36.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 690	3 946	3 621	207	2 516	3 621	(1 104)	-30%	3 621
Pension and UIF Contributions		146	192	133	8	76	133	(57)	-43%	133
Medical Aid Contributions		198	230	134	4	59	134	(75)	-56%	134
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		960	1 059	1 059	823	823	1 059	(236)	-22%	1 059
Motor Vehicle Allowance		838	1 060	928	61	624	928	(304)	-33%	928
Cellphone Allowance		87	114	92	6	61	92	(32)	-34%	92
Housing Allowances		2 655	3 275	2 243	111	1 363	2 243	(880)	-39%	2 243
Other benefits and allowances		1	1	1	0	0	1	(0)	-37%	1
Payments in lieu of leave		327	332	260	8	(128)	260	(388)	-149%	260
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		76	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		8 978	10 209	8 470	1 228	5 396	8 470	(3 074)	-36%	8 470
% increase	4		13.7%	-5.7%						-5.7%
Other Municipal Staff										
Basic Salaries and Wages		274 917	289 060	294 216	24 076	264 746	293 717	(28 971)	-10%	294 216
Pension and UIF Contributions		50 977	50 460	54 484	4 430	48 231	54 484	(6 254)	-11%	54 484
Medical Aid Contributions		20 094	20 668	21 909	1 834	19 510	21 909	(2 399)	-11%	21 909
Overtime		21 821	18 985	22 020	2 129	21 795	22 200	(405)	-2%	22 020
Performance Bonus		22 443	22 473	24 034	1 439	19 931	24 034	(4 103)	-17%	24 034
Motor Vehicle Allowance		18 911	18 975	21 168	1 787	18 396	21 168	(2 771)	-13%	21 168
Cellphone Allowance		1 021	1 007	1 047	81	912	1 047	(135)	-13%	1 047
Housing Allowances		4 152	4 059	3 430	240	2 983	3 430	(448)	-13%	3 430
Other benefits and allowances		5 224	6 038	5 441	463	5 429	5 441	(13)	0%	5 441
Payments in lieu of leave		4 871	22 480	5 668	2 068	21 490	22 480	(990)	-4%	5 668
Long service awards		4 268	2 751	3 620	173	4 439	2 871	1 568	55%	3 620
Post-retirement benefit obligations		17 103	15 852	17 343	417	4 103	17 343	(13 240)	-76%	17 343
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		638	912	1 523	120	1 144	1 522	(379)	-25%	1 523
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		446 442	473 720	475 904	39 259	433 106	491 646	(58 540)	-12%	475 904
% increase	4		6.1%	6.6%						6.6%
Total Parent Municipality		484 987	515 094	524 657	43 369	475 845	540 400	(64 554)	-12%	524 657

Councillors Remuneration

The annual budget is R40.28 million with a monthly budget of R2.8 million. The YTD actual performance stands at R37.3 million which is in line with the budget.

Senior Managers of the Municipality

The head of departments on the municipality including the Municipal manager are classified under this subheading with a YTD actual of R5.3 million and a YTD budget of R8.4 million. The variance is attributed to the vacant post of senior management.

Other Municipal Staff

The annual budget is R475.4 million with a monthly budget of R39.2 million. The YTD actual of R433.1 million is in line with the YTD budget of R491.6million for this item.

5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 31 May 2024



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 May 2024	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE 31 May 2024
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	-R 10 104 501.31					-R 10 104 501.31
DBSA	12.67%	22-Nov-30	61007761	-R 7 361 624.68					-R 7 361 624.68
TOTAL DBSA LOANS				-R 17 466 125.99	R -	R -	R -	R -	-R 17 466 125.99
TOTAL LOANS				-R 17 466 125.99	R -	R -	R -	R -	-R 17 466 125.99

The municipality currently has a structured unsecured loan with the Development Bank of Southern Africa (DBSA), The Municipality entered into a loan agreement for the funding of Capital infrastructure projects, in the 2020/21 financial year the first drawdown of R3.5 million was received, as well as the second drawdown of R8.47, as well as the third drawdown of R7.9 million and current loan balance outstanding is R17.4 million as of 31 May 2024. The municipality is still able to make loan repayments as and when they fall due. The capital projects funded by borrowings in the 2023/24 financial year have been funded by a portion of unspent borrowing. The loan agreement from DBSA is spread across four years funding various capital projects the application was made at the end of last financial year and was received on the 1st month of the financial year.

ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

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

5.11 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M11 - May

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Actual Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-0.7%	9.2%	8.9%	0.1%	3.7%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		3.0%	13.8%	12.5%	0.0%	18.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		14.9%	14.0%	15.2%	13.3%	15.2%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	186.2%	192.3%	166.2%	217.1%	166.2%
Liquidity Ratio	Monetary Assets/Current Liabilities		28.9%	12.1%	15.1%	36.7%	15.1%
<u>Revenue Management</u>							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		41.6%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
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%	37.0%	36.4%	37.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.1%	15.5%	14.6%	12.7%	14.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.5%	9.2%	9.2%	0.1%	3.8%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational						

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

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R17 466 125.99 as of 31 May 2024.

Liquidity

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

Budgeted Current Ratio: R641 156/R385 805= **1.66:1**

Actual Current Ratio as of 31 May 2024: R937 141/R431 609= **2.17:1**

The current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations. A good ratio is R1.5-R2 for every R1 owed. The budget showed a R1.66: R1 ratio and the actual ratio as of 31 May 2024 is: R2.17: R1 which is above the norm.

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

Budgeted Acid test Ratio: (R641 156-R 14 612)/R385 805 =**1.62:1**

Actual Acid test Ratio as 31 May 2024: : (R937141-R11 141)/R 431 609 = **2.15:1**

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

5.12 Investment Register



RAY NKONYENI MUNICIPALITY

INVESTMENT REGISTER FOR THE PERIOD ENDING 31/05/2024

INVESTMENT DETAILS			CURRENT MONTH						YTD						
ACCOUNT NO	INSTITUTION & TYPE	PROJECT NAME / DETAILS	MONTHLY	INTEREST	BANK				INVESTMENT		BANK		INVESTMENT		
			OPENING	INVESTED	CHARGES	DEPOSIT	WITHDRAWALS	CURRENT	BALANCES AS AT	INTEREST	DEPOSITS	CHARGES	WITHDRAWALS	BALANCE AS AT	
			BALANCES	31/05/2024	31/05/2024	31/05/2024	31/05/2024	BALANCE	01/07/2023					31/05/2024	
378692984011	STANDARD BANK - CALL	LOUISIANA HSG	10 756 650.17	75 370.23	-	-	-	-	10 832 020.40	10 042 468.82	789 551.58	-	-	-	10 832 020.40
378692984003	STANDARD BANK - CALL	NZIMAKWE 1 HSG	692 774.03	4 854.16	-	-	-	-	697 628.19	646 777.71	50 850.48	-	-	-	697 628.19
378692984004	STANDARD BANK - CALL	NZIMAKWE 2 HSG	1 149 406.53	8 053.72	-	-	-	-	1 157 460.25	1 073 092.36	84 367.89	-	-	-	1 157 460.25
378692984005	STANDARD BANK - CALL	BHOBOYI SUB-HSG	364 978.29	2 557.35	-	-	-	-	367 535.64	340 745.77	26 789.87	-	-	-	367 535.64
378692984006	STANDARD BANK - CALL	BHOBOYI EST-HSG	13 197.52	53.80	-	-	-	-	13 251.32	12 679.67	571.65	-	-	-	13 251.32
378692984007	STANDARD BANK - CALL	DAMAGED HSES	84 502.93	380.38	-	-	-	-	84 883.31	80 850.07	4 033.24	-	-	-	84 883.31
378692984008	STANDARD BANK - CALL	UPLANDS HSG	84 417.36	379.99	-	-	-	-	84 797.35	80 768.21	4 029.14	-	-	-	84 797.35
378692984009	STANDARD BANK - CALL	MKHOLOMBE HSG	1 627 722.48	11 405.21	-	-	-	-	1 639 127.69	1 519 650.83	119 476.86	-	-	-	1 639 127.69
378692984010	STANDARD BANK - CALL	AIDS PROJECT	161 832.00	1 133.93	-	-	-	-	162 965.93	151 087.25	11 878.68	-	-	-	162 965.93
378692984012	STANDARD BANK - CALL	MASINENGE HSG	6 375 083.18	44 669.25	-	-	-	-	6 419 752.43	34 328 112.24	2 451 640.19	-	-	-30 360 000.00	6 419 752.43
378692984013	STANDARD BANK - CALL	KWAMAVUNDLA HSG	273 999.74	1 919.87	-	-	-	-	275 919.61	255 807.68	20 111.93	-	-	-	275 919.61
378692984014	STANDARD BANK - CALL	KWAKOLO HOUSING	13 011 994.68	91 173.09	-	-	-	-	13 103 167.77	12 148 071.10	955 096.67	-	-	-	13 103 167.77
378692984015	STANDARD BANK - CALL	KWADWALANE HOUSING	589 556.39	4 130.93	-	-	-	-	593 687.32	550 413.15	43 274.17	-	-	-	593 687.32
			35 186 115.30	246 081.91	-	-	-	-	35 432 197.21	61 230 524.86	4 561 672.35	-	-	-30 360 000.00	35 432 197.21
74873852518	INVESTEC - CALL	MHOA (HOUSING DEVELOPMENT FUND)		-	-	-	-	-	-	10 831 633.79	688 977.75	-	-	-11 520 611.54	-
				-	-	-	-	-	-	10 831 633.79	688 977.75	-	-	-11 520 611.54	-
378692984016	STANDARD BANK-CALL	RNM-UNSPENT CONDITIONAL GRANTS	55 514.93	248.99	-	-	-	-	55 563.92	51 758.71	3 805.21	-	-	-	55 563.92
378692984017	STANDARD BANK-CALL	RNM-ACCREDITATION FUNDS	12 228.82	49.85	-	-	-	-	12 278.67	11 446.99	831.68	-	-	-	12 278.67
			67 543.75	298.84	-	-	-	-	67 842.59	63 205.70	4 636.89	-	-	-	67 842.59
62726614151	FNB - CALL	RNM - PRIMARY INVESTMENT A/C	85 976 311.99	684 604.35	-	37 500 000.00	-71 000 000.00	-	53 160 916.34	7 529 242.03	7 693 401.31	907 700 000.00	-	-869 761 727.00	53 160 916.34
			85 976 311.99	684 604.35	-	37 500 000.00	-71 000 000.00	-	53 160 916.34	7 529 242.03	7 693 401.31	907 700 000.00	-	-869 761 727.00	53 160 916.34
74873852518	FNB	FNB- 48 HOUR CASH ACCELERATOR	3 858 451.21	26 544.03	-	-	-	-	3 884 995.24	3 606 757.16	278 238.08	-	-	-	3 884 995.24
			3 858 451.21	26 544.03	-	-	-	-	3 884 995.24	3 606 757.16	278 238.08	-	-	-	3 884 995.24
037881000791	NEDBANK	RESERVES INVESTMENT ACCOUNT	50 269 367.94	330 882.53	-	-	-	-	50 600 250.47	27 139 957.96	2 442 825.51	21 017 467.00	-	-	50 600 250.47
			50 269 367.94	330 882.53	-	-	-	-	50 600 250.47	27 139 957.96	2 442 825.51	21 017 467.00	-	-	50 600 250.47
		GRAND TOTAL RNM INVESTMENT + INTEREST	175 357 790.19	1 288 411.66	-	37 500 000.00	-71 000 000.00	-	143 146 201.85	110 401 321.50	15 669 751.89	907 700 000.00	-	-911 642 338.54	143 146 201.85

The Investment register as of 31 May 2024 has the closing balance of R 143.1 million, with R1.2 million total interest earned for the month from which R 684 604.35 thousand was made on primary investment and various investment accounts as shown in the above register.

6.1 Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M11 - May

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	486 141	509 406	509 406	(188)	508 419	509 406	(987)	0%	509 406
Service charges	212 429	245 147	245 147	17 346	235 194	229 944	5 250	2%	245 147
Investment revenue	10 845	8 511	11 275	1 100	10 883	9 875	1 008	10%	11 275
Transfers and subsidies - Operational	285 417	390 026	390 741	8 305	359 752	357 906	1 846	1%	390 741
Other own revenue	132 063	98 017	151 090	11 948	91 719	132 911	(41 193)	-31%	-
Total Revenue (excluding capital transfers and contributions)	1 126 895	1 251 108	1 307 659	38 511	1 205 967	1 240 042	(34 076)	-3%	1 307 659
Employee costs	455 419	483 929	484 374	40 486	438 502	500 117	(61 614)	-12%	484 374
Remuneration of Councillors	29 567	31 164	40 283	2 883	37 343	40 283	(2 940)	-7%	40 283
Depreciation and amortisation	94 294	104 756	110 770	7 273	79 998	100 375	(20 377)	-20%	110 770
Interest	24 062	9 958	9 960	1	1 464	9 159	(7 695)	-84%	9 960
Inventory consumed and bulk purchases	119 244	168 819	166 558	11 103	128 162	170 397	(42 235)	-25%	166 558
Transfers and subsidies	14 465	13 838	16 030	8 013	15 604	15 374	229	1%	16 030
Other expenditure	426 555	440 726	524 206	66 052	408 082	502 211	(94 129)	-19%	524 206
Total Expenditure	1 163 606	1 253 191	1 352 181	135 811	1 109 156	1 337 916	(228 760)	-17%	1 352 181
Surplus/(Deficit)	(36 711)	(2 083)	(44 522)	(97 300)	96 811	(97 873)	194 684	-199%	(44 522)
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	118 679	11 682	100 718	109 525	(8 807)	-8%	118 679
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	150 400	107 765	74 157	(85 619)	197 529	11 652	185 877	1595%	74 157
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	150 400	107 765	74 157	(85 619)	197 529	11 652	185 877	1595%	74 157
Capital expenditure & funds sources									
Capital expenditure	-	-	-	-	-	-	-	-	-
Capital transfers recognised	161 075	95 520	103 199	8 189	88 800	103 267	(14 467)	-14%	103 199
Borrowing	6 412	21 452	21 452	-	-	21 452	(21 452)	-100%	21 452
Internally generated funds	44 758	37 921	47 290	3 627	30 501	47 727	(17 225)	-36%	47 290
Total sources of capital funds	212 244	154 893	171 941	11 816	119 301	172 445	(53 144)	-31%	171 941
Financial position									
Total current assets	735 851	645 023	641 156		937 141				641 156
Total non current assets	2 162 440	2 037 876	2 058 562		2 201 743				2 058 562
Total current liabilities	395 179	335 379	385 805		431 609				385 805
Total non current liabilities	189 711	158 975	158 975		196 345				158 975
Community wealth/Equity	2 313 400	2 188 546	2 154 938		2 510 930				2 154 938
Cash flows									
Net cash from (used) operating	45 732	95 608	197 333	(1 301)	317 901	189 835	(128 066)	-67%	197 333
Net cash from (used) investing	242 572	(168 358)	(192 400)	(15 102)	(138 916)	(161 114)	(22 198)	14%	(192 400)
Net cash from (used) financing	(31 987)	(18 414)	32 117	(5 744)	(45 878)	(24 605)	21 272	-86%	32 117
Cash/cash equivalents at the month/year end	388 010	40 427	168 641	-	247 359	135 707	(111 652)	-82%	151 301
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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

6.2 Statement of Financial Performance (Revenue and Expenditure)

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 - May

Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	182 436	17 399	171 500	167 233	4 267	3%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	(53)	63 694	62 711	983	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	45 184	1 542	15 603	44 348	(28 745)	-65%	45 184
Agency services		5 341	5 371	6 248	541	5 420	5 581	(162)	-3%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	782	7 657	7 419	239	3%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	1 100	10 883	9 875	1 008	10%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	366	3 978	4 314	(335)	-8%	4 975
Licence and permits		596	636	637	49	560	583	(24)	-4%	637
Operational Revenue		3 673	1 106	1 230	51	887	1 107	(220)	-20%	1 230
Non-Exchange Revenue										
Property rates		486 141	509 406	509 406	(188)	508 419	509 406	(987)	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	4 556	19 130	31 929	(12 799)	-40%	34 529
Licence and permits		7 734	9 628	9 628	1 180	8 513	8 825	(313)	-4%	9 628
Transfers and subsidies - Operational		285 417	390 026	390 741	8 305	359 752	357 906	1 846	1%	390 741
Interest		28 075	30 164	30 164	2 881	29 468	27 650	1 818	7%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	-	503	503	0	0%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	1 307 659	38 511	1 205 967	1 240 042	(34 076)	-3%	1 307 659
Expenditure By Type										
Employee related costs		455 419	483 929	484 374	40 486	438 502	500 117	(61 614)	-12%	484 374
Remuneration of councillors		29 567	31 164	40 283	2 883	37 343	40 283	(2 940)	-7%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	10 929	115 718	157 820	(42 102)	-27%	153 320
Inventory consumed		11 774	10 499	13 238	173	12 444	12 577	(133)	-1%	13 238
Debt impairment		19 926	-	32 571	-	-	24 428	(24 428)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	7 273	79 998	100 375	(20 377)	-20%	110 770
Interest		24 062	9 958	9 960	1	1 464	9 159	(7 695)	-84%	9 960
Contracted services		211 569	273 776	281 878	26 954	231 990	277 015	(45 025)	-16%	281 878
Transfers and subsidies		14 465	13 838	16 030	8 013	15 604	15 374	229	1%	16 030
Irrecoverable debts written off		27 590	10 513	10 013	332	4 995	9 304	(4 308)	-46%	10 013
Operational costs		161 955	156 437	199 744	38 766	172 500	191 464	(18 964)	-10%	199 744
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
Total Expenditure		1 163 806	1 253 191	1 352 181	135 811	1 109 156	1 337 916	(228 760)	-17%	1 352 181
Surplus/(Deficit)		(36 711)	(2 083)	(44 522)	(97 300)	96 811	(97 873)	194 684	-199%	(44 522)
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	118 679	11 882	100 718	109 525	(8 807)	-8%	118 679
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		150 400	107 765	74 157	(85 619)	197 529	11 652			74 157
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		150 400	107 765	74 157	(85 619)	197 529	11 652			74 157
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		150 400	107 765	74 157	(85 619)	197 529	11 652			74 157
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		150 400	107 765	74 157	(85 619)	197 529	11 652			74 157

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

6.3 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M11 - May

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year
12.1 -		-	-	-	-	-	-	-	-	-
12.2 -		-	-	-	-	-	-	-	-	-
12.3 -		-	-	-	-	-	-	-	-	-
12.4 -		-	-	-	-	-	-	-	-	-
12.5 -		-	-	-	-	-	-	-	-	-
12.6 -		-	-	-	-	-	-	-	-	-
12.7 -		-	-	-	-	-	-	-	-	-
12.8 -		-	-	-	-	-	-	-	-	-
12.9 -		-	-	-	-	-	-	-	-	-
12.10 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
13.1 -		-	-	-	-	-	-	-	-	-
13.2 -		-	-	-	-	-	-	-	-	-
13.3 -		-	-	-	-	-	-	-	-	-
13.4 -		-	-	-	-	-	-	-	-	-
13.5 -		-	-	-	-	-	-	-	-	-
13.6 -		-	-	-	-	-	-	-	-	-
13.7 -		-	-	-	-	-	-	-	-	-
13.8 -		-	-	-	-	-	-	-	-	-
13.9 -		-	-	-	-	-	-	-	-	-
13.10 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
14.1 -		-	-	-	-	-	-	-	-	-
14.2 -		-	-	-	-	-	-	-	-	-
14.3 -		-	-	-	-	-	-	-	-	-
14.4 -		-	-	-	-	-	-	-	-	-
14.5 -		-	-	-	-	-	-	-	-	-
14.6 -		-	-	-	-	-	-	-	-	-
14.7 -		-	-	-	-	-	-	-	-	-
14.8 -		-	-	-	-	-	-	-	-	-
14.9 -		-	-	-	-	-	-	-	-	-
14.10 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
15.1 -		-	-	-	-	-	-	-	-	-
15.2 -		-	-	-	-	-	-	-	-	-
15.3 -		-	-	-	-	-	-	-	-	-
15.4 -		-	-	-	-	-	-	-	-	-
15.5 -		-	-	-	-	-	-	-	-	-
15.6 -		-	-	-	-	-	-	-	-	-
15.7 -		-	-	-	-	-	-	-	-	-
15.8 -		-	-	-	-	-	-	-	-	-
15.9 -		-	-	-	-	-	-	-	-	-
15.10 -		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	-	-	-	-	-	-	-	-

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

6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M11 - May

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		462 432	483 936	483 936	36 828	450 243	506 248	(56 005)	-11%	483 936
Service charges		232 464	232 890	232 890	24 302	248 028	274 989	(26 962)	-10%	232 890
Other revenue		86 694	26 628	29 263	20 834	88 436	54 408	34 028	63%	29 263
Transfers and Subsidies - Operational		291 700	390 290	426 030	12 870	363 688	336 888	26 799	8%	426 030
Transfers and Subsidies - Capital		184 599	109 848	119 163	-	153 568	132 163	21 405	16%	119 163
Interest		10 332	8 511	11 275	1 016	9 963	11 916	(1 952)	-16%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1 221 166)	(1 131 649)	(1 130 069)	(97 150)	(994 568)	(1 098 797)	104 229	-9%	(1 130 069)
Interest		(1 324)	(9 958)	9 958	-	(1 457)	(10 818)	9 361	-87%	9 958
Transfers and Subsidies		-	(14 888)	14 888	-	-	(17 163)	17 163	-100%	14 888
NET CASH FROM/(USED) OPERATING ACTIVITIES		45 732	95 608	197 333	(1 301)	317 901	189 835	(128 066)	-67%	197 333
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		242 572	(168 358)	(192 400)	(15 102)	(138 916)	(161 114)	22 198	-14%	(192 400)
NET CASH FROM/(USED) INVESTING ACTIVITIES		242 572	(168 358)	(192 400)	(15 102)	(138 916)	(161 114)	(22 198)	14%	(192 400)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	9 000	(9 000)	-100%	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(31 987)	(18 414)	32 117	(5 744)	(45 878)	(33 605)	(12 272)	37%	32 117
NET CASH FROM/(USED) FINANCING ACTIVITIES		(31 987)	(18 414)	32 117	(5 744)	(45 878)	(24 605)	21 272	-86%	32 117
NET INCREASE/ (DECREASE) IN CASH HELD		256 317	(91 164)	37 050	(22 147)	133 107	4 116			37 050
Cash/cash equivalents at beginning:		131 693	131 591	131 591		114 251	131 591			114 251
Cash/cash equivalents at month/year end:		388 010	40 427	168 641		247 359	135 707			151 301

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

6.5 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M11 - May

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		114 251	40 427	58 137	158 563	58 137
Trade and other receivables from exchange transactions		110 482	143 554	138 590	140 829	138 590
Receivables from non-exchange transactions		353 515	333 984	308 284	447 131	308 284
Current portion of non-current receivables		-	-	-	-	-
Inventory		5 564	2 559	14 612	11 141	14 612
VAT		147 570	121 348	118 384	175 009	118 384
Other current assets		4 469	3 151	3 151	4 469	3 151
Total current assets		735 851	645 023	641 156	937 141	641 156
Non current assets						
Investments		-	-	-	-	-
Investment property		354 869	307 811	316 811	354 869	316 811
Property, plant and equipment		1 804 872	1 726 164	1 737 417	1 844 458	1 737 417
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		2 210	2 205	2 205	2 210	2 205
Intangible assets		489	1 697	2 129	206	2 129
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		2 162 440	2 037 876	2 058 562	2 201 743	2 058 562
TOTAL ASSETS		2 898 291	2 682 899	2 699 718	3 138 884	2 699 718
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		17 369	28 891	15 188	(28 509)	15 188
Consumer deposits		35 315	32 846	32 846	37 944	32 846
Trade and other payables from exchange transactions		147 675	112 595	150 743	129 177	150 743
Trade and other payables from non-exchange transactions		37 945	46 376	44 158	83 373	44 158
Provision		39 844	35 473	63 673	54 534	63 673
VAT		112 191	74 576	74 576	150 251	74 576
Other current liabilities		4 839	4 622	4 622	4 839	4 622
Total current liabilities		395 179	335 379	385 805	431 609	385 805
Non current liabilities						
Financial liabilities		43 628	16 435	16 435	50 262	16 435
Provision		47 192	41 487	41 487	47 192	41 487
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		98 891	101 052	101 052	98 891	101 052
Total non current liabilities		189 711	158 975	158 975	196 345	158 975
TOTAL LIABILITIES		584 890	494 353	544 780	627 954	544 780
NET ASSETS	2	2 313 400	2 188 546	2 154 938	2 510 930	2 154 938
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 313 400	2 188 546	2 154 938	2 510 930	2 154 938
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	2 313 400	2 188 546	2 154 938	2 510 930	2 154 938

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 31 May 2024. Total assets are R3.1 billion over the total liabilities of R627.9 million, this therefore mean the municipality is still able to meet its financial obligations.