



The Game changer of South Coast development

RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2024 (M03)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2024/2025 BUDGET FOR THE PERIOD ENDING 30 SEPTEMBER 2024

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2024/25 Budget of the Ray Nkonyeni Municipality for the period ending 30 September 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 30 September 2024 is detailed below. The monthly budget statement is divided into the following:

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

6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

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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 - M03 - September

| Description | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|------------------|---------------------|-----------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
| | 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 | 508 008 | 532 893 | - | 46 842 | 201 003 | 193 779 | 7 224 | 4% | 532 893 |
| Service charges | 250 760 | 278 556 | - | 23 053 | 76 002 | 77 393 | (1 391) | -2% | 278 556 |
| Investment revenue | 11 614 | 11 916 | - | 993 | 3 512 | 2 979 | 533 | 18% | 11 916 |
| Transfers and subsidies - Operational | 385 654 | 324 656 | - | - | 126 203 | 128 865 | (2 662) | -2% | 324 656 |
| Other own revenue | 99 441 | 122 121 | - | 6 749 | 20 029 | 30 530 | (10 501) | -34% | - |
| Total Revenue (excluding capital transfers and contributions) | 1 255 476 | 1 270 142 | - | 77 637 | 426 749 | 433 547 | (6 797) | -2% | 1 270 142 |
| Employee costs | 479 025 | 497 297 | - | 45 532 | 125 313 | 120 316 | 4 997 | 4% | 497 297 |
| Remuneration of Councilors | 40 181 | 34 185 | - | 2 836 | 8 588 | 8 546 | 42 | 0% | 34 185 |
| Depreciation and amortisation | 79 998 | 107 839 | - | 22 330 | 22 330 | 21 504 | 826 | 4% | 107 839 |
| Interest | 1 465 | 11 818 | - | - | 0 | 2 985 | (2 984) | -100% | 11 818 |
| Inventory consumed and bulk purchases | 140 607 | 166 532 | - | 20 015 | 41 900 | 42 216 | (316) | -1% | 166 532 |
| Transfers and subsidies | 15 664 | 17 163 | - | 69 | 1 351 | 2 045 | (694) | -34% | 17 163 |
| Other expenditure | 461 223 | 414 864 | - | 33 511 | 93 008 | 108 490 | (15 482) | -14% | 414 864 |
| Total Expenditure | 1 218 162 | 1 249 698 | - | 124 294 | 292 492 | 306 102 | (13 610) | -4% | 1 249 698 |
| Surplus/(Deficit) | 37 314 | 20 444 | - | (46 657) | 134 258 | 127 445 | 6 813 | 5% | 20 444 |
| Transfers and subsidies - capital (monetary allocations) | 115 831 | 132 163 | - | - | 5 697 | 33 416 | (27 718) | -83% | 132 163 |
| Transfers and subsidies - capital (in-kind) | - | - | - | - | - | - | - | - | - |
| surplus/(deficit) after capital transfers & | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | (20 906) | -13% | 152 607 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | (20 906) | -13% | 152 607 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 146 600 | 186 158 | - | 7 044 | 19 940 | 45 636 | (25 696) | -56% | 186 158 |
| Capital transfers recognised | 101 750 | 114 924 | - | 5 886 | 15 831 | 28 646 | (12 816) | -45% | 114 924 |
| Borrowing | 643 | 9 000 | - | 252 | 252 | 1 800 | (1 548) | -86% | 9 000 |
| Internally generated funds | 44 207 | 62 234 | - | 906 | 3 858 | 15 190 | (11 332) | -75% | 62 234 |
| Total sources of capital funds | 146 600 | 186 158 | - | 7 044 | 19 940 | 45 636 | (25 696) | -56% | 186 158 |
| Financial position | | | | | | | | | |
| Total current assets | 844 302 | 833 735 | - | - | 915 555 | - | - | - | 833 735 |
| Total non current assets | 2 223 878 | 2 242 159 | - | - | 2 324 575 | - | - | - | 2 242 159 |
| Total current liabilities | 448 953 | 439 175 | - | - | 478 068 | - | - | - | 439 175 |
| Total non current liabilities | 196 345 | 170 711 | - | - | 243 390 | - | - | - | 170 711 |
| Community wealth/Equity | 2 422 883 | 2 466 007 | - | - | 2 518 672 | - | - | - | 2 466 007 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 271 903 | 189 835 | - | (11 785) | 129 876 | 156 643 | 26 766 | 17% | 189 835 |
| Net cash from (used) investing | 168 468 | (161 114) | - | (7 996) | (31 423) | (40 002) | (8 580) | 21% | (161 114) |
| Net cash from (used) financing | (51 726) | 9 000 | - | - | - | 9 000 | 9 000 | 100% | 9 000 |
| Cash/cash equivalents at the month/year end | 504 266 | 151 973 | - | - | 164 859 | 239 892 | 75 033 | 31% | 104 126 |
| Debtors & creditors analysis | | | | | | | | | |
| | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dya-1 Yr | Over 1Yr | Total |
| Debtors Age Analysis | | | | | | | | | |
| Total By Income Source | 72 192 | 79 743 | 20 086 | 5 470 | 5 958 | 15 868 | 14 769 | 488 571 | 702 657 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 329 | - | - | - | - | - | - | 5 | 334 |

5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - September

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 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 | | 187 331 | 207 222 | - | 16 716 | 50 076 | 51 805 | (1 729) | -3% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 429 | 71 335 | - | 6 338 | 25 926 | 25 588 | 338 | 1% | 71 335 |
| Sale of Goods and Rendering of Services | | 16 749 | 22 615 | - | 1 544 | 4 568 | 5 654 | (1 086) | -19% | 22 615 |
| Agency services | | 5 898 | 6 892 | - | 409 | 1 558 | 1 723 | (165) | -10% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 378 | 8 202 | - | 780 | 2 316 | 2 050 | 265 | 13% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | - | 993 | 3 512 | 2 979 | 533 | 18% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 266 | 5 203 | - | 254 | 795 | 1 301 | (506) | -39% | 5 203 |
| Licence and permits | | 598 | 737 | - | 40 | 151 | 184 | (33) | -18% | 737 |
| Operational Revenue | | 1 159 | 1 091 | - | 29 | 85 | 273 | (187) | -69% | 1 091 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 508 008 | 532 893 | - | 46 842 | 201 003 | 193 779 | 7 224 | 4% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 608 | 32 812 | - | 84 | 160 | 8 203 | (8 043) | -98% | 32 812 |
| Licence and permits | | 9 064 | 11 956 | - | 886 | 2 265 | 2 989 | (724) | -24% | 11 956 |
| Transfers and subsidies - Operational | | 385 654 | 324 656 | - | - | 126 203 | 128 865 | (2 662) | -2% | 324 656 |
| Interest | | 32 216 | 32 615 | - | 2 724 | 8 131 | 8 154 | (22) | 0% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 506 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| TOTAL Revenue (excluding capital transfers and contributions) | | 1 255 476 | 1 270 142 | - | 77 637 | 426 749 | 433 547 | (6 797) | -2% | 1 270 142 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 479 025 | 497 297 | - | 45 532 | 125 313 | 120 316 | 4 997 | 4% | 497 297 |
| Remuneration of councillors | | 40 181 | 34 185 | - | 2 836 | 8 588 | 8 546 | 42 | 0% | 34 185 |
| Bulk purchases - electricity | | 127 809 | 153 550 | - | 18 739 | 38 116 | 38 387 | (272) | -1% | 153 550 |
| Inventory consumed | | 12 798 | 12 982 | - | 1 276 | 3 784 | 3 828 | (44) | -1% | 12 982 |
| Debt impairment | | - | 11 290 | - | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 79 998 | 107 839 | - | 22 330 | 22 330 | 21 504 | 826 | 4% | 107 839 |
| Interest | | 1 465 | 11 818 | - | - | 0 | 2 985 | (2 984) | -100% | 11 818 |
| Contracted services | | 262 443 | 227 033 | - | 22 052 | 51 672 | 63 181 | (11 509) | -18% | 227 033 |
| Transfers and subsidies | | 15 664 | 17 163 | - | 69 | 1 351 | 2 045 | (694) | -34% | 17 163 |
| Irrecoverable debts written off | | 11 307 | 5 000 | - | 416 | 1 438 | 1 250 | 188 | 15% | 5 000 |
| Operational costs | | 188 761 | 171 541 | - | 11 044 | 39 899 | 44 059 | (4 161) | -9% | 171 541 |
| Losses on Disposal of Assets | | (1 404) | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 218 162 | 1 249 698 | - | 124 294 | 292 492 | 306 102 | (13 610) | -4% | 1 249 698 |
| Surplus/(Deficit) | | 37 314 | 20 444 | - | (46 657) | 134 258 | 127 445 | 6 813 | 5% | 20 444 |
| Transfers and subsidies - capital (monetary allocations) | | 115 831 | 132 163 | - | - | 5 697 | 33 416 | (27 718) | -83% | 132 163 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |

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) - M03 - September

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------|------------------|-----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| | | 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 | | 187 331 | 207 222 | - | 16 716 | 50 076 | 51 805 | (1 729) | -3% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 429 | 71 335 | - | 6 338 | 25 926 | 25 588 | 338 | 1% | 71 335 |
| Sale of Goods and Rendering of Services | | 16 749 | 22 615 | - | 1 544 | 4 568 | 5 654 | (1 086) | -19% | 22 615 |
| Agency services | | 5 898 | 6 892 | - | 409 | 1 558 | 1 723 | (165) | -10% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 378 | 8 202 | - | 780 | 2 316 | 2 050 | 265 | 13% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | - | 993 | 3 512 | 2 979 | 533 | 18% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 266 | 5 203 | - | 254 | 795 | 1 301 | (506) | -39% | 5 203 |
| Licence and permits | | 598 | 737 | - | 40 | 151 | 184 | (33) | -18% | 737 |
| Operational Revenue | | 1 159 | 1 091 | - | 29 | 85 | 273 | (187) | -69% | 1 091 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 508 008 | 532 893 | - | 46 842 | 201 003 | 193 779 | 7 224 | 4% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 608 | 32 812 | - | 84 | 160 | 8 203 | (8 043) | -98% | 32 812 |
| Licence and permits | | 9 064 | 11 956 | - | 886 | 2 265 | 2 989 | (724) | -24% | 11 956 |
| Transfers and subsidies - Operational | | 385 654 | 324 656 | - | - | 126 203 | 128 865 | (2 662) | -2% | 324 656 |
| Interest | | 32 216 | 32 615 | - | 2 724 | 8 131 | 8 154 | (22) | 0% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 506 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 1 255 476 | 1 270 142 | - | 77 637 | 426 749 | 433 547 | (6 797) | -2% | 1 270 142 |

Revenue from Exchange Transactions

Service charges - Electricity

The YTD Actual for electricity billing for the period ended 30 September 2024 is R50 million while the YTD Budget is R51.8 million. There is a negative variance of R1.7 million between the YTD actual and YTD budget. The YTD actual is in line with the budget.

Service charges – Waste Management

The overall YTD actual billing for refuse removals is R25.9 million and the YTD Budget billing is R25.5 million, with indicates a positive variance of R338 thousand. The YTD actual is in line with the budget.

Sale of goods and Rendering of Services

The YTD actual amounts to R4.5 million with a YTD budget of R5.6 million, which makes a negative variance of R1 million. This segment has different items which attribute to revenue, however no revenue was received for year to date e.g. INEP Construction Revenue & Demolition fees, while some items have exceeded the expected budget, e.g. Asset Management Sale of Docs Agency SERV Insurance Claim, Road Traffic Lollipop Income.

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 R6.8 million, with the YTD actual of R1.5 million, with YTD Budget of R1.7 million showing a negative of R165 thousand variance. The YTD actual is in line with the budget.

Interest earned from receivables

The YTD budget amounts to R2 million compared to the YTD actual amount of R2.3 million, with a positive variance of R265 thousand. The YTD actual is in line with the budget.

Interest from Investments

The YTD actual as at September 2024 is R3.5 million and a YTD budget of R2.9 million. This shows a positive variance of R533 thousand since there was more interest earned than the amount anticipated mainly from the main bank account. The YTD actual is in line with the budget.

Rental from fixed assets

Rental of facilities amounts annual budget is R5.2 million, this is the rental of fixed asset revenue such as halls, airport hangers and garages. YTD actual of R795 thousand YTD budget of R1.3

million with a negative variance percentage of 39% This indicates that less revenue was collected than anticipated for most items in this category, while there was no collection for revenue in some items such as TechoHub hire and Ad hoc Rentals community assets.

Licenses and Permits

Licenses and permits for exchange revenue actuals to date amounts to R151 thousand with a YTD budget of R184 thousand and there is a negative variance of R33 thousand, for Business licensing and Spraying permits nothing was received year to date, hence the overall negative variance.

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 R532.8 million and the YTD actual billing is R201 million, compared to the YTD budget of R193.7million and a positive variance of R7.2 million. The YTD actual is in line with the budget.

Licenses and Permits

Licenses and permits for non-exchange revenue actuals to date amount to R2.2 million with a YTD budget of R2.9 million with a negative variance of R724 thousand. The YTD actual mainly comprises of public driver permits and taxi rank fees and have performed less than anticipated.

Fines

Fines, Penalties, and forfeits are derived from building fines, illegal connections, overdue books, The YTD actual is R160 thousand with a YTD budget of R8.2 million, with a negative variance of R8 million. There is a -98% variance in YTD actual versus YTD budget. Fines are issued as and when infringements occur as per the municipal by laws and the budget is straight lined across 12 months which results in the variance between the budget and actual fines issued. There was less revenue collected on fines due to the fact that fines are billed as per submission from relevant department and for August and September no fines were received.

Interest on Property Rates

The TYD actual amounts to 8.1 million compared to YTD budget of R8.1 million, which shows a negative variance of R33 thousand. The item is in line with budget projections.

Total Revenue

The YTD Actual revenue excluding capital transfers is R426.7million for the period ending 30 September 2024, YTD Budget is R433.5 million, the negative variance of R6.7 million is caused by the differences within the different revenue streams as stated above and how they have been performing.

5.3 Expenditure by Type

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - September

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|---------------------------------|-----|-------------------------------|--------------------|--------------------|-------------------|----------------|------------------|-----------------|----------------------|-----------------------|
| | | 2023/24 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 | | 479 025 | 497 297 | - | 45 532 | 125 313 | 120 316 | 4 997 | 4% | 497 297 |
| Remuneration of councillors | | 40 181 | 34 185 | - | 2 836 | 8 588 | 8 546 | 42 | 0% | 34 185 |
| Bulk purchases - electricity | | 127 809 | 153 550 | - | 18 739 | 38 116 | 38 387 | (272) | -1% | 153 550 |
| Inventory consumed | | 12 798 | 12 982 | - | 1 276 | 3 784 | 3 828 | (44) | -1% | 12 982 |
| Debt impairment | | - | 11 290 | - | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 79 998 | 107 839 | - | 22 330 | 22 330 | 21 504 | 826 | 4% | 107 839 |
| Interest | | 1 465 | 11 818 | - | - | 0 | 2 985 | (2 984) | -100% | 11 818 |
| Contracted services | | 262 443 | 227 033 | - | 22 052 | 51 672 | 63 181 | (11 509) | -18% | 227 033 |
| Transfers and subsidies | | 15 664 | 17 163 | - | 69 | 1 351 | 2 045 | (694) | -34% | 17 163 |
| Inrecoverable debts written off | | 11 307 | 5 000 | - | 416 | 1 438 | 1 250 | 188 | 15% | 5 000 |
| Operational costs | | 188 761 | 171 541 | - | 11 044 | 39 899 | 44 059 | (4 161) | -9% | 171 541 |
| Losses on Disposal of Assets | | (1 404) | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 218 162 | 1 249 698 | - | 124 294 | 292 492 | 306 102 | (13 610) | -4% | 1 249 698 |

Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R125.3 million as of 30 September 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 R8.5million. 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 30 September 2024 amounts to R51.6 million, the YTD Budget is R63.1 million. The negative variance of R11.5 million is mainly caused due to the fact that not all projects have commenced since it is the start of the financial year, e.g. Bhubhoyi Electrification Ward 20, Jerusalem Electrification Ward 22, Bhabhaza Electrification Ward 8 etc.

Inventory Consumed

YTD Inventory consumed amounts to R3.7 million as of 30 September 2024 with the YTD Budget being R3.8 million. The consumption of inventory is in line with budget projections.

Depreciation and Amortization

YTD Actuals for Depreciation & Amortization amounts to R22.3 million as of 30 September 2024 with the YTD Budget being R21.5 million, with a positive variance of R826 thousand. The item is in line with budget projections.

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 September 2024 stands at R1.3 million with an YTD budget of R2 million. The annual budget for transfers and subsidies is R17.1 million, the variance may be caused due to some unspent grants that are still pending rollover approval.

Overall expenditure budget

The overall expenditure YTD Actual is R292.4 million, YTD Budget is R306.1 million. There is R13.6 million negative variance, due to the trends of different types of expenditure as explained

above such as transfers and subsidies and operational costs which reflect a large variance compared to YTD budget.

Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). YTD Surplus excluding capital transfers is R139.9 million compared to the YTD Budget surplus of R160.8 million due to budget spread over the months.

5.4 Debtors Age Analysis

| KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 - September | | | | | | | | | | | | | |
|--|-------------|---------------------|---------------|---------------|---------------|--------------|---------------|---------------|----------------|----------------|--------------------|--|--|
| Description | NT Code | Budget Year 2024/25 | | | | | | | | | | 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 | Total | Total over 90 days | | |
| R thousands | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 9 | 8 | 7 | 6 | 6 | 8 | 3 | 1 059 | 1 102 | 1 082 | - | - |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 18 883 | 9 796 | 2 036 | 1 285 | 1 317 | 951 | 690 | 15 227 | 50 185 | 19 470 | - | - |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 42 979 | 57 772 | 12 039 | 411 | 922 | 9 698 | 8 762 | 282 311 | 414 794 | 302 004 | - | - |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | 0 | 0 | 0 | - | - |
| Receivables from Exchange Transactions - Waste Management | 1600 | 6 246 | 8 202 | 2 309 | 16 | 1 | 1 735 | 1 960 | 55 315 | 75 384 | 58 626 | - | - |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest on Ameer Debtor Accounts | 1810 | 3 506 | 3 405 | 3 442 | 3 515 | 3 473 | 3 395 | 3 312 | 123 168 | 147 214 | 136 861 | - | - |
| Recoverable unauthorized, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 1900 | 568 | 562 | 253 | 238 | 240 | 182 | 441 | 11 493 | 13 978 | 12 594 | - | - |
| Total By Income Source | 2000 | 72 192 | 79 743 | 20 086 | 5 470 | 5 958 | 15 868 | 14 769 | 488 571 | 702 657 | 530 636 | - | - |
| 2023/24 - totals only | | 64 528 | 72 327 | 19 288 | 22 115 | 4 078 | 14 171 | 14 218 | 408 429 | 619 155 | 463 011 | - | - |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 2 741 | 25 615 | 895 | 461 | 483 | 631 | 619 | 45 869 | 77 313 | 48 062 | - | - |
| Commercial | 2300 | 28 634 | 17 712 | 4 709 | 1 492 | 2 384 | 3 812 | 3 417 | 87 093 | 149 254 | 98 198 | - | - |
| Households | 2400 | 40 817 | 36 415 | 14 482 | 3 518 | 3 091 | 11 425 | 10 733 | 355 609 | 476 089 | 384 376 | - | - |
| Other | 2500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total By Customer Group | 2600 | 72 192 | 79 743 | 20 086 | 5 470 | 5 958 | 15 868 | 14 769 | 488 571 | 702 657 | 530 636 | - | - |

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

5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 - September

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | 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 | | |
| 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 | 329 | - | - | - | - | - | - | 5 | 334 | - | - |
| Auditor General | 0800 | - | - | - | - | - | - | - | - | - | - | - |
| Other | 0900 | - | - | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | 329 | - | - | - | - | - | - | 5 | 334 | - | - |

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


5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 - August

| Vote Description | Ref | 2022/23 | | Budget Year 2023/24 | | | | | | |
|--|----------|----------------|----------------|---------------------|----------------|---------------|---------------|-----------------|-------------|----------------|
| | | Audited | Original | Adjusted | Monthly actual | YearTD actual | YearTD | YTD | YTD % | Full Year |
| R thousands | | | | | | | | | | |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 3 812 | 7 887 | - | 4 | 77 | 1 848 | (1 572) | -95% | 7 887 |
| Executive and council | | 23 | 387 | - | - | - | 32 | (32) | -100% | 387 |
| Finance and administration | | 3 395 | 7 300 | - | 4 | 77 | 1 588 | (1 511) | -95% | 7 300 |
| Internal audit | | 194 | 210 | - | - | - | 30 | (30) | -100% | 210 |
| Community and public safety | | 588 | 4 855 | - | - | 318 | 1 150 | (834) | -72% | 4 855 |
| Community and social services | | - | - | - | - | - | - | - | - | - |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 442 | 4 800 | - | - | 318 | 1 150 | (834) | -72% | 4 800 |
| Housing | | 127 | 55 | - | - | - | - | - | - | 55 |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 141 277 | 155 725 | - | 6 788 | 19 285 | 38 781 | (19 495) | -50% | 155 725 |
| Planning and development | | 110 541 | 139 025 | - | 6 782 | 19 288 | 34 841 | (15 553) | -45% | 139 025 |
| Road transport | | 30 443 | 15 900 | - | - | - | 3 750 | (3 750) | -100% | 15 900 |
| Environmental protection | | 292 | 800 | - | 7 | 7 | 200 | (193) | -97% | 800 |
| Trading services | | 1 142 | 17 387 | - | 252 | 252 | 3 924 | (3 672) | -94% | 17 387 |
| Energy sources | | 543 | 15 997 | - | 252 | 252 | 3 549 | (3 297) | -93% | 15 997 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 499 | 1 400 | - | - | - | 375 | (375) | -100% | 1 400 |
| Other | | - | 485 | - | - | - | 121 | (121) | -100% | 485 |
| Total Capital Expenditure - Functional Classification | 3 | 148 800 | 188 158 | - | 7 044 | 19 940 | 45 838 | (25 898) | -58% | 188 158 |
| Funded by: | | | | | | | | | | |
| National Government | | 99 254 | 114 490 | - | 5 888 | 15 831 | 28 537 | (12 707) | -45% | 114 490 |
| Provincial Government | | 2 485 | 435 | - | - | - | 100 | (109) | -100% | 435 |
| District Municipality | | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Net / Prov Departm Agencies, | | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 101 750 | 114 924 | - | 5 888 | 15 831 | 28 848 | (12 818) | -45% | 114 924 |
| Borrowing | 6 | 543 | 9 000 | - | 252 | 252 | 1 800 | (1 548) | -85% | 9 000 |
| Internally generated funds | | 44 207 | 60 234 | - | 906 | 3 858 | 15 190 | (11 332) | -75% | 60 234 |
| Total Capital Funding | | 148 800 | 188 158 | - | 7 044 | 19 940 | 45 838 | (25 898) | -58% | 188 158 |

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R19.9 million, the YTD budgeted is R45.6 million and there is negative variance. There are funds that have been spent on certain projects which are that main cause of the negative variance, such as Rural and Storm water rehabilitation Hall repairs, Mvuzane Road and Vehicular Bridge ward 14, Roads reseals etc.

5.7 Transfers and Grants Receipts

|  | | KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER | | | | | |
|---|-----------------------|---|--|--|-------------------|-----------------------|--|
| KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER | | | | | | | |
| SEPT 2024 | | | | | | | |
| Name of grant | Opening Balance as at | Receipts | Expenditure: Operating (Revenue Recognised)/GRAP 23 | Expenditure: Capital (Revenue Recognised)/GRAP 23 | Internally Funded | Closing Balance as at | |
| INTEGRATED URBAN DEVELOPMENT (IUDG) | | R 34 487 000 | R - | R 17 187 730.94 | R - | R 17 299 269.06 | |
| NEIGHBOURHOOD GRANT | | R 5 000 000 | R - | R 918 292.10 | R - | R 4 081 707.90 | |
| ENERGY EFFICIENT & DEMAND SIDE MANAGEMENT | | R 2 000 000 | R - | | | R 2 000 000.00 | |
| EXPANDED PUBLIC WORKS PROGRAMME (EPWP) | | R 813 000 | R 1 656 941 | R - | R 843 941 | | |
| MUNICIPAL DISASTER RECOVERY | R 771 197 | R - | R - | R - | R - | R 771 197.30 | |
| INTERMODAL FACILITIES GRANT | | R - | R - | R - | R - | R - | |
| INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) | R 63 435 | R 2 000 000 | R - | R - | R - | R 2 063 435.09 | |
| FINANCIAL MANAGEMENT GRANT (FMG) | | R 1 900 000 | R 910 060 | R - | R - | R 989 940.06 | |
| AIRPORT GRANT | R 43 015 | R - | R - | R - | R - | R 43 014.50 | |
| MARKET STALLS GRANT | R 1 377 516 | R - | R - | R - | R - | R 1 377 516.23 | |
| TOTAL | R 2 255 143 | R 46 200 000 | R 2 567 001 | R 18 106 023 | R 843 941 | R 28 624 080 | |

Transfers and Grants Receipts

The total grants received to date for period ending 30 September 2024 amounts to R46.2 million, which include R43.5 million from IUDG, Neighborhood Development Grant, R5 million, R2 million from Energy Efficient and Demand Site, R813 000 from Expanded Public Works programme. R2 Million from Integrated National Electrification Programme. R1.9 million from Financial Management.

5.8 Transfers and Grants Expenditure



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

| KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER SEPT 2024 | | | | | | | |
|--|-----------------------|---------------------|---|---|-------------------|-----------------------|-------------------|
| Name of grant | Opening Balance as at | Receipts | Expenditure: Operating (Revenue Recognised)/GRAP 23 | Expenditure: Capital (Revenue Recognised)/GRAP 23 | Internally Funded | Closing Balance as at | |
| INTEGRATED URBAN DEVELOPMENT (IUDG) | | R 34 487 000 | - | R 17 187 730.94 | R - | R | 17 299 269.06 |
| NEIGHBOURHOOD GRANT | | R 5 000 000 | - | R 918 292.10 | | R | 4 081 707.90 |
| ENERGY EFFICIENT & DEMAND SIDE MANAGEMENT | | R 2 000 000 | - | | | R | 2 000 000.00 |
| EXPANDED PUBLIC WORKS PROGRAMME (EPWP) | | R 813 000 | R 1 656 941 | R - | R 843 941 | | |
| MUNICIPAL DISASTER RECOVERY | R 771 197 | R - | R - | R - | R - | R | 771 197.30 |
| INTERMODAL FACILITIES GRANT | | R - | R - | R - | R - | R | - |
| INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) | R 69 435 | R 2 000 000 | R - | R - | R - | R | 2 069 435.09 |
| FINANCIAL MANAGEMENT GRANT (FMG) | | R 1 900 000 | R 910 060 | R - | R - | R | 989 940.06 |
| AIRPORT GRANT | R 43 015 | R - | R - | R - | R - | R | 43 014.50 |
| MARKET STALLS GRANT | R 1 377 516 | R - | R - | R - | R - | R | 1 377 516.23 |
| TOTAL | R 2 255 143 | R 44 200 000 | R 2 547 001 | R 18 106 023 | R 843 941 | R | 28 424 080 |

Transfers & 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 30 September 2024, Operating and Capital Expenditure has a closing balance of R26.7 million, with YTD spending of 2.5 million and R18.1 million, for operational grants and capital grants respectively.

Grant's expenditure

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

An amount of R34.8 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 30 September 2024 is R17.1 million and has been spent on various capital projects.

- **Expanded Public Works Programme (EPWP)**

An amount of R813 thousand has been received for EPWP grant. This is an operational grant to pay salaries for EPWP employees and the YTD actual for the period ended 30 September 2024 is R2.5 million with an expenditure of R843 thousand funded internally awaiting additional tranches of the grant.

- **Neighborhood Development Partnership Grant**

An amount of R5 million has been received for the Neighborhood Development Partnership Grant. This is a capital grant and the YTD actual for the period ended 30 September 2023 is R918 thousand.

•Finance Management Grant

An amount of R 1.9 million has been received for Finance management grant. This is an operational grant and the YTD actual for the period ended 30 September 2024 is R910 thousand.

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 - September

| Summary of Employee and Councillor remuneration | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|--------------|----------------|--------------------|
| | | 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 | | 25 737 | 18 276 | - | 1 480 | 4 553 | 4 569 | (16) | 0% | 18 276 |
| Pension and UIF Contributions | | 763 | 755 | - | 66 | 200 | 189 | 11 | 6% | 755 |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | - | - | - | - | - | - | - | - | - |
| Cellphone Allowance | | 3 000 | 3 129 | - | 251 | 755 | 782 | (27) | -4% | 3 129 |
| Housing Allowances | | 7 662 | 8 977 | - | 733 | 2 199 | 2 244 | (45) | -2% | 8 977 |
| Other benefits and allowances | | 3 020 | 3 049 | - | 307 | 881 | 762 | 119 | 16% | 3 049 |
| Sub Total - Councillors | | 40 181 | 34 185 | - | 2 836 | 8 588 | 8 546 | 42 | 0% | 34 185 |
| % increase | 4 | | -14.9% | | | | | | | -14.9% |
| Senior Managers of the Municipality | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 2 720 | 6 584 | - | 431 | 849 | 1 646 | (798) | -48% | 6 584 |
| Pension and UIF Contributions | | 84 | 90 | - | 8 | 23 | 23 | (0) | 0% | 90 |
| Medical Aid Contributions | | 64 | 51 | - | 4 | 13 | 13 | (0) | 0% | 51 |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | 823 | 913 | - | - | - | 179 | (179) | -100% | 913 |
| Motor Vehicle Allowance | | 685 | 732 | - | 64 | 186 | 183 | 3 | 2% | 732 |
| Cellphone Allowance | | 66 | 63 | - | 6 | 17 | 16 | 1 | 5% | 63 |
| Housing Allowances | | 1 474 | 1 332 | - | 121 | 343 | 333 | 10 | 3% | 1 332 |
| Other benefits and allowances | | 0 | 0 | - | 0 | 0 | 0 | 0 | 66% | 0 |
| Payments in lieu of leave | | (120) | 21 | - | 11 | 27 | 5 | 22 | 412% | 21 |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 5 797 | 9 787 | - | 644 | 1 456 | 2 397 | (941) | -39% | 9 787 |
| % increase | 4 | | 68.8% | | | | | | | 68.8% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 288 627 | 309 362 | - | 27 398 | 76 092 | 77 340 | (1 248) | -2% | 309 362 |
| Pension and UIF Contributions | | 52 631 | 53 681 | - | 5 007 | 13 967 | 13 420 | 547 | 4% | 53 681 |
| Medical Aid Contributions | | 21 327 | 21 895 | - | 1 856 | 5 534 | 5 474 | 60 | 1% | 21 895 |
| Overtime | | 23 754 | 22 014 | - | 1 904 | 5 593 | 5 505 | 88 | 2% | 22 014 |
| Performance Bonus | | 22 760 | 23 706 | - | 2 576 | 5 987 | 5 926 | 61 | 1% | 23 706 |
| Motor Vehicle Allowance | | 20 192 | 20 003 | - | 1 856 | 5 438 | 5 001 | 437 | 9% | 20 003 |
| Cellphone Allowance | | 994 | 1 047 | - | 81 | 246 | 262 | (15) | -6% | 1 047 |
| Housing Allowances | | 3 224 | 2 873 | - | 275 | 751 | 718 | 33 | 5% | 2 873 |
| Other benefits and allowances | | 5 894 | 5 507 | - | 501 | 1 416 | 1 377 | 40 | 3% | 5 507 |
| Payments in lieu of leave | | 22 912 | 5 907 | - | 2 546 | 5 944 | 1 477 | 4 467 | 302% | 5 907 |
| Long service awards | | 5 189 | 3 016 | - | 368 | 1 216 | - | 1 216 | #DIV/0! | 3 016 |
| Post-retirement benefit obligations | | 4 513 | 17 239 | - | 426 | 1 274 | 1 103 | 171 | 16% | 17 239 |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | 1 212 | 1 263 | - | 93 | 397 | 316 | 81 | 26% | 1 263 |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | 473 228 | 487 510 | - | 44 888 | 123 857 | 117 918 | 5 938 | 5% | 487 510 |
| % increase | 4 | | 3.0% | | | | | | | 3.0% |
| Total Parent Municipality | | 519 206 | 531 483 | - | 48 368 | 133 901 | 128 862 | 5 039 | 4% | 531 483 |

Councillors Remuneration

The annual budget is R34.1 million with a monthly budget of R2.8 million. The YTD actual stands at R8.5 million which is in line with the YTD budget for this item.

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 R1.4 million and a YTD budget of R2.3 million, with a negative variance of R941 thousand, The variance is caused mainly by various vacant posts not yet filled.

Other Municipal Staff

The annual budget is R487.5 million with a monthly budget of R44.8 million. The YTD actual of R123.8 million and YTD budget of R117.9 million, with positive variance of R5.9 million which is in line with YTD Budget for this item.

5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 30 September 2024



| DETAILS | % | REDEEMABLE | PROJECT NUMBER | CAPITAL OPENING BALANCE 01 September 2024 | LOAN ADVANCE | LOAN INTEREST CHARGED | INTEREST PAID | LOAN REPAYMENT | CLOSING BALANCE 30 September 2024 |
|-------------------------|--------|-------------|----------------|---|-----------------|-----------------------------|------------------|-------------------|---|
| | | | | R | | | | R | R |
| DBSA | R 0.09 | R 47 938.00 | '61007684 | -R 9 827 608.80 | R - | R - | -R 242 349.19 | R 520 733.89 | -R 9 549 224.10 |
| DBSA | R 0.13 | R 47 809.00 | '61007761 | -R 7 182 415.53 | R - | R - | -R 239 962.56 | R 419 928.33 | -R 7 002 469.76 |
| TOTAL DBSA LOANS | | | | -R 17 010 024.33 | R - | R - | -R 482 331.75 | R 940 662.22 | -R 16 551 693.86 |
| TOTAL LOANS | | | | -R 17 010 024.33 | R - | R - | -R 482 331.75 | R 940 662.22 | -R 16 551 693.86 |
| Prepared by:..... | | | | Date: | | | | | |
| Reviewed by :..... | | | | Date:..... | | | | | |

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 million as well as the third drawdown of R7.9 million and current loan balance outstanding is R16.5 million as of 30 September 2024. The municipality is still able to make loan repayments as and when they fall due. The capital projects funded by borrowings in the 2024/25 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 | | | | | | |
|---|-----------------------|-----------------------|-----------------------|------------------------|----------------------|----------------------|
| | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> | <u>Totals</u> | <u>Year 4</u> | <u>Total</u> |
| 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 - M03 - September

| Description of financial indicator | Basis of calculation | Ref | 2023/24 | Budget Year 2024/25 | | | |
|---|--|-----|-----------------|---------------------|-----------------|---------------|--------------------|
| | | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| <u>Borrowing Management</u> | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & principal paid/Operating Expenditure | | -4.1% | 9.6% | 0.0% | 0.0% | 3.7% |
| Borrowed funding of 'own' capital expenditure | Borrowings/Capital expenditure excl. transfers and grants | | 0.4% | 4.8% | 0.0% | 3.6% | 45.1% |
| <u>Safety of Capital</u> | | | | | | | |
| Debt to Equity | Loans, Accounts Payable, Overdraft & Tax Provision/ | | 14.3% | 14.8% | 0.0% | 16.7% | 14.6% |
| 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 | 188.1% | 189.8% | 0.0% | 191.5% | 189.8% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | 15.2% | 34.4% | 0.0% | 25.6% | 34.4% |
| <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 | | 46.1% | 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 | | 38.2% | 39.2% | 0.0% | 29.4% | 39.2% |
| Repairs & Maintenance | R&M/Total Revenue - capital revenue | | 13.9% | 10.1% | 0.0% | 6.6% | 10.1% |
| Interest & Depreciation | I&D/Total Revenue - capital revenue | | 6.5% | 9.4% | 0.0% | 0.0% | 3.6% |
| <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 30 September 2024 and the indicators are broken down below.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R16 551 693.86 as of 30 September 2024.

Liquidity

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

Budgeted Current Ratio: R833 735 000/R439 175 000= **1.9:1**

Actual Current Ratio as at 30 September 2024: R915 555 000/ R478 068 000= **1.9:1**

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 R1.9: R1 ratio and the actual ratio as of 30 September 2024 is R1.9: R1 which is above the norm.

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

Budgeted Acid test Ratio: (R833 735 000 – R11 770 000)/R439 175 000 = **1.87:1**

Actual Acid test Ratio as 30 September 2024: (R915 555 000 – R6 963 000)/ R478 068 000 = R1.9:1.

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 30/09/2024

| ACCOUNT NO | INVESTMENT DETAILS | | CURRENT MONTH | | | | | YTD | | | | | | |
|--------------------|----------------------|--|--------------------------|------------------------------|-------------------------|--------------------|------------------------|-----------------|--------------------------------------|---------------|----------------|---------|------------------------|--------------------------|
| | INSTITUTION & TYPE | PROJECT NAME / DETAILS | MONTHLY OPENING BALANCES | INTEREST INVESTED 30/09/2024 | BANK CHARGES 30/09/2024 | DEPOSIT 30/09/2024 | WITHDRAWALS 30/09/2024 | CURRENT BALANCE | INVESTMENT BALANCES AS AT 01/07/2024 | INTEREST | BANK DEPOSITS | CHARGES | INVESTMENT WITHDRAWALS | BALANCE AS AT 30/09/2024 |
| 373029284011 | STANDARD BANK - CALL | LOUISIANA HSG | 15,009,621.24 | 74,236.14 | - | - | - | 11,133,736.39 | 10,997,618.73 | 235,167.39 | 639.25 | - | - | 11,133,766.38 |
| 373029284003 | STANDARD BANK - CALL | NEZAKWE 1 HSG | - | - | - | - | - | 730,616.37 | 8,441.04 | 43.82 | - | - | 711,091.23 | |
| 373029284004 | STANDARD BANK - CALL | NEZAKWE 2 HSG | 1,181,729.26 | 7,922.42 | - | - | - | 1,589,762.39 | 1,495,620.49 | 24,029.29 | 72.70 | - | - | 1,189,729.29 |
| 373029284005 | STANDARD BANK - CALL | BHOQOTI SUB-HSG | 375,554.85 | 2,518.83 | - | - | - | 377,773.58 | 370,110.91 | 7,439.89 | 33.28 | - | - | 377,773.86 |
| 373029284006 | STANDARD BANK - CALL | BHOQOTI EST-HSG | - | - | - | - | - | 15,206.34 | 92.91 | 0.83 | - | - | 13,389.06 | |
| 373029284007 | STANDARD BANK - CALL | DAMAGED HSES | - | - | - | - | - | 86,266.49 | 167.47 | 6.33 | - | - | 86,928.20 | |
| 373029284008 | STANDARD BANK - CALL | NIPLANDS HSG | - | - | - | - | - | 85,179.03 | 668.51 | 6.33 | - | - | 86,841.19 | |
| 373029284009 | STANDARD BANK - CALL | NIKHOLONGE HSG | - | - | - | - | - | 1,680,812.81 | 18,832.81 | 102.86 | - | - | 1,670,646.07 | |
| 373029284010 | STANDARD BANK - CALL | RIHS PROJECT | - | - | - | - | - | 164,127.81 | 1,971.82 | 10.24 | - | - | 166,088.67 | |
| 373029284012 | STANDARD BANK - CALL | RIKAZWENDE HSG | - | - | - | - | - | 6,464,734.87 | 77,678.53 | 403.22 | - | - | 6,542,814.42 | |
| 373029284013 | STANDARD BANK - CALL | KWAMAVUNDELA HSG | - | - | - | - | - | 277,442.94 | 2,328.92 | 17.23 | - | - | 281,259.79 | |
| 373029284014 | STANDARD BANK - CALL | KWAXOLO HOUSING | - | 9.00 | - | - | - | 0.00 | 15,394,979.89 | 118,649.39 | 823.00 | - | - | 15,254,346.97 |
| 373029284015 | STANDARD BANK - CALL | KWADWALANE HOUSING | - | - | - | - | - | - | 697,447.20 | 7,183.39 | 37.20 | - | - | 695,046.89 |
| | | | 12,610,642.05 | 84,686.49 | - | - | - | 12,701,532.46 | 16,680,451.52 | 2,235.48 | - | - | 23,616,248.21 | 12,701,532.46 |
| 375452,884,016 | STANDARD BANK - CALL | WHOA | - | 9,659.89 | - | 14,706,283.45 | - | 14,716,053.34 | 9,659.89 | 14,706,283.45 | - | - | - | 14,716,063.24 |
| | | | - | 9,659.89 | - | 14,706,283.45 | - | 14,716,053.34 | 9,659.89 | 14,706,283.45 | - | - | - | 14,716,063.24 |
| 376992984010 | STANDARD BANK-CALL | RNIH-UNSPENT CONDITIONAL GRANTS | - | - | - | - | - | - | 65,814.83 | 248.39 | - | - | - | 66,063.22 |
| 376992984017 | STANDARD BANK-CALL | RNIH-ACCREDITATION FUNDS | - | 0.00 | - | - | - | - | 0.00 | 0.00 | - | - | - | 0.00 |
| | | | - | 0.00 | - | - | - | - | 0.00 | 0.00 | - | - | - | 0.00 |
| 52726514161 | FNB - CALL | RNIH - PRIMARY INVESTMENT A/C | 71,672,670.63 | 488,976.49 | - | 33,000,000.00 | 88,726,283.45 | 18,334,463.04 | 622,909.20 | 2,117,846.83 | 286,000,000.00 | - | 249,306,283.46 | 18,334,463.04 |
| | | | 71,672,670.63 | 488,976.49 | - | 33,000,000.00 | 88,726,283.45 | 18,334,463.04 | 622,909.20 | 2,117,846.83 | 286,000,000.00 | - | 249,306,283.46 | 18,334,463.04 |
| 74873805510 | FNB | FNB- 48 HOUR CASH ACCELERATOR | 3,984,883.96 | 25,124.63 | - | - | - | 3,860,978.66 | 3,910,869.73 | 60,118.82 | - | - | - | 3,939,978.55 |
| | | | 3,984,883.96 | 25,124.63 | - | - | - | 3,860,978.66 | 3,910,869.73 | 60,118.82 | - | - | - | 3,939,978.55 |
| 37899600791-000026 | NEDBANK | RESERVES INVESTMENT ACCOUNT | 18,852,464.42 | 100,078.18 | - | - | - | 18,956,642.35 | 20,302,487.83 | 691,245.79 | 46,458,839.29 | - | 63,050,000.00 | 18,956,642.35 |
| | | | 18,852,464.42 | 100,078.18 | - | - | - | 18,956,642.35 | 20,302,487.83 | 691,245.79 | 46,458,839.29 | - | 63,050,000.00 | 18,956,642.35 |
| 37899600791-000037 | NEDBANK | RESERVES FIXED INVESTMENT ACCOUNT | 60,248,904.11 | 373,369.18 | - | - | - | 60,622,269.27 | - | 622,260.37 | 60,000,000.00 | - | - | 60,622,269.27 |
| | | | 60,248,904.11 | 373,369.18 | - | - | - | 60,622,269.27 | - | 622,260.37 | 60,000,000.00 | - | - | 60,622,269.27 |
| | | GRAND TOTAL RNIH INVESTMENT + INTEREST | 166,285,430.29 | 1,087,191.82 | - | 47,706,283.45 | 88,726,283.45 | 117,323,430.91 | 81,086,391.65 | 3,851,811.21 | 376,177,248.22 | - | 322,891,030.16 | 117,323,430.91 |

The Investment register as of 30 September 2024 has the closing balance of R117.2 million, with R3.9 million total interest earned for the month from which R2.1 million 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 - M03 - September

| Description | 2023/24 | | Budget Year 2024/25 | | | | | | |
|--|------------------|------------------|---------------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
| | 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 | 508 008 | 532 893 | - | 46 842 | 201 003 | 193 779 | 7 224 | 4% | 532 893 |
| Service charges | 250 760 | 278 556 | - | 23 053 | 76 002 | 77 393 | (1 391) | -2% | 278 556 |
| Investment revenue | 11 614 | 11 916 | - | 993 | 3 512 | 2 979 | 533 | 18% | 11 916 |
| Transfers and subsidies - Operational | 385 654 | 324 656 | - | - | 126 203 | 128 865 | (2 662) | -2% | 324 656 |
| Other own revenue | 99 441 | 122 121 | - | 6 749 | 20 029 | 30 530 | (10 501) | -34% | - |
| Total Revenue (excluding capital transfers and contributions) | 1 255 476 | 1 270 142 | - | 77 637 | 426 749 | 433 547 | (6 797) | -2% | 1 270 142 |
| Employee costs | 479 025 | 497 297 | - | 45 532 | 125 313 | 120 316 | 4 997 | 4% | 497 297 |
| Remuneration of Councilors | 40 181 | 34 185 | - | 2 836 | 8 588 | 8 545 | 42 | 0% | 34 185 |
| Depreciation and amortisation | 79 998 | 107 839 | - | 22 330 | 22 330 | 21 504 | 826 | 4% | 107 839 |
| Interest | 1 465 | 11 818 | - | - | 0 | 2 985 | (2 984) | -100% | 11 818 |
| Inventory consumed and bulk purchases | 140 607 | 166 532 | - | 20 015 | 41 900 | 42 216 | (316) | -1% | 166 532 |
| Transfers and subsidies | 15 664 | 17 163 | - | 69 | 1 351 | 2 045 | (694) | -34% | 17 163 |
| Other expenditure | 461 223 | 414 864 | - | 33 511 | 93 008 | 108 490 | (15 482) | -14% | 414 864 |
| Total Expenditure | 1 218 162 | 1 249 698 | - | 124 294 | 292 492 | 306 102 | (13 610) | -4% | 1 249 698 |
| Surplus/(Deficit) | 37 314 | 20 444 | - | (46 657) | 134 258 | 127 445 | 6 813 | 5% | 20 444 |
| Transfers and subsidies - capital (monetary allocations) | 115 831 | 132 163 | - | - | 5 697 | 33 416 | (27 718) | -83% | 132 163 |
| Transfers and subsidies - capital (in-kind) | - | - | - | - | - | - | - | - | - |
| surplus/(deficit) after capital transfers & | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | (20 906) | -13% | 152 607 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | (20 906) | -13% | 152 607 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 146 600 | 186 158 | - | 7 044 | 19 940 | 45 636 | (25 696) | -56% | 186 158 |
| Capital transfers recognised | 101 750 | 114 924 | - | 5 886 | 15 831 | 28 646 | (12 816) | -45% | 114 924 |
| Borrowing | 643 | 9 000 | - | 252 | 252 | 1 800 | (1 548) | -86% | 9 000 |
| Internally generated funds | 44 207 | 62 234 | - | 906 | 3 858 | 15 190 | (11 332) | -75% | 62 234 |
| Total sources of capital funds | 146 600 | 186 158 | - | 7 044 | 19 940 | 45 636 | (25 696) | -56% | 186 158 |
| Financial position | | | | | | | | | |
| Total current assets | 844 302 | 833 735 | - | - | 915 555 | - | - | - | 833 735 |
| Total non current assets | 2 223 878 | 2 242 159 | - | - | 2 324 575 | - | - | - | 2 242 159 |
| Total current liabilities | 448 963 | 439 175 | - | - | 478 068 | - | - | - | 439 175 |
| Total non current liabilities | 196 345 | 170 711 | - | - | 243 390 | - | - | - | 170 711 |
| Community wealth/Equity | 2 422 883 | 2 466 007 | - | - | 2 518 672 | - | - | - | 2 466 007 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 271 903 | 189 835 | - | (11 785) | 129 876 | 156 643 | 26 766 | 17% | 189 835 |
| Net cash from (used) investing | 168 468 | (161 114) | - | (7 996) | (31 423) | (40 002) | (8 580) | 21% | (161 114) |
| Net cash from (used) financing | (51 726) | 9 000 | - | - | - | 9 000 | 9 000 | 100% | 9 000 |
| Cash/cash equivalents at the month/year end | 504 266 | 151 973 | - | - | 164 859 | 239 892 | 75 033 | 31% | 104 126 |
| 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 | 72 192 | 79 743 | 20 086 | 5 470 | 5 958 | 15 868 | 14 769 | 488 571 | 702 657 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 329 | - | - | - | - | - | - | 5 | 334 |

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) - M03 - September

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 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 | | 187 331 | 207 222 | - | 16 716 | 50 076 | 51 805 | (1 729) | -3% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 429 | 71 335 | - | 6 338 | 25 926 | 25 588 | 338 | 1% | 71 335 |
| Sale of Goods and Rendering of Services | | 16 749 | 22 615 | - | 1 544 | 4 568 | 5 654 | (1 086) | -19% | 22 615 |
| Agency services | | 5 898 | 6 892 | - | 409 | 1 558 | 1 723 | (165) | -10% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 378 | 8 202 | - | 780 | 2 316 | 2 050 | 265 | 13% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | - | 993 | 3 512 | 2 979 | 533 | 18% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 266 | 5 203 | - | 254 | 795 | 1 301 | (506) | -39% | 5 203 |
| Licence and permits | | 598 | 737 | - | 40 | 151 | 184 | (33) | -18% | 737 |
| Operational Revenue | | 1 159 | 1 091 | - | 29 | 85 | 273 | (187) | -69% | 1 091 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 508 008 | 532 893 | - | 46 842 | 201 003 | 193 779 | 7 224 | 4% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 608 | 32 812 | - | 84 | 160 | 8 203 | (8 043) | -98% | 32 812 |
| Licence and permits | | 9 064 | 11 956 | - | 886 | 2 265 | 2 989 | (724) | -24% | 11 956 |
| Transfers and subsidies - Operational | | 385 654 | 324 656 | - | - | 126 203 | 128 865 | (2 662) | -2% | 324 656 |
| Interest | | 32 216 | 32 615 | - | 2 724 | 8 131 | 8 154 | (22) | 0% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 506 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 1 255 476 | 1 270 142 | - | 77 637 | 426 749 | 433 547 | (6 797) | -2% | 1 270 142 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 479 025 | 497 297 | - | 45 532 | 125 313 | 120 316 | 4 997 | 4% | 497 297 |
| Remuneration of councillors | | 40 181 | 34 185 | - | 2 836 | 8 588 | 8 546 | 42 | 0% | 34 185 |
| Bulk purchases - electricity | | 127 809 | 153 550 | - | 18 739 | 38 116 | 38 387 | (272) | -1% | 153 550 |
| Inventory consumed | | 12 798 | 12 982 | - | 1 276 | 3 784 | 3 828 | (44) | -1% | 12 982 |
| Debt impairment | | - | 11 290 | - | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 79 998 | 107 839 | - | 22 330 | 22 330 | 21 504 | 826 | 4% | 107 839 |
| Interest | | 1 465 | 11 818 | - | - | 0 | 2 985 | (2 984) | -100% | 11 818 |
| Contracted services | | 262 443 | 227 033 | - | 22 052 | 51 672 | 63 181 | (11 509) | -18% | 227 033 |
| Transfers and subsidies | | 15 664 | 17 163 | - | 69 | 1 351 | 2 045 | (694) | -34% | 17 163 |
| Inrecoverable debts written off | | 11 307 | 5 000 | - | 416 | 1 438 | 1 250 | 188 | 15% | 5 000 |
| Operational costs | | 188 761 | 171 541 | - | 11 044 | 39 899 | 44 059 | (4 161) | -9% | 171 541 |
| Losses on Disposal of Assets | | (1 404) | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 218 162 | 1 249 698 | - | 124 294 | 292 492 | 306 102 | (13 610) | -4% | 1 249 698 |
| Surplus/(Deficit) | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) | | 115 831 | 132 163 | - | - | 5 697 | 33 416 | (27 718) | -83% | 132 163 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 153 145 | 152 607 | - | (46 657) | 139 955 | 160 861 | | | 152 607 |

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 30 September 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) - M03 - September | | | | | | | | | | |
|---|-----|-------------------------|-----------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Vote Description | Ref | Budget Year 2024/25 | | | | | | | | |
| | | 2023/24 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - 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 | | - | - | - | - | - | - | - | - | - |
| Total Capital Multi-year expenditure | 4,7 | - | - | - | - | - | - | - | - | - |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Mayor and Council | | - | 127 | - | - | - | 32 | (32) | -100% | 127 |
| Vote 2 - Finance and Administration | | 3 396 | 7 300 | - | 4 | 77 | 1 586 | (1 511) | -95% | 7 300 |
| Vote 3 - Internal Audit | | 194 | 210 | - | - | - | 30 | (30) | -100% | 210 |
| Vote 4 - Community and Social Services | | - | - | - | - | - | - | - | - | - |
| Vote 5 - Sport and Recreation | | - | - | - | - | - | - | - | - | - |
| Vote 6 - Public Safety | | 442 | 5 500 | - | - | 316 | 1 375 | (1 059) | -77% | 5 500 |
| Vote 7 - Housing | | 127 | 55 | - | - | - | - | - | - | 55 |
| Vote 8 - Health | | - | - | - | - | - | - | - | - | - |
| Vote 9 - Planning and Development | | 110 585 | 139 285 | - | 6 782 | 19 288 | 34 841 | (15 553) | -45% | 139 285 |
| Vote 10 - Road Transport | | 30 443 | 15 000 | - | - | - | 3 525 | (3 525) | -100% | 15 000 |
| Vote 11 - Environment Protection | | 292 | 800 | - | 7 | 7 | 200 | (193) | -97% | 800 |
| Vote 12 - Energy Sources | | 643 | 15 907 | - | 252 | 252 | 3 540 | (3 297) | -93% | 15 907 |
| Vote 13 - Other | | - | 485 | - | - | - | 121 | (121) | -100% | 485 |
| Vote 14 - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Waste Management | | 499 | 1 400 | - | - | - | 375 | (375) | -100% | 1 400 |
| Total Capital single-year expenditure | 4 | 145 900 | 186 158 | - | 7 044 | 19 940 | 45 636 | (25 696) | -58% | 186 158 |
| Total Capital Expenditure | | 146 800 | 186 158 | - | 7 044 | 19 940 | 46 636 | (25 696) | -58% | 186 158 |

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 30 September 2024.

6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M03 - September

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 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 | | 467 081 | 506 248 | - | 46 868 | 116 125 | 154 263 | (38 138) | -25% | 506 248 |
| Service charges | | 269 087 | 274 989 | - | 24 031 | 70 271 | 72 416 | (2 145) | -3% | 274 989 |
| Other revenue | | 101 579 | 54 408 | - | 16 349 | 53 209 | 13 602 | 39 606 | 291% | 54 408 |
| Transfers and Subsidies - Operational | | 363 720 | 336 888 | - | 4 | 130 647 | 133 320 | (2 674) | -2% | 336 888 |
| Transfers and Subsidies - Capital | | 153 568 | 132 163 | - | - | 43 487 | 59 351 | (15 864) | -27% | 132 163 |
| Interest | | 10 629 | 11 916 | - | 948 | 3 327 | 2 979 | 348 | 12% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (1 092 304) | (1 098 797) | - | (99 985) | (287 189) | (277 282) | (9 906) | 4% | (1 098 797) |
| Interest | | (1 457) | (10 818) | - | - | - | (474) | 474 | -100% | (10 818) |
| Transfers and Subsidies | | - | (17 163) | - | - | - | (1 532) | 1 532 | -100% | (17 163) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 271 903 | 189 835 | - | (11 785) | 129 876 | 156 643 | 26 766 | 17% | 189 835 |
| 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 | | 168 468 | (161 114) | - | (7 996) | (31 423) | (40 002) | 8 580 | -21% | (161 114) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | 168 468 | (161 114) | - | (7 996) | (31 423) | (40 002) | (8 580) | 21% | (161 114) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | - | 9 000 | - | - | - | 9 000 | (9 000) | -100% | 9 000 |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (51 726) | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (51 726) | 9 000 | - | - | - | 9 000 | 9 000 | 100% | 9 000 |
| NET INCREASE/(DECREASE) IN CASH HELD | | 388 645 | 37 721 | - | (19 781) | 98 454 | 125 641 | | | 37 721 |
| Cash/cash equivalents at beginning: | | 115 621 | 114 251 | - | | 66 405 | 114 251 | | | 66 405 |
| Cash/cash equivalents at month/year end: | | 504 266 | 151 973 | - | | 164 859 | 239 892 | | | 104 126 |

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 - M03 - September

| Description | Ref | Budget Year 2024/25 | | | | |
|---|-----|-------------------------------|--------------------|--------------------|------------------|-----------------------|
| | | 2023/24 Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 68 285 | 151 021 | - | 122 596 | 151 021 |
| Trade and other receivables from exchange transactions | | 139 033 | 142 304 | - | 145 951 | 142 304 |
| Receivables from non-exchange transactions | | 435 760 | 374 949 | - | 456 540 | 374 949 |
| Current portion of non-current receivables | | - | - | - | - | - |
| Inventory | | 11 251 | 11 770 | - | 6 963 | 11 770 |
| VAT | | 186 171 | 149 223 | - | 180 328 | 149 223 |
| Other current assets | | 3 802 | 4 469 | - | 3 178 | 4 469 |
| Total current assets | | 844 302 | 833 735 | - | 915 555 | 833 735 |
| Non current assets | | | | | | |
| Investments | | - | - | - | - | - |
| Investment property | | 354 869 | 354 869 | - | 395 906 | 354 869 |
| Property, plant and equipment | | 1 866 581 | 1 884 927 | - | 1 926 002 | 1 884 927 |
| Biological assets | | - | - | - | - | - |
| Living and non-living resources | | - | - | - | - | - |
| Heritage assets | | 2 210 | 2 210 | - | 2 348 | 2 210 |
| Intangible assets | | 219 | 153 | - | 319 | 153 |
| Trade and other receivables from exchange transactions | | - | - | - | - | - |
| Non-current receivables from non-exchange transactions | | - | - | - | - | - |
| Other non-current assets | | - | - | - | - | - |
| Total non current assets | | 2 223 878 | 2 242 159 | - | 2 324 575 | 2 242 159 |
| TOTAL ASSETS | | 3 068 181 | 3 075 894 | - | 3 240 130 | 3 075 894 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | - | - | - | - |
| Financial liabilities | | (34 357) | 11 764 | - | 14 031 | 11 764 |
| Consumer deposits | | 38 287 | 35 315 | - | 39 002 | 35 315 |
| Trade and other payables from exchange transactions | | 143 299 | 191 777 | - | 133 486 | 191 777 |
| Trade and other payables from non-exchange transactions | | 88 248 | 37 945 | - | 74 959 | 37 945 |
| Provision | | 55 720 | 50 183 | - | 51 518 | 50 183 |
| VAT | | 152 917 | 112 191 | - | 165 071 | 112 191 |
| Other current liabilities | | 4 839 | - | - | - | - |
| Total current liabilities | | 448 953 | 439 175 | - | 478 068 | 439 175 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 50 262 | 24 628 | - | 81 978 | 24 628 |
| Provision | | 47 192 | 47 192 | - | 46 476 | 47 192 |
| Long term portion of trade payables | | - | - | - | - | - |
| Other non-current liabilities | | 98 891 | 98 891 | - | 114 936 | 98 891 |
| Total non current liabilities | | 196 345 | 170 711 | - | 243 390 | 170 711 |
| TOTAL LIABILITIES | | 645 298 | 609 887 | - | 721 458 | 609 887 |
| NET ASSETS | 2 | 2 422 883 | 2 466 007 | - | 2 518 672 | 2 466 007 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 2 462 319 | 2 466 007 | - | 2 558 108 | 2 466 007 |
| Reserves and funds | | (39 437) | - | - | (39 437) | - |
| Other | | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 2 422 883 | 2 466 007 | - | 2 518 672 | 2 466 007 |

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 30 September 2024. Total assets are R3.2 million over the total liabilities of R721 thousand this therefore mean the municipality is still able to meet its financial obligations.