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# RAY NKONYENI MUNICIPALITY

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## TREASURY DEPARTMENT

### MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 MARCH 2024 (M09)

Prepared By: Budget and Treasury Office

# **STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2023/2024 BUDGET FOR THE PERIOD ENDING 31 March 2024**

## **1. PURPOSE**

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

## **2. AUTHORITY**

Mayor

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

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

## **4. BACKGROUND**

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

## **5. EXECUTIVE SUMMARY**

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

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

## **6. MAIN TABLES**

6.1. Monthly Budget Statement Summary

6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

6.4. Cash Flow

6.5. Financial Position

## 5.1 Monthly Budget Statement of Financial Performance

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

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M09 - March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	486 141	509 406	509 406	44 942	463 446	463 096	349	0%	509 406
Service charges	212 429	245 147	245 147	20 356	195 626	193 837	1 788	1%	245 147
Investment revenue	10 845	8 511	11 275	77	7 504	7 074	429	6%	11 275
Transfers and subsidies - Operational	285 417	390 026	389 742	78 755	343 249	292 378	50 871	17%	389 742
Other own revenue	132 063	98 017	120 730	7 334	68 620	81 905	(13 285)	-16%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>1 276 300</b>	<b>151 464</b>	<b>1 078 444</b>	<b>1 038 290</b>	<b>40 153</b>	<b>4%</b>	<b>1 276 300</b>
Employee costs	455 419	483 929	483 842	38 803	358 862	373 687	(14 825)	-4%	483 842
Remuneration of Councillors	29 567	31 164	40 283	2 855	31 606	33 136	(1 530)	-5%	40 283
Depreciation and amortisation	94 294	104 756	110 770	7 273	65 453	79 953	(14 500)	-18%	110 770
Interest	24 062	9 958	9 960	475	1 459	7 485	(6 026)	-81%	9 960
Inventory consumed and bulk purchases	119 244	168 819	166 358	12 549	104 222	136 590	(32 368)	-24%	166 358
Transfers and subsidies	14 465	13 838	14 737	400	7 336	11 950	(4 614)	-39%	14 737
Other expenditure	426 555	440 726	497 740	33 832	306 350	366 771	(60 422)	-16%	497 740
<b>Total Expenditure</b>	<b>1 163 606</b>	<b>1 253 191</b>	<b>1 323 690</b>	<b>96 186</b>	<b>875 287</b>	<b>1 009 571</b>	<b>(134 285)</b>	<b>-13%</b>	<b>1 323 690</b>
<b>Surplus/(Deficit)</b>	<b>(36 711)</b>	<b>(2 083)</b>	<b>(47 390)</b>	<b>55 278</b>	<b>203 157</b>	<b>28 719</b>	<b>174 438</b>	<b>607%</b>	<b>(47 390)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	123 093	5 065	72 480	89 009	(16 529)	-19%	123 093
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; Share of surplus/ (deficit) of associate</b>	<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>	<b>157 909</b>	<b>134%</b>	<b>75 703</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>	<b>157 909</b>	<b>134%</b>	<b>75 703</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>212 244</b>	<b>154 893</b>	<b>176 379</b>	<b>14 073</b>	<b>99 808</b>	<b>133 749</b>	<b>(33 942)</b>	<b>-25%</b>	<b>176 379</b>
Capital transfers recognised	161 075	95 520	107 038	11 986	74 931	83 213	(8 282)	-10%	107 038
Borrowing	6 412	21 452	21 452	-	-	17 162	(17 162)	-100%	21 452
Internally generated funds	44 758	37 921	47 890	2 087	24 877	33 375	(8 498)	-25%	47 890
<b>Total sources of capital funds</b>	<b>212 244</b>	<b>154 893</b>	<b>176 379</b>	<b>14 073</b>	<b>99 808</b>	<b>133 749</b>	<b>(33 942)</b>	<b>-25%</b>	<b>176 379</b>
<b>Financial position</b>									
Total current assets	735 851	645 023	609 181		1 051 007				609 181
Total non current assets	2 162 440	2 037 876	2 063 000		2 196 795				2 063 000
Total current liabilities	395 179	335 379	356 723		462 419				356 723
Total non current liabilities	189 711	158 975	158 975		196 345				158 975
Community wealth/Equity	2 313 400	2 188 546	2 156 484		2 589 038				2 156 484
<b>Cash flows</b>									
Net cash from (used) operating	45 732	95 608	157 551	89 753	331 034	383 715	52 681	14%	157 551
Net cash from (used) investing	242 572	(168 358)	(187 898)	(16 420)	(115 795)	(161 114)	(45 319)	28%	(187 898)
Net cash from (used) financing	(31 987)	(18 414)	32 117	(4 899)	(34 929)	(33 605)	1 324	-4%	32 117
<b>Cash/cash equivalents at the month/year end</b>	<b>388 010</b>	<b>40 427</b>	<b>133 361</b>	<b>-</b>	<b>294 561</b>	<b>320 587</b>	<b>26 026</b>	<b>8%</b>	<b>116 022</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	67 769	37 212	20 888	17 914	16 579	21 861	14 289	461 328	657 840
<b>Creditors Age Analysis</b>									
Total Creditors	181	68	917	(20)	-	5	-	-	1 151

## 5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - March

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		153 095	182 436	182 436	14 600	137 647	136 827	820	1%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	5 756	57 979	57 010	968	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	14 824	961	8 343	11 735	(3 391)	-29%	14 824
Agency services		5 341	5 371	6 248	516	4 349	4 248	101	2%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	748	6 083	5 576	507	9%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	77	7 504	7 074	429	6%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	269	3 306	2 993	313	10%	4 975
Licence and permits		596	636	637	54	463	477	(14)	-3%	637
Operational Revenue		3 673	1 106	1 230	44	668	861	(193)	-22%	1 230
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	509 406	44 942	463 446	463 096	349	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	1 897	14 487	25 018	(10 531)	-42%	34 529
Licence and permits		7 734	9 628	9 628	57	6 711	7 221	(509)	-7%	9 628
Transfers and subsidies - Operational		285 417	390 026	389 742	78 755	343 249	292 378	50 871	17%	389 742
Interest		28 075	30 164	30 164	2 789	23 706	22 623	1 083	5%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	-	503	503	0	0%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 126 895</b>	<b>1 251 108</b>	<b>1 276 300</b>	<b>151 464</b>	<b>1 078 444</b>	<b>1 038 290</b>	<b>40 153</b>	<b>4%</b>	<b>1 276 300</b>
<b>Expenditure By Type</b>										
Employee related costs		455 419	483 929	483 842	38 803	358 862	373 687	(14 825)	-4%	483 842
Remuneration of councillors		29 567	31 164	40 283	2 855	31 606	33 136	(1 530)	-5%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	10 719	93 345	126 406	(33 061)	-26%	153 320
Inventory consumed		11 774	10 499	13 038	1 830	10 877	10 184	693	7%	13 038
Debt impairment		19 926	-	32 571	-	-	8 143	(8 143)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	7 273	65 453	79 953	(14 500)	-18%	110 770
Interest		24 062	9 958	9 960	475	1 459	7 485	(6 026)	-81%	9 960
Contracted services		211 569	273 776	283 115	22 582	182 367	220 292	(37 925)	-17%	283 115
Transfers and subsidies		14 465	13 838	14 737	400	7 336	11 950	(4 614)	-39%	14 737
Irrecoverable debts written off		27 590	10 513	10 513	473	4 079	7 885	(3 806)	-48%	10 513
Operational costs		161 955	156 437	171 541	10 778	121 308	130 452	(9 144)	-7%	171 541
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 163 606</b>	<b>1 253 191</b>	<b>1 323 690</b>	<b>96 186</b>	<b>875 287</b>	<b>1 009 571</b>	<b>(134 285)</b>	<b>-13%</b>	<b>1 323 690</b>
<b>Surplus/(Deficit)</b>		<b>(36 711)</b>	<b>(2 083)</b>	<b>(47 390)</b>	<b>55 278</b>	<b>203 157</b>	<b>28 719</b>	<b>174 438</b>	<b>607%</b>	<b>(47 390)</b>
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	123 093	5 065	72 480	89 009	(16 529)	-19%	123 093
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>

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

## Revenue

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

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - March

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		153 095	182 436	182 436	14 600	137 647	136 827	820	1%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	5 756	57 979	57 010	968	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	14 824	961	8 343	11 735	(3 391)	-29%	14 824
Agency services		5 341	5 371	6 248	516	4 349	4 248	101	2%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	748	6 083	5 576	507	9%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	77	7 504	7 074	429	6%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	269	3 306	2 993	313	10%	4 975
Licence and permits		596	636	637	54	463	477	(14)	-3%	637
Operational Revenue		3 673	1 106	1 230	44	668	861	(193)	-22%	1 230
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	509 406	44 942	463 446	463 096	349	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	1 897	14 487	25 018	(10 531)	-42%	34 529
Licence and permits		7 734	9 628	9 628	57	6 711	7 221	(509)	-7%	9 628
Transfers and subsidies - Operational		285 417	390 026	389 742	78 755	343 249	292 378	50 871	17%	389 742
Interest		28 075	30 164	30 164	2 789	23 706	22 623	1 083	5%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	-	503	503	0	0%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 126 895</b>	<b>1 251 108</b>	<b>1 276 300</b>	<b>151 464</b>	<b>1 078 444</b>	<b>1 038 290</b>	<b>40 153</b>	<b>4%</b>	<b>1 276 300</b>

## Revenue from Exchange Transactions

### Service charges - Electricity

The YTD Actual for electricity billing for the period ended 31 March 2024 is R137.6 million while the YTD Budget is R136.8 million. There is a positive variance of R820 thousand between the YTD actual and YTD budget. This positive variance is an indication the measures put in place by the municipality of replacing old meters and identifying illegal connections which has a positive effect in terms of the billing of energy consumption.

### Service charges – Waste Management

The overall YTD actual billing for refuse removals is R58 million and the YTD Budget billing is R57 million, which indicates a positive variance of R968 thousand. This over performance is attributed to an increase annual billing in property rates and the current performance is expected to be in line with the current annual budget.

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

The YTD actual amounts to R8.3 million with a YTD budget of R11.7 million, showing a negative variance of R3.4 million. This variance will be accounted for in the month of April as the revenue recognition for expenditure incurred until end of March on housing projects and the budget will be in line with projected revenue.

### **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-party commission for services rendered by the municipality. The annual projected revenue is R6.2 million, the YTD actual is R4.3 million vs the YTD budget of R4.2 million showing a positive variance of R101 thousand variance.

### **Interest earned from receivables**

The YTD budget amounts to R5.6 million compared to the YTD actual amount of R6 million, YTD actual showing a positive variance of R507 thousand variance. YTD actual performance is in line with budgeted projections.

### **Interest from Investments**

The YTD actual is R7.4 million and a YTD budget of R5.7 million. This shows a positive variance since there was more interest earned than the projected YTD budget.

### **Rental from fixed assets**

Rental of facilities amounts annual budget is R4.9 million, this is the rental of fixed asset revenue such as halls, airport hangers, skip hire and garages. The YTD actuals for the rental of facilities is R3.3 million compared to YTD budget of R3 million, resulting to a R313 thousand positive variance. This indicates that more rental revenue was collected than anticipated.

### **Licenses and Permits**

Licenses and permits for exchange revenue actuals to date amounts to R463 thousand with a YTD budget of R477 thousand resulting in an immaterial variance of R14 thousand.

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

### **Property Rates**

Property rates comprise of multiple categories under the jurisdiction of Ray Nkonyeni Municipality, the bulk revenue is billed on three categories: Residential properties, Business and Commercial properties as well as State owned properties. The annual budget for Property rates is R509.4 million and the YTD actual billing is R463.4 million, compared to the YTD budget of R463.1 million and a positive variance of R349 thousand due to the application of annual rate payers for public benefit organizations, residential properties, and state-owned entities.

### **Fines**

Fines, Penalties, and forfeits are derived from Building fines, illegal connections, overdue books, and the bulk budget being on traffic fines and the total budget being R34.5 million. The YTD actual is R14.5 million compared to a YTD budget of R25 million. The variance is mainly attributed to the issuing of traffic fines as they are contingent on the number of infringements that occur.

### **Licenses and Permits**

Licenses and permits for non-exchange revenue performance to date amount to R6.7 million with a YTD budget of R7.2 million. The YTD actual revenue mainly comprises of motor vehicle licenses with the budget of R8.7 million and the actual of R6.1million.

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

The YTD as of 31 March 2024 for operational grant recognized /received to date amounts to R343.2 million, YTD Budget is R292.4 million with a variance of R51 million due to all the tranches of equitable share being received and recognized as revenue and due the fact that 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 R23.7 million compared to YTD budget of R22.6 million. The item is in line with budget projections.

### **Total Revenue**

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



## **5.3 Expenditure by Type**

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - March

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Expenditure By Type</b>										
Employee related costs		455 419	483 929	483 842	38 803	358 862	373 687	(14 825)	-4%	483 842
Remuneration of councillors		29 567	31 164	40 283	2 855	31 606	33 136	(1 530)	-5%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	10 719	93 345	126 406	(33 061)	-26%	153 320
Inventory consumed		11 774	10 499	13 038	1 830	10 877	10 184	693	7%	13 038
Debt impairment		19 926	-	32 571	-	-	8 143	(8 143)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	7 273	65 453	79 953	(14 500)	-18%	110 770
Interest		24 062	9 958	9 960	475	1 459	7 485	(6 026)	-81%	9 960
Contracted services		211 569	273 776	283 115	22 582	182 367	220 292	(37 925)	-17%	283 115
Transfers and subsidies		14 465	13 838	14 737	400	7 336	11 950	(4 614)	-39%	14 737
Irrecoverable debts written off		27 590	10 513	10 513	473	4 079	7 885	(3 806)	-48%	10 513
Operational costs		161 955	156 437	171 541	10 778	121 308	130 452	(9 144)	-7%	171 541
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 163 606</b>	<b>1 253 191</b>	<b>1 323 690</b>	<b>96 186</b>	<b>875 287</b>	<b>1 009 571</b>	<b>(134 285)</b>	<b>-13%</b>	<b>1 323 690</b>

### **Employee related costs and Remuneration of Councillors**

The YTD actuals for employee related costs amount to R358.9 million as of 31 March 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 R31.6 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 March 2024 amounts to R182.4 million, the YTD Budget is R220.3 million. The R37.9 million variance. Expenditure related to Repairs and maintenance funded by the disaster management grant is in progress with the grant targeted to be fully utilized by the end of the financial year which will account for the current variance.

### **Inventory Consumed**

YTD Inventory consumed amounts to R10.9 million as of 31 March 2024 with the YTD Budget being R10.2 million. The consumption of inventory is in line with budget projection.

### **Depreciation and Amortization**

The YTD actual for this item has been calculated for the quarter as R65.5 million compared to the YTD budget of R79.9 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 March 2024 stands at R7.3 million with a YTD budget of R11.9 million. The annual budget for transfers and subsidies is R14.7 million.

### **Overall expenditure budget**

The overall expenditure YTD Actual is R875.3 million, YTD Budget is R1 billion. There is R134.3 thousand variance, due to the trends of different types of expenditure as explained above such as transfers and subsidies and contracted services which reflect a large variance compared to YTD budget.

### **Surplus/ (Deficit)**

Total Revenue less Total Expenditure equals to Surplus (Deficit). The YTD Surplus excluding capital transfers is R203.2 million compared to the YTD Budget surplus of R28.7 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 - M09 - March

Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	6	10	11	3	13	17	20	999	1 080	1 052	--	--
Trade and Other Receivables from Exchange Transactions - Electricity	1300	17 176	8 555	2 409	1 387	1 224	1 470	878	13 735	46 833	18 694	--	--
Receivables from Non-exchange Transactions - Property Rates	1400	40 280	21 406	12 633	10 850	10 182	15 550	8 525	269 438	388 864	314 546	--	--
Receivables from Exchange Transactions - Waste Water Management	1500	--	--	--	--	--	--	--	0	0	0	--	--
Receivables from Exchange Transactions - Waste Management	1600	5 857	3 417	2 256	1 933	1 795	1 592	1 478	52 846	71 176	59 645	--	--
Receivables from Exchange Transactions - Property Rental Debtors	1700	--	--	--	--	--	--	--	--	--	--	--	--
Interest on Arrear Debtor Accounts	1810	3 608	3 539	3 445	3 353	3 226	3 056	2 830	113 427	136 483	125 892	--	--
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	--	--	--	--	--	--	--	--	--	--	--	--
Other	1900	842	285	134	387	138	176	558	10 883	13 404	12 143	--	--
<b>Total By Income Source</b>	<b>2000</b>	<b>67 769</b>	<b>37 212</b>	<b>20 888</b>	<b>17 914</b>	<b>16 579</b>	<b>21 861</b>	<b>14 289</b>	<b>461 328</b>	<b>657 840</b>	<b>531 972</b>	<b>--</b>	<b>--</b>
<b>2022/23 - totals only</b>		<b>62 674</b>	<b>30 429</b>	<b>18 758</b>	<b>16 140</b>	<b>14 554</b>	<b>15 404</b>	<b>65 399</b>	<b>359 954</b>	<b>563 311</b>	<b>471 451</b>	<b>--</b>	<b>--</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2 411	859	731	735	769	6 300	621	45 135	57 560	53 559	--	--
Commercial	2300	25 765	13 538	5 308	4 296	4 056	4 374	3 656	83 637	144 630	100 019	--	--
Households	2400	39 580	22 793	14 844	12 881	11 751	11 183	10 010	332 412	455 454	378 237	--	--
Other	2500	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total By Customer Group</b>	<b>2600</b>	<b>67 756</b>	<b>37 190</b>	<b>20 883</b>	<b>17 912</b>	<b>16 576</b>	<b>21 857</b>	<b>14 286</b>	<b>461 184</b>	<b>657 644</b>	<b>531 815</b>	<b>--</b>	<b>--</b>

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

## 5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 - March

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	--	--	--	--	--	--	--	--	--	--	--
Bulk Water	0200	--	--	--	--	--	--	--	--	--	--	--
PAYE deductions	0300	--	--	--	--	--	--	--	--	--	--	--
VAT (output less input)	0400	--	--	--	--	--	--	--	--	--	--	--
Pensions / Retirement deductions	0500	--	--	--	--	--	--	--	--	--	--	301
Loan repayments	0600	--	--	--	--	--	--	--	--	--	--	--
Trade Creditors	0700	181	68	917	(20)	--	5	--	--	1 151	197	
Auditor General	0800	--	--	--	--	--	--	--	--	--	--	--
Other	0900	--	--	--	--	--	--	--	--	--	--	--
<b>Total By Customer Type</b>	<b>1000</b>	<b>181</b>	<b>68</b>	<b>917</b>	<b>(20)</b>	<b>--</b>	<b>5</b>	<b>--</b>	<b>--</b>	<b>1 151</b>	<b>499</b>	

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

## 5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 - March

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		298	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		3 938	3 801	4 108	374	2 542	3 989	(1 447)	-36%	4 108
Vote 3 - Internal Audit		676	200	220	32	188	170	18	11%	220
Vote 4 - Community and Social Services		379	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		1 613	4 340	995	27	420	2 043	(1 623)	-79%	995
Vote 7 - Housing		229	180	189	14	65	134	(69)	-52%	189
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		109 489	115 220	116 915	12 061	78 929	89 902	(10 974)	-12%	116 915
Vote 10 - Road Transport		77 794	7 200	31 700	1 565	16 920	19 980	(3 060)	-15%	31 700
Vote 11 - Environment Protection		389	500	300	-	292	295	(3)	-1%	300
Vote 12 - Energy Sources		13 778	22 952	21 452	-	-	16 862	(16 862)	-100%	21 452
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	500	-	452	375	77	20%	500
<b>Total Capital single-year expenditure</b>	4	212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
<b>Total Capital Expenditure</b>		212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		4 934	4 001	4 355	406	2 730	4 159	(1 428)	-34%	4 355
Executive and council		320	-	27	-	-	-	-	-	27
Finance and administration		3 938	3 801	4 108	374	2 542	3 989	(1 447)	-36%	4 108
Internal audit		676	200	220	32	188	170	18	11%	220
<b>Community and public safety</b>		2 072	4 520	1 185	41	485	2 177	(1 692)	-78%	1 185
Community and social services		379	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1 464	4 340	995	27	420	2 043	(1 623)	-79%	995
Housing		229	180	189	14	65	134	(69)	-52%	189
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		187 798	122 920	148 888	13 626	96 141	110 177	(14 036)	-13%	148 888
Planning and development		109 467	115 220	116 888	12 061	78 929	89 902	(10 974)	-12%	116 888
Road transport		77 943	7 200	31 700	1 565	16 920	19 980	(3 060)	-15%	31 700
Environmental protection		389	500	300	-	292	295	(3)	-1%	300
<b>Trading services</b>		18 283	23 452	21 952	-	452	17 237	(16 785)	-97%	21 952
Energy sources		13 778	22 952	21 452	-	-	16 862	(16 862)	-100%	21 452
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	500	-	452	375	77	20%	500
<b>Other</b>		(843)	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
<b>Funded by:</b>										
National Government		130 557	93 781	103 166	11 986	74 931	80 517	(5 587)	-7%	103 166
Provincial Government		30 518	1 739	3 872	-	-	2 695	(2 695)	-100%	3 872
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Ueaprtm Agencies,		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		161 075	95 520	107 038	11 986	74 931	83 213	(8 282)	-10%	107 038
Borrowing	6	6 412	21 452	21 452	-	-	17 162	(17 162)	-100%	21 452
Internally generated funds		44 758	37 921	47 890	2 087	24 877	33 375	(8 498)	-25%	47 890
<b>Total Capital Funding</b>		212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R99.8 million, the YTD budgeted is R133.7 million and there is R33.9 million variance. R 99.8 million of YTD actuals for capital expenditure, R74.9 million is funded by national grants, and R24.9 million from internally generated funds

## 5.7 Transfers and Grants Receipts



### KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER MAR 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 88 848 000	R -	R 57 422 231	R -	R 31 425 768 94	
NEIGHBOURHOOD GRANT	R 1 200 663	R 24 178 000	R -	R 26 502 342	R 1 123 679	R -	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 5 776 751	R 4 175 017	R -	R -	R 1 601 733 79	
MUNICIPAL DISASTER RECOVERY	R -	R -	R -	R -	R -	R -	
MUNICIPAL DISASTER RECOVERY	R -	R 82 298 000	R 53 662 727	R -	R -	R 28 635 272 84	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589 68	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R 326 518 55	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 374 182	R -	R -	R 1 575 818 49	
COMMUNITY LIBRARIES GRANT (MOB)	R -	R 715 000	R -	R -	R -	R 715 000 00	
MUSEUM GRANT	R -	R 476 000	R 2 119 789	R -	R 1 643 789	R -	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373 50	
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810 61	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R 2 452 315 18	
<b>TOTAL</b>	<b>R 8 541 271</b>	<b>R 206 241 751</b>	<b>R 60 331 714</b>	<b>R 83 924 573</b>	<b>R 2 767 468</b>	<b>R 73 294 203</b>	

## Transfers and Grants Receipts

The total grants received to date for period ending 31 March 2024 amounts to R162 million, which include R88.8 million from Integrated Urban Development Grant, R24.1 million from Neighborhood Development Grant, R5.7 million from EPWP, R1.95 million from FMG, R82.3 million disaster recovery grant, R 476 thousand from Museum Grant, R2 million from Airport Grant and R715 thousand from Community libraries grant (MOB).

## Opening Balances -Grant Register

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

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

## 5.8 Transfers and Grants Expenditure



### KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER MAR 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 88 848 000	R -	R 57 422 231	R -	R 31 425 768 94	
NEIGHBORHOOD GRANT	R 1 200 683	R 24 178 000	R -	R 26 502 342	R 1 123 679	R -	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 5 776 751	R 4 175 017	R -	R -	R 1 601 733 79	
MUNICIPAL DISASTER RESPONSE	R -	R -	R -	R -	R -	R -	
MUNICIPAL DISASTER RECOVERY	R -	R 82 298 000	R 53 662 727	R -	R -	R 28 635 272 84	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589 68	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R 326 519 55	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 374 182	R -	R -	R 1 575 818 49	
COMMUNITY LIBRARIES GRANT (LMOB)	R -	R 715 000	R -	R -	R -	R 715 000 00	
MUSEUM GRANT	R -	R 476 000	R 2 119 789	R -	R 1 643 789	R -	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373 50	
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810 61	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R 2 452 315 18	
<b>TOTAL</b>	<b>R 8 541 271</b>	<b>R 206 241 751</b>	<b>R 60 331 714</b>	<b>R 83 924 573</b>	<b>R 2 767 468</b>	<b>R 73 294 203</b>	

## Transfers and Grants Expenditure

Grants are monitored monthly, and Grant's register is communicated/ shared with management to ensure effective management of grants and 100% expenditure. As of 31 March 2024, there is R60 331 714 operating expenditure recorded and capital expenditure amounting to R83 924 573.

## Grant's expenditure

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

An amount of R88.8 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 March 2024 is R57.4 million and has been spent on various capital projects.

- **Neighborhood Development Partnership Grant**

An amount of R24 178 000 has been received for the Neighborhood Development Partnership Grant together with an unspent amount of R1.2 million from the previous year which the municipality needs to apply for rollover. This is a capital grant and the YTD actual for the period ended 31 March 2024 is R26.5 million, with R1.1 million being internally funded.

- **Expanded Public Works Programme**

An amount of R5 776 751 has been received for the EPWP grant. This is an operational grant and the YTD actual for the period ended 31 March 2024 is R4 175 017.

- **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 March 2024 is R374 182.

- **Museum Subsidy Grant**

An amount of R476 000 has been received for the museum grant. This is an operational grant and the YTD actual for the period ended 31 March 2024 is R2 119 789, with R1 643 789 being internally funded.

- **Disaster Recovery Grant**

An amount of R82 298 000 has been received for the disaster grant. This is an operational grant and the YTD actual for the period ended 31 March 2024 is R53 662 727.

## 5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 - March

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		26 688	19 040	27 782	1 615	21 010	23 194	(2 184)	-9%	27 782
Pension and UIF Contributions		-	758	758	62	564	606	(42)	-7%	758
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 880	2 815	3 192	256	2 235	2 495	(260)	-10%	3 192
Housing Allowances		-	5 953	5 953	669	5 537	4 762	775	16%	5 953
Other benefits and allowances		-	2 599	2 599	254	2 260	2 079	181	9%	2 599
<b>Sub Total - Councillors</b>		<b>29 567</b>	<b>31 164</b>	<b>40 283</b>	<b>2 855</b>	<b>31 606</b>	<b>33 136</b>	<b>(1 530)</b>	<b>-5%</b>	<b>40 283</b>
% increase	4		5.4%	36.2%						36.2%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3 690	3 946	3 621	204	2 094	3 157	(1 063)	-34%	3 621
Pension and UIF Contributions		146	192	133	8	61	154	(92)	-60%	133
Medical Aid Contributions		198	230	134	4	51	184	(133)	-72%	134
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		960	1 059	1 059	-	-	847	(847)	-100%	1 059
Motor Vehicle Allowance		838	1 060	928	61	502	848	(346)	-41%	928
Cellphone Allowance		87	114	92	6	50	92	(42)	-46%	92
Housing Allowances		2 655	3 275	2 243	111	1 141	2 620	(1 479)	-56%	2 243
Other benefits and allowances		1	1	1	0	0	1	(0)	-45%	1
Payments in lieu of leave		327	332	260	8	(143)	265	(409)	-154%	260
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		76	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>8 978</b>	<b>10 209</b>	<b>8 470</b>	<b>401</b>	<b>3 756</b>	<b>8 167</b>	<b>(4 412)</b>	<b>-54%</b>	<b>8 470</b>
% increase	4		13.7%	-5.7%						-5.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		274 917	289 060	293 685	24 028	216 695	230 791	(14 096)	-6%	293 685
Pension and UIF Contributions		50 977	50 460	54 484	4 410	39 409	40 368	(960)	-2%	54 484
Medical Aid Contributions		20 094	20 668	21 909	1 830	15 842	16 535	(693)	-4%	21 909
Overtime		21 821	18 985	22 020	1 420	16 913	14 828	2 085	14%	22 020
Performance Bonus		22 443	22 473	24 034	1 235	17 727	18 018	(291)	-2%	24 034
Motor Vehicle Allowance		18 911	18 975	21 168	1 637	14 984	15 180	(196)	-1%	21 168
Cellphone Allowance		1 021	1 007	1 047	84	749	805	(57)	-7%	1 047
Housing Allowances		4 152	4 059	3 430	238	2 499	3 247	(748)	-23%	3 430
Other benefits and allowances		5 224	6 038	5 441	431	4 438	4 830	(392)	-8%	5 441
Payments in lieu of leave		4 871	22 480	5 668	2 168	17 660	17 984	(325)	-2%	5 668
Long service awards		4 268	2 751	3 620	391	4 048	2 201	1 847	84%	3 620
Post-retirement benefit obligations		17 103	15 852	17 343	434	3 259	-	3 259	#DIV/0!	17 343
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		638	912	1 523	96	885	732	153	21%	1 523
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>446 442</b>	<b>473 720</b>	<b>475 372</b>	<b>38 402</b>	<b>355 106</b>	<b>365 519</b>	<b>(10 413)</b>	<b>-3%</b>	<b>475 372</b>
% increase	4		6.1%	6.5%						6.5%
<b>Total Parent Municipality</b>		<b>484 987</b>	<b>515 094</b>	<b>524 125</b>	<b>41 658</b>	<b>390 467</b>	<b>406 822</b>	<b>(16 355)</b>	<b>-4%</b>	<b>524 125</b>

### Councillors Remuneration

The annual budget is R40.28 million with a monthly budget of R2.9 million. The YTD actual performance stands at R31.6 million.



## 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 R3.8 million and a YTD budget of R8.2 million. The variance is attributed to the vacant post of senior management.

## Other Municipal Staff

The annual budget is R475.4 million with a monthly budget of R38.4 million. The YTD actual of R355.1 million is in line with the YTD budget of R365.5 million for this item.

## 5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY  
LONG TERM LOANS REGISTER : 31 MARCH 2024



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 March 2024	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE 31 March 2024
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	-R 10 380 212.91		-R 239 569.63		R 515 281.23	-R 10 104 501.31
DBSA	12.67%	22-Nov-30	61007761	-R 7 540 360.77		-R 235 531.95		R 414 268.04	-R 7 361 624.68
<b>TOTAL DBSA LOANS</b>				-R 17 920 573.68	R -	-R 475 101.58	R -	R 929 549.27	-R 17 466 125.99
<b>TOTAL LOANS</b>				-R 17 920 573.68	R -	-R 475 101.58	R -	R 929 549.27	-R 17 466 125.99

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

### ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

PROJECTS TO BE INCLUDED IN RNLB BUDGET	Year 1			Year 2			Year 3			Totals			Year 4		Total
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	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		
<b>Totals</b>	<b>R 3,500,000.00</b>	<b>R 8,476,000.00</b>	<b>R 7,976,000.00</b>	<b>R 19,952,000.00</b>									<b>21,452,000.00</b>	<b>41,404,000.00</b>	

## 5.11 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M09 - March

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Actual Outcome	Original Budget	Adjusted Budget	YearTD actual	Full year Forecast
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-0.7%	9.2%	9.1%	0.2%	3.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		3.0%	13.8%	12.2%	0.0%	21.5%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		14.9%	14.0%	15.1%	14.5%	15.1%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	186.2%	192.3%	170.8%	227.3%	170.8%
Liquidity Ratio	Monetary Assets/Current Liabilities		28.9%	12.1%	6.4%	53.7%	6.4%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		41.6%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b><u>Other Indicators</u></b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		40.4%	38.7%	37.9%	33.3%	37.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.1%	15.5%	14.9%	11.1%	14.9%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.5%	9.2%	9.5%	0.1%	3.9%
<b><u>IDP regulation financial viability indicators</u></b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational						

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

### **Borrowing Management**

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

### **Liquidity**

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

**Budgeted Current Ratio:** R609 181 000/R356 723 000= **1.71:1**

**Actual Current Ratio as of 31 March 2024:** R1 051 007/R462 419 = **2.27:1**

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 R1.71: R1 ratio and the actual ratio as of 31 March 2024 is: R2.27: R1 which is above the norm.

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

**Budgeted Acid test Ratio:** (R609 181 000-R14 812 000)/R356 723 000 =**1.67:1**

**Actual Acid test Ratio as 31 March 2024:** : (R1 051 0070-R12 494)/R462 419 = **2.25:1**

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

## 5.12 Investment Register



RAY NKONYENI MUNICIPALITY  
INVESTMENT REGISTER FOR THE PERIOD ENDING 31/03/2024

ACCOUNT NO	INVESTMENT DETAILS		CURRENT MONTH						YTD					
			MONTHLY OPENING BALANCES	INTEREST INVESTED 31/03/2024	BANK CHARGES 31/03/2024	DEPOSIT 31/03/2024	WITHDRAWALS 31/03/2024	CURRENT BALANCE	INVESTMENT BALANCES AS AT 31/03/2024	INTEREST	BANK DEPOSITS	CHARGES	INVESTMENT WITHDRAWALS	BALANCE AS AT 31/03/2024
378692984011	STANDARD BANK - CALL	LOUISIANA HSG	10 692 894.01	72 137.86	-	-	-	10 609 001.97	10 942 468.82	646 633.15	-	-	-	10 609 001.97
378692984023	STANDARD BANK - CALL	NZIMAKWE 1 HSG	693 320.38	5 096.82	-	-	-	698 417.20	646 777.71	41 639.49	-	-	-	698 417.20
378692984024	STANDARD BANK - CALL	NZIMAKWE 2 HSG	1 133 721.63	8 456.32	-	-	-	1 142 177.95	1 073 092.26	69 085.59	-	-	-	1 142 177.95
378692984005	STANDARD BANK - CALL	BHOBOVI SUB-HSG	359 997.76	2 695.19	-	-	-	362 692.95	340 745.77	21 937.18	-	-	-	362 692.95
378692984006	STANDARD BANK - CALL	BHOBOVI EST-HSG	13 092.29	56.82	-	-	-	13 149.10	12 679.67	469.43	-	-	-	13 149.10
378692984007	STANDARD BANK - CALL	DAMAGED HBES	83 759.39	401.36	-	-	-	84 160.75	89 850.07	3 310.88	-	-	-	84 160.75
378692984008	STANDARD BANK - CALL	UPLANDS HSG	83 674.58	400.65	-	-	-	84 075.23	89 789.21	3 207.92	-	-	-	84 075.23
378692984009	STANDARD BANK - CALL	MKHOLOMBE HSG	1 439 510.44	11 975.35	-	-	-	1 451 485.79	1 519 659.83	67 834.98	-	-	-	1 451 485.79
378692984010	STANDARD BANK - CALL	ABIS PROJECT	159 823.83	1 190.62	-	-	-	161 014.45	151 087.25	9 226.99	-	-	-	161 014.45
378692984013	STANDARD BANK - CALL	MASINWENGE HSG	38 287 635.56	273 416.42	-	-	-	38 561 051.98	34 326 112.24	2 210 940.64	-	-	-	38 561 051.98
378692984013	STANDARD BANK - CALL	KWAMAVUNDLA HSG	270 260.72	2 016.86	-	-	-	272 277.57	265 897.68	16 488.89	-	-	-	272 277.57
378692984014	STANDARD BANK - CALL	KWAKOLO HOUSING	12 834 431.69	95 730.80	-	-	-	12 930 162.69	12 148 071.10	782 091.59	-	-	-	12 930 162.69
378692984015	STANDARD BANK - CALL	KWAKOLO HOUSING	681 511.25	4 337.44	-	-	-	685 848.69	550 412.15	35 435.54	-	-	-	685 848.69
378692984015	STANDARD BANK - CALL	KWAKOLO HOUSING	64 086 493.81	482 002.30	-	-	-	65 168 496.11	61 230 524.86	3 937 881.25	-	-	-	65 168 496.11
74873852518	INVESTEC - CALL	MHOA (HOUSING DEVELOPMENT FUND)	10 639 831.65	72 292.55	-	-	-	10 712 124.10	10 831 633.79	656 107.68	-	-	-775 617.37	10 712 124.10
378692984016	STANDARD BANK-CALL	RHM- UNSPENT CONDITIONAL GRANTS	54 883.95	407.46	-	-	-	55 291.41	51 738.21	3 323.23	-	-	-	55 291.41
378692984017	STANDARD BANK-CALL	RHM-ACCREDITATION FUNDS	12 993.75	10.21	-	-	-	13 003.96	11 446.59	1 235.97	-	-	-	13 003.96
62726614151	FNB - CALL	RHM - PRIMARY INVESTMENT AC	51 100 470.45	774 812.60	-	141 500 000.00	-83 000 000.00	110 375 282.45	7 529 242.63	6 197 787.42	817 000 000.00	-	-720 261 727.60	110 375 282.45
74873852518	FNB	FNB- 48 HOUR CASH ACCELERATOR	3 866 745.01	26 188.32	-	-	-	3 892 933.33	3 666 757.16	226 176.17	-	-	-	3 892 933.33
027881097791	NEDBANK	RESERVES INVESTMENT ACCOUNT	38 727 620.00	254 912.69	-	-	-	38 982 532.67	27 429 957.96	1 842 576.71	10 000 000.00	-	-	38 982 532.67
GRAND TOTAL RHM INVESTMENT + INTEREST			109 027 848.61	1 610 755.95	-	141 500 000.00	-83 000 000.00	229 123 551.56	110 491 321.52	12 774 577.43	817 000 000.00	-	-721 037 344.37	229 123 551.56

The Investment register as of 31 March 2024 has the closing balance of R 229.1 million, with R1.61 million total interest earned for the month from which R 774 thousand was made on primary investment and various investment accounts as shown in the above register.

## 6.1 Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M09 - March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	486 141	509 406	509 406	44 942	463 446	463 096	349	0%	509 406
Service charges	212 429	245 147	245 147	20 356	195 626	193 837	1 788	1%	245 147
Investment revenue	10 845	8 511	11 275	77	7 504	7 074	429	6%	11 275
Transfers and subsidies - Operational	285 417	390 026	389 742	78 755	343 249	292 378	50 871	17%	389 742
Other own revenue	132 063	98 017	120 730	7 334	68 620	81 905	(13 285)	-16%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 126 895</b>	<b>1 251 108</b>	<b>1 276 300</b>	<b>151 464</b>	<b>1 078 444</b>	<b>1 038 290</b>	<b>40 153</b>	<b>4%</b>	<b>1 276 300</b>
Employee costs	455 419	483 929	483 842	38 803	358 862	373 687	(14 825)	-4%	483 842
Remuneration of Councillors	29 567	31 164	40 283	2 855	31 606	33 136	(1 530)	-5%	40 283
Depreciation and amortisation	94 294	104 756	110 770	7 273	65 453	79 953	(14 500)	-18%	110 770
Interest	24 062	9 958	9 960	475	1 459	7 485	(6 026)	-81%	9 960
Inventory consumed and bulk purchases	119 244	168 819	166 358	12 549	104 222	136 590	(32 368)	-24%	166 358
Transfers and subsidies	14 465	13 838	14 737	400	7 336	11 950	(4 614)	-39%	14 737
Other expenditure	426 555	440 726	497 740	33 832	306 350	366 771	(60 422)	-16%	497 740
<b>Total Expenditure</b>	<b>1 163 606</b>	<b>1 253 191</b>	<b>1 323 690</b>	<b>96 186</b>	<b>875 287</b>	<b>1 009 571</b>	<b>(134 285)</b>	<b>-13%</b>	<b>1 323 690</b>
<b>Surplus/(Deficit)</b>	<b>(36 711)</b>	<b>(2 083)</b>	<b>(47 390)</b>	<b>55 278</b>	<b>203 157</b>	<b>28 719</b>	<b>174 438</b>	<b>607%</b>	<b>(47 390)</b>
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	123 093	5 065	72 480	89 009	(16 529)	-19%	123 093
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp;</b>	<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>	<b>157 909</b>	<b>134%</b>	<b>75 703</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>	<b>157 909</b>	<b>134%</b>	<b>75 703</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
Capital transfers recognised	161 075	95 520	107 038	11 986	74 931	83 213	(8 282)	-10%	107 038
Borrowing	6 412	21 452	21 452	-	-	17 162	(17 162)	-100%	21 452
Internally generated funds	44 758	37 921	47 890	2 087	24 877	33 375	(8 498)	-25%	47 890
<b>Total sources of capital funds</b>	<b>212 244</b>	<b>154 893</b>	<b>176 379</b>	<b>14 073</b>	<b>99 808</b>	<b>133 749</b>	<b>(33 942)</b>	<b>-25%</b>	<b>176 379</b>
<b>Financial position</b>									
Total current assets	735 851	645 023	609 181		1 051 007				609 181
Total non current assets	2 162 440	2 037 876	2 063 000		2 196 795				2 063 000
Total current liabilities	395 179	335 379	356 723		462 419				356 723
Total non current liabilities	189 711	158 975	158 975		196 345				158 975
Community wealth/Equity	<b>2 313 400</b>	<b>2 188 546</b>	<b>2 156 484</b>		<b>2 589 038</b>				<b>2 156 484</b>
<b>Cash flows</b>									
Net cash from (used) operating	45 732	95 608	157 551	89 753	331 034	383 715	52 681	14%	157 551
Net cash from (used) investing	242 572	(168 358)	(187 898)	(16 420)	(115 795)	(161 114)	(45 319)	28%	(187 898)
Net cash from (used) financing	(31 987)	(18 414)	32 117	(4 899)	(34 929)	(33 605)	1 324	-4%	32 117
<b>Cash/cash equivalents at the month/year end</b>	<b>388 010</b>	<b>40 427</b>	<b>133 361</b>	<b>-</b>	<b>294 561</b>	<b>320 587</b>	<b>26 026</b>	<b>8%</b>	<b>116 022</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	67 769	37 212	20 888	17 914	16 579	21 861	14 289	461 328	657 840
<b>Creditors Age Analysis</b>									
Total Creditors	181	68	917	(20)	-	5	-	-	1 151

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) - M09 - March

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		153 095	182 436	182 436	14 600	137 647	136 827	820	1%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	5 756	57 979	57 010	968	2%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	14 824	961	8 343	11 735	(3 391)	-29%	14 824
Agency services		5 341	5 371	6 248	516	4 349	4 248	101	2%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	748	6 083	5 576	507	9%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	77	7 504	7 074	429	6%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	269	3 306	2 993	313	10%	4 975
Licence and permits		596	636	637	54	463	477	(14)	-3%	637
Operational Revenue		3 673	1 106	1 230	44	668	861	(193)	-22%	1 230
<b>Non-Exchange Revenue</b>										
Property rates		486 141	509 406	509 406	44 942	463 446	463 096	349	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	1 897	14 487	25 018	(10 531)	-42%	34 529
Licence and permits		7 734	9 628	9 628	57	6 711	7 221	(509)	-7%	9 628
Transfers and subsidies - Operational		285 417	390 026	389 742	78 755	343 249	292 378	50 871	17%	389 742
Interest		28 075	30 164	30 164	2 789	23 706	22 623	1 083	5%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	-	503	503	0	0%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 126 895</b>	<b>1 251 108</b>	<b>1 276 300</b>	<b>151 464</b>	<b>1 078 444</b>	<b>1 038 290</b>	<b>40 153</b>	<b>4%</b>	<b>1 276 300</b>
<b>Expenditure By Type</b>										
Employee related costs		455 419	483 929	483 842	38 803	358 862	373 687	(14 825)	-4%	483 842
Remuneration of councillors		29 567	31 164	40 283	2 855	31 606	33 136	(1 530)	-5%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	10 719	93 345	126 406	(33 061)	-26%	153 320
Inventory consumed		11 774	10 499	13 038	1 830	10 877	10 184	693	7%	13 038
Debt impairment		19 926	-	32 571	-	-	8 143	(8 143)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	7 273	65 453	79 953	(14 500)	-18%	110 770
Interest		24 062	9 958	9 960	475	1 459	7 485	(6 026)	-81%	9 960
Contracted services		211 569	273 776	283 115	22 582	182 367	220 292	(37 925)	-17%	283 115
Transfers and subsidies		14 465	13 838	14 737	400	7 336	11 950	(4 614)	-39%	14 737
Irrecoverable debts written off		27 590	10 513	10 513	473	4 079	7 885	(3 806)	-48%	10 513
Operational costs		161 955	156 437	171 541	10 778	121 308	130 452	(9 144)	-7%	171 541
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 163 606</b>	<b>1 253 191</b>	<b>1 323 690</b>	<b>96 186</b>	<b>875 287</b>	<b>1 009 571</b>	<b>(134 285)</b>	<b>-13%</b>	<b>1 323 690</b>
<b>Surplus/(Deficit)</b>										
Surplus/(Deficit)		(36 711)	(2 083)	(47 390)	55 278	203 157	28 719	174 438	607%	(47 390)
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	123 093	5 065	72 480	89 009	(16 529)	-19%	123 093
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>150 400</b>	<b>107 765</b>	<b>75 703</b>	<b>60 342</b>	<b>275 637</b>	<b>117 728</b>			<b>75 703</b>

The table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and Expenditure by Type for the period ended 31 March 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) - M09 - March

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>										
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		298	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		3 938	3 801	4 108	374	2 542	3 989	(1 447)	-36%	4 108
Vote 3 - Internal Audit		676	200	220	32	188	170	18	11%	220
Vote 4 - Community and Social Services		379	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		1 613	4 340	995	27	420	2 043	(1 623)	-79%	995
Vote 7 - Housing		229	180	189	14	65	134	(69)	-52%	189
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		109 489	115 220	116 915	12 061	78 929	89 902	(10 974)	-12%	116 915
Vote 10 - Road Transport		77 794	7 200	31 700	1 565	16 920	19 980	(3 060)	-15%	31 700
Vote 11 - Environment Protection		389	500	300	-	292	295	(3)	-1%	300
Vote 12 - Energy Sources		13 778	22 952	21 452	-	-	16 862	(16 862)	-100%	21 452
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	500	-	452	375	77	20%	500
<b>Total Capital single-year expenditure</b>	4	212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
<b>Total Capital Expenditure</b>		212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		4 934	4 001	4 355	406	2 730	4 159	(1 428)	-34%	4 355
Executive and council		320	-	27	-	-	-	-	-	27
Finance and administration		3 938	3 801	4 108	374	2 542	3 989	(1 447)	-36%	4 108
Internal audit		676	200	220	32	188	170	18	11%	220
<b>Community and public safety</b>		2 072	4 520	1 185	41	485	2 177	(1 692)	-78%	1 185
Community and social services		379	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1 464	4 340	995	27	420	2 043	(1 623)	-79%	995
Housing		229	180	189	14	65	134	(69)	-52%	189
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		187 798	122 920	148 888	13 626	96 141	110 177	(14 036)	-13%	148 888
Planning and development		109 467	115 220	116 888	12 061	78 929	89 902	(10 974)	-12%	116 888
Road transport		77 943	7 200	31 700	1 565	16 920	19 980	(3 060)	-15%	31 700
Environmental protection		389	500	300	-	292	295	(3)	-1%	300
<b>Trading services</b>		18 283	23 452	21 952	-	452	17 237	(16 785)	-97%	21 952
Energy sources		13 778	22 952	21 452	-	-	16 862	(16 862)	-100%	21 452
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	500	-	452	375	77	20%	500
<b>Other</b>		(843)	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379
<b>Funded by:</b>										
National Government		130 557	93 781	103 166	11 986	74 931	80 517	(5 587)	-7%	103 166
Provincial Government		30 518	1 739	3 872	-	-	2 695	(2 695)	-100%	3 872
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Ueaprtm Agencies,		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		161 075	95 520	107 038	11 986	74 931	83 213	(8 282)	-10%	107 038
<b>Borrowing</b>	6	6 412	21 452	21 452	-	-	17 162	(17 162)	-100%	21 452
<b>Internally generated funds</b>		44 758	37 921	47 890	2 087	24 877	33 375	(8 498)	-25%	47 890
<b>Total Capital Funding</b>		212 244	154 893	176 379	14 073	99 808	133 749	(33 942)	-25%	176 379

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



## 6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M09 - March

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
Receipts										
Property rates		462 432	483 936	483 936	38 468	370 084	505 695	(135 611)	-27%	483 936
Service charges		232 464	232 890	232 890	22 496	199 036	261 882	(62 845)	-24%	232 890
Other revenue		86 694	26 628	29 263	1 242	61 146	53 962	7 183	13%	29 263
Transfers and Subsidies - Operational		291 700	390 290	395 386	74 331	350 577	338 391	12 186	4%	395 386
Transfers and Subsidies - Capital		184 599	109 848	110 025	43 234	153 568	132 163	21 405	16%	110 025
Interest		10 332	8 511	11 275	-	6 747	11 916	(5 169)	-43%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1 221 166)	(1 131 649)	(1 130 069)	(89 543)	(808 667)	(894 713)	86 047	-10%	(1 130 069)
Interest		(1 324)	(9 958)	9 958	(475)	(1 457)	(10 818)	9 361	-87%	9 958
Transfers and Subsidies		-	(14 888)	14 888	-	-	(14 763)	14 763	-100%	14 888
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>45 732</b>	<b>95 608</b>	<b>157 551</b>	<b>89 753</b>	<b>331 034</b>	<b>383 715</b>	<b>52 681</b>	<b>14%</b>	<b>157 551</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		242 572	(168 358)	(187 898)	(16 420)	(115 795)	(161 114)	45 319	-28%	(187 898)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>242 572</b>	<b>(168 358)</b>	<b>(187 898)</b>	<b>(16 420)</b>	<b>(115 795)</b>	<b>(161 114)</b>	<b>(45 319)</b>	<b>28%</b>	<b>(187 898)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(31 987)	(18 414)	32 117	(4 899)	(34 929)	(33 605)	(1 324)	4%	32 117
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(31 987)</b>	<b>(18 414)</b>	<b>32 117</b>	<b>(4 899)</b>	<b>(34 929)</b>	<b>(33 605)</b>	<b>1 324</b>	<b>-4%</b>	<b>32 117</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>256 317</b>	<b>(91 164)</b>	<b>1 770</b>	<b>68 433</b>	<b>180 309</b>	<b>188 996</b>			<b>1 770</b>
Cash/cash equivalents at beginning:		131 693	131 591	131 591		114 251	131 591			114 251
Cash/cash equivalents at month/year end:		388 010	40 427	133 361		294 561	320 587			116 022

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 - M09 - March

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		114 251	40 427	22 857	248 370	22 857
Trade and other receivables from exchange transactions		110 482	143 554	138 590	143 343	138 590
Receivables from non-exchange transactions		353 515	333 984	307 784	472 893	307 784
Current portion of non-current receivables		–	–	–	–	–
Inventory		5 564	2 559	14 812	12 494	14 812
VAT		147 570	121 348	121 988	169 437	121 988
Other current assets		4 469	3 151	3 151	4 469	3 151
<b>Total current assets</b>		<b>735 851</b>	<b>645 023</b>	<b>609 181</b>	<b>1 051 007</b>	<b>609 181</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		354 869	307 811	316 811	354 869	316 811
Property, plant and equipment		1 804 872	1 726 164	1 741 856	1 839 458	1 741 856
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		2 210	2 205	2 205	2 210	2 205
Intangible assets		489	1 697	2 129	258	2 129
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>2 162 440</b>	<b>2 037 876</b>	<b>2 063 000</b>	<b>2 196 795</b>	<b>2 063 000</b>
<b>TOTAL ASSETS</b>		<b>2 898 291</b>	<b>2 682 899</b>	<b>2 672 182</b>	<b>3 247 802</b>	<b>2 672 182</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		17 369	28 891	15 188	(17 560)	15 188
Consumer deposits		35 315	32 846	32 846	37 245	32 846
Trade and other payables from exchange transactions		147 675	112 595	158 431	124 374	158 431
Trade and other payables from non-exchange transactions		37 945	46 376	33 987	118 600	33 987
Provision		39 844	35 473	37 073	51 130	37 073
VAT		112 191	74 576	74 576	143 791	74 576
Other current liabilities		4 839	4 622	4 622	4 839	4 622
<b>Total current liabilities</b>		<b>395 179</b>	<b>335 379</b>	<b>356 723</b>	<b>462 419</b>	<b>356 723</b>
<b>Non current liabilities</b>						
Financial liabilities		43 628	16 435	16 435	50 262	16 435
Provision		47 192	41 487	41 487	47 192	41 487
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		98 891	101 052	101 052	98 891	101 052
<b>Total non current liabilities</b>		<b>189 711</b>	<b>158 975</b>	<b>158 975</b>	<b>196 345</b>	<b>158 975</b>
<b>TOTAL LIABILITIES</b>		<b>584 890</b>	<b>494 353</b>	<b>515 698</b>	<b>658 764</b>	<b>515 698</b>
<b>NET ASSETS</b>	<b>2</b>	<b>2 313 400</b>	<b>2 188 546</b>	<b>2 156 484</b>	<b>2 589 038</b>	<b>2 156 484</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2 313 400	2 188 546	2 156 484	2 589 038	2 156 484
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>2 313 400</b>	<b>2 188 546</b>	<b>2 156 484</b>	<b>2 589 038</b>	<b>2 156 484</b>

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 31 March 2024. Total assets are R3.2 billion over the total liabilities of R658.8 million this therefore mean the municipality is still able to meet its financial obligations.