



The Game changer of South Coast development

RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 JANUARY 2025 (M07)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2024/2025 BUDGET FOR THE PERIOD ENDING 31 January 2025

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 31 January 2025 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

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

4. BACKGROUND

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

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 January 2025 is detailed below. The monthly budget statement is divided into the following:

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

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6.1. Monthly Budget Statement Summary

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 - M07 - January

| 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 | 507 017 | 532 893 | 532 893 | 47 139 | 391 460 | 387 558 | 3 901 | 1% | 532 893 |
| Service charges | 250 437 | 278 556 | 278 556 | 23 651 | 165 968 | 172 193 | (6 224) | -4% | 278 556 |
| Investment revenue | 11 614 | 11 916 | 11 916 | 1 128 | 7 712 | 6 951 | 761 | 11% | 11 916 |
| Transfers and subsidies - Operational | 390 199 | 324 656 | 324 701 | 18 076 | 245 385 | 247 202 | (1 817) | -1% | 324 701 |
| Other own revenue | 169 209 | 122 121 | 123 933 | 10 741 | 59 321 | 72 837 | (13 515) | -19% | - |
| Total Revenue (excluding capital transfers and contributions) | 1 328 475 | 1 270 142 | 1 271 998 | 100 736 | 869 846 | 886 740 | (16 894) | -2% | 1 271 998 |
| Employee costs | 480 606 | 497 297 | 497 297 | 42 895 | 295 865 | 283 452 | 12 412 | 4% | 497 297 |
| Remuneration of Councilors | 40 275 | 34 185 | 34 185 | 2 914 | 20 483 | 19 941 | 541 | 3% | 34 185 |
| Depreciation and amortisation | 127 542 | 107 839 | 107 839 | 14 887 | 52 104 | 50 177 | 1 927 | 4% | 107 839 |
| Interest | 23 734 | 11 818 | 11 818 | 935 | 937 | 6 701 | (5 765) | -86% | 11 818 |
| Inventory consumed and bulk purchases | 155 651 | 166 532 | 166 532 | 13 222 | 97 098 | 98 502 | (1 404) | -1% | 166 532 |
| Transfers and subsidies | 18 394 | 17 133 | 17 099 | 31 | 11 052 | 8 170 | 2 883 | 35% | 17 099 |
| Other expenditure | 492 302 | 414 894 | 416 160 | 28 869 | 223 248 | 253 319 | (30 071) | -12% | 416 160 |
| Total Expenditure | 1 338 504 | 1 249 698 | 1 250 931 | 103 754 | 700 787 | 720 263 | (19 476) | -3% | 1 250 931 |
| Surplus/(Deficit) | (10 029) | 20 444 | 21 067 | (3 018) | 169 060 | 166 477 | 2 583 | 2% | 21 067 |
| Transfers and subsidies - capital (monetary allocations) | 121 022 | 132 163 | 132 685 | 45 084 | 50 781 | 77 303 | (26 522) | -34% | 132 685 |
| Transfers and subsidies - capital (in-kind) contributions | - | - | - | - | - | - | - | - | - |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 110 993 | 152 607 | 153 752 | 42 066 | 219 841 | 243 780 | (23 940) | -10% | 153 752 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 263 405 | 186 158 | 184 612 | 8 583 | 68 983 | 107 285 | (38 302) | -36% | 184 612 |
| Capital transfers recognised | 159 231 | 114 924 | 115 378 | 8 477 | 52 284 | 67 108 | (14 824) | -22% | 115 378 |
| Borrowing | - | 9 000 | 9 000 | - | 252 | 5 400 | (5 148) | -95% | 9 000 |
| Internally generated funds | 44 397 | 62 234 | 60 234 | 107 | 16 447 | 34 778 | (18 330) | -53% | 60 234 |
| Total sources of capital funds | 203 628 | 186 158 | 184 612 | 8 583 | 68 983 | 107 285 | (38 302) | -36% | 184 612 |
| Financial position | | | | | | | | | |
| Total current assets | 716 900 | 833 735 | 834 244 | | 938 085 | | | | 834 244 |
| Total non current assets | 2 325 895 | 2 242 159 | 2 242 613 | | 2 345 457 | | | | 2 242 613 |
| Total current liabilities | 483 617 | 439 175 | 438 993 | | 504 511 | | | | 438 993 |
| Total non current liabilities | 243 390 | 170 711 | 170 711 | | 243 390 | | | | 170 711 |
| Community wealth/Equity | 2 315 788 | 2 466 007 | 2 467 152 | | 2 535 642 | | | | 2 467 152 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 255 638 | 189 835 | 246 513 | (9 332) | 276 144 | 185 298 | (90 846) | -49% | 246 513 |
| Net cash from (used) investing | 168 468 | (161 114) | (161 568) | (8 940) | (85 576) | (168 525) | (82 949) | 49% | (161 568) |
| Net cash from (used) financing | (42 200) | 9 000 | 9 000 | - | - | 8 520 | 8 520 | 100% | 9 000 |
| Cash/cash equivalents at the month/year end | 497 527 | 151 973 | 208 197 | - | 256 973 | 139 544 | (117 429) | -84% | 160 351 |
| 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 | 72 879 | 34 286 | 24 413 | 23 265 | 19 041 | 45 309 | 15 058 | 492 820 | 727 071 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 130 | - | - | 23 | - | - | - | 5 | 157 |

5.2 Financial Performance -Revenue by Source

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

| 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 | | 187 231 | 207 222 | 207 222 | 17 262 | 114 461 | 120 879 | (6 418) | -5% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 206 | 71 335 | 71 335 | 6 388 | 51 508 | 51 314 | 194 | 0% | 71 335 |
| Sale of Goods and Rendering of Services | | 49 555 | 22 615 | 22 615 | 447 | 8 580 | 12 980 | (4 400) | -34% | 22 615 |
| Agency services | | 5 931 | 6 892 | 6 892 | 72 | 2 792 | 4 020 | (1 228) | -31% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 155 | 8 202 | 8 202 | 916 | 5 808 | 4 784 | 1 023 | 21% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | 11 916 | 1 128 | 7 712 | 6 951 | 761 | 11% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 146 | 5 203 | 5 826 | 202 | 2 697 | 3 658 | (962) | -26% | 5 826 |
| Licence and permits | | 598 | 737 | 737 | - | 275 | 430 | (154) | -36% | 737 |
| Operational Revenue | | 3 243 | 1 091 | 2 279 | 1 267 | 1 740 | 1 824 | (84) | -5% | 2 279 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 507 017 | 532 893 | 532 893 | 47 139 | 391 460 | 387 558 | 3 901 | 1% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 598 | 32 812 | 32 812 | 4 119 | 12 671 | 19 140 | (6 469) | -34% | 32 812 |
| Licence and permits | | 9 060 | 11 956 | 11 956 | 634 | 4 631 | 6 974 | (2 343) | -34% | 11 956 |
| Transfers and subsidies - Operational | | 390 199 | 324 656 | 324 701 | 18 076 | 245 385 | 247 202 | (1 817) | -1% | 324 701 |
| Interest | | 31 858 | 32 615 | 32 615 | 3 063 | 20 127 | 19 025 | 1 102 | 6% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 36 066 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 1 328 475 | 1 270 142 | 1 271 998 | 100 736 | 869 846 | 886 740 | (16 894) | -2% | 1 271 998 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 480 606 | 497 297 | 497 297 | 42 895 | 295 865 | 283 452 | 12 412 | 4% | 497 297 |
| Remuneration of councillors | | 40 275 | 34 185 | 34 185 | 2 914 | 20 483 | 19 941 | 541 | 3% | 34 185 |
| Bulk purchases - electricity | | 142 880 | 153 550 | 153 550 | 13 090 | 90 317 | 89 571 | 746 | 1% | 153 550 |
| Inventory consumed | | 12 771 | 12 982 | 12 982 | 132 | 6 781 | 8 931 | (2 150) | -24% | 12 982 |
| Debt impairment | | - | 11 290 | 11 290 | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 127 542 | 107 839 | 107 839 | 14 887 | 52 104 | 50 177 | 1 927 | 4% | 107 839 |
| Interest | | 23 734 | 11 818 | 11 818 | 935 | 937 | 6 701 | (5 765) | -86% | 11 818 |
| Contracted services | | 218 213 | 227 033 | 228 241 | 15 588 | 128 141 | 147 871 | (19 730) | -13% | 228 241 |
| Transfers and subsidies | | 18 394 | 17 133 | 17 099 | 31 | 11 052 | 8 170 | 2 883 | 36% | 17 099 |
| Irrecoverable debts written off | | 76 646 | 5 000 | 5 000 | 52 | 2 802 | 2 917 | (115) | -4% | 5 000 |
| Operational costs | | 194 561 | 171 571 | 171 630 | 13 229 | 92 305 | 102 531 | (10 227) | -10% | 171 630 |
| Losses on Disposal of Assets | | 2 766 | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 338 504 | 1 249 698 | 1 250 931 | 103 754 | 700 787 | 720 263 | (19 476) | -3% | 1 250 931 |
| Surplus/(Deficit) | | (10 029) | 20 444 | 21 067 | (3 018) | 169 060 | 166 477 | 2 583 | 2% | 21 067 |
| Transfers and subsidies - capital (monetary allocations) | | 121 022 | 132 163 | 132 685 | 45 084 | 50 781 | 77 303 | (26 522) | -34% | 132 685 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 110 993 | 152 607 | 153 752 | 42 066 | 219 841 | 243 780 | | | 153 752 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 110 993 | 152 607 | 153 752 | 42 066 | 219 841 | 243 780 | | | 153 752 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 110 993 | 152 607 | 153 752 | 42 066 | 219 841 | 243 780 | | | 153 752 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 110 993 | 152 607 | 153 752 | 42 066 | 219 841 | 243 780 | | | 153 752 |

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

Revenue

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

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

| Description | Ref | Budget Year 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 | | 187 231 | 207 222 | 207 222 | 17 262 | 114 461 | 120 879 | (6 418) | -5% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 206 | 71 335 | 71 335 | 6 388 | 51 508 | 51 314 | 194 | 0% | 71 335 |
| Sale of Goods and Rendering of Services | | 49 555 | 22 615 | 22 615 | 447 | 8 580 | 12 980 | (4 400) | -34% | 22 615 |
| Agency services | | 5 931 | 6 892 | 6 892 | 72 | 2 792 | 4 020 | (1 228) | -31% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 155 | 8 202 | 8 202 | 916 | 5 808 | 4 784 | 1 023 | 21% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | 11 916 | 1 128 | 7 712 | 6 951 | 761 | 11% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 146 | 5 203 | 5 826 | 202 | 2 697 | 3 658 | (962) | -26% | 5 826 |
| Licence and permits | | 598 | 737 | 737 | - | 275 | 430 | (154) | -36% | 737 |
| Operational Revenue | | 3 243 | 1 091 | 2 279 | 1 267 | 1 740 | 1 824 | (84) | -5% | 2 279 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 507 017 | 532 893 | 532 893 | 47 139 | 391 460 | 387 558 | 3 901 | 1% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 598 | 32 812 | 32 812 | 4 119 | 12 671 | 19 140 | (6 469) | -34% | 32 812 |
| Licence and permits | | 9 060 | 11 956 | 11 956 | 634 | 4 631 | 6 974 | (2 343) | -34% | 11 956 |
| Transfers and subsidies - Operational | | 390 199 | 324 656 | 324 701 | 18 076 | 245 385 | 247 202 | (1 817) | -1% | 324 701 |
| Interest | | 31 858 | 32 615 | 32 615 | 3 083 | 20 127 | 19 025 | 1 102 | 6% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 36 066 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 1 328 475 | 1 270 142 | 1 271 998 | 100 736 | 869 846 | 886 740 | (16 894) | -2% | 1 271 998 |

Revenue from Exchange Transactions

Service charges - Electricity

The YTD Actual for electricity billing for the period ended 31 January 2025 is R114.5 million and the YTD Budget is R120.9 million. This results in a 5% variance, which is in line with projected billing. The variance indicates that electricity billing for residential, industrial, and commercial consumption is slightly lower than expected, but it falls within the acceptable range of deviation. This could be due to factors such as lower-than-expected consumption. The variance is in line with projections which suggests that the overall budget forecast is still accurate, and this deviation is not a major concern at this point.

Service charges – Waste Management

The overall YTD actual billing for refuse removals is R51.5 million and the YTD Budget billing is R51.3 million, with a variance of R194 thousand which is in line with the projected YTD billing.

Sale of goods and Rendering of Services

The YTD actual amounts to R8.6 million with a YTD budget of R13 million and a variance of R4.4 million. Construction revenue is a large component of this line item and is funded by the Integrated National Electrification Programme, implementation of Integrated National Electrification Programme funded projects has begun and revenue will be recognized when the municipality receives additional. The mid-year assessment on other line items with sale of goods and rendering of services has prompted an adjustment in the revenue from sale of goods.

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 commission from financial institutions for services rendered by the municipality on their behalf. The annual projected revenue is R6.9 million, the YTD actual is R2.8 million vs the YTD budget of R4 million showing a variance of R1.2 million

Interest earned from receivables

The YTD budget amounts to R4.8 million compared to the YTD actual amount of R5.8 million, YTD actual showing a positive variance of R1 million variance which indicates an increase in outstanding debtors as the municipality has over the first half of the financial year an average collection rate of 83% lower than the 95% the municipality aims to achieve through its various debt collection strategies.

Interest from Investments

The YTD actual is R7.7 million and a YTD budget of R7 million. This shows a positive variance of R761 thousand since there was more interest earned from the investment accounts. The mid-year assessment has prompted an adjustment in the revenue from interest earned from investments.

Rental from fixed assets

Rental of facilities amounts annual budget is R5.8 million, this is the rental of fixed asset revenue such as halls, airport hangers, skip hire and garages. The YTD actuals for the rental of facilities is R2.7 million compared to YTD budget of R3.7 million, resulting in a R962 thousand negative variance. The mid-year assessment has prompted an adjustment in the revenue from rental of fixed assets.

Licenses and Permits

Licenses and permits for exchange revenue actuals to date amounts to R275 thousand with a YTD budget of R430 thousand resulting in a negative variance of R154 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 R532.9 million and the YTD actual billing is R391.5 million, compared to the YTD budget of R387.6 million and a variance of R3.9 million due to an increase in the application of annual rate payers for public benefit organizations, residential properties, and state-owned entities in the current financial year.

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 R32.8 million. The YTD actual is R12.7 million compared to a YTD budget of R19.1 million. The variance of R6.5 million is mainly caused by low fines issued as fines are contingent on infringements identified and the budgeted amount will be revised in adjustment budget based on the mid-year assessment.

Licenses and Permits

Licenses and permits for non-exchange revenue performance to date amount to R4.6 million with a YTD budget of R7 million, with a negative variance of R2.4 million. Commission earned from the department of transport has been affected by the four-month halt in municipal services. This line item is projected to pick up in the third and fourth quarter.

Transfers and Subsidies -Operational

The YTD as of 31 January 2025 for operational grant recognized /received to date amounts to R245.4 million, YTD Budget is R247.2 million with a variance of R1.8 million. 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 R20.1 million compared to YTD budget of R19 million. The item is in line with budget projections. The 6% variance indicates an increase in outstanding debtors as the

municipality has over the first half of the financial year an average collection rate of 83% lower than the 95% the municipality aims to achieve through its various debt collection strategies.

Total Revenue

The YTD Actual revenue excluding capital transfers is R869.8 million for the period ending 31 January 2025, YTD Budget is R886.7 million, the variance is caused by the differences within the different revenue streams as stated above and how they have been performing.

5.3 Expenditure by Type

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

| Description | Ref | 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 | | | | | | | | | | |
| <u>Expenditure By Type</u> | | | | | | | | | | |
| Employee related costs | | 480 606 | 497 297 | 497 297 | 42 895 | 295 865 | 283 452 | 12 412 | 4% | 497 297 |
| Remuneration of councillors | | 40 275 | 34 185 | 34 185 | 2 914 | 20 483 | 19 941 | 541 | 3% | 34 185 |
| Bulk purchases - electricity | | 142 880 | 153 550 | 153 550 | 13 090 | 90 317 | 89 571 | 746 | 1% | 153 550 |
| Inventory consumed | | 12 771 | 12 982 | 12 982 | 132 | 6 781 | 8 931 | (2 150) | -24% | 12 982 |
| Debt impairment | | - | 11 290 | 11 290 | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 127 542 | 107 839 | 107 839 | 14 887 | 52 104 | 50 177 | 1 927 | 4% | 107 839 |
| Interest | | 23 734 | 11 818 | 11 818 | 935 | 937 | 6 701 | (5 765) | -86% | 11 818 |
| Contracted services | | 218 213 | 227 033 | 228 241 | 15 588 | 128 141 | 147 871 | (19 730) | -13% | 228 241 |
| Transfers and subsidies | | 18 394 | 17 133 | 17 099 | 31 | 11 052 | 8 170 | 2 883 | 35% | 17 099 |
| Irrecoverable debts written off | | 76 646 | 5 000 | 5 000 | 52 | 2 802 | 2 917 | (115) | -4% | 5 000 |
| Operational costs | | 194 561 | 171 571 | 171 630 | 13 229 | 92 305 | 102 531 | (10 227) | -10% | 171 630 |
| Losses on Disposal of Assets | | 2 766 | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 338 504 | 1 249 698 | 1 250 931 | 103 754 | 700 787 | 720 263 | (19 476) | -3% | 1 250 931 |

Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R295.8 million as of 31 January 2025 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 R20.4 million. Employee-related cost is further detailed under table 5.9 Salaries Expenditure Details.

Contracted Services

Contracted services are made up of various operational projects such as Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 31 January 2025 amounts to R128 million, the YTD Budget is R147.8 million. The R19.7 million variance attributed to project set to be implemented in the third and fourth quarter. Adjustments will also be made in the adjustment budget for projects that will be reprioritized.

Inventory Consumed

YTD Inventory consumed amounts to R6.7 million as of 31 January 2025 with the YTD Budget being R8.9 million. The variance in inventory consumed is attributed to the halt in municipal services over the past four months which resulted in lower consumption of inventory.

Depreciation and Amortization

The YTD actual depreciation amounts to R52 million compared to the YTD budget of R50 million. The variance between the budgeted figure and the actual figure is due to depreciation being accounted for on assets that are currently in use, and the budget being based on additional assets planned to be procured during the financial year.

Transfers and Subsidies

Transfers and subsidies relate to donations made by the municipality to fund local economic development such as SMME development, Cooperative's development, and poverty alleviation projects with the jurisdiction of Ray Nkonyeni Municipality. The YTD actual for January 2025 stands at R11 million with a YTD budget of R8 million, SMME development projects were implemented in the second quarter of the financial giving rise to the R3 million variance between the YTD budget vs actual. The annual budget for transfers and subsidies is R17 million.

Overall expenditure budget

The overall expenditure YTD Actual is R700 million, YTD Budget is R720 million. There is R19 million variance, due to the trends of different types of expenditure as explained above such as operational costs 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 R169 million compared to the YTD Budget surplus of R166.4 million due to the performance of the various line items detailed above.

5.4 Debtors Age Analysis

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

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | Total | Total over 90 days | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.o 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 | | | | | |
| R thousands | | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 6 | 5 | 6 | 6 | 5 | 3 | 6 | 1 074 | 1 112 | 1 094 | - | - | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 19 973 | 6 905 | 2 836 | 2 880 | 1 333 | 1 038 | 872 | 17 189 | 53 025 | 23 311 | - | - | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 41 956 | 19 741 | 14 448 | 14 002 | 12 207 | 35 558 | 9 001 | 274 766 | 421 678 | 345 534 | 3 | - | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | 0 | 0 | 0 | - | - | |
| Receivables from Exchange Transactions - Waste Management | 1600 | 6 441 | 3 562 | 2 624 | 2 204 | 1 983 | 5 117 | 1 898 | 55 114 | 78 742 | 66 115 | - | - | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Interest on Arrear Debtor Accounts | 1810 | 3 947 | 3 831 | 3 702 | 3 652 | 3 383 | 3 283 | 3 285 | 132 529 | 157 612 | 146 133 | - | - | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other | 1900 | 557 | 243 | 797 | 521 | 130 | 309 | 196 | 12 149 | 14 902 | 13 305 | 0 | - | |
| Total By Income Source | 2000 | 72 879 | 34 286 | 24 413 | 23 265 | 19 841 | 45 389 | 15 858 | 492 820 | 727 071 | 595 493 | 3 | - | |
| 2023/24 - totals only | | 67 334 | 33 069 | 21 681 | 24 426 | 15 331 | 35 933 | 14 013 | 428 185 | 639 972 | 517 889 | - | - | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | | |
| Organs of State | 2200 | 2 745 | 1 016 | 1 026 | 2 381 | 711 | 20 119 | 646 | 40 905 | 69 549 | 64 762 | - | - | |
| Commercial | 2300 | 27 624 | 11 012 | 6 332 | 6 157 | 5 724 | 5 363 | 3 392 | 88 388 | 153 983 | 109 025 | - | - | |
| Households | 2400 | 42 510 | 22 258 | 17 056 | 14 727 | 12 605 | 19 826 | 11 021 | 363 526 | 503 530 | 421 706 | 3 | - | |
| Other | 2500 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total By Customer Group | 2600 | 72 879 | 34 286 | 24 413 | 23 265 | 19 841 | 45 389 | 15 858 | 492 820 | 727 071 | 595 493 | 3 | - | |

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

5.5 Creditors Age Analysis

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

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | 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 | 130 | - | - | 23 | - | - | - | - | 5 | 157 | 4 045 |
| Auditor General | 0800 | - | - | - | - | - | - | - | - | - | - | - |
| Other | 0900 | - | - | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | 130 | - | - | 23 | - | - | - | - | 5 | 157 | 4 045 |

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

5.6 Capital Expenditure

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

| Vote Description | Ref | 2023/24 | | | Budget Year 2024/25 | | | TTD | TTD % | Full Year Estimate |
|--|-----|----------|-----------------|----------------|---------------------|---------------|---------------|----------|-------|--------------------|
| | | Approved | Original Budget | Revised Budget | Monthly actual | YearTD actual | YearTD budget | | | |
| R thousands | | | | | | | | | | |
| 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 | | 23 | 387 | 387 | - | - | 219 | (219) | -100% | 387 |
| Vote 2 - Finance and Administration | | 63 860 | 7 300 | 7 300 | 2 | 2 240 | 4 488 | (2 248) | -50% | 7 300 |
| Vote 3 - Internal Audit | | 223 | 210 | 210 | - | - | 160 | (160) | -100% | 210 |
| Vote 4 - Community and Social Services | | 22 343 | - | - | - | - | - | - | - | - |
| Vote 5 - Sport and Recreation | | - | - | - | - | - | - | - | - | - |
| Vote 6 - Public Safety | | - | 4 600 | 4 600 | 105 | 519 | 2 683 | (2 164) | -81% | 4 600 |
| Vote 7 - Housing | | 122 | 55 | 55 | - | - | 55 | (55) | -100% | 55 |
| Vote 8 - Health | | - | - | - | - | - | - | - | - | - |
| Vote 9 - Planning and Development | | 145 068 | 140 425 | 140 879 | 8 037 | 57 886 | 82 069 | (24 182) | -29% | 140 879 |
| Vote 10 - Road Transport | | 30 270 | 15 900 | 15 900 | - | 6 552 | 9 350 | (2 798) | -30% | 15 900 |
| Vote 11 - Environment Protection | | - | 800 | 800 | - | 452 | 467 | (15) | -3% | 800 |
| Vote 12 - Energy Sources | | - | 15 997 | 15 997 | 440 | 577 | 9 481 | (8 904) | -94% | 15 997 |
| Vote 13 - Other | | - | 485 | 485 | - | - | 279 | (279) | -100% | 485 |
| Vote 14 - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Waste Management | | 496 | 1 400 | 1 400 | - | 757 | 875 | (118) | -14% | 1 400 |
| Total Capital single-year expenditure | 4 | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Total Capital Expenditure | | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 64 106 | 7 897 | 7 897 | 2 | 2 240 | 4 867 | (2 627) | -54% | 7 897 |
| Executive and council | | 23 | 387 | 387 | - | - | 219 | (219) | -100% | 387 |
| Finance and administration | | 63 860 | 7 300 | 7 300 | 2 | 2 240 | 4 488 | (2 248) | -50% | 7 300 |
| Internal audit | | 223 | 210 | 210 | - | - | 160 | (160) | -100% | 210 |
| Community and public safety | | 22 465 | 4 655 | 4 655 | 105 | 519 | 2 738 | (2 219) | -81% | 4 655 |
| Community and social services | | 22 343 | - | - | - | - | - | - | - | - |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | 4 600 | 4 600 | 105 | 519 | 2 683 | (2 164) | -81% | 4 600 |
| Housing | | 122 | 55 | 55 | - | - | 55 | (55) | -100% | 55 |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 176 338 | 157 125 | 157 579 | 8 037 | 64 890 | 91 885 | (26 995) | -29% | 157 579 |
| Planning and development | | 145 068 | 140 425 | 140 879 | 8 037 | 57 886 | 82 069 | (24 182) | -29% | 140 879 |
| Road transport | | 30 270 | 15 900 | 15 900 | - | 6 552 | 9 350 | (2 798) | -30% | 15 900 |
| Environmental protection | | - | 800 | 800 | - | 452 | 467 | (15) | -3% | 800 |
| Trading services | | 496 | 17 397 | 17 397 | 440 | 1 334 | 10 356 | (9 022) | -87% | 17 397 |
| Energy sources | | - | 15 997 | 15 997 | 440 | 577 | 9 481 | (8 904) | -94% | 15 997 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 496 | 1 400 | 1 400 | - | 757 | 875 | (118) | -14% | 1 400 |
| Other | | - | 485 | 485 | - | - | 279 | (279) | -100% | 485 |
| Total Capital Expenditure - Functional Classification | 3 | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Funded by: | | | | | | | | | | |
| National Government | | 159 231 | 114 490 | 114 943 | 8 477 | 52 284 | 66 854 | (14 570) | -22% | 114 943 |
| Provincial Government | | - | 435 | 435 | - | - | 254 | (254) | -100% | 435 |
| District Municipality | | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, | | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 159 231 | 114 924 | 115 378 | 8 477 | 52 284 | 67 108 | (14 824) | -22% | 115 378 |
| Borrowing | 6 | - | 9 000 | 9 000 | - | 252 | 5 400 | (5 148) | -95% | 9 000 |
| Internally generated funds | | 44 397 | 63 634 | 63 634 | 107 | 16 447 | 37 618 | (21 170) | -56% | 63 634 |
| Total Capital Funding | | 203 628 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R68 million, the YTD budgeted is R110 million and there is R41 million variance. R 68 million of YTD actuals for capital expenditure, R52 million is funded by national grants, and R16.4 million from internally generated funds

5.7 Transfers and Grants Receipts



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JANUARY 2025

| 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 51 731 000 | R - | R 57 279 796.27 | R 5 548 796.27 | |
| NEIGHBOURHOOD GRANT | | R 25 000 000 | R - | R 2 050 852.36 | | R 22 949 147.64 |
| ENERGY EFFICIENT & DEMAND SIDE MANAGEMENT | | R 5 500 000 | R - | R 440 000 | | R 5 060 000.00 |
| EXPANDED PUBLIC WORKS PROGRAMME (EPWP) | | R 2 278 000 | R 3 350 022 | R - | R 1 072 022.25 | R - |
| MUNICIPAL DISASTER RESPONSE | | R 22 760 000 | R - | R - | R - | R 22 760 000.00 |
| MUNICIPAL DISASTER RECOVERY | R 771 197 | R - | R - | R - | R - | R 771 197.00 |
| INTERMODAL FACILITIES GRANT | | R - | R - | R - | R - | R - |
| INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) | R 63 435 | R 2 000 000 | R 6 502 501 | R - | R - | R 4 439 065.87 |
| FINANCIAL MANAGEMENT GRANT (FMG) | | R 1 900 000 | R 1 472 019 | R - | R - | R 427 980.65 |
| PROVINCIALIZATION OF LIBRARY GRANT | | R 12 964 000 | R 23 962 525 | R - | R 10 998 525 | R - |
| CYBER CADET GRANT | | R 2 120 000 | R 993 750 | R - | R - | R 1 126 250.15 |
| COMMUNITY LIBRARIES GRANT (MOB) | | R 389 000 | R 108 055 | R - | R - | R 280 944.60 |
| MUSEUM GRANT | | R 497 000 | R 1 203 738 | R - | R 706 738 | R - |
| MODULAR LIBRARIES GRANT | | R 747 000 | R - | R - | R - | R 747 000.00 |
| AIRPORT GRANT | R 43 015 | R 500 000 | R - | R - | R - | R 543 014.50 |
| MARKET STALLS GRANT | R 1 377 516 | R - | R - | R - | R - | R 1 377 516.23 |
| TOTAL | R 2 255 163 | R 128 386 000 | R 37 592 611 | R 59 770 649 | R 18 326 081 | R 51 603 985 |

Transfers and Grants Receipts

The total grants received to date for period ending 31 January 2025 amounts to R107.4 million, which include R34.4 million from IUDG, Neighborhood Development Grant, R25 million, R2 million from Energy Efficient and Demand Site, R2.2 million from Expanded Public Works programme, R22.7 million from Municipal Disaster Recovery, R2 Million from Integrated National Electrification Programme. R1.9 million from Financial Management, R12.9 million from Library Grant, R2.1 million from Cyber Grant, R389 thousand from Community Libraries, R497 thousand from Museum Grant, R747 from Modular Libraries and R500 thousand from Airport Grant.

Opening Balances -Grant Register

The total unspent grants as of 30 June 2024 is **R2 255 163**.

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

- Disaster Recovery Grant – R771 197
- Integrated National Electrification Programme (INEP) – R63 435
- Airport Grant – R43 015
- Market Stalls Grant – R1 377 516

5.8 Transfers and Grants Expenditure



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

| KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JANUARY 2025 | | | | | | |
|---|-----------------------|----------------------|--|--|---------------------|-----------------------|
| 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 51 731 000 | R - | R 57 279 796.27 | R 5 548 796.27 | |
| NEIGHBOURHOOD GRANT | | R 25 000 000 | R - | R 2 050 852.36 | | R 22 949 147.64 |
| ENERGY EFFICIENT & DEMAND SIDE MANAGANEMENT | | R 5 500 000 | R - | R 440 000 | | R 5 060 000.00 |
| EXPANDED PUBLIC WORKS PROGRAMME (EPWP) | | R 2 278 000 | R 3 350 022 | R - | R 1 072 022.25 | R - |
| MUNICIPAL DISASTER RESPONSE | | R 22 760 000 | R - | R - | R - | R 22 760 000.00 |
| MUNICIPAL DISASTER RECOVERY | R 771 197 | R - | R - | R - | R - | R 771 197.00 |
| INTERMODAL FACILITIES GRANT | | R - | R - | R - | R - | R - |
| INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) | R 63 435 | R 2 000 000 | R 6 502 501 | R - | R - | R 4 439 065.87 |
| FINANCIAL MANAGEMENT GRANT (FMG) | | R 1 900 000 | R 1 472 019 | R - | R - | R 427 980.65 |
| PROVINCIALIZATION OF LIBRARY GRANT | | R 12 964 000 | R 23 962 525 | R - | R 10 998 525 | R - |
| CYBER CADET GRANT | | R 2 120 000 | R 993 750 | R - | R - | R 1 126 250.15 |
| COMMUNITY LIBRARIES GRANT (MOB) | | R 389 000 | R 108 055 | R - | R - | R 280 944.60 |
| MUSEUM GRANT | | R 497 000 | R 1 203 738 | R - | R 706 738 | R - |
| MODULAR LIBRARIES GRANT | | R 747 000 | R - | R - | R - | R 747 000.00 |
| AIRPORT GRANT | R 43 015 | R 500 000 | R - | R - | R - | R 543 014.50 |
| MARKET STALLS GRANT | R 1 377 516 | R - | R - | R - | R - | R 1 377 516.23 |
| TOTAL | R 2 255 163 | R 128 386 000 | R 37 592 611 | R 59 770 649 | R 18 326 081 | R 51 603 985 |

Transfers and Grants Expenditure

Grants are monitored monthly, and Grant's register is communicated/ shared with management to ensure effective management of grants and 100% expenditure. As of 31 January 2025, there is R37.5 million operating expenditure recorded and capital expenditure amounting to R59.7 million.

Grant's expenditure

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

An amount of R51.7 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 January 2025 is R57.2 million and has been spent on various capital projects. R5.5 million has been funded internally and will be reconciled when additional tranches have been received.

- **Neighborhood Development Partnership Grant**

An amount of R25 million has been received for the Neighborhood Development Partnership Grant. This is a capital grant and the YTD actual for the period ended 31 January 2025 is R2 million

- **Expanded Public Works Programme**

An amount of R2 278 000 has been received for the EPWP grant. This is an operational grant and the YTD actual for the period ended 31 January 2025 is R3 350 022 with R1 072 022 funded internally and will be reconciled when additional tranches have been received.

- **Finance Management Grant**

An amount of R1 950 000 has been received for the FMG grant. This is an operational grant and the YTD actual for the period ended 31 January 2025 is R1 472 019.

- **Museum Subsidy Grant**

An amount of R497 000 has been received for the museum grant. This is an operational grant and the YTD actual for the period ended 31 January 2025 is R1 203 738, with R706 738 being internally funded.

- **Disaster Recovery Grant**

An amount of R22.7 million has been received for the disaster grant. This is an operational grant and there is currently no expenditure to date.

5.9 Salaries Expenditure details

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

| Summary of Employee and Councillor remuneration | Ref | 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 | | 25 912 | 18 278 | 18 276 | 1 550 | 10 981 | 10 651 | 300 | 3% | 18 276 |
| Pension and UIF Contributions | | 780 | 755 | 755 | 86 | 464 | 440 | 24 | 5% | 755 |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | - | - | - | - | - | - | - | - | - |
| Cellphone Allowance | | 3 000 | 3 129 | 3 129 | 259 | 1 795 | 1 825 | (30) | -2% | 3 129 |
| Housing Allowances | | 7 582 | 8 977 | 8 977 | 738 | 5 151 | 5 237 | (86) | -2% | 8 977 |
| Other benefits and allowances | | 3 020 | 3 049 | 3 049 | 301 | 2 091 | 1 778 | 313 | 18% | 3 049 |
| Sub Total - Councillors | | 40 276 | 34 185 | 34 185 | 2 914 | 20 483 | 19 941 | 541 | 9% | 34 185 |
| % increase | 4 | | -15.1% | -15.1% | | | | | | -15.1% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | | 2 720 | 6 584 | 6 584 | 272 | 1 672 | 3 841 | (1 909) | -51% | 6 584 |
| Pension and UIF Contributions | | 84 | 90 | 90 | 18 | 83 | 53 | 31 | 58% | 90 |
| Medical Aid Contributions | | 84 | 51 | 51 | 8 | 42 | 30 | 13 | 43% | 51 |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | 823 | 913 | 913 | - | - | 417 | (417) | -100% | 913 |
| Motor Vehicle Allowance | | 685 | 732 | 732 | 77 | 480 | 427 | 53 | 12% | 732 |
| Cellphone Allowance | | 66 | 63 | 63 | 7 | 42 | 37 | 5 | 13% | 63 |
| Housing Allowances | | 1 474 | 1 332 | 1 332 | 121 | 826 | 777 | 49 | 6% | 1 332 |
| Other benefits and allowances | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 93% | 0 |
| Payments in lieu of leave | | (120) | 21 | 21 | 8 | 59 | 12 | 47 | 382% | 21 |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 5 787 | 9 787 | 9 787 | 510 | 3 405 | 6 684 | (2 189) | -39% | 9 787 |
| % increase | 4 | | 68.8% | 68.8% | | | | | | 68.8% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 288 890 | 309 362 | 309 362 | 25 339 | 176 913 | 180 461 | (3 548) | -2% | 309 362 |
| Pension and UIF Contributions | | 52 631 | 53 681 | 53 681 | 4 642 | 32 468 | 31 314 | 1 154 | 4% | 53 681 |
| Medical Aid Contributions | | 20 835 | 21 895 | 21 895 | 1 991 | 13 070 | 12 772 | 298 | 2% | 21 895 |
| Overtime | | 23 754 | 22 014 | 22 014 | 3 740 | 14 444 | 12 839 | 1 605 | 13% | 22 014 |
| Performance Bonus | | 23 167 | 23 706 | 23 706 | 1 122 | 15 519 | 13 828 | 1 691 | 12% | 23 706 |
| Motor Vehicle Allowance | | 20 192 | 20 003 | 20 003 | 1 748 | 12 433 | 11 668 | 765 | 7% | 20 003 |
| Cellphone Allowance | | 994 | 1 047 | 1 047 | 83 | 578 | 611 | (33) | -5% | 1 047 |
| Housing Allowances | | 3 224 | 2 873 | 2 873 | 298 | 2 978 | 1 676 | 1 302 | 78% | 2 873 |
| Other benefits and allowances | | 5 894 | 5 507 | 5 507 | 784 | 3 627 | 415 | 3 212 | 13% | 5 507 |
| Payments in lieu of leave | | 5 537 | 5 907 | 5 907 | 1 907 | 14 079 | 3 446 | 10 633 | 309% | 5 907 |
| Long service awards | | 6 584 | 3 016 | 3 016 | 222 | 2 510 | 2 722 | (212) | -8% | 3 016 |
| Post-retirement benefit obligations | | 21 916 | 17 239 | 17 239 | 451 | 3 021 | 2 573 | 448 | 17% | 17 239 |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | 1 212 | 1 263 | 1 263 | 58 | 819 | 737 | 83 | 11% | 1 263 |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | 474 808 | 487 610 | 487 610 | 42 386 | 292 480 | 277 858 | 14 622 | 5% | 487 610 |
| % increase | 4 | | 2.7% | 2.7% | | | | | | 2.7% |
| Total Parent Municipality | | 520 880 | 531 483 | 531 483 | 45 809 | 316 947 | 308 394 | 12 954 | 4% | 531 483 |

Councillors Remuneration

The annual budget is R34 million and a YTD actual performance of R20.4 million, in line with the budget remuneration.

Senior Managers of the Municipality

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

Other Municipal Staff

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

5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 31 January 2025



| DETAILS | % | REDEEMABLE | PROJECT NUMBER | CAPITAL OPENING | LOAN | LOAN | INTEREST | LOAN | CLOSING |
|-------------------------|--------|-------------|----------------|-------------------------|------------|------------|------------|------------|-------------------------|
| | | | | BALANCE | ADVANCE | INTEREST | PAID | REPAYMENT | BALANCE |
| | | | | 01 January 2025 | | CHARGED | | | 31 January 2025 |
| | | | | R | | | | R | R |
| DBSA | R 0.09 | R 47 938.00 | '61007684 | -R 9 259 231.30 | R - | R - | R - | R - | -R 9 259 231.30 |
| DBSA | R 0.13 | R 47 809.00 | '61007761 | -R 6 811 792.69 | R - | R - | R - | R - | -R 6 811 792.69 |
| TOTAL DBSA LOANS | | | | -R 16 071 023.99 | R - | R - | R - | R - | -R 16 071 023.99 |
| TOTAL LOANS | | | | -R 16 071 023.99 | R - | R - | R - | R - | -R 16 071 023.99 |

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 R16 million as of 31 January 2025. 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.

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 - M07 - January

| 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 |
| Borrowing Management | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & principal paid/Operating Expenditure | | -1.4% | 9.6% | 9.6% | 0.1% | 3.7% |
| Borrowed funding of 'own' capital expenditure | Borrowings/Capital expenditure excl. transfers and grants | | 0.0% | 4.8% | 4.9% | 2.9% | 13.0% |
| Safety of Capital | | | | | | | |
| Debt to Equity | Loans, Accounts Payable, Overdraft & Tax Provision/ | | 19.1% | 14.8% | 14.8% | 16.7% | 14.8% |
| Gearing | Long Term Borrowing/ Funds & Reserves | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Liquidity | | | | | | | |
| Current Ratio | Current assets/current liabilities | 1 | 148.2% | 189.8% | 190.0% | 185.9% | 190.0% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | 13.7% | 34.4% | 34.5% | 32.3% | 34.5% |
| Revenue Management | | | | | | | |
| Annual Debtors Collection Rate | Last 12 Mths Receipts/ Last 12 Mths Billing | | | | | | |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | | 33.4% | 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% |
| Creditors Management | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within MFMA s 65(e)) | | | | | | |
| Funding of Provisions | | | | | | | |
| Percentage Of Provisions Not Funded | Unfunded Provisions/Total Provisions | | | | | | |
| Other Indicators | | | | | | | |
| 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 | | 36.2% | 39.2% | 39.1% | 34.0% | 39.1% |
| Repairs & Maintenance | R&M/Total Revenue - capital revenue | | 8.1% | 10.7% | 10.7% | 7.6% | 10.7% |
| Interest & Depreciation | I&D/Total Revenue - capital revenue | | 11.4% | 9.4% | 9.4% | 0.1% | 3.6% |
| IDP regulation financial viability indicators | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | | | | | | |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue | | | | | | |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational | | | | | | |

The above table gives an overview of the financial indicators of the municipality for the period ended 31 January 2025 and the indicators are broken down below.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R16 071 023.99 as of 31 January 2025.

Liquidity

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

Budgeted Current Ratio: R834 244 000/438 993 000=**1.90:1**

Actual Current Ratio as of 31 January 2025: R938 085 000/R504 511 000 = **1.86:1**

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 R1.90: R1 ratio and the actual ratio as of 31 January 2025 is: R1.86: R1 which is above the norm.

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

Budgeted Acid test Ratio: (R834 244 000)/R11 770 000=**1.87:1**

Actual Acid test Ratio as 31 January 2025:(R938 085 000-R7 120 000)/R504 511 000 = **1.85:1**

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 31/01/2025 | | | | | | | | | |
| ACCOUNT NO | INSTITUTION & TYPE | PROJECT NAME /DETAILS | YTD | | | | | | |
| | | | INVESTMENT BALANCES AS AT 01/07/2024 | INTEREST | BANK DEPOSITS | CHARGES | INVESTMENT WITHDRAWALS | BALANCE AS AT 31/01/2025 | |
| 378692984011 | STANDARD BANK - CALL | LOUISIANA HSG | 10 907 918.73 | 522 913.22 | 680.35 | - | - | - | 11 431 512.30 |
| 378692984003 | STANDARD BANK - CALL | NZIMAKWE 1 HSG | 702 516.37 | 8 441.04 | 43.82 | - | - | 711 001.23 | - |
| 378692984004 | STANDARD BANK - CALL | NZIMAKWE 2 HSG | 1 165 570.40 | 55 876.13 | 72.70 | - | - | - | 1 221 519.23 |
| 378692984005 | STANDARD BANK - CALL | BHOBOYI SUB-HSG | 370 110.91 | 17 742.69 | 23.08 | - | - | - | 387 876.68 |
| 378692984006 | STANDARD BANK - CALL | BHOBOYI EST-HSG | 13 305.34 | 92.91 | 0.83 | - | - | - | 13 399.08 |
| 378692984007 | STANDARD BANK - CALL | DAMAGED HSES | 85 265.40 | 657.47 | 5.33 | - | - | - | 85 928.20 |
| 378692984008 | STANDARD BANK - CALL | UPLANDS HSG | 85 179.05 | 656.81 | 5.33 | - | - | - | 85 841.19 |
| 378692984009 | STANDARD BANK - CALL | MKHOLOMBE HSG | 1 650 612.81 | 19 832.81 | 102.95 | - | - | - | 1 670 548.57 |
| 378692984010 | STANDARD BANK - CALL | ADS PROJECT | 164 107.81 | 1 971.82 | 10.24 | - | - | - | 166 089.87 |
| 378692984012 | STANDARD BANK - CALL | MASINENGE HSG | 6 464 734.67 | 77 678.53 | 403.22 | - | - | - | 6 542 814.42 |
| 378692984013 | STANDARD BANK - CALL | KWAMAVUNDLA HSG | 277 852.94 | 3 338.52 | 17.33 | - | - | - | 281 208.79 |
| 378692984014 | STANDARD BANK - CALL | KWAXOLO HOUSING | 13 184 979.69 | 158 543.28 | 823.00 | - | - | - | 13 354 345.97 |
| 378692984015 | STANDARD BANK - CALL | KWADWALANE HOUSING | 597 847.20 | 7 183.39 | 37.30 | - | - | - | 605 067.89 |
| | | | 35 680 001.32 | 874 926.62 | 2 225.48 | - | - | - | 23 516 245.21 |
| | | | | | | | | | 13 040 908.21 |
| 378692984018 | STANDARD BANK - CALL | MHOA | | 403 637.68 | 14 706 283.45 | - | - | - | 15 109 921.13 |
| | | | | - | 403 637.68 | 14 706 283.45 | - | - | 15 109 921.13 |
| 378692984016 | STANDARD BANK-CALL | RNM- UNSPENT CONDITIONAL GRANTS | 55 814.03 | 348.96 | - | - | - | - | 56 162.99 |
| 378692984017 | STANDARD BANK-CALL | RNM-ACCREDITATION FUNDS | 12 328.73 | 69.80 | - | - | - | - | 12 398.53 |
| | | | 68 142.76 | 418.76 | - | - | - | - | 68 561.52 |
| 62726614151 | FNB - CALL | RNM - PRIMARY INVESTMENT A/C | 522 900.26 | 3 915 908.82 | 572 698 000.00 | - | - | 548 234 494.45 | 28 902 314.63 |
| | | | 522 900.26 | 3 915 908.82 | 572 698 000.00 | - | - | 548 234 494.45 | 28 902 314.63 |
| 74873852518 | FNB | FNB- 48 HOUR CASH ACCELERATOR | 3 910 859.73 | 184 114.34 | - | - | - | - | 4 094 974.07 |
| | | | 3 910 859.73 | 184 114.34 | - | - | - | - | 4 094 974.07 |
| 37881000791-000036 | NEDBANK | RESERVES INVESTMENT ACCOUNT | 20 903 457.59 | 1 198 387.68 | 57 948 544.95 | - | - | 50 000 000.00 | 30 050 370.22 |
| | | | 20 903 457.59 | 1 198 387.68 | 57 948 544.95 | - | - | 50 000 000.00 | 30 050 370.22 |
| 37881000791-000037 | NEDBANK | RESERVES FIXED INVESTMENT ACCOUNT | - | 2 153 020.54 | 50 000 000.00 | - | - | - | 52 153 020.54 |
| | | | - | 2 153 020.54 | 50 000 000.00 | - | - | - | 52 153 020.54 |
| | | GRAND TOTAL | 61 085 361.66 | 8 730 394.44 | 695 355 053.88 | - | - | 621 819 201.18 | 143 351 508.80 |

The Investment register as of 31 January 2025 has the closing balance of R143.3 million, with R8.7 million total interest earned in various investment accounts as shown in the above register.

6.1 Monthly Budget Statement Summary

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

| Description | 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 | 507 017 | 532 893 | 532 893 | 47 139 | 391 460 | 387 558 | 3 901 | 1% | 532 893 |
| Service charges | 250 437 | 278 556 | 278 556 | 23 651 | 165 968 | 172 193 | (6 224) | -4% | 278 556 |
| Investment revenue | 11 614 | 11 916 | 11 916 | 1 128 | 7 712 | 6 951 | 761 | 11% | 11 916 |
| Transfers and subsidies - Operational | 390 199 | 324 656 | 324 701 | 18 076 | 245 385 | 247 202 | (1 817) | -1% | 324 701 |
| Other own revenue | 169 209 | 122 121 | 123 933 | 10 741 | 59 321 | 72 837 | (13 515) | -19% | - |
| Total Revenue (excluding capital transfers and contributions) | 1 328 475 | 1 270 142 | 1 271 998 | 100 736 | 869 846 | 886 740 | (16 894) | -2% | 1 271 998 |
| Employee costs | 480 606 | 497 297 | 497 297 | 42 895 | 295 865 | 283 452 | 12 412 | 4% | 497 297 |
| Remuneration of Councillors | 40 275 | 34 185 | 34 185 | 2 914 | 20 483 | 19 941 | 541 | 3% | 34 185 |
| Depreciation and amortisation | 127 542 | 107 839 | 107 839 | 14 887 | 52 104 | 50 177 | 1 927 | 4% | 107 839 |
| Interest | 23 734 | 11 818 | 11 818 | 935 | 937 | 6 701 | (5 765) | -86% | 11 818 |
| Inventory consumed and bulk purchases | 155 651 | 166 532 | 166 532 | 13 222 | 97 098 | 98 502 | (1 404) | -1% | 166 532 |
| Transfers and subsidies | 18 394 | 17 133 | 17 099 | 31 | 11 052 | 8 170 | 2 883 | 35% | 17 099 |
| Other expenditure | 492 302 | 414 894 | 416 160 | 28 869 | 223 248 | 253 319 | (30 071) | -12% | 416 160 |
| Total Expenditure | 1 338 504 | 1 249 698 | 1 250 931 | 103 754 | 700 787 | 720 263 | (19 476) | -3% | 1 250 931 |
| Surplus/(Deficit) | (10 029) | 20 444 | 21 067 | (3 018) | 169 060 | 166 477 | 2 583 | 2% | 21 067 |
| Transfers and subsidies - capital (monetary allocations) | 121 022 | 132 163 | 132 685 | 45 084 | 50 781 | 77 303 | (26 522) | -34% | 132 685 |
| Transfers and subsidies - capital (in-kind) contributions | - | - | - | - | - | - | - | - | - |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 110 993 | 152 607 | 153 752 | 42 066 | 219 841 | 243 780 | (23 940) | -10% | 153 752 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Capital transfers recognised | 159 231 | 114 924 | 115 378 | 8 477 | 52 284 | 67 108 | (14 824) | -22% | 115 378 |
| Borrowing | - | 9 000 | 9 000 | - | 252 | 5 400 | (5 148) | -95% | 9 000 |
| Internally generated funds | 44 397 | 63 634 | 63 634 | 107 | 16 447 | 37 618 | (21 170) | -56% | 63 634 |
| Total sources of capital funds | 203 628 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Financial position | | | | | | | | | |
| Total current assets | 716 900 | 833 735 | 834 244 | | 938 085 | | | | 834 244 |
| Total non current assets | 2 325 895 | 2 242 159 | 2 242 613 | | 2 345 457 | | | | 2 242 613 |
| Total current liabilities | 483 617 | 439 175 | 438 993 | | 504 511 | | | | 438 993 |
| Total non current liabilities | 243 390 | 170 711 | 170 711 | | 243 390 | | | | 170 711 |
| Community wealth/Equity | 2 315 788 | 2 466 007 | 2 467 152 | | 2 535 642 | | | | 2 467 152 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 255 638 | 189 835 | 246 513 | (9 332) | 276 144 | 211 248 | (64 896) | -31% | 246 513 |
| Net cash from (used) investing | 168 468 | (161 114) | (161 568) | (8 940) | (85 576) | (94 443) | (8 868) | 9% | (161 568) |
| Net cash from (used) financing | (42 200) | 9 000 | 9 000 | - | - | 9 000 | 9 000 | 100% | 9 000 |
| Cash/cash equivalents at the month/year end | 497 527 | 151 973 | 208 197 | - | 256 973 | 240 056 | (16 917) | -7% | 160 351 |
| 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 | 72 879 | 34 286 | 24 413 | 23 265 | 19 041 | 45 309 | 15 058 | 492 820 | 727 071 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 130 | - | - | 23 | - | - | - | 5 | 157 |

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) - M07 - January

| Description | 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 | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | 187 231 | 207 222 | 207 222 | 17 282 | 114 481 | 120 879 | (6 418) | -5% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 206 | 71 335 | 71 335 | 6 388 | 51 508 | 51 314 | 194 | 0% | 71 335 |
| Sale of Goods and Rendering of Services | | 49 555 | 22 615 | 22 615 | 447 | 6 580 | 12 980 | (4 400) | -34% | 22 615 |
| Agency services | | 5 931 | 6 892 | 6 892 | 72 | 2 792 | 4 020 | (1 228) | -31% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 155 | 8 202 | 8 202 | 916 | 5 808 | 4 784 | 1 023 | 21% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | 11 916 | 1 128 | 7 712 | 6 951 | 761 | 11% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 146 | 5 203 | 5 826 | 202 | 2 697 | 3 658 | (902) | -26% | 5 826 |
| Licence and permits | | 598 | 737 | 737 | - | 275 | 430 | (154) | -36% | 737 |
| Operational Revenue | | 3 243 | 1 091 | 2 279 | 1 287 | 1 740 | 1 824 | (84) | -5% | 2 279 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 507 017 | 532 893 | 532 893 | 47 139 | 391 480 | 387 558 | 3 901 | 1% | 532 893 |
| Burchanges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 598 | 32 812 | 32 812 | 4 119 | 12 671 | 19 140 | (6 469) | -34% | 32 812 |
| Licence and permits | | 9 080 | 11 958 | 11 958 | 634 | 4 631 | 6 974 | (2 343) | -34% | 11 958 |
| Transfers and subsidies - Operational | | 390 199 | 324 658 | 324 701 | 18 076 | 245 385 | 247 202 | (1 817) | -1% | 324 701 |
| Interest | | 31 858 | 32 615 | 32 615 | 3 083 | 20 127 | 19 025 | 1 102 | 6% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 36 066 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 1 328 476 | 1 270 142 | 1 271 988 | 100 738 | 889 848 | 888 740 | (16 894) | -2% | 1 271 988 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 480 806 | 497 297 | 497 297 | 42 895 | 295 865 | 283 452 | 12 412 | 4% | 497 297 |
| Remuneration of councillors | | 40 275 | 34 185 | 34 185 | 2 914 | 20 483 | 19 941 | 541 | 3% | 34 185 |
| Bulk purchases - electricity | | 142 880 | 153 550 | 153 550 | 13 090 | 90 317 | 89 571 | 746 | 1% | 153 550 |
| Inventory consumed | | 12 771 | 12 982 | 12 982 | 132 | 6 781 | 8 931 | (2 150) | -34% | 12 982 |
| Debt Impairment | | - | 11 290 | 11 290 | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 127 542 | 107 839 | 107 839 | 14 887 | 52 104 | 50 177 | 1 927 | 4% | 107 839 |
| Interest | | 23 734 | 11 818 | 11 818 | 935 | 937 | 6 701 | (5 765) | -85% | 11 818 |
| Contracted services | | 218 213 | 227 033 | 228 241 | 15 588 | 128 141 | 147 871 | (19 730) | -13% | 228 241 |
| Transfers and subsidies | | 18 394 | 17 133 | 17 099 | 31 | 11 052 | 8 170 | 2 883 | 35% | 17 099 |
| Irrecoverable debts written off | | 76 646 | 5 000 | 5 000 | 52 | 2 802 | 2 917 | (115) | -4% | 5 000 |
| Operational costs | | 194 561 | 171 571 | 171 630 | 13 229 | 92 305 | 102 531 | (10 227) | -10% | 171 630 |
| Losses on Disposal of Assets | | 2 786 | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 938 604 | 1 249 898 | 1 250 981 | 103 754 | 700 787 | 720 283 | (19 478) | -3% | 1 250 981 |
| Surplus/(Deficit) | | (10 028) | 20 444 | 21 087 | (3 018) | 189 080 | 188 477 | 2 683 | 2% | 21 087 |
| Transfers and subsidies - capital (monetary allocations) | | 121 022 | 132 183 | 132 685 | 45 084 | 50 781 | 77 303 | (26 522) | -34% | 132 685 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 110 998 | 162 607 | 163 762 | 42 066 | 219 841 | 243 780 | | | 163 762 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 110 998 | 162 607 | 163 762 | 42 066 | 219 841 | 243 780 | | | 163 762 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 110 998 | 162 607 | 163 762 | 42 066 | 219 841 | 243 780 | | | 163 762 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 110 998 | 162 607 | 163 762 | 42 066 | 219 841 | 243 780 | | | 163 762 |

The table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and Expenditure by Type for the period ended 31 January 2025. The full year forecast provides a guideline in terms of overall performance, and it gives an overview of whether the municipality will be able to spend as per budget.

6.3 Capital Expenditure

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

| Vote Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|-------------------|----------------|---------------|---------------|-----------------|----------|-----------------------|
| | | 2023/24 Approved Budget | Original Budget | Revised Budget | Monthly actual | YearTD actual | YearTD budget | YTD Variance | YTD % | Full Year Estimate |
| 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 | | 23 | 387 | 387 | - | - | 219 | (219) | -100% | 387 |
| Vote 2 - Finance and Administration | | 63 860 | 7 300 | 7 300 | 2 | 2 240 | 4 488 | (2 248) | -50% | 7 300 |
| Vote 3 - Internal Audit | | 223 | 210 | 210 | - | - | 160 | (160) | -100% | 210 |
| Vote 4 - Community and Social Services | | 22 343 | - | - | - | - | - | - | - | - |
| Vote 5 - Sport and Recreation | | - | - | - | - | - | - | - | - | - |
| Vote 6 - Public Safety | | - | 4 600 | 4 600 | 105 | 519 | 2 683 | (2 164) | -81% | 4 600 |
| Vote 7 - Housing | | 122 | 55 | 55 | - | - | 55 | (55) | -100% | 55 |
| Vote 8 - Health | | - | - | - | - | - | - | - | - | - |
| Vote 9 - Planning and Development | | 146 068 | 140 425 | 140 879 | 8 037 | 57 886 | 82 069 | (24 182) | -29% | 140 879 |
| Vote 10 - Road Transport | | 30 270 | 15 900 | 15 900 | - | 6 552 | 9 350 | (2 798) | -30% | 15 900 |
| Vote 11 - Environment Protection | | - | 800 | 800 | - | 452 | 467 | (15) | -3% | 800 |
| Vote 12 - Energy Sources | | - | 15 997 | 15 997 | 440 | 577 | 9 481 | (8 904) | -94% | 15 997 |
| Vote 13 - Other | | - | 485 | 485 | - | - | 279 | (279) | -100% | 485 |
| Vote 14 - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Waste Management | | 496 | 1 400 | 1 400 | - | 757 | 875 | (118) | -14% | 1 400 |
| Total Capital single-year expenditure | 4 | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Total Capital Expenditure | | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 64 106 | 7 897 | 7 897 | 2 | 2 240 | 4 867 | (2 627) | -54% | 7 897 |
| Executive and council | | 23 | 387 | 387 | - | - | 219 | (219) | -100% | 387 |
| Finance and administration | | 63 860 | 7 300 | 7 300 | 2 | 2 240 | 4 488 | (2 248) | -50% | 7 300 |
| Internal audit | | 223 | 210 | 210 | - | - | 160 | (160) | -100% | 210 |
| Community and public safety | | 22 465 | 4 655 | 4 655 | 105 | 519 | 2 738 | (2 219) | -81% | 4 655 |
| Community and social services | | 22 343 | - | - | - | - | - | - | - | - |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | 4 600 | 4 600 | 105 | 519 | 2 683 | (2 164) | -81% | 4 600 |
| Housing | | 122 | 55 | 55 | - | - | 55 | (55) | -100% | 55 |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 176 338 | 157 125 | 157 579 | 8 037 | 64 890 | 91 885 | (26 995) | -29% | 157 579 |
| Planning and development | | 146 068 | 140 425 | 140 879 | 8 037 | 57 886 | 82 069 | (24 182) | -29% | 140 879 |
| Road transport | | 30 270 | 15 900 | 15 900 | - | 6 552 | 9 350 | (2 798) | -30% | 15 900 |
| Environmental protection | | - | 800 | 800 | - | 452 | 467 | (15) | -3% | 800 |
| Trading services | | 496 | 17 397 | 17 397 | 440 | 1 334 | 10 356 | (9 022) | -87% | 17 397 |
| Energy sources | | - | 15 997 | 15 997 | 440 | 577 | 9 481 | (8 904) | -94% | 15 997 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 496 | 1 400 | 1 400 | - | 757 | 875 | (118) | -14% | 1 400 |
| Other | | - | 485 | 485 | - | - | 279 | (279) | -100% | 485 |
| Total Capital Expenditure - Functional Classification | 3 | 263 405 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |
| Funded by: | | | | | | | | | | |
| National Government | | 159 231 | 114 490 | 114 943 | 8 477 | 52 284 | 66 854 | (14 570) | -22% | 114 943 |
| Provincial Government | | - | 435 | 435 | - | - | 254 | (254) | -100% | 435 |
| District Municipality | | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, | | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 159 231 | 114 924 | 115 378 | 8 477 | 52 284 | 67 108 | (14 824) | -22% | 115 378 |
| Borrowing | 6 | - | 9 000 | 9 000 | - | 252 | 5 400 | (5 148) | -95% | 9 000 |
| Internally generated funds | | 44 397 | 63 634 | 63 634 | 107 | 16 447 | 37 618 | (21 170) | -56% | 63 634 |
| Total Capital Funding | | 203 628 | 187 558 | 188 012 | 8 583 | 68 983 | 110 125 | (41 142) | -37% | 188 012 |

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 31 January 2025.

6.4 Statement Cash Flow

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

| Description | 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 | 1 | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | 467 081 | 506 248 | 506 248 | 40 310 | 308 055 | 310 701 | (2 646) | -1% | 506 248 |
| Service charges | | 269 087 | 274 989 | 274 989 | 23 487 | 170 384 | 162 448 | 7 935 | 5% | 274 989 |
| Other revenue | | 101 579 | 54 408 | 56 491 | 10 088 | 81 965 | 33 794 | 48 171 | 143% | 56 491 |
| Transfers and Subsidies - Operational | | 363 972 | 336 888 | 336 933 | 1 | 250 949 | 255 532 | (4 583) | -2% | 336 933 |
| Transfers and Subsidies - Capital | | 153 568 | 132 163 | 132 163 | 2 100 | 107 491 | 101 424 | 6 067 | 6% | 132 163 |
| Interest | | 10 629 | 11 916 | 11 916 | 1 841 | 10 643 | 6 951 | 3 692 | 53% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (1 108 348) | (1 098 797) | (1 100 208) | (87 158) | (653 342) | (651 467) | (1 875) | 0% | (1 100 208) |
| Interest | | (1 931) | (10 818) | 10 818 | - | - | (926) | 926 | -100% | 10 818 |
| Transfers and Subsidies | | - | (17 163) | 17 163 | - | - | (7 209) | 7 209 | -100% | 17 163 |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 255 638 | 189 835 | 246 513 | (9 332) | 276 144 | 211 248 | (64 896) | -31% | 246 513 |
| 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) | (161 568) | (8 940) | (85 576) | (94 443) | 8 868 | -9% | (161 568) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | 168 468 | (161 114) | (161 568) | (8 940) | (85 576) | (94 443) | (8 868) | 9% | (161 568) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | | - |
| Borrowing long term/refinancing | | - | 9 000 | 9 000 | - | - | 9 000 | (9 000) | -100% | 9 000 |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (42 200) | - | - | - | - | - | - | | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (42 200) | 9 000 | 9 000 | - | - | 9 000 | 9 000 | 100% | 9 000 |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 381 906 | 37 721 | 93 945 | (18 272) | 190 568 | 125 805 | | | 93 945 |
| Cash/cash equivalents at beginning: | | 115 621 | 114 251 | 114 251 | | 66 405 | 114 251 | | | 66 405 |
| Cash/cash equivalents at month/year end: | | 497 527 | 151 973 | 208 197 | | 256 973 | 240 056 | | | 160 351 |

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

6.5 Statement financial Position

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

| Description | Ref | 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 | | 66 405 | 151 021 | 151 284 | 162 811 | 151 284 |
| Trade and other receivables from exchange transactions | | 129 452 | 142 304 | 142 304 | 156 790 | 142 304 |
| Receivables from non-exchange transactions | | 309 163 | 374 949 | 374 949 | 419 699 | 374 949 |
| Current portion of non-current receivables | | - | - | - | - | - |
| Inventory | | 10 621 | 11 770 | 11 770 | 7 120 | 11 770 |
| VAT | | 196 457 | 149 223 | 149 469 | 188 486 | 149 469 |
| Other current assets | | 4 802 | 4 469 | 4 469 | 3 178 | 4 469 |
| Total current assets | | 716 900 | 833 735 | 834 244 | 938 085 | 834 244 |
| Non current assets | | | | | | |
| Investments | | - | - | - | - | - |
| Investment property | | 395 906 | 354 869 | 354 869 | 395 906 | 354 869 |
| Property, plant and equipment | | 1 927 298 | 1 884 927 | 1 885 381 | 1 945 934 | 1 885 381 |
| Biological assets | | - | - | - | - | - |
| Living and non-living resources | | - | - | - | - | - |
| Heritage assets | | 2 348 | 2 210 | 2 210 | 2 348 | 2 210 |
| Intangible assets | | 344 | 153 | 153 | 271 | 153 |
| Trade and other receivables from exchange transactions | | - | - | - | - | - |
| Non-current receivables from non-exchange transactions | | - | - | - | - | - |
| Other non-current assets | | - | - | - | - | - |
| Total non current assets | | 2 325 895 | 2 242 159 | 2 242 613 | 2 345 457 | 2 242 613 |
| TOTAL ASSETS | | 3 042 795 | 3 075 894 | 3 076 857 | 3 283 543 | 3 076 857 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | - | - | - | - |
| Financial liabilities | | 31 793 | 11 764 | 11 764 | (10 990) | 11 764 |
| Consumer deposits | | 38 330 | 35 315 | 35 315 | 39 211 | 35 315 |
| Trade and other payables from exchange transactions | | 172 221 | 191 807 | 191 819 | 142 743 | 191 819 |
| Trade and other payables from non-exchange transactions | | 41 848 | 37 915 | 37 450 | 94 822 | 37 450 |
| Provision | | 40 709 | 50 183 | 50 183 | 59 053 | 50 183 |
| VAT | | 152 921 | 112 191 | 112 463 | 179 671 | 112 463 |
| Other current liabilities | | 5 795 | - | - | - | - |
| Total current liabilities | | 483 617 | 439 175 | 438 993 | 504 511 | 438 993 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 81 978 | 24 628 | 24 628 | 81 978 | 24 628 |
| Provision | | 46 476 | 47 192 | 47 192 | 46 476 | 47 192 |
| Long term portion of trade payables | | - | - | - | - | - |
| Other non-current liabilities | | 114 936 | 98 891 | 98 891 | 114 936 | 98 891 |
| Total non current liabilities | | 243 390 | 170 711 | 170 711 | 243 390 | 170 711 |
| TOTAL LIABILITIES | | 727 008 | 609 887 | 609 704 | 747 901 | 609 704 |
| NET ASSETS | 2 | 2 315 788 | 2 466 007 | 2 467 152 | 2 535 642 | 2 467 152 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 2 355 224 | 2 466 007 | 2 467 152 | 2 575 079 | 2 467 152 |
| Reserves and funds | | (39 437) | - | - | (39 437) | - |
| Other | | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 2 315 788 | 2 466 007 | 2 467 152 | 2 535 642 | 2 467 152 |

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 31 January 2025. Total assets are R3.2 billion over the total liabilities of R747 million this therefore mean the municipality is still able to meet its financial obligations.